

Council Assembly

Budget and council tax setting meeting

Wednesday 24 February 2021
7.00 pm

Online/virtual. Contact constitutional.team@southwark.gov.uk for details.

This meeting will be livestreamed.

Councillors are summoned to attend a meeting of the Council to consider the business contained herein

Eleanor Kelly
Chief Executive

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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Contact

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Date: 12 February 2021



Council Assembly

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Wednesday 24 February 2021
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Order of Business

Item No.	Title	Page No.
	PART A - OPEN BUSINESS	
1.	PRELIMINARY BUSINESS	
1.2.	APOLOGIES FOR ABSENCE	
	To receive any apologies for absence.	
1.3.	ANNOUNCEMENTS FROM THE MAYOR, MEMBERS OF THE CABINET OR CHIEF EXECUTIVE	
	To receive any announcements from the Mayor, members of the cabinet or the chief executive.	
1.4.	NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE MAYOR DEEMS URGENT	
	In special circumstances an item of business may be added to an agenda within seven working days of the meeting.	
1.5.	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.	
1.6.	MINUTES	1 - 24
	To approve as a correct record the open minutes of the council assembly meeting held on 25 November 2020.	

Item No.	Title	Page No.
2.	REPORT(S) FOR DECISION FROM THE CABINET	
	2.1. POLICY AND RESOURCES STRATEGY 2021-22 - REVENUE BUDGET	25 - 144
	2.2. SETTING THE COUNCIL TAX 2021-22	
	To follow	
	2.3. CAPITAL STRATEGY AND TREASURY MANAGEMENT STRATEGY 2021-22	145 - 174
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3. AMENDMENTS

Any member of the council may submit an amendment to a report or motion on the agenda. The amendments will be circulated to all members in a supplemental agenda.

ANY OPEN ITEMS IDENTIFIED AS URGENT AT THE START OF THE MEETING

EXCLUSION MOTION (IF NECESSARY)

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

“That under the access to information procedure rules of the Southwark constitution, 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 section(s) 1 – 7 of paragraph 10.4 of the procedure rules.”

PART B – CLOSED BUSINESS

ANY CLOSED ITEMS IDENTIFIED AS URGENT AT THE START OF THE MEETING

Date: 12 February 2021



Council Assembly (Ordinary Meeting)

MINUTES of the Council Assembly (Ordinary Meeting) held on Wednesday 25 November 2020 at 7.00 pm online. This meeting is available at <https://www.youtube.com/user/southwarkcouncil>

PRESENT:

The Worshipful the Mayor for 2020-21, Councillor Barrie Hargrove (Chair)

Councillor Evelyn Akoto	Councillor Rebecca Lury
Councillor Anood Al-Samerai	Councillor Alice Macdonald
Councillor Humaira Ali	Councillor Eliza Mann
Councillor Jasmine Ali	Councillor James McAsh
Councillor Peter Babudu	Councillor Hamish McCallum
Councillor Maggie Browning	Councillor Darren Merrill
Councillor Jack Buck	Councillor Victoria Mills
Councillor Radha Burgess	Councillor Adele Morris
Councillor Victor Chamberlain	Councillor Graham Neale
Councillor Sunil Chopra	Councillor Margy Newens
Councillor James Coldwell	Councillor David Noakes
Councillor Stephanie Cryan	Councillor Damian O'Brien
Councillor Helen Dennis	Councillor Jason Ochere
Councillor Dora Dixon-Fyle MBE	Councillor Victoria Olisa
Councillor Nick Dolezal	Councillor Leo Pollak
Councillor Karl Eastham	Councillor Sandra Rhule
Councillor Gavin Edwards	Councillor Catherine Rose
Councillor Tom Flynn	Councillor Jane Salmon
Councillor Renata Hamvas	Councillor Martin Seaton
Councillor Jon Hartley	Councillor Andy Simmons
Councillor William Hougbo	Councillor Johnson Situ
Councillor Peter John OBE	Councillor Michael Situ
Councillor Nick Johnson	Councillor Charlie Smith
Councillor Eleanor Kerslake	Councillor Cleo Soanes
Councillor Sarah King	Councillor Leanne Werner
Councillor Sunny Lambe	Councillor Dan Whitehead
Councillor Lorraine Lauder MBE	Councillor Kath Whittam
Councillor Richard Leeming	Councillor Bill Williams
Councillor Maria Linforth-Hall	Councillor Kieron Williams
Councillor Richard Livingstone	Councillor Ian Wingfield

1. PRELIMINARY BUSINESS

1.1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Sirajul Islam and Paul Fleming. Apologies for lateness were received from Councillor Richard Leeming.

1.2 ANNOUNCEMENTS FROM THE MAYOR, MEMBERS OF THE CABINET OR CHIEF EXECUTIVE

Councillor Kieron Williams, the leader of the council, announced his appointment of Councillor Leanne Werner to the position of Deputy Cabinet Member for Domestic Abuse.

Councillor Jasmine Ali, the cabinet member for public health and community safety, announced the success of two Ofsted inspections in the borough.

1.3 NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE MAYOR DEEMS URGENT

At this point the programme motion was agreed.

The order of business and timings for the evening will be as follows:

Time	Business
19:00 - 19:15	1. Preliminary business and announcements
19:15 - 19:25	2.2 Public question time <ul style="list-style-type: none"> • Sachin Shah • Clive Rates
19:25 - 19:45 (20 minutes)	Themed debate: Resilient Southwark: responding to the ongoing pandemic 3.1 Community Evidence <ul style="list-style-type: none"> • Citizens Advice Southwark • Linda Drake, Southwark Borough Based Board • Cassie Buchanan, Charles Dickens Primary School • Daniel Mermelstein, Citizens Basic Income Trust • Nicole Gordon, Better Bankside Improvement District
Five minute break	
19:50 - 20:30 (7 minutes) (5 minutes)	3.2 Motion on the Theme <ol style="list-style-type: none"> 1. Councillor Kieron Williams 2. Councillor Nick Johnson, opposition

(25 minutes) (3 minutes)	<p>spokesperson, to speak on the motion and move Amendment A</p> <p>3. Themed debate open to all other councillors</p> <p>4. Cabinet member's right of reply to the debate</p>
20:35 - 20:45	<p>4. Deputations</p> <ul style="list-style-type: none"> • Cladding and fire safety in Southwark <p>Question to the cabinet member Questions from members</p>
20:45 - 21:05	<p>5.2 Members' Motions</p> <p>2. End our cladding, external wall fire review form EWS1 and snagging scandal</p>
Five minute break	
<p>21:10 - 21:30 (5 minutes)</p> <p>(7 minutes) (4 minutes each)</p>	<p>5.1 Members' Question Time</p> <ul style="list-style-type: none"> • Late question to the leader • Members' questions to the leader • Members' questions to cabinet members for leisure, environment and roads, and housing.
21:30 - 22:10	<p>5.2 Members' Motions</p> <ol style="list-style-type: none"> 1. Calling on the government to end child food poverty 3. Care full pay campaign 4. The future of transport in Southwark 5. Campaign to join a trade union in light of Covid-19 6. Misogyny as a Hate Crime 7. Supporting the Albrighton Community Fridge
Five minute break	
22:15*	<p>6. Reports</p> <ul style="list-style-type: none"> • Refresh of the Council Plan 2018-22 • London Borough of Southwark Statement of Licensing Policy 2021-2026 • Treasury Management - Mid-year Update 2020-21

* subject to the guillotine rule; maximum 15 minutes debate per item.

Note: Any time left remaining on any item will be rolled into the next items.

That the meeting be conducted as follows:

Public questions

Supplemental questions from the public questioners will receive a written response from the relevant cabinet member after the meeting.

Themed debate

Community Evidence Submissions

To receive submissions from the groups listed in the themed section of the agenda:

Resilient Southwark: responding to the ongoing pandemic

- Citizens Advice Southwark
- Linda Drake, Southwark Borough Based Board
- Cassie Buchanan, Charles Dickens Primary School
- Daniel Mermelstein, Citizens Basic Income Trust
- Nicole Gordon, Better Bankside Improvement District

Format

A three minute presentation from the community evidence presenter; if the presenter would like to ask a question, they will receive a written response from the cabinet member after the meeting.

Themed debate

To run as listed in the timings above.

Deputations

To receive a deputation on cladding and fire safety in Southwark.

Format

A five minutes presentation from the deputation, a question from the deputation to the relevant cabinet member, and two questions to the deputation from members.

Members' Motions

Motion 2: End our cladding, external wall fire review form EWS1 and snagging scandal

To debate Motion 2: End our cladding, external wall fire review form EWS1 and snagging scandal immediately after the deputation.

To change the mover and seconder of Amendment C as below:

Moved: Councillor Tom Flynn
Seconded: Councillor Sarah King

Motion 3: Care full pay campaign

To change the seconder of Motion 3 as below:

Seconded: Councillor Renata Hamvas

Motion 5: Campaign to join a trade union in light of Covid-19

To change the mover of Motion 5 as below:

Moved: Councillor Jack Buck

Item 6.2: London Borough of Southwark - Statement of Licensing Policy 2021-2026

To amend the recommendation set out in the report to read as follows:

1. The Licensing Committee recommends that Council Assembly considers and adopts the Statement of Licensing Policy 2021-2026. (Appendix A).

To amend the report at paragraph 273 so the section in italics at the bottom of Appendix D reads as follows:

- The London Borough of Southwark has declared a Climate Emergency and therefore, expects that businesses refrain from using single use plastics where possible, and also adhere to the Environmental Protection (Plastic Straws, Cotton Buds and Stirrers) (England) Regulations 2020.

1.4 DISCLOSURE OF INTERESTS AND DISPENSATIONS

The following councillors were granted a dispensation by the monitoring officer to vote on Motion 2 - End our cladding, external wall fire review form EWS1 and snagging scandal:

Councillors Peter Babudu, Jack Buck, Victor Chamberlain, Sunil Chopra, Karl Eastham, Richard Leeming, Eliza Mann, James McAsh, Hamish McCallum, David Noakes, Jane Salmon and Dan Whitehead.

The following councillors declared non-pecuniary interests:

Councillor Stephanie Cryan, for the community evidence submission on the theme, as a director of Better Bankside.

Councillor Victor Chamberlain, for the community evidence submission on the theme, as a

director of Better Bankside.

Councillor Johnson Situ, for the community evidence submission on the theme, as a previous director of Better Bankside.

Councillor Catherine Rose, for the community evidence submission on the theme, as a school governor for Charter School East Dulwich.

The following councillors declared pecuniary interests, and were not present during the consideration or voting on the items:

Councillor Gavin Edwards, for Motions 3 and 5, as an employee of Unison.

Councillor Victoria Olisa, for Motions 3 and 5, as an employee of Unison.

Councillor Vikki Mills, for Motions 3 and 5, as her partner is an employee of Unison.

Councillor James McAsh, for Motion 5, as his partner is an employee of the Trade Unions Council.

1.5 MINUTES

The minutes of the council assembly meeting held on 16 September 2020 were agreed as a correct record.

2. ISSUES RAISED BY THE PUBLIC

2.1 PETITIONS

There were no petitions.

2.2 PUBLIC QUESTION TIME

(See page 1 of supplemental agenda 1 and additional papers circulated at the meeting)

There were two questions from the public, the answers to which had been circulated by email before the meeting. The two public questioners asked supplemental questions of the cabinet members. Written responses will be supplied to the questioners.

3. THEMED DEBATE

3.1 COMMUNITY EVIDENCE

The meeting agreed to receive submissions from the following:

Citizens Advice Southwark

The representative spoke to the meeting for three minutes.

Linda Drake, Southwark Borough Based Board

The representative spoke to the meeting for three minutes.

Cassie Buchanan, Charles Dickens Primary School

The representative spoke to the meeting for three minutes.

The representative asked a question of the relevant cabinet member and will receive a written response.

Daniel Mermelstein, Universal Basic Income Lab London

The representative spoke to the meeting for three minutes.

The representative asked a question of the relevant cabinet member and will receive a written response.

Nicole Gordon, Better Bankside Improvement District

The representative spoke to the meeting for three minutes.

The representative asked a question of the relevant cabinet member and will receive a written response.

3.2 MOTION ON THE THEME

The leader of the council, Councillor Kieron Williams, presented the first motion in the themed debate.

Councillor Nick Johnson, the majority opposition group spokesperson, responded to the leader's motion and proposed Amendment A.

Following debate (Councillors Evelyn Akoto, Dan Whitehead, Stephanie Cryan, Leanne Werner, Humaira Ali, Helen Dennis, David Noakes, Vikki Mills, Damian O'Brien and Peter John), Councillor Kieron Williams responded to the debate.

Amendment A was put to the vote and declared to be Lost.

The motion was put to the vote and declared to be Carried.

RESOLVED:

Resilient Southwark: responding to the ongoing pandemic

1. Council assembly notes that:
 - a. Covid-19 continues to have a significant and negative impact on the borough and our residents; particularly for the most vulnerable (such as those over the age of 80) and black, Asian and minority ethnic communities.
 - b. we are currently in the second wave of the virus and back in national lockdown, and the number of deaths due to Covid-19 are increasing exponentially each week.

2. Council Assembly further notes:
 - a. After an initial period where Southwark Council responded quickly and effectively to the first wave in partnership with the borough's voluntary and community sectors, the council is now working to build Covid-19 resilience into its long term plans, prevent the further spread of the virus, and protect residents from an even deadlier third or fourth wave.
 - b. The Council Plan refresh makes it clear that Covid-19 response and resilience is a central part of the council's fabric.
 - c. As of 4 November 2020, Southwark Council has taken the following steps towards Covid-19 recovery:
 - Financially supported over 5,000 families with the Southwark Emergency Support Scheme.
 - Rehoused 763 residents who were formerly sleeping rough, following the success of the initial 'Everyone In' movement.
 - Created an Economic Renewal Plan to ensure that businesses, high streets and town centres are able to recover from the pandemic, which includes measures such as distributing millions of pounds of grants, changing public spaces to enable social distancing (in over 100 locations), and providing marshals to reopen high streets safely.
 - d. In order to prevent the spread of Covid-19 and in the absence of a well-managed government system, Southwark Council has stepped up to provide a local Test and Trace programme, increasing the overall follow up contact rate from 60% to over 85% since this began – amongst the highest follow-up rates for the 32 London boroughs.
3. Council assembly further notes the government's incompetence and failure to:
 - control the virus and bring down infection rates with an effective Test and Trace system; instead rolling out a system which does not meet its own self-set targets, loses crucial data and rakes in profits for private companies.
 - provide sufficient financial support to individuals throughout the pandemic; by switching and doubling back on furlough policy last minute, excluding thousands of new starters from eligibility criteria, and disregarding those who are self-employed or freelance.
 - work with capable and local authorities as partners and involve them in planning and delivery; instead leaving them in the dark and facing huge funding gaps.
4. Council assembly puts on record its thanks to:
 - all council staff, the NHS, community groups, other partners and residents for their incredible resilience and support throughout the pandemic.
5. Council assembly calls on cabinet to:
 - a. Continue to work with partners to protect and support residents during this second wave and second national lockdown.
 - b. Lobby the government to:
 - properly fund the NHS and local authority Public Health teams - not failing corporations - to run a fully functioning test, trace, isolate and support system which will guarantee everyone in our community

(including those in care homes) are able to access a test and receive the results quickly. This should incorporate full sick pay for those testing positive, allowing them to self-isolate, and hotels for vulnerable people to self-isolate when someone in their household has tested positive.

- give financial security and peace of mind to those who have lost their jobs by extending the furlough scheme until the end of the year, and launch an emergency support package for the hardest hit sectors, including culture, leisure, arts, and hospitality.
- avoid a 'poverty pandemic' by raising the Local Housing Allowance to cover the cost of renting a basic private rented home and suspending the benefits cap, and increase Universal Credit and other legacy benefit payments by £20 per week to alleviate fuel poverty this winter.
- reinstate the 'Everyone In' rough sleeping policy until at least the end of March 2021, including suspending the no recourse to public funds (NRPF) rules which trap people on the streets.
- deliver a full support package for schools; to include funding which covers the cost of staying open safely, cover for teachers who are self-isolating, and distribution of enough laptops so that all children who are self-isolating can study from home.
- provide proper financial support for local authorities and help cover the 'coronavirus deficit' that has emerged through increased expenditure and loss of revenue for councils – a forecast £11m this financial year for Southwark alone.

4. DEPUTATIONS

As part of the programme motion the meeting agreed to hear a deputation on:

Cladding and Fire Safety in Southwark

The group's representatives spoke to the meeting for five minutes and thereafter asked a question of the cabinet member for housing.

Two members asked questions of the deputation.

5. ISSUES RAISED BY MEMBERS

5.1 MEMBERS' QUESTION TIME

There was one late question to the leader from Councillor Nick Johnson, the written response to which was circulated by email before the meeting. There was one supplemental question.

There were 18 members' questions, the written responses to which were circulated by email before the meeting. There were nine supplemental questions. Due to an administrative error, Councillor William Hougbo did not have time to present his supplemental question. The question and cabinet member response is set out below:

QUESTION TO THE CABINET MEMBER FOR HOUSING FROM COUNCILLOR WILLIAM HOUNGBO

Why does the cost of scaffolding exceed by 300% the cost of the intended works requiring it, without justification?

RESPONSE

Outside of any planned major works programme we operate a responsive and reactive maintenance service and only carry out repairs where issues have been reported and are essential. Due to the height of Devon Mansion buildings it is not possible to undertake roofing inspections and or repairs without the use of scaffolds. The cost of the scaffold is determined by the height, width and amount of boarded platforms required to reach the area of concern, however a pavement licence may also be required should the scaffold need to be erected on a public footway.

A section 20 notice is served based on the costs incurred and depending on the levels of works identified upon erection of the scaffolding an additional works pro forma is served to inform residents of the increase to the repairing cost. In many instances the cost of the scaffold required will be higher than the level of works required to resolve ongoing repair issues.

Section 20 notices have been served under the below works orders within the last 12 months at Devon Mansions.

455-475 Devon Mansions – cost of scaffold £3652, cost of works £385
 387-405 Devon Mansions – cost of scaffold £5661, cost of works £2200
 455-475 Devon Mansions – cost of scaffold £5590, cost of works £357
 476-489 Devon Mansions – cost of scaffold £3379, works in progress
 15-28 Devon Mansions – cost of scaffold £2528, cost of works £935

There is now a major works contract currently on site. Additional fire safety works have been identified which will utilise the scaffolding and these are currently being priced.

5.2 MEMBERS' MOTIONS

MOTION 1: Calling on the government to end child food poverty

This motion was considered prior to the guillotine having fallen.

Councillor Karl Eastham, seconded by Councillor Margy Newens, moved the motion.

There was one amendment to the motion. Amendment B was moved by Councillor Victor Chamberlain, and seconded by Councillor Anood Al-Samerai.

Following debate (Councillors Jasmine Ali, Sunny Lambe, William Hougbo, James McAsh, Dora Dixon-Fyle, Humaira Ali, Vikki Mills and Jason Ochere), Amendment B was put to the vote and declared to be lost.

The motion was put to the vote and declared to be carried.

Note: This motion will be referred as a recommendation to the cabinet for consideration.

1. Council Assembly notes that:
 - a. 10% of children in the UK are reported by UNICEF to be living in households affected by severe food insecurity.
 - b. Southwark Council was one of the first councils to extend Free School Meals into the October half term in order to combat holiday hunger, after a parliamentary vote where Conservative MPs decided against funding them.
 - c. As of 8 November 2020 the Government has now reversed their previous position on Free School Meals and agreed to fund them for Easter, Summer and Christmas in 2021 as part of their Holiday Activities and Food programme, after the #endchildfoodpoverty campaign led by Marcus Rashford and the Child Food Poverty Taskforce.
 - d. Free School Meals has been a flagship Southwark Labour policy for 10 years, despite opposition from local Liberal Democrat councillors.
2. Council Assembly thanks:
 - a. Marcus Rashford and the Child Food Poverty Taskforce for highlighting this important issue and working to #endchildfoodpoverty, at a time of rising job insecurity and financial worry due to Covid-19.
 - b. The fellow local authorities, businesses and community groups that have stepped up to provide meals over the October half term.
3. Council Assembly calls on Cabinet to:
 - a. Lobby government to ensure that local authorities have sufficient funding to provide Free School Meals to all children who need them in the school holidays.
 - b. Join forces with Marcus Rashford, the Child Food Poverty Taskforce, and other local authorities to request that the government expand free school meals to all under-16s where a parent or guardian is in receipt of Universal Credit or equivalent benefit.
 - c. Call on government to bring forward and implement the planned long term strategy to combat child food poverty, following the welcome short term decisions set out on 8 November 2020.

MOTION 2: End our cladding, EWS1 and snagging scandal

This motion was considered prior to the guillotine having fallen.

Councillor Humaira Ali, seconded by Councillor Graham Neale, moved the motion.

There was one amendment to the motion. Amendment C was moved by Councillor Tom Flynn, and seconded by Councillor Sarah King.

Following debate (Councillors Richard Livingstone, Victor Chamberlain and Andy Simmons), Amendment C was put to the vote and declared to be carried.

The motion was put to the vote and declared to be carried.

Note: This motion will be referred as a recommendation to the cabinet for consideration.

1. Council Assembly notes that:

- a. Following the human tragedy of the 2017 Grenfell Tower fire taking 72 lives, which is attributed to Aluminium Composite Material (ACM) cladding, this has rightfully led to a focus on fire safety in buildings across the country.
- b. The Government banned the use of all combustible materials on the walls of new high rises in November 2018¹ meaning the problem has now extended beyond ACM cladding to buildings decorated with other materials that could be flammable - including balconies, and wooden panels. However, it did not legislate for building owners to take action or provide sufficient compensation funds to cover all situations.
- c. In parallel, the Royal Institution of Chartered Surveyors (RICS) and the UK Council of Mortgage Lenders agreed the industry External Wall System fire review and certification process resulting in what is known as an EWS1 form. Only circa 300 professional fire safety engineers nationally are qualified to issue these whilst demand is high - creating a bottleneck across the country including in Southwark.
- d. Without an EWS1 form, many lenders are now refusing to provide mortgages and many leaseholders are having to battle with owners to obtain one. Remediation costs are also skyrocketing in the £100,000s and many owners are forcing this back on leaseholders via financially ruinous service charges – including for those in shared ownership.
- e. Subsequently, residents and leaseholders through no fault of their own are being left in potentially ruinous limbo unable to mortgage properties, re-mortgage and therefore unable to buy and sell. Additionally residents are living in fear in homes with no idea if they are safe. This is fundamentally holding up people's lives, costing our residents money they shouldn't have to pay and leaving a huge mental health impact.
- f. Previous to 21 November 2020, the EWS1 form was intended for use with high rises (18m or higher), yet Southwark saw an increasing demand of this being requested for almost all types of buildings, regardless of height or construction type.

2. Council Assembly also notes that:

- a. The cladding issue is symptomatic of a wider problem of lack of national legislature for snagging in new build blocks -- snagging meaning the process of

¹ MHCLG, Government bans combustible materials on high-rise homes, 29 November 2018

checking a new building for faults that need to be rectified -- a process that has been deregulated by a Conservative government. Snagging is largely left to the responsibility of the residents to take up with the developer post purchase.

- b. Snagging of new build buildings (both the private and shared areas) can cause much angst for private and affordable housing leaseholders. Even when financially covered by new build insurance schemes such as the National Housing Building Council (NHBC) certification, leaseholders and residents associations often suffer poor response and cycles of poor quality repairs without solving underlying problems.
 - c. Councillor casework regularly contains issues around build quality along with a lack of accountability with the house builders. There are signs of much misery and impact on health and well-being for Southwark residents living with issues due to snagging.
3. Council Assembly asserts that:
- a. The combination of this cladding, EWS1 and snagging scandal is having an impact on many Southwark residents. In order to tackle this, the Council has created a Building Safety Board (BSB) Chaired by Michael Scorer, Strategic Director of Housing, and including the LFB Borough Commander of Southwark. The Board's remit is to provide residents of Southwark with guidance on the EWS1 process, a progress tracker of private and social housing blocks in the borough, as well as an opportunity for residents to log complaints for the Building Safety Board to pick up and action.
 - b. Southwark has currently employed one Fire Engineer to look at a pilot of 5 buildings who have enquired about EWS1 forms (out of a total 40 current enquiries). Unfortunately due to the large fees which can be offered by the private sector to prioritise their buildings, recruitment and retainment of staff in the public sector has been difficult.
 - c. The current industry EWS1 process and public funding of remediation works is not fit for purpose and needs rapid attention to unblock the mortgage process. The Government has largely adopted a 'hands-off' approach and insisted that making properties safe is the responsibility of building owners.
 - d. The Cabinet have taken significant steps to lobbying government in this area; Leader of the Council Cllr Kieron Williams has met with the Minister for Building Safety and Communities to discuss cladding, and with the London Councils Lead for Housing Cllr Darren Rodwell to facilitate exchanging and sharing of intelligence to support the Council's lobbying commitment on this issue.
 - e. Cllr Kieron Williams has also written to Christopher Pincher MP, the Housing Minister, and the RICS setting out Southwark's concerns about EWS1 surveys and asking for a better deal for Southwark leaseholders.
 - f. Southwark has updated the Council Plan to reflect the important work the council is doing on this issue and will continue to do over the coming months.

- g. The council has signed up to the cross-party End Our Cladding Scandal campaign, registering our support and signing the related petition.
 - h. That as a result of sustained lobbying, as of the 21st November the government has announced that only buildings with cladding will require an EWS1 form, which is expected to significantly reduce the number of buildings in Southwark requiring a survey.
4. Council Assembly therefore calls on Cabinet to:
- a. Commit to working with MHCLG and LFB to ensure any non-compliant non council owned buildings in the borough are dealt with in accordance with our enforcement powers. Southwark has already appointed a Lead Officer for All Buildings in the Borough to lead on this.
 - b. Commit to the creation of a web based cladding FAQ and reporting platform in the New Year to provide assistance to Southwark residents so they are able to lodge complaints to the council for consideration.
 - c. Work with the government, in light of their announcement of nearly £700,000 to train more assessors, to speed up the valuation process for homeowners in cases where an EWS1 form is required. According to government this training will be delivered by RICS from January and will mean up to 200 additional assessors will be qualified to carry out the EWS1 assessment within a month, 900 within three months, and 2,000 within six months.
 - d. Lobby all private building owners and Housing Associations in Southwark to act immediately in rectifying issues and achieve EWS1 certification when required – noting that some of these owners may not be the original developer and therefore will need the Council's assistance to engage and trace such developers or other routes to remedy to avoid any cost to their Leaseholders.
 - e. Lobby and work with the MPs, MHCLG and the Mayor of London to:
 - Devolve powers to Southwark Council in order to have jurisdiction over enforcing remediation of housing of all tenures and to obtain local control over the relevant compensation funds from the Government for Southwark so the Council can actively support affected residents in Southwark of all tenures.
 - Grant additional government funding to support additional powers and further speed up remedial cladding works across the country.
 - Adopt the sensible recommendations of the Housing, Communities and Local Government Select Committee that the EWS1 process could be reformed to urgently revise and implement a process (at no cost to leaseholders) that offers clarity to lenders, insurers and peace of mind for homeowners and buyers to re-instate re-mortgaging and property sales provided there is no immediate danger.
 - Adopt the 10 asks of the End Our Cladding Scandal campaign.

MOTION 3: Care full pay campaign

The guillotine having fallen, the motion was put to the vote and declared to be carried.

Note: This motion will be referred as a recommendation to the cabinet for consideration.

1. Council Assembly notes:
 - a. That Southwark Council was one of the first local authorities to sign up to Unison's Ethical Care Charter, ensuring better working conditions for home care workers and a better quality of care for residents. The Charter ensures that:
 - Care workers are paid travel time between appointments.
 - Every home care worker is given the opportunity to take up a guaranteed hours contract.
 - Care workers are always paid at least the independently calculated London Living Wage.
 - Care visits are long enough that care workers are able to carry out their duties with compassion.
 - b. That Southwark Council plans to build on the Ethical Care Charter through development of a Residential Care Charter and is currently consulting care home staff, residents and carers on this proposal.
 - c. The GMB union has now launched its Care Full Pay campaign calling for full occupational sick pay for residential social care staff with the aim of persuading care providers and Government that full sick pay is one of the most effective forms of infection prevention in care homes. The main objectives being
 - Full occupational sick pay for those working in residential social care.
 - Covid-19 full sick pay as a step to full sick pay.
 - Promote full sick pay as an infection control measure.
 - d. The UK has one of the lowest levels of Statutory Sick Pay (SSP) in Europe. Over time, the value of the payment has been eroded, and it now equates to around a fifth of median earnings. The April 2020 SSP rate is £95.85 per week.
 - e. According to the 2020 Vivaldi study, 77 per cent of care home workers received SSP-only (and a further 7 per cent did not receive any sick pay coverage).
2. This council understands that:
 - a. A strong body of emerging evidence links inadequate sickness pay to higher infection rates, and a reluctance to return to work including:
 - The initial findings of the Vivaldi study include tentative evidence that 'in care homes where staff receive sick pay, there are lower levels of infection in residents.
 - A recent survey of furloughed and non-furloughed workers found

that ‘workers without employer-provided sick pay have a significantly lower willingness to pay to return to work,’ and also that ‘workers without additional sick pay are significantly more likely to continue to work even with mild coronavirus symptoms.’

- In Spain, a reduction in the generosity of sick pay arrangements was associated with ‘huge increases in both the proportion of relapses and working accidents rates.’
- b. A GMB survey of nearly 1000 social care workers found that:
 - 77 per cent of care workers said they would be inclined to return to work before they were ready if they were on SSP.
 - 80 per cent of respondents said they would be forced to borrow off family or friends to make ends meet if they were put on SSP.
 - c. There are significant long-term challenges for the care workforce. There are an estimated 120,000 vacancies in the sector, and 800,000 frontline care workers are receiving less than the real living wage.
3. This council resolves to:
- a. Express its public support for GMB union’s Care Full Pay campaign.
 - b. To continue to call on its care home providers to pay full occupational sick pay to its social care workforce and use allocated funds from the Adult Social Care Infection Control Fund to do this as a priority in the first instance.
 - c. To continue to investigate how the Adult Social Care Infection Control Fund granted to the council in May and July 2020 was spent by care providers to ensure it has been spent on ensuring social care workers have full occupational sick pay, and ensure any funds not already spent are prioritised for ensuring full occupational sick pay.
 - d. To ensure all future funds allocated and administered through this council as part of the Adult Social Care Infection Control Fund encourage full sick pay as a priority.
 - e. Raise this issue with our local MPs and encourage them to call on the government to strengthen guidance around ensuring full occupational sick pay is paid to social care workers that have to self-isolate, or have suspected symptoms of Covid-19 or awaiting a test.
 - f. To encourage signatories on the GMB's Care Full Pay petition to Care Minister, Helen Whatley MP, available at www.gmb.org.uk/care-pay
 - g. To move forward with development of the Council’s own Residential Care Charter to ensure that there is a long-term plan to support and strengthen our care workforce.

MOTION 4: The future of transport in Southwark

The guillotine having fallen, Amendment D was put to the vote and declared carried.

The motion was put to the vote and declared to be carried.

Note: This motion will be referred as a recommendation to the cabinet for consideration.

1. Council Assembly notes that:

- a. In April 2019, the Council published its 'Movement Plan' which marked a shift in focus towards transport as 'movement', renewing the emphasis on active travel and prioritising the most sustainable methods of transport. Southwark is now currently significantly above the national average for the percentage of residents who regularly walk and cycle, with 60% of residents choosing to do so 3 times a week or more, and 51% of residents 5 times a week or more.
- b. Fortunately, Southwark has benefited from many improvements in public transport infrastructure over the past 20 years which have helped residents travel more sustainably - including the complete transformation of London Bridge station, two additional tube stations for the Jubilee line at Bermondsey and Southwark, commissioning of the London Overground, Thameslink upgrades, transformation of Blackfriars station and improvements to Denmark Hill and Peckham Rye stations and extension of bus routes.
- c. Opportunities for cycling and walking have been improved by the Millennium Bridge and the creation and expansion of the cycle hire scheme, and the council has worked with TfL to deliver new cycling infrastructure such as Cycle Route 4.
- d. A key recommendation of Southwark's Environment Scrutiny Air Quality report is to 'Drive down total private vehicle usage over time so that by 2030 only a limited number of EV [electric] vehicles are in common use on Southwark roads'. In order to achieve this the Council has introduced 251 electric vehicle chargers in the borough, a step towards ensuring that every resident is within walking distance of a charging point.
- e. Southwark has also introduced a 20mph speed limit on all council-owned roads, created 20 School Streets and widened pavements for increased walking space; all measures which initiate behaviour change and encourage residents to reconsider their transport choices.
- f. Linked to this, the Council is currently developing the Low Traffic Southwark strategy which aims to radically reduce car travel, and therefore emissions, in the borough and enable a modal shift to walking and cycling.
- g. Air quality throughout London continues to be a major issue, impacting on both residents' immediate health and wider climate change. On a local level, Southwark has introduced engine idling fines, school air quality audits, and invested in many tree planting initiatives in an effort to improve air quality for all residents.

2. Council Assembly also notes that:

- a. Public infrastructure improvements such as the Rotherhithe to Canary Wharf Bridge and the Bakerloo Line extension will support Southwark to reach air quality, road traffic, and active travel targets.
 - b. The Canada Water master plan for the Rotherhithe peninsula - one of the largest regeneration programmes ever undertaken in Southwark would benefit from investment in public transport infrastructure such as the Rotherhithe to Canary Wharf bridge, –and increased capacity on the London Underground Jubilee line.
 - c. The Old Kent Road area action plan also sets out an ambitious programme for housing, with 20,000 new homes (including at least 35% affordable homes). The Bakerloo Line Extension will support the delivery of over 10,000 of those new homes to be built (of which at least 2,500 will be social homes), and delivered more quickly.
3. Council Assembly recognises:
- a. The huge budget challenge that TfL is facing, as one of the only city transport networks in the world which does not receive government funding to cover its operating costs. Ticket sales make up 70% of its income (compared to under 40% in other cities such as Paris and New York) and during the pandemic TfL has taken a large financial hit with stations closing, journeys falling by 90% and advertising revenue lost.
 - b. That the government's 'levelling up' agenda for the UK and its transport networks is welcomed, but should not be code for underinvesting in London transport.
 - c. An efficient and properly funded London transport network is essential to ensure that the capital continues to contribute much more to the UK economy than it takes out – circa £30bn annually before Covid-19 – which in turn is redistributed for infrastructure projects in other regions.
 - d. Southwark welcomes and will champion any transport infrastructure proposals which fit with the Council's values and would provide environmental advantages.
 - e. Therefore, Southwark is concerned at proposals to 'pause' work on Rotherhithe Bridge and the delay in seeking funding for the Bakerloo Line Extension; projects that would both improve life for Southwark residents and reap wider benefits.
 - f. As part of a sustained campaign advocating for the Bakerloo Line Extension, the Leader of the Council Cllr Kieron Williams, Cabinet Members and local Councillors have written to Heidi Alexander (the Deputy Mayor of London for Transport) raising Southwark's concerns about deprioritising the project, and will be meeting herself and Deputy Mayor Pipe at the GLA Growth Partnership board to update and discuss steps forward.
 - g. Southwark Labour and Liberal Democrat councillors have raised objections to

the Silvertown Tunnel proposal -- a proposal which would encourage road traffic and would therefore be at odds with Southwark, London, and national strategies to reduce road traffic for environmental reasons and encourage active travel.

4. Council Assembly therefore calls on Cabinet to:
 - a. Continue to lobby the Mayor of London and TfL leadership to de-prioritise the Silvertown tunnel project and instead prioritise the Bakerloo line extension and the Rotherhithe bridge.
 - b. Lobby government, with the help of Southwark's MPs, to provide adequate funding to TfL for the Bakerloo Line Extension, allowing South East London to 'level up' their transport infrastructure with the rest of London.
 - c. Continue to act within their power to reduce road traffic, improve air quality and encourage active transport through the initiatives listed in the 2011 Transport Plan and the 2019 Movement Plan, and in particular to continue to commit fully to Low Traffic Southwark as a radical and transformative plan of action for Southwark's streets.
 - d. Continue to work with TfL, Councillors and communities across Southwark to work to improve public transport infrastructure across the borough in line with Southwark's Movement Plan.
 - e. Commit to working with neighbouring councils and strategic partnerships such as London Councils and Central London Forward to advocate for just investment in London transport networks which will support the capital, and therefore Southwark, to reach its sustainability goals.

MOTION 5: Campaign to join a trade union in light of Covid-19

The guillotine having fallen, the motion was put to the vote and declared to be carried.

Note: This motion will be referred as a recommendation to the cabinet for consideration.

1. Council Assembly notes:
 - a. That workplaces are the most common site of infection for Covid-19.
 - b. According to the Resolution Foundation, over 1 in 3 (35%) of workers are concerned about Covid-19 transmission whilst doing their job.
 - c. People on lower paid jobs are less likely to be able to work from home, increasing their risk of exposure to the virus.
2. Council Assembly further notes:
 - a. Research by the TUC shows that:
 - Workplaces with trade unions are safer: they have fewer cases of work-related illness, injury and fatalities.
 - Recognised trade unions have special rights to health and safety representatives, access to information from employers and

- involvement in the risk assessment processes.
 - Union members are likely to have better sick pay, which is vital for ensuring that staff self-isolate if they test positive.
 - Union members are likely to have a more secure job.
 - Union members are more likely to have control over their working hours, which makes it easier to juggle care responsibilities.
 - Workers in unionised workplaces get paid around 6.5% more than workers in similar non-unionised workplaces.
 - Unionised workplaces have smaller pay gaps between men and women.
3. Council Assembly believes:
- a. That workers who are members of a trade union have greater protection from both Covid-19 and from its associated economic damage.
 - b. Workers who are members of a trade union have greater employment rights beyond the pandemic.
4. Council Assembly calls on the cabinet to:
- a. raise awareness of the support trade unions can offer in the workplace.

MOTION 6: Misogyny as a Hate Crime

The guillotine having fallen, Amendment E was put to the vote and declared lost.

The motion was put to the vote and declared to be carried.

Note: This motion will be referred as a recommendation to the cabinet for consideration.

1. Council Assembly notes:
- a. That the Law Commission is currently reviewing all current hate crime legislation to consider whether any additional characteristics, including misogyny, should be granted legal protection, and is due to report back to Parliament in 2020. Misogyny is not currently recorded as a hate crime by the vast majority of police forces in the UK, outside of a handful of trial areas.
 - b. That, like women and girls across the country, residents of Southwark suffer harassment and abuse every single day. A YouGov national survey in 2016 showed that 85% of women aged 18-24 were subjected to sexual harassment in public.
 - c. The adoption of misogyny as a hate crime was successfully implemented in Nottingham, where analysis showed an increase in reporting as well as an increase in the use of wider services. It also showed the vast majority of local people wanted the scheme to continue.
 - d. Studies have shown that the intersectional nature of discrimination means that women with additional protected characteristics, such as

those who are BAME, disabled or LGBT+, are even more likely to experience harassment, discrimination and abuse.

2. Council Assembly thanks:
 - a. Campaigners across the country including Citizens UK, Hope Not Hate, Southall Black Sisters, Tell MAMA UK, the Fawcett Society and Stella Creasy MP who have worked hard to further this campaign.
3. Council Assembly further notes:
 - a. That Southwark Council has previously passed a cross-party motion on Promoting Equality and Valuing Diversity, which includes recognition of misogyny as a hate crime and looks to promote equality through school education and the launching of an updated equality and diversity standard (which we are currently in the process of doing).
 - b. That as part of the Hate Crime Strategy, the Council has committed to petitioning the government to change the law to introduce 'gender' as a new category of protected characteristic, and to make misogyny a form of hate-crime.
 - c. That London's Labour Mayor Sadiq Khan has also backed calls for misogyny to be considered a hate crime.
4. Council Assembly calls on Cabinet to:
 - a. Make a submission to the Law Commission's Consultation at the earliest opportunity in favour of strengthening hate crime legislation and making misogyny a hate crime, now that the commission has opened.
 - b. Continue to call on the Government to:
 - listen to the lived experience of women and girls across our country and to urgently act on any recommendations the commission makes to strengthen the law on hate crime, and to reform legislation around harassment to recognise as an offence a 'course of conduct' which targets women and girls in their community.
 - provide the resources and funding for police forces across the UK to effectively tackle harassment, misogyny and domestic abuse.
 - c. Call on the Metropolitan Police to record harassment of women as a hate crime, following successful trials in Nottingham and elsewhere.

MOTION 7: Supporting Southwark food banks into the next decade

The guillotine having fallen, Amendment F was put to the vote and declared carried.

The motion was put to the vote and declared to be carried.

Note: This motion will be referred as a recommendation to the cabinet for consideration.

1. Council Assembly notes, congratulates and thanks:
 - a. Southwark's food banks and their partners who are an essential part of provision of support to the most vulnerable in our community - whether independently run by volunteers, tenants and residents associations, as well as those supported by the Council's recent Community Hub programme.
 - b. The excellent work of all Southwark Building Services staff, Southwark Food banks and their partners throughout the Covid-19 pandemic who have delivered more than 25,000 meals to those in need.
 - c. The Community hub's eight incredible organisations Pecan, Pembroke House, Albrighton Community Centre, Central Southwark Community Hub, St George the Martyr, Time and Talents, Paxton Green and Lewington.
 - d. The efforts of regional charities such as the London Food Alliance supporting access to surplus food and fridges, as well as local businesses Fooditude, Bermondsey Employment Skills and Training and London based environmental charity Hubbub who have pivoted to provide access to equipment or cooked meals to supplement food parcels.
 - e. The particular work of the Albrighton Community Fridge, run by volunteers from the Albrighton Community Centre in Champion Hill ward.
2. Council Assembly further notes:
 - a. The massive increase in the numbers of those who have applied to Southwark's food banks across the borough for support since the start of the Covid-19 pandemic in March 2020, and the ongoing need for food support services which are provided to so many Southwark residents.
 - b. Under this Conservative Government, poverty is expected to continue to rise in Southwark as the impact of Brexit hits on top of the devastation to our community from the Covid-19 pandemic, and continued issues for those with no recourse to public funds.
3. Council Assembly calls upon Cabinet to:
 - a. Continue implementing the 16 recommendations regarding the future of the Southwark Community Hub as per its October 2020 Cabinet report² to transform it into the Southwark Community Support Alliance, not just as an offer of emergency support, but also to achieve a long-term step change in the way we support those most in need in our community together.
 - b. Recommit to the recommendations in its September 2020 Cabinet report³ regarding scaling up more "Community run low cost food projects" where it

² Update on Implementation of the Southwark Community Support Alliance, Southwark Council Cabinet report October 2020

³ Community Hub - supporting the needs of the most vulnerable, Southwark Council Cabinet report September 2020

noted that “Partners in Southwark share a long-term aim to end food insecurity and poverty and the need for foodbanks” and the “strong interest in collaborating to develop more affordable community run food options” and to build on the range of initiatives already happening across the borough – working through the Southwark Food Action Alliance to develop options for affordable food provision that support people’s dignity and independence (including community supermarkets, pantries etc), linked to the review of the food security plan.

- c. Continue to work with organisations like the Albrighton Community Fridge, other food banks and similar support services and to provide as much financial and “in kind” support as practically possible to enable them to support Southwark residents and those in our borough with no recourse to public funds facing financial hardship at this time.
- d. Continue to lobby government for increased funding for Southwark food banks as part of any future submission on the financial needs of Southwark Council for the remainder of this financial year, 2021/22 and as needed into the next decade.

6. REPORT(S) FOR DECISION

6.1 REFRESH OF THE COUNCIL PLAN 2018-2022

Councillor Kieron Williams introduced the report.

There was one amendment to the report.

Councillor Nick Johnson, seconded by Councillor William Hougbo, moved the amendment.

Following debate (Councillors Rebecca Lury, Peter John) Amendment G was put to the vote and declared Lost.

The recommendations were put to the vote and declared Carried.

RESOLVED:

1. That council assembly agreed to the proposed refresh of the Council Plan 2018-2022, which will now be referred to as the Borough Plan.

6.2 LONDON BOROUGH OF SOUTHWARK - STATEMENT OF LICENSING POLICY 2021-2026

The mayor reminded the meeting that the report had been updated in the Programme Motion.

Councillors Renata Hamvas and Adele Morris spoke to the report.

The recommendations were put to the vote and declared Carried.

RESOLVED:

2. That Council Assembly considered and adopted the Statement of Licensing Policy 2021-2026. (Appendix A of the report).

6.3 TREASURY MANAGEMENT - MID-YEAR UPDATE 2020-21

The recommendations were put to the vote and declared Carried.

RESOLVED:

1. That council assembly noted the 2020-21 mid-year treasury management update report and that:
 - all treasury management activity was undertaken in compliance with the approved treasury management strategy and within the council's prudential indicators, as Appendix A
 - the balance outstanding on all external debt as at 30 September 2020 was £809m.
 - in the six months to 30 September 2020 the average investment balance was £180m and the balance of investments at 30 September 2020 stood at £188m.

7. AMENDMENTS

Amendments are set out in supplemental agenda no. 1.

The meeting closed at 10.45 pm.

CHAIR:

DATED:

Item No. 2.1	Classification: Open	Date: 24 February 2021	Meeting Name: Council Assembly
Report title:		Policy and Resources Strategy 2021-22 – revenue budget	
Wards or groups affected:		All	
From:		Strategic Director of Finance and Governance	

RECOMMENDATION

That Council Assembly:

1. Agrees to increase the Southwark element of the council tax for 2021-21 by 1.99%.
2. Agrees to use the flexibility offered by the government to support Adult Social Care through a precept equivalent to 3% of council tax on the basis that these additional funds will be used exclusively for adult social care.
3. Agrees the recommendations of the 2 February 2021 cabinet for a general fund budget requirement (after specific grants) for 2020-21 of £293.120m.

BACKGROUND INFORMATION

Revenue Budget

4. On 2 February 2021 cabinet considered a report on the council's Policy and Resources strategy 2021-22 revenue budget proposals (Appendix 1).
5. Cabinet agreed the recommendations included in the report and also agreed to remove from the schedule (at Appendix F of the Cabinet report, public health budget proposals): "PH306 Long acting reversible contraception GP service - end funding for GP LARC service."
6. The final 2021-22 Local Government Finance Settlement was published on 4 February 2021. There were no changes from the provisional settlement announced on 17 December 2021.
7. In total and in the context of resources available, the recommendation of the cabinet was agreed to set a general fund revenue budget requirement for 2021-22 of £293.120m.

KEY ISSUES FOR CONSIDERATION

Revenue Budget 2021-22

8. Table 1 below shows a high level summary of the proposed budget following consideration by cabinet on 2 February 2021. The report and relevant appendices to the cabinet are now attached to this report as Appendix 1.

