

## Cabinet

Tuesday 6 December 2022

11.00 am

Ground Floor Meeting Rooms, 160 Tooley Street, London SE1 2QH

### Membership

Councillor Kieron Williams (Chair)  
Councillor Jasmine Ali

Councillor Evelyn Akoto  
Councillor Stephanie Cryan  
Councillor Dora Dixon-Fyle MBE  
Councillor James McAsh

Councillor Darren Merrill  
Councillor Catherine Rose  
Councillor Martin Seaton

### Portfolio

Leader of the Council  
Deputy Leader and Cabinet Member for  
Children, Young People, Education and  
Refugees  
Health and Wellbeing  
Communities, Equalities and Finance  
Community Safety  
Climate Emergency and Sustainable  
Development (maternity cover)  
Council Homes and Homelessness  
Leisure, Parks, Streets and Clean Air  
Jobs, Business and Town Centres

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#### Contact

Email: [paula.thornton@southwark.gov.uk](mailto:paula.thornton@southwark.gov.uk); [constitutional.team@southwark.gov.uk](mailto:constitutional.team@southwark.gov.uk)

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Members of the committee are summoned to attend this meeting

**Althea Loderick**

Chief Executive

Date: 28 November 2022



# Cabinet

Tuesday 6 December 2022

11.00 am

Ground Floor Meeting Rooms, 160 Tooley Street, London SE1 2QH

## Order of Business

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

#### **MOBILE PHONES**

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

#### **1. APOLOGIES**

To receive any apologies for absence.

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

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

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

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

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

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

Item No.	Title	Page No.
5.	<b>PUBLIC QUESTION TIME (15 MINUTES)</b>	
	To receive any questions from members of the public which have been submitted in advance of the meeting in accordance with the cabinet procedure rules. The deadline for the receipt of public questions is midnight Wednesday 30 November 2022.	
6.	<b>MINUTES</b>	1 - 10
	To approve as a correct record the minutes of the open section of the meeting held on 18 October 2022.	
7.	<b>DEPUTATION REQUESTS</b>	
	To consider any deputation requests. The deadline for the receipt of a deputation request is midnight Wednesday 30 November 2022.	
8.	<b>PETITION: LAYOUT OF THE REDESIGNED CALTON AVENUE/COURT LANE JUNCTION AND ACCESS</b>	11 - 15
	To consider a petition from local residents relating to access concerns with regard to the redesigned Calton Avenue/Court Lane junction.	
9.	<b>SOUTHWARK STANDARDS REPORT 2021-22</b>	16 - 22
	To note the Southwark Standards Report 2021-22.	
10.	<b>PLACE PLANNING ACROSS SOUTHWARK'S PRIMARY SCHOOLS: A STRATEGY FOR FUTURE-PROOFING QUALITY AND SUPPLY</b>	23 - 33
	To agree the strategy and approach for future proofing the quality of education and supply of school places.	
11.	<b>CLOSURE OF ST FRANCESCA CABRINI PRIMARY SCHOOL</b>	34 - 54
	To approve the governing body's recommendation for the closure of St Francesca Cabrini Roman Catholic Primary School from 1 September 2023.	

Item No.	Title	Page No.
12.	<b>POLICY AND RESOURCES STRATEGY 2023-24 TO 2025-26 UPDATE</b>	To follow
	To note issues associated with the policy and resources strategy and agree recommendations.	
13.	<b>COUNCIL TAX BASE 2023-24</b>	To follow
	To approve the schedule of discounts and exemptions and agree the council tax base for 2023-24.	
14.	<b>INDICATIVE HOUSING REVENUE ACCOUNT (HRA) BUDGET AND RENT SETTING 2023-24</b>	To follow
	To note issues associated with the housing revenue account.	
	To instruct officers to provide a final report to cabinet in January 2023 on rent setting after consultation with residents.	
15.	<b>THE THRIVING HIGH STREETS FUND</b>	55 - 65
	To approve the proposals for the Thriving High Streets Fund.	
16.	<b>STREETS FOR PEOPLE</b>	66 - 77
	To note actions to deliver the council ambition for healthier neighbourhoods, cleaner air, thriving town centres and safer roads by providing opportunities for active travel and improving streets in the borough.	
17.	<b>AIR QUALITY STRATEGY &amp; ACTION PLAN (2023 - 2027) AND AIR QUALITY MANAGEMENT AREA</b>	78 - 91
	To approve the air quality action plan 2023 – 2027 and air quality management area.	
18.	<b>SOUTHWARK DISTRICT HEATING NETWORK LOCAL DEVELOPMENT ORDER</b>	92 - 100
	To approve a draft District Heating network Local Development Order for public consultation.	



Item No.	Title	Page No.
19.	<b>DRIVING UP STANDARDS FOR THE PRIVATE RENTED SECTOR - PHASE 2</b>	101 - 126
	To note the success of the first phase of the pilot scheme for licensing and agree the introduction of a five-year selective licensing schemes for wards as set in the report.	
20.	<b>STRATEGIC MANAGEMENT UPDATE</b>	To follow
21.	<b>ADOPTION OF STATEMENT OF COMMUNITY INVOLVEMENT (SCI) AND DEVELOPMENT CONSULTATION CHARTER (DCC)</b>	127 - 137
	To approve and adopt the updated Statement of Community Involvement and the Development Consultation Charter (DCC).	
22.	<b>ELEPHANT AND CASTLE TOWN CENTRE - COMPULSORY PURCHASE ORDER</b>	138 - 168
	To agree subject to the prior completion of an indemnity agreement with Elephant & Castle Properties Co. Limited ("EC"), the council makes and (subject to any necessary confirmation from the Secretary of State) a compulsory purchase order ("CPO") under section 226(1)(a) of the Town and Country Planning Act 1990 and section 13 Local Government.	
23.	<b>FUNDING PROSPECTUS</b>	169 - 190
	To note the council wide funding prospectus for the voluntary and community sector which sets out new commitments to funding applicants and related recommendations	
24.	<b>PROGRESS WITH INSOURCING OF LEISURE SERVICES</b>	191 - 211
	To note the progress that has been made towards delivery of the leisure insourcing, including the challenges, opportunities and management of risk associated with the programme.	

<b>Item No.</b>	<b>Title</b>	<b>Page No.</b>
<b>25.</b>	<b>GATEWAY 1 - PROCUREMENT STRATEGY APPROVAL FOR SOLICITORS FRAMEWORK</b>	<b>212 - 223</b>

To approve the procurement strategy to use the London Boroughs Legal Alliance (LBLA) Solicitors Framework to provide solicitor services to the council for a maximum period of three years and four months from 24 March 2023.

<b>26.</b>	<b>REPORT OF THE ENVIRONMENT AND COMMUNITY ENGAGEMENT SCRUTINY COMMISSION: STREAMLINING PLANNING APPLICATIONS FOR RETROFIT AND RENEWABLE ENERGY</b>	<b>224 - 227</b>
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To consider recommendations from the environment and community engagement scrutiny commission in respect of streamlining planning applications for retrofit and renewable energy.

<b>27.</b>	<b>APPOINTMENTS TO OUTSIDE BODIES - MOUNTVIEW</b>	<b>228 - 230</b>
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To consider and agree to appoint a councillor to Mountview outside body.

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

**EXCLUSION OF PRESS AND PUBLIC**

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

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

## **PART B - CLOSED BUSINESS**

### **28. MINUTES**

To approve as a correct record the closed minutes of the meeting held on 18 October 2022.

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

Date: 28 November 2022



## Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 18 October 2022 at 11.00 am at the Council Offices, 160 Tooley Street, London SE1 2QH.

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**PRESENT:** Councillor Kieron Williams (Chair)  
Councillor Jasmine Ali  
Councillor Stephanie Cryan  
Councillor Dora Dixon-Fyle MBE  
Councillor James McAsh  
Councillor Darren Merrill  
Councillor Catherine Rose  
Councillor Martin Seaton

### 1. APOLOGIES

An apology for absence was received from Councillor Evelyn Akoto.

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

The chair gave notice of the following late item:

- Item 9: Policy and Resources Strategy 2023-24 to 2025-26 update

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

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

No representations were received.

### 4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

## **ANNOUNCEMENT BY THE LEADER OF THE COUNCIL**

The leader made a statement in respect of the recent political and economic turmoil for the country.

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

#### **1. Clive Rates**

I submitted an online petition to Southwark in August 2022, asking that BlueBadge Holders, carers & SEND transport can travel through the Dulwich Village junction. The website is often down; currently not working. How will the leader ensure the petition site is reliable so vulnerable groups' voices can be heard?

#### **Response by Councillor Stephanie Cryan, Communities, Equalities and Finance**

Our petition scheme (available here: [Southwark Council Petition Scheme 2021.pdf](#)) sets out that Southwark Council welcomes petitions from any source, ranging from paper to any online petition site, including our own petition page.

The Southwark Council petition page (available here: [Current ePetitions - Southwark Council](#)) is currently active and available. The recent interruptions have been dealt with, and our supplier has been engaged to complete a thorough health check of the entire system.

I recognise the importance of residents' voices being heard, and strongly support anyone who wants to present a petition to use any, and potentially all, of the options available to them to engage signatories.

The third party supplier, Civica (Modern.Gov) has completed initial health checks and has found nothing untoward in the system thus far. Proactive monitoring, alerts and remote access will be set up on the system to diagnose any future errors. Southwark is also looking to investigate the wider web security perimeters in case these are impacting the performance of the infrastructure.

#### **2. Tristan Honeyborne**

Southwark is consulting on the Dulwich Village junction. The consultation requires respondents to choose between options, all of which include the never-before-mentioned closure of Turney Road. This denies residents the option to reject this major extension to the Dulwich LTN. Will you now include

it as an option for respondents?

**Response by Councillor Catherine Rose, Leisure, Parks, Streets and Clean Air**

The survey associated with the current Dulwich consultation can be found at the below weblink:

<https://consultations.southwark.gov.uk/environment-leisure/dulwich-village-streets-for-people-phase-2/consultation/subpage.2022-09-23.6861053244/>

Page 3 of the survey asks for any comments or suggestions about the “Simplified junction layout to improve vehicle flow - including removal of motor vehicles from the Turney Road approach”. This allows anyone completing the survey the opportunity to reject both the suggested proposals involving changes to the Turney Road/Dulwich Village junction.

In addition, this is only the second stage of engagement and there will be a further stage later this year when residents will be able to comment on any final design proposals. Furthermore, any changes to the existing traffic management arrangements will require a Traffic Management Order with the associated power of objection.

**6. MINUTES**

**RESOLVED:**

That the minutes of the meeting held on 13 September 2022 be approved as a correct record and be signed by the chair.

**7. DEPUTATION REQUESTS**

**RESOLVED:**

1. That the deputation request from a representative for the Tustin Residents and Community Association be heard.
2. A spokesperson for the deputation addressed cabinet for five minutes, reading a statement from the chair of the Tustin Community Association and questions were asked of the deputation for a period of five minutes.

**Note:** Cabinet placed on record their thanks to Neal Purvis, the previous independent tenant and homeowners advisor for his incredible work in representing and bringing tenants together; wishing him a happy retirement.

**8. SOUTHWARK’S RESPONSE TO THE COST OF LIVING CRISIS**

**RESOLVED:**

1. That the impact of the cost of living crisis, what it means for residents of Southwark and the council's ongoing approach to support residents be noted.
2. That the council's £2.73m household support fund allocation for the period 1 October 2022 – 31 March 2023 be noted.
3. That the Southwark Council cost of living fund funded by the household support fund for the period October 2022 – March 2023 be approved.

**9. POLICY AND RESOURCES STRATEGY 2023-24 TO 2025-26 UPDATE**

The report had not been circulated five clear days in advance of the meeting. The chair agreed to accept this item as urgent as it was important that the cabinet received regular updates on the progress of the budget setting process, particularly given the pace of change in the economic, political and policy environment in recent months.