	2021-22 Budget £m
Resources Section	£m
Retained Business Rates (NDR Baseline)	-80.015
Business Rates top-up	-35.854
Revenue Support Grant	-36.649
Settlement Funding Assessment	-152.519
Public Health Grant	-27.466
Section 31 Grant - outside of growth calculation	-7.517
New Homes Bonus	-8.201
Improved Better Care Fund	-17.323
Social Care Support Grant	-13.199
Lower Tier Services Grant	-1.264
Homelessness (SR2020)	-2.000
Government Grants	-76.971
Business Rate Retention - growth	-18.936
Council tax baseline funding	-117.177
Council tax increase (1.99%)	-2.332
Council tax - ASC precept (3%)	-3.515
Collection fund deficit (net of government support)	1.358
Total revenue from council tax and NDR growth	-140.602
Contribution (from)/to balances	-5.000
Contribution from ASC resilience reserve	-0.810
Total Resources	-375.901
Revenue budget	£m
Base budget brought forward	369.284
Contractual Inflation and pay provision	4.200
Growth and Commitments	16.757
Effective use of resources and efficiencies	-12.175
Income Fees and Charges	0.446
Other Savings	-2.611
Total budget	375.901
Estimated Funding Shortfall / (Surplus)	0.000

Southwark Council Tax

9. For the purpose of setting council tax, the council calculates the total budget, less specific grants, less contribution from reserves. For 2021-22 this would be:

	2021-22 £m
Total budget (table above)	375.901
Specific grants (included in table above)	(76.971)
Planned contribution from reserves	(5.810)
Total budget requirement	293.120

10. All local authorities are required to set their council tax by 11 March each year. This council will set its own tax on 24 February 2021. As in previous years, any delay to this date will mean the council may have to move its council tax instalment date beyond 1 April. This would result in a loss of income to the council from cash flow and could also put at risk the ability of the council to meet its collection targets.
11. Cabinet have recommended accepting the government's offer to raise a 3% adult social care precept in 2021-22 and to set a 1.99% increase in council tax for 2021-22.
12. The effect on the Southwark element of council tax is shown in the following table:

	Band D			
	2020-21	2021-22	Increase	Change
Southwark Council Tax	1,108.81	1,164.14	55.33	4.99%
<i>of which:</i>				
<i>ASC precept</i>			33.26	3.00%
<i>Local increase</i>			22.07	1.99%

Consultation

13. The council's draft budget proposals for 2021-22 were issued for consultation following Cabinet on 17 December 2020.
14. In addition, recommendations from overview and scrutiny committee on 25 and 26 January 2021 were considered and accepted by cabinet at their meeting on 2 February 2021.

A strong and stable resource base

15. In setting out the budget proposals for 2021-22 the Strategic Director of Finance and Governance, as the statutory section 151 officer, is assured that the range of spending commitments and proposed savings are being set within the resources available that meet local priorities. In overall terms

the draft budget proposed for 2021-22 is based on realistic assumptions and, notwithstanding the uncertain environment, is robust.

16. However, the uncertainties of the economic environment, the fact we are awaiting a multi-year settlement, the scale of the expenditure reductions faced over the last decade and the growing demands on services, mean that there are significant risks facing the Authority in delivering a balanced budget.
17. This budget is also being agreed at a time when the country remains in a national lockdown. The Council is currently in the midst of the response phase with additional demand for services from residents, communities and businesses and reduced income. The timing and potentially phased relaxation of the current restrictions is currently unknown. Although we are due to receive £11 million Government support into 2021-22 the level of uncertainty means we do not know if this will be sufficient or, if it is not, whether additional funding from the Government will be forthcoming.
18. The cabinet report also sets out how central government policy changes on Special Education Needs and Disability (SEND) have caused a significant and growing deficit for the ring-fenced Dedicated Schools Grant (DSG). Whilst the 2020 Spending Review announced additional funding for High Needs Block of DSG in 2021-22 which will assist managing in-year pressures, it will not resolve the accumulated deficit, estimated to be £21m by the end of 2020-21.
19. There remains uncertainty around the national funding position for local government as a result of the lack of a multi-year Settlement as well as wider economic uncertainty (pace of recovery and impact of Brexit), means we need to have to maintain higher level of reserves, and may face more significant revenue pressures.
20. Changes to the funding of local authorities, makes us more dependent on the level of business rates collected locally, and volatility to the council's funding to a greater extent than in previous years. This places increased importance on the need to maintain reserves to manage any volatility. There is also significant uncertainty with the pending Fair Funding review of local government and how this may affect the resources available to the council.
21. In addition to ensuring that sufficient funds are available to finance the ongoing management of the council services, the Strategic Director of Finance and Governance needs to be assured that there is an appropriate level of reserves and balances available. The Local Government Act 2003 requires the chief finance officer to report on the adequacy of reserves held, and requires members to have regard to that report in setting the budget. The Act also gives powers to the Secretary of State to specify a minimum of reserves to be held, but those powers have not yet been applied.

22. The cabinet report, included as Appendix 1, provides information about the use of reserves and balances (paragraphs 81 to 85).
23. Maintaining an adequate level of reserves and balances are therefore key factors in the Strategic Director of Finance and Governance's assessment of the robustness of the budget. The relatively low levels of balances and reserves when compared to similar councils in London have been reported to cabinet.
24. The position remains under close review and the s151 officer will continue to make recommendations as appropriate within the Policy and Resources Strategy. He considers the current plans for use of balances to be acceptable and recognises that the budget continues to allow for a contingency that mitigates the risk of shortfalls in savings and income targets or higher levels of commitments arising from unforeseen budget pressures.
25. The impact of all the uncertainty and future reforms cannot be assessed at this time. The use of General Reserve, the Financial Risk Reserve, the Business Rate Retention Risk and other reserves all form part of the mitigation strategy. The risks identified strengthen the importance of maintaining a robust Medium Term Financial Strategy (MTFS) within which to plan council business and sustain delivery of essential frontline services. A refreshed financial outlook of the financial position will be presented to Cabinet in summer 2021.

COMMUNITY IMPACT STATEMENT

26. The community impact statement is set out in the cabinet report of 2 February 2021 attached at Appendix 1.
27. The council works in accordance with the single public sector equality duty contained within section 149 of the Equality Act 2010. This means the council must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, and advance equality of opportunity and foster good relations between different groups.
28. Transparency and fairness form part of the seven budget principles and are an underlying principle in the Council Plan. As with the budget for 2020-21 and for previous years, the council has undertaken equality analysis/screening on its budget proposals, which helps to understand the potential effects that the proposals may have on different groups and whether there may be unintended consequences and in the event, how such issues can be mitigated.
29. Analysis is also undertaken to consider any crosscutting and council-wide impacts. Where screenings identify potential impacts, more detailed analysis is carried out. The Cumulative Equality Analysis document (Appendix F of the Cabinet Report) is an analysis of all Equality Impact Assessments that have been completed for the 2021-22 budget setting process year, assessing the overall impact that the proposed changes

made by the council may have on the borough. The report summarises the data and considerations that were taken into account for each of the protected groups and looks at the cumulative impact of these changes upon each group. The Equality Budget Advisory Group continues to review the cumulative equality analysis paper to reflect comments by the Equalities and Human Rights panel. Any update will be circulated to Council Assembly as a supplemental to this report.

30. Equality analysis will continue through the cycle of planning and implementation of these budget proposals. In line with our Public Sector Equality Duty, any changes to services arising from these proposals will be implemented in such a way to not impact disproportionately on any specific section or group in our community.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Governance

31. The report asks council assembly to agree the recommendations of the 2 February 2021 cabinet for a general fund budget requirement (after use of reserves) for 2021-22 of £293.120m including the impact of a 4.99% council tax increase for 2021-22. In accordance with part 3a of the Constitution, Council Assembly are required to agree the budget.
32. In respect of all recommendations, council assembly is reminded of the requirement to consider the public sector equality duty as set out in Section 149 of the Equality Act 2010 before reaching a decision.
33. When undertaking their duties under section 149 the council must ensure:
 - The duty must be fulfilled before the decision in question is enacted;
 - The duty must be exercised in substance with 'rigour and an open mind'; it is not a matter of 'ticking boxes'; and
 - The duty is continuing; it does not end with the completion of the EIA and due regard must be had as policy evolves and is implemented.

Legislative Framework

34. Section 31A of the Local Government and Finance Act 1992 ("the 1992 Act") provides that the Council has an obligation to calculate and agree an annual budget.

Restrictions on Voting Under Section 106 of the Local Government Finance Act 1992

35. Section 106 of the 1992 Act applies at any time to a member of an authority, if at that time the member is due to pay council tax payments which have remained unpaid for at least two months.
36. The payments to which the section applies are any type of either sole or joint and several liability for council tax, and any failure to pay any agreed

sum of council tax. Therefore members are advised that this section is likely to apply to them if they are currently two months in arrears of any amounts of council tax, even if they have made any special contractual arrangement with the council to pay off the arrears.

37. If this section applies to any member, he/she at the relevant meeting and as soon as practicable after its commencement, must disclose the fact that the section applies and not vote on any question with respect to this matter.

38. The relevant meetings are those at which any of the following are the subject of consideration, namely:

(a) Any calculation required by chapter III, IV, V of Part 1 of the 1992 Act

The only calculations likely to be made by this authority are those under Chapter III of Part 1 of the 1992 Act, (Chapter IV relates to precepting and Chapter V limitations on council tax (i.e. capping)

The Chapter III calculations include the calculation of the budget requirement, basic amount of tax, the additional requirements because of the special trust funds, the calculation of the tax for the different valuation bands and the basic amount of council tax to be set under Section 30.

(b) Any recommendation, resolution or other decision which might affect the making of any such calculation

This is an extremely wide wording and would extend well beyond merely setting the budget. It applies to virtually any matter where the financial implications directly or indirectly might affect the calculations concerning the council tax. It would therefore apply to decisions concerning the level or extent of services as well as the expenditure, receipt or forgoing of any money.

(c) The exercise of any function under Schedules 2-4 of the Local Government Finance Act 1988 ("the 1988 Act") and 1992 Act

The functions under either the 1988 or 1992 Acts concern the administration and the enforcement of community charge and council tax respectively.

39. Section 106 of the 1992 Act makes it a criminal offence for a member to vote when prohibited from doing so or to fail to make the necessary disclosure. There is a statutory defence, with the onus of proof on the member, to prove that he did not know that the section applied to him or her at the time of the meeting or that the matter in question was the subject of consideration at the meeting. Prosecutions shall not be instituted except by or on behalf of the Director of Public Prosecutions.

BACKGROUND INFORMATION

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	Cabinet Report 2 February 2021 Policy and Resources 2021-22 Revenue Budget with appendices A to I

AUDIT TRAIL

Lead Officer	Duncan Whitfield, Strategic Director of Finance and Governance	
Report Author	Robert Woollatt, Interim Departmental Finance Manager	
Version	Final	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		12 February 2021

Item No.	Classification: Open	Date: 2 February 2021	Meeting Name: Cabinet
Report title:		Policy and Resources Strategy 2021-22	
Ward(s) or groups affected:		All	
Cabinet Member:		Cabinet Member for Finance and Resources	

FOREWORD - COUNCILLOR REBECCA LURY, CABINET MEMBER FOR FINANCE AND RESOURCES

This report sets out in detail the cabinets budget proposals for 2021-22 to support delivery of our fairer futures priority outcomes in a financially sustainable way.

In July, we reported that the 2021-22 budget planning process was dominated by huge financial uncertainties. Some of these existed prior to March 2020 - the challenges of ten years of austerity, the impact of welfare reform and the prospect of Brexit. However, since March, the impact of COVID-19 on our communities, services and finances has been acute.

Whilst the vaccine roll out brings hope, the current lockdown restrictions mean we continue to face additional costs through our direct interventions to support our communities and we are experiencing significant pressures from lost income through fees and charges. Alongside this, as our residents and businesses face increased pressures this has a knock-on impact on our Borough, with reductions in tax collection in both council tax and business rates.

In addition, we continue to face significant demands and pressures on our services, in particular social care, homelessness, welfare support, leisure and high needs services. This budget includes commitments and growth of £16.757m principally in these demand led services to ensure that service budgets are sustainable.

Despite the Government's announcement of additional funding for local government through the Local Government Finance Settlement, there was little in the way of new money with the largest part of the increase in spending power coming from council tax increases and the social care precept.

Accordingly, and in order to protect vital frontline services, we are proposing that we raise council tax by the maximum permitted 4.99% (inclusive of 3% ring-fenced for adult social care). This ensures that in the toughest of times we are able to protect services for our most vulnerable residents and the services that our residents value and depend on. We recognise the pressure that this can add on low-income households so our Council Tax Support Scheme will remain unchanged. This means that around 15,000 working age households will continue to receive support and 6,700 eligible pensioners will continue to receive 100% relief.

In addition and on a positive note, we have also been able to set aside some one-off resources to priorities:

- £500k has been earmarked to ensure food poverty in the Borough is tackled with a view to establishing an ongoing commitment to this cause going forward;
- £300k for the Southwark Stands Together project, our initiative to support the basic rights of all people to equality and justice; and
- £100k for the Covid-19 community hub to ensure the voluntary sector continues to be supported.

The Council has committed to doing everything that it can to make Southwark carbon neutral by 2030. How the council uses its resources has a significant impact on the borough's carbon emissions. £2m has already been allocated to climate change work. This complements the substantial investment across the borough in existing capital and revenue programmes including our commitments to build energy efficient new homes, to provide efficient heating systems to our council homes, to plant trees and improve air quality and to reduce our operational property estate.

We acknowledge that further work is needed to set out detailed plans to achieve a balanced Medium Term Financial Strategy for the period beyond 2021-22. However, the financial outlook beyond 2021-22 remains subject to considerable risks and uncertainties, not least the ongoing financial impact of the pandemic, the route and length of recovery, the general economic outlook and the future funding of local government. These all contribute to making meaningful medium term financial planning highly speculative. Accordingly, we will update the financial forecasts when we have more certainty on future funding. In the meantime, we will commence the budget challenge process earlier in 2021 to ensure we have the time to consider and fully develop options to manage future service and funding risks.

Notwithstanding the challenges, this administration remains determined to keep our promises, to protect and modernise our services and to continue to focus on the delivery of our Council Plan, fairer future promises and budget principles to deliver value for money and commit to spending money as if it were from our own pocket.

I would like to thank Overview & Scrutiny committee members for the budget scrutiny session that took place on 25 and 26 January 2021. We have included within this report their recommendations, some of which we have already planned to take forward over the coming months.

RECOMMENDATIONS

That cabinet:

1. Note that the 19 January 2021 cabinet report was considered by Overview and Scrutiny committee on 25 and 26 January 2021 and to agree the response to the recommendations arising (Appendix I);
2. Note that the final local government finance settlement had not been published at the time of writing this report, no changes from the provisional settlement published on 17 December 2020 are anticipated;

3. Note that this report presents the final balanced general fund budget proposals for 2021-22 including:
 - Efficiencies and improved use of resources savings of -£12.175m;
 - Income generation proposals of £0.446m;
 - Savings impacting on services of -£2.611m;
 - Commitments and growth of £16.757m;
 - Pay awards and contractual inflation of £4.200m (excluding Children's and Adults Services).
4. Agree to submit this balanced one year 2021-22 budget to council assembly for approval; and
5. Note that a refreshed outlook of the financial position and local government financing will be considered in the spring to initiate the 2022-23 budget planning process, which is much earlier than previous years.

BACKGROUND AND PURPOSE

6. Each year, the council updates a detailed Policy and Resources Strategy covering a period that normally reflects the duration of the government's financial settlement. As part of the Policy and Resources Strategy, and in line with requirements of the Local Government Finance Act, budgets are approved by Council Assembly for the next financial year as part of Council Tax setting. Where the settlement provides provisional funding commitments for more than one year, budgets may be agreed indicatively for a longer period.
7. For many years this process has formed the pivotal component of the council's financial planning process. This strategy, and the formal approval by council assembly, sits at the heart of the council's commitment to financial planning and efficiency. Most importantly, the strategy is bound to the policies of the council and not least by the commitments in the Fairer Future council plan.
8. Between 2011-12, the first year of the major austerity cuts, and 2019-20, the council lost government funding in cash terms of more than £146m. According to government calculations, lost spending power exceeded £85m during the same period. Neither of these figures allow for the real terms impact of price and demand pressures. In addition, the council has committed to priorities that have needed to be funded through a limited number of sources. During this period the council has also looked to keep council tax as low as possible, recognising the pressure this places on all households but particularly the most vulnerable. Southwark remains the eighth lowest council tax rate in London. Further contextual information is included at Appendix H.
9. In September 2015, the council adopted the Fairer Future Budget Principles that confirmed the framework within which the Policy and Resources Strategy is formed. In September 2016, the cabinet approved the Fairer Future Medium

Term Financial Strategy (FFMTFS) and Integrated Efficiency Plan noting the relationship to the Council Plan and the new theme to be fit for the future.

10. The 2018-19 local government finance settlement confirmed that London Councils would pilot arrangement for the retention of 100% business rate growth through pooling. The pooling arrangements continued in 2019-20 and 2020-21, albeit on a less generous retention basis and with more risk passed to councils.
11. Council assembly agreed a new Council Plan for the period 2018 to 2022 in November 2018. The Council Plan contains a range of promises and commitments that the council will work towards delivering over the coming years. Council assembly approved a refreshed council plan on 25 November 2020.
12. Council Assembly of 21 February 2020 approved a balanced budget and council tax for 2020-21. This was a one-year budget due to the uncertainty around future funding.
13. This report provides an update on the work undertaken to both reflect the latest information on available resources, updated estimates of council tax and business rates and to consider budget savings and commitments proposed for 2021-22.

KEY ISSUES FOR CONSIDERATION

Budget proposals 2021-22

14. This report provides updated budget proposals for 2021-22. These proposals, together with updated estimates of government funding, business rate and council tax income have contributed towards achieving a balanced budget. This has been achieved under challenging circumstances, not least in the context of the savings that the council has had to make throughout the austerity period since 2010, the increased ring fencing of a large element of resources available for social care and the ongoing impact of the pandemic.
15. This report outlines all major variations from the 2020-21 budgets. It itemises changes in resources available (e.g. government grant and council tax income) and provides a high-level summary of efficiencies and improved use of resources, income generation and savings that impact on service levels. It also itemises new and emerging growth and commitments that arise from issues such as price, demand pressures and costs arising from the delivery of council plan priorities.
16. Through the council's budget cycle, savings and income generation options are presented for consideration, which, should they be agreed, contribute towards achieving a balanced budget. Separate schedules are provided that give details of each element of these variations. Responsibility for each element is retained by the cabinet member responsible for the portfolio and operationally managed

by the strategic director for that service (Appendices B, C, D and E).

17. A summary of the 2021-22 proposed budget (assuming no council tax increase) is shown in the table below:

	2020-21 Budget £m	2021-22 Proposed £m
Settlement Funding Assessment	152.317	152.519
BRRS growth	24.739	18.936
Council tax	117.849	123.024
Collection fund deficit	(0.612)	(1.358)
Government grants	74.991	76.971
Contribution from reserves	0	5.810
Total resources	369.284	375.901
Base budget brought forward	354.285	369.284
Inflationary pressures	3.904	4.200
Commitments and growth	19.805	16.757
Efficiencies, income and savings	-8.710	-14.340
Net spending	369.284	375.901
Gap (cumulative)	0	0

18. The 2021-22 proposals for each directorate are summarised in the table below and detailed in Appendices B, C, D and E.

	Efficiencies £000	Income £000	Savings £000	Commitments £000	Net impact £000
Chief Executives	(529)	(941)	(111)	250	(1,331)
Children's & Adults Services	(5,994)	(70)	(2,034)	7,750	(348)
Environment & leisure	(2,890)	1,318	(135)	1,800	93
Finance & governance	(321)	(111)	(298)	50	(680)
Housing & modernisation	(2,091)	750	(33)	4,807	3,433
Corporate	(350)	(500)	-	2,100	1,250
Total	(12,175)	446	(2,611)	16,757	2,417

19. Commitments within Children's and Adults' Services include £3.515m funded from social care precept and £3.184m from additional social care grant.
20. Whilst the Provisional Local Government Finance Settlement enables us to plan a 2021-22 budget, the absence of reliable funding information for the period beyond 2021-22 makes medium term financial forecasting extremely difficult. There remain considerable risks and uncertainties surrounding Government spending plans, the ongoing impact of the pandemic, the economic outlook and

future local government funding arrangements - all of which contribute to making the preparation of financial plans highly complicated and speculative. As set out in the July Cabinet Report, we have modelled a number of potential financial planning scenarios for the medium-term, which indicate a wide range of potential outcomes. Medium term financial risks and how these risks will be managed have been considered as part of the budget challenge process.

21. The Policy and Resources Strategy 2021-22 underpins the work of all council departments, ensuring financial sustainability and the best possible level of service for residents. The council remains committed to promoting efficiency as the key driver to reducing costs and minimising the impact of budget decisions on front line services.

GENERAL REVENUE FUNDING AND GRANTS

Local Government Finance Settlement 2021-22

22. The Local Government Finance Settlement (LGFS) is the annual determination of funding to local government from central government. The Secretary of State for Housing, Communities and Local Government announced the Provisional Local Government Finance Settlement on 17 December 2020. Consultation on the provisional settlement closed on 15 January 2021. At the time of writing the final settlement was still awaited, though no changes are anticipated.
23. The 2021-22 local government finance settlement is for one year only.

Settlement Funding Assessment (SFA)

24. The Settlement Funding Assessment (SFA) comprises the core funding sources for authorities defined as the Revenue Support Grant (RSG), retained business rates and business rate top up. The SFA for 2021-22 is £152.519m, which is an increase of £0.202m.
25. The Local Government Finance Report sets out the basis on which the Secretary of State calculates authorities' Baseline Funding Levels. RSG has been increased in 2021-22 by CPI however, the Governments decision to freeze the business rate multiplier in 2021-22 means that there will be no increase in the SFA components for business rates and business rate top-up.
26. The Government will compensate authorities for this under-indexing of the business rates multiplier through a Section 31 grant. Southwark's share is estimated at £1.393m.

Better Care Fund (BCF)

27. The Better Care Fund was established in 2014-15, with the aim of supporting closer working between local authorities and the Clinical Commissioning Groups (CCG). The council invoices the CCG for its share of the pooled fund, which is offset against appropriate expenditure. The government has confirmed that the BCF will continue into 2021-22 and that they will issue the actual details

in due course

Improved Better Care Fund (IBCF)

28. The Improved Better Care Fund was originally announced as part of the 2016-17 settlement. Funding was subsequently increased in the spring of 2017 as a response to the national pressure on adult funding care crisis.
29. It has been confirmed that IBCF funding will continue in 2021-22 at 2020-21 levels and allocated using the same methodology. IBCF grant in 2021-22 is £17.323m.

Social Care Support Grant

30. As part of the Spending Review the government announced an additional £0.3bn nationally to support local authorities in addressing the rising cost and demand pressures on social care services, children's and adults.
31. The proposed distribution methodology utilises the existing Adult Social Care Relative Needs Formula and an equalisation methodology to reflect the distributional impact of the adult social care council tax precept. The Social Care Grant in 2021-22 is £13.199m, a £3.184m increase. The grant has been passported in full to the service.

Public Health Grant

32. Although the Settlement includes no information about the national total or individual council allocations for Public Health Grant for 2021-22, the Spending Review indicated that Public Health Grant will "be maintained" for 2021-22. We therefore expect a flat cash roll forward to be confirmed shortly. If correct, this will confirm £27.466m for Public Health in 2021-22.
33. In accordance with grant conditions, Public Health grant will continue to be ring fenced for use on public health functions.
34. Public health budgets have been scrutinised on the same basis as other council services to ensure all spending delivers value for money. The public health budget proposals are set out at Appendix F¹. £26.888m of the Public Health grant has so far been committed for 2021-22. The council will now release the balance of grant to activities taking place across the council that contribute to public health objectives. These will continue as either one-off or ongoing commitments.

New Homes Bonus (NHB)

35. New Homes Bonus (NHB) was introduced in 2011 to provide a clear incentive for local authorities to encourage housing growth in their areas. It rewards local councils for each additional home added to the council tax base, including

¹ Public Health proposals updated to remove saving PH306 long-acting reversible contraceptive GP service.

newly built properties and conversions as well as long-term empty properties brought back into use, after deducting demolitions. Following a review of the funding “sharpening the incentive”, the grant reduced in 2017-18. In 2018-19, the grant reduced further, as the payment reflected four years’ growth (as opposed to six years).

36. Whilst it has been confirmed that funding for New Homes Bonus will continue in 2021-22, legacy payments will not be paid for 2020-21 or 2021-22. This meant that the quantum of funding distributed to local authorities was around 30% lower than that allocated in 2020-21. The councils NHB funding in 2021-22 is £8.201m, £6.157m lower than 2020-21.
37. The Government has set out its intention to hold a consultation on the future of the New Homes Bonus, with a view to implementing reform in 2022-23.

Dedicated Schools Grant (DSG) and Special Educational Needs and Disabilities (SEND)

38. The DSG is formula based, calculated by the government with the council passing most on to schools and private, voluntary and independent providers. The allocation for 2021-22 has provisionally been set by the Department for Education (DfE) at £352.5m, although this will be revised during the year to reflect updated pupil numbers. The figures include the funding for academies, which will be recouped at a later date.
39. Dedicated Schools Grant can be broken down into the following spending blocks:

	2020-21 £m	2021-22 £m	Change £m	Change %
Schools Block	254.3	268.7	14.4	+5.7
High Needs Block	50.0	55.3	5.3	+10.6
Early Years Block	26.6	26.7	0.1	+0.4
Central Block	1.7	1.8	0.1	+5.9
Total	332.6	352.5	19.9	+6.0

40. The figures within the High Needs (SEND) Block reflect the additional revenue funding that was announced as part of the Spending Review. This will partially reduce in-year pressures but will not resolve the accumulated deficit – forecast to be in the region of £21m by the end of 2020-21.

REVENUE FUNDING FROM LOCAL TAXATION

Council Tax

41. The council is committed to the fairer future promise to “keep council tax low”. The Southwark element of council tax was frozen from 2008-09 until 2017-18 when financial pressures and the cumulative impact of reduced government funding meant that it was no longer sustainable to hold this position.

42. The authority has been able to maintain the eighth lowest level of council tax in London in 2020-21, despite having incurred the largest reduction in government grants. Throughout this period, the government applied a cap on any council tax increases. The purpose of this cap is to ensure that 'excessive' council increases occur only where councils have a clear mandate from local people. This level has not been exceeded by Southwark to date and the cap remains in place for 2021-22.
43. Council tax remains below the charge it would have been if CPI had been applied each year since 2010-11.
44. The Council Tax Relief Scheme continues to provide support for our financially vulnerable residents and the Council has committed to making no substantive changes to the scheme for 2021-22.

Adult Social Care precept

45. In 2016-17, in line with government guidance, the council applied a 2% precept to help fund adult social care. Of the 33 London boroughs, 26 took advantage of this precept. For 2017-18, government extended the adult social care precept to allow for 6% over 2017-20, with no more than 3% in each of the first two years. A 3% precept was applied in 2017-18 and 2018-19, providing a contribution towards the significant financial pressures within the Adult Social Care budget. A further 2% increase was applied in 2020-21.
46. The provisional settlement confirms the flexibility to raise the Social Care Precept by a further 3% for 2021-22, with the option to defer some or all of this for use in 2022-23. This would raise an additional £3.515m in 2021-22 and future years. The social care spending plans assume this level of additional funding will be available.

Southwark element of the Council Tax

47. All London Boroughs, including Southwark, increased their council tax in 2020-21. This is indicative of the cumulative impact the financial stress across local authorities in London.
48. In the context of pressures on council finances, the resilience of reserves and the continued year on year reductions in spending power, council tax remains a key source of income for the council. An increase of 1.99% in council tax amounts to £2.332m income. This is one of the options that it will be necessary to close the budget gap and to protect services.
49. The impact of an increase in council tax of 4.99% (1.99% plus 3% Adult Social Care Precept) will mean that:
 - Residents in Band C properties and below will see a council tax bill rise of 95p per week (over 60% of residents in the borough live in Bands A-C)
 - 14,000+ of residents continuing to receive support through the local council tax relief scheme (CTRS)

- The council tax reduction scheme will continue to ensure that eligible pensioners will continue to receive 100% relief and will see no rise in their council tax bills.

Greater London Authority (GLA) element of the council tax

50. The Mayor's Draft Consolidated Budget for 2021-22 was published on Tuesday 19 January 2021. A household in Band D will pay £363.66 in 2021-22, a £31.59 or 9.5% increase compared to this year. This reflects an increase in the policing element of £15 (in line with the national police referendum limits) and an extra £15 for Transport for London to maintain free bus and tram travel for under 18s and the over 60s oystercard (i.e. for those Londoners aged from 60 to statutory state pension age).
51. The increase is subject to MHCLG formally amending the council tax referendum limits for the GLA in the final local government finance settlement to reflect the £15 TfL increase required to maintain the concessions. The final precept will not be approved formally, however, until the London Assembly's final draft budget meeting scheduled for Thursday 25 February 2021.

Council Tax Collection

52. As reported in the 2021-22 Council Tax Base report (also on the agenda) whilst there continues to be growth in the number of dwellings, albeit at a lower level than recent years, a 12% increase in council tax relief claimants means a lower tax base in 2021-22 than 2020-21. Cabinet agreed to maintain the collection rate at 97.2% despite the challenges of income collection in the current environment and the increasing numbers of CTRS claimants.
53. The 2020-21 council tax collection fund forecast outturn position is a deficit of £7m. The Local Tax Income Guarantee Scheme will compensate billing and major precepting authorities for 75% of irrecoverable council tax and business rates losses accrued during 2020-21, as reported after year-end. Any remaining deficit will be spread over three financial years commencing in 2021-22.

Business Rates

54. The government agenda is for local authorities to move towards self-sufficiency and away from dependence on central government. As a step towards this reform, in 2013-14, government changed the funding system to increase reliance on local taxation.
55. The 2021-22 budget includes a forecast assumption that the council's Business Rate Retention income will exceed the baseline funding level by £19.120m (i.e. in total the retained business rates total of £171.634m; consisting of the baseline of £152.519m and £19.120m in excess of this baseline). This represents an estimated 3% reduction compared with 2020-21.
56. The economic downturn and the increase in check, challenge, appeal cases (in particular the Covid-19 driven appeals around 'Material Change of

Circumstance') add to the challenges. This is a significant risk as successful challenges and appeals will reduce business rate yield. Careful review of financial risk reserves will be required to manage this volatility.

57. The ongoing move to self-sufficient local government demonstrates the importance of Southwark's capital investment programme within the borough, either as the lead authority or with partners. Regeneration is one of the key routes to ensuring sustainable budget sources as we move closer to reliance on local taxation, either through business rates or through council tax as well as increasing opportunities across the borough for quality of life, jobs and environmental improvements.

Business Rates London Wide Pool

58. In 2018-19, London Councils entered into a pilot arrangement for the retention of business rate growth through pooling. The agreement set out the principles and method for distributing any net financial benefits generated by the pool. Although the first year of the pilot related to business rates generated during 2018-19, the available distribution was not finalised until September 2019.
59. Southwark's share of the total net benefit of the 2018-19 pool was £10.186m which was ring-fenced for one-off initiatives in accordance with council priorities.
60. A sum of £1m was initially allocated to the planned London Counter Fraud Hub. This initiative will not now proceed and therefore the planned contribution of £1m has been released back to the Devolution reserve. However, in recognition of the significant increase in fraud risks, it is proposed to allocate £0.250m for anti-fraud activity.
61. It is further proposed to allocate:
- £0.5m to ensure food poverty in Southwark is tackled, including some direct investment in food. There will be a need to establish an ongoing commitment to this cause going forward;
 - £0.3m to Southwark Stands Together project costs (paragraphs 87 – 91); and
 - £0.1m to Community Hub Covid-19 support to ensure the voluntary sector is supported.
62. The following table summarises the London Devolution Reserve commitments:

Initiative	£'000
Positive Futures Fund	750
Southwark Pioneers Fund	2,000
Brexit Risk Reserve	2,000
Health and Wellbeing Board commitment to Children & Young People's Mental Health	2,000

Libraries and Heritage Strategy	1,000
Pilot extension of gym and sports facilities into parks	150
Southwark Renters Union	100
Black Cultural Centre Feasibility Study	100
Food poverty	500
Anti-fraud measures	250
Community Hub Covid-19 support	100
Southwark Stands Together project costs	300
Unallocated balance	936
Total	10.186

63. The Pooling arrangement continued in 2019-20 and 2020-21, albeit on less generous terms than 2018-19. The net benefits in 2019-20 of £4.9m were applied to mitigate the impact of the deficit brought forward on the business rate collection fund from 2019-20. Despite the significant downturn in business rate income in 2020-21 due to the pandemic, the Pool continues to forecast a small benefit. However given the fact that the actual position will not be finalised until September 2021, no additional pooled business rate income was included as part 2020-21 budget setting process.
64. As well as the strategic objective of increasing fiscal devolution and influencing government policy, Business Rate Pool arrangements mean pool members have shared the benefits of additional business rate income retained over the last three years, either as a direct share of the financial benefit or from strategic investment across the capital. However, the Pooling Agreement also means that members share the risks should business rate income fall below baseline. London Councils have modelled a number of scenarios for the London Pool for 2021-22, which indicate a likely multi-million pound deficit. This deficit would have to be funded from the Pool members in accordance with the Pooling agreement. This burden would fall heaviest on those authorities, such as Southwark, whose business rate income continued to exceed their individual baseline. London Councils have to decide whether to continue in the Pool in 2021-22. It is anticipated that London Councils will collectively agree not to continue the pool in 2021-22 due to the significant financial risk.

REVENUE EXPENDITURE ASSUMPTIONS

2020-21 Financial Performance

65. 2020-21 budget monitoring continues to be dominated by the financial impact of the pandemic. We continue to face additional costs through our direct interventions to support our communities; we have seen planned savings been delayed or cancelled and we are experiencing significant pressures from lost income through fees and charges. Alongside this, as our residents and businesses face increased pressures, this has a knock-on impact on our Borough, with reductions in tax collection in both council tax and business rates.
66. Notwithstanding the financial support announced by government, it is extremely unlikely that the council will be able to fully recoup its costs/losses, with any shortfall being a call on reserves.

67. The outturn for 2019-20 confirmed that the budget recovery work in Children's and Adults' was effective in putting the service on a sustainable financial footing and that improved performance continued in 2020-21, demonstrating improved practices have been embedded. Notwithstanding this, the department remains exposed to significant risk and uncertainty in 2021-22 and beyond in managing the impacts of the continuing rise in demand and cost pressures within social care and this will continue to be closely monitored.
68. In Education, there are significant pressures on schools funding via the Dedicated Schools Grant with demand and cost pressures particularly acute on the high needs block, which largely stem from increased numbers of education, health and care plans (EHCPs). As at 31 March 2020, there was an accumulated deficit of £18.0m. The additional funding announced as part of the 2020-21 Spending Round will help meet in year spending but will not resolve the accumulated deficit. SEND remains a significant financial risk and recovery is being overseen by the Budget Recovery Board. The Schools Forum is engaged in this process and the council has developed a DSG Recovery Plan. The DSG deficit is forecast to be in the region of £21m by the end of 2020-21.
69. Demand for Temporary Accommodation continues to be one the council's most intractable budget pressures. Whilst the Covid-19 pandemic has hugely exacerbated the position, there is an underlying cost pressure of around £1.5m to £2m given existing discharge policy criteria, similar to that in 2019-20. Whilst the council's decisive and rapid response to homing the borough's rough sleepers and those in shared accommodation is to be applauded, it has come at a very high cost and is a major concern going forward given the continued uncertainty. The ending of restrictions prohibiting evictions in the private rented sector is expected to lead to a spike in demand, which will further impact the position.
70. Elsewhere areas of spending pressure will be offset by in year savings in other areas. It is anticipated that the planned contingency budget will be fully utilised to meet existing and potential pressures within the 2020-21 budget and to ensure that a balanced position is achieved by the year-end.

Planned Corporate Contingency

71. It is proposed that the planned corporate contingency of £4m be maintained in 2021-22 to support emerging budget pressures during the year. In the current and previous years, this contingency has been essential to manage in year demand and cost pressures.

Pay Award

72. The Government expects local authorities to apply a pay freeze to local government employees in 2021-22 and no additional funding for a pay increase is included in the provisional local government finance settlement. The current budget plan provides for a 1% increase in the pay bill in 2021-22. The position will continue to be monitored and a further update included within the report to

cabinet in February, including any relevant financial implications.

Inflation

73. The Consumer Price Index (CPI) 12 month rate for October was 0.7% with the longer-term view that this will converge with the Office of Budgetary Responsibility (OBR) forecast. A budgetary pressure of £2.8m is recognised in the budget commitments for contractual inflation in 2021-22.

Efficiencies and Improved Use of Resources

74. The fairer future promises contain a commitment to keep council tax low by delivering value for money across all of our services. In part, this is met through ensuring that the council is focussed on meeting the budget gap with proposed efficiency savings. The total budget proposals include efficiency savings of £12.045m (detailed in Appendix B).

Income Generation

75. As the council looks for ways to protect front line services, consideration is given to maximising the council's income generation by seeking income streams in line with council policies and priorities. The council will seek to generate additional income by reviewing fees, charges and contributions and seeking further opportunities to provide commercial services. The pandemic continues to impact significantly on income targets and income generating opportunities. This is reflected in the budget proposals with reduced income in respect of the leisure contract and the anticipated income from letting spare capacity at Tooley Street not realisable.

Savings Impacting on Service Delivery

76. Wherever possible, the aim is to continue to protect front line services from saving reductions. However, the extent of the government austerity measures means that after careful consideration, it is inevitable that some service reductions will be required to balance the budget. The schedules at Appendix E propose savings of £2.741m with potential to impact on service delivery.
77. Comprehensive equalities analysis of the impact of these savings will be considered before the budget is finalised.

Commitments

78. The commitments include investment of the Adult Social Care precept in adult social care, increased costs of homelessness and temporary accommodation, increased demand for Special Educational Needs and increased cost of operating leisure services in the current environment.
79. A detailed list of all commitments can be found in Appendix E. The overarching theme of these commitments is to improve preventative services and to ensure that service budgets are sustainable, particularly in the context of the reduced

availability of reserves to support budget pressures.

Fees and Charges

80. Under Part 3C of the constitution, cabinet is responsible for the approval of new fees and charges and agreement of charging levels in line with the medium term resources strategy. Fees and charges schedules for 2021-22 were approved by Cabinet in January 2021.

Reserves and Balances

81. The council retains a level of earmarked reserves and these are reported each year within the annual statement of accounts. These reserves are maintained to fund:
- invest to save opportunities, which form part of the modernisation agenda and are expected to deliver future ongoing revenue savings;
 - investment in regeneration and development where spend may be subject to unpredictable market and other factors;
 - exceptional items or pressures which are difficult to predict and which are not included in revenue budgets or within the capital programme.
82. For a number of years previously, the council had planned for the use of reserves to help smooth the impact of government funding reductions and other budget pressures especially during the period of austerity. Not only did this help to protect council services but it has also allowed time to transition towards new ways of working, productivity improvements and efficiencies.
83. Over the last three years there has been no use of reserves to support the budget. Over this period the Council has strengthened its reserves meaning it is well placed to manage the shock caused by Covid-19 and should ensure the Council will be able to come through this crisis. Should
84. The extent of the financial pressures in 2021-22 means that a contribution from reserves is required to set a balanced budget for 2021-22. Future year budgets will need to consider the sustainability of this drawing and plan to replenish any reserves utilised.
85. The level of balances remains subject to the scrutiny of the section 151 officer who must ensure that any one off contributions to the budget is appropriate and affordable. In previous years, this judgment has been facilitated by the availability of unused contingency funds as budgets have met their targets.

Southwark Stands Together, our commitment to tackle racial inequalities

86. Southwark Council promotes the basic rights of all people to equality and justice. Southwark Stands Together is our local call to unity, support and action. It is a long term programme of positive action for the council to work in solidarity with Southwark's communities and the council's staff to tackle racism, injustice and inequality.

87. A report to Cabinet on 8 September set out what the community have told us of their experience of racism, racial inequalities and injustice. It proposed the things we can do together to build on positive action to date and to bring about change, through a number of emerging recommendations, grouped by work streams. The workstreams are employment and business, education, health, culture, communities, interaction with the Police, renewing and reinventing the public realm and council staff engagement.
88. A further report to 20 October Cabinet confirmed that the Southwark Stands Together programme be incorporated into the refreshed Council Plan (Borough Plan); with priority measures and milestones developed and embedded into the council's performance management framework. This included a new commitment to work to ensure the top of the council's workforce is representative of the ethnic diversity of the local working age population by 2030. The report set out five Southwark Stands Together Pledges that the council is asking businesses, organisations, groups and residents to sign up to. It also included agreement of two new values to always work to make Southwark more equal and to stand against all forms of discrimination and racism. The Borough Plan was agreed by Council Assembly on 25 November 2020.
89. In developing Southwark Stands Together Cabinet agreed that any resourcing implications that emerge from the programme will be assessed as part of the council's policy and resources strategy process. This report therefore agrees to set aside reserve provision of £300,000 to deliver Southwark Stands Together. The resource will be prioritised to focus on activity that supports how we work as an organisation and together with the community to embed longer term change boroughwide in tackling racism, all forms of discrimination and inequality.
90. Overall strategic responsibility for Southwark Stands Together rests with the Leader of the Council with Cabinet portfolio holders taking responsibility for specific work streams and measures and milestones associated with delivery. At the officer level, overall strategic responsibility for Southwark Stands Together Programme sits with the Chief Executive, with the Chief Officer Team as the council's most senior level steering group for delivery of the programme. Performance planning and monitoring will be incorporated into the council's overall performance framework, at the highest level through the Borough Plan. An annual report on programme delivery will be published in July 2021.

Climate Change Emergency

91. The Council has reinforced its commitment to combatting carbon emissions and rising global temperatures, by joining the international Climate Change Campaign and declaring a Climate Change Emergency. The Climate Emergency is a major focus for the council, working in partnership with stakeholders, partners, staff and residents to tackle the effects of global warming and the risk to our planet.

92. The Council has committed to doing everything that it can to make Southwark carbon neutral by 2030. It is currently finalising its strategy after publishing a draft strategy in the summer.
93. How the council uses its resources has a significant impact on the borough's carbon emissions. Across the work we do from our housing investment, to investment in parks and green spaces, to infrastructure changes such as electric charging points how the council chooses to use resources all impacts on our carbon emissions. The council is looking at how it can better align its work to reduce its carbon impact and meet the target of being carbon neutral.
94. As the council further develops its approach, it is looking at how carbon impact is better considered in the decisions that we take including financial decisions. Officers are currently looking at best practice in other councils as well as innovation in this area to enable decisions which are made in the council to more fully consider their carbon impact.
95. As this work is developed, £2m has already been allocated to climate change work in addition to substantial investment across the borough in programmes which are reducing our carbon.
96. This complements the council's existing and future commitments to build new homes, provide efficient heating systems to our council homes, improve air quality, reduce our own operational property estate and so on, much of which features in current or emerging areas of work across the council.

Consultation

97. High-level consultation was conducted on the three-year budget proposals for 2016-17 to 2018-19. The consultation responses received were consistent with prior years' consultations, and were used to inform the budget proposals. A substantial majority of those who responded to this consultation agreed that the council should continue to focus on being more efficient, protecting frontline services and directing resources to those most in need and this is reflected in the budget proposals.
98. Since then the council has held the 'Southwark Conversation' in 2017 in which over 3000 residents responded as well as consulting on the Council Plan 2018-2022 during 2018. Together these have shaped the key priorities for the council over the coming years.
99. In addition, consultation on the Voluntary and Community strategy was conducted to ensure that all sections of the voluntary and community sector could contribute to the development of the strategy, and a series of four open invitation listening events was held which attracted over 200 people. The listening events took place in an atmosphere of goodwill. There was also recognition of the need to find new ways of making the most of diminishing budgetary resources. There has also been consultation on the development of the policy and policy drafts through the Health and Wellbeing Board, Children's and Adults' Board, the Forum for Equalities and Human Rights, the council's

departmental commissioning network and the council/VCS Liaison Group.

Overview and Scrutiny Committee

100. Cabinet has responsibility for drafting the budget and policy framework for approval by council assembly. This includes publishing proposals and taking into account any response from overview and scrutiny committee in drawing up firm proposals for submission to the council.
101. The Overview and Scrutiny committee (OSC) met on 25 and 26 January 2021 to consider the 2021-22 general fund budget proposals as presented to cabinet on 19 January 2021. OSC received presentations from cabinet members and were able to ask questions and seek clarification as necessary.
102. The OSC made eight recommendations, attached at Appendix H which were finalised on Thursday 28 January 2021. Cabinet is asked to approve these recommendations and management responses.

Next Steps

103. This report presents a balanced budget proposal for the cabinet to submit to council assembly on 24 February 2021 in accordance with the Constitution.

COMMUNITY IMPACT STATEMENT

104. The council works in accordance with the single public sector equality duty contained within section 149 of the Equality Act 2010. This means the council must have due regard to the need to eliminate unlawful discrimination, harassment and victimisation, and advance equality of opportunity and foster good relations between different groups.
105. Transparency and fairness form part of the seven budget principles and are an underlying principle in the Council Plan. As with the budget for 2020-21 and for previous years, the council has undertaken equality analysis/screening on its budget proposals, which helps to understand the potential effects that the proposals may have on different groups and whether there may be unintended consequences and in the event, how such issues can be mitigated.
106. Analysis is also undertaken to consider any crosscutting and council-wide impacts. Where screenings identify potential impacts, more detailed analysis is carried out. The Cumulative Equality Analysis document (Appendix F) is an analysis of all Equality Impact Assessments that have been completed for the 2021-22 budget setting process year, assessing the overall impact that the proposed changes made by the council may have on the borough. The report summarises the data and considerations that were taken into account for each of the protected groups and looks at the cumulative impact of these changes upon each group. The report also sets the specific proposals in the context of the borough plan and wider council service delivery. It sets out a cross council overview of the equality analysis of the 2021-22 budget proposals. The report will also help strengthen scrutiny of the decisions being made by bringing this

information together into one place in a transparent and accessible way.

107. The purpose of the report is to outline how the totality of the council's Budget decision-making impacts on protected groups and what we are doing to meet the public sector Equality Duty (PSED). The PSED 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.
108. The PSED requires public bodies to consider the potential consequences of decisions for meeting the needs of people who share protected characteristics and to take these into account before a decision is finalised. It does not prevent public bodies from making decisions. The report also recognises that the duty is a proactive and positive one that requires us to advance equality of opportunity and foster good relations between people in all that we do.
109. For many services, the budget proposals will include efficiencies which have staffing implications. As specific proposals are brought forward, and at each stage of implementation thereafter, the different impacts on different categories of staff will be assessed in accordance with the council's reorganisation, redeployment and redundancy procedures.
110. Equality analysis will continue through the cycle of planning and implementation of these budget proposals. In line with our Public Sector Equality Duty, any changes to services arising from these proposals will be implemented in such a way to not impact disproportionately on any specific section or group in our community. Where necessary, consultation will be undertaken alongside mitigating actions where required. In line with the process across the council, information on the equality analysis will be shared with the relevant cabinet members so it can be considered when decisions are taken.
111. Overall, no disproportionate cumulative impact on any one group has been identified but as set out in the report, we will continue to monitor the impact of these decisions through a strengthened equalities framework.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

112. The constitution determines that cabinet consider decisions regarding the strategic aspects of the regulation and control of the council's finances. The council has a legal obligation to set a balanced budget on an annual basis as prescribed in the Local Government and Finance Act 1992 and associated Regulations. The issues contained in this report will assist in the future discharge of that obligation.
113. The council is required under section 149 of the Equality Act 2010 to have due regard to the need to:
 - Eliminate unlawful discrimination harassment and victimisation

- Advance equality of opportunity between people who share protected characteristics and those who do not
- Foster good relations between people who share protected characteristics and those who do not.