**RESOLVED:**

That the following be noted:

1. The updated medium term financial strategy (MTFS) included at Appendix 1 of the report, forecasting a most likely gap in 2023-24 of £19.84m.
2. The tax and policy changes announced in the 23 September 2022 mini-budget and the potential for further policy changes following the election of the new Prime Minister.
3. The mini-budget gave no specific details on local government funding but the subsequent rapid deterioration in the UK economy will require substantial remedial action which is likely to include cuts to public sector spending.
4. Given the change in policy direction, the council faces a further period of austerity at a time when public services are already under significant pressure arising from the impact of the previous austerity period (2010-2020) together with the worsening economic outlook.
5. The updated assumptions are detailed in paragraph 36 of the report. The key assumptions being:
  - All government funding expected to increase by 2% to account for inflationary pressures with the exception of:
    - New homes bonus – expected reduction of circa £2m resulting from ending of current scheme
    - Market sustainability and fair cost of care fund – expected to increase

- with matching commitments
    - Public health grant expected to remain at current cash levels
    - 2022-23 services grant expected to remain at current levels with a reduction to offset the reversal to the 1.25% national insurance increase.
  - The fair funding review and business rate retention reset will be delayed again until at least 2024-25
  - Additional costs arising from pay and contract prices (3% and 6% respectively)
  - Additional costs arising from energy cost increases on council properties (100%)
  - Additional debt financing costs arising from additional capital projects (£3.4m)
  - Council tax will increase by the maximum amount allowed (1.99%)
  - An adult social care precept of 1%.
6. That the budget challenge process commenced in early October 2022 as planned and that an update on progress will be brought to cabinet in December 2022.
7. Continuing financial uncertainty as a result of a number of further factors:
- The reaction of the currency and bond markets to the mini budget and subsequent emergency actions taken by the Bank of England
  - Unknown impact of U- turn over abolition of 45% tax band
  - The government's medium-term fiscal plan due to be published on 31 October, giving further details of proposed debt repayments and a full forecast from the Office for Budget Responsibility (OBR)
  - Possible spending cuts to public services<sup>1</sup> of up to 15% as a means to reduce government borrowing in the medium term
  - Further announcements in October and November are expected on the supply-side growth measures, including changes to the planning system, business regulations, childcare, immigration and digital
  - Unlikely that the three-year spending review outline cash figures will be updated for the increased inflation forecasts
  - Limited information on the major changes to adult social care which are expected to carry a significant price-tag in 2023-24 and 2024-25
  - The business rate revaluation taking effect on 1 April 2023 and the potential impact on locally retained revenues
  - The 50% rate relief for retail, leisure and hospitality businesses, and the

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<sup>1</sup> Outlook for public finances' (IFS) 11 October 2022



energy bill relief scheme for businesses will end on 31 March 2023

- Rising inflation including exceptional increases in energy costs driving a cost of living crisis
- Rising interest rates increasing the cost of credit for residents and the cost to the council of financing its ambitious capital programme
- Economic and financial impacts to the council of exiting the European Union
- The current absence of any certainty of funding streams to support climate emergency plans.

8. That discussions with the Department for Education (DfE) for financial support for the historic dedicated schools budget (DSG) 'high needs' deficit of £21.7m are ongoing.
9. The strategic director of finance and governance, with the support of other strategic directors are preparing indicative savings options and commitments, initially for 2023-24. For the following 2 years, 2024-25 and 2025-26, a long-term strategy is going to be developed which will support the new council delivery plan.

#### **10. GATEWAY 1 CHILDREN'S RESIDENTIAL PROVISION - PROCUREMENT STRATEGY APPROVAL**

##### **RESOLVED:**

1. That the procurement strategy for the provision of children's residential care in Southwark as an in-house service, under the children and families division of the council from August 2024 be approved.
2. That the one off costs covering the whole mobilisation period necessary to operationalise the first children's home, estimated to be £436,331, which will be met from reserves earmarked for this purpose be noted.
3. That authority be delegated to the strategic director of children's and adults' services to approve operational and resourcing decisions for the establishment of the first children's home and subsequent homes in line with the outline proposals set out in the report.
4. That a further report on the implementation of a quality assurance framework for residential service delivery, to include specific reference to the quality of provision and safe and effective recruitment and retention arrangements be received by cabinet.

#### **11. PUPIL PLACE PLANNING REPORT FOR 2022**

##### **RESOLVED:**

1. That the updated forecasts of primary and secondary school places from 2022-2023 onwards set out in paragraphs 53 to 57 (primary), Appendix 2a, as well as paragraphs 58-61 (secondary) of the report be noted.
2. That the continuing over supply of primary and sufficiency of secondary places across the council area, and proposed actions to monitor supply and demand as set out in paragraphs 53-57, Appendix 2a (primary) and paragraphs 58 to 61 (secondary) be noted.
3. That the actions outlined in the report to match primary demand with capacity of places be noted.

## **12. THE HEALTH AND CARE BILL: IMPLICATIONS FOR SOUTHWARK COUNCIL**

### **RESOLVED:**

1. That the following be noted:
  - a) the creation of the South East London (SEL) integrated care system (ICS) which came in to operation 1 July 2022, the details of which are set out in the report
  - b) how the SEL ICS is intended to work with existing health bodies, including the health and wellbeing board
  - c) the interim arrangements which came into place from 1 July 2022 for an initial period of 12 months
  - d) the risks and opportunities associated with this transition, as set out in paragraph 25 of the report
  - e) the council's ambitions for future joint arrangements, as set out in a joint statement by the then SEL Integrated Care Board chief executive designate and chief executive of Southwark Council, see Appendix 1 of the report.
2. That having noted the council's ambitions for future joint arrangements, the establishment of a new position, which will be at minimum grade 17, to be jointly appointed to by the council and SEL Integrated Care Board be approved.

## **13. LOCAL DEVELOPMENT SCHEME 2022 - 2025**

### **RESOLVED:**

1. That it be agreed that the Local Development Scheme ("LDS") appended to the report as Appendix 1 and 2 of the report be brought into effect in October 2022.

2. That the Blackfriars Road Supplementary Planning Document (SPD) (2014) and the Elephant and Castle SPD (2012) be rescinded.

**14. GATEWAY 2 - CONTRACT AWARD APPROVAL - PARTNER & FINANCIAL PLAN FOR REDEVELOPMENT OF TUSTIN ESTATE**

**RESOLVED:**

1. That the award of the Tustin Estate Development Agreement contract (Phases 1-4) to BY Development Ltd (trading as Linkcity) in the estimated sum of £242,601,000 for a period of eight years, commencing on 1 November 2022 be approved.
2. That a further variation to the housing investment programme as set out in the closed report be approved.
3. That approval for phases 2-4 be delegated to the strategic director of housing and modernisation in consultation with the strategic director of finance and governance and it be noted that if phases 2-4 costs individually exceed the estimated costs by 20%, further approval will be required by cabinet.
4. That the grant of a building lease(s) and necessary building licences for the development and the grant of long leases and the taking of lease backs and option agreements as detailed in paragraph 29 of the report, and the entering into overage agreements, as referred to in paragraph 29 of the report which will be subject to a separate report, be delegated to the director of planning and growth in consultation with the head of property.

**15. CATOR STREET - APPROPRIATION FOR PLANNING PURPOSES**

**RESOLVED:**

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

## **16. RESPONSE TO THE HEALTH AND SOCIAL CARE SCRUTINY COMMISSION: DOMESTIC ABUSE IN FAMILIES**

### **RESOLVED:**

1. That the response to the domestic abuse in families scrutiny recommendations as set out in Table 1 of the report be noted.
2. That it be suggested that the commission invites the lead member back to the commission to discuss this report, as well as follow up on previous reviews, and specifically the review completed in June 2019 by the community safety scrutiny commission on violence against women and girls.

## **17. RESPONSE TO THE ENVIRONMENT SCRUTINY COMMISSION: ENERGY ENVIRONMENT**

### **RESOLVED:**

1. That the environment scrutiny commission's report 'environmental scrutiny commission: energy scrutiny review report' (March 2022) be welcomed and the responses set out to their recommendations in the report be agreed.
2. That officers be asked to amend the climate action plan at the next quarterly update, in November 2022, with minor changes to existing actions to reflect recommendations 3, 5, 9 and 15 of the report.
3. That the climate action plan be reviewed at the point of the next annual review, in July 2023, to incorporate new actions around recommendations 1, 2 and 21 as required.
4. That the request for funding to support additional roles, as detailed in recommendations 8, 13 and 22 of the report, relating to energy reduction and retrofit in schools and the expansion of community energy work be noted. It be agreed to explore every route to maximise resources to tackle the climate emergency, and to bring forward further commitments in the 2023-24 budget.

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

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

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

**18. GATEWAY 2 - CONTRACT AWARD APPROVAL - PARTNER & FINANCIAL PLAN FOR REDEVELOPMENT OF TUSTIN ESTATE**

The cabinet considered the closed information relating to this item. Please see item 14 for the decision.

The meeting ended at 12.55pm.

**CHAIR:**

**DATED:**

**DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 17 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 26 OCTOBER 2022.**

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

<b>Item No.</b> 8.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Petition: Layout of the redesigned Calton Avenue/Court Lane junction and access	
<b>Ward(s) or groups affected:</b>		Dulwich Village	
<b>From:</b>		Proper Constitutional Officer	

### RECOMMENDATION

1. That the cabinet consider a petition from local residents relating to access concerns with regard to the redesigned Calton Avenue/Court Lane junction.

### BACKGROUND INFORMATION

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

### KEY ISSUES FOR CONSIDERATION

4. A petition containing 500 signatures (579 as at 23 November 2002) has been received from local residents (392 paper copy and 187 online signatures).
5. The petition states:

“We the undersigned petition the council to honour its previous commitments and ensure that the layout of the redesigned Calton Avenue/Court Lane junction enables full access for emergency service vehicles, and also provides at a minimum such access to Blue Badge holders; SEND (special educational needs and disabilities) transport, including children living in Southwark travelling to a school outside the borough (and vice-versa); community first responders, NHS health workers and social care workers. We note that the equalities impact assessment prepared for Southwark Council and dated November 2021 assumed that much of this access would be given, in order to mitigate the impacts on protected groups. We also note that Southwark’s head of highways has confirmed that the junction redesign has the potential to allow such access.”

## **Community, equalities (including socio-economic) and health impacts**

### **Community impact statement**

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

### **Equalities (including socio-economic) impact statement**

7. Any relevant implications will be addressed in the comments from the strategic director of environment and leisure.

### **Health impact statement**

8. Any relevant implications will be addressed in the comments from the strategic director of environment and leisure.

### **Climate change implications**

9. Any relevant implications will be addressed in the comments from the strategic director of environment and leisure.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

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

10. The Court Lane/Calton Avenue and Calton Avenue/Dulwich Village junctions were closed to all motorised traffic as an experimental measure in June 2020. The closure was by physical barriers and was in response to the Covid pandemic and government guidance to promote active travel measures.
11. In February 2022, the closures were made permanent and controlled by camera enforcement. The associated traffic order allowed access for emergency use meaning that any emergency service vehicle would only access with blue lights and sirens in operation. This would ensure that any pedestrians or cyclists would be aware of the presence of a vehicle.
12. In summer 2022, we engaged with a cross section of the junction users to determine any issues or problems. Based on the results of the engagement (Phase 1), and vehicle and pedestrian movements, we prepared concept proposals for the junction, which included proposals for the closure to motor vehicles at the east end of Turney Road.
13. Consideration has been given to allowing non-emergency vehicles through the junction, such as blue badge holders, SEND related transport and taxis, similar to other streetspace camera controlled measures. However, the junction layout is significantly different to other junctions due to the traffic signal access requirement and the potential conflict with the high number of cycle and pedestrian movements.

14. We have been engaging with the community on the concept designs of the junctions. We are fully committed to fulfilling our public sector equalities duties. The engagement and re-design process is underpinned by the principles of an inclusive, accessible and safe design. The need for this approach is reinforced by the high number of vulnerable road users using the entire junction, not just Calton Avenue. Based on the June 2022 monitoring data around 6,500 – 7,000 pedestrians use this area per day, and on average over 1,700 cyclists using the junction per day.
15. We are committed to engaging with the community and with protected groups to ensure their feedback informs the development of the permanent design, where practical, and mitigate any negative impact. We extended our consultation to provide more time to listen to the community and ensure their feedback informs the scheme development. A full equalities impact assessment and needs review is being carried out throughout the design development, together with an independent safety audit of any design. A safety review of current operation of the junction will be arranged and this will also inform the decision making process for any access requirements.
16. In Phase 1 of the engagement process, we carried out a number of investigations to understand how the junctions currently perform against healthy street objectives, which assesses streets on their inclusive, accessible and safe design. This engagement process was designed to produce a representative sample of people who use the entire junction. The activities undertaken were:
  - Healthy streets design check
  - On-street healthy streets survey
  - Healthy streets survey with pupils
  - Pan-impairment accessibility audit
  - Cycling accessibility audit.
17. In Phase 2 of the recently completed engagement process, we sought the views of the community on the core objectives of the junction redesign and possible initial ideas that could be considered to ensure an inclusive, accessible and safe design for all. The survey included questions, which focussed on designing the space to benefit key protected characteristic groups. A number of meetings were held with residents and local schoolchildren to understand their concerns, which will then inform any changes to the design. A meeting was arranged with SEND parents and this will be an on-going process throughout the redesign process. We are also engaging with the emergency services. The Phase 2 engagement has just been completed and officers are reviewing feedback received.
18. In Phase 3 we will be engaging with the community on a revised proposal, informed by feedback received from the two engagement phases. We are currently considering how access for non-emergency vehicles (see paragraph 13) can be facilitated from Calton Avenue and Court Lane to Dulwich Village and any potential measures will form part of the Phase 3 proposals. As part of this process, there will be a special engagement workshop with all protected groups.