114. Decision makers must understand the effect of policies, practices and decisions on people with protected characteristics.

115. Equality analysis is the mechanism by which the council considers these effects. The report sets out how it is proposed equality analysis will be undertaken in relation to the budget proposals.

116. It is essential that cabinet give due regard to the council's duty under the Equality Act 2010 and the implications for protected groups in the context of that duty in relation to this decision and future decisions on the budget proposals.

REASONS FOR URGENCY

117. The cabinet is required to prepare a budget proposal for submission to council assembly. This is the last cabinet meeting before Council Assembly on 24 February 2021. The council is required to set a lawful budget by 11 March 2021.

REASONS FOR LATENESS

118. Under the council's constitution there is a requirement for the overview and scrutiny committee to review and challenge budget proposals and this took place on 25 and 26 January 2021. The Committees recommendations were agreed on 28 January 2021.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Policy and Resources Strategy: 2021-22 Updated Financial Remit	160 Tooley Street PO Box 64529 London SE1P 5LX	Rob Woollatt 020 7525 0614
http://moderngov.southwark.gov.uk/documents/s89891/Report%20Financial%20Remit%202021-22%20and%20scene%20setting.pdf		
Council's Fairer Future Budget Principles approved by cabinet (September 2015)	160 Tooley Street PO Box 64529 London SE1P 5LX	Rob Woollatt 020 7525 0614
http://moderngov.southwark.gov.uk/documents/s56454/Report%20and%20appendices%202016-17%20PR%20Scene%20setting.pdf		

APPENDICES

No:	Title
Appendix A	Departmental Narratives
Appendix B	Proposed Efficiencies and Improved Use of Resources
Appendix C	Proposed Income Generation
Appendix D	Proposed Savings Impacting on Service Delivery
Appendix E	Proposed Commitments
Appendix F	Public Health Budget Proposals
Appendix G	Cumulative Equalities Impact Assessment
Appendix H	Budget Context document
Appendix I	Overview and Scrutiny Recommendations

AUDIT TRAIL

Cabinet member	Councillor Rebecca Lury, Cabinet Member for Finance and Resources	
Lead officer	Duncan Whitfield – Strategic Director of Finance and Governance	
Report author	Rob Woollatt – Interim Departmental Finance Manager	
Version	Version final	
Dated	29 January 2021	
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		29 January 2021

CHIEF EXECUTIVE

Overview

- B.1. The Chief Executive's department comprises the Chief Executive's Office, External Affairs Team, Regeneration and Planning and Human Resources.
- B.2. The Chief Exec's Office supports the Chief Executive and chief officer leadership team in translating political vision into projects and programmes across the council as well as supporting effective scrutiny function and management of the opposition office. The division also includes the emergency planning and resilience team, therefore creating a direct line between the Chief Executive as the council's most senior responsible officer and the team.
- B.3. The External Affairs division comprises policy and public affairs, media, marketing and cabinet support. As well as this, we manage internal communications for the council and the administration's political assistant. Our services are responsible for managing and enhancing the standing of the council through the development of external and internal communications, public affairs, policy projects and initiatives.
- B.4. The department also brings together planners, regeneration and colleagues across the council dedicated to shaping place to improve economic prosperity.
- B.5. The department leads on the council's delivery of regeneration and building strong local communities, bringing about thousands of new homes, jobs and opportunities across the borough and making our neighbourhoods places in which people are proud to live and work.
- B.6. The Human Resource service continues to implement measures to reduce usage of agency staff across the council through greater workforce planning and recruitment.

Efficiencies and Improved Use of Resources

- B.7. The department is proposing total efficiency savings of £529k. These include the savings from the review of current staffing structure across the Regeneration and Planning directorates together with savings proposed on professional fees on major regeneration schemes.

Income Generation

- B.8. The department is also proposing additional income generation of £941k from a number of areas. Some of the additional income relates to the estimated increase in planning fee income together with additional income expected from post approval Planning Performance Agreements against strategic developments across the borough.

B.9. Increases in commercial rent income in line with rental agreements with current and new tenants are also proposed as part of the overall income generation proposal.

Savings impacting on Service Delivery

B.10. Savings of £111k are proposed from the reorganisation of employment support commissioning funding and a reduction in the youth employment budget.

Commitments

B.11. Commitment of £250k is proposed to meet the shortfall on Land Charges income budget resulting from the transfer of Land Charges registers to the HM Land Registry and also due to the significant reduction in income from local land charge searches.

Equalities Analysis

B.12. As specific proposals are brought forward the impacts on residents and staff will be assessed for equalities impact, although an initial equalities impact assessment has not highlighted any areas of concern. Any proposals affecting staff will be assessed in accordance with the council's reorganisation, redeployment and redundancy procedures. It is expected that all staffing savings proposed for 2021-22 can be managed through natural turnover of staff.

CHILDREN'S AND ADULTS' SERVICES

Overview

- B.13. Children's and Adults' Services represents approximately two thirds of the council's budget. The department provides a wide range of services, including social care and education, to all sections of the population in Southwark.
- B.14. The budget proposals for 2021-22 include a range of modest efficiencies that largely achieve reductions in expenditure through the continuation and improvement of tried-and-tested approaches. These efficiencies, which are both safe and fair, are necessary to contain inflationary cost pressures, which include increases in the London Living Wage. Proposals also include plans not to re-open the Fred Francis day centre, which has been closed since the beginning of the pandemic, however there remains other day care provision within the borough. These are difficult decisions to make but are consistent with the Council's vision of a fairer future for all.
- B.15. The sector has struggled in recent years with the combined effects of austerity, demand pressures and continued funding uncertainty. The impact of this is seen nation-wide, both in the number of councils reporting major social care overspends and in the number of providers going bankrupt or handing back contracts.
- B.16. For several years now, the Council, in partnership with NHS and voluntary sector colleagues, has risen to these challenges and continues to provide a safe social care service with good outcomes within budget. The department is once again forecasting a breakeven social care position for 2020-21 (after application of Covid 19 funding from MHCLG). However, central government policy changes on Special Educational Needs and Disability have caused a significant and growing deficit for the ring-fenced Dedicated Schools Grant (DSG) and we are seeing increasing numbers of schools falling into financial difficulty.
- B.17. The Council continues to work with the Schools Forum to tackle the growing deficit on the DSG, however the pandemic has delayed a number of workstreams and the year-end position is likely to exceed £21m. The Government has now instructed councils to ringfence DSG deficits in a separate adjustment account outside of the general fund, in an effort to prevent a situation arising whereby DSG overspends overwhelm available reserves, however this merely delays resolution of the underlying issue – chronic underfunding.

Equalities Analysis

- B.18. Initial equalities analysis has been undertaken for each proposal. Consultations have been and will be undertaken for proposals relating to service changes where appropriate. Impact is mitigated by alternative offers of services, support or personal budgets as per service user choice in line with Care Act eligibility

and national legislative thresholds and government guidance; other services are discretionary and universal.

B.19. In line with our Public Sector Equality Duty, any changes to services arising from these proposals will be implemented in such a way so as to not impact disproportionately on any specific section or group in our community. The equality analysis is under way and will be collated to look for any cumulative impacts. In line with the process across the council, information on equality analysis will be shared with decision-makers for consideration before any decisions are taken.

B.20. Southwark Council's Fairer Future Promises are reflected in the proposals set forth as is a shift upstream to prevention and early help, recognising the evidence base and the outcomes that can be achieved by offering our residents good universal services.

HOUSING AND MODERNISATION (H&M)

Overview

- B.21. The department comprises a diverse range of services funded from both the general fund and the ring-fenced housing revenue account (HRA) for landlord services. In delivering the council's Fairer Future Promises, the department aims to maximise investment in its housing stock, build new council homes at council rents, deliver consistently high quality services and continue to support the most vulnerable residents, particularly those in need of temporary housing.
- B.22. A high proportion of the housing general fund budget is either demand driven or of a fixed contractual nature, for example, temporary accommodation and the customer contact centre, which leaves relatively little scope to make any meaningful savings towards meeting the budget gap without having a detrimental impact on services. For 2021-22 savings of £2.124m are achievable, which includes a windfall Freedom Pass contribution reduction of £1.557m. Conversely, commitments total £4.807m, predominantly to meet increasing homelessness demand (£4.245m), along with other unavoidable commitments of £562k and a negative income adjustment of £750k giving rise to an overall cumulative net budget increase of £3.433m for 2021-22 as outlined below.

Asset Management

- B.23. Services comprise aids and adaptations, handypersons and private sector housing renewal and empty homes. Savings have previously been achieved through the rationalisation of management across these functions without affecting service delivery. Following a review, there has been a change of emphasis towards greater support for the new homes programme with a consequent employee saving of £58k in the general fund and funding switching to the HRA moving forward. At the same time, new requirements in relation to fire risk assessments in private sector housing necessitate the establishment of a specialist compliance team within the asset management division and budget commitment of £443k in a full-year.

Central Services

- B.24. Budgets held within this activity are of a department-wide nature including corporate recharges and costs that are not specifically attributable to a particular service, for example, financing and depreciation charges. Other budgets are held centrally as contingency against irregular or exceptional events and as part of this budget round, a review has identified some modest reduction in the legal services budget of £109k, which has no direct service impact. Should the need for one-off legal services arise in future the cost will be met from existing resources or reserves where necessary.

Resident Services

B.25. Services comprise travellers' sites and supported housing management, which has shared funding arrangements with the HRA. Significant reconfiguration and improvement works to improve health and safety and fire protection measures at sites have been undertaken. The council has been successful in securing grant funding of £1.7m from the Greater London Authority (GLA) towards these works and is in preliminary discussions around a further grant bid towards a hostels improvement programme. Residual savings of £25k arising from the closure of the temporary site at Devonshire Grove means a small saving can be achieved for 2021-22 without any detrimental service impact.

Modernisation

B.26. The modernisation division incorporates information technology and digital services (ITDS), facilities management (FM) and organisation transformation (OT). These services are of a corporate nature and underpin the council's modernising agenda.

B.27. As part of budget setting for the current year, negotiations were advanced for the Clinical Commissioning Group (CCG) to relocate over a hundred more employees to Tooley Street, generating a substantially higher contribution to the council's costs. However, with the advent of Covid-19 the CCG has withdrawn its proposals; the council has no control over this development and as such it requires the reversal of the £750k rental income assumption made previously.

B.28. Facilities management are responsible for ensuring the council's operational estate is both compliant with health and safety regulations and fit for purpose for staff and service users. Commitments approved in previous rounds have addressed inherent budget pressures/anomalies and stabilised the budget position, but there is no scope for savings other than the year 2 saving of £55k arising from the investment in LED lighting at Tooley Street, which also contributes to the council's carbon reduction commitment. Further LED and other carbon reduction measures are being developed across the council's operational estate.

B.29. The service has recently concluded a complicated procurement exercise to secure hard and soft facilities management (FM) service contracts, in unison with the in-house provision of cleaning services at the council's main administrative hubs, Tooley Street and Queens Road. Unfortunately, the procurement proved to be unsuccessful in that suitable outcomes for either hard or soft FM services could not be achieved. The timeframe for consideration of the options available to the council, including any future procurement will necessitate agreeing an extension to the current contract arrangements, which will realistically defer any future budget proposals to 2022-23 or 2023-24.

B.30. The council is currently engaged on a major IT improvement programme involving migrating its data centre and computing environment to the cloud and

implementing a revised target operating model (TOM) in both the shared service and the retained Southwark IT team. This is necessary to ensure the council's IT infrastructure and systems are modern, stable, resilient and above all secure, together with delivering initial savings of £207k in 2021-22. In response to the Covid-19 pandemic, the SMART working programme has driven an accelerated transformation to the way the council works, enabling the council's staff to maintain services through working remotely. Next year will see this programme subsumed into the TOM. A further part of the SMART working agenda is the continued investment in workforce learning and development through the council-wide 'My Learning Source' (MLS), for which a commitment of £49k is required in 2021-22.

Customer Experience

- B.31. The division is responsible for a diverse range of functions including the customer service centre (CSC), customer resolution, Freedom Pass (concessionary travel), registrars and citizenship, coroners and mortuary services and housing solutions/temporary accommodation.
- B.32. For 2021-22 there is a windfall saving of £1.557m arising on the Freedom Pass travel scheme as the council's contribution to Transport for London (TFL) will be lower following changes in the age eligibility threshold during the current year, but more notably, the impact of coronavirus on projected usage over a three year planning horizon. London Council's currently estimate there will be a further cost reduction in 2022-23 followed by an increase in 2023-24 (tbc).
- B.33. In addition, rationalisation within the contact centre and the 'My Southwark Service Point (MSSP) will also deliver shared savings of £113k in the general fund. In terms of new commitments, £70k is required to meet the increased contract cost of mortuary service provision.

Temporary Accommodation (TA) and Housing Solutions

- B.34. Southwark is recognised nationally as a leading authority on homeless prevention but the cost of TA remains one of the council's most intractable budget pressures. This is driven by a growing national homelessness crisis, unaffordable private sector rented accommodation and government restrictions on Local Housing Allowance (LHA) rates meaning welfare benefits no longer cover the cost of private rented accommodation.
- B.35. Moreover, Covid-19 has had a very significant impact in budget terms. Whilst the council's decisive and rapid response to homing the borough's rough sleepers, those in shared accommodation and other vulnerable people is to be applauded, it has come at a very high price and is a major concern going forward given the continued uncertainty in relation to the pandemic. The ending of restrictions prohibiting evictions in the private rented sector will inevitably lead to a spike in homelessness demand that will further impact the financial position. Whilst government funds have been forthcoming, they are not sufficient to cover the full cost incurred. Looking forward, as the worst effects of the pandemic hopefully subside and linked to some potential changes in the

council's discharge policy, there is optimism that the budget overspend will gradually improve. However, there remains no prospect of any real savings against budget being achieved in the foreseeable future and there is an urgent need to rebase the TA budget to a more sustainable level going forward, with a substantial commitment of £4m for 2021-22. A further commitment of £245k is also proposed to address capacity shortfalls within the housing solutions service which is integral to meeting rising demand.

Equalities Assessment Summary

- B.36. The department undertakes equality analysis/screening on its budget proposals ahead of final decisions being taken. This helps to understand the potential effects that budget proposals may have on different groups, whether there may be unintended consequences for those groups and how such issues can be mitigated. Analysis is also undertaken to consider any cross-cutting and organisation-wide impacts, continuing through the cycle of planning and implementation of these proposals
- B.37. In line with our Public Sector Equality Duty, any changes to services arising from these proposals will be implemented in such a way so as to not impact disproportionately on any specific section or group in our community. Where necessary, consultation will be undertaken alongside mitigating actions as appropriate. In line with the process across the council, information on the equality analysis will be shared with the relevant cabinet members so it can be considered when decisions are taken. To date no cumulative impacts have been identified through the analysis.

ENVIRONMENT AND LEISURE

Overview

B.38. The Environment and Leisure department delivers services that make a real difference to the everyday lives of all residents and visitors. The department is focused on providing high quality services to the borough's residents and shaping those services to support the wellbeing of our residents and support the objectives of other parts of the Council.

B.39. The department aims to make Southwark's neighbourhoods great places to live, places that are clean, safe and vibrant and where activities and opportunities are accessible to all. As well as our front-line environmental services we are proud to work with partners to improve health and wellbeing for all our residents through a rich leisure and cultural programme.

B.40. Many of the operational activities of the department are frontline services for the benefit of all residents: they physically improve the environment; they provide opportunities for health and enjoyment, support knowledge and learning or help improve safety and confidence. The department comprises four directorates, Environment, Leisure, Communities and Public Health.

B.41. The 2020-21 net general budgets for the department is £83.5m.

B.42. For the forthcoming year, 2021-22, the department has identified a number of savings options amounting to £4.207m:

○ Efficiencies and Improved Use of Resources	£2,890k
○ Income Generation (reduction)	£1,318k
○ Savings impacting on service delivery	£135k

Efficiencies and Improved Use of Resources

B.43. Some of the efficiency savings proposals include savings on the waste management contract, cleaning service, fleet service and savings on contract management costs. Revenue savings in salary costs are proposed through capitalising the cost of staff engaged on capital projects and review of agency costs. Continued resolution of no recourse to public fund cases are also expected to generate further efficiency savings. Efficiency savings are also proposed across the arts, heritage and events areas.

Income Generation

B.44. The department is expecting to generate additional income by development of a commercial provision and supervision of Construction Management Plans and also extending the commercial waste service. Additional income from cemeteries and crematorium, tennis courts and garden waste collection are also proposed. The above proposals are offset by the loss of management fee income of £2.6m on the leisure management contract.

Savings impacting on Service Delivery

B.45.Savings of £135k are proposed from the renegotiation of the grounds maintenance contract.

Commitments

B.46.Following the current Covid 19 pandemic situation, a commitment of £1.7m is proposed to fund the costs associated with the leisure management contractual negotiations and future operating arrangements. A commitment of £100k is also proposed on the Youth Review Action Plan.

Equality Analysis

B.47.As specific proposals are brought forward the impacts on residents will be assessed for equalities impact, although an initial equalities impact assessment has not highlighted any significant concern. Any proposals affecting staff will be assessed in accordance with the council's reorganisation, redeployment and redundancy procedures.

FINANCE AND GOVERNANCE

Overview

B.48. The Finance and Governance Department includes the Director's office, which provides strategic leadership for the department and Section 151 responsibilities; Exchequer Services, which encompasses revenues and benefits and housing rent collection, as well as the financial transaction processing teams; the Law and Democracy division responsible for electoral, constitutional and legal services and the Professional Financial Services including financial governance.

B.49. In supporting the Fairer Future promises of the council, the department's vision is to "make a positive difference everywhere we engage" and to be "efficient and effective in all that we do". Specifically, Finance and Governance endeavours to help the council to "manage every penny as carefully as local families look after their own household budgets".

B.50. The specific budget proposals include savings and income generation of £0.730m and commitments of £0.050m.

Efficiencies, Income generation and other savings

B.51. Over 70% of the departments expenditure budget is staffing costs and we are continuously reviewing services to ensure they are operating efficiently and are adapting to changing demands and caseloads so as to ensure they are fit for the future. Further savings of £0.321m are proposed in 2021-22 through implementation of a digital self-service platform and greater automation of processes as well as the partnership for back office services.

B.52. Income generating proposals include increased income from enforcement contract in Exchequer Services and increased legal fees with Law and Democracy.

B.53. Other savings within Professional Finance Services include a reduction in the number of trainees and savings on training and consultancy budgets. In Exchequer Services it is proposed to reduce the number of staff administering the Council Tax Reduction Scheme (CTRS) following the automation of the CTRS in April 2020.

Commitments

B.54. The department is proposing commitments of £0.050m in electoral services in response to increased statutory requirements.

Equality Analysis

B.55. As specific proposals are brought forward, and at each stage of implementation thereafter, the impacts on different categories of staff will be assessed in accordance with the council's reorganisation, redeployment and redundancy

procedures. It is expected that the staffing budget savings proposed for 2020-21 will be managed through natural turnover of staff.

CORPORATE

Overview

B.56. The Corporate budgets include technical accounting budgets such as Minimum Revenue Provision (MRP), treasury income and costs, pension related costs and budgets which impact across the wider council. The £4m contingency budget also sits within corporate to support the wider budget risks.

Income Generation

B.57. Cabinet approved the strategic acquisition of 760 Old Kent Road in October 2020. The property will generate additional income in the medium term to provide revenue to support council services.

Commitments

B.58. As indicated in capital monitoring and treasury management reports, the council has an underlying need to borrow in order to fund the council's capital investment programme. A commitment is included to reflect the additional debt financing costs of £2.1m in 2021-22 as a consequence of approved capital investment decisions.

B.59. Debt financing costs are forecast to increase by a further £3.0m in 2022-23 and £3.3m in 2023-24.

Equality Analysis

B.60. There are no equality analysis implications for these proposals.

APPENDIX B

Savings Type
Last Updated
Version Number

Efficiencies of Resources
08/01/2020

	2021-22 £000
Chief Executive's	(529)
Children's and Adults' Services	(5,994)
Corporate	(350)
Environment and Leisure	(2,890)
Finance and Governance	(321)
Housing and Modernisation	(2,091)
	<u>(12,175)</u>
Adults' Social Care	(3,900)
Children & Families	(868)
Commissioning	(1,167)
Education	(59)
Total Children's and Adults' Services	<u>(5,994)</u>

Department	Division	Cabinet Report Reference	Description	2021-22	Equalities Analysis Information
				£000	
Chief Executive's	Planning	101	Staff reorganisation, leading to reduction of one FTE post	(75)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Chief Executive's	Regeneration North	102	Reduction of professional fees budget for Regeneration North due to the progression of Heygate and Canada Water	(100)	No/minimal impact on staff or service users
Chief Executive's	Regeneration North	103	Reduction in staff costs through saving on unfilled current post in the Regeneration North staffing structure	(52)	No/minimal impact on staff or service users
Chief Executive's	Property	104	Reduction in posts	(302)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Children's and Adults' Services	Adults' Social Care	105	Change to permanent contracts over temporary contracts	(400)	No negative impact on service users, positive impact on service.
Children's and Adults' Services	Adults' Social Care	106	Joint work with NHS colleagues on Continuing Health Care (CHC) and s.117 Mental Health cases.	(500)	No adverse impact on any service users. Beneficial for service users found eligible for CHC.
Children's and Adults' Services	Adults' Social Care	107	Continue ongoing programme of annual reviews of care packages to ensure provision is meeting current need and in line with Care Act.	(1,000)	Impact mitigated by individual reviews of care packages
Children's and Adults' Services	Adults' Social Care	108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	(300)	Postive impact given individual review of care packages
Children's and Adults' Services	Adults' Social Care	109	Efficiencies in new Deprivation of Liberty Safeguards (DOLS) process.	(300)	Impact mitigated by individual reviews of cases.

Department	Division	Cabinet Report Reference	Description	2021-22	Equalities Analysis Information
				£000	
Children's and Adults' Services	Adults' Social Care	110	Government delay in implementation of new Liberty Protection Safeguards (LPS) scheme.	(500)	No/minimal impact on staff or service users
Children's and Adults' Services	Adults' Social Care	111	Next phase of departmental invest to save programmes	(250)	No/minimal impact on staff or service users
Children's and Adults' Services	Adults' Social Care	112	Review of Direct Payment balances and improved review processes	(250)	Service users with a disability are over represented in the direct payment cohort. The impact will be mitigated by individual reviews of Direct Payments. All users will be treated equitably in line with Care Act guidance.
Children's and Adults' Services	Adults' Social Care	113	Implementation of new placement arrangements	(400)	Better management of cost of non-care aspects with no impact on service users.
Children's and Adults' Services	Commissioning	114	Extension of community reablement contract.	(63)	Positive impact through better management of cost of non-care aspects with no impact on service users.
Children's and Adults' Services	Commissioning	115	Reduction in placement costs due to reduced need for residential care placements, and reablement beds being open.	(348)	Positive impact enabling people to live independently longer
Children's and Adults' Services	Commissioning	116	Review of residential care block contract.	(426)	Positive impact - better match with those needs of those requiring residential care
Children's and Adults' Services	Commissioning	117	Review of hostel provision with Housing colleagues, decant from properties which have shared facilities and reprovide residents with self-contained accommodation with community support.	(330)	Positive impact given individual review of care packages.
Children's and Adults' Services	Children & Families	118	Increased grant funding, enabling LA funding pressure for Staying Put to be reduced, but the service is still underfunded by Government.	(68)	No/minimal impact on staff or service users
Children's and Adults' Services	Children & Families	119	Increased grant funding, enabling LA funding pressure for Unaccompanied Asylum Seeking Children to be reduced, but the service is still underfunded by Government.	(440)	No/minimal impact on staff or service users
Children's and Adults' Services	Children & Families	120	More efficient use of placement resources (Independent Fostering Agencies, Residential and semi-independent accommodation (under 18 yr olds) through new Commissioning Alliance framework.	(60)	No/minimal impact on staff or service users
Children's and Adults' Services	Children & Families	121	Placement savings in Children & Families through in-borough and London provision.	(300)	No/minimal impact on staff or service users
Children's and Adults' Services	Education	122	Savings achieved post-closure of Aylesbury Day Nursery	(59)	No/minimal impact as service has already ceased following consultation
Environment and Leisure	Culture	123	Consolidate archive, heritage and art storage by vacating Tower Workshops & Constantine and consolidating all storage at Stockroom	(50)	No/minimal impact on staff or service users
Environment and Leisure	Culture	124	Creation of a community partnership allowing Kingswood House to remain as a community asset	(60)	Potential impact for youth provision during closure period, mitigation in place. Positive impact longer term.
Environment and Leisure	Culture	125	Suspend Free Theatre tickets for primary school children rollout	(200)	No reduction in existing service as had not commenced.
Environment and Leisure	Culture	126	Reallocation of funding for the Council's events programme	(100)	Minor impact through reduced access to free cultural, community and participatory activities

Department	Division	Cabinet Report Reference	Description	2021-22	Equalities Analysis Information
				£000	
Environment and Leisure	Communities	127	Continued resolution of No Recourse to Public Fund cases	(500)	No/minimal impact on staff or service users
Environment and Leisure	Environment- Waste and Cleaning	128	Review of the Waste Contract with a reduction for Waste PFI tonnage	(600)	No/minimal impact on staff or service users
Environment and Leisure	Environment- Waste and Cleaning	129	Review of the Council cleaning service to create further efficiencies	(150)	No/minimal impact on staff or service users
Environment and Leisure	Environment- Waste and Cleaning	130	Review of the Fleet Services contract to create further efficiencies	(50)	No/minimal impact on staff or service users
Environment and Leisure	Parks & Leisure	131	Capitalisation of staff assigned to Capital Programme	(200)	No/minimal impact on staff or service users
Environment and Leisure	Parks & Leisure	132	Savings relating to Contract Management	(100)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Environment and Leisure	Environment and Leisure	133	Reduce spend on staffing budget through review of agency contracts	(880)	No impact on service users. Potential impacts on staff/agency. As specific proposals come forward the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Finance and Governance	Exchequer Services	134	Implementation of an integrated digital self-serve platform, with some upfront investment within existing budgets, to achieve long-term savings.	(35)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Finance and Governance	Exchequer Services	135	Reduction in the Support Services Systems team due to automation of processes and reconciliations	(70)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Finance and Governance	Exchequer Services	136	To look at delivery of improvements to the use of the council's Finance & HR system SAP and associated processes.	(186)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Finance and Governance	Law and Democracy	137	Increased efficiency due to digitalisation and streamlining of processes resulting in reduced support costs in the Constitutional Team.	(30)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Housing and Modernisation	Customer Experience - Contact Centre	138	Reorganisation of contact centre staffing	(80)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.

Department	Division	Cabinet Report Reference	Description	2021-22	Equalities Analysis Information
				£000	
Housing and Modernisation	Resident Services - Travellers	139	Residual budget for Ilderton embankment works	(25)	No/minimal impact on staff or service users
Housing and Modernisation	Central Services - Legal	140	Removal of contingency in legal services budget	(109)	No/minimal impact on staff or service users
Housing and Modernisation	Central services - New Homes	141	Move project co-ordinator post to sit within HRA budget as role is now solely HRA focused	(58)	No/minimal impact on staff or service users
Housing and Modernisation	Modernise - CFM	142	Continued rollout of LED lighting at Tooley Street	(55)	No/minimal impact on staff or service users
Housing and Modernisation	Modernise - Information Technology	143	Review of IT&DS structure to deliver operational savings	(207)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Housing and Modernisation	Customer Experience	144	Re-alignment of the Freedom Pass budget	(1,557)	No/minimal impact on staff or service users
Corporate	Corporate	145	Review and reduction in senior management capacity council wide	(350)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Total				(12,175)	

APPENDIX C

Savings Type
Last Updated
Version Number

Income Generation
08/01/2020

	2021-22
	£000
Chief Executive's	(941)
Children's and Adults' Services	(70)
Corporate	(500)
Environment and Leisure	1,318
Finance and Governance	(111)
Housing and Modernisation	750
	<u>446</u>
Adults' Social Care	(40)
Children & Families	(30)
Commissioning	-
Education	-
Total Children's and Adults' Services	<u>(70)</u>

Department	Division	Cabinet Reference	Description	2021-22	Equalities Analysis Information
				£000	
Chief Executive's	Old Kent Road Team	201	Capitalisation of Staff costs in relation to Tustin/Ledbury	(25)	No/minimal impact on staff or service users
Chief Executive's	Old Kent Road Team	202	Increase in professional fee charged to Developers for post Planning application approval services including the discharging of planning conditions	(57)	No/minimal impact on staff or service users
Chief Executive's	Planning	203	Estimated increase in planning fee income.	(240)	No/minimal impact on staff or service users
Chief Executive's	Planning	204	Estimated increase in planning fee income - extension of post approval Planning Performance Agreements to all strategic developments	(195)	No/minimal impact on staff or service users
Chief Executive's	Regeneration – Capital Projects	205	Increased Project Management fees to be charged on the construction sum of approved capital schemes	(90)	No/minimal impact on staff or service users
Chief Executive's	Regeneration – Capital Projects	206	Increased Project Management fees to be charged on the construction sum of approved capital schemes	(65)	No/minimal impact on staff or service users
Chief Executive's	Regeneration North	207	Capitalisation of existing project management staff costs	(31)	No/minimal impact on staff or service users
Chief Executive's	Regeneration South	208	Capitalisation of staff costs re project management of FDS/Plot 18	(42)	No/minimal impact on staff or service users
Chief Executive's	Regeneration – Property	209	Increase in commercial rent income in line with rental agreements with current and new tenants	(196)	No/minimal impact on staff or service users
Children's and Adults' Services	Adults' Social Care	210	Fairer Contributions Policy - system improvements.	(40)	No adverse impact on service users.
Children's and Adults' Services	Children & Families	211	Grants to supplement work with Youth Offending Service (YOS) young people and services to support young people at risk of involvement in crime needing early help.	(30)	No anegative aspects identified as this will positively provide a small amount of extra resource.

Environment and Leisure	Environment- Regulatory Services	212	Developing of a commercial provision and supervision of Construction Management Plans, associated administration and enforcement leading to income generation	(250)	No/minimal impact on staff or service users
Environment and Leisure	Parks & Leisure	213	Leisure centre management fee post Covid	2,600	No/minimal impact on staff or service users
Environment and Leisure	Parks & Leisure	214	Increase in income from rollout of tennis charging scheme	(100)	No/minimal impact on staff or service users
Environment and Leisure	Parks & Leisure	215	Increase in fees from cemeteries and crematorium	(100)	No/minimal impact on staff or service users
Environment and Leisure	Environment- Regulatory Services	216	Income from CPZs including further rollout across the Borough	(422)	Positive impact as contributes to delivery of movement plan objectives
Environment and Leisure	Environment- Waste and Cleaning	217	Develop and expand commercial waste service to generate further income	(100)	No/minimal impact on staff or service users
Environment and Leisure	Environment and Leisure	218	Uplift in fees and charges	(210)	No/minimal impact on staff or service users
Environment and Leisure	Environment- Waste and Cleaning	219	Increase in garden waste collection service - additional £10 per bin per annum	(100)	No/minimal impact on staff or service users
Finance and Governance	Exchequer Services	220	Increase in income from enforcement agent contract	(30)	No/minimal impact on staff or service users
Finance and Governance	Law and Democracy	221	Increased income through increased legal trading fees	(81)	No/minimal impact on staff or service users
Housing and Modernisation	Modernise - CFM	222	Loss of income due to Clinical Commissioning Group no longer taking forward plans for occupancy expansion at Tooley Street premises	750	No/minimal impact on staff or service users
Corporate		223	Additional income from 760 Old Kent Road	(500)	No/minimal impact on staff or service users
Total				446	

APPENDIX D

Savings Type
Last Updated
Version Number

SavingsDelivery

08/01/2020

Chief Executive's
Children's and Adults' Services
Corporate
Environment and Leisure
Finance and Governance
Housing and Modernisation

2021-22
£000

(111)
(2,034)
-
(135)
(298)
(33)
(2,611)

Adults' Social Care
Children & Families
Commissioning
Education
Total Children's and Adults' Services

(1,734)
-
-
(300)
(2,034)

Department	Division	Cabinet Report Reference	Description	2021-22	Equalities Analysis Information
				£000	
Chief Executive's	Local Economy	301	Reorganisation of employment support commissioning funding through drawing on S106 funds	(64)	No/minimal negative impact as mitigated through drawing on section 106 funding
Chief Executive's	Local Economy	302	Reorganisation of youth employment funding through drawing on S106 funds	(47)	No/minimal negative impact as mitigated through drawing on section 106 funding
Children's and Adults' Services	Adults' Social Care	303	Closure of Fred Francis Day Centre	(734)	The centre provides a service specifically for older adults. Impact mitigated by individual reviews of care packages
Children's and Adults' Services	Adults' Social Care	304	Savings avoidance by re-purposing Better Care Fund support to Adult Social Care and post-pandemic arrangements.	(1,000)	Increase support for ASC as part of whole-system reform, stability and sustainability.
Children's and Adults' Services	Education	305	Financing of Southwark Scholars to be shifted to earmarked reserves, releasing revenue provision. Moving forward the scholarship scheme will continue to be reviewed.	(300)	No/minimal impact on staff or service users
		306	Removed	-	N/A
Environment and Leisure	Parks & Leisure	307	Renegotiation and extension of GM contract with 5% saving per year for 3 years	(135)	No/minimal impact on staff or service users
Finance and Governance	Exchequer Services	308	Reduction in the administration support and number of staff in team supporting Council Tax Reduction Scheme claims	(100)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Finance and Governance	Law and Democracy	309	Creation of a trainee position within Scrutiny Team, allowing for reorganisation of overall staffing structure	(40)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.

Finance and Governance	Professional Finance Services and Financial Governance	310	Reduction of CIPFA trainee provision by removal of 2 vacant posts due to increasing demand on PFS resources	(68)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Finance and Governance	Professional Finance Services and Financial Governance	311	Reduction in budget for ad-hoc use of Risk and Insurance advisory services	(30)	No/minimal impact on staff or service users
Finance and Governance	Professional Finance Services and Financial Governance	312	Reduction in professional qualification training budget across Finance and Governance	(10)	No/minimal impact on staff or service users
Finance and Governance	Professional Finance Services and Financial Governance	313	Removal of contingency budget for ad-hoc legal costs in relation to fraud cases	(50)	No/minimal impact on staff or service users
Housing and Modernisation	Customer Experience - MSSP	314	Removal of post due to service delivery change, with further posts included within HRA	(33)	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter the different impacts on different categories of staff will be assessed in accordance with the council's procedures.
Total				(2,611)	

APPENDIX E

Savings Type	Commitments	2021-22
Last Updated	08/01/2020	£000
Version Number		
Chief Executive's		250
Children's and Adults' Services		7,750
Corporate		2,100
Environment and Leisure		1,800
Finance and Governance		50
Housing and Modernisation		4,807
		<u>16,757</u>
Adults' Social Care		6,625
Children & Families		-
Commissioning		-
Education		1,125
Total Children's and Adults' Services		<u>7,750</u>

Department	Division	Cabinet Report Reference	Description	2021-22	Equalities Analysis Information
				£000	
Chief Executive's	Planning	401	Incurred costs of shortfall on Land Charges Income	250	No/minimal impact on staff or service users
Children's and Adults' Services	Adults' Social Care	402	Investment in Social Care - quality, safety, inflationary pressures to sustain sector and to meet needs.	6,625	Positive impact
Children's and Adults' Services	Education	403	Elective Home Education - increase capacity (currently 0.6FTE to cover 321 cases and rising).	125	Positive impact
Children's and Adults' Services	Education	404	SEND Statutory Duty Staffing	500	Positive impact
Children's and Adults' Services	Education	405	Transport Demand Pressures	500	Positive impact
Environment and Leisure	Culture	406	Commitments related to delivery of Youth Review Action Plan	100	Positive impact on the lives of young people
Environment and Leisure	Parks & Leisure	407	Leisure services future operating arrangements (not including any additional income share)	1,700	Positive impact
Finance and Governance	Law and Democracy	408	Increase in electoral services postage costs in order to meet statutory requirements.	50	No/minimal impact on staff or service users
Housing and Modernisation	Customer Experience - Mortuary	409	Increased costs of new mortuary contract	70	No/minimal impact on staff or service users

Housing and Modernisation	Customer Experience - Housing Solutions	410	Growth of Housing Solutions staff to support increased demand	245	Positive impact
Housing and Modernisation	Modernise - OT	411	Upfront investment into staff learning and training programme software	49	Positive impact
Housing and Modernisation	Asset Management - Private Sector Housing	412	Establishment of base budget funding for council-wide approach to fire safety in private sector housing (H&M lead department)	443	Positive impact on fire strategy and means of escape for older people
Housing and Modernisation	Customer Experience - Temporary Accommodation	413	Temporary Accommodation - budget subject to review of current Covid-19 measures and potential policy changes	4,000	Positive impact
Corporate		414	Debt financing costs arising from approved Capital Programme	2,100	No direct impact on staff or community
Total				16,757	

Last Updated
Version Number

08/01/2021

1

08/01/2021

Efficiencies and Improved Use of Resources
Income Generation
Savings Impacting on Service Delivery
Total - Public Health

2021-22
£000
(186)
(440)
48
(578)

Efficiencies and Improved Use of Resources

Department	Division	Reference	Description	2021-22 £000	Equalities Analysis Information
Environment and Leisure	Public Health	PH101	Healthy Weight - review of contract	(50)	No/minimal impact as initiative to be sustained by GSTT through internal resources.
Environment and Leisure	Public Health	PH102	Smoking cessation - service efficiencies through re-specification / open tender.	(50)	No/minimal impact on staff/service users
Environment and Leisure	Public Health	PH103	Sexual Health Services Savings on STI open access services	(86)	Positive impact. Research suggests online offers of STI testing increases uptake among young people.
Total				(186)	

Income Generation

Department	Division	Reference	Description	2021-22 £000	Equalities Analysis Information
Environment and Leisure	Public Health	PH201	Additional income from Public Health Grant (Budget - estimated at £722k actual 811k)	(90)	Positive impact
Environment and Leisure	Public Health	PH202	Additional income from new government funding to support HIV PreP implementation - previously estimated at £200k	(350)	Positive impact
Total				(440)	

Savings Impacting on Service Delivery

Department	Division	Reference	Description	2021-22 £000	Equalities Analysis Information
Environment and Leisure	Public Health	PH301	Community Sports - Review of community sports team priorities and cease public health grant contribution to team.	(250)	Potential impacts mitigated by programmes targeted at specific groups
Environment and Leisure	Public Health	PH302	Restructure of DAAT team	(50)	Potential impacts on staff. As specific proposals come forward the impacts on different categories of staff will be assessed in accordance with the council's procedures.
Environment and Leisure	Public Health	PH303	Children's Public Health 0-5 (health visiting) - review, redesign and re-commissioning of a 0-19 Children's public health service. Savings on contract of £300k taken in 2020-21 but unlikely to be achieved till 2022-23 and therefore profiled accordingly.	300	No/minimal impact on staff/service users
Environment and Leisure	Public Health	PH304	Children's Public Health 5-19 (school nursing) - review, redesign and re-commissioning of a 0-19 Children's public health service. Contract saving of £63k taken in 2020/21 but unlikely to be achieved till 2022/23 and profiled accordingly.	63	No/minimal impact on staff/service users
Environment and Leisure	Public Health	PH305	Health Interventions for Physical Inactivity - Termination of the Kickstart element of the GP Exercise on Referral Scheme within the Leisure Management Contract	(15)	No/minimal impact on staff/service users
Total				48	

Policy & Resources

Strategy

Initial Cumulative

Equality

Analysis

2021/2022

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Purpose of document

The Cumulative Equality Analysis document is an analysis of all Equality Impact Assessments that have been completed for the 2021/2022 budget setting process year, assessing the overall impact that the proposed changes made by the council may have on the borough. The report summarises the data and considerations that were taken into account for each of the protected groups and looks at the cumulative impact of these changes upon each group. The report also sets the specific proposals in the context of the borough plan and wider council service delivery. It sets out a cross council overview of the equality analysis of the 2021/2021 budget proposals. The report will also help strengthen scrutiny of the decisions being made by bringing this information together into one place in a transparent and accessible way.

The purpose of the report is to outline how the totality of the council's Budget decision-making impacts on protected groups and what we are doing to meet the public sector Equality Duty (PSED). The PSED 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 PSED requires public bodies to consider the potential consequences of decisions for meeting the needs of people who share protected characteristics and to take these into account before a decision is finalised. It does not prevent public bodies from making decisions. The report also recognises that the duty is a proactive and positive one that requires us to advance equality of opportunity and foster good relations between people in all that we do.

The protected characteristics covered by the Equality Duty are:

- i. age;
- ii. disability;
- iii. gender reassignment;
- iv. marriage and civil partnership (but only in respect of eliminating unlawful discrimination);
- v. pregnancy and maternity;
- vi. race – this includes ethnic or national origins, colour or nationality;
- vii. religion or belief – this includes lack of belief;
- viii. sex; and,
- ix. sexual orientation.

The PSED requires us to find out about and give due consideration to the needs of different protected characteristics in relation to the three parts of the duty:

1. Eliminating discrimination, harassment and victimisation

2. Advancing equality of opportunity, including finding out about and meeting diverse needs of our local communities, addressing disadvantage and barriers to equal access; enabling all voices to be heard in our engagement and consultation undertaken; increasing the participation of underrepresented groups; ensuring that disabled people are not disadvantaged in comparison to non-disabled people.
3. Fostering good community relations; promoting good relations; to be a borough where all feel welcome, included, valued, safe and respected.

The PSED and the councils vision of creating a more equal Southwark is now reinforced in the two additional borough plan values: that we will:

- Always work to make Southwark more equal and just
- Stand against all forms of discrimination and racism.

Although not covered in law, the Council has committed to consider socio-economic issues as an additional equality strand and to considering impacts on health inequalities.

This document will inform member decisions on equality considerations from the cumulative analysis based on and alongside the more detailed screening and analysis done on individual proposals and the mitigating actions where disproportionate impacts have been identified.

This initial cumulative equality analysis report will be subject to review and revision with input from key stakeholders. It will be reported to the council's Overview and Scrutiny Committee as part of the scrutiny of the 2021/2022 budget and considered by cabinet on 2nd February alongside the budget report. The independent Equalities and Human Rights Panel that provides scrutiny on equality issues will also discuss it at their next meeting. Any revisions will be published alongside the budget reports.

Executive Summary

This report is part of a new approach to equality analysis as part of strengthening the council's approach to embedding equalities in everything we do. We aim to provide information in a comprehensive and transparent way that allows better scrutiny of our decisions.

The report focuses on the council's general fund and Public Health budgets for 2021/2022 set in the context of the ongoing investment and priorities set out in the borough plan. It does not cover the council's capital programme or the Housing Revenue Account that are subject to separate scrutiny and decision-making.

Tackling inequality and injustice are a thread that run through all of the commitments in the borough plan and the eight priority themes of:

- Covid-19 Response
- Southwark Together
- A green and inclusive economy
- Climate Emergency
- Tackling Health Inequalities
- Homes for all
- A great start in life
- Thriving Neighbourhoods

The plan sets out what we are doing as a borough to advance equalities, tackle discrimination in all forms while at the same time identifying where impacts are felt and how we intend to mitigate against these. The focus on race, nationality and citizenship is also part of the healing and reconciliation work of the Southwark Stands Together programme. This will deliver on the positive duty in the public Sector Equality Duty to foster good relations not just to measure and avoid discrimination.

The budget planning process is dominated by huge financial uncertainties including the challenges of ten years of austerity and the impact of Covid-19 on our communities and services. These financial pressures mean that the council has to make difficult decisions and make savings in this year. This report forms part of a rigorous assessment of our budget proposals to look at how they impact on our communities.

While individual impacts and mitigating actions are identified in the analyses. The purpose of this preliminary cumulative impact assessment is to consider the collective effect of any proposals; and assess and ensure that those people having protected characteristics are not disproportionately disadvantaged. In developing the budget proposals screening has been carried out for each proposal. This has identified any potential impacts, both positive and negative. This is part of an ongoing process of analysis of budget proposals as individual budget proposals are further developed and implemented; they will be subject to further assessment.

66 proposals have been identified as having no or minimal impact, 14 with some positive impacts and 19 impacting on staffing at this stage in the process. In the case of those having impact mitigating actions have been identified in all cases.

Overall, no disproportionate cumulative impact on any one group has been identified but as set out in this report, we will continue to monitor the impact of these decisions through a strengthened equalities framework.

Background and Context

Given the reduced financial envelope within which all local authorities now operate, it is imperative that robust analysis of the impact of decisions on protected groups continues to be undertaken to ensure that access to our services is fair and that protected groups are getting the support that they need.

In November 2020, Southwark Council agreed a refreshed borough plan. The borough plan is the overarching business plan for the council and describes our vision for the borough. It sets out the council's priorities for the next two years, and the commitments that we have made to the people of Southwark. Since 2018, we have already made good progress on delivering these promises.

The borough plan was refreshed because things have changed significantly in Southwark, particularly over the last six months because of the COVID-19 pandemic. Our priority now is to bring Southwark out of the public health crisis, rebuilding our local economy and tackling the inequalities that persist in our society. As a result of COVID-19, we are also facing a huge financial challenge, which means we have to rethink how we will deliver some commitments. This refreshed Borough Plan sets out our plans to continue to improve the life chances of our residents and deliver a fairer future for all.

We have looked carefully at our available budgets and new priorities, focusing on what we have learned from COVID-19 and focusing on the areas that are most important for the borough's recovery. The refreshed borough plan reflects new priorities and sets out the action we will take between now and May 2022 to continue delivering a fairer future for all.

Our values will continue to inform all the work we do across the council and what you can expect from us.

We will:

- Treat residents as if they were a valued member of our own family;
- Be open, honest and accountable;
- Work for everyone to realise their own potential;
- Spend money as if it were from our own pocket;
- Make Southwark a place to be proud of;
- Always work to make Southwark more equal and just;
- Stand against all forms of discrimination and racism.

Tackling inequality and injustice are a thread that run through all of the commitments in the borough plan and the eight priority themes of:

- Covid-19 Response
- Southwark Together
- A green and inclusive economy
- Climate Emergency
- Tackling Health Inequalities
- Homes for all
- A great start in life
- Thriving Neighbourhoods

Our vision is to build a Southwark where everyone has a home, where everyone can get a decent job, where we end our carbon emissions and where everyone is empowered to make the best of their life. The plan sets out our ambitions and commitments to build a stronger, more equal borough between now and May 2020.

The Covid-19 pandemic has shone a light on inequality and poverty and its ongoing impacts will put added pressures on our communities and on public services and rebuilding and tackling inequality at a time of increased and sustained pressure on our services and our finances are a key priority in the borough plan.