19. At the end of the above engagement process, a report will be tabled to the decision maker for approval, together with a final equalities impact assessment, safety review on the permanent layout of the composite junction and consideration of any access requirements for other groups.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet procedure rule 2.13 on petitions	160 Tooley Street, London SE1 2QH	Paula Thornton 020 7525 4395
<b>Link (copy and paste into browser):</b> <a href="https://www.southwark.gov.uk/executive-procedure-rules">Executive procedure rules (southwark.gov.uk)</a>		
<b>Link for petition on the council's web site:</b> <a href="#">ePetition - Dulwich Village junction - allow access for emergency services, blue badge holders, SEND transport and carers - Southwark Council</a>		

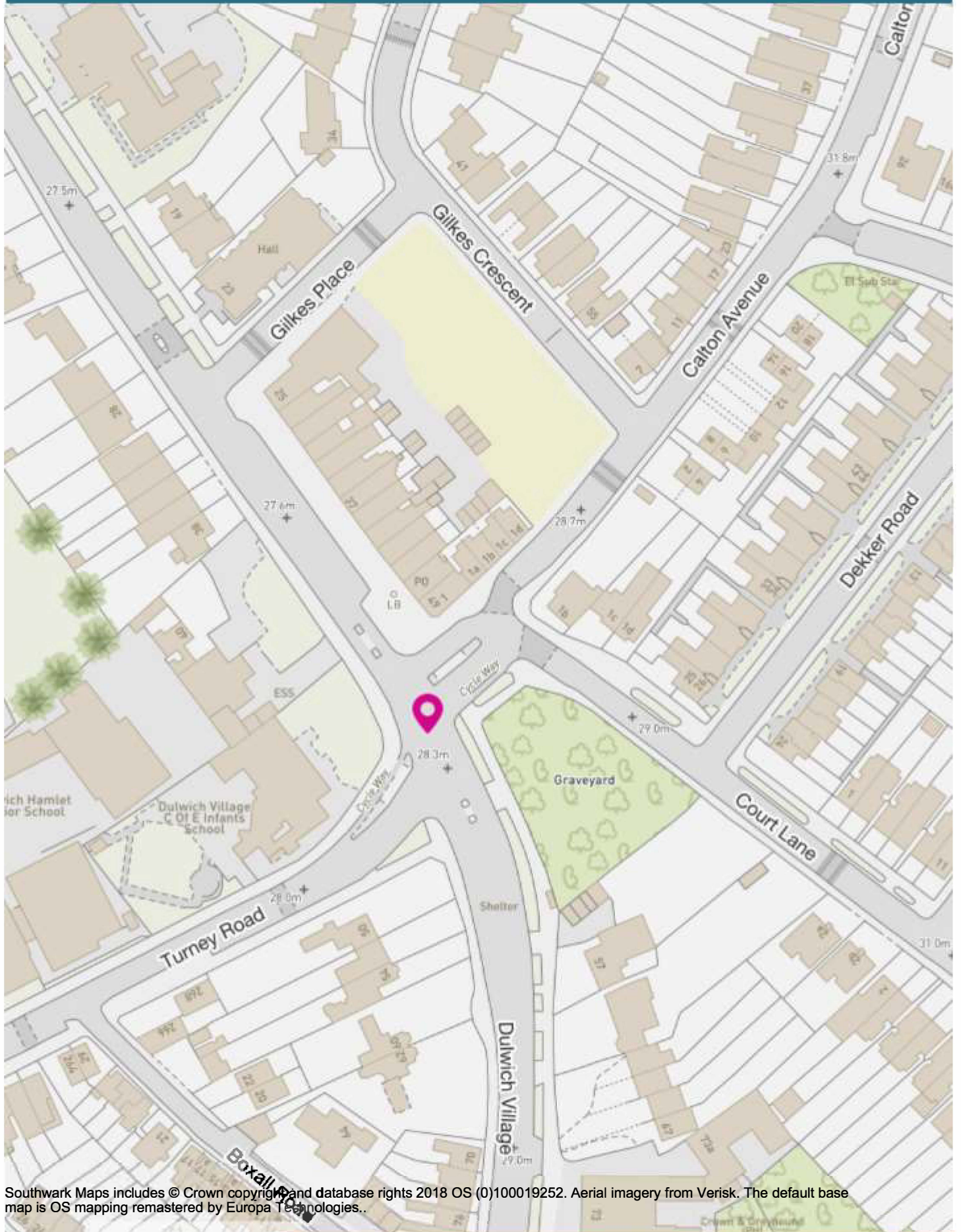
## APPENDICES

No.	Title
Appendix 1	Map

## AUDIT TRAIL

<b>Lead Officer</b>	Chidilim Agada, Head of Constitutional and Members Services	
<b>Report Author</b>	Paula Thornton, Constitutional Officer	
<b>Version</b>	Final	
<b>Dated</b>	23 November 2022	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments sought</b>	<b>Comments included</b>
Strategic Director of Environment and Leisure	Yes	Yes
Director of Law and Governance	No	No
Strategic Director of Finance and Governance	No	No
<b>Date final report sent to Constitutional Team</b>		23 November 2022

Calton Ave/Dulwich Village



Southwark Maps includes © Crown copyright and database rights 2018 OS (0)100019252. Aerial imagery from Verisk. The default base map is OS mapping remastered by Europa Technologies.

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Scale =

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22-Nov-2022

<b>Item No.</b> 9.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Southwark Standards Report 2021-22	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Jasmine Ali, Deputy Leader and Cabinet Member for Children, Young People, Education and Refugees	

## **FOREWORD - COUNCILLOR JASMINE ALI, DEPUTY LEADER AND CABINET MEMBER FOR CHILDREN, YOUNG PEOPLE, EDUCATION AND REFUGEES**

This annual school standards report marks an important part of the council's calendar. Each year the report has shown an improvement in school standards as we move at pace towards our goal of 100% outstanding schools in Southwark. At the time of writing we are at 98% Ofsted rated good and outstanding. I could not be more proud of this council's education team, our parents, the fantastic teachers and school staff in this borough, and our exceptional children and young people for making this happen.

Disruption to learning as a result of the Covid19 pandemic has meant that many of our children suffered disruption to their place and quality of learning. This has had a detrimental impact on our youngest pupils and our most disadvantaged pupils who have felt the greatest impact.

However, it is now clear that this is improving as Southwark's pupils performed strongly in their most recent assessments, in many cases better than pupils across the rest of London and always better than pupil performance nationally.

The report shows improvements in *early years*, *phonics* and right across all the *Key Stages of education indicators*. With pupils with special educational needs and or disabilities performing better than their London counterparts and nationally.

Children in our care show improvements in GCSE results with more pupils doing well at A Levels and more of our care experienced young people going to university.

A fuller account of the highlights can be found in my foreword in the attached report and of course in the reports contents.

I ask cabinet to read the report, recognise and champion the successful outcomes and join me in thanking all those involved in making education such a success in Southwark.

I also ask cabinet to acknowledge the challenges and

- Maintain our commitment for 100% of good or outstanding schools for all and at the same time to redouble our efforts to work closely with schools to close the attainment gap between children from disadvantaged backgrounds and their better-off counterparts.
- Work closely with schools to make sure that all Southwark children impacted by the pandemic are supported to catch up on missed education
- Ensure provision for our children and young people with special educational needs and or disabilities is appropriate, good value for money and wherever possible, is delivered here in Southwark.
- To support the effective and sensitive management of surplus capacity in schools as a result of falling school rolls.

### **RECOMMENDATION**

1. That the Cabinet note the Southwark Standards Report 2021-22 as set out in Appendix 1 of the report.

### **BACKGROUND INFORMATION**

2. The Southwark Standards Report is an annual report on the attainment of pupils in Southwark from the previous year.
3. It reports performance in examinations or formal assessment, where they have taken place and/ or the information is publicly available.
4. It also provides information about the context schools were operating in that year.

### **KEY ISSUES FOR CONSIDERATION**

5. 2021-22 was the first undisrupted academic year in schools since the pandemic began.
6. It was also the first year since 2018-19 that formal examinations and assessments were held, and so comparisons and trends are not consistently available.
7. Given the disruption of the previous three years, performance across all phases has very pleasing. Outcomes at every stage are once again consistently above the national average and in many areas above the London average.

8. The data contained within this report is provisional – we expect to see validated data in early 2023.
9. At the end of the academic year, 2021-22, 97% of Southwark’s schools were rated Good or Outstanding by Ofsted, which is an exceptional result and performance we can be very proud of.

### **Policy framework implications**

10. This report has been produced in the context of Southwark’s Council plan and borough plan (see background documents below) and supports the council’s aspirations to give its children and young people a great start in life.

### **Community, equalities (including socio-economic) and health impacts**

#### **Community impact statement**

11. There are no community impacts anticipated from this report.

#### **Equalities (including socio-economic) impact statement**

12. We have anecdotal information that younger children and children from disadvantaged socio-economic backgrounds have been disproportionately affected by the disruptions to their schooling in the last three years. We have targeted many support interventions towards these groups of pupils accordingly.

#### **Health impact statement**

13. We do not anticipate any impact on physical or mental health from the production of this report.

#### **Climate change implications**

14. There should be no additional adverse effects on climate change due to this report.

#### **Resource implications**

15. There are no additional resource implications attached to this report, as it is a retrospective report on performance in our schools.

## **Consultation**

16. This report contains information provided by the different relevant officers leading on performance across the different phases of schooling and education in Southwark.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Governance**

17. The purpose of this report is to provide an update to the cabinet on Southwark school standards in 2021/22.
18. The council is tasked with carrying out local authority functions in relation to education in Southwark.
19. The council accordingly has a number of general duties in relation to the provision of education, including a duty to contribute towards the spiritual, moral, mental and physical development of the community by securing that efficient primary, secondary and further education is available to meet the needs of the population of the area. Cabinet will note that the council itself maintains a significant number of the schools discussed in the report; however, the council's ability to develop new school proposals is now significantly restricted, and legislation enables existing maintained schools to convert to academy status which are outside of the council's ownership and control.
20. In respect of young people aged under 20 (or over 20 if the council maintains an Education, Health and Care Plan for them), the council must make available support that will encourage, enable or assist them to participate in education or training.
21. Furthermore, in respect of the well-being of children, the council is under a duty to make arrangements to promote cooperation between the council and relevant statutory partners to improve the well-being of children in the council's area. "Well-being" in this context includes their education and training.
22. Besides these more general duties, the council has a number of more specific functions in relation to education. Of particular relevance to the subject matter of the report are: the duty to exercise council functions with a view to promoting the effective participation by young people aged 16 and 17 year olds in education or training; a duty to maintain a tracking system to identify any 16 and 17 year olds who are not participating in education and training; and a duty to promote the educational achievement of children looked after by the council;.
23. As such, the preparation of a school standards report is something that is incidental to the council's functions in these areas in enabling the cabinet to see the extent to which aspects of these duties are being met. The



various duties described relate to the council's executive functions and whilst provision of this report is not identified in the constitution as specifically delegated to the cabinet, it assists in the cabinet's overall general responsibility of oversight of the authority's services in accordance with Part 3B of the constitution.

24. When making its decision, section 149 Equality Act 2010 requires that the cabinet has due regard to the need of the council to eliminate discrimination and other prohibited conduct and advance equality of opportunity and foster good relations between people who share a relevant protected characteristic and those who do not. Information about the consideration given to equalities issues is set out in the Community Impact Statement.

#### **Strategic Director of Finance and Governance REF: [CAS22/17]**

25. The strategic director of finance and governance notes the recommendations of this report, which sets out information on school standards.
26. As noted in the report the challenge for the future is to ensure high quality education by ensuring that schools are full, well-funded and able to provide the specialist support that they need. In order to achieve this is especially important that schools have sufficient pupil numbers on roll as key driver for their funding. Therefore, the efficient management of the surplus capacity within Southwark's school system is crucial to achieve this goal.