Southwark stands together is the council's commitment to tackle racial inequalities. Through the Southwark Stands Together programme the council Southwark Council promotes the basic rights of all people to equality, justice, inclusion and fair treatment. Recent circumstances and events have reignited the need for communities across the globe to unite and to make urgent and sustainable change to give everyone full access to these rights.

Southwark's response through Southwark Stands Together will put in place a framework that creates a programme within Southwark of actions, education and initiatives translating our firm commitments into real, sustainable outcomes. The programme will evolve and adapt over time and seek ways of measuring improvements in the lives of individuals and communities. The overall aim being to improve the lives of our residents, recognising that some change may not be immediate. Whatever the speed or scale of change required; Southwark will not give up on the challenges until they have been overcome.

The recommendations that have emerged from the first listening phase of our engagement on this policy cover a broad range of themes including policing, cultural industries, public realm, health, employment, education and communities as well as staffing in Southwark.

Prior to Covid and the Southwark Stands Together council wide programme being agreed by Cabinet, a commitment was made to review the council's approach to equality and replace the Southwark Diversity Standard. The intention is to agree a new overarching Equality Framework for the council early in 2021. This approach will also set out how the process for equality analysis relating to the council's budget will be carried out moving forward seeking to further strengthen this approach.

Methodology

The analysis below has been informed by Equality Analyses that were completed for the 2021/2022 budget setting process and the equality analysis carried out on the borough plan that sets out the impacts of those things where there is continued investment and focus.

All teams were required to provide a screening of the budget as the budget was being considered. These were included and discussed in the budget challenge sessions. Budget items were rejected in part in response to screenings, or mitigations approved. Where there were impacts identified there was a request to risk assess these looking at both significance and likelihood. Where the risk rating was identified as red the service was asked to provide a full analysis.

Across the budget there were 32 screenings that had an impact on one of the protected characteristics including positive and negative impacts.

A cumulative analysis was conducted by bringing together what this tells us for each of the protected groups. It should be noted that equality analysis is ongoing work and in many cases further analysis will be undertaken as implementation proceeds, more data is gathered and decisions are taken. Where this will take place it is indicated in the tables below. The report summarises the data and considerations that were taken into account for each of the protected groups and looks at the cumulative impact of these changes upon each group. The report also sets the specific proposals in the context of the council plan and wider council service delivery. It sets out a cross council overview of the equality analysis of the 2021/2021 budget proposals.

While individual impacts and mitigating actions are identified in the analyses the purpose of this preliminary cumulative impact assessment is to consider the collective effect of any proposals; and assess and ensure that those people having protected characteristics are not disproportionately disadvantaged. In developing the budget proposals screening has been carried out for each proposal. This helps identify any potential impacts, positive and negative. It also identifies where full further analysis is to be carried out. As individual budget proposals are further developed and implemented, they will be subject to further assessment.

Protected groups and impacts

Age

Borough Plan

The commitments in the refreshed borough plan will have a range of impacts on people of all ages in the borough. The COVID-19 pandemic has had a significant negative impact on many older people, not just in terms of health outcomes but also issues such as loneliness and social isolation, challenges accessing services, and reduced contact with family and friends due to shielding and social distancing restrictions. The council will build on the positive work of the Community Hub during the COVID-19 pandemic and work with the voluntary and community sector to continue to support vulnerable people. This includes older people, both in providing support through the hub and building on volunteering to tackle loneliness.

COVID-19 has had also a particularly high impact on young people and children in our borough, and the refreshed borough plan includes new commitments to support schools to close the attainment gap and ensure children can catch up on education missed during the pandemic. There is also a new commitment to guarantee access to education, employment, training or volunteering for every school leaver, recognising the impact that the pandemic is likely to have on the future employment prospects for this age group.

Further commitments in the refreshed plan, which will have a positive impact on young people, include mainstreaming the Positive Futures fund, so that young people can continue to benefit from this investment, and working with young people to find local solutions to community harm and exploitation including knife crime. The refreshed plan also includes a new commitment to ensure Southwark's youth services meet the needs of young people, following a review of youth services, and ensuring that young people have a voice in decisions that affect them.

Commitments to return employment levels to where they were before COVID-19, to help 5,000 people into work and provide one-to-one support for residents who have lost their jobs because of COVID-19, will particularly help those groups who have been most negatively affected in employment by the pandemic, including young people (under the age of 25) and older people (aged 50+). The council's economic renewal plan includes a specific commitment to young people, recognising the challenges of the post pandemic labour market.

The refreshed plan also includes ongoing delivery of many of the commitments that are set out in the 2018-2022 plan which will have a positive impact on specific age groups, including safe pedestrian crossings, digital skills, the provision of GPs and parks, free school meals, nursing homes and extra care housing, and the Residential Care Charter (more detail is outlined in the 2018 Equality Impact Assessment).

One commitment outlined in the Borough Plan 2018-2022, which has not been included in the refresh, is free theatre visits for every primary school child, which would have a positive impact on young people of all backgrounds. Due to the impact of COVID-19 on theatres, it will not be possible to deliver this commitment as planned by 2022. However, the council remains committed to ensuring children in the borough are able to access Southwark's rich cultural offer no matter what their background, and the viability of this specific commitment will be reviewed ahead of the 2022 Borough Plan.

In terms of health impacts, the refreshed plan includes a number of commitments related to the council's response to the COVID-19 pandemic, which particularly affects older people (alongside other demographics). This includes working with the NHS, local community and businesses to stop the spread of COVID-19, delivering an effective local test and trace programme and supporting residents and businesses to follow national guidance and restrictions. According to PHE data, the rate of diagnosed cases of COVID-19 increases with age and for people with a positive test, those 80 or older were seventy times more likely to die compared with those under 40. The refreshed plan also includes a commitment to work with the NHS to ensure a high take up of flu vaccinations, which is particularly important for older people and young children.

Recognising the significant negative impact that poor mental health can have on young people and the challenges for many young people in accessing appropriate mental health services, the refreshed plan includes a new commitment to support 100% of children and young people with a diagnosable mental health need.

Commitments to create more space for walking and cycling and reduce car journeys, to campaign for improved public transport facilities, and introduce 60 'school streets' will improve air quality which will have a positive impact on health for all ages, but particularly young people and children.

The continued investment in the Ageing Well contract will have a positive impact on older people in Southwark by providing improved support.

Specific Budget Changes

Overall, the proposed changes identified in the budget aim to improve services for young people for example through delivery of the Youth Review and Action Plan. Where services are increasing their use of digital interventions the negative impact for older people is mitigated by alternative and supported mechanisms for service engagement and access and there is a clear commitment in our customer access strategy to leaving no-one behind. No cumulative disproportionate impact is identified at this stage on any age group. Detail of specific proposals is set out in the table below.

Department	Reference	Proposal	Impact	Mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive Impact given individual review of care packages	Further analysis not required
Children's and Adults' Services	Efficiency 114	Extension of community reablement contract.	Positive Impact - better management of cost of non-care aspects with no impact on service users.	Further analysis not required

Children's and Adults' Services	Efficiency 115	Reduction in placement costs due to reduced need for residential care placements, and reablement beds being open. The provision of 16 bed based reablement beds at Waterside Care Home will provide support for those leaving hospital for up to 6 weeks. The service has the potential to reduce high cost demand on services by enabling people to live at home independently for as long as possible.	Positive Impact enabling people to live independently longer.	Further analysis not required
Children's and Adults' Services	Efficiency 116	Review of residential care block contract. The reduction in the block contract with Anchor homes will enable the council to procure services from an alternative residential care home provider and provide a better match with the needs and profile of those requiring residential care in Southwark.	Positive Impact - better match with needs of those requiring residential care.	Further analysis not required
Children's and Adults' Services	Efficiency 117	Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.	Positive Impact given individual reviews of care packages.	Further analysis not required
Children's and Adults' Services	Efficiency 121	Placement savings in Children & Families through in-borough and London provision.	No/minimal impact on staff/service users	Further analysis not required
Children's and Adults' Services	Efficiency 122	Savings achieved post closure of Aylesbury Day Nursery	Assessed as no/minimal impact on service users as service had already ceased following consultation.	Service has already ceased following consultation, no further impact identified.

Environment and Leisure	Efficiency 124	Creation of a community partnership allowing Kingswood House to remain as a community asset	Potential impact for youth provision on the estate during closure period, mitigation in place. Positive impact longer term.	Mitigated by continuation of youth service detached sessions and by seeking alternative provision for both the library and youth services on the estate. Further analysis required as proposals come forward and use of interim measures takes place. Positive impact longer term.
Environment and Leisure	Efficiency 125	Suspend Free Theatre tickets for primary school children rollout	No reduction in existing service as had not commenced. Initial analysis suggests no/minimal impacts.	The programme of visits had not yet commenced so there is no reduction in existing provision as a result of the suspension. Further analysis not required, RAG rated as green.
Finance and Governance	Efficiency 134	Implementation of an integrated self-serve platform with some upfront investment within existing budgets to achieve long-term savings.	This may have an impact on certain vulnerable elderly customers ability to contact the council to discuss issues relating to benefit support, rents, and council tax	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter, the different impacts on different categories of staff will be assessed in accordance with the council's procedures. Offering digital only may impact on collection and recovery performance.
Children's and Adults Services	Income 211	Grants to supplement work with Youth Offending Service (YOS) young people and services to support young people at risk of involvement in crime needing early help.	No negative aspects identified as this will positively provide a small amount of extra resources for children 10-17.	Further analysis not required at this stage
Environment and Leisure	Income 214	Income from roll out of tennis charging scheme	Some potential impact as those over 18 may need to pay for court time	Further analysis will take place as this proceeds. This proposal is to extend pay and play charging to the park courts at Tanner St, Southwark Park, Brunswick Park, Belair Park, Dulwich Park (people already pay at Burgess and GMH and some residents say that booking a court and not turning up is an issue and this may alleviate this). The aim is to standardise tennis operations across the borough. Under 18s will not have to pay. Impact mitigated by holding some free court hours each week but residents who play frequently will pay more at these sites.

Environment and Leisure	Income 216	Income from CPZs including further rollout across the Borough	Positive - CPZ contributes to delivery of movement plan objectives.	The movement plan Equality Analysis has been presented and identifies a positive impact.
Chief Executive's	Savings 301	Reorganisation of employment support commissioning funding	Initial analysis suggests no/minimal negative impacts - mitigated by use of S106 funding.	Impacts mitigated by drawing on s106 funds.
Chief Executive's	Saving 302	Reduction in youth employment budget	Initial analysis suggests no/minimal impacts mitigated by use of S106 funding.	Impacts mitigated by drawing on s106 funds.
Children's and Adults' Services	Savings 303	Closure of Fred Francis Day Centre	Fred Francis Day Centre provides a service specifically for Older Adults however no evidence of negative impact given individual reviews of care packages.	There is no evidence that there would be discrimination toward residents and that they are being treated less favourably or put at a disadvantage because of their age. It will be important that if providing an alternative service for this cohort, that they receive a person centred service and are able to exercise choice and control. We will undertake a range of actions to support adults with dementia (and those who support them) during the transition to new service[s], and also to ensure that their complex needs are correctly identified and appropriate care and support is put in place for them. Subsequent phases of this work will require a consultation to be carried out. Any impact will be mitigated by individual reviews of care packages.
Finance and Governance	Savings 308	Reduction in the administration support and number of staff in team supporting Council Tax Reduction Scheme claims	Depending on the changes to the policy those entitled to certain benefits may see a reduction in the level of support received	Further analysis required as specific proposals come forward to deliver the required saving and at each stage of implementation thereafter the different impacts will be assessed in accordance with the council's reorganisation procedures.
Children's and Adults' Services	Commitment 402	Investment in Social Care - quality, safety, inflationary pressures to sustain sector and to meet needs. Social Care Commitment - ring-fenced Adult Social Care precept and Social Care Grant.	Positive impact through £6.625million investment	Not required.

Children's and Adults' Services	Commitment 404	SEND Statutory Duty Staffing	Positive - the age group is 0-25, not agreeing this commitment potentially disproportionately affects children and young people.	Further analysis not required.
Children's and Adults' Services	Commitment 405	Transport Demand Pressures	Positive impact of growth.	This service is used by children and young people aged from 5 to 25 who would not be able to get to and from school/college without travel assistance that would be a significant disadvantage when compared with their peers who do not need support. There has been an average increase in demand for travel assistance of approximately 10% each year that is broadly in line with the increasing number of EHCPs issued in the borough. The level of complex needs of Children in Southwark has increased, more children with higher medical needs, which has led to provision of more specialist transport. Covid safe travel has been put in place for children with exceptionally high levels of vulnerability that has increased the cost of delivering this service (an additional £4k per week.
Environment and Leisure	Commitment 406	Commitments related to delivery of Youth Review Action Plan	Positive Impact	A positive impact on the lives of young people across the borough from the ages of 11 – 19 (25 for young people with learning disabilities) There will be an improved range of activities and services designed to meet their needs and co-produced by them. A number of services that currently work within different directorates will be brought together to provide an integrated approach to deliver of services
Housing and Modernisation	Commitment 412	Establishment of base budget funding for council-wide approach to fire safety in private sector housing (H&M lead department)	Positive Impact on fire strategy for the block and means of escape for older people	Budget for staffing, legal costs and potentially initial remedial works to ensure private sector high risk buildings are made safe

Public Health				
Environment and Leisure	Efficiency Public Health	Sexual Health Services Savings on STI open access services	Positive impact	Research suggests that online offers of STI testing increase uptake of testing among young people (aged 16-30 years). Further analysis not required
Environment and Leisure	Commitment Public Health	Children's Public Health 0-5 (health visiting) - review, redesign and re-commissioning of a 0-19 Children's public health service. Savings on contract of £300k taken in 2020-21 but unlikely to be achieved until 2022-23 and therefore profiled accordingly.	Commitment - no impact on staff or service users	Commitment therefore no negative impact identified at this stage
Environment and Leisure	Commitment Public Health	Children's Public Health 5-19 (school nursing) - review, redesign and re-commissioning of a 0-19 Children's public health service. Contract saving of £63k taken in 2020/21 but unlikely to be achieved until 2022/23 and profiled accordingly.	Commitment - no impact on staff or service users	Commitment therefore no negative impact identified at this stage
Environment and Leisure	Savings Public Health	Community Sports - Review of community sports team priorities and cease public health grant contribution to team.	Potential impacts mitigated by programmes targeted at specific groups.	Focus on specific groups within the new healthy weight strategy including by being physically active. Free swims and gyms available alongside other physical activity programmes targeting specific groups.
Environment and Leisure	Efficiency Public Health	Healthy Weight - review of contract	No/minimal impact.	Initiative to be sustained and continued by GSTT through internal resources.

Disability

Borough Plan

Many of the commitments in the Borough Plan will positively impact on disabled people in the borough.

The commitment to support 5,000 people into work and provide one-to-one support for people who have lost their job because of COVID-19 will be primarily delivered through Southwark Works. Under the Southwark Works Framework commissioned by the council, people with disabilities are able to better access support with specific lots being designed for people with disabilities, for example a focus on mental health and physical and learning disabilities. There will also be provision for young people with SEND in the 'vulnerable young persons' lot. In addition, other providers will engage and work with employers to secure vacancies for any client and ensure recruitment policies are inclusive; specifically with the needs of potential and current employees with disabilities.

The council monitors outputs for Southwark Works based on all demographics, to ensure there is equality of outcome delivered by the service. We will also be performing an impact evaluation of the Southwark Works service early 2021 to inform new Southwark Works contracts (due to begin June 2021). The council is also working closely with the Central London Forward (CLF) commissioned Work and Health Programme (Central London Works) which has a particular focus on supporting people with health and disabilities into employment.

Children with certain disabilities and underlying health conditions are more likely to be negatively impacted by COVID-19, both in terms of health and education due to increased likelihood of missing out on school due to shielding. The refreshed Borough Plan includes a commitment to support schools to ensure children are able to catch up on education missed as a result of the pandemic.

Homelessness and rough sleeping remains a significant challenge in Southwark and national data shows that physical and mental health needs are a key vulnerability reported in homelessness cases. The refreshed plan includes a commitment to end rough sleeping in Southwark.

Approximately 13% of people living in inner London have a disability, equating to 40,700 people in Southwark. COVID-19 has a disproportionate negative impact on people with disabilities, as certain underlying health conditions make individuals more vulnerable to the virus. The council is addressing this disproportionate impact through commitments relating to the council's response to COVID, including working with NHS and partners to stop the spread of COVID-19, and to continuing to provide support for vulnerable residents building on the successful work of the community hub.

Mental health problems represent the single largest cause of disability in the UK and it is estimated that almost one in five adults in Southwark are experiencing a common mental disorder, equating to approximately 47,000 individuals. An estimated 2,550 children and young people in Southwark suffer from a mental health disorder. There has also been an increase in demand for mental health support for young people during the COVID-19 pandemic. The refreshed plan includes a commitment to continue to protect adult mental health services, and to support 100% of young people with a diagnosable mental health need, a significant ambition that puts Southwark ahead of many other boroughs.

As an employer, the council is committed to training even more mental health first aiders, and working with partners to develop an ongoing Council-wide mental health awareness and stigma programme for all staff.

Specific Budget Changes

Overall, the budget aims to positively impact people with disabilities through continued investment in employment support and protecting service areas such as protecting adult mental health services. No cumulative disproportionate impact is identified at this stage on people with disabilities. Detail of specific proposals is set out in the table below.

Department	Reference	Proposal	Impact	Mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive Impact given individual review of care packages	Further analysis not required
Children's and Adults' Services	Efficiency 112	Review of Direct Payment balances and improved review processes	Service users with a disability are over represented in the direct payment cohort that means they may be more adversely effected. This will be mitigated by case-by-case reviews. All service users will be treated equitable in line with Care Act guidance.	It is proposed that the impact of these changes will be mitigated by individual social care reviews in line with Care Act eligibility criteria. This will ensure that packages remain appropriately resourced and all eligible needs are being met. Through these reviews, it may become apparent that a direct payment is not the best way to meet an individual's needs, and social care staff will work with those affected to put a more appropriate package in place.
Children's and Adults' Services	Efficiency 114	Extension of community reablement contract.	Positive Impact - better management of cost of non-care aspects with no impact on service users.	Further analysis not required
Children's and Adults' Services	Efficiency 115	Reduction in placement costs due to reduced need for residential care placements, and reablement beds being open. The provision of 16 bed based reablement beds at Waterside Care Home will provide support for those leaving hospital for up to 6 weeks. The	Positive Impact enabling people to live independently longer.	Further analysis not required

service has the potential to reduce high cost demand on services by enabling people to live at home independently for as long as possible.

Children's and Adults' Services	Efficiency 116	Review of residential care block contract. The reduction in the block contract with Anchor homes will enable the council to procure services from an alternative residential care home provider and provide a better match with the needs and profile of those requiring residential care in Southwark.	Positive Impact - better match with needs of those requiring residential care.	Further analysis not required
Children's and Adults' Services	Efficiency 117	Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.	Positive Impact given individual reviews of care packages.	Further analysis not required
Environment and Leisure	Efficiency 124	Creation of a community partnership allowing Kingswood House to remain as a community asset	Potential impact for youth provision on the estate during closure period, mitigation in place. Positive impact longer term.	Mitigated by continuation of youth service detached sessions and by seeking alternative provision for both the library and youth services on the estate. Further analysis required as proposals come forward and use of interim measures takes place. Positive impact longer term.
Environment and Leisure	Efficiency 126	Reallocation of funding for the Council's events programme how implemented is yet to be determined.	Reduced access to free cultural, community and participatory activities in the local area	Assessment is that although impacts have been identified these remain rated green.
Finance and Governance	Efficiency 134	Implementation of an integrated self-serve platform with some upfront investment within existing budgets to achieve long-term savings.	This may have an impact on certain vulnerable elderly customers ability to contact the council to discuss issues relating to benefit	Potential impacts on staff. As specific proposals come forward and at each stage of implementation thereafter, the different impacts on different categories of staff will be assessed in accordance with the council's procedures. Offering digital only may impact on collection and recovery performance. The proposal is for year 3 so we will need to determine how far the Council has been able to recover income from the impact of Covid.

			support, rents, and council tax	
Environment and Leisure	Income 216	Income from CPZs including further rollout across the Borough	Positive - CPZ contributes to delivery of movement plan objectives.	The movement plan Equality Analysis has been presented and identifies a positive impact.
Chief Executive's	Savings 301	Reorganisation of employment support commissioning funding	Initial analysis suggests no/minimal impacts- mitigated by drawing on S106 funding.	Impacts mitigated by drawing on s106 funds.
Children's and Adults' Services	Savings 303	Closure of Fred Francis Day Centre	Fred Francis Day Centre provides a service specifically for Older Adults however no evidence of negative impact given individual reviews of care packages.	There is no evidence that there would be discrimination toward residents and that they are being treated less favourably or put at a disadvantage because of their age. It will be important that if providing an alternative service for this cohort, that they receive a person centred service and are able to exercise choice and control. We will undertake a range of actions to support adults with dementia (and those who support them) during the transition to new service[s], and also to ensure that their complex needs are correctly identified and appropriate care and support is put in place for them. Subsequent phases of this work will require a consultation to be carried out. Any impact will be mitigated by individual reviews of care packages.
Finance and Governance	Savings 308	Reduction in the administration support and number of staff in team supporting Council Tax Reduction Scheme claims	Potential staff impacts.	Potential impacts on staff. As specific proposals come forward to deliver the required saving and at each stage of implementation thereafter the different impacts will be assessed in accordance with the council's procedures.
Children's and Adults' Services	Commitment 402	Investment in Social Care - quality, safety, inflationary pressures to sustain sector and to meet needs. Social Care Commitment - ring-fenced Adult Social Care precept and Social Care Grant.	Positive impact through £6.625million investment	Not required.
Children's and Adults' Services	Commitment 404	SEND Statutory Duty Staffing	Positive - the age group is 0-25, not agreeing this commitment potentially disproportionately	Further analysis not required.

			affects children and young people.	
Children's and Adults' Services	Commitments 405	Transport Demand Pressures	Positive impact of growth.	99% of children and young people supported with travel assistance have an EHCP and are in need of support, the remaining 1% have a parent/carer with needs. This group is disproportionately represented any reduction in service availability would have a direct impact on individuals with a disability. This service is used by children and young people aged from 5 to 25 who would not be able to get to and from school/college without travel assistance that would be a significant disadvantage when compared with their peers who do not need support. There has been an average increase in demand for travel assistance of approximately 10% each year that is broadly in line with the increasing number of EHCPs issued in the borough. The level of complex needs of Children in Southwark has increased, more children with higher medical needs, which has led to provision of more specialist transport. Covid safe travel has been put in place for children with exceptionally high levels of vulnerability that has increased the cost of delivering this service (an additional £4k per week).
Housing and Modernisation	Commitments 412	Establishment of base budget funding for council-wide approach to fire safety in private sector housing (H&M lead department)	Impact on fire strategy for the block and means of escape.	Budget for staffing, legal costs and potentially initial remedial works to ensure private sector high risk buildings are made safe
Public Health				
Environment and Leisure	Efficiency Public Health	Sexual Health Services Savings on STI open access services	Positive impact	Research suggests that online offers of STI testing may have positive impacts on residents with disabilities who are unable to access physical locations. Further analysis not required

Environment and Leisure	Commitment Public Health	Children's Public Health 0-5 (health visiting) - review, redesign and re-commissioning of a 0-19 Children's public health service. Savings on contract of £300k taken in 2020-21 but unlikely to be achieved until 2022-23 and therefore profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage.
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Environment and Leisure	Commitment Public Health	Children's Public Health 5-19 (school nursing) - review, redesign and re-commissioning of a 0-19 Children's public health service. Contract saving of £63k taken in 2020/21 but unlikely to be achieved until 2022/23 and profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage
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Environment and Leisure	Savings Public Health	Community Sports - Review of community sports team priorities and cease public health grant contribution to team.	Potential impacts mitigated by programmes targeted at specific groups.	Focus on specific groups within the new healthy weight strategy including by being physically active. Free swims and gyms available alongside other physical activity programmes targeting specific groups.
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Sexual Orientation and Gender Reassignment

Borough Plan

The Borough Plan includes an ongoing commitment to tackling hate crime in all forms, celebrating and promoting the diversity of the borough and embedding equality further in everything we do as a council. This work will include the review of the council's diversity standard and equality framework.

The council has specific commitments in the Workforce Strategy in relation to development of guidance for managers regarding gender identity. We will continue to monitor any recommendations arising from central government's consultation on the Gender Recognition Act 2004.

Research from the Office for National Statistics suggests that Southwark has one of the largest gay and lesbian populations in the country, where 5% (12,000 people) of the population of Southwark identify as being gay or lesbian, compared to only 2% of the entire London population and 1% in England. Estimates of those identifying as either bisexual, transgender are not considered reliable enough for practical use.

The refreshed plan includes a commitment to work with the LGBTQ+ community to secure a new LGBTQ+ cultural space and ensure it meets the community's needs. Other commitments to tackle radicalisation, extremism, and hate-crime, and to celebrate and promote the rich diversity of the borough, are also likely to have positive impact on LGBTQ+ residents.

Specific Budget Changes

No cumulative disproportionate impact is identified at this stage. Detail of specific proposals is set out in the table below:

Department	Reference	Proposal	Impact	mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive Impact given individual review of care packages	Further analysis not required

Children's and Adults' Services	Efficiency 117	Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.	Positive Impact given individual reviews of care packages.	Further analysis not required
Environment and Leisure	Income 216	Income from CPZs including further rollout across the Borough	Positive - CPZ contributes to delivery of movement plan objectives.	The movement plan Equality Analysis has been presented and identifies a positive impact.
Chief Executive's	Saving 302	Reduction in youth employment budget	Initial analysis suggests no/minimal impacts – mitigated by use of S106 funding	Impacts mitigated by drawing on s106 funds.
Public Health				
Environment and Leisure	Efficiency Public Health	Sexual Health Services Savings on STI open access services	Positive impact	Research suggests that homosexual and bisexual patients are more likely to use online services than visit a clinic

Ethnicity/Race

Borough Plan

Recognising that racial inequalities continue to be a significant challenge in our society, the refreshed Borough Plan includes a number of specific commitments to tackle racial inequality and injustice. This builds on the work of Southwark Stands Together, the council's response to a number of global issues including the murder of George Floyd and the resulting Black Lives Matter protests, and the disproportionate impact of COVID-19 on Black, Asian and minority ethnic (BAME) individuals.

Southwark Stands Together is a cross council, wide reaching programme of work which seeks to root out and tackle racial inequalities and injustice. The refreshed plan includes a number of commitments based on recommendations from Southwark Stands Together, which was agreed by Cabinet in September 2020 following a period of significant engagement and consultation, with the action plan and next steps being agreed by Cabinet in October 2020. This includes:

- Supporting Black, Asian and minority ethnic artists to create and showcase new work, including drawing up plans with the community for a Black cultural centre
- Working with partners to increase representation of Black, Asian and minority ethnic communities on Southwark boards and in other community leadership positions
- Increasing the quality and effectiveness of the council's engagement with Black, Asian and minority ethnic communities
- Reviewing the council's grants to make sure they develop the best value for communities and remove barriers to equal access to funding, particularly for Black, Asian and minority ethnic groups
- Working with the police and our Black, Asian and minority ethnic communities to strengthen trust in policing
- Supporting Black, Asian and minority ethnic-led businesses in Southwark to secure contracts with public sector anchor institutions
- Encouraging all Southwark businesses with more than 50 employees to publish their Black, Asian and minority ethnic pay gaps

Education, employment and business and health inequalities were some of the greatest area of concern from the listening exercises conducted as part of Southwark Stands Together which is why the council is prioritising:

- Supporting residents from diverse backgrounds to access quality employment opportunities including apprenticeships, internships and careers information, advice and guidance.
- Aspiring to end all school exclusions by asking schools to share their data around external, temporary and internal exclusions including information on off rolling. This will enable us to build an evidence base that helps understand the experience of BAME students and develop a strategy that can help eliminate school exclusions for all.

- Improving the experience of young people with respect to meaningful work experience; develop networks within and beyond school that provide advice and guidance and exposure to opportunities that helps them develop their aspirations and confidence and understanding linked to the world of work.
- Developing a strong partnership approach across the whole health sector to address the wider health inequalities that disproportionately impact BAME communities and their physical, mental and emotional wellbeing.
- Recognising that discrimination can occur in many different ways from front line to backroom functions and adopt and embed organisation wide approaches to improve the experiences of BAME patients in health and care

The Borough Plan also recognises and seeks to tackle inequalities based on race, nationality and citizenship. This includes campaigning for an end to the ‘no recourse to public funds’ laws that trap people on the street; campaigning to ensure the Windrush generation are compensated by the national government for past injustices; and making Southwark a Borough of Sanctuary, working with community groups and partners to help and support refugee, migrant and asylum seekers in Southwark, and campaigning to end the Hostile Environment. As part of Southwark Stands Together and in our response to the covid pandemic, we intend to understand our undocumented migrant community more as part of responding to the needs of a community that are less visible and at high risk from Covid-19, hate crime and hostility.

As an employer, the council is committed to modelling best practice and the refreshed plan includes a commitment to strive to ensure the council’s workforce reflects the local community it represents at every level of the organisation. The refreshed plan includes a commitment to ensuring the top of the council’s workforce is proportionately representative of Southwark’s Black, Asian and minority ethnic population by 2030.

The disproportionate impact of COVID-19 on Black, Asian and minority ethnic individuals has shone a light on health inequalities in our society, many of which are linked to wider determinants such as deprivation, occupation and housing. The refreshed Borough Plan includes a commitment to close the gap in health inequalities that affect our Black, Asian and minority ethnic communities, and the council will work closely with the NHS and health partners to deliver this commitment.

Southwark has the second highest HIV prevalence in England: there are currently just over 2,600 people living in the borough who have been diagnosed with HIV. However, the number of new cases of HIV in the borough continues to fall, with levels falling by more than half between 2011 and 2018. The refreshed plan includes a commitment to increase HIV testing to reduce late diagnosis, particularly in Black, Asian and minority ethnic communities.

Rates of HIV and STIs in south east London (Southwark, Lambeth and Lewisham) are the highest in England. There are persistent inequalities in sexual and reproductive health and men who have sex with men (MSM) are one of the groups that suffer the greatest burden. Effective testing, especially of at risk groups, is recognised as a key component of prevention strategy. The plan includes a commitment increase HIV testing to reduce late diagnosis, which should have a positive impact on MSM as well as other demographics.

Specific Budget Changes

Overall the proposed changes identified in the budget aim to tackle racial inequality and injustice through for example the Southwark Stands Together programme. No cumulative disproportionate impact is identified at this stage. Detail of specific proposals is set out in the table below.

Department	Reference	Proposal	Impact	Mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive Impact given individual review of care packages	Further analysis not required
Children's and Adults' Services	Efficiency 117	Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.	Positive Impact given individual reviews of care packages.	Further analysis not required
Children's and Adults' Services	Efficiency 121	Placement savings in Children & Families through in-borough and London provision.	No/minimal impact on staff/service users	Further analysis not required
Children's and Adults' Services	Efficiency 122	Savings achieved post closure of Aylesbury Day Nursery	Assessed as no/minimal impact on service users as service had already ceased following consultation.	Service has already ceased following consultation, no further impact identified
Environment and Leisure	Efficiency 126	Reallocation of funding for the Council's events programme although how this may be implemented is yet to be determined.	Reduced access to free cultural, community and participatory activities in the local area	Assessment is that although impacts have been identified these remain rated green.
Children's and Adults' Services	Income 211	Grants to supplement work with Youth Offending Service (YOS) young people and services to support young people at risk of involvement in crime needing early help.	No negative aspects identified as this will positively provide a small amount of extra resources for children 10-17.	Further analysis not required at this stage

Chief Executive's	Savings 301	Reorganisation of employment support commissioning funding	Initial analysis suggests no/minimal negative impacts - mitigated by use of S106 funding.	Impacts mitigated by drawing on s106 funds.
Chief Executive's	Saving 302	Reduction in youth employment budget	Initial analysis suggests no/minimal impacts – mitigated by use of S106 funding	Impacts mitigated by drawing on s106 funds.
Children's and Adults' Services	Savings 303	Closure of Fred Francis Day Centre	Fred Francis Day Centre provides a service specifically for Older Adults however no evidence of negative impact given individual reviews of care packages. Service users at Fred Francis Day Centre represent a diverse mix of ethnicities. However a higher percentage, 57.8%, are BAME with 28.9% white British. Eligible service users will be able to access alternative provision regardless of their race.	There is no evidence that there would be discrimination toward residents and that they are being treated less favourably or put at a disadvantage because of their ethnicity/race. It will be important that if providing an alternative service for this cohort, that they receive a person centred service and are able to exercise choice and control. We will undertake a range of actions to support adults with dementia (and those who support them) during the transition to new service[s], and also to ensure that their complex needs are correctly identified and appropriate care and support is put in place for them. Subsequent phases of this work will require a consultation to be carried out.
Children's and Adults' Services	Commitments 403	Elective Home Education - increase capacity (currently 0.6FTE to cover 321 cases and rising).	Positive 32% of EHE children are white British, 68% represent black, Asian and other ethnic minority communities. It is often the case that	If Southwark does not carry out sufficient monitoring of families educating their children at home, there is a significant risk of not identifying children who are not receiving a suitable education, these children may go on to have poor educational outcomes, become NEET and generally, have limited life chances. In addition, many of these children will not have contact with any other services, the contact made by an EHE adviser

			these children are also vulnerable, often being taken out of school prior to a potential exclusion. This cohort is disproportionately represented.	can pick up safeguarding risks and wider needs. 26% of EHE are previously known to children's social care or family early help.
Children's and Adults' Services	Commitment 402	Investment in Social Care - quality, safety, inflationary pressures to sustain sector and to meet needs. Social Care Commitment - ring-fenced Adult Social Care precept and Social Care Grant.	Positive impact through £6.625million investment	Not required.
Children's and Adults' Services	Commitments 404	SEND Statutory Duty Staffing	Positive the BAME community are over represented in the SEND population in Southwark. Any service delivery issues in SEND then impacts on this community disproportionately.	
Children's and Adults' Services	Commitment 405	Transport Demand Pressures	Positive impact of growth. A majority of service users 70% are from black and minority communities.	This service is used by children and young people aged from 5 to 25 who would not be able to get to and from school/college without travel assistance that would be a significant disadvantage when compared with their peers who do not need support. There has been an average increase in demand for travel assistance of approximately 10% each year that is broadly in line with the increasing number of EHCPs issued in the borough. The level of complex needs of Children in Southwark has increased, more children with higher medical needs, which has led to provision of more specialist transport. Covid safe travel has been put in place for children with exceptionally high levels of vulnerability that has increased the cost of delivering this service (an additional £4k per week.

Environment and Leisure	Commitments 406	Commitments related to delivery of Youth Review Action Plan	Positive impact	A positive impact on the lives of young people across the borough from the ages of 11 – 19 (25 for young people with learning disabilities) There will be an improved range of activities and services designed to meet their needs and co-produced by them. A number of services that currently work within different directorates will be brought together to provide an integrated approach to deliver of services
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Public Health				
Environment and Leisure	Efficiency Public Health	Sexual Health Services Savings on STI open access services	Positive impact	Research suggests that online offers of STI testing increase uptake of testing among young people (aged 16-30 years). Further analysis not required
Environment and Leisure	Commitment Public Health	Children's Public Health 0-5 (health visiting) - review, redesign and re-commissioning of a 0-19 Children's public health service. Savings on contract of £300k taken in 2020-21 but unlikely to be achieved until 2022-23 and therefore profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage
Environment and Leisure	Commitment Public Health	Children's Public Health 5-19 (school nursing) - review, redesign and re-commissioning of a 0-19 Children's public health service. Contract saving of £63k taken in 2020/21 but unlikely to be achieved until 2022/23 and profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage
Environment and Leisure	Savings Public Health	Community Sports - Review of community sports team priorities and cease public health grant contribution to team.	Potential impacts mitigated by programmes targeted at specific groups.	Focus on specific groups within the new healthy weight strategy including by being physically active. Free swims and gyms available alongside other physical activity programmes targeting specific groups.

Maternity and pregnancy

Borough Plan

No differential impacts were identified in the borough plan.

Specific Budget Changes

No cumulative disproportionate impact is identified at this stage. Detail of specific proposals is set out in the table below.

Department	Reference	Proposal	Impact	Mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive Impact given individual review of care packages	Further analysis not required
Children's and Adults' Services	Efficiency 117	Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.	Positive Impact given individual reviews of care packages.	Further analysis not required
Environment and Leisure	Income 216	Income from CPZs including further rollout across the Borough	Positive - CPZ contributes to delivery of movement plan objectives.	The movement plan Equality Analysis has been presented and identifies positive impact.

Public Health				
Environment and Leisure	Efficiency Public Health	Sexual Health Services Savings on STI open access services	Positive impact	Research suggests that online offers of STI testing increase uptake of testing among young people (aged 16-30 years). Further analysis not required
Environment and Leisure	Commitment Public Health	Children's Public Health 0-5 (health visiting) - review, redesign and re-commissioning of a 0-19 Children's public health service. Savings on contract of £300k taken in 2020-21 but unlikely to be achieved until 2022-23 and therefore profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage
Environment and Leisure	Commitment Public Health	Children's Public Health 5-19 (school nursing) - review, redesign and re-commissioning of a 0-19 Children's public health service. Contract saving of £63k taken in 2020/21 but unlikely to be achieved until 2022/23 and profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage
Environment and Leisure	Savings Public Health	Community Sports - Review of community sports team priorities and cease public health grant contribution to team.	Potential impacts mitigated by programmes targeted at specific groups.	Focus on specific groups within the new healthy weight strategy including by being physically active. Free swims and gyms available alongside other physical activity programmes targeting specific groups.
Environment and Leisure	Savings Public Health	Long acting reversible contraception GP service - End funding for GP LARC service	Potential impact on postpartum women.	Mitigated by establishing a referrals pathway between GPs conducting postpartum checks and SRH clinics that conduct LARC fittings Further analysis required.

Sex/ Gender

Borough Plan

We are committed to promoting equal opportunities employment policies through our own commissioning, and more widely, the council has implemented the Borough Plan commitment to ensure all our contractors must publish their gender pay gap and plans to reduce it, through the Fairer Future procurement framework. The refreshed plan includes a commitment to go further than this, to encourage all Southwark businesses with more than 50 employees to publish their Black, Asian, minority ethnic, and gender pay gaps, and to support Southwark Black, Asian and minority ethnic-led and women-led businesses to secure contracts with public sector anchor institutions.

Evidence has shown that women have been disproportionately impacted by COVID-19 in employment. We will monitor the implementation and delivery of the commitments to support 5,000 residents into work and provide one-to-one support for residents who have lost their jobs because of COVID-19, to ensure that women are supported.

Through the Borough Plan and Economic Wellbeing Strategy there is an ambition that there is genuine pay equality in Southwark and for Southwark residents, and we continue to embed the principles of equal pay and family friendly work practices across all our services and promote, influence strategically, and lobby nationally for fair wages and the elimination of the gender pay gap.

Women are disproportionately impacted by domestic abuse. The refreshed Borough Plan continues to prioritise domestic abuse survivors over abusers to ensure they do not end up without a home, and commits to ensuring survivors can access high quality services, and a zero-tolerance policy on domestic abuse.

The Borough Plan 2018-2022 included a commitment to develop a Violence Against Women and Girls strategy to tackle all forms of gender based violence, which has now been delivered.

Specific Budget Changes

No cumulative disproportionate impact is identified at this stage. Detail of specific proposals is set out in the table below.

Department	Reference	Proposal	Impact	Mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive Impact given individual review of care packages	Further analysis not required

Children's and Adults' Services	Efficiency 117	Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.	Positive Impact given individual reviews of care packages.	Further analysis not required
Children's and Adults' Services	Efficiency 121	Placement savings in Children & Families through in-borough and London provision.	No/minimal impact on staff/service users	Further analysis not required
Children's and Adults' Services	Efficiency 122	Savings achieved post closure of Aylesbury Day Nursery	Assessed as no/minimal impact on service users as service had already ceased following consultation.	Service has already ceased following consultation, no further impact identified.
Children's and Adults' Services	Income 211	Grants to supplement work with Youth Offending Service (YOS) young people and services to support young people at risk of involvement in crime needing early help.	No negative aspects identified as this will positively provide a small amount of extra resources for children 10-17.	Further analysis not required at this stage
Chief Executive's	Savings 301	Reorganisation of employment support commissioning funding	Initial analysis suggests no/minimal negative impacts - mitigated by use of S106 funding.	Impacts mitigated by drawing on s106 funds.
Chief Executive's	Saving 302	Reduction in youth employment budget	Initial analysis suggests no/minimal negative impacts- mitigated by S106 funding.	Impacts mitigated by drawing on s106 funds.

Children's and Adults' Services

Savings 303

Closure of Fred Francis Day Centre

Fred Francis Day Centre provides a service specifically for Older Adults however no evidence of negative impact given individual reviews of care packages.

There is no evidence that there would be discrimination toward residents and that they are being treated less favourably or put at a disadvantage because of their age. It will be important that if providing an alternative service for this cohort, that they receive a person centred service and are able to exercise choice and control. We will undertake a range of actions to support adults with dementia (and those who support them) during the transition to new service[s], and also to ensure that their complex needs are correctly identified and appropriate care and support is put in place for them. Subsequent phases of this work will require a consultation to be carried out. Any impact will be mitigated by individual reviews of care packages.

Children's and Adults' Services	Commitment 405	Transport Demand Pressures	Positive impact of growth.	This service is used by children and young people aged from 5 to 25 who would not be able to get to and from school/college without travel assistance that would be a significant disadvantage when compared with their peers who do not need support. There has been an average increase in demand for travel assistance of approximately 10% each year that is broadly in line with the increasing number of EHCPs issued in the borough. The level of complex needs of Children in Southwark has increased, more children with higher medical needs, which has led to provision of more specialist transport. Covid safe travel has been put in place for children with exceptionally high levels of vulnerability that has increased the cost of delivering this service (an additional £4k per week).
Environment and Leisure	Commitment 406	Commitments related to delivery of Youth Review Action Plan	Positive Impact	A positive impact on the lives of young people across the borough from the ages of 11 – 19 (25 for young people with learning disabilities). There will be an improved range of activities and services designed to meet their needs and co-produced by them. A number of services that currently work within different directorates will be brought together to provide an integrated approach to deliver of services

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Public Health				
Environment and Leisure	Commitment Public Health	Children's Public Health 0-5 (health visiting) - review, redesign and re-commissioning of a 0-19 Children's public health service. Savings on contract of £300k taken in 2020-21 but unlikely to be achieved until 2022-23 and therefore profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage
Environment and Leisure	Commitment Public Health	Children's Public Health 5-19 (school nursing) - review, redesign and re-commissioning of a 0-19 Children's public health service. Contract saving of £63k taken in 2020/21 but unlikely to be achieved until 2022/23 and profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage
Environment and Leisure	Savings Public Health	Long acting reversible contraception GP service - End funding for GP LARC service	Potential impact on postpartum women.	Mitigated by establishing a referrals pathway between GPs conducting postpartum checks and SRH clinics that conduct LARC fittings Further analysis required..

Marriage/civil partnership

Borough Plan

No differential impacts were identified in the borough plan.

Specific Budget Changes

No cumulative disproportionate impact is identified at this stage. Detail of specific proposals is set out in the table below.

Department	Reference	Proposal	Impact	Mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive Impact	Further analysis not required
Children's and Adults' Services	Efficiency 117	Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.	Positive Impact	Further analysis not required

Religion or belief

Borough Plan

As outlined in the 2018 Borough Plan EIA, a number of borough plan commitments will have a positive impact on fostering good community relations, including working together with local communities to tackle radicalisation, extremism, and hate-crime; and celebrating and promoting the rich diversity of the borough.

Faith groups have played an important role in the implementation of a number of areas of work outlined in the Borough Plan refresh, including supporting vulnerable residents through the community hub, tackling inequalities through the Southwark Stands Together work, and finding local solutions to tackle knife crime.

In September 2020 the council's cabinet agreed a faith strategy action plan. The Strategy and the action plan were co-produced with faith organisations and overseen by a steering group that included faith leaders, Community Southwark and the council. The work has developed using collaborative approaches, both building on existing links and relationships and using outreach to address gaps in faith community participation. This has resulted in a wider range of faith communities getting involved. The faith strategy equality analysis completed in the period January to February 2019 is still relevant and will be reviewed next in February 2021. It is envisaged that we will then be able to see the impact of the strategy and whether it has succeeded in its ambition of drawing a wider range of faith communities in improving the lives of local residents. It is likely that wider economic impacts that are currently being felt as a result of the covid pandemic will also impact on faith groups and we need to ensure more broadly that we monitor this given their role alongside other voluntary and community groups in meeting the needs of residents not least in their contribution to tackling food insecurity.

Specific Budget Changes

No cumulative disproportionate impact is identified at this stage. Detail of specific proposals is set out in the table below.

Department	Reference	Proposal	Impact	Mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive impact	Further analysis not required

Children's and Adults' Services

Efficiency 117

Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.

Positive impact

Further analysis not required

Environment and Leisure

Income 216

Income from CPZs including further rollout across the Borough

Positive CPZ contributes to delivery of movement plan objectives.

The movement plan EA has been presented and identifies a positive impact.

Public Health

Environment and Leisure

Efficiency Public Health

Sexual Health Services Savings on STI open access services

There are no data to suggest that this protected group is at particular risk from this proposal. Increasing access to online testing may have positive impacts upon individuals who are fearful of being observed attending sexual health clinics, due to religious prohibition of sexual activity outside of marriage.

Not required

Socio-economic disadvantage

Borough Plan

The council recognises that socio-economic disadvantage can have a significant impact on the ability of individuals to live healthy lives, to access employment opportunities and to fulfil their potential. We are committed to ensuring that every resident in Southwark has access to opportunities, and that life chances are not determined by background.

Specific commitments that seek to address socio-economic disadvantage include providing one-to-one support for residents who have lost their jobs because of COVID-19, and making adult learning accessible to all, including basic qualifications in English, maths and digital skills.

Young people from socio-economic disadvantaged families are more likely to be disproportionately impacted in education as a result of COVID-19 and the closure of schools during the pandemic. Recognising this, the refreshed Borough Plan includes a commitment to support schools to close the attainment gap.

The proportion of people in the social housing sector who are from lower socio-economic backgrounds is greater than their representation in the borough as a whole. Residents who are on lower incomes are also disproportionately likely to suffer from poor housing conditions and overcrowding, including in the private rented sector. The council has sought to tackle this through a number of Borough Plan commitments, including building new council homes, guaranteeing council estates are clean, safe and cared for, delivering a Gold Standard for private rented homes

Specific new commitments related to housing in the refreshed borough plan that are likely to have a positive impact on socio-economic disadvantage include:

- Ending rough sleeping in Southwark, including campaigning for an end to ‘*no recourse to public funds*’ laws that trap people on the street
- Lobbying the government to fix the broken housing system
- Tacking action to reduce the number of empty homes
- Improving and expanding council estates with more council homes, including the Tustin, Maydew and the Aylesbury
- Introducing a new quality standard for temporary accommodation that guarantees it is good quality and families have self-contained accommodation

Specific Budget Changes

No cumulative disproportionate impact is identified at this stage. Detail of specific proposals is set out in the table below.