#### **Other officers**

27. Not applicable.

#### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
25 November, 2020, Council Assembly: Refresh of the Council Plan 2018-2022.  Item 6.1  And Appendix 1, Agenda Item 9.	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nikki Tilson 0790 825 6018
<b>Link (please copy and paste into browser):</b> <a href="https://moderngov.southwark.gov.uk/documents/s92005/Report Council Plan.pdf">https://moderngov.southwark.gov.uk/documents/s92005/Report Council Plan.pdf</a>		
<b>Link (please copy and paste into browser):</b> <a href="https://moderngov.southwark.gov.uk/documents/b50012014/Council Plan">https://moderngov.southwark.gov.uk/documents/b50012014/Council Plan</a>		

Background Papers	Held At	Contact
<a href="#">2018-2022 Appendix updated Tuesday 08-Sep-2020 16.00 Cabinet.pdf?T=9</a>		
The Borough Plan	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nikki Tilson 0790 825 6018
<b>Link (please copy and paste into browser):</b> <a href="https://moderngov.southwark.gov.uk/documents/s92006/Appendix A Southwarks Borough Plan 2020.pdf">https://moderngov.southwark.gov.uk/documents/s92006/Appendix A Southwarks Borough Plan 2020.pdf</a>		
Equalities Act 2010	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nikki Tilson 0790 825 6018
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/2010/15/contents">https://www.legislation.gov.uk/ukpga/2010/15/contents</a>		

## APPENDICES

No.	Title
Appendix 1	The Southwark Standards Report



## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Jasmine Ali, Deputy Leader and Cabinet Member for Children, Young People, Education and Refugees	
<b>Lead Officer</b>	David Quirke-Thornton, Strategic Director of Children's and Adults' Services	
<b>Report Author</b>	Nikki Tilson, Principal Advisor, Education	
<b>Version</b>	Final	
<b>Dated</b>	24 November 2022	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		24 November 2022

<b>Item No.</b> 10.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Place planning Across Southwark's Primary Schools: A strategy for future-proofing quality and supply	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Jasmine Ali, Deputy Leader and Children, Young People, Education and Refugees	

### **FOREWORD – COUNCILLOR JASMINE ALI, DEPUTY LEADER AND CABINET MEMBER FOR CHILDREN, YOUNG PEOPLE, EDUCATION AND REFUGEES**

Ten years ago the demand for school places outstripped supply. At that time the council embarked on an ambitious programme of school refurbishment and building in order to provide enough school places for our children and young people. Today we are dealing with just the opposite, where supply exceeds demand for school places.

At the same time Southwark school standards have never been better. At the time of writing this foreword our schools are rated as 98% Ofsted good or outstanding. It is the principle of this Council to protect a high quality of education.

The attached strategy offers an explanation for the phenomenon of falling school rolls, provides an assessment of the financial risk outlines an approach to deal with this, based upon a series of options to be taken by the council and local schools.

The strategy has been drawn up by a cross council team involving education, regeneration and finance in close collaboration in close consultation with head teachers, school governors and councillors. It reflects a great deal of hard work of everyone involved in order to keep education strong and mitigate the negative impact of falling school rolls on education in Southwark.

I ask the Cabinet to note the contents of this strategy. The next phase of this work will be outlined in a plan that I will bring to Cabinet in the New Year.

The contents of the strategy are as follows:

#### **The current situation**

- 72 state funded primary schools with reception classes
- 924 surplus places in Reception
- 5,855 surplus places across the primary school system

- 22% vacancy rate in September 2022

### **Reasons for decline in numbers**

- Falling birth rate – 30% decrease in births since 2012 in Southwark
- Demography – Census 2021 data: 0-4 year olds reduced by 21% in 10 years
- Migration/Brexit – net migration from EU countries is now in decline
- Housing crisis – Southwark house prices up 32% since 2016, while average rents are as high as £3,100 for a 2-bed property
- Benefit changes – Universal Credit, Local Housing allowance and bedroom tax may have forced families out of inner London

### **Financial impact**

- 420 reception places (14 classes) have been removed since 2017
- Reductions in supply have not kept pace with falling demand
- Vacant school places are not funded
- Expenditure could exceed income by over £5m in financial year 2023-24
- A £10m in-year deficit would accrue over the next two financial years if we take no action

### **Going forward**

- Meeting DfE recommended numbers would mean removing between 575 to 750 school Reception places (19 to 25 forms of entry (FE))
- Factors which will be considered for removing capacity from schools will be:
  - Falling number on roll (past numbers of pupils and projections)
  - Financial sustainability
  - Quality of education (for example, Ofsted rating)
  - Quality of estate and buildings (compliance issues, health of buildings, etc.)
  - Local issues (e.g. availability of other similar designations of schools in the local area.)
  - The impact on the number and denomination of places at faith schools, and the balance of places between secular and faith schools
  - Staffing and capacity
  - Equality, health & climate impact implications
- Options for approaches to removing capacity will include:
  - Capping reception intake (although this is a short term fix)
  - Formal reduction of Reception Published Admission Number (PAN)
  - Amalgamation of schools
  - Closure
- Draft timeline includes: Cabinet agreement of strategy (December 2022), Schools informed of recommendations (March 2023), Informal consultation (June/July 2023), Statutory consultation (September 2023), Final Cabinet decision (July 2024).

## **RECOMMENDATION**

1. That the Cabinet agree the strategy and approach for future-proofing the quality of education and supply of school places, attached as Appendix 1 of the report.

## **BACKGROUND INFORMATION**

2. Ten years ago the demand for school places outstripped supply. Today we are dealing with just the opposite, where supply exceeds demand for school places.
3. Local authorities have a legal duty to provide sufficient school places, in the right location, for the population. Between 2010 and 2016, as demand and projected demand across London increased rapidly, many London local authorities including Southwark, needed to add primary school places.
4. Since 2016, we have seen a steady decline in demand for primary school places in most parts of London and across Southwark and its neighbours.
5. The number of school places required fluctuates over time as a result of local and national changes, for example, in birth rates, migration, housing policy and regeneration.
6. Today across Southwark there are 72 state funded primary schools with reception classes. We have 924 surplus places in Reception and a total of 5,850 surplus places across the primary school system. This has put pressure on individual school finances as schools are funded for each pupil on roll.
7. For the 57 local authority maintained primary schools (i.e. Community Schools and VA schools) this represents a risk to maintaining a good quality of education, increases the challenge to attract or maintain staff and poses a financial risk to the council.
8. In recent years we have taken steps to reduce surplus capacity such as reducing schools pupil admission numbers (PANs), federating schools and supporting schools to make alternative use of school space. However, strategies to remove surplus capacity have not kept pace with the rate of reducing number of children across our schools. A borough-wide approach that removes the majority of these surplus places over the next three years, will now be required to adequately address the scale of capacity.