Department	Reference	Proposal	Impact	Mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive Impact given individual review of care packages	Further analysis not required
Children's and Adults' Services	Efficiency 117	Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.	Positive Impact given individual reviews of care packages.	Further analysis not required
Children's and Adults' Services	Efficiency 122	Savings achieved post closure of Aylesbury Day Nursery	Assessed as no/minimal impact on service users as service had already ceased following consultation.	Service has already ceased following consultation, no further impact identified
Chief Executive's	Savings 301	Reorganisation of employment support commissioning funding	Initial analysis suggests no/minimal impacts- negative impacts mitigated by use of S106 funding.	Impacts mitigated by drawing on s106 funds.

Chief Executive's	Saving 302	Reduction in youth employment budget	Initial analysis suggests no/minimal impacts – negative impacts mitigated by use of S106 funding	Impacts mitigated by drawing on s106 funds
Children's and Adults' Services	Savings 303	Closure of Fred Francis Day Centre	Fred Francis Day Centre provides a service specifically for Older Adults however no evidence of negative impact given individual reviews of care packages.	There is no evidence that there would be discrimination toward residents and that they are being treated less favourably or put at a disadvantage because of their age. It will be important that if providing an alternative service for this cohort, that they receive a person centred service and are able to exercise choice and control. We will undertake a range of actions to support adults with dementia (and those who support them) during the transition to new service[s], and also to ensure that their complex needs are correctly identified and appropriate care and support is put in place for them. Subsequent phases of this work will require a consultation to be carried out. Any impact will be mitigated by individual reviews of care packages.
Housing and Modernisation	Commitment 413	Investment in Temporary Accommodation	Positive impact of £4million investment in supporting suitable Temporary Accommodation placements and achieving good quality housing standards.	Further analysis not required.
Children's and Adults' Services	Commitment 402	Investment in Social Care - quality, safety, inflationary pressures to sustain sector and to meet needs. Social Care Commitment - ring-fenced Adult Social Care precept and Social Care Grant.	Positive impact through £6.625million investment	Not required.

Environment and Leisure	Commitments 406	Commitments related to delivery of Youth Review Action Plan	Positive Impact	A positive impact on the lives of young people across the borough from the ages of 11 – 19 (25 for young people with learning disabilities) There will be an improved range of activities and services designed to meet their needs and co-produced by them. A number of services that currently work within different directorates will be brought together to provide an integrated approach to deliver of services
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Public Health				
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Environment and Leisure	Commitment Public Health	Children's Public Health 0-5 (health visiting) - review, redesign and re-commissioning of a 0-19 Children's public health service. Savings on contract of £300k taken in 2020-21 but unlikely to be achieved until 2022-23 and therefore profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage
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Environment and Leisure	Commitment Public Health	Children's Public Health 5-19 (school nursing) - review, redesign and re-commissioning of a 0-19 Children's public health service. Contract saving of £63k taken in 2020/21 but unlikely to be achieved until 2022/23 and profiled accordingly.	Commitment no impact on staff or service users	Commitment therefore no negative impact identified at this stage
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Environment and Leisure	Savings Public Health	Long acting reversible contraception GP service - End funding for GP LARC service	Potential impact on postpartum women.	Mitigated by establishing a referrals pathway between GPs conducting postpartum checks and SRH clinics that conduct LARC fittings Further analysis required.
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Human Rights Impacts

Borough Plan

Our commitment to equality and justice runs throughout the borough plan, both in the commitments we make to the people of Southwark, and the way we deliver services every day. As a council, we are committed to taking all necessary steps to meet our commitments to equalities under the Public Sector Equality Duty, including regularly reporting back to the public so they can hold us to account.

As a Council, we are fully committed to implementation of the Human Rights Act as relevant to Council services and functions. Implementation of Borough Plan commitments at service level will be fully informed by an equality analysis process, which will include areas of the Human Rights Act as relevant.

Specific Budget Changes

No cumulative disproportionate impact is identified at this stage. Detail of specific proposals is set out in the table below.

Department	Reference	Proposal	Impact	Mitigation measures/further comments
Children's and Adults' Services	Efficiency 108	Timely provision of Occupational Therapist assessments (following recent appointment of Principal OT) which supports the use of aids and adaptations increasing peoples independence and reducing long term care provision.	Positive Impact given individual review of care packages	Further analysis not required
Children's and Adults' Services	Efficiency 117	Review of hostel provision with Housing colleagues, decant from properties that have shared facilities and reprovide residents with self-contained accommodation with community support.	Positive Impact given individual reviews of care packages.	Further analysis not required

Business Rates London Wide Pool Impacts

In 2018-19, London Councils entered into a pilot arrangement for the retention of business rate growth through pooling. The agreement set out the principles and method for distributing any net financial benefits generated by the pool. Southwark's share of the total net benefit of the 2018-19 pool was £10.186m that was ring-fenced for one-off initiatives in accordance with council priorities.

A sum of £1m was initially allocated to the planned London Counter Fraud Hub. This initiative will not now proceed and therefore the planned contribution of £1m has been released back to the Devolution reserve. However, in recognition of the significant increase in fraud risks, it is proposed to allocate £0.250m for anti-fraud activity.

It is further proposed to allocate:

- £0.5m to ensure food poverty in Southwark is tackled, including some direct investment in food. There will be a need to establish an ongoing commitment to this cause going forward;
- £0.3m to Southwark Stands Together project costs , and
- £.1m to Community Hub Covid-19 support to ensure the voluntary sector is supported.

The following list summarises the London Devolution Reserve commitments:

Initiative	£000
Positive Futures Fund	750
Southwark Pioneers Fund	2,000
Brexit Risk Reserve	2,000
Health and Wellbeing Board commitment to Children & Young People's Mental Health	2,000
Libraries and Heritage Strategy	1,000
Pilot extension of gym and sports facilities into parks	150
Southwark Renters Union	100
Black Cultural Centre Feasibility Study	100
Food poverty	500
Anti-fraud measures	250

Community Hub Covid-19 support	100
Southwark Stands Together project costs	300

These are assessed as having a significant positive impact.

Staff impacts

Borough Plan

Both the borough plan and the Southwark Stands Together programme commit to the creation of an inclusive, fair and representative workplace at all levels. The borough plan includes a specific commitment to ensuring that the top of the council workforce is proportionally representative of Southwark's BAME population by 2030.

Specific commitments as part of the workforce work stream of Southwark Stands Together include:

- Renew workforce statistics and work the creation of targets and measures to build a more, inclusive workforce at all levels
- Look at our corporate learning and development offer and review our workforce development schemes including career progression, coaching, mentoring and reverse mentoring
- Use the outcomes from the focus groups to inform the review and, where appropriate revision of the council's employment policy and procedures
- Use the outcomes of our listening circles, upcoming focus groups and ongoing engagement activities to inform a work plan, which will include measurable objectives and outcomes
- Renew our commitment to equality and anti-racism with refreshed and on-going internal communications, and engagement activities. Themes will include but are not limited ally-ship, white privilege, gas lighting, micro-aggressions and incivilities
- Embark upon an on-going retraining and re-education programme of our leaders and managers so that they understand the critical roles they play in addressing racism, structural racism and injustice in the workforce. We want to ensure our leaders are actively anti-racist
- Review our engagement strategy with all staff with a view to create more dynamic two-way communication channels between staff, trade unions and workforce leads on highlighting opportunities and also areas of concern to ensure our support is appropriate and targeted
- Ensure there is always a safe space in which staff feel they can share their lived experiences of working at Southwark free from any repercussions
- Work with equality, diversity and inclusion (EDI) partner in the next phase of staff engagement

Specific Budget Changes

A list of the proposals that have a potential impact on staff is set out below. As specific proposals come forward to deliver the required saving and at each stage of implementation thereafter the different impacts will be assessed in accordance with the council's relevant procedures. Consultation will also take place with staff and Unions as proposals come forward and throughout implementation in line with council policies and procedures.

Department	Division	Reference	Proposal
Chief Executive's	Planning	101	Staff reorganisation, leading to reduction of one FTE post - reorganisation to delete one Grade 14 post about to be initiated and should be complete before start of 2021-22
Chief Executive's	Regeneration North	103	Reduction in staff costs through saving on unfilled current post in the Regeneration North staffing structure
Chief Executive's	Property	104	Reduction in posts - reflects recent changes in the service and a reduction in disposal/RTB work
Environment and Leisure	Parks & Leisure	132	Savings relating to Contract Management. Savings related to contract management – this will involve the deletion of current vacant posts in sports and parks & re-alignment of existing tasks
Environment and Leisure	Environment and Leisure	133	Reduce spend on staffing budget through review of agency contracts
Finance and Governance	Exchequer Services	135	Reduction in the Support Services Systems team due to automation of processes and reconciliations
Finance and Governance	Professional Finance Services and Financial Governance	136	To look at delivery of improvements to the use of the council's Finance & HR system SAP and associated processes
Finance and Governance	Law and Democracy	137	Increased efficiency due to digitalisation and streamlining of processes resulting in reduced support costs in the Constitutional Team.
Housing and Modernisation	Modernise - Information Technology	143	Review of IT and DS to deliver operational savings
Corporate		145	Review and reduction in senior management capacity council wide. The Chief Executive will undertake a review of senior management, including rescoping functional responsibilities to ensure this is better aligned to delivery of the borough plan and the council's renewal agenda.
Finance and Governance	Exchequer Services	308	Reduction in the administration support and number of staff in team supporting Council Tax Reduction Scheme claims
Finance and Governance	Law and Democracy	309	Creation of a trainee position within Scrutiny Team, allowing for reorganisation of overall staffing structure
Finance and Governance	Professional Finance Services and Financial Governance	310	Reduction of CIPFA trainee provision by removal of 2 vacant posts due to increasing demand on PFS resources

Housing and Modernisation	Customer Experience - MSSP	314	Removal of post due to service delivery change, with further posts included within HRA
Children's and Adults' Services	Education	403	Elective Home Education - increase capacity (currently 0.6FTE to cover 321 cases and rising).
Children's and Adults' Services	Education	404	SEND Statutory Duty Staffing
Environment and Leisure	Culture	406	Commitments related to delivery of Youth Review Action Plan
Housing and Modernisation	Customer Experience - Housing Solutions	410	Growth of Housing Solutions staff to support increased demand

List of proposals assessed as having no equality impact

The following proposals have been assessed as having no or minimal disproportionate impact on any group.

Department	Division	Reference	Proposal
Chief Executive's	Planning	101	Staff reorganisation, leading to reduction of one FTE post - reorganisation to delete one Grade 14 post about to be initiated and should be complete before start of 2021-22
Chief Executive's	Regeneration – North	102	Reduction of professional fees budget for Regeneration North due to the progression of Heygate and Canada Water. Qualifying expenditure on either scheme can/will be recovered from external third parties (developer)
Chief Executive's	Regeneration North	103	Reduction in staff costs through saving on unfilled current post in the Regeneration North staffing structure
Chief Executive's	Property	104	Reduction in posts - reflects recent changes in the service and a reduction in disposal/RTB work
Children's and Adults' Services	Adults' Social Care	105	Change to permanent contracts over temporary contracts - is equivalent to 1.9% of the Adult Social Care employees budget.
Children's and Adults' Services	Adults' Social Care	106	Joint work with NHS colleagues on Continuing Health Care and s.117 Mental Health cases.
Children's and Adults' Services	Adults' Social Care	107	Continue ongoing programme of annual reviews of care packages to ensure provision is meeting current need and in line with Care Act. This is less than 1.2% of the Adult Social Care placement budget.
Children's and Adults' Services	Adults' Social Care	109	Efficiencies in new Deprivation of Liberty Safeguards (DOLS) process.
Children's and Adults' Services	Adults' Social Care	110	Government delay in implementation of new Liberty Protection Safeguards (LPS) scheme.
Children's and Adults' Services	Adults' Social Care	111	Next phase of departmental invest to save programmes
Children's and Adults' Services	Adults' Social Care	113	Implementation of new placement arrangements

Children's and Adults' Services	Children & Families	118	Increased grant funding, enabling LA funding pressure for Staying Put to be reduced, but the service is still underfunded by Government.
Children's and Adults' Services	Children & Families	119	Increased grant funding, enabling LA funding pressure for Unaccompanied Asylum Seeking Children to be reduced, but the service is still underfunded by Government.
Children's and Adults' Services	Children & Families	120	More efficient use of placement resources (Independent Fostering Agencies, Residential and semi-independent accommodation (under 18 yr. olds) through new Commissioning Alliance framework.
Environment and Leisure	Culture	123	Consolidate archive, heritage and art storage by vacating Tower Workshops & Constantine and consolidating all storage at Stockroom
Environment and Leisure	Communities	127	Continued resolution of No Recourse to Public Fund cases
Environment and Leisure	Environment- Waste and Cleaning	128	Review of the Waste Contract with a reduction for Waste PFI tonnage
Environment and Leisure	Environment- Waste and Cleaning	129	Review of the Council cleaning service to create further efficiencies
Environment and Leisure	Environment- Waste and Cleaning	130	Review of the Fleet Services contract to create further efficiencies
Environment and Leisure	Parks & Leisure	131	Capitalisation of staff assigned to Capital Programme
Environment and Leisure	Parks & Leisure	132	Savings related to contract management – this will involve the deletion of current vacant posts in sports and parks & re-alignment of existing tasks
Housing and Modernisation	Central services - New Homes	141	Move project co-ordinator post to sit within HRA budget as role is now solely HRA focused
Finance and Governance	Law and Democracy	137	Increased efficiency due to digitalisation and streamlining of processes resulting in reduced support costs in the Constitutional Team.
Housing and Modernisation	Customer Experience - Contact Centre	138	Reorganisation of contact centre staffing
Housing and Modernisation	Resident Services - Travellers	139	Residual budget for Ilderton embankment works
Housing and Modernisation	Central Services - Legal	140	Removal of contingency in legal services budget
Housing and Modernisation	Modernise - CFM	142	Continued rollout of LED lighting at Tooley Street

Housing and Modernisation	Customer Experience	144	Re-alignment of the Freedom Pass budget
Chief Executive's	Old Kent Road Team	201	Capitalisation of Staff costs in relation to Tustin/Ledbury
Chief Executive's	Old Kent Road Team	202	Increase in professional fee charged to Developers for post Planning application approval services including the discharging of planning conditions
Chief Executive's	Planning	203	Estimated increase in planning fee income.
Chief Executive's	Planning	204	Estimated increase in planning fee income - extension of post approval Planning Performance Agreements to all strategic developments
Chief Executive's	Regeneration – Capital Projects	205	Increase in project management fees to be charged on the construction sum
Chief Executive's	Regeneration – Capital Projects	206	Increased Project Management fees to be charged on the construction sum of approved capital schemes
Chief Executive's	Regeneration North	207	Capitalisation of existing project management staff costs
Chief Executive's	Regeneration South	208	Capitalisation of staff costs re project management of FDS/Plot 18
Chief Executive's	Regeneration – Property	209	Increase in commercial rent income in line with rental agreements with current and new tenants. Commercial rent income significantly impacted by Covid - however these relate to smaller occupiers where we are seeing limited impact
Children's and Adults' Services	Adults' Social Care	210	Fairer Contributions Policy - system improvements.
Environment and Leisure	Environment-Regulatory Services	212	Developing of a commercial provision and supervision of Construction Management Plans, associated administration and enforcement leading to income generation
Environment and Leisure	Parks & Leisure	213	Leisure centre management fee post Covid
Environment and Leisure	Parks & Leisure	215	Increase in fees from cemeteries and crematorium
Environment and Leisure	Environment- Waste and Cleaning	217	Develop and expand commercial waste service to generate further income
Environment and Leisure	Environment and Leisure	218	Uplift in fees and charges

Environment and Leisure	Environment- Waste and Cleaning	219	Increase in garden waste collection service - additional £10 per bin per annum
Finance and Governance	Exchequer Services	220	Increase in income from enforcement agent contract
Finance and Governance	Law and Democracy	221	Increased income through increased legal trading fees
Housing and Modernisation	Modernise - CFM	222	Loss of income due to Clinical Commissioning Group no longer taking forward plans for occupancy expansion at Tooley Street premises
Corporate		223	Additional income from 760 Old Kent Road
Children's and Adults' Services	Adults' Social Care	304	Savings avoidance by re-purposing Better Care Fund support to Adult Social Care and post-pandemic arrangements. Increase support for ASC as part of whole-system reform, stability and sustainability.
Children's and Adults' Services	Education	305	Financing of Southwark Scholars programme to be shifted to earmarked reserves, releasing revenue provision. Moving forward the scholarship scheme will continue to be reviewed.
Environment and Leisure	Parks & Leisure	307	Renegotiation and extension of GM contract with 5% saving per year for 3 years
Finance and Governance	Professional Finance Services and Financial Governance	310	Reduction of CIPFA trainee provision by removal of 2 vacant posts due to increasing demand on PFS resources
Finance and Governance	Professional Finance Services and Financial Governance	311	Reduction in budget for ad-hoc use of Risk and Insurance advisory services
Finance and Governance	Professional Finance Services and Financial Governance	312	Reduction in professional qualification training budget across Finance and Governance
Finance and Governance	Professional Finance Services and Financial Governance	313	Removal of contingency budget for ad-hoc legal costs in relation to fraud cases

Chief Executive's	Planning	401	Incurred costs of shortfall on Land Charges Income
Environment and Leisure	Parks & Leisure	407	Leisure services future operating arrangements (not including any additional income share)
Finance and Governance	Law and Democracy	408	Increase in electoral services postage costs in order to meet statutory requirements.
Housing and Modernisation	Customer Experience - Mortuary	409	Increased costs of new mortuary contract
Housing and Modernisation	Customer Experience - Housing Solutions	410	Growth of Housing Solutions staff to support increased demand
Housing and Modernisation	Modernise - OT	411	Upfront investment into staff learning and training programme software
Housing and Modernisation	Customer Experience - Temporary Accommodation	413	Temporary Accommodation - budget subject to review of current Covid-19 measures and potential policy changes
Corporate		414	Debt financing costs arising from Approved Capital Programme

Public Health			
Environment and Leisure	Public Health		Health Interventions for Physical Inactivity -Termination of the Kickstart element of the GP Exercise on Referral Scheme within the Leisure Management Contract. Kickstart is the lowest level of support available and is ideal for people who are confident to exercise safely and independently. No specific impact has been identified as the Active Boost, Cardiactive and Southwark Free Swim and Gym programmes will ensure an offer to key cohort in this group to be physically active free remains in place.

Environment and Leisure

Public Health

Healthy Weight - review of contract. No impact as the initiative is to be sustained and continued by GSTT through internal resources.

Environment and Leisure	Public Health		Smoking cessation - service efficiencies through re-specification/open tender. Equality Analysis completed for the service changes in the recommissioning, not expecting to see a reduced number of clients therefore assessed as no/minimal impact.
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Appendix A: Summary of Demographics in Southwark

Population

Southwark is one of the most densely populated and diverse boroughs in the country, with a young, growing and mobile population. Just over 314,200 people live in Southwark, up from 256,700 in 2001. This represents an increase of more than a fifth over that period. Southwark has one of the fastest growing populations in South East London. Our population is projected to grow by almost 20% by 2030; equating to an extra 60,000 residents.

The growth in our population is being driven by both natural change i.e.: more births than deaths, and international migration into the borough. Southwark has one of the highest population turnover rates in the country, with the equivalent of 10% of our population moving in, and 10% of our population moving out each year. Migration flows peak among those in their late teens and 20s, declining thereafter. The majority of our population turnover is within London, with 60% of our population inflow coming from other parts of the capital, along with 64% of our population outflow.

Age

Southwark has a much younger population than the London or national average. The median age of Southwark residents in 2017 was 33.1 years; two years younger than the London average and almost seven years younger than the national average. While our population is comparatively young, this is not driven by a large number of children and young people. It is primarily a result of the large number of young adults in their 20s and 30s.

Ethnicity

Southwark is a diverse borough with people from a wide range of ethnicities and backgrounds. Over 120 languages are spoken here, and 11% of households have no members who speak English as a first language.

Just over half (54%) of Southwark's population is of white ethnicity, a quarter (25%) black and a third of Asian (11%) or other (10%) ethnicities. This differs from the rest of London where a considerably smaller proportion (13%) identify as black and a considerably larger proportion identify as Asian (21%).

The ethnic diversity of the borough varies markedly across age groups and the population under 20 is much more diverse than other age groups, with a similar proportion of young people from white and black ethnic backgrounds.

The 2011 Census shows that ethnic minority groups in Southwark are not evenly spread across the borough

- The highest concentration of people identifying themselves as white is in the south of the borough
- The highest concentration of people identifying themselves as from a black minority group is in and around the centre of the borough
- The highest concentration of people identifying themselves as from an asian minority group is in the north of the borough

Pregnancy & Maternity

The fertility rate in Southwark is significantly below London and England, with just under 4,600 live births in 2015

Disability

Approximately 13% of people living in inner London have a disability, equating to 40,700 people in Southwark

Sexual Orientation

Estimates indicate that Southwark has the second largest gay or lesbian population in the UK, after Lambeth. 88% of the population identify as heterosexual or straight, 5% as gay or lesbian, 0.8% bisexual, 0.9% other and 5.2% refusing to say.

Religion or belief

Over half (52.5%) of Southwark residents stated their religion as Christian at the time of the Census. 26.7% say they have no religion and 8.5% state they are Muslim with a wide range of religions and beliefs represented in the borough.

Marriage & Civil Partnership

Over half (54.7%) of adults in Southwark had never been married or registered in a civil partnership at the time of the Census. 28.5% are married and 0.9% in a same sex civil partnership.

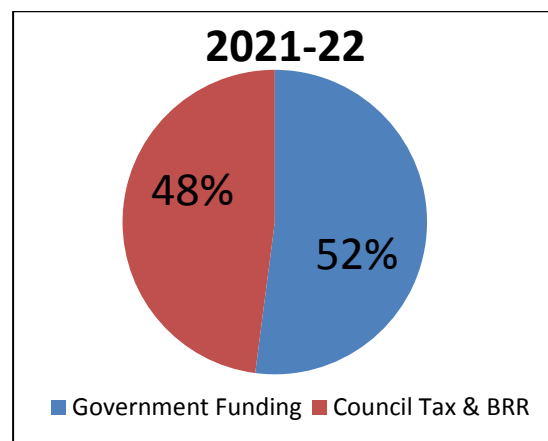
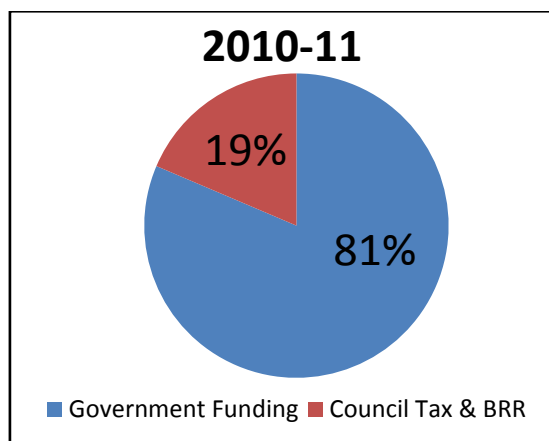
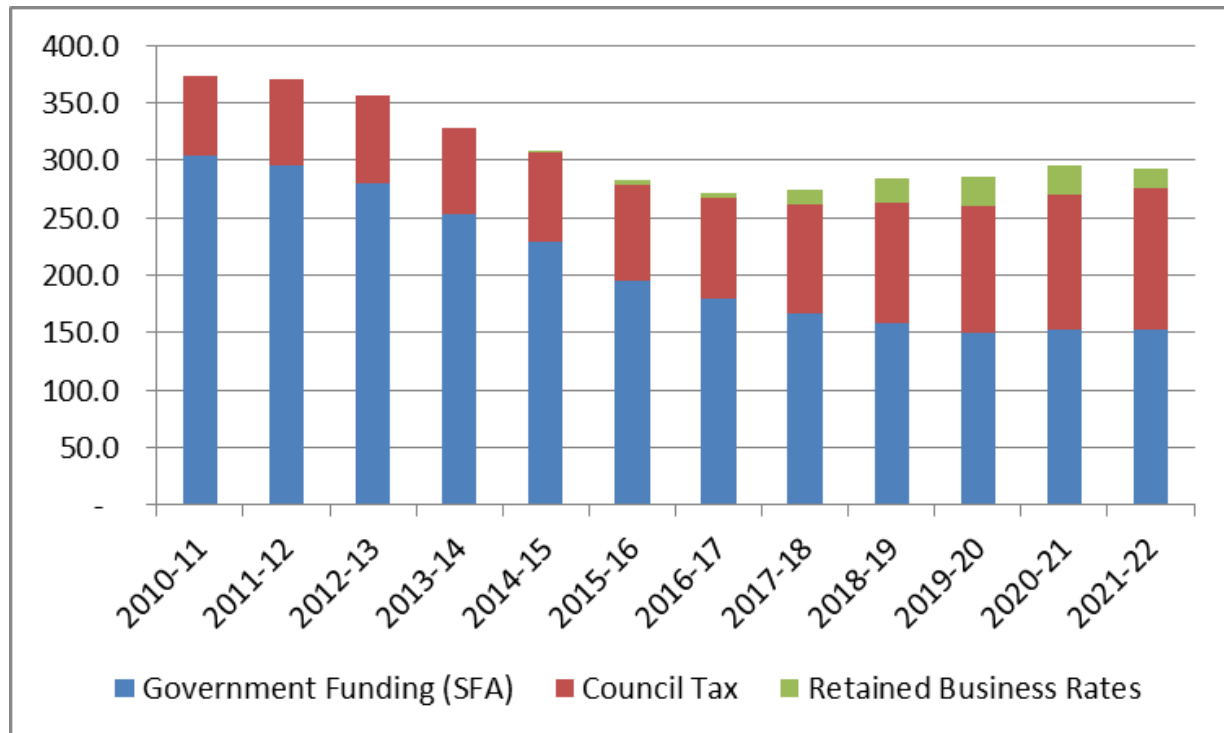
Gender Reassignment

Currently there are no standard or robust sources of statistics regarding gender reassignment, nor is there standard data on the use of health services or referrals to gender identity clinics. However, GIRES (the Gender Identity Research and Education Society) estimate that 0.6-1% of the population may experience gender dysphoria.

Budget Contextual Information

Funding Trend 2010-11 to 2021-22

The Budget Requirement is the amount of expenditure that is funded by general support from central government, council tax and retained business rate growth. The following graph shows how the Budget Requirement has changed over the period 2010-11 to 2021-22:



Key messages:

- Total general funding has decreased from £373m in 2010-11 to £293m in 2021-22, a reduction of £80m. This represents a real terms decrease of over one third.
- General support from central government has decreased from £304m in 2010-11 to £152m in 2021-22, a reduction of £152m. This represents a real terms decrease of around two thirds.
- Locally generated receipts (council tax and retained business rate growth) have increased over the same period by £71m highlighting the increased reliance on locally generated income.

REVENUE BUDGETS 2010-11 to 2020-21

Gross Revenue Expenditure 2010-11 to 2020-21											
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
											£'000
Finance & Governance	278,165	308,030	300,949	315,267	320,386	301,993	293,624	289,963	266,492	239,483	242,251
Chief Executives	34,643	28,228	25,631	24,841	24,673	21,514	21,079	20,684	22,931	20,284	20,845
Children's and Adults Services	486,384	442,610	441,626	432,193	423,531	453,919	409,360	405,251	447,221	461,216	469,017
Housing & Modernisation	81,201	84,384	85,480	73,189	83,278	77,904	82,620	81,466	73,657	88,904	92,347
Environment & Leisure	131,109	128,280	123,327	128,647	155,334	155,318	165,264	166,331	176,414	184,711	191,152
Total	1,011,502	991,532	977,013	974,137	1,007,202	1,010,648	971,947	963,695	986,715	994,598	1,015,612

Income 2010-11 to 2020-21											
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
											£'000
Finance & Governance	(235,567)	(285,122)	(282,192)	(285,778)	(302,014)	(287,264)	(290,618)	(288,774)	(270,984)	(230,745)	(233,960)
Chief Executives	(13,446)	(13,293)	(12,817)	(12,395)	(12,608)	(11,823)	(11,801)	(12,269)	(14,513)	(18,695)	(18,890)
Children's and Adults Services	(271,865)	(245,338)	(251,721)	(223,264)	(227,319)	(274,793)	(240,502)	(228,565)	(251,677)	(279,467)	(286,448)
Housing & Modernisation	(16,653)	(17,965)	(18,148)	(15,865)	(23,675)	(23,461)	(25,863)	(25,364)	(19,009)	(30,541)	(33,166)
Environment & Leisure	(46,755)	(48,004)	(43,993)	(50,662)	(75,221)	(83,387)	(87,712)	(91,229)	(98,998)	(103,984)	(108,114)
Support Cost Re-allocation	(63,351)	(58,789)	(59,308)	(57,956)	(57,956)	(46,508)	(44,071)	(43,177)	(37,264)	(40,740)	(40,740)
Total	(647,637)	(668,511)	(668,179)	(645,920)	(698,793)	(727,236)	(700,567)	(689,378)	(692,445)	(704,172)	(721,318)

Net Expenditure 2010-11 to 2020-21											
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
											£'000
Finance & Governance	42,598	22,908	18,757	29,489	18,372	14,729	3,006	1,189	4,492	8,738	8,291
Chief Executives	21,197	14,935	12,814	12,446	12,065	9,691	9,278	8,415	8,418	1,589	1,955
Children's and Adults Services	214,519	197,272	189,905	208,929	196,212	179,126	168,858	176,686	195,544	181,749	182,569
Housing & Modernisation	64,548	66,419	67,332	57,324	59,603	54,443	56,757	56,102	54,648	58,363	59,181
Environment & Leisure	84,354	80,276	79,334	77,985	80,113	71,931	77,552	75,102	77,416	80,727	83,038
Support Cost Re-allocation	(63,351)	(58,789)	(59,308)	(57,956)	(57,956)	(46,508)	(44,071)	(43,177)	(37,264)	(40,740)	(40,740)
Total	363,865	323,021	308,834	328,217	308,409	283,412	271,380	274,317	294,270	290,426	294,294

Employee Budgets 2010-11 to 2020-21

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
											£'000
Salaries & wages	136,726	124,524	125,568	126,131	135,173	133,338	126,343	120,900	123,195	126,643	131,619
Employers National Insurance	11,357	10,688	10,558	10,409	11,250	11,274	11,245	13,262	13,314	13,649	14,313
Employers Pension expenses	29,636	28,897	30,054	32,169	26,961	27,684	27,064	26,970	28,830	29,578	30,195
Other Employee expenses	3,714	3,050	2,934	2,515	2,659	2,856	2,681	2,658	2,913	5,804	5,998
	181,433	167,159	169,114	171,224	176,043	175,152	167,333	163,790	168,252	175,674	182,125

Income Analysis 2010-11 to 2020-21

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
											£'000
Grants	(436,512)	(464,966)	(472,658)	(444,683)	(481,351)	(523,039)	(488,355)	(491,597)	(485,536)	(473,332)	(493,692)
Fees, charges and other income	(76,512)	(67,028)	(61,844)	(61,796)	(68,395)	(68,581)	(71,153)	(61,850)	(71,731)	(88,591)	(92,582)
Recharges	(134,613)	(136,517)	(133,677)	(139,441)	(149,047)	(135,616)	(141,059)	(135,931)	(135,178)	(142,249)	(135,044)
	(647,637)	(668,511)	(668,179)	(645,920)	(698,793)	(727,236)	(700,567)	(689,378)	(692,445)	(704,172)	(721,318)

NB - figures are for General Fund Revenue Account and exclude school employees, HRA and DSO

Comparative table of London local authorities council tax collection rates

Comparative statistical data is available for in-year collection rates only. However, the collection of both council tax and non-domestic rates continues once the financial year to which it relates has ended. This means the final collection rate achieved is somewhere between the figures shown in the tables below and 100%.

Authority	2010/11 % collected	2018/19 % collected	2019/20 % collected	Change on previous year	Change since 2010/11
Newham	91.7%	96.2%	95.9%	-0.3%	4.2%
Barking	92.9%	95.7%	95.7%	0.0%	2.8%
Southwark (l)	92.7%	95.9%	95.4%	-0.5%	2.8%
Haringey	94.0%	96.5%	96.5%	0.0%	2.5%
Redbridge	95.2%	97.3%	97.1%	-0.2%	1.9%
Hackney (l)	93.0%	95.0%	94.7%	-0.3%	1.7%
Hounslow	96.6%	98.0%	98.2%	0.2%	1.6%
Croydon	95.9%	97.3%	97.1%	-0.2%	1.2%
Kensington (l)	96.4%	97.8%	97.4%	-0.4%	1.0%
Tower Hamlets (l)	95.1%	96.5%	96.0%	-0.5%	0.9%
Westminster (l)	96.0%	96.7%	96.7%	0.0%	0.7%
Harrow	97.0%	97.6%	97.6%	0.0%	0.6%
Merton	97.3%	98.0%	97.8%	-0.2%	0.5%
Greenwich (l)	94.3%	94.5%	94.7%	0.2%	0.4%
Hammersmith (l)	95.5%	96.8%	95.9%	-0.9%	0.4%
Lambeth (l)	94.7%	95.0%	95.0%	0.0%	0.4%
Bexley	96.0%	96.3%	96.3%	0.0%	0.3%
Brent	95.6%	96.1%	95.9%	-0.2%	0.3%
Wandsworth (l)	97.9%	98.4%	98.2%	-0.2%	0.3%
Bromley	97.6%	98.0%	97.9%	-0.1%	0.3%
Kingston	98.4%	99.0%	98.7%	-0.3%	0.3%
Havering	96.8%	96.1%	96.9%	0.8%	0.1%
Barnet	95.6%	95.8%	95.7%	-0.1%	0.1%
Sutton	98.5%	98.3%	98.6%	0.3%	0.1%
Waltham Forest	95.8%	96.0%	95.8%	-0.2%	0.0%
Islington (l)	95.5%	96.1%	95.3%	-0.8%	-0.2%
Hillingdon	97.0%	97.2%	96.8%	-0.4%	-0.2%
Enfield	95.7%	95.7%	95.5%	-0.2%	-0.2%
Ealing	97.1%	97.0%	96.8%	-0.2%	-0.3%
Richmond	98.9%	98.5%	98.6%	0.1%	-0.3%
Lewisham (l)	94.1%	94.5%	93.7%	-0.8%	-0.4%
Camden (l)	96.5%	96.4%	95.4%	-1.0%	-1.1%
City of London	99.4%	98.3%	97.8%	-0.5%	-1.6%

Comparative business rates and council tax collection rates

Non-domestic rates - collection rates 2015-16 to 2019-20					
	2015-16	2016-17	2017-18	2018-19	2019-20
	%				
England	98.2	98.2	98.4	98.3	98.0
Inner London boroughs	98.6	98.6	98.8	98.6	98.3
Southwark	99.5	99.3	99.4	99.4	99.7

Council tax - in-year collection rates 2015-16 to 2019-20					
	2015-16	2016-17	2017-18	2018-19	2019-20
	%				
England	97.1	97.2	97.1	97.0	96.8
Inner London boroughs	95.8	96.0	95.9	96.0	95.6
Southwark	95.2	95.9	95.5	95.9	95.4

OVERVIEW AND SCRUTINY COMMITTEE (OSC) – 27 JANUARY 2021

RECOMMENDATIONS TO CABINET ON POLICY AND RESOURCES STRATEGY 2021-22

1. Overview and Scrutiny Committee (OSC) notes that there are a number of budget lines in which spending is required to increase, sometimes significantly. Some growth areas, but not all, reflect growing demand such as temporary accommodation, leisure and housing solutions. In the context of the pandemic, this is understandable, and cabinet is right to respond. However, OSC recommends that Cabinet puts in place a process for all of these growth areas, including consultation with service users, which will develop council policy to ensure spending in future budgets is sustainable, and guarantees the overall financial position of the council remains robust.

Response

We will continue to engage with service users and those affected by proposed cuts throughout the process. On Temporary Accommodation and Leisure we have separate new policy approaches being developed which will follow the normal process.

2. OSC notes that many other service areas, also experiencing unprecedented demand, are not seeing budget growth in the same way. OSC recommends that the good budget management in some service areas forms part of the review to help ensure budget spend best reflects the needs of residents rather than different standards of service performance and transformation.

Response

Cabinet notes this recommendation. Our performance management arrangements together with existing budget monitoring process will ensure that good practice is recognised and that best practice is shared and implemented in areas requiring improvement. The Budget Recovery Board has been an effective means of supporting services to improve standards and to put them on a sustainable financial footing in the face of significant demand pressures.

Budget proposals and the budget challenge process will continue to be driven by the fairer future budget principles, to manage budgets carefully, to prioritise the promises made in the council plan and to protect services for the most vulnerable.

3. OSC welcomes the reassurances given by cabinet that the provision of youth employment services and the reorganisation of employment support can be adequately funded via Section 106 in the year ahead, and is reassured that the cabinet recognises the importance of these in light of the impact of the pandemic on young residents of the borough. OSC notes that the Council is developing new technology to track planning fees, and Section 106 and Community Infrastructure Levy income. However OSC recognises that these incomes will be impacted by the Covid-19 recession and wants to receive regular updates on the

collection and use of this funding to ensure services that are dependent on it remain fully funded and will accommodate for a spike in demand as a result of the recession in the years ahead.

Response

The new system being installed to track S106 and CIL income is being designed to have a public facing module (PFM). This PFM will show all the S106 (both financial and non-financial) and CIL negotiated, collected and allocated for the whole borough. It will also show all the neighbourhood CIL available in each ward and what local projects have been agreed. The first phase of the PFM roll-out is due next month and will cover the most recent financial year. Over the next few months, the historic data from previous financial years will also be made public.

4. OSC welcomes the decision to remove the saving to the Adventure Playgrounds budget but supports the work currently underway to investigate whether some of the playgrounds can provide open access whilst maintaining risky and adventurous play. OSC recommends that the current capital budget allocated to investment in Adventure Playgrounds is also looked at as part of this review so that the additional capital investment that will be needed is agreed at the same time.

Response

This is the agreed process for taking forward proposals around adventure play.

5. OSC recommends that officers be asked to review the proposed increase in Pest Control Services (Residential Services) and if no evidence base that officers defer the proposed increase until after the pandemic or remove proposed increase altogether due to impact on low income families.

Response

The current pest control pricing valuation model is based on an inherited baseline. Price increases to date have been made by inflating this annually based on annual inflators linked to either CPI or RPI. No additional evidence based modelling has previously been undertaken to support any further pricing assumptions, or to establish whether the resultant rates calculated are fully recovering direct and overhead costs linked to service delivery.

The proposed price list attempts to address this and has an underpinning assumptions built into it with respect to full cost recovery. The baseline price calculated before discounts, attempts to fully recover all direct and overhead costs and is not cross-subsidised by other council budgets (i.e. HRA).

On a like for like comparison basis, our current pricing is less than the pricing in place from the majority of our private sector competitors operating in our local area. This remains the case even if we were to introduce the proposed price increases.

It should be noted that treatments for the most common pest types found in Southwark remain free of charge at the point of service for all council tenants and any leaseholder whose property is included in our pest control block

treatment programme. Also, to lessen the financial impact on low income families or individuals who are required to pay for our service, a 50% price reduction remains in place for residents who are in receipt of a 'passported' benefit and/or state pension.

6. Overview and Scrutiny Committee notes the sizable budget savings relating to agency staff (items 105 and 133) and to decisions yet to be taken by the NHS (items 106 and 304), and we recognise the potential delivery challenges that these entail. We therefore recommend robust monitoring arrangements for these and other significant savings. We request that the progress on this work is reported back to Overview and Scrutiny Committee during the municipal year.

Response

This will be covered off during Performance meetings going forward. Separate emails will follow regarding performance later this week, but we are keen to discuss both council plan commitments and also how budget savings are going so we can identify any issues early. We also recently agreed a process for reporting back to OSC on outcomes of performance challenge, so will include within that an update on any areas of concern of non-delivery of budget commitments

7. OSC notes the line items relating to reviews on talking therapies, bringing exercise to outdoor spaces and mental health support focussed on young people. OSC notes that the Council will seek additional government funding for increased demand due to Covid and recognises evolving health needs post the crisis. OSC recommends that Cabinet review and potentially offer mental and physical health support towards the latter stages of the Covid crisis for Southwark Citizens. Examples include a wider campaign followed by offerings for physical classes in parks, subsidised talking therapies or group CBT. Additional resource may need to be considered from a public health perspective to reducing health inequalities e.g. finding additional long term funding for health ambassadors.

Response

Cabinet notes this helpful recommendation and recognises the very real impact the pandemic is having on residents mental and physical health. Summarised in Annex1 is an outline of areas of mental and physical health support the council is already providing together with signposting to support provided by partners in Southwark.

The council has been allocated £11m in 2021-22 to fund the additional costs of the pandemic. This additional one-off funding is not in the base budget however it is expected that demand will exceed the available resources. Accordingly we will be seeking to prioritise this COVID funding for our priorities, including mental health.

Mental Health

The Nest

The Nest provides free mental health and wellbeing support for young people aged 13–25. This supports young people and their families with the opportunities, experiences and tools to enable them to develop their emotional and social skills through one-to-one and group work.

During the COVID-19 lockdown, the service offers remote support including e-resources, an online chat service, and one-to-one advice over the phone or video calls. Once lockdown restrictions are lifted these services will continue alongside face-to-face support from the base in Peckham.

Public Health

Improving our communications for the Public:

- Developed and published a new "taking care your mind" section on the website, which includes advice and information on mental health and wellbeing, as well as links to available services:
<https://www.southwark.gov.uk/health-and-wellbeing/coronavirus/health-advice-during-covid-19/taking-care-of-your-mind>
- Supported a SEL CCG Mental health communications campaign aimed predominantly at young people
- Developed a series of evidence-based tweets around mental health and wellbeing. These are currently with Comms
- Liaised with Comms to include Mental health advice and information in Council's newsletters and Southwark Life magazine
- Developed a leaflet and shared it with Housing and Income Officer Teams, so that they could print it out themselves distribute it to their tenants who are not online/use it to provide information. The leaflet covered not only mental health, but also other needs/issues such as loneliness, money problems, domestic violence, access to food and physical activity
- Provided advice to the Community Hub Team Leaders, and offered them training on Suicide Prevention (STORM)

Understanding the impact of Covid

- Liaised with local service providers (IAPT, Wellbeing Hub, Community Hub), reviewed the evidence and produced a Mental Health Rapid Impact Assessment. We presented the Impact Assessment at various forums, including: Health and Wellbeing Board, Southwark Stands Together Leads Group, Art and Health forums, Mental Health and Wellbeing Joint Strategy Steering Board and other professionals and services operating in the Borough.

Strengthening our strategies and building resilience in the community

- Southwark's Loneliness Strategy was approved by Cabinet in April 2020, however, it needs to be reviewed in light of COVID-19 pandemic. We are currently consulting with residents to have an updated indication on the

- level of need in the borough, understand new barriers and gather views and ideas on what should we do to help.
- Mental Health First Aid Training: we are in the process of commissioning new Mental Health First Training for an additional 100 council staff members - the budget for this has been taken from other public health areas. The training will be reserved to staff who work directly with members of the public, and will be adapted to be as relevant as possible to specific teams (i.e. Libraries, Pest Control etc).
 - Suicide prevention: Continued to deliver STORM suicide prevention training in partnership with Lambeth. Sessions have been taking place online. Southwark CCG area is also due to receive some funding for Suicide prevention activities, to be shared across the SEL CCG. We liaised with the Programme Lead and included some of our Suicide Prevention priorities within the plan.
 - Digital Public Health: mental wellbeing will be part of the digital public health offer under the "Take Care Southwark" branded digital tool for residents (currently under development)
 - Joint Mental Health and Wellbeing Strategy - working with the CCG and social care to shape the refreshed strategy in light of the impact of coronavirus

Protecting our workforce

- Public Health sits on the Council's Employee Wellbeing Board, and provided advice and signposting information on staff's mental health and wellbeing, as well as webinars and one workshop

Physical Activity

Public Health:

- Exercise on Referral (including Kick Start & Health Walks)
- Alive N Kicking (Tier 2 Children's Weight Management)
- Healthy Lifestyle Hub
- Move More web pages
- Currently developing a digital offer of support to move more

CCG:

- Walking Away from Diabetes
- Tier 2 Adults' Weight Management
- Tier 3 Adults' Weight Management
- Falls Prevention

Sports and Leisure:

- Free Swim and Gym (& swimming lessons)
- Oomph projects
- Dementia Walks
- Healthy Movers
- Daily Mile
- Sports club development
- London Youth Games
- Junior Park Run

Here are a few of our Common P groups that offer support in these areas and the nature of the support:

Southwark Pensioners Centre offer exercise classes including online chair-based Exercise Disco; Zoom Chi Kung exercise sessions. Face to face activities such as Line Dancing and “Strength and Balance” classes are on hold due to the pandemic

<http://www.southwarkpensioners.org.uk>

Mental Fight Club – support for people with and without mental health issues, integrating into the community with rich variety of wellbeing activities at the Dragon Café which is currently virtual <https://dragoncafe.co.uk/>

Southwark Day Centre for Asylum Seekers – mental health support for refugees and asylum seekers including group therapy; also therapeutic activities including gardening project www.sdcas.org.uk

AAINA women’s group <https://aainawomen.wordpress.com/> weekly organised walks; cycling lessons; currently doing online yoga and last summer did outdoor yoga

Bankside Open Spaces Trust www.bost.org.uk

London Wildlife Trust <https://www.wildlondon.org.uk/nature-reserves/centre-wildlife-gardening>

Surrey Docks Farm <https://www.surreydocksfarm.org.uk/>

- All gardening / food growing for physical and mental health

Walworth Golden Oldies – not started yet but will be looking at access to health and medical advice and support via digital methods <https://www.southwark-golden-oldies.com/>

Blackfriars Settlement <https://www.blackfriars-settlement.org.uk/mental-health> mental health and wellbeing project currently via zoom

Time and Talents <https://www.timeandtalents.org.uk/health-wellbeing> health and wellbeing activities, currently only

The Bike Project <https://thebikeproject.co.uk/> free bikes for refugees & online cyber cyclists programme.

Latin American Disabled People’s Project <http://www.ladpp.org.uk/community-mental-health--wellbeing-project.html> community mental health & wellbeing project

Southwark’s Local Offer offer website provides details of various wellbeing services within Southwark including those related to supporting mental and emotional health <https://localoffer.southwark.gov.uk/wellbeing>

Item No: 2.3	Classification: Open	Date: 24 February 2021	Meeting Name: Council Assembly
Report title:		Capital Strategy and Treasury Management Strategy 2021-22	
Wards or Groups affected:		All	
From:		Strategic Director of Finance and Governance	

RECOMMENDATIONS

That council assembly notes:

1. That the council continues to invest in an ambitious long term capital programme that provides significant ongoing benefits throughout the Borough and revenue streams to support council services.

That council assembly approves:

2. The Capital Strategy 2021-22 as Appendix A.
3. The Treasury Management Strategy Statement 2021-22 as Appendix B
4. The Investment Management Strategy 2021-22 as Appendix C
5. The Minimum Revenue Provision Statement 2021-22 as Appendix D
6. The Prudential Indicators for 2021-24 as Appendix E

BACKGROUND INFORMATION

7. Southwark council has a long tradition for investment in local infrastructure and facilities that support the development of the borough for the benefit of residents and businesses. This investment has been sustained throughout the recent period of austerity and has fundamentally supported the generation of new financial resources from council tax, retained business rate growth and new homes bonus. These revenue streams have helped to support basic council services and continued capital investment will seek to enhance this income further.
8. Each year council assembly agrees an annual strategy covering the management of council debt, capital and treasury investments. The strategy is to be agreed following consultation with the audit, governance and standards committee.

9. Treasury management is the management of the authority's cash flows, borrowing and investments. The council is exposed to financial risks from treasury management activity including possible losses associated with council investment and potential for increased borrowing costs arising from market movements. The identification, monitoring and control of financial risks are therefore a crucial part of the financial management and governance arrangements of the council.
10. Since 2019-20 the council has been required to produce a capital strategy report (Appendix A) providing a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how any associated risks are managed and the implications for future financial sustainability.
11. The impact on the UK from coronavirus, lockdown measures, the rollout of vaccines, as well as the new trading arrangements with the European Union (EU), will remain major influences on the Authority's treasury management strategy for 2021-22.
12. Under financial delegation, the strategic director of finance and governance is responsible for all executive and operational decisions on treasury management. This treasury management strategy, together with supporting prudential indicators and policies will ensure that these responsibilities can be carried out effectively.

KEY ISSUES FOR CONSIDERATION

Borrowing strategy and debt management activity and position

13. The council's debt management strategy is to pursue a policy of internal borrowing, which is the use of existing reserves and balances to temporarily fund capital expenditure, where possible, rather than the use of external borrowing.
14. The use of internal borrowing allows the council to minimise unnecessary external borrowing costs by only borrowing when needed for liquidity, or to benefit from advantageous borrowing rates. Efficient use of existing council resources to fund capital expenditure through internal borrowing also reduces the council's counterparty risk inherent in the investment of cash balances.
15. However, since 2017-18, it has been necessary to borrow to finance the capital programme and to maintain minimum cash balances.
16. In the financial year to 31 March 2020 the council borrowed £50m from the Public Works Loans Board (PWLB), as part of HM Treasury, for the new homes programme. The maturity terms was 49 years at an interest rate of 1.5%.

17. In the current financial year to 31 December 2020 the council has borrowed a further £7m of long term debt from the Mayor of London's Energy Efficiency Fund (MEEF).
18. Drawing of long term borrowing has been supplemented by a continuation of short term borrowing from other local authorities to reduce the overall debt interest expense for the council. The level of short term borrowing from other local authorities as at 31 March 2020 was £177m. The weighted average rate of interest for current short-term debt held by the council as at 31 December 2020 is 0.6%.
19. The council has an ambitious capital programme for both General Fund and Housing Revenue Account capital expenditure, including substantial delivery of new homes and regeneration schemes, as set out in the approved Capital Programme.
20. Projections for this capital expenditure and financing, as well as long term cashflow forecasts, indicate that the council may require £1bn of additional borrowing by the end of 2025.

Public Works Loan Board

21. With the exception of the MEEF loan, all historical long term debt for the council has been drawn from the PWLB. However future borrowing could come from a variety of different sources. Any borrowing decision will be made in consideration of capital and cashflow forecasts, market conditions, interest rate expectations and with respect to associated risks. The council will also utilise the advice of its external treasury advisor Arlingclose.
22. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield. The council intends to avoid this activity in order to retain its access to PWLB loans.

Proposed Investment Strategy

23. The council's investment objectives for treasury management are to preserve principal, provide liquidity and secure a return on investments consistent with the prior objectives of security and liquidity. This is in line with investment guidance produced by the Ministry of Housing, Communities and Local Government
24. The annual investment management strategy 2021-22 is attached at Appendix C. The strategy will allow investment across highly rated sovereigns, banks and other corporates, quasi-sovereigns, covered bonds whilst limiting excessive exposure to market volatility, and maintaining the overarching objective of ensuring appropriate security and liquidity. External fund managers will be utilised to implement the strategy when appropriate.
25. In considering the investment strategy for 2021-22 the council has taken advice from the external treasury advisor Arlingclose, in

addition to ongoing engagement with the council's external fund managers, to ensure that any investment limits and restrictions remain appropriate to meet the investment objectives.

26. The council's treasury management adviser Arlingclose is forecasting that Bank of England Bank Rate will remain at 0.1% until at least the end of 2023. The risks to this forecast are judged to be to the downside as the BoE and UK government continue to react to the coronavirus pandemic and the Brexit transition period ends.
27. The investment strategy for the council for 2021-22 is proposed to remain unchanged as it is considered overall to be well structured to limit any undue risks to the security of assets and preservation of liquidity whilst also allowing the council and delegated managers to access suitable investment opportunities.

Minimum Revenue Provision

28. Each year, the General Fund sets aside sums known as the minimum revenue provision (MRP) to reduce its borrowing liabilities. The HRA may also set aside sums to reduce its own borrowing liabilities. The policy for MRP is set out in Appendix D and complies with the guidance issued by MHCLG in 2018.
29. Government guidance on the MRP requires that the general fund set aside prudent sums to reduce debt and long term liabilities (such as PFI schemes) arising from capital spend and that the council produces a statement on its MRP policy. MRP costs fall on revenue budgets and runs on for many years into the future, usually over the period to which the capital item provides an economic benefit or the duration of the revenue grant supporting the expenditure.
30. Under the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, a local authority is required to charge a minimum revenue provision annually to its revenue account in respect of capital financing obligations that arise in that year or arose in any prior year. Capital financing obligations represent debt or long term liabilities taken to fund capital expenditure.
31. A council may not change the total MRP it is liable for but may prudently modify the timing of payments to improve affordability and take account of individual spend and financing characteristics.

Prudential Indicators

32. Local authority borrowing, investment and capital finance activity is supported by the Prudential Code for Capital Finance and the Treasury Management in the Public Services Code of Practice and Guidance published by the Chartered Institute of Public Finance and Accountancy, backed by the Local Government Act 2003. The codes introduced a series of indicators and limits, which the council assembly should agree annually.

33. The indicators for approval relate to 2021-22 to 2023-24 and are set out at Appendix E. The indicators are of a technical nature and include a self imposed authorised limit on debt which the council assembly must determine each year. Approval will ensure that the council meets its obligations under the 2003 Act and that the strategic director of finance and governance can carry out their financial responsibilities in this area.

SUPPLEMENTAL ADVICE FROM OTHER OFFICERS

Director of Law and Governance

34. The constitution determines that agreeing the treasury management strategy is a function of the council assembly and that review and scrutiny of strategies and policies is the responsibility of the audit and governance committee.
35. Financial standing orders require the strategic director of finance and governance to set out the treasury management strategy for consideration and decision by council assembly, and report on activity on a quarterly basis to cabinet and at mid and year-end to council assembly. Furthermore all executive and operational decisions are delegated to the strategic director of finance and governance.
36. The Local Government Act 2003 and supporting regulations require local authorities to determine annual borrowing limits and have regard to the Prudential Code for Capital Finance, and the Treasury Management in the Public Services Code of Practice and Guidance, published by the Chartered Institute of Public Finance and Accountancy, when considering borrowing and investment strategies, determining or changing borrowing limits or prudential indicators.
37. Section 15(1) of the 2003 Act requires a local authority “to have regard (a) to such guidance as the Secretary of State may issue”. This guidance is found in the Ministry of Communities and Local Government Guidance on Local Authority Investments updated February 2018 and there is statutory guidance on the Minimum Revenue Provision (MRP) produced under amendments made to section 21(1A) of the 2003 Act by section 238(2) of the Local Government and the Public Involvement in Health Act 2007.
38. Members are advised to give approval to the recommendations, ensuring continuing compliance with Government guidance and CIPFA’s codes.

BACKGROUND DOCUMENTS

Background Papers	Held at	Contact
None		

APPENDICES

No.	Title
Appendix A	Capital Strategy 2021-22 to 2030-21
Appendix B	Treasury Management Strategy 2021-22
Appendix C	Annual Investment Management Strategy 2021-22
Appendix D	Annual Minimum Revenue Provision Statement 2021-22
Appendix E	Prudential Indicators - 2021-24

AUDIT TRAIL

Lead Officer	Duncan Whitfield, Strategic Director of Finance and Governance	
Report Author	Rob Woollatt, Departmental Finance Manager	
Version	Final	
Version Date	10 February 2021	
Key Decision	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	N/A	N/A
Cabinet Member	Yes	Yes
Report sent to Constitutional Team		10 February 2021

CAPITAL STRATEGY 2021-22 – 2030-31

1. INTRODUCTION AND BACKGROUND

This Capital Strategy is an overarching document which sets the policy framework for the development, management and monitoring of capital investment. The strategy focuses on core principles that underpin the council's capital programme; its short, medium and long-term objectives; the key issues and risks that will impact on the delivery of the programme; and the governance framework required to ensure the capital programme is delivered and provides value for money for residents of Southwark.

The capital strategy aligns with the priorities set out in the Council Plan and other key council strategies. The strategy is integrated with the medium term financial strategy and treasury management strategy.

2. CORE PRINCIPLES THAT UNDERPIN THE CAPITAL PROGRAMME

The key principles for the capital programme are summarised below:

- Capital investment decisions reflect the aspirations and priorities included within the Council Plan and supporting strategies;
- Schemes to be added to the capital programme will be subject to a gateway process, prioritised according to availability of resources and scheme specific funding, fairer future for all commitments and factors such as legal obligations, health and safety considerations and the longer-term impact on the council's financial position;
- The cost of financing capital schemes, net of revenue benefits, are profiled over the lifetime of each scheme and incorporated into the annual policy and resources strategy and budget;
- Commissioning and procuring for capital schemes will comply with the requirements set out in the council's constitution, financial regulations and contract standing orders.

A risk review is an important aspect of the consideration of any proposed capital or investment proposal. The risks will be considered in line with the risk management strategies we have in place and commensurate with the council's low risk appetite. Subject to careful due diligence, the council may consider a moderately higher level of risk for strategic initiatives, where there is a direct gain to the council's revenues or the ability to deliver its statutory duties more effectively and efficiently.

3. GOVERNANCE FRAMEWORK

The council's constitution requires the Council Assembly to agree the capital strategy and programme at least once every four years and in the event of a significant change in circumstances. The reports from the chief finance officer will consider the compliance of proposed schemes in the programme with the medium term financial strategy, the capital resources available to the council, the revenue implications of the proposed capital expenditure, and any other relevant information.

Democratic decision-making and scrutiny processes provide overall political direction and ensure accountability for investment in the capital programme. These processes include:

- Council Assembly approves the Council Plan which sets out the strategic priorities for the council;
- Council Assembly is ultimately responsible for approving the Capital Strategy, Treasury Management Strategy and capital programme;
- The Cabinet receives regular capital monitoring reports, approves variations to the programme and considers new bids for inclusion in the capital programme;
- Portfolio holders are assigned projects in line with their responsibilities;
- Scrutiny committees can call in Cabinet reports, receive and scrutinise reports;
- All projects progressing to the capital programme follow the constitution, and financial regulations;
- The capital programme and capital expenditure is subject to internal and external audit.

Approval to spend on individual capital schemes will only be given once procedural guidelines have been complied with and assessed to the satisfaction of the strategic director of finance and governance.

Senior officer teams exist within directorates to monitor the delivery of the directorate capital programme. Directorate management teams must consider and recommend all additions, variations to their directorate capital programme before being agreed by the strategic director of finance and governance and then by cabinet.

4. CAPITAL INVESTMENT PRIORITIES AND PLANS

The capital programme for the council is a long term ambition, with the lifetime of new and existing assets stretching far into the future. The obligation for maintaining and improving council dwellings and operational buildings is very long term and as such will be considered accordingly in financial and asset management planning.

Capital investment plans are driven by the Council Plan, the council's key strategic document that sets out the council's vision, ambitions, values and

priorities. The 2018-2022 Council Plan was refreshed in November 2020 and includes the following key capital commitments:

- to build more council houses and secure new homes at London Living Rent
- to retrofit council homes to make them greener
- to plant 10,000 new trees by 2022
- to deliver quality new homes for residents on the Aylesbury Estate
- to deliver a new library and GP health centre on the Aylesbury estate
- to open a new, modern leisure centre at Canada Water
- to invest in young people and youth services
- to open a new library and heritage centre on the Walworth Road
- to open two nursing homes
- to build extra care housing

The application and planning for the capital expenditure obligations and objectives can be considered over short, medium and long term time horizons. Long-term forecasts are not easily predicted and the accuracy of all financial estimates will be limited. However, long-term forecasting is valuable in informing strategic plans taking account of the cumulative sustainability and affordability of existing and planned investment, which will need to be repaid over future periods. For major projects and investment the funding and financial implications need to be planned well in advance. The council maintains an approved capital programme that covers a ten year period. Prudential indicators for capital expenditure and financing are set out in Appendix E.

5. TREASURY MANAGEMENT

Treasury Management is concerned with keeping sufficient but not excessive cash available to meet the council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of resources will be met by prudential borrowing. The council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

Each year the council assembly agrees an annual treasury management strategy covering the management of council debt and cash investments Appendix B.

6. ASSET MANAGEMENT PLANNING

The overriding objective of asset management within the council is to achieve a corporate portfolio of property assets that is appropriate, fit for purpose and affordable. The council's property portfolio consists of operational property, investment property and property held for specific community or regeneration purposes. The council has specific reasons for owning and retaining property:

- Operational purposes e.g. assets that support core business and service delivery e.g. schools, office buildings.
- Investment properties held to provide a financial return to the council that supports service provision.
- Parks, playgrounds and open spaces.
- Regeneration, enabling strategic place shaping and economic growth.

Asset management is an important part of the council's business management arrangements and is crucial to the delivery of efficient and effective services, the ongoing management and maintenance of capital assets will be considered as part of the strategy. The asset management planning includes an objective to optimise the council's land and property portfolio through proactive estate management and effective corporate arrangements for the acquisition and disposal of land and property assets.

The council will continue to realise the value of any properties that have been declared surplus to requirements in a timely manner, having regard to the prevailing market conditions.

7. COMMERCIAL ACTIVITY AND INVESTMENT PROPERTY

Returns from property ownership can be both income driven (through the receipt of rent) and by way of appreciation of the underlying asset value (capital growth). The combination of these is a consideration in assessing the attractiveness of a property for acquisition. However, yield is rarely the sole or primary objective of property acquisitions.

Historically, property has provided strong investment returns in terms of capital growth and generation of stable income. However, property investment is not without risk as property values can fall as well as rise and changing economic conditions could cause tenants to leave with properties remaining vacant. The investment appraisal, including taking external professional advice, ensuring all investments are in Southwark (local strategic knowledge) and risk assessment ensure that commercial investments remain proportionate to the size of the council and that the revenue impact can be managed should expected yields not arise.

The strategy makes it clear that the council will continue to invest prudently to take advantage of opportunities as they present themselves, supported by our robust governance process.

PWLB loans are not available to local authorities planning to buy investment assets primarily for yield.

8. LOANS AND OTHER LIABILITIES

The council has discretion to make loans for a number of reasons, primarily for economic development. These loans are treated as capital expenditure.

In making loans the council is exposing itself to the risk that the borrower defaults on repayments. The council, in making these loans, must therefore ensure they are prudent and has fully considered the risk implications, with regard to both the individual loan and that the cumulative exposure of the council is proportionate and prudent.

The council will ensure that a full due diligence exercise is undertaken and adequate security is in place. The business case will balance the benefits and risks. All loans are agreed by Cabinet. All loans will be subject to close, regular monitoring.

In addition to debt liabilities set out in the treasury management strategy, the council is committed to making future payments to cover any pension deficit. The pension fund is subject to a triennial valuation and the revenue implications are built into the Medium Term Financial strategy.

9. REVENUE BUDGET IMPLICATIONS

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and Minimum Revenue Provision (or debt repayment in HRA) are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream, i.e. the amount funded from council tax, business rates and general government grants (see Prudential Indicators).

Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend up to 50 years into the future. Capital investment decision making is not only about ensuring the initial allocation of capital funds meets the corporate and service priorities but ensuring the asset is fully utilised, sustainable and affordable throughout its whole life. This overarching commitment to long term affordability is a key principle in any capital investment appraisal decision. In approving the inclusion of schemes and projects within the capital programme, the strategic director of finance and governance must be satisfied that the proposed capital programme is prudent, affordable and sustainable.

10. KNOWLEDGE AND SKILLS

The council has professionally qualified staff across a range of disciplines including finance, legal and property that follow continuous professional development (CPD) and attend courses on an ongoing basis to keep abreast of new developments and skills.

The council establishes project teams from all the professional disciplines from across the council as and when required. External professional advice is taken where required and will always be sought in consideration of any major commercial property investment decision.

Internal and external training is offered to members to ensure they have up to date knowledge and expertise to understand and challenge capital and treasury decisions taken by the strategic director of finance and governance.

TREASURY MANAGEMENT STRATEGY STATEMENT 2021-22**Introduction**

1. Treasury management is the management of the authority's cash flows, borrowing and investments. The council is exposed to financial risks from treasury management activity including possible losses associated with council investment and potential for increased borrowing costs arising from market movements. The identification, monitoring and control of financial risks are a crucial part of the financial management and governance arrangements of the council.
2. Treasury risk management is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which requires the council to approve a treasury management strategy before the start of each financial year. This report fulfils the council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.
3. Investments held for service purposes or for commercial profit are considered in the Capital Strategy.
4. Under financial delegation, the strategic director of finance and governance is responsible for all executive and operational decisions on treasury management. This treasury management strategy, together with supporting prudential indicators and policies will ensure that these responsibilities can be carried out effectively.
5. The impact on the UK from coronavirus, lockdown measures, the rollout of vaccines, as well as the new trading arrangements with the European Union (EU) will remain major influences on the council's treasury management strategy for 2021-22.
6. Monthly GDP estimates have shown that the economic recovery in the summer has slowed and remains well below its pre-pandemic peak. Looking ahead, the BoE's November MPR forecasts economic growth will rise in 2021 with GDP reaching 11% in Q4 2021.

Net Borrowing Position

7. As at 31 December 2020 the council held £788m of borrowing and £147m of investments.
8. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Council's current strategy is to maintain borrowing and investments below their underlying levels, known as internal borrowing.

9. The Council has an increasing CFR due to its ambitious capital programme. Based on current forecasts there is an estimated need to borrow up to £1bn by 31 March 2025.

Borrowing strategy and debt management activity and position

10. The council's debt management strategy since 2011-12 has been to pursue a policy of internal borrowing, which is the use of existing reserves and balances to temporarily fund capital expenditure rather than the use of external borrowing.
11. The use of internal borrowing allows the council to minimise unnecessary external borrowing costs by only borrowing when needed for liquidity, or to benefit from advantageous borrowing rates. Borrowing in advance of need from a cashflow perspective creates a 'cost of carry' which is the difference between the short term investment income earned through holding cash balances compared against longer term external debt financing costs
12. During the period from 2011-12 to 2017-18 the rate of return on short term investments was consistently much lower compared to longer term borrowing. The savings for the council from deferring external borrowing in this way equate to circa £20m
13. Efficient use of existing council resources to fund capital expenditure through internal borrowing also reduces the council's counterparty risk inherent in the investment of cash balances.
14. During the financial year to 31 March 2020, the extent of internal borrowing and the need to refinance scheduled debt repayments, together with potential for interest rate rises, indicated the need for long-term borrowing. The council borrowed £50m from the Public Works Loans Board (PWLB), as part of HM Treasury, with maturity terms of 49 years at an interest rate of 1.5%.
15. In the current financial year the council has borrowed a further £7m of long term debt from the Mayor of London's Energy Efficiency Fund (MEEF).
16. Drawing of long term borrowing has been supplemented by a continuation of short term borrowing from other local authorities to reduce the overall debt interest expense for the council. The level of short term borrowing from other local authorities as at 31 March 2020 was £177m.
17. This approach to short term borrowing has continued during 2020-21 with the balance of short term borrowing from local authorities at £154m as at 31 December 2020. The weighted average rate of interest on existing short term borrowing is 0.6%, significantly less than long term rates of borrowing.

18. Officers regularly monitor current and forecast interest rates to determine the appropriateness of the internal and short term borrowing approach, so that the reduction in current borrowing costs from use of internal balances is not offset by higher borrowing costs in the future.
19. The Covid-19 pandemic has had a significant impact on capital programme delivery in 2020-21, deferring spend to future periods. The re-profiling of capital expenditure into future years has allowed the council to defer external borrowing, reducing the interest cost associated with debt financing.
20. With the exception £7m of long term debt from the Mayor of London's Energy Efficiency Fund (MEEF), all historical long term debt for the council has been drawn from the PWLB. The PWLB remains the council preferred lender. However future borrowing could come from a variety of different sources. The council could borrow through other financial institutions and banks, or directly from other local authorities.
21. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield. The council intends to avoid this activity in order to retain its access to PWLB loans.
22. All borrowing decision will be made in consideration of capital and cashflow forecasts, market conditions, interest rate expectations and with respect to associated risks. The council will also utilise the advice of its external treasury advisor Arlingclose.
23. The council's outstanding debt portfolio, used to fund historical capital expenditure, stood at £632m as at 31 March 2020 with £435m attributable to the HRA and £198m to the general fund.
24. Long term outstanding debt was borrowed from the PWLB, part of HM Treasury, at fixed rates of interest. At the end of 2019-20, £50m was borrowed from the PWLB and during 2020-21 a further £7m of long term debt was drawn from the Mayor of London's Energy Efficiency Fund (MEEF). £5m of long term debt principal will mature in 2020-21 and be repaid to PWLB.
25. The weighted average rate of interest for the council's debt portfolio is 4.3% as at 31 December 2020 a reduction from 4.4% as at 31 March 2020.

Investment Position and Activity

26. The council holds sizable investment balances, representing income received in advance of expenditure plus balances and reserves held. Investments as at 31 December 2020 were £151m (£148m at 31 December 2019).
27. Council resources that are not immediately required for current expenditure are invested in money market instruments in accordance with the MHCLG Guidance on Local Authority Investments and the approved

investment strategy. The MHCLG guidance gives priority to security and liquidity and the council's aim is to achieve a yield commensurate with these principles.

28. Council investments are managed both in-house and delegated to two fund managers: Alliance Bernstein and Aberdeen Standard (formerly Aberdeen Asset Management). The focus for in-house investment is to meet variable near term cash liquidity requirements, principally using money market funds and other highly secure, liquid financial instruments
29. Any surplus cash resources not required in the short term to fund council activities is placed with the council's two external fund managers. The fund managers invest for a longer term in UK government gilts, supranational bank bonds, certificates of deposits issued by major banks/building societies and other financial instruments.
30. The use of fund managers has the advantage of diversification of investment risk, coupled with the services of professional fund managers, which over the longer-term, provides enhanced returns within the council's risk appetite. Although investments can be redeemed from the fund managers at short notice, the intention is to hold them for the medium term. Their performance and suitability in meeting the council's investment objectives are regularly monitored.
31. The distribution of council investments across counterparties by rating and maturity as at 31 December 2020 is set out in the table below:

Investment Maturity	A		AA		AAA		Total
	£m	%	£m	%	£m	%	£m
Up to 1 Year	44.3	40%	21.3	20%	12.1	11%	77.7
1 - 2 Years	3.4	3%	2.7	3%	10.4	10%	16.5
2 - 5 Years	0.6	1%	0.6	1%	11.6	11%	12.8
Total	48.3	44%	24.6	24%	34.1	32%	107

32. The annualised rate of return for council treasury management assets for the first nine months of the financial year was 0.69%. To analyse the treasury management portfolio, the council measures the return against a composite investment benchmark of three month LIBID and one to three year gilt index. For the equivalent period the benchmark index annualised return was 0.57% indicating an outperformance of 0.12%.
33. The rate of investment return generated by the treasury management portfolio is a consequence of the council's prudent, low risk approach to treasury management investing. This is in line with the requirements of the statutory guidance for local government treasury investment issued by MHCLG.
34. The priorities for treasury management investment are, in order of priority, security, liquidity and yield. The objective therefore is to ensure that funds are available to meet council liabilities as they fall due.

35. The COVID-19 pandemic has increased the risk that the Bank of England will set its Bank Rate at or below zero, which would likely feed through to negative interest rates on all low risk, short-term investment options. Since investments cannot pay negative income, negative rates will be applied by reducing the value of investments. The Authority's treasury management adviser Arlingclose is forecasting that Bank of England Bank Rate will however remain at 0.1% until at least the end of 2023. The risks to this forecast are judged to be to the downside as the BoE and UK government continue to react to the coronavirus pandemic and the Brexit transition period ends.
36. It is important that the treasury management strategy is suitably flexible such that the council can take advantage of market opportunities and maintain appropriate asset diversification within the portfolio to best support the council's revenue budget, whilst retaining the overriding objectives of security and liquidity.
37. The 2020-21 investment strategy, agreed by Council Assembly in February 2020 allowed for enhanced flexibility in the implementation of the investment strategy for the council such that there is no requirement to change it further at this time.

THE ANNUAL INVESTMENT MANAGEMENT STRATEGY 2021-22

BACKGROUND

1. The guidance on local government investments produced by the Ministry of Housing, Communities and Local Government (MHCLG) as updated in February 2018, requires that local authorities produce an annual investment strategy. The guidance promotes prudent management of investments with security and liquidity as priorities, while also considering yield.
2. Investments held as part of the council's pension fund are managed under a separate regulatory framework and are outside the scope of this strategy.
3. Investments held for service purposes or for commercial profit are considered within the capital strategy.

INVESTMENT OBJECTIVES

4. The council's treasury investment objectives are to preserve principal, provide liquidity and secure a reasonable return.
5. The council holds cash in the normal course of its business and any cash not immediately required for settling council liabilities should be invested until needed. Investments should be managed prudently and fall within two categories: specified investments and non-specified investments, as set out in government guidance. Specified investments are investments up to one year, as detailed below, with high liquidity and credit quality. Non-specified investments, as set out below, are investments that exceed one year and are potentially more responsive to liquidity, credit and market factors.
6. Prudent exposure to non-specified investments can help raise the overall level and diversification of investment returns over the long term and so should be considered as part of an investment strategy, having regard to prevailing credit and market conditions. Investment exposure shall be diversified and managed with due care and attention.
7. All investments will be denominated in GBP sterling, comply with credit standards and investment limits. Exposure to share capital that is treated as capital expenditure is outside the scope of this strategy.
8. The strategic director of finance and governance is responsible for this strategy and its management. Fund managers may be appointed to assist in advising or executing elements of the strategy.

SPECIFIED INVESTMENTS

9. Specified investments shall consist of investments with a remaining term of up to one year in the following categories. Actual exposure shall be subject to investment limits, be managed prudently and have regard to prevailing credit and market conditions.

Specified investments - in sterling, meeting credit standards and with remaining life not longer than 1 year	
A	Term deposits, notice accounts, certificates of deposits, commercial paper, notes, collateral backed lending, bills, bonds (including covered bonds) issued or guaranteed by: the UK government, supranational banks, foreign governments, quasi-sovereigns, UK local authorities, banks or UK building societies.
B	Money market funds and short duration low volatility enhanced cash funds rated AAA/Aaa/AAA (Fitch/Moody's/S&P) with stable or variable net asset values.

NON-SPECIFIED INVESTMENTS

10. Non-specified investments shall consist of investments with a remaining term exceeding one year in the following categories of investments. Actual exposure shall be subject to investment limits, be managed prudently and have regard to prevailing credit and market conditions.

Non-specified Investments - in sterling, meeting credit standards and with remaining life longer than 1 year	
A	Term deposits, notice accounts, certificates of deposits, commercial paper, notes, collateral backed lending, bills, bonds (including covered bonds) issued or guaranteed by: the UK government, supranational banks, foreign governments, quasi-sovereigns, UK local authorities, banks or UK building societies, pooled multiasset income funds.

CREDIT STANDARDS

11. Credit risk, the risk that an entity with which investments are held fails to meet its obligations to investors, shall be contained and credit ratings consulted.
12. The minimum credit ratings are set out in the tables and paragraphs below. While these ratings indicate a low risk of default and are well above the minimum regarded as investment grade, they may not always keep up with developments in turbulent markets. Therefore, in managing exposure, attention should also be paid to developments in the financial and credit markets. Rating definitions are set out below.

Minimum Credit Rating Criteria

Minimum long term rating from one of the three rating agencies		
Fitch Ratings	Moody's Investor Services	Standard & Poor's
A-	A3	A-

13. Credit requirements shall not apply to investments issued or guaranteed by the UK Government, nationalised entities, UK local authorities, the council's clearing bank (RBS) or the cash manager custodian bank (BNY Mellon). Local authorities are not usually rated, but the Local Government Act 2003 provides sanctions in the event that an authority fails to meet its liabilities to lenders.
14. Ratings shall be reviewed frequently and at least monthly. In the event of significant adverse rating changes, investments may be recalled prior to maturity where it would be prudent to do so.
15. The strategic director of finance and governance shall have discretion to vary minimum rating and limits in response to market developments, cash flow volatility or operational requirements where prudent to protect the council's interests.

INVESTMENT LIMITS

16. Investment exposure shall be subject to the following limits.

Investment limits, subject to overall constraints and minimum ratings		
	Issuer/Institution	Upper limits (percent or amount of council investment portfolio)
A	UK National Government	No limit
B	UK Local Authorities	Up to 1 year £10m per issuer maximum 25% in total
C	Foreign sovereigns, supranational banks and quasi-sovereigns, minimum rating AAA/Aaa/AAA	Up to 5.5 years 20% per issuer
D	Foreign sovereigns, supranational banks and quasi-sovereigns, minimum rating AA-/Aa3/AA-	Up to 5.5 years 12.5% per issuer
E	Foreign sovereigns, supranational banks and quasi-sovereigns minimum rating A1-/A3/A-	Up to 1 year; 5% per issuer
F	Banks and building societies Minimum rating AAA/Aaa/AAA	Up to 5.5 years 20% per issuer
G	Banks and building societies minimum rating AA-/Aa3/AA-	Up to 3 years 12.5% per issuer
H	Banks and building societies long term rating A-/A3/A-	Up to 1 year; 5% per issuer
I	Other Corporate Entities long term rating AA-/Aa3/AA-	Up to 3 years 10% per issuer
J	Other Corporate Entities long term rating A-/A3/A	Up to 1 year; 5% per issuer
K	Money market funds above £1,000m in holdings	£50m per fund
L	Short duration low volatility enhanced cash funds	£10m per fund maximum 20% in total
M	Sterling government money market funds above £200m in holdings	£50m per fund
N	Multi asset income pooled fund	£10m in total
O	Royal Bank of Scotland (NatWest) and Bank of New York Mellon (custodian)	Up to 3 months £75m per issuer
<p>Overall portfolio: maximum above 1 year maturity 65% maximum weighted average maturity 2.5 years (the maturity of floating rate instruments is treated as the next interest re-set date)</p>		

RATING DEFINITIONS

17. Ratings are research based opinions of rating companies (Fitch Ratings, Moody's and Standard & Poor's) on the ability of an entity or security to meet financial commitments such as interest, preferred dividends and repayment of principal in accordance with their terms. Ratings do not constitute recommendations to buy, sell or hold any security, nor do they comment on the adequacy of market price, or the suitability of any security for a particular investor.
18. Fitch Long Term Ratings are shown below

AAA	Highest credit quality. AAA ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events
AA	Very high credit quality. AA ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	High credit quality. A ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

19. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories.

20. The Fitch Short Term Ratings are shown below

F1	Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
F2	Good short-term credit quality. Good intrinsic capacity for timely payment of financial commitments
F3	Fair short-term credit quality.

21. Moody's Long Term Ratings are shown below

Aaa	Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk.
Aa	Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
A	Obligations rated A are considered upper-medium grade and are subject to low credit risk.

22. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa.
23. Moody's short-term ratings are opinions of the ability of issuers to honour short-term financial obligations and are shown below.

P-1	Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.
P-2	Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

24. Standard and Poor's (S&P) Long Term Rating

AAA	An obligation rated AAA has the highest rating assigned by S&P. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
AA	An obligation rated AA differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.
A	An obligation rated A is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

25. The ratings from AA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.
26. Standard and Poor's (S&P) Short Term Ratings are shown below

A-1	A short-term obligation rated A-1 is rated in the highest category by S&P. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.
A-2	A short-term obligation rated A-2 is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

ANNUAL MINIMUM REVENUE PROVISION STATEMENT 2021-22

Background

1. Minimum Revenue Provision (MRP) is statutory requirement to make a charge to the council's General Fund to make provision for the repayment of the council's past capital debt and other credit liabilities.
2. The Local Government Act 2003 requires local authorities to have regard to the Department for Housing, Communities and Local Government *Guidance on Minimum Revenue Provision*.
3. The broad aim of the Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by government grant, reasonably commensurate with the period implicit in the determination of that grant.
4. The Guidance requires the council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. This forms part of the Treasury Management Strategy considered by Council Assembly annually.
5. A prudent level of MRP on any significant asset or expenditure may be assessed on its own merits or in relation to its financing characteristics in the interest of affordability or financial flexibility.
6. The strategic director of finance and governance has delegated responsibility for implementing the Annual Minimum Revenue Provision Statement and executive, managerial, operational and financial discretion to determine MRP and any practical interpretation issues.
7. The strategic director of finance and governance may make additional revenue provisions, over and above those set out, and set aside capital receipts, balances or reserves to discharge financing liabilities for the proper management of the financial affairs of the HRA or the general fund. The strategic director of finance and governance may make a capital provision in place of any revenue MRP provision.

General Fund Supported Capital Expenditure or Capital Expenditure incurred before 1 April 2008

8. In relation to capital expenditure for which support forms part of the calculation of revenue grant by the government or any capital expenditure incurred before 1 April 2008, the MRP shall be calculated in accordance with the Local Authorities (Capital Finance and Accounting) Regulations 2003 as if it had not been revoked. In arriving at that calculation, the capital financing requirement shall be adjusted as described in the guidance.

9. In addition, the calculation method and the rate or the period of amortisation referred to in the guidance may be varied by the strategic director of finance and governance in the interest of affordability.
10. The methodology applied to pre-2008 debt, is an annuity basis, calculated over 40 years remaining as at 31 March 2018 (within the pre-2008 debt portfolio the final loan is due for repayment in 2057-58).

General Fund Self- Financed Capital Expenditure from 1 April 2008.

11. Where capital expenditure incurred from 1 April 2008 is on an asset financed wholly or partly by self-funded borrowing, the MRP is to be made in instalments over the life of the asset. The calculation method and the rate or the period of amortisation shall be determined by the strategic director of finance and governance.
12. The strategic director of finance and governance shall determine how much and which capital expenditure is funded from borrowing and which from other sources. Where expenditure is only temporarily funded from borrowing in any one financial year and it is intended that its funding be replaced with other sources by the following year, no MRP shall apply. Nor shall any annual MRP apply where spend is anticipated to be funded from capital receipts or grants due in the future but is in the meantime funded from borrowing, subject to a maximum of three years or the year the receipt or grant is actually received, if sooner.
13. The asset life method shall also be applied to borrowing to meet expenditure from 1 April 2008 which is treated as capital expenditure by virtue of either a direction under section 16(2) of the 2003 Act or regulation 25(1) of the 2003 Regulations. The strategic director of finance and governance shall determine the asset life. When borrowing to construct an asset, the asset life may be treated as commencing in the year the asset first becomes operational and postpone MRP until that year.
14. Where capital expenditure involves repayable loans or grants to third parties no MRP is required where the loan or grant is repayable. By exception, on the basis of a business case and risk assessment, this approach may be amended at the discretion of the strategic director of finance and governance.
15. Where capital expenditure involves a variety of different types of works and assets, the period over which the overall expenditure is judged to have benefit over shall be considered as the life for MRP purposes. Expenditure arising from or related or incidental to major elements of a capital project may be treated as having the same asset life for MRP purposes as the major element itself. An estimate of the life of capital expenditure may also be made by reference to a collection or grouping of expenditure type or types.

PFI, leases

16. In the case of finance leases, on balance sheet private finance initiative contracts or other credit arrangements, MRP shall be the sum that writes down the balance sheet liability. These are being written down over the PFI contract term.

The Annuity Method

17. The annuity method makes provision for an annual charge to the General Fund which takes account of the time value of money (whereby paying £100 in 10 years' time is less of a burden than paying £100 now). The annuity method also matches the repayment profile to how the benefits of the asset financed by borrowing are consumed over its useful life (i.e. the method reflects the fact that asset deterioration is slower in the early years of an asset and accelerates towards the latter years). This re-profiling of MRP therefore conforms to the MHCLG "Meaning of Prudent Provision" which provide that "*debt [should be] repaid over a period that is reasonably commensurate with that which the capital expenditure provides benefits*".

Prudential Indicators 2021-22 – 2023-24

1. The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure

2. The Authority's planned capital expenditure and financing may be summarised as follows. Further detail is provided in Month 8 Capital Monitoring for 2020-21 as reported at Cabinet on 2 February 2021

Capital Expenditure and Financing	2020-21 Estimate £m	2021-22 Estimate £m	2022-23 Estimate £m	2023-24 Estimate £m
General Fund	136	190	90	37
HRA	116	607	451	264
Total Expenditure	252	797	541	301
Capital Receipts	37	114	98	31
Capital Grants	28	81	43	10
Revenue and Reserves	56	91	72	143
External Contributions	35	31	16	21
Funded by Borrowing	96	480	312	96
Total Financing	252	797	541	301

Estimates of Capital Financing Requirement

3. The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.
4. The CFR is forecast to rise over the next three years as capital expenditure financed by debt is outweighed by resources put aside for debt repayment.
5. The adoption of new accounting standard IFRS16 in 2021-22 financial year may necessitate a change in the accounting treatment for certain council leases. Existing leases may need to be reclassified leading to an increase in the council's reported CFR.

Capital Financing Requirement	2020-21 Estimate £m	2021-22 Estimate £m	2022-23 Estimate £m	2023-24 Estimate £m
General Fund	774	927	957	970
HRA	490	835	1,128	1,211
Total CFR	1,264	1,762	2,085	2,181

Gross Debt and the Capital Financing Requirement

6. In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence. Actual external borrowing is expected to remain well under this value.

Debt	31-03-21 Estimate £m	31-03-22 Estimate £m	31-03-23 Estimate £m	31-03-24 Estimate £m
External Borrowing	763	1,352	1,722	1,919
Other Long Term Liabilities	86	81	76	71
Total Debt	849	1,433	1,798	1,990

7. Total debt is expected to remain below the CFR during the forecast period.

Operational Boundary for External Debt

8. The operational boundary is based on the Authority's estimate of the most likely (i.e. significantly prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt.

Operational Boundary	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
Borrowing	1,050	1,550	1,950	2,600
Other Long-Term Liabilities	86	81	76	71
Total Debt	1,136	1,631	2,026	2,671

Authorised Limit for External Debt:

9. The authorised limit is the affordable borrowing limit determined in compliance with the [Local Government Act 2003 / Local Government Finance Act (Northern Ireland) 2011]. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Authorised Limit	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
Borrowing	1,500	2,000	2,500	3,200
Other Long-Term Liabilities	120	120	120	120
Total Debt	1,620	2,120	2,620	3,320

Ratio of Financing Costs to Net Revenue Stream

10. This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2020-21 Estimate	2021-22 Estimate	2022-23 Estimate	2023-24 Estimate
General Fund	3%	3%	4%	5%
HRA	12%	15%	17%	18%

Debt Limits

11. There are three debt related treasury activity limits. The purpose of these is to manage the overall risk for the authority and limit the exposure to any adverse movement in interest rates. Debt shall be subject to the following limits:

Debt limits	
Upper limits on fixed interest rates	100%
Upper limits on variable interest rates	20%

Debt maturity profile limits	Lower Limit	Upper Limit
Under 12 months	0%	35%
12 months and within 24 months	0%	35%
24 months and within 5 years	0%	50%
5 years and within 10 years	0%	75%
10 years and above	25%	100%

Adoption of the CIPFA Treasury Management Code

12. The Authority has adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition*. It fully complies with the Code's recommendations.

Item No. 2.4	Classification: Open	Date: 24 February 2021	Meeting Name: Council Assembly
Report title:		Capital programme 2020-21 to 2029-30	
Wards or groups affected:		All	
From:		Strategic Director of Finance and Governance	

RECOMMENDATION

1. That Council Assembly notes the refreshed general fund capital programme for the period 2020-21 to 2029-30 as approved by Cabinet on 2 February 2021 (Appendix 1).

BACKGROUND INFORMATION

2. The council established a ten year programme in 2006 for capital investment within the remit of the medium term resource strategy and in line with local priorities and the council plan. The council's constitution requires council assembly to agree the capital strategy and programme at least once every four years, ensuring effective financial control and the achievement of value for money, within the provisions of financial standing orders.
3. On 27 February 2019, council assembly agreed a refreshed 10 year general fund capital programme for the period 2018-19 to 2027-28 to the value of £792m and a housing investment programme of £2,100m. Since then Cabinet has approved the refresh of the capital programme on a regular basis through capital monitoring reports to ensure it is fully updated and continues to align with the council's key priorities.
4. The refreshed council plan approved by Council Assembly in November 2020 is the council's overarching business plan setting the overall policy direction for the period 2020-22.
5. On 2 February 2021, cabinet agreed a refresh of the council's capital programme including additional investment of £25m to help tackle the climate change emergency and £1m to support the delivery of the Cabinet's ambitious plan for youth provision in the borough. A copy of this report with details of the capital programme by department is attached as Appendix 1.

KEY ISSUES FOR CONSIDERATION

6. Capital investment plans are driven by the Council Plan, the council's key strategic document that sets out the council's vision, ambitions, values and priorities.
7. Key commitments supported by the capital programme include continuing to deliver new quality affordable homes, taking action to tackle the Climate Emergency, rebuilding the local economy and giving all young people in the borough the best opportunities in life. Specific commitments also include:
 - planting 10,000 new trees;
 - doubling the number of bike hangars in the borough;
 - delivering quality new homes for residents on the Aylesbury Estate, with no reduction in the number of social rent homes
 - delivering a new library and GP Health Centre on the Aylesbury Estate;
 - refurbishing and expanding Maydew House, increasing the number of council homes and providing new council rented key worker homes:
 - opening a new, modern leisure centre at Canada Water;
 - opening a new library and heritage centre on the Walworth Road;
 - investing in young people in Southwark;
 - opening two nursing homes;
 - building extra care housing;
 - improving air quality and road safety at every primary school.
8. Appendix 2 aligns the capital programme with the council plan themes.

Community Impact Statement

9. The community impact statement is set out in the cabinet report of 2 February 2021 attached at Appendix 1.

Consultation

10. Consultation on the overall programme has not taken place. However, each of the individual projects are subject to such consultation as is required or desirable when drawing up the schemes. Some of these will be more extensive than others, for example projects with an impact on the public realm. Some projects, such as those funded by s106 may require consultation with those providing the funds.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Governance

11. Under the constitution the council assembly must agree the capital strategy and programme at least once every four years, ensuring effective

financial control and the achievement of value for money, within the provisions of financial standing orders.

12. The capital programme 2020-21 to 2029-30 satisfies the council's duty under the Local Government Act 1999 which requires it to make arrangements to secure the continuous improvement in the way its functions are exercised, by having regards to the combination of economy, efficiency and effectiveness.

BACKGROUND INFORMATION

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	Cabinet Report 2 February 2020 Policy and Resources Strategy: Capital Monitoring Report, including capital programme update 2020-21 to 2029-30
Appendix 2	Capital Programme by council plan theme

AUDIT TRAIL

Lead Officer	Duncan Whitfield, Strategic Director of Finance and Governance	
Report Author	Robert Woollatt, Interim Departmental Finance Manager	
Version	Final	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		12 February 2021

APPENDIX 1

Item No.	Classification: Open	Date: 2 February 2021	Meeting Name: Cabinet
Report title:		Policy and Resources Strategy: capital monitoring report, including capital programme update 2020-21 (month 8)	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Rebecca Lury, Finance and Resources	

FOREWORD – COUNCILLOR REBECCA LURY, CABINET MEMBER FOR FINANCE AND RESOURCES

As ever, we remain committed and ambitious about our ability to deliver major investments and improvements in our Borough. However, the impact of Covid-19 has had far reaching consequences which we could not have foreseen when we set the Budget back in March 2020, and which we expect to continue to have a significant impact on our financial position going forward.

Whilst activity was showing signs of recovery when we last reported to Cabinet in October, the Covid-19 pandemic continues to impact adversely on the delivery of the 2020-21 capital programme.

In order to provide as much certainty as we can during these changeable times, we have reviewed the entirety of the Capital Programme, to consider those projects which should be prioritised and those areas where we may need to think again about the timescales for delivery. The outturn forecast remains substantially below planned expectations, and the programme has therefore been adjusted to accommodate some of the inevitable delays.

As such, the re-profiled overall capital programme for 2020-21 is £251.8m, £136.0m of which is General Fund and £115.8m on the Housing Investment Programme.

The Council has committed to doing everything that it can to make Southwark carbon neutral by 2030. The Council already invests substantial resources in projects that contribute to this priority including our commitments to build energy efficient new homes, to provide efficient heating systems to our council homes, to plant trees and improve air quality and to reduce our operational property estate. However, we recognise the need to do more and are investing a further £25m to help tackle the climate change emergency.

It remains one of the Council's top priorities that young people in Southwark have the very best start in life. We know that our teenagers in particular face increasing and complex challenges and we want to ensure their improved

wellbeing and resilience as well as do more to reduce the risk of young people being drawn into serious youth violence. I am therefore pleased to announce an additional capital allocation of £1m to support the delivery of the Cabinet's ambitious plan for youth provision which will sit alongside dedicated revenue budgets.

RECOMMENDATIONS

That cabinet:

1. Notes the forecast outturn and resources for 2020-21 and future years for both the general fund and housing investment programmes as detailed in Appendices A, B and D;
2. Approves the virements and variations to the general fund and housing investment capital programme as detailed in Appendix C;
3. Approve the inclusion in the programme of the capital bids set out in Appendix E;
4. Notes the significant funding requirement of £384.1m which needs to be identified for the general fund programme to be fully delivered over the remaining term of the programme, as detailed in Appendix A.
5. Notes the significant funding requirement of £103.9m which needs to be identified for the housing investment programme to be fully delivered over the remaining term of the programme, as detailed in Appendix B.

BACKGROUND INFORMATION

6. On 18 October 2020 the capital monitoring report including capital programme update 2020-21 (month 5) was presented to the Cabinet. This reported the forecast capital outturn of £178.8m and financing requirement (i.e. borrowing) of £120.7m on the General Fund programme. Forecast spend on the housing investment programme for the financial year 2020-21 was £223.0m, with £59.7m financed by borrowing.
7. The total programmed capital expenditure over the ten year period 2020-21 to 2029-30 is £574.7m for general fund and £2,096.0m for the housing investment programme.
8. The scale of the capital programme is immense, representing a major element of the council's financial activities. It has a significant and very visible impact on the borough and hence on the lives of those who live, learn, visit and do business in the borough.
9. Due to the size and scale of the programme and the number of projects involved, it is inevitable that unforeseeable delays can occur which lead to

some variations against planned spend. The Covid-19 pandemic effectively halted the programme in March 2020. Whilst activity has started to recover, delays and additional costs were inevitable.

10. Actual resources may also vary to the plan, due to, for example, a delay in the sale of a property, or an external development with s106 or CIL obligations not being brought forward as quickly as anticipated. This has historically resulted in the capital programme being over-programmed in year, whilst retaining a balanced programme over the entire ten year life of the programme. However, the council now faces a position where planned spend is considerably in excess of forecast resources, not only in year, but also over the life of the programme.
11. The council's constitution requires council assembly to agree the capital strategy and programme at least once every four years, ensuring effective financial control and the achievement of value for money, within the provisions of financial standing orders. On 20 February 2019 the council assembly agreed a refreshed 10 year general fund capital programme and housing investment programme (HIP) for the period to 2027-28. Cabinet will consider and approve the refresh of the capital programme on a regular basis through capital monitoring reports to ensure it is fully updated and aligns with the council's key priorities.

KEY ISSUES FOR CONSIDERATION

Programme position at Month 8 2020-21

12. The capital programme is detailed within the report and appendices as follows:
 - Appendix A set out the summary of the general fund capital programme 2020-2030
 - Appendix B sets the housing investment programme 2020-2030
 - Appendix C sets out capital programme budget virements and variations for approval
 - Appendix D provides further information on the general fund capital programme 2020-2030.
 - Appendix E details new capital programme bids to support the delivery of the refreshed council plan to deliver a fairer future for all. Departmental narratives provide further detail on these bids.

General Fund

13. Attached at Appendix A is a summary of the general fund capital programme position as at month 8. The total programmed expenditure over the period 2019-20 to 2029-30 is £574.7m. The forecast spend in 2020-21 is £136.0m against a programmed spend of £183.4m.
14. Capital expenditure to the end of Month 8 was £38.0m representing 28%

of forecast spend for the year.

15. Appendix C details the budget virements and variations for approval by cabinet.
16. Appendix D provides a breakdown of the programme by directorate and project and the departmental narrative statements (paragraphs 29 to 102) provide further details.
17. This programme position will continue to be monitored and reviewed over the remainder of the financial year and the final outturn position will be reported to cabinet.

Housing Investment Programme

18. The housing investment programme is forecasting total expenditure of £2,096.4m over the period 2020-21 to 2029-30. The forecast spend in 2020-21 is £115.8m against a budget of £221.2m. Spend to the end of month 8 was £57.7m representing 50% of total forecast spend for the year.
19. A breakdown of the schemes and budgets within the housing investment programme is included in Appendix B. Further narrative is provided at paragraphs 103 to 110.

Resourcing the 2020-21 programme and onwards

20. Capital expenditure is financed through a variety of sources, typically receipts from the sale of capital assets, capital grants, external contributions such as S106 or Community Infrastructure Levy (CIL), from reserves or from revenue budget contributions. Any capital expenditure that is not financed by available capital resources must be financed by borrowing.
21. The strategy for financing the capital programme is to utilise grants, before using council receipts and reserves, thereby minimising any requirements for borrowing which will impact on the council's revenue budget.
22. The council can temporarily utilise other resources in lieu of using external borrowing to fund capital expenditure. This is referred to as internal borrowing. Whilst internal borrowing is a useful treasury management facility to minimise debt financing costs, it merely defers the timing of external borrowing rather than obviating the need.
23. The shortfall in available capital resources is financed from borrowing and will be funded from revenue contributions to support the debt costs over the life of the debt repayment.

24. The treasury management strategy has been to defer external borrowing, borrowing only when needed for liquidity purposes. Whilst this strategy has worked well for the council, saving over £20m since 2011, the increase in capital spending can no longer be financed entirely from internal borrowing. Accordingly since 2017-18 the council has needed to borrow externally to finance previous capital spending and to maintain target cash balances.
25. The make up of the capital programme is significantly influenced by the scale of resource availability from grants, s106, community infrastructure levy (CIL) and capital receipts and their timing. Over the life of the programme, all commitments must be met from anticipated resources. In the event of any shortfall in resources to fund the programme in any particular year the council would need to consider the use of prudential borrowing to bridge the gap. The cost of servicing the debt will be a charge to the revenue budget and funded from savings and/or returns on investments.
26. In the current ten year programme included within this report, there is a forecast shortfall of available funds of £383.1m to meet the planned general fund capital commitments and a borrowing requirement of £890.4m to fund the ambitious housing investment programme.
27. In addition, proceeds from capital receipts are continually kept under review especially for sales and development agreements. Financing will require careful monitoring of commitments and a drive to secure the forecast capital receipts and other resources as planned over the rest of the financial year. As part of work to review capital financing, a review of s106 has been undertaken to identify where contributions can appropriately be utilised to support the capital programme, subject to the agreement of the Planning Committee.
28. In developing and managing its capital programme the council has to maintain clear control on the selection and use of resources to finance capital expenditure. Strategies for investments, borrowing and treasury management facilitate this control and assist the council to have clear strategic direction on its use of resources. Beyond 2020-21, there are likely to be future demands for borrowing and these will be assessed as necessary at the time as part of our treasury management strategy.

Departmental Updates

29. The sections below provide commentary on the budget outturn position by department for 2020-21.

CHIEF EXECUTIVE'S DEPARTMENT

30. The total value of the capital programme for the department over the period 2020-21 to 2029-30 is £241.0m. Project managers have reviewed

the progress of the various schemes and budgets have been re-profiled in line with anticipated spend. The projected spend for this year is currently estimated to be £77.2m against the budget of £89.2m

Regeneration Division

31. The regeneration division (comprising of four project areas, namely Regeneration North, Regeneration South, Regeneration Capital Works & Development and Property Services) has a combined budget of £172.7m with expenditure of £67.3m projected to be spent in 2020-21 and the remaining spend profiled across future years.

Walworth Road Town Hall

32. In December 2020 General Projects, the council's partner for the Walworth Town Hall project received planning and listed building consent for the refurbishment of the buildings and their use as co-working and business start-up space with a café and community space. This is a significant milestone in the programme to restore these Grade 11 listed buildings and to remove them from the building at risk register. The developers programme anticipates a start on site in quarter 2 of 2021/22.

Canada Water

33. Cabinet approved terms for a Master Development Agreement in March 2018. The agreement consolidates land holdings at Canada Water paving the way for the comprehensive redevelopment of a 55 acre site which will deliver new homes, [including up to 700 affordable units], jobs, new leisure centre [to replace Seven islands] public routes and open spaces. Under the terms of the agreement the council has secured a 20% interest in the site and has an opportunity to invest in the regeneration of the area on a plot by plot basis. The agreement provides a flexible framework by which the council can potentially benefit from the growth in capital values and rent which are expected to be generated from British Lands transformation of this key site. These returns could be used to support the funding of services benefitting residents. Plot investment decisions will be the subject of separate Cabinet reports the first of which is scheduled for March 2021.
34. Planning Permission for a hybrid application [detailed phase 1 and outline for all other phases] was granted in July 2019. The application was the subject of a Judicial Review process which ended in November 2020 when the claim was dismissed. The application can now be implemented and as a consequence the council was able to complete the MDA in December 2020. On completion of the agreement the council is required to make payments to British Land to meet the cost of its 20% share of the former Rotherhithe Police Station site and Dock Offices sites. These parcels of land form part of the development site and planning consent. In addition a payment is also required to meet costs arising from

development of the scheme to date. In combination these payments are an investment which will ensure the council retains its 20% share in the MDA site and plot investment options.

Canada Water Leisure Centre

35. The council's new Leisure Centre which will replace Seven Islands is to be located on plot A2 within the British Land Canada Water Masterplan. The judicial review process ended in November 2020 meaning that the planning permission issued for the masterplan in May 2019 (which includes the leisure centre) can now be implemented. Subsequently in December 2020 the council completed the property transaction with British Land in accordance with the Master Development Agreement agreed by Cabinet in March 2018. The achievement of these significant planning and property milestones will enable this transformational project to proceed to the implementation phase. Approval is now sought to include the council's contribution to historic project costs within the capital programme in the sum of £5.2m. Early enabling works are now underway to prepare for plot A2 for development. The construction of the leisure centre is a complex project and is expected to take around four years to complete.

Elephant and Castle Open Spaces

36. Dickens Square/ Dickens Fields: Contract awarded. Construction works started on 14 December with expected completion in June 2021.
37. Victory Community Park: Consultation on current proposals delivered throughout August and September via online survey and remote session. Final design pre-planning consultation and internal approvals in early 2021. Planning submission February – May 2021.
38. Nursery Row: Approval of Project Initiation Document (PID) in February 2021.

Local CIL Programme

39. The council launched a community consultation exercise in March 2020 to find out residents project ideas for spending the £6.5m of local CiL which has been secured from developments across the 23 wards in the Borough. Over 1000 project ideas were submitted. Following an assessment process councillors have agreed Community Investment Plans [CIP's] for their wards identifying local infrastructure projects that they wish to deliver over a 3 year period. The CIP's for all 23 wards in the borough were approved by cabinet in December 2020 and January 2021. In total around £6m has been allocated to 66 projects. Projects include investment in parks, youth and community facilities.

44 Webber Street

40. Essential repairs are required to the structure and fabric of this Victorian, former school building which is let on commercial terms to the well regarded Centre for Literacy in Primary Education (CLPE). The asset generates a significant income and will continue to do so post-works, at which point we have negotiated the transfer of future repairing obligation from the landlord to the tenant. Works are underway and nearing completion.

Peckham Library Square

41. Peckham Library Square comprises of two distinct elements. A contribution of £900,000 to fund the gallery as part of the council homes scheme Peckham Gateway which was initially considered as a HRA asset and formed Housing Investment Programme, but as it has a wider use, it is more appropriate to be considered as a General Fund asset and its development costs, therefore, to be met from General Fund capital resources. The second element is a budget allocation of £5.7 million for a renewal scheme of the square and surrounding areas as a tangible legacy from the Southwark Stands Together Programme. This is reflected in Appendix C for cabinet approval.
42. The ambition is to deliver a public realm project that will demonstrate the council's learning and development of best practice for community representation and engagement, including those who are often underrepresented in the community. We will aim to ensure that new public spaces are rich in culture and heritage and are sustainable and genuinely owned and enjoyed by local people of all ages. The Square is uniquely located in the heart of Peckham and the project will be expected to use advocates and representative architects to set new standards for effective engagement, including the council's obligations under the Equality Act 2010.

21/23 Parkhouse Street

43. Parkhouse Street is a council homes scheme. The scheme also includes commercial space. Work is ongoing in order to resubmit the design for planning approval. The combined budget for the programme overall remains unchanged at £14,809,517. The costs are indicative at this stage.
44. The following capital bid from Chief Department is also reflected in Appendix C and is submitted for cabinet approval.

Canada Water Historic Development Costs (£5.214m)

45. Cabinet approved terms for a Master Development Agreement in March 2018. The agreement consolidates land holdings at Canada Water paving the way for the comprehensive redevelopment of a 55 acre site which will deliver new homes, [including up to 700 affordable units] , jobs, new

leisure centre [to replace Seven islands] public routes and open spaces. Under the terms of the agreement the council has secured a 20% interest in the site and has an opportunity to invest in the regeneration of the area on a plot by plot basis. The agreement provides a flexible framework by which the council can potentially benefit from the growth in capital values and rent which are expected to be generated from British Lands transformation of this key site. These returns could be used to support the funding of services benefitting residents. Plot investment decisions will be the subject of separate Cabinet reports the first of which is scheduled for March 2021.

46. Planning Permission for a hybrid application [detailed phase 1 and outline for all other phases] was granted in July 2019. The application was the subject of a Judicial Review process which ended in November 2020 when the claim was dismissed. The application can now be implemented and as a consequence the council was able to complete the MDA in December 2020. On completion of the agreement the council is required to make payments to British Land to meet the cost of its 20% share of the former Rotherhithe Police Station site and Dock Offices sites. These parcels of land form part of the development site and planning consent. In addition a payment is also required to meet costs arising from development of the scheme to date. In combination these payments are an investment which will ensure the council retains its 20% share in the MDA site and plot investment options. A capital bid is being made to support the Canada Water Historic Development Costs initiative in the sum of £5,214,300. This capital bid is also reflected in Appendix C and is submitted for cabinet approval.

Planning and Transport Division

47. The planning division (comprising of 2 project areas, namely transport planning and planning projects) has a combined budget of £5.56m with £4.49m projected to be spent in 2020-21 and the balance profiled over future years.
48. The transport planning budget of £4.49m is largely funded by Transport for London (TfL) to deliver transport improvement programme as contained within the borough's movement plan. Planning Projects budget of £1.07m is funded mainly by s106 to deliver various projects to mitigate the impacts of new developments, improve public realm, parks and open spaces as well as supporting the commercial viability of local shopping areas.

Planning Projects

49. A number of projects totalling nearly £1.3m are currently on site or have been completed by the Regeneration Teams, which promote the council's programme for supporting high streets. The schemes for East Street (the "What Walworth Wants" programme) and Harper Road and Tower Bridge

Road have been completed while the; Walworth Road; Lower Road and Rye Lane are currently on site or well advanced in the design phase. However the impact of the COVID-19 pandemic and the government's recent widespread changes to the Planning Use Classes are likely to have a considerable impact on these programmes. The first phase of the part Heritage Lottery Fund (HLF) funded Peckham Townscape Heritage Initiative is complete, the second phase of the programme completes by Christmas with a third phase about to commence.

50. The Thames Tideway programme is being developed with S106 secured for play area refurbishment and improvements to the Thames Path. The £700k for the play areas are schemes being developed with the CGS team in Environment and Leisure (E&L) department while the £300k for the Thames Path are being developed with the parks team in E&L.
51. Schemes funded by Neighbourhood CIL are also being developed with colleagues in Highways, Parks and the Regeneration divisions. Surrey Docks Farm has undergone a £500k rebuilding programme funded by the local CIL which has greatly expanded their education facilities and improved access from the Thames Path. The local CIL also part-funded the Harper Road shopfronts and public realm improvements. Projects under development include parks such as Little Dorrit in Bankside and Newington Gardens in the Elephant and Castle. Pedestrian improvements in Camberwell and Dulwich have been affected by the COVID-19 pandemic and the need to ensure social distancing in retail areas

TfL Funded Works

52. Southwark Cycle Spine works are nearing completion on site with some spend beyond TfL funding forecast, which will be funded from the cycling infrastructure fund capital budget. Design review of Lower Road has been completed, albeit with some delay.
53. Funding has been secured through the London Streetscape Programme, enabling the delivery of temporary works to improve active travel conditions and further support social distancing. This has included works to delivering school streets, provision of additional on street cycle parking and highway changes in Bermondsey Street and Southwark Bridge Road environs to name a few.

Elephant and Castle Roundabout Project

54. The capital programme also includes the remaining s106/CIL contribution of £37.71m (part of the total £63m) agreed by the council towards the strategic transport improvements project in Elephant & Castle.

CHILDREN'S AND ADULTS' SERVICES

55. The total value of the departmental capital programme for the period

2020-21 to 2029-30 is £127.9m with the forecast capital outturn for 2020-21 being £23.4m.

Adult Social Care

56. The capital programme budget for the period 2020-21 to 2029-30 is £32.9m, the main projects being £15m in respect of a programme of improvements to existing care settings; £10m for the provision of an additional bed-based care facility; and £6.2m for an essential lifecycle capital programme for four residential care homes. This report also identifies additional capital requirements for Mosaic Management Information Development. The aim of this project is to enhance the council's social care and education IT systems to develop business intelligence that will drive savings, enhance management information and result in improved outcomes for our service users.
57. The activity on the programmed life cycle work has been considerably affected by the pandemic. However, work has been re-started and contractors are planning to undertake work on a number of sites in 2020-21 that are in the lifecycle programme. However the delays lead to a reduced forecast of £400k for the lifecycle project works.
58. Lifecycle work on residential homes were affected by Covid-19 that resulting in delays in tendering and completing various projects. The expected spend on the homes has been consequently revised to £1.1m for 2020-21 and £2.9m for 2021-22.
59. The Adult Social Care Capital Board has identified a number of priorities for 2020-21 and beyond to meet current and future needs of vulnerable adults in the borough. The council is actively working with commissioned providers and partners to ensure sufficient capacity and choice of high quality provision across the borough.

Children's Services and Southwark Schools for the Future (SSF) Programme

60. The Children's Services capital programme budget for 2020-21 to 2029-30 is £84.5m. This consists of a £31.3m development of Charter & Rotherhithe Schools £17.5m refurbishment and £11.6m on Beormund Special School. There is a further £10.5m for the rebuilding of SILS K3, £8.5m of which is a remaining commitment from the Southwark Schools for the Future programme. The overall programme is focussed on rightsizing provision, ensuring the estate remains fit for purpose (and also on contributing to addressing high needs provision in the borough).
61. The overall context is that there is spare capacity in the primary sector because of falling rolls relating to a reduced birth rate and a slow down in growth in the secondary sector. Opportunities are being explored for rationalisation of buildings to make the best use of existing assets to

reduce running costs for schools. There is also pressure to increase place supply for children with special needs, which is a national pressure.

62. Following the completion of the vast majority of projects in school expansion, which have now been successfully handed over, the key remaining project on school expansion is at Rotherhithe School, which received planning consent in April 2019 and is targeted for opening in the winter term 2021, although this will likely be delayed due to Covid-19. The enabling works have been completed and the main contractors started work on site in August 2020. Funding for this project will be monitored closely given the absence of basic need grant.
63. Work is progressing well on Charter School East Dulwich phase 2, which includes the 6th form centre. A key aspect of completion is dependent on the NHS relocation. Because of the impact of Covid-19 on the construction industry, the target date for practical completion and handover of phase 2 has been revised to December 2021. In addition work is planned to start this year on the Riverside School project with funding initially coming from the schools own balances.
64. The Primary Schools Refurbishment programme for 2020-21 is now substantially complete and planning is already well progressed for 2021-22.
65. A Key Priority of the programme is the provision of SEN/ higher needs places, building upon the work at Cherry Garden School and at Park College post 16 provision. Significant work was undertaken at SILS KS3 in 2019-20. However, there has been some slippage in the opening of resource units at COLA and Charter School East Dulwich and Spa Bermondsey (being separately managed). In addition the planned project at SILS KS4 and Beormund School needs to be reviewed given the change in market conditions, and this may be subject to a future capital bid.
66. Finally, in future there may be capital bids for other priority area such as Adult Learning.

ENVIRONMENT AND LEISURE

67. The total value of the departmental capital programme for the period 2020/21 to 2029/30 is £131.3m. The projected 2020-21 outturn is currently estimated at £23.3m against the budget of £24.2m. However, in view of the current Covid-19 pandemic situation and evitable delays to the some of the projects, a detail review is currently being undertaken with managers to update these projections. Once completed, the updated projected outturn will be reflected in the next capital outturn report to cabinet. The budget for future years will also be updated in line with this review.

68. The progress of major schemes is outlined below.

Highways

69. The Highways capital renewal programme budget has been increased by 1.7% to £5.51m, due to better than expected delivery of devolved highways projects through the summer period. The expected outturn is now £584,524 for Devolved Highways. The programme is currently approximately in line with the forecast with 64 schemes completed (against a forecast of 65) and a current overspend of 7% (£3.86m against forecast of £3.6m), however it is expected this will reduce to zero as work slows during the winter months.
70. The Principal Roads forecast remains unchanged with the overall budget currently set at £623k for 2020-21. Additional funding for principal roads, beyond the capital budget, has been provided by TfL. This will require an acceleration of the programme and some schemes will be brought forward from future years. Year end is still thought to be accurate, although this is subject to agreement by the contractor and the ability to secure streetworks permits
71. Package 3 of cycle infrastructure fund works are currently largely complete with only resurfacing left to complete. Package 5 is now under construction with completion forecast for Q4. It should be noted that year end outturn has been increased to make allowance for a combination of Covid-19 impacts (additional measures such as marshals and reduced productivity) and the impact of new traffic management rates that are higher than the previous contract.
72. Works to Dulwich Wood Park 20mph zone improvements are now complete with the final account due in Q4. Scheme costs have increased due to impacts of Covid-19 and increased traffic management rates under the new contract. Design work for Sydenham Hill and Brenchley Gardens has now recommenced with works on site expected early 2021-22.
73. Final account for Rotherhithe New Road is now paid. Budget shows £200 overspend to be resolved by year end.
74. Old Jamaica Rd area scheme is substantially complete, however scheme extents were curtailed due to the need to tie in with works next year under TfL funding stream (Tanner St to Willow Walk cycle route). £33k has been carried forward to allow for this.
75. Works outside Crawford School under the school expansion programme were brought forward to take advantage of the school being closed during lockdown. £37k has been brought forward from next year to cover this early completion.
76. St Saviour's Footbridge is now substantially complete within budget and

no further costs expected from this capital budget.

77. Cox's Walk footbridge works have been delayed and will not be completed in this financial year. 2020-21 works have been brought forward to account for this allocation of budget.
78. In the 2020-21 Cleaner Greener Safer (CGS) funding allocation there were 204 new projects and 58 new grants. As of November 2020, there were 257 active projects and 97 active grants. As stated previously, the Covid-19 pandemic has and continues to impact the delivery of both projects and grants.
79. CGS project delivery has been slow but steady and the targets which were set reflected this. It was estimated that approximately 112 projects would be completed by the year end with this being reflected in a spend of £950k. As of November 2020, we are slightly above target for both spend and completions and will continue to monitor and amend where necessary.
80. The application round for 2021-22 CGS funding took place in September this year. We received just under 500 applications (which is about normal for CGS) despite running the application period for a slightly shorter time.
81. We have now completed the first round of Multi Ward Area presentation meetings and are awaiting draft funding decision lists from ward councillors ahead of the formal decision-making meetings scheduled for February/March 2021.

Flood Prevention

82. Coleman Road Flood Alleviation project substantially completed in 2018-19, additional works were undertaken in 2019-20. Currently going through the process of agreeing final account with the contractor. Work is ongoing across the borough as planned to replace dysfunctional gullies.
83. The major project under development is the Lost Peck Scheme. The Scheme which will protect more than 200 homes and business premises is estimated at £1.4m and is expected to be funded by the Environment Agency (EA). Planning approval was granted on 4 March 2020. An outline business case submitted to the EA in July 2020 has received approval in principle. Additional section 106 funds is being sought to cover the cost of general environmental improvements to be delivered as part of the scheme. Aecom Consultants has been commissioned to undertake detailed design and Geotechnical Investigation has also been commissioned to inform detailed design. The scheme is expected to be implemented by the end of the 2021-22 financial year.

Asset Management

84. Lamp column replacement on the basis of structural integrity and lantern

replacement for energy consumption reduction is forecasted at full spend and completion of 2020-21 programme. LED lantern renewals are currently 83% complete and over 42No. structural failures have been replaced. Structural and electrical testing has taken place for full programme.

85. Electric Vehicle lamp post chargers – We are forecasting full spend in 2020-21. To date we have installed over 73No. with the remaining 27No. being installed by the end of January. Further liaison with GULCS and OLEV for necessary reporting is being carried out by AMS in house.

Parks and Leisure

86. All projects currently in delivery are on budget within the parks and leisure capital programme. The current spend forecast for the Parks and Leisure Capital Programme in 2020-21 is £6.4mm of £12.5m budget. This represents an anticipated budget underspend of £6.1m as a result of programme delays due to Covid-19.
87. **Cemeteries:** Construction work at Area Z commenced in May and is on target to complete in April 2021 with an anticipated spend of £1.15m in 2020/21. Construction is also underway at Nunhead Cemetery East Lodge to partially dismantle and re-stabilise the building. Phase 1 is due to complete in January at a cost of £525k. Phase 2 works is currently being reviewed and re-scoped. Combined with a number of fees for other cemetery projects in progress the total projected spend for 2020/21 is £1.76m
88. **Marina Investment:** The construction contract to replace the lock gates started in October and is due for completion in February 2021 with a forecast spend of £983k in 2020-21.
89. **Leisure Investment:** Southwark Athletics Centre, construction programme started in October with a forecast spend of £968k with an underspend of £1.2m in 2020-21 due to programme delay. Similarly, deferred delivery of lifecycle maintenance and SSG disability and outdoor gyms amount to a further £500k underspend.

Community Sport Legacy Fund

90. Officers are currently setting up the framework for the delivery of the community sport legacy fund. It is anticipated that a pilot round will be delivered in the next 6 months and will be aimed at helping residents access physical activity opportunities in a post COVID environment.

Culture

91. Southwark Heritage Centre and Walworth Library project is currently on budget. The budget was increased in 2019 to meet increased cost and scope of project to include a mezzanine. The project is progressing

successfully and has now been signed off on RIBA stages 1, 2,3 and 4. The works have been tendered and BW contractors were appointed in early June. Construction and fit out commenced in late July. The project is due to be delivered in early 2021 within financial year 2020-21. Covid-19 issues may impact on this and it may require further adjustment.

Environmental Services

Carbon reduction Investment

92. The carbon reduction capital programme is currently being reviewed in order to support the emerging climate emergency strategy. The Tooley Street installation has now been completed, and further large installations such as Queens Road are being considered. Feasibility is also being carried out to install LED schemes at all our outdoor sports pitches, as well as seeking carbon reduction opportunities within new builds such as Southwark Park sports pavilion.

Environment Capital bids

93. **Cycle Hangers:** The capital cost for the provision of cycle hangers is currently met mostly through the devolved highways budget with a small level of funding provided through the local implementation plan (LIP) grant from TfL. This level of funding has proven to be insufficient to keep up with demand with the borough-wide waiting list increasing month on month (4,595 at the start of the current financial year rising to 7,516 at the end of October). Additionally the latest council plan targets have required that the existing provision is doubled (from 224 units to 448) by the end of the 2021-22. To tackle this latent demand a capital bid for a value of £800k has been submitted for approval. This value is based on the expected level of funding required based on DHB & CGS funding remaining constant.
94. **Youth Services:** Following a full and detailed review of the Council's youth provision Cabinet agreed an ambitious plan that aims to drive the transformation of services, ensuring that they are fit for purpose and enable the council to deliver its vision and aspirations for young people living in Southwark. The plans place young people at the heart of future service design to ensure that young people influence decisions affecting their lives. This includes ensuring that our facilities are fit for purpose, of high quality and young people friendly, that services meet their needs and enable them to fulfil their potential. This capital allocation of £1m will, alongside dedicated revenue budgets, support the delivery of the plan.

HOUSING AND MODERNISATION

95. The total value of the Housing and Modernisation general fund capital programme budget for the ten years to 2029-30 is £78.6m and comprises a diverse range of activity, mostly of a corporate nature. All areas of the

2020-21 programme have to some extent been impacted by the pandemic and whilst programme activity gradually recovers, it remains substantially below planned expectations. In-year spend will be around £12.1m against an initial budget of £17.1m.

Modernise – Corporate Facilities Management (CFM)

96. Investment is targeted at the council's operational estate to ensure it is fit for purpose and statutorily compliant for the safety and wellbeing of its employees and service users. This is achieved through a comprehensive inspection and assessment regime and building lifecycle maintenance programme. While the works programme overall has been affected, progress has been made taking advantage in some instances of key buildings being largely unoccupied to enable works to be undertaken more efficiently. In moving forward, the service will continue to re-evaluate and re-profile priorities and timelines. The spend forecast for 2020-21 is £3.2m, plus a further £1.5m on projects being delivered on behalf of departmental clients who hold the budgets.

Modernise – Queens Road 4

97. The planned development of QR4 was a key element in the council's office accommodation strategy with a view to rationalising existing office provision into a two-hub model at Tooley Street and the Queen's Road complex. However, the unprecedented workplace changes made in response to the pandemic warranted a re-examination of the proposal and the council took the decision to pause the project to consider its longer-term requirements post Covid-19. This report confirms that the budget has been removed from the capital programme, albeit a provision of £0.4m is retained to accommodate any residual contract costs.

Modernise – Shared Information and Communication Technology Service (SICTS)

98. The critical importance of the council's IT infrastructure demonstrated through the response to the pandemic will continue to focus on upgrading the network infrastructure and internet connectivity together with the cloud migration to Microsoft Azure over the medium-term. However, for the most part during 2020, the focus has been on the delivery of the smart working programme and roll-out of remote working capability, limiting the investment in other areas to an estimated £1.1m.

Modernise – Smart Working Programme

99. The programme is on target to deliver investment of £5.8m in the planned laptop rollout, workstation refresh in key offices, upgrade to telephony and audio visual capability in support of the council's commitment to modernise the way it works and deliver services and create the flexibility needed to drive greater efficiency and productivity.

Asset Management – Housing Renewal

100. Housing Renewal comprises a range of initiatives that principally support people in private sector accommodation to remain living independently through assistance with repairs, improvements and adaptations to their homes. Support is also provided to landlords and property owners to bring their properties back into use. The programme is largely funded through Disabled Facilities Grant (DFG) and the council's own resources for the provision of grants and loans.
101. Due to the pandemic the council had to put on hold works across all tenures in line with Government guidance. However, specific measures were put in place to ensure the service could respond to emergency requests for people with life-limiting conditions or to support hospital discharge. Unspent funding will be rolled forward to accommodate an enhanced programme in 2021-22. The projected spend for 2020-21 is £1.3m of which £1.1m will be funded by DFG.

Resident Services – Traveller Sites

102. Reconfiguration and improvement works to address health and safety and compliance issues are well progressed and due to complete in 2021-22. Phase 2 works at Ilderton Road were a few weeks from completion before the lockdown which caused a delay to the project, but works are now substantially complete. However, this has resulted in additional costs, namely prolonged temporary re-housing, storage of mobile homes and residents belongings and additional safety works identified as the project progressed. The forecast spend for 2020-21 is £0.3m. Planned works at the Brideale and Burnhill sites are subject to review and will be reported to Cabinet at a later date.

HOUSING INVESTMENT PROGRAMME (HIP)

103. Overall, the HIP is forecast to spend £115.8m in 2020-21, comprising £54.1m on existing stock, £55.5m on new council homes including acquisitions and site assembly costs and £6.2m on wider regeneration schemes. This forecast is significantly lower than previously reported and reflects the on-going impact of the pandemic, which had been assumed, would have ended by the autumn, and a more rigorous focus on programme monitoring and forecasting. This will provide greater accuracy and improved resource planning for future years, which is crucial if the council is to meet its ambitions for the existing housing stock and build 11,000 new council homes. The scale of investment will inevitably require borrowing, specifically for new homes, heat network, and potentially new and emerging building safety requirements, which cannot be sustained through existing funding streams. At the same time, the council must ensure that the revenue impact of borrowing remains affordable to the HRA over the long-term, which requires continuous monitoring, review and where necessary, re-profiling of programmes and projects in line with resource availability/affordability.

Quality Homes Investment Programme (QHIP)

104. QHIP is the principal strand of the council's asset management strategy for maintaining and renewing the existing housing stock and is the successor to Warm, Dry, Safe (WDS). QHIP recognises the need for a cyclical approach to maintenance and aims to address wider investment needs including internal works, such as kitchens and bathrooms. Spend in 2020-21 is forecast at £36.6m, significantly lower than planned due to the pandemic, which has resulted in delays across most schemes. In light of other HIP commitments and borrowing capacity, further re-profiling and potential re-modelling of QHIP in subsequent years will be necessary. This will be outlined in the refreshed Asset Management Strategy during 2021.

Heat Network Strategy

105. The council's Heat Network Strategy recognises the substantial investment required in its ageing heat network. Running alongside this is the council's ambitious commitment to be carbon neutral by 2030. A report commissioned in 2016 by industry experts Parsons Brinckerhoff estimated investment of £100m over ten years and a total of £350m over forty years would be required to address the situation. Clearly that cost estimate will now be substantially greater and will also need to factor in the additional cost of becoming carbon neutral. The heat network strategy is being developed and the HIP currently contains an initial allocation of £100m towards meeting this commitment. The first scheme to install ground source heat pumps is currently on-site and progressing well. Forecast spend for 2020-21 is £3.1m.

Special Schemes

106. The special schemes programme covers those estates identified as high need/high cost requiring extensive repair and refurbishment. The schemes by their nature are complex and resource intensive and require bespoke funding solutions outside of the main QHIP programme. At this juncture, programme spend of £23.8m has been identified through to 2029-30, with £9.0m in 2020-21 primarily for Tustin estate high-rise. However, programme resources will need to increase significantly as schemes such as the Tustin estate low-rise and Ledbury Towers come to fruition, subject to resident ballots on the preferred options.

Other Programme Schemes

107. The remainder of the main programme covers a wide range of schemes, with forecast spend of £5.4m for 2020-21. This includes fire risk assessment, legacy warm dry and safe schemes, major works on individual properties and hostels and works carried out on behalf of the council by Leathermarket JMB.

New Council Homes

108. The council aims to deliver 2,500 new council homes by 2022, with 677 having been built so far. Projects are on site to deliver a further 576 council homes and a further 1,364 have schemes have received planning permission. Achieving the longer-term commitment to build 11,000 homes by 2043 will require more land for development than is currently available and this is reflected in the HIP with resources earmarked for site assembly. The current spend forecast for 2020-21 is £53.5m on new homes and £2.0m on site assembly and acquisitions. The proposed scheme for new dwellings on the Aylesbury First Development site, previously forecast for late 2020-21, will now fall into the new financial year with a phased payment profile in line with the development plan. The incidence and timing of prospective land and property acquisitions cannot be accurately predicted which is why HIP resources are earmarked to provide the flexibility to enable the council to avail itself of market opportunities as they arise.

Regeneration Schemes

109. Forecast spend on regeneration schemes for 2020-21 is £6.2m. The most significant regeneration scheme is the Aylesbury estate, which is planned in four phases. Forecast expenditure in 2020-21 is £4.0m which is almost exclusively for leasehold buybacks. The project has been subject to unavoidable delays arising from the rejection of the council's original CPO application resulting in a slower buy-back rate for phases 1 and 2. Given the continued uncertainty, further revisions to the current forecast and the overall acquisition programme are possible and will be kept under review.
110. Phase 3 environmental works on the East Dulwich estate, which commenced last year, are forecast to spend £1.4m. The scope of the works includes playground refurbishments and new communal gardens, new car parking areas and pedestrian paving, new planting across the estate and minor drainage works. Other works within this programme area included feasibility studies for the Tustin low rise programme (£0.3m), residual works on legacy schemes (£0.4m) and commercial properties (£0.1m).

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Governance

111. The council has a duty to maintain a balanced budget throughout the year and, accordingly, members are required to regularly monitor the council's financial position. Section 28 of the Local Government Act 2003 imposes a duty on the council to monitor its budgets throughout the financial year, using the same figures for reserves as were used in the original budget calculations. The council must take necessary appropriate action to deal with any deterioration in the financial position revealed by the review.

112. The capital programme satisfies the council's duty under the Local Government Act 1999 which requires it to make arrangements to secure the continuous improvement in the way its functions are exercised, by having regard to the combination of economy, efficiency and effectiveness.

REASONS FOR URGENCY

113. The council regularly updates Cabinet on the capital monitoring position. This is vitally important in the current circumstances of the Covid-19 pandemic, and its financial impact on the council's overall financial position.

REASONS FOR LATENESS

114. We continue to monitor and review the financial impact of the pandemic on the council's overall capital programme and financial position in the context of the latest government announcements. The Prime Minister announced on 27 January that the national lockdown will be extended until at least March. The 2021-22 proposed revenue budget will be considered by Cabinet on 2 February.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Policy and Resources Strategy: Capital monitoring outturn report 2019-20 and Capital Programme Refresh for 2020-21 to 2028-29	Southwark council Finance and Governance 160 Tooley Street London SE1 2QH	Rob Woollatt, Departmental Finance Manager, Finance and Governance
Link: http://modern.gov.southwark.gov.uk/documents/s89251/Report%20Capital%20Outturn%202020-21.pdf		

APPENDICES

No.	Title
Appendix A	General fund summary monitoring position at Month 8 2020-21
Appendix B	Housing investment programme summary monitoring position at Month 8 2020-21
Appendix C	Budget virements and variations at Month 8 2020-21
Appendix D	General fund programme detail at Month 8 2020-21
Appendix E	New capital bids

AUDIT TRAIL

Cabinet Member	Councillor Rebecca Lury, Finance and Resources	
Lead Officer	Duncan Whitfield, Strategic Director of Finance and Governance	
Report Author	Rob Woollatt, Departmental Finance Manager, Finance and Governance	
Version	Final	
Dated	29 January 2021	
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 for Finance and Governance.	N/a	N/a
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		29 January 2021

Appendix A - General fund capital programme 2020/21 month 8 report

Department	2020/21				2021/22			2022/23+			Total Programme 2020/21-29/30		
	Revised Budget	Spend at M8	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Total Forecast	Total Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's and Adults' Services	50,501	6,498	21,195	(29,306)	37,716	67,022	29,306	29,234	29,234	-	117,451	117,451	-
Southwark Schools for the Future	2,217	1,989	2,217	-	3,272	3,272	-	-	-	-	5,489	5,489	-
Environment and Leisure	24,128	11,834	23,270	(858)	32,784	33,592	808	75,191	75,241	50	132,103	132,103	-
Housing and Modernisation	17,415	4,072	12,131	(5,284)	12,403	18,465	6,062	48,828	48,050	(778)	78,646	78,646	-
Chief Executive's	89,150	13,608	77,208	(11,942)	67,174	71,098	3,924	84,694	92,712	8,018	241,018	241,018	-
TOTAL EXPENDITURE	183,411	38,001	136,021	(47,390)	153,349	193,449	40,100	237,947	245,237	7,290	574,707	574,707	-
FUNDED BY:													
Corporate Resource Pool	23,845	-	23,845	-	8,500	8,500	-	54,700	54,700	-	87,045	87,045	-
Reserves	433	-	433	-	388	388	-	3,412	3,412	-	4,233	4,233	-
Capital Grants	20,095	6,815	15,531	(4,564)	6,135	10,598	4,463	24,451	24,552	101	50,681	50,681	-
Section 106 and CIL	8,486	795	7,445	(1,041)	7,642	8,634	992	27,916	27,965	49	44,044	44,044	-
External Contributions	716	25	716	-	3,919	3,919	-	-	-	-	4,635	4,635	-
TOTAL RESOURCES	53,575	7,635	47,970	(5,605)	26,584	32,039	5,455	110,479	110,629	150	190,638	190,638	-
Financing to be agreed	129,836	30,366	88,051	(41,785)	126,765	161,410	34,645	127,468	134,608	7,140	384,069	384,069	-

Project description	2020/21				2021/22			2022/23			2023/24+			Total Programme 2020/21-29/30			
	Revised Budget	Actual M08	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Total Forecast	Total Variance	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Warm Dry and Safe																	
Warm Dry and Safe	1,323	(70)	108	(1,215)	1,832	2,694	862	952	1,306	353	-	-	-	4,107	4,108	1	
	1,323	(70)	108	(1,215)	1,832	2,694	862	952	1,306	353	-	-	-	4,107	4,108	1	
Special Schemes/HINE																	
Chilton Grove Wall - Decent Homes	1,074	49	1,074	-	618	618	-	-	-	-	-	-	-	1,692	1,692	-	
Tustin	7,159	4,428	7,204	45	848	803	(45)	-	-	-	-	-	-	8,007	8,007	0	
Portland	13	13	13	-	-	-	-	-	-	-	-	-	-	13	13	-	
Damory/Thaxted externals	304	-	-	(304)	1,128	1,432	304	-	-	-	-	-	-	1,432	1,432	0	
Maydew	655	270	505	(150)	11,529	11,679	150	-	-	-	-	-	-	12,184	12,184	-	
Lakanal House	0	0	0	-	51	51	-	-	-	-	-	-	-	51	51	-	
Ledbury Refurbishment	73	185	217	144	357	213	(144)	-	-	-	-	-	-	430	430	(0)	
	9,279	4,945	9,014	(265)	14,531	14,796	265	-	-	-	-	-	-	23,810	23,810	0	
Asset management Strategy (Inc. Kitchens & Bathrooms & LD2)																	
Asset Management Strategy 2021+Future years (QHIP)	51,781	18,269	34,827	(16,954)	174,764	180,471	5,707	75,392	80,678	5,285	360,652	366,614	5,961	662,589	662,589	0	
Installation of LD2	1,686	-	1,192	(494)	2,000	2,494	494	2,000	2,000	-	13,830	13,830	-	19,516	19,516	(0)	
FRA Contingency Budgets	792	-	560	(232)	1,188	1,420	232	-	-	-	-	-	-	1,980	1,980	-	
	54,259	18,269	36,579	(17,680)	177,952	184,385	6,433	77,392	82,678	5,285	374,482	380,443	5,961	684,085	684,085	0	
Type 4 Fire Risk Assessment																	
Type 4 Fire Risk Assessment	807	300	587	(220)	2,008	2,774	766	4,000	3,810	(190)	21,170	20,814	(356)	27,985	27,985	0	
	807	300	587	(220)	2,008	2,774	766	4,000	3,810	(190)	21,170	20,814	(356)	27,985	27,985	0	
HEAT NETWORK STRATEGY																	
Heat Network Strategy (including SELCHP Expansion)	-	-	-	-	10,000	10,000	-	15,000	15,000	-	275,000	275,000	-	300,000	300,000	-	
Consort, Newington and Wyndham District Heating Heat	5,892	1,320	3,138	(2,754)	2,045	4,798	2,753	-	-	-	-	-	-	7,936	7,936	(0)	
	5,892	1,320	3,138	(2,754)	12,045	14,798	2,753	15,000	15,000	-	275,000	275,000	-	307,936	307,936	(0)	
Regeneration																	
Aylesbury Estate regeneration	3,580	3,366	4,033	453	2,578	2,125	(453)	-	-	-	-	-	-	6,158	6,158	-	
East Dulwich Estate	1,420	846	1,420	-	594	594	-	-	-	-	-	-	-	2,014	2,014	-	
Elmington Estate	155	-	180	25	-	-	-	-	-	-	-	-	-	155	180	25	
Heygate Estate	162	100	162	-	-	-	-	-	-	-	-	-	-	162	162	-	
Wooddene - Acorn Plant Re provision	27	-	27	-	-	-	-	-	-	-	-	-	-	27	27	-	
Regeneration Commercial properties	84	32	84	-	-	-	-	-	-	-	-	-	-	84	84	-	
Tustin Low Rise works	302	169	302	-	-	-	-	-	-	-	-	-	-	302	302	-	
	5,730	4,513	6,208	478	3,172	2,719	(453)	-	-	-	-	-	-	8,902	8,927	25	
New Builds																	
Hidden Homes	3,547	1,441	2,937	(610)	1,520	2,098	578	502	527	25	114	121	7	5,683	5,683	(0)	
Regeneration and Development	22,925	6,132	11,150	(11,775)	93,685	73,315	(20,370)	57,297	77,175	19,878	7,409	19,798	12,389	181,316	181,438	122	
Direct Delivery - New Council Homes Phases 1-5	46,974	19,454	39,456	(7,518)	138,332	141,320	2,988	177,087	196,904	19,816	115,525	102,602	(12,924)	477,919	480,281	2,363	
	73,446	27,027	53,543	(19,903)	233,537	216,733	(16,804)	234,886	274,605	39,719	123,049	122,521	(527)	664,918	667,402	2,484	
Acquisitions																	
Acquisitions & S106 properties	60,439	311	1,500	(58,939)	88,104	147,043	58,939	71,779	71,779	-	112,709	112,709	-	333,030	333,030	0	
Ledbury Acquisitions	3,486	248	500	(2,986)	3,241	6,227	2,986	-	-	-	-	-	-	6,727	6,727	(0)	
	63,925	559	2,000	(61,925)	91,345	153,270	61,925	71,779	71,779	-	112,709	112,709	-	339,757	339,757	0	
Other programmes																	
Adaptations	1,400	215	629	(771)	1,600	2,171	571	1,600	1,600	-	9,800	10,000	200	14,400	14,400	-	
Cash incentive & Home owner buy back scheme	211	67	111	(100)	788	311	(477)	-	211	211	-	366	366	999	999	0	
Disposals costs	400	225	210	(190)	400	590	190	400	400	-	690	690	-	1,890	1,890	-	
Hostels accommodation	413	198	217	(196)	-	197	197	-	-	-	-	-	-	413	414	1	
Major voids	450	-	236	(214)	303	517	214	-	-	-	-	-	-	753	753	(0)	
Security	127	98	67	(60)	141	201	60	-	-	-	-	-	-	268	268	(0)	
T&RA halls	160	3	84	(76)	1,530	1,606	76	-	-	-	-	-	-	1,690	1,690	0	
Other Installation of Sprinkler & smoke detection	39	3	20	(19)	-	18	18	-	-	-	-	-	-	39	38	(1)	
Misc. Tenants Homeloss Assistance & Payments	-	6	3	3	-	3	3	-	-	-	-	-	-	-	6	6	
WDS Leathermarket JMB	2,750	-	2,750	-	5,750	5,750	-	-	-	-	-	-	-	8,500	8,500	-	
Aylesbury Fire Remedial works	600	-	315	(285)	2,850	3,135	285	-	-	-	-	-	-	3,450	3,450	-	
	6,550	815	4,642	(1,908)	13,362	14,499	1,137	2,000	2,211	211	10,490	11,056	566	32,402	32,408	6	
	221,211	57,679	115,819	(105,393)	549,783	606,669	56,885	406,009	451,388	45,379	916,899	922,543	5,644	2,093,903	2,096,418	2,516	
FINANCED BY:																	
Capital Receipts b/fwd	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital receipts Leather Market Self financing	2,750	-	2,750	-	5,750	5,750	-	-	-	-	-	-	-	8,500	8,500	-	
Capital Receipts	9,052	-	375	(8,677)	35,528	41,618	6,089	3,000	1,000	(2,000)	18,113	22,700	4,587	65,693	65,693	0	
Additional New Build Receipts-SRPP	-	-	-	-	22,107	22,107	-	19,475	19,475	-	22,568	22,568	-	64,151	64,151	-	
RTB Receipts - Restricted to New Build (incl buybacks)	9,483	-	2,837	(6,646)	17,316	27,103	9,787	30,350	32,703	2,353	41,338	35,844	(5,494)	98,487	98,487	0	
Major Repairs Reserves	54,298	-	38,212	(16,086)	51,000	67,086	16,086	51,000	51,000	-	357,000	357,000	-	513,298	513,298	(0)	
Revenue Contribution	10,513	-	17,691	7,177	30,871	23,694	(7,177)	20,745	20,745	-	145,213	145,213	-	207,343	207,343	0	
Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
New Homes Grant	26,693	-	12,249	(14,444)	50,215	70,710	20,495	36,640	37,960	1,320	27,726	20,355	(7,371)	141,274	141,274	0	
Other Grants-External Contribution	980	-	385	(595)	3,470	1,095	(2,375)	5,760	5,760	-	2,790	5,760	2,970	13,000	13,000	0	
Section 106 Funds	49,514	-	33,411	(16,103)	10,000	26,103	16,103	10,000	10,000	-	24,780	24,780	-	94,295	94,295	0	
Borrowing - New Build	8,148	-	4,177	(3,970)	161,974	121,827	(40,147)	142,073	186,191	44,118	46,669	46,669	-	358,864	358,864	0	
Borrowing - Acquisitions and site assembly	43,289	-	1,331	(41,958)	60,573	101,669	41,096	54,031	54,025	(6)	78,367	79,234	867	236,259	236,259	0	
Borrowing - Heat Network	-	-	-	-	12,045	13,936	1,892	15,000	15,000	-	164,311	162,419	(1,892)	191,356	191,356	(0)	
TOTAL RESOURCES	214,720	-	113,419	(101,301)	460,850	522,698	61,848	388,074	433,859	45,785	928,875	922,543	(6,332)	1,992,519	1,992,519	0	
Forecast variation (under)/over	6,492	57,679	2,400		88,933	83,971		17,935	17,529		(11,976)	0		101,384	103,899		

Appendix D - General fund capital programme 2020/21 detail month 8 report

Description of Programme / Project	2020/21				2021/22			2022/23+			Total Programme 2020/21-2029/30		
	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Environment and Leisure													
Cleaner Greener Safer	983	674	983	0	3,306	3,306	0	15,086	15,086	0	19,375	19,375	0
Cycle Superhighway 4 project	150	0	200	50	1,150	1,100	(50)	1,700	1,700	0	3,000	3,000	0
Southwark School Streets	218	43	218	0	1,287	1,287	0	1,420	1,420	0	2,925	2,925	0
Cycle Hangers	280	0	280	0	520	520	0	0	0	0	800	800	0
Other PR Projects	1,782	966	2,140	358	3,312	2,954	(358)	1,146	1,146	0	6,240	6,240	0
StreetCare	7,085	4,791	7,169	85	6,768	6,683	(85)	36,513	36,513	0	50,366	50,366	0
Carbon Reduction Investment	1,100	0	1,100	0	550	550	0	538	538	0	2,188	2,188	0
Air Quality	250	89	250	0	250	250	0	0	0	0	500	500	0
Air Quality Action Plan & Climate Emergency Deliver	293	0	293	0	812	812	0	15	15	0	1,120	1,120	0
Environmental Services	185	173	234	49	90	41	(49)	0	0	0	275	275	0
Street Metal Works	750	561	750	0	2,677	2,677	0	1,450	1,450	0	4,877	4,877	0
Walworth Library & Heritage Centre	3,813	2,561	3,813	0	0	0	0	0	0	0	3,813	3,813	0
Youth Services	0	0	0	0	334	334	0	666	666	0	1,000	1,000	0
Culture	406	131	378	(28)	39	67	28	0	0	0	445	445	0
Cemetery Burial Strategy	1,226	472	1,140	(86)	586	673	86	534	534	0	2,347	2,347	0
Nunhead Cemetery Wall Repair	0	0	0	0	700	700	0	300	300	0	1,000	1,000	0
East Lodge Nunhead Cemetery	525	372	25	(500)	1,065	1,565	500	410	410	0	2,000	2,000	0
Drinking Water Fountains throughout Southwark	0	0	0	0	80	80	0	120	120	0	200	200	0
Adventure Playground	50	0	10	(40)	500	540	40	1,950	1,950	0	2,500	2,500	0
Tree Planting	667	14	750	83	1,100	1,017	(83)	3,400	3,400	0	5,167	5,167	0
Parks	1,939	675	1,404	(535)	4,445	4,931	485	6,737	6,787	50	13,122	13,122	0
South Dock Marina	1,033	34	1,033	0	296	296	0	0	0	0	1,329	1,329	0
Active Southwark Community Investment Fund	100	0	0	(100)	500	600	100	2,400	2,400	0	3,000	3,000	0
Leisure	1,291	279	1,098	(193)	2,416	2,609	193	806	806	0	4,513	4,513	0
Environment and Leisure Total	24,128	11,834	23,270	(858)	32,784	33,592	808	75,191	75,241	50	132,103	132,103	0
Chief Executive's													
Planning	771	275	405	(366)	300	666	366	0	0	0	1,071	1,071	0
Transport Policy & Planning	4,489	3,266	4,489	0	0	0	0	0	0	0	4,489	4,489	0
Walworth Town Hall	2,350	298	2,350	0	750	750	0	0	0	0	3,100	3,100	0
Canada Water Leisure Centre	2,000	(214)	500	(1,500)	7,042	8,542	1,500	23,975	23,975	0	33,016	33,016	0
Canada Water Strategic acquisitions	3,100	0	3,100	0	0	0	0	0	0	0	3,100	3,100	0
Canada Water Development Costs	5,214	0	5,214	0	0	0	0	0	0	0	5,214	5,214	0
Blue Market Regeneration Programme	867	167	867	0	867	867	0	0	0	0	1,735	1,735	0
Revitalising the Blue	250	0	100	(150)	1,500	1,650	150	250	250	0	2,000	2,000	0
Southwark Play House	350	350	350	0	0	0	0	0	0	0	350	350	0
Riverside Walk	500	0	50	(450)	900	1,350	450	100	100	0	1,500	1,500	0
Regeneration North	1,398	460	1,061	(338)	4,287	4,593	306	37	69	32	5,722	5,722	0
Revitalising Camberwell	150	0	0	(150)	1,945	2,095	150	0	0	0	2,095	2,095	0
Peckham Rye Station Redevelopment	12,983	5,526	10,797	(2,186)	7,054	7,054	0	4,686	6,871	2,186	24,723	24,723	0
The Old Vic	2,436	0	0	(2,436)	1,300	3,736	2,436	0	0	0	3,736	3,736	0
Aylesbury - Plot 18	13,514	827	10,514	(3,000)	14,817	17,817	3,000	3,500	3,500	0	31,831	31,831	0
Regeneration South	1,265	144	765	(500)	1,230	1,730	500	0	0	0	2,495	2,495	0
21-23 Parkhouse Street	115	0	50	(65)	1,560	1,625	65	1,731	1,731	0	3,406	3,406	0
Peckham Library Square	900	0	100	(800)	5,700	700	(5,000)	0	5,800	5,800	6,600	6,600	0
Regeneration Capital	664	555	664	0	45	45	0	0	0	0	708	708	0

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Capital Programme 2020/21-2029/30 Description of Programme / Project	2020/21				2021/22			2022/23+			Total Programme 2020/21-2029/30		
	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Strategic Acquisitions	7,814	101	7,814	0	10,000	10,000	0	0	0	0	17,814	17,814	0
760 Old Kent Road	21,600	1,094	21,600	0	0	0	0	0	0	0	21,600	21,600	0
Elephant & Castle Regeneration	5,000	0	5,000	0	4,800	4,800	0	27,916	27,916	0	37,716	37,716	0
Property Services	1,418	759	1,418	0	577	577	0	0	0	0	1,996	1,996	0
Climate Emergency	0	0	0	0	2,500	2,500	0	22,500	22,500	0	25,000	25,000	0
Chief Executive's Total	89,150	13,608	77,208	(11,941)	67,174	71,098	3,924	84,694	92,712	8,017	241,018	241,018	0
Children's and Adults' Services													
Centre of Excellence	40	39	40	0	0	0	0	0	0	0	40	40	0
Adult PSS Capital Allocations	624	0	624	0	2,000	2,000	0	2,661	2,661	0	5,285	5,285	0
Telecare expansion	0	0	0	0	143	143	0	0	0	0	143	143	0
Southwark Resource Centre	200	191	200	0	0	0	0	0	0	0	200	200	0
Lifecycle capital prog- Anchor homes	1,718	320	1,148	(570)	2,288	2,858	570	2,153	2,153	0	6,159	6,159	0
Lifecycle capital prog- ASC properties	1,000	105	600	(400)	1,000	1,400	400	8,520	8,520	0	10,520	10,520	0
Mosaic Management Information Development	0	0	0	0	600	600	0	0	0	0	600	600	0
Bed Based Care	0	0	0	0	10,000	10,000	0	0	0	0	10,000	10,000	0
2019/20 Primary Schools refurbishment programme	2,212	264	412	(1,800)	0	1,800	1,800	0	0	0	2,212	2,212	0
Primary Schools refurbishment programme 2020/21	3,329	2,068	3,329	0	167	167	0	0	0	0	3,496	3,496	0
2018/19 Primary Schools refurbishment programme	1,584	0	0	(1,584)	0	1,584	1,584	0	0	0	1,584	1,584	0
Autism Spectrum	0	0	0	0	900	900	0	0	0	0	900	900	0
Beormund Primary School Redevelopment	11,615	0	1,000	(10,615)	0	10,615	10,615	0	0	0	11,615	11,615	0
Healthy Pupils Programme	98	0	98	0	0	0	0	0	0	0	98	98	0
Ilderton School	172	2	172	0	0	0	0	0	0	0	172	172	0
LSBU Passmore	250	0	0	(250)	0	250	250	0	0	0	250	250	0
Nursery Buildings	19	0	0	(19)	0	19	19	0	0	0	19	19	0
Permanent Expansion	12,057	1,023	6,578	(5,479)	5,036	10,515	5,479	1,400	1,400	0	18,493	18,493	0
Primary Schools refurbishment programme	0	0	0	0	3,500	3,500	0	14,000	14,000	0	17,500	17,500	0
Riverside Primary School	500	1	500	0	2,500	2,500	0	500	500	0	3,500	3,500	0
Retention	78	0	0	(78)	0	78	78	0	0	0	78	78	0
Rotherhithe Primary School Expansion	12,341	1,837	5,000	(7,341)	6,383	13,723	7,341	0	0	0	18,723	18,723	0
SEND and disabilities development	2,208	311	1,038	(1,170)	0	1,170	1,170	0	0	0	2,208	2,208	0
Southwark Inclusive Learning Service KS4	0	0	0	0	3,200	3,200	0	0	0	0	3,200	3,200	0
Troubled Families	232	227	232	0	0	0	0	0	0	0	232	232	0
Classrooms	226	108	226	0	0	0	0	0	0	0	226	226	0
Children's and Adults' Services Total	50,501	6,498	21,195	(29,305)	37,716	67,022	29,305	29,234	29,234	0	117,451	117,451	0
Southwark Schools for the Future													
KS3 SILS	2,217	1,989	2,217	0	198	198	0	0	0	0	2,415	2,415	0
ICT	0	0	0	0	45	45	0	0	0	0	45	45	0
Contingency and retention payments	0	0	0	0	3,029	3,029	0	0	0	0	3,029	3,029	0
Southwark Schools for the Future Total	2,217	1,989	2,217	0	3,273	3,273	0	0	0	0	5,489	5,489	0
Housing and Modernisation													

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Capital Programme 2020/21-2029/30	2020/21				2021/22			2022/23+			Total Programme 2020/21-2029/30		
Description of Programme / Project	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Housing Renewal	1,493	96	1,281	(212)	2,107	2,157	50	16,903	17,065	162	20,503	20,503	0
Gypsy and Travellers Site Fire Safety Reconfiguration	447	266	300	(147)	0	147	147	0	0	0	447	447	0
IT Investment Schemes	5,791	519	1,134	(4,657)	2,169	6,826	4,657	8,410	8,410	0	16,370	16,370	0
Modern Ways of Working	50	0	14	(36)	50	138	88	794	743	(51)	894	894	0
Smart Working Programme	6,423	1,349	5,775	(647)	1,580	2,464	883	632	396	(236)	8,635	8,635	0
Operational Buildings Life Cycle Investment	2,491	1,453	2,907	416	6,017	6,254	237	13,451	12,798	(653)	21,958	21,958	0
PPM & Compliance Programme (CRP)	320	35	320	0	480	480	0	8,639	8,639	0	9,439	9,439	0
Queens Road 4	400	353	400	0	0	0	0	0	0	0	400	400	0
Housing and Modernisation Total	17,415	4,072	12,131	(5,283)	12,403	18,465	6,062	48,829	48,050	(778)	78,646	78,646	0
Total Expenditure	183,410	38,000	136,021	(47,389)	153,349	193,449	40,100	237,948	245,237	7,289	574,708	574,708	0

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Description of Programme / Project	2020/21				2021/22			2022/23+			Total Programme 2020/21-2029/30		
	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Environment and Leisure													
Cleaner Greener Safer	983	674	983	0	3,306	3,306	0	15,086	15,086	0	19,375	19,375	0
Cycle Superhighway 4 project	150	0	200	50	1,150	1,100	(50)	1,700	1,700	0	3,000	3,000	0
Southwark School Streets	218	43	218	0	1,287	1,287	0	1,420	1,420	0	2,925	2,925	0
Cycle Hangers	280	0	280	0	520	520	0	0	0	0	800	800	0
Other PR Projects	1,782	966	2,140	358	3,312	2,954	(358)	1,146	1,146	0	6,240	6,240	0
StreetCare	7,085	4,791	7,169	85	6,768	6,683	(85)	36,513	36,513	0	50,366	50,366	0
Carbon Reduction Investment	1,100	0	1,100	0	550	550	0	538	538	0	2,188	2,188	0
Air Quality	250	89	250	0	250	250	0	0	0	0	500	500	0
Air Quality Action Plan & Climate Emergency Deliver	293	0	293	0	812	812	0	15	15	0	1,120	1,120	0
Environmental Services	185	173	234	49	90	41	(49)	0	0	0	275	275	0
Street Metal Works	750	561	750	0	2,677	2,677	0	1,450	1,450	0	4,877	4,877	0
Walworth Library & Heritage Centre	3,813	2,561	3,813	0	0	0	0	0	0	0	3,813	3,813	0
Youth Services	0	0	0	0	334	334	0	666	666	0	1,000	1,000	0
Culture	406	131	378	(28)	39	67	28	0	0	0	445	445	0
Cemetery Burial Strategy	1,226	472	1,140	(86)	586	673	86	534	534	0	2,347	2,347	0
Nunhead Cemetery Wall Repair	0	0	0	0	700	700	0	300	300	0	1,000	1,000	0
East Lodge Nunhead Cemetery	525	372	25	(500)	1,065	1,565	500	410	410	0	2,000	2,000	0
Drinking Water Fountains throughout Southwark	0	0	0	0	80	80	0	120	120	0	200	200	0
Adventure Playground	50	0	10	(40)	500	540	40	1,950	1,950	0	2,500	2,500	0
Tree Planting	667	14	750	83	1,100	1,017	(83)	3,400	3,400	0	5,167	5,167	0
Parks	1,939	675	1,404	(535)	4,445	4,931	485	6,737	6,787	50	13,122	13,122	0
South Dock Marina	1,033	34	1,033	0	296	296	0	0	0	0	1,329	1,329	0
Active Southwark Community Investment Fund	100	0	0	(100)	500	600	100	2,400	2,400	0	3,000	3,000	0
Leisure	1,291	279	1,098	(193)	2,416	2,609	193	806	806	0	4,513	4,513	0
Environment and Leisure Total	24,128	11,834	23,270	(858)	32,784	33,592	808	75,191	75,241	50	132,103	132,103	0
Chief Executive's													
Planning	771	275	405	(366)	300	666	366	0	0	0	1,071	1,071	0
Transport Policy & Planning	4,489	3,266	4,489	0	0	0	0	0	0	0	4,489	4,489	0
Walworth Town Hall	2,350	298	2,350	0	750	750	0	0	0	0	3,100	3,100	0
Canada Water Leisure Centre	2,000	(214)	500	(1,500)	7,042	8,542	1,500	23,975	23,975	0	33,016	33,016	0
Canada Water Strategic acquisitions	3,100	0	3,100	0	0	0	0	0	0	0	3,100	3,100	0
Canada Water Development Costs	5,214	0	5,214	0	0	0	0	0	0	0	5,214	5,214	0
Blue Market Regeneration Programme	867	167	867	0	867	867	0	0	0	0	1,735	1,735	0
Revitalising the Blue	250	0	100	(150)	1,500	1,650	150	250	250	0	2,000	2,000	0
Southwark Play House	350	350	350	0	0	0	0	0	0	0	350	350	0
Riverside Walk	500	0	50	(450)	900	1,350	450	100	100	0	1,500	1,500	0
Regeneration North	1,398	460	1,061	(338)	4,287	4,593	306	37	69	32	5,722	5,722	0
Revitalising Camberwell	150	0	0	(150)	1,945	2,095	150	0	0	0	2,095	2,095	0
Peckham Rye Station Redevelopment	12,983	5,526	10,797	(2,186)	7,054	7,054	0	4,686	6,871	2,186	24,723	24,723	0
The Old Vic	2,436	0	0	(2,436)	1,300	3,736	2,436	0	0	0	3,736	3,736	0
Aylesbury - Plot 18	13,514	827	10,514	(3,000)	14,817	17,817	3,000	3,500	3,500	0	31,831	31,831	0
Regeneration South	1,265	144	765	(500)	1,230	1,730	500	0	0	0	2,495	2,495	0
21-23 Parkhouse Street	115	0	50	(65)	1,560	1,625	65	1,731	1,731	0	3,406	3,406	0
Peckham Library Square	900	0	100	(800)	5,700	700	(5,000)	0	5,800	5,800	6,600	6,600	0
Regeneration Capital	664	555	664	0	45	45	0	0	0	0	708	708	0

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Capital Programme 2020/21-2029/30 Description of Programme / Project	2020/21				2021/22			2022/23+			Total Programme 2020/21-2029/30		
	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Strategic Acquisitions	7,814	101	7,814	0	10,000	10,000	0	0	0	0	17,814	17,814	0
760 Old Kent Road	21,600	1,094	21,600	0	0	0	0	0	0	0	21,600	21,600	0
Elephant & Castle Regeneration	5,000	0	5,000	0	4,800	4,800	0	27,916	27,916	0	37,716	37,716	0
Property Services	1,418	759	1,418	0	577	577	0	0	0	0	1,996	1,996	0
Climate Emergency	0	0	0	0	2,500	2,500	0	22,500	22,500	0	25,000	25,000	0
Chief Executive's Total	89,150	13,608	77,208	(11,941)	67,174	71,098	3,924	84,694	92,712	8,017	241,018	241,018	0
Children's and Adults' Services													
Centre of Excellence	40	39	40	0	0	0	0	0	0	0	40	40	0
Adult PSS Capital Allocations	624	0	624	0	2,000	2,000	0	2,661	2,661	0	5,285	5,285	0
Telecare expansion	0	0	0	0	143	143	0	0	0	0	143	143	0
Southwark Resource Centre	200	191	200	0	0	0	0	0	0	0	200	200	0
Lifecycle capital prog- Anchor homes	1,718	320	1,148	(570)	2,288	2,858	570	2,153	2,153	0	6,159	6,159	0
Lifecycle capital prog- ASC properties	1,000	105	600	(400)	1,000	1,400	400	8,520	8,520	0	10,520	10,520	0
Mosaic Management Information Development	0	0	0	0	600	600	0	0	0	0	600	600	0
Bed Based Care	0	0	0	0	10,000	10,000	0	0	0	0	10,000	10,000	0
2019/20 Primary Schools refurbishment programme	2,212	264	412	(1,800)	0	1,800	1,800	0	0	0	2,212	2,212	0
Primary Schools refurbishment programme 2020/21	3,329	2,068	3,329	0	167	167	0	0	0	0	3,496	3,496	0
2018/19 Primary Schools refurbishment programme	1,584	0	0	(1,584)	0	1,584	1,584	0	0	0	1,584	1,584	0
Autism Spectrum	0	0	0	0	900	900	0	0	0	0	900	900	0
Beornmund Primary School Redevelopment	11,615	0	1,000	(10,615)	0	10,615	10,615	0	0	0	11,615	11,615	0
Healthy Pupils Programme	98	0	98	0	0	0	0	0	0	0	98	98	0
Ilderton School	172	2	172	0	0	0	0	0	0	0	172	172	0
LSBU Passmore	250	0	0	(250)	0	250	250	0	0	0	250	250	0
Nursery Buildings	19	0	0	(19)	0	19	19	0	0	0	19	19	0
Permanent Expansion	12,057	1,023	6,578	(5,479)	5,036	10,515	5,479	1,400	1,400	0	18,493	18,493	0
Primary Schools refurbishment programme	0	0	0	0	3,500	3,500	0	14,000	14,000	0	17,500	17,500	0
Riverside Primary School	500	1	500	0	2,500	2,500	0	500	500	0	3,500	3,500	0
Retention	78	0	0	(78)	0	78	78	0	0	0	78	78	0
Rotherhithe Primary School Expansion	12,341	1,837	5,000	(7,341)	6,383	13,723	7,341	0	0	0	18,723	18,723	0
SEND and disabilities development	2,208	311	1,038	(1,170)	0	1,170	1,170	0	0	0	2,208	2,208	0
Southwark Inclusive Learning Service KS4	0	0	0	0	3,200	3,200	0	0	0	0	3,200	3,200	0
Troubled Families	232	227	232	0	0	0	0	0	0	0	232	232	0
Classrooms	226	108	226	0	0	0	0	0	0	0	226	226	0
Children's and Adults' Services Total	50,501	6,498	21,195	(29,305)	37,716	67,022	29,305	29,234	29,234	0	117,451	117,451	0
Southwark Schools for the Future													
KS3 SILS	2,217	1,989	2,217	0	198	198	0	0	0	0	2,415	2,415	0
ICT	0	0	0	0	45	45	0	0	0	0	45	45	0
Contingency and retention payments	0	0	0	0	3,029	3,029	0	0	0	0	3,029	3,029	0
Southwark Schools for the Future Total	2,217	1,989	2,217	0	3,273	3,273	0	0	0	0	5,489	5,489	0
Housing and Modernisation													

Appendix D - General fund capital programme 2020/21 detail month 8 report

Capital Programme 2020/21-2029/30	2020/21				2021/22			2022/23+			Total Programme 2020/21-2029/30		
Description of Programme / Project	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Housing Renewal	1,493	96	1,281	(212)	2,107	2,157	50	16,903	17,065	162	20,503	20,503	0
Gypsy and Travellers Site Fire Safety Reconfiguration	447	266	300	(147)	0	147	147	0	0	0	447	447	0
IT Investment Schemes	5,791	519	1,134	(4,657)	2,169	6,826	4,657	8,410	8,410	0	16,370	16,370	0
Modern Ways of Working	50	0	14	(36)	50	138	88	794	743	(51)	894	894	0
Smart Working Programme	6,423	1,349	5,775	(647)	1,580	2,464	883	632	396	(236)	8,635	8,635	0
Operational Buildings Life Cycle Investment	2,491	1,453	2,907	416	6,017	6,254	237	13,451	12,798	(653)	21,958	21,958	0
PPM & Compliance Programme (CRP)	320	35	320	0	480	480	0	8,639	8,639	0	9,439	9,439	0
Queens Road 4	400	353	400	0	0	0	0	0	0	0	400	400	0
Housing and Modernisation Total	17,415	4,072	12,131	(5,283)	12,403	18,465	6,062	48,829	48,050	(778)	78,646	78,646	0
Total Expenditure	183,410	38,000	136,021	(47,389)	153,349	193,449	40,100	237,948	245,237	7,289	574,708	574,708	0

GENERAL FUND CAPITAL PROGRAMME

General Fund Programme	2020/21	2021/22	2022/23	2023/30	Total	PRIMARY COUNCIL PLAN THEME						
	Forecast	Forecast	Forecast	Forecast	Forecast	A place to call home	Climate Emergency	A Green and fair economic renewal	Tackling health inequalities	A great start in life	Southwark Together	Cross-cutting/ H&S
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Environment and Leisure												
Cleaner Greener Safer	983	3,306	3,306	11,780	19,375			19,375				
Cycle Superhighway 4 project	200	1,100	1,700	-	3,000			3,000				
Southwark School Streets	218	1,287	910	510	2,925				2,925			
Cycle Hangers	280	520	-	-	800		800					
Other planning and regeneration projects	2,140	2,954	923	223	6,240			6,240				
StreetCare	7,169	6,683	5,999	30,514	50,366			50,366				
Carbon Reduction Investment	1,100	550	538	-	2,188		2,188					
Air Quality	250	250	-	-	500		500					
Air Quality Action Plan & Climate Emergency Delivery Project	293	812	15	-	1,120		1,120					
Environmental Services	234	41	-	-	275			275				
Street Metal Works	750	2,677	1,450	0	4,877			4,877				
Walworth Library & Heritage Centre	3,813	-	-	-	3,813						3,813	
Youth Services	-	334	333	333	1,000					1,000		
Culture	378	67	-	-	445			445				
Cemetery Burial Strategy	1,140	673	534	-	2,347							2,347
Nunhead Cemetery Wall Repair	-	700	300	-	1,000							1,000
East Lodge Nunhead Cemetery	25	1,565	410	-	2,000							2,000
Drinking Water Fountains throughout Southwark	-	80	70	50	200		200					
Adventure Playground	10	540	1,950	-	2,500					2,500		
Tree Planting	750	1,017	1,200	2,200	5,167		5,167					
Parks	1,404	4,931	6,024	764	13,122				13,122			
South Dock Marina	1,033	296	-	-	1,329			1,329				
Active Southwark Community Investment Fund	-	600	1,000	1,400	3,000				3,000			
Leisure	1,098	2,609	506	300	4,513				4,513			
Environment and Leisure Total	23,270	33,592	27,168	48,074	132,103	-	9,974	85,908	23,561	3,500	3,813	5,347
Chief Executive's												
Planning	405	666	-	-	1,071			1,071				
Transport Policy & Planning	4,489	-	-	-	4,489			4,489				
Walworth Town Hall	2,350	750	-	-	3,100						3,100	
Canada Water Leisure Centre	500	8,542	21,975	2,000	33,016				33,016			
Canada Water Strategic acquisitions	3,100	-	-	-	3,100			3,100				
Canada Water Development Costs	5,214	-	-	-	5,214			5,214				
Blue Market Regeneration Programme	867	867	-	-	1,735			1,735				
Revitalising the Blue	100	1,650	250	-	2,000			2,000				
Southwark Play House	350	-	-	-	350			350				
Riverside Walk	50	1,350	100	-	1,500				1,500			
Regeneration North	1,061	4,593	69	-	5,722			5,722				
Revitalising Camberwell	-	2,095	-	-	2,095			2,095				
Peckham Rye Station Redevelopment	10,797	7,054	6,871	-	24,723			24,723				

General Fund Programme	2020/21	2021/22	2022/23	2023/30	Total	PRIMARY COUNCIL PLAN THEME												
						Description of Programme / Project	Forecast	Forecast	Forecast	Forecast	Forecast	A place to call home	Climate Emergency	A Green and fair economic renewal	Tackling health inequalities	A great start in life	Southwark Together	Cross-cutting/ H&S
							£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
The Old Vic	-	3,736	-	-	3,736			3,736										
Aylesbury - Plot 18	10,514	17,817	3,500	-	31,831	31,831												
Regeneration South	765	1,730	-	-	2,495			2,495										
21-23 Parkhouse Street	50	1,625	1,731	-	3,406			3,406										
Peckham Library Square	100	700	5,800	-	6,600			6,600										
Regeneration Capital	664	45	-	-	708			708										
Strategic Acquisitions	7,814	10,000	-	-	17,814			17,814										
760 Old Kent Road	21,600	-	-	-	21,600			21,600										
Elephant & Castle Regeneration	5,000	4,800	4,800	23,116	37,716			37,716										
Property Services	1,418	577	-	-	1,996								1,996					
Climate Emergency	-	2,500	2,500	20,000	25,000		25,000											
Chief Executive's Total	77,208	71,098	47,596	45,116	241,018	31,831	25,000	144,575	34,516	-	3,100	1,996						
Children's and Adults' Services																		
Centre of Excellence	40	-	-	-	40				40									
Adult Social Care capital works	624	2,000	2,000	661	5,285				5,285									
Telecare expansion	-	143	-	-	143				143									
Southwark Resource Centre	200	-	-	-	200				200									
Lifecycle capital prog- Anchor homes	1,148	2,858	1,053	1,100	6,159				6,159									
Lifecycle capital prog- ASC properties	600	1,400	1,000	7,520	10,520				10,520									
Mosaic Management Information Development	-	600	-	-	600				600									
Bed Based Care	-	10,000	-	-	10,000				10,000									
2019/20 Primary Schools refurbishment programme	412	1,800	-	-	2,212					2,212								
Primary Schools refurbishment programme 2020/21	3,329	167	-	-	3,496					3,496								
2018/19 Primary Schools refurbishment programme	-	1,584	-	-	1,584					1,584								
Autism Spectrum bases in existing secondary schools	-	900	-	-	900				900									
Beormund Primary School Redevelopment	1,000	10,615	-	-	11,615					11,615								
Healthy Pupils Programme	98	-	-	-	98				98									
Ilderton School	172	-	-	-	172					172								
LSBU Passmore	-	250	-	-	250					250								
Nursery Buildings	-	19	-	-	19					19								
The Charter School E.Dulwich expansion	4,372	7,720	1,400	-	13,492					13,492								
School permanent expansion programme	2,206	2,795	-	-	5,000					5,000								
Primary Schools refurbishment programme	-	3,500	3,500	10,500	17,500					17,500								
Riverside Primary School	500	2,500	500	-	3,500					3,500								
Retention payments due on old contracts	-	78	-	-	78					78								
Rotherhithe Primary School Expansion	5,000	13,723	-	-	18,723					18,723								
SEND and disabilities development	1,038	1,170	-	0	2,208					2,208								
Southwark Inclusive Learning Service KS4	-	3,200	-	-	3,200					3,200								
Troubled Families	232	-	-	-	232					232								
Classrooms	226	-	-	-	226					226								
Children's and Adults' Services Total	21,195	67,022	9,453	19,781	117,451	-	-	-	33,945	83,506	-	-						

General Fund Programme						PRIMARY COUNCIL PLAN THEME						
Description of Programme / Project	2020/21	2021/22	2022/23	2023/30	Total	A place to call home	Climate Emergency	A Green and fair economic renewal	Tackling health inequalities	A great start in life	Southwark Together	Cross-cutting/ H&S
	Forecast	Forecast	Forecast	Forecast	Forecast	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Southwark Schools for the Future												
Southwark Inclusive Learning Service (SILs) Key Stage 3 Centre	2,217	198	-	-	2,415					2,415		
ICT	-	45	-	-	45					45		
Contingency and retention payments	-	3,029	-	-	3,029					3,029		
Southwark Schools for the Future Total	2,217	3,273	-	-	5,489	-	-	-	-	5,489	-	-
Housing and Modernisation												
Housing Renewal	1,281	2,157	2,184	14,881	20,503	20,503						
Gypsy and Travellers Site Fire Safety Reconfig	300	147	-	-	447							447
IT Investment Schemes	1,134	6,826	125	8,285	16,370							16,370
Modern Ways of Working	14	138	138	605	894							894
Smart Working Programme	5,775	2,464	-	396	8,635							8,635
Operational Buildings Life Cycle Investment	2,907	6,254	5,000	7,798	21,958							21,958
Planned property maintenance & compliance (CPM)	320	480	400	8,239	9,439							9,439
Queens Road 4	400	-	-	-	400							400
Housing and Modernisation Total	12,131	18,465	7,847	40,203	78,646	20,503	-	-	-	-	-	58,143
Total General Fund Programme	136,021	193,449	92,063	153,174	574,708	52,334	34,974	230,482	92,022	92,495	6,913	65,486

General Fund Programme	2020/21	2021/22	2022/23	2023/30	Total	PRIMARY COUNCIL PLAN THEME												
						Description of Programme / Project	Forecast	Forecast	Forecast	Forecast	Forecast	A place to call home	Climate Emergency	A Green and fair economic renewal	Tackling health inequalities	A great start in life	Southwark Together	Cross-cutting/ H&S
												£'000	£'000	£'000	£'000	£'000	£'000	£'000

HOUSING INVESTMENT PROGRAMME

Hidden Homes													
Pinner House Hidden Homes	88	64	34	-	186	186	-	-	-	-	-	-	-
HH Regina and Columbia Point	39	333	20	-	392	392	-	-	-	-	-	-	-
HH Comber House	844	322	-	-	1,166	1,166	-	-	-	-	-	-	-
HH Dawes	51	17	-	-	69	69	-	-	-	-	-	-	-
HH Balin House	2	-2	-	-	-	-	-	-	-	-	-	-	-
HH Breamore House	8	58	82	17	165	165	-	-	-	-	-	-	-
HH Marchwood/Redbridge Close & Bentley House	8	35	-	-	43	43	-	-	-	-	-	-	-
Jepheson House (Ground Floor)	15	185	253	50	503	503	-	-	-	-	-	-	-
Tustin Hidden Homes	1,832	629	-	-	2,461	2,461	-	-	-	-	-	-	-
Kean House	23	77	76	20	195	195	-	-	-	-	-	-	-
Whaddon House	8	132	20	-	160	160	-	-	-	-	-	-	-
87 Gosvenor Road	19	247	42	34	343	343	-	-	-	-	-	-	-
Total Hidden Homes	2,937	2,098	527	121	5,683	5,683	-	-	-	-	-	-	-
Regeneration and Development													
Braganza St (A)	38	1,924	-	-	1,961	1,961	-	-	-	-	-	-	-
Albion New Homes	893	22,027	9,568	-	32,488	32,488	-	-	-	-	-	-	-
Cherry Gardens (A)	9	3,803	-	-	3,812	3,812	-	-	-	-	-	-	-
Swth Park Road (A)	597	193	783	-	1,573	1,573	-	-	-	-	-	-	-
Manor Place (A)	130	-	-	-	130	130	-	-	-	-	-	-	-
Wyndham CC (B)	113	664	470	-	1,247	1,247	-	-	-	-	-	-	-
Flaxyard/Sumner (B)	453	20,147	18,000	2,719	41,319	41,319	-	-	-	-	-	-	-
Wickway CC (B)	387	4,017	27,696	6,827	38,926	38,926	-	-	-	-	-	-	-
Fred Francis (B)	-	325	-	-	325	325	-	-	-	-	-	-	-
Petrol Station OKR (B)	411	4,823	3,664	287	9,185	9,185	-	-	-	-	-	-	-
Angel Oak Acad (B)	113	157	-	-	270	270	-	-	-	-	-	-	-
Copeland Road (B)	7,139	5,230	550	-	12,918	12,918	-	-	-	-	-	-	-
Peckham Library Sq (B)	160	240	5,000	3,298	8,698	8,698	-	-	-	-	-	-	-
Parkhouse Street (B)	217	4,911	4,877	907	10,912	10,912	-	-	-	-	-	-	-
Albion St Surgery (C)	-221	-	-	-	-221	(221)	-	-	-	-	-	-	-
Porlock Hall/Beormund School	38	312	638	-	988	988	-	-	-	-	-	-	-
Talfourd Place & Curfew House Lot C	55	18	-	-	72	72	-	-	-	-	-	-	-
Red Lion Boys Club (Hawkstone Estate) Lot C	36	54	-	-	90	90	-	-	-	-	-	-	-
Tower Workshops, Riley Road	26	164	-	-	190	190	-	-	-	-	-	-	-
Old Kent Road PC World	30	2,529	135	-	2,694	2,694	-	-	-	-	-	-	-
BM Supermarket Old Kent Road	8	632	34	-	673	673	-	-	-	-	-	-	-
Old Kent Road Gas Works	30	10	-	-	40	40	-	-	-	-	-	-	-
Verney Road	38	12	-	-	50	50	-	-	-	-	-	-	-
Devon Street	4	1	-	-	5	5	-	-	-	-	-	-	-
Seven Island	68	22	-	-	90	90	-	-	-	-	-	-	-
Styles House	378	1,102	5,760	5,760	13,000	13,000	-	-	-	-	-	-	-
Total Regeneration and Development	11,150	73,315	77,175	19,798	181,437	181,437	-	-	-	-	-	-	-

General Fund Programme	2020/21	2021/22	2022/23	2023/30	Total	PRIMARY COUNCIL PLAN THEME												
						Description of Programme / Project	Forecast	Forecast	Forecast	Forecast	Forecast	A place to call home	Climate Emergency	A Green and fair economic renewal	Tackling health inequalities	A great start in life	Southwark Together	Cross-cutting/ H&S
							£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Direct Delivery - New Council Homes Phases 1 -5																		
Masterman House	157	-	-	-	157	157	-	-	-	-	-	-	-					
Clifton Estate	173	-	-	-	173	173	-	-	-	-	-	-	-					
Gatebeck	121	-	-	-	121	121	-	-	-	-	-	-	-					
Southdown house	12	4	-	-	16	16	-	-	-	-	-	-	-					
Cator Street extra care	106	-	-	-	106	106	-	-	-	-	-	-	-					
Nunhead Green B	54	16	-	-	70	70	-	-	-	-	-	-	-					
Long lane	144	-	-	-	144	144	-	-	-	-	-	-	-					
Sumner Road workshops (A)	2,006	599	-	-	2,605	2,605	-	-	-	-	-	-	-					
Sumner Road - Site B Private Sales	645	193	-	-	837	837	-	-	-	-	-	-	-					
Cator Street 2	620	15,402	4,327	-	20,348	20,348	-	-	-	-	-	-	-					
Community facility in Summer Rd (DD)	972	290	-	-	1,263	1,263	-	-	-	-	-	-	-					
Canada Estate	39	262	2,000	8,262	10,563	10,563	-	-	-	-	-	-	-					
Daniels Road Car Park	3,170	1,120	-	-	4,290	4,290	-	-	-	-	-	-	-					
Commercial way	2,016	12,171	14,060	2,974	31,221	31,221	-	-	-	-	-	-	-					
Pelier Street	514	346	-	-	860	860	-	-	-	-	-	-	-					
Meeting House Lane	3,276	1,269	-	-	4,544	4,544	-	-	-	-	-	-	-					
Repl of Comm facil in Meeting Hse Ln (DD)	338	101	-	-	438	438	-	-	-	-	-	-	-					
Welsford Street Garages	2,011	882	77	-	2,969	2,969	-	-	-	-	-	-	-					
Goschen Estate etc	2,041	4,814	181	-	7,036	7,036	-	-	-	-	-	-	-					
Haddonfield Estate	1,678	3,742	146	-	5,567	5,567	-	-	-	-	-	-	-					
39-44 Rutley Close	2,102	3,795	142	-	6,040	6,040	-	-	-	-	-	-	-					
Salisbury Estate	269	4,996	2,065	325	7,655	7,655	-	-	-	-	-	-	-					
Tissington/Silverlock Estate	116	5,034	6,850	525	12,525	12,525	-	-	-	-	-	-	-					
Sceaux Gardens New Homes	278	8,225	9,000	8,462	25,966	25,966	-	-	-	-	-	-	-					
Rye Hill Park	1,147	3,347	1,949	151	6,593	6,593	-	-	-	-	-	-	-					
Seavington House	41	162	3,796	5,787	9,787	9,787	-	-	-	-	-	-	-					
Fenham Road Garages	46	474	520	78	1,118	1,118	-	-	-	-	-	-	-					
Tenda Road Car Park	154	1,467	277	-	1,898	1,898	-	-	-	-	-	-	-					
35-41 Nunhead lane	297	2,426	475	-	3,198	3,198	-	-	-	-	-	-	-					
Ivy Church lane garages	2,397	3,475	110	-	5,982	5,982	-	-	-	-	-	-	-					
Slippers Place Estate	120	89	3,304	2,645	6,158	6,158	-	-	-	-	-	-	-					
61-91 Brisbane St, land to rear/Lomond Grove	244	756	3,252	2,742	6,993	6,993	-	-	-	-	-	-	-					
66 Linden Grove	35	3,470	4,080	522	8,107	8,107	-	-	-	-	-	-	-					
2 Sedgemoor Place	665	3,212	978	205	5,060	5,060	-	-	-	-	-	-	-					
Bassano Street Garages	50	1,173	284	108	1,615	1,615	-	-	-	-	-	-	-					
Henslowe Street Garages	50	845	241	81	1,217	1,217	-	-	-	-	-	-	-					
Lettsom Estate T&RA	75	705	4,299	311	5,390	5,390	-	-	-	-	-	-	-					
Chilton Grove Wall - DD	1,400	7,129	7,129	-	15,658	15,658	-	-	-	-	-	-	-					
Damory/Thaxted Rooftop Homes	39	9,182	7,179	-	16,400	16,400	-	-	-	-	-	-	-					
Maydew Extension	67	759	6,360	-	7,186	7,186	-	-	-	-	-	-	-					
Bede New Build	288	86	26,573	-	26,947	26,947	-	-	-	-	-	-	-					
Lakanal (Sceaux Garden Estate) Monet New Build	2,200	209	-	-	2,409	2,409	-	-	-	-	-	-	-					
Rennie Estate	170	4,130	6,000	4,070	14,370	14,370	-	-	-	-	-	-	-					
Lindley Estate - 157-177 Commercial Way	188	731	9,858	1,059	11,836	11,836	-	-	-	-	-	-	-					

General Fund Programme	PRIMARY COUNCIL PLAN THEME											
	2020/21	2021/22	2022/23	2023/30	Total	A place to call home	Climate Emergency	A Green and fair economic renewal	Tackling health inequalities	A great start in life	Southwark Together	Cross-cutting/ H&S
	Forecast	Forecast	Forecast	Forecast	Forecast	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rotherhithe New Road - 213-219	318	1,738	2,460	138	4,654	4,654	-	-	-	-	-	-
Woodville House - Grange Road	77	4,123	5,291	51	9,542	9,542	-	-	-	-	-	-
St Saviours - St Vincent	154	4,046	3,300	42	7,542	7,542	-	-	-	-	-	-
Underhill Road Pre fabs 275 - 275a	50	845	241	82	1,218	1,218	-	-	-	-	-	-
Heaton House	52	2,419	284	2	2,757	2,757	-	-	-	-	-	-
Abbeyfield Former Area Housing Office	48	514	3,598	774	4,935	4,935	-	-	-	-	-	-
1-27 Rodney Place (New Build)	39	498	2,900	100	3,536	3,536	-	-	-	-	-	-
Bells Garden Community Centre	308	592	11,900	21,091	33,891	33,891	-	-	-	-	-	-
Leathermarket - Joseph Lancaster	4,308	6,426	-	362	11,097	11,097	-	-	-	-	-	-
Leathermarket - Cluny Estate	-	-	-	2,880	2,880	2,880	-	-	-	-	-	-
LeatherMarket - Elim Estate	144	543	5,757	5,076	11,520	11,520	-	-	-	-	-	-
Leathermarket - JMB office site	446	833	5,000	8,121	14,400	14,400	-	-	-	-	-	-
Leathermarket - Lawson Estate	-	-	504	2,304	2,808	2,808	-	-	-	-	-	-
Leathermarket - Whites Ground estate	-	-	-	2,592	2,592	2,592	-	-	-	-	-	-
LeatherMarket - Decima Street	-	-	-	2,448	2,448	2,448	-	-	-	-	-	-
LeatherMarket - Falmouth Road	-	-	-	1,008	1,008	1,008	-	-	-	-	-	-
1 Ann Moss Way Build Cost	77	123	4,000	3,821	8,021	8,021	-	-	-	-	-	-
Woodland Road Estate ph5	102	2,277	2,213	94	4,687	4,687	-	-	-	-	-	-
Old Library Site (opp Regen Flaxyard & Peckham	74	192	1,060	1,001	2,327	2,327	-	-	-	-	-	-
Priory Court & Reynolds Road Ph5	51	1,107	1,075	46	2,279	2,279	-	-	-	-	-	-
55-77 Fenwick Road Ph5	94	205	1,653	1,154	3,105	3,105	-	-	-	-	-	-
Charles Mackenzie Estate, Alexis Street ph5	59	1,286	1,249	53	2,647	2,647	-	-	-	-	-	-
Eveline Lowe Estate Garage/Parking Court, Lindsey	77	4,628	4,697	189	9,591	9,591	-	-	-	-	-	-
Alscot Road Car Park, Vauban Estate Ph5	77	123	2,500	2,143	4,843	4,843	-	-	-	-	-	-
Astley Estate Ph5	132	262	2,587	1,297	4,278	4,278	-	-	-	-	-	-
Kingston Estate (Nelson, Portland & Kingston) Ph5	5	4	1,529	842	2,380	2,380	-	-	-	-	-	-
Longfield Estate Ph5	43	933	906	39	1,921	1,921	-	-	-	-	-	-
Lordship Lane Estate Ph5	69	258	2,146	1,625	4,099	4,099	-	-	-	-	-	-
Pynfolds Estate Ph5	15	105	1,271	761	2,152	2,152	-	-	-	-	-	-
Leroy Street Garages, Creasey Estate Ph5	77	123	3,000	4,140	7,340	7,340	-	-	-	-	-	-
New Build Tenants assistance with moving costs	29	27	269	19	344	344	-	-	-	-	-	-
Total Direct Delivery Phases 1 -5	39,456	141,320	196,904	102,602	480,281	480,281	-	-	-	-	-	-
Total New Build Programme	53,543	216,733	274,605	122,521	667,402	667,402	-	-	-	-	-	-
Warm Dry and Safe	108	2,694	1,306	-	4,108	4,108	-	-	-	-	-	-
Special Schemes/HINE	9,014	14,796	-	-	23,810	23,810	-	-	-	-	-	-
Asset management Strategy (Inc. Kitchens & Bathrooms & LD2)	36,579	184,385	82,678	380,443	684,085	684,085	-	-	-	-	-	-
Type 4 Fire Risk Assessment	587	2,774	3,810	20,814	27,985	27,985	-	-	-	-	-	-
Heat Network Strategy	3,138	14,798	15,000	275,000	307,936	307,936	-	-	-	-	-	-
Regeneration (Aylesbury, E Dulwich etc)	6,208	2,719	-	-	8,927	8,927	-	-	-	-	-	-
Acquisitions	2,000	153,270	71,779	112,709	339,757	339,757	-	-	-	-	-	-
Other programmes	4,642	14,499	2,211	11,056	32,408	32,408	-	-	-	-	-	-
Total Other Housing Investment	62,276	389,936	176,783	800,022	1,429,016	1,429,016	-	-	-	-	-	-
Total Housing Investment Programme	115,818	606,668	451,388	922,543	2,096,418	2,096,418	-	-	-	-	-	-

**COUNCIL ASSEMBLY AGENDA DISTRIBUTION LIST (OPEN) (FULL LIST)
MUNICIPAL YEAR 2020/21**

NOTE: Original held by Constitutional Team; all amendments/queries to
Virginia Wynn-Jones Tel: 020 7525 7055

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<p>Councillors (1 each) Councillor Jasmine Ali Councillor Radha Burgess Councillor Sunil Chopra Councillor Nick Dolezal Councillor Tom Flynn Councillor Renata Hamvas Councillor Peter John Councillor Lorraine Lauder Councillor Maria Linforth-Hall Councillor Eliza Mann Councillor Darren Merrill Councillor David Noakes Councillor Damian O'Brien Councillor Leo Pollak Councillor Sandra Rhule Councillor Martin Seaton Councillor Andy Simmons Councillor Cleo Soanes Councillor Kath Whittam</p> <p>Electronic Versions (No hard copy) All other councillors</p>	<p>19</p>	<p>Press</p> <p>Southwark News South London Press</p> <p>Group Offices</p> <p>Ellie Mitchell, Labour Group Office Paul Wendt/Pavle Popvic, Liberal Democrat Group Office</p> <p>Officers</p> <p>Eleanor Kelly Duncan Whitfield Doreen Forrester-Brown Chidilim Agada Caroline Bruce David Quirke-Thornton Michael Scorer Jin Lim</p> <p>Constitutional Team</p> <p>(Copies to Virginia Wynn-Jones, 2nd Floor, Hub 2, Tooley Street)</p> <p>Others</p> <p>Matt Dean, Grant Thornton Ground floor audit office, Tooley Street</p> <p>Total:</p> <p>Last updated: February 2021</p>	<p>by email by email</p> <p>by email by email</p> <p>by email by email by email by email by email by email</p> <p>by email</p> <p>by email</p> <p>19</p>