## **KEY ISSUES FOR CONSIDERATION**

9. This strategy seeks to enable the council to work closely with schools to manage places in primary schools while we attempt to weather the current demographic storm brought about by a national and local fall in birth

rates, the movement of families from the UK, following first the uncertainties, and later, the reality of Brexit, and finally, the movement of families from London to other parts of the country following the pandemic, and more recently, the cost of living crisis.

10. A member officer group was established and an internal Place Planning Officers Group was established in April 2021 to inform further approaches to managing the surplus capacity created through falling rolls. This was followed by regular and continuing meetings with school leaders including governors. Ward councillors were also offered webinars. A Head Teachers School Strategy Board was set up in January 2022 to further understand and develop solutions to the challenge of falling rolls in schools.
11. In addition to developing the strategy with the members of the groups above, the challenge and proposed approach has been shared for discussion as it has developed, with: Chairs of Governors (at the Southwark Governors' Association); School Business Managers; wider groups of head teachers (at the Head Teachers Breakfast Briefings); the DfE (via the Regional Schools Director); School Trades Unions; CEOs of Multi Academy Trusts; Diocesan Boards; councilors; colleagues in neighbouring boroughs and via the London Councils group.
12. The implementation of the strategy will be overseen by a Places Planning Board and a Delivery Group, who will provide resourcing where appropriate, and will provide updates to the council on progress.
13. The strategy and approach, attached as appendix 1, has been developed in consultation with:
  - i) the Head Teachers School Strategy Board: a consultative and advisory body of representative head teachers from maintained primary schools in each of the five planning areas in Southwark;
  - ii) The Place Planning Officers Group: a group of senior officers from departments across the council, including: Planning and Regeneration, Finance, Law, Schools HR, Governor Services, Place Planning and Education Access, Learning and Achievement, SEND, Estates, Communications, and others as appropriate;
  - iii) Southwark councilors.
14. The education team is committed to working with individual schools to assess the feasibility of keeping a school open where there are falling numbers of pupils. This will involve practical support for the schools, including the assessment and advice of school financial plans and risk assessments.
15. This strategy proposes to make changes in one phase to minimise disruption and distress to children and families, communities and staff so

that if a school move is required, it is only required once. This will help to promote stability and help families plan for and identify an alternative school for their child and school based staff to seek re-deployment opportunities.

16. Working closely with school leaders, and receiving independent oversight, the strategy and its implementation approach aims to provide a fair and transparent process that anticipates and mitigates any potential disproportional impact on communities
17. Each school directly affected will be supported by a transition team, comprising expertise from HR, Finance, Law, SEND, Learning and Achievement and Governor Services, among others. These teams will support the school to transition to their new state, whether that be amalgamation or closure.
18. This strategy and proposed approach to implementing it is ambitious, and will require the support and combined work of many stakeholders across the council and in, and around, our schools and their communities.
19. Advice and support in writing the strategy was provided by an external consultant, and any process going forward will have independent oversight.

### **Policy framework implications**

21. This report has been produced in the context of Southwark's Council plan and borough plan (please see background documents listed below) and the strategy to future-proof the quality and supply of education across the borough supports the council's aspirations to give its children and young people the best start in life.

### **Community, equalities (including socio-economic) and health impacts**

#### **Community impact statement**

22. To have to develop and implement a strategy like this is not an easy decision, nor one the council takes lightly. However, it is necessary to take decisive, timely, and significant action in order to protect the high quality education of the children that attend our schools.
23. This strategy will have an impact on our communities across Southwark. Some schools will close, and this will have an effect on the children who attend them as they move to attend other schools, as well as on those schools that remain open.
24. We know that changing schools can be disruptive for children and families and we will prioritise working closely with our schools and the families affected to support as smooth a transition for children and staff as possible.

25. We cannot control parents' right to choose where their children go to school, and the impact of parental choice does have an effect on communities. However, we are confident that our schools provide an excellent education for all children, and that acting now, in a way that is significant, will provide overall long-term stability for our schools and families.

### **Equalities (including socio-economic) impact statement**

26. Although we have completed an Equality Impact Needs Analysis (EINA) for the strategy, we are aware that in taking any action, we will need to further review impact. Each proposal for affected schools, once identified, will be impact assessed prior to any decision to proceed to consult on possible amalgamation or closure and will feed into the overall EINA, so impact can be tracked and mitigated at a macro and micro level.
27. We are proud of being a diverse borough that provides an excellent standard (97% Good or Outstanding- Ofsted) of education to all of our children. We believe that diversity in schools brings opportunity and we want to ensure that we consider and, wherever possible, maintain this in any changes we make to the school estate.

### **Health impact statement**

28. We do not anticipate any impact on physical health.
29. In our development of the strategy, we considered that there may be some adverse impact on the mental health of children and families, school and council staff created or exacerbated by the strategy itself and/ or of the approach to implementing it that we have proposed. We considered alternatives to both with this in mind, and have not found an approach that would avoid this completely.
30. We propose to mitigate the mental health impact in the following ways:
- i. Involve schools and other key stakeholders as early as possible in the process, including at development stage where possible, to engage them in understanding the challenge and use their expertise and insight to design the solutions;
  - ii. Communicate effectively and with simple, clear messaging, to ensure those affected understand the plan, what will happen next and how it will affect them, and how to raise objections to or questions about it;
  - iii. Provide a transition team around each affected school that supports them and their children and families through the process, both from a practical and pastoral perspective.

### **Climate change implications**

31. A reduced number of schools and classes could have a positive effect on the climate, as fewer buildings will be heated/cooled. Even if children have to travel a little further to alternative schools, we still do not expect any Southwark child to have to travel more than two miles to attend their primary school. Wherever possible, we encourage children to travel to school on foot, by bicycle, or on public transport.
32. There should therefore be no additional adverse effects on climate change due to this strategy.

### **Resource implications**

33. There are resource implications attached to this strategy, whether it is implemented or not, and some of these can be seen in appendix 3 (finance). It is clear that the implications of doing nothing will be considerably higher than acting now.
34. If the strategy is approved, a more detailed implementation plan will be finalised and show financial resourcing requirements.

### **Consultation**

35. This strategy has been developed in consultation with Southwark's primary head teachers and key officers from the council as detailed above. Advice, feedback and comments on the strategy and the proposed approach for implementing it have been provided by additional stakeholders, including Chairs of Governors, School Business Managers and Trades Unions.
36. We have shared draft versions of the strategy and approach and have received feedback via email, questionnaire and verbally. The feedback has been incorporated to emphasise the London wide nature of the challenge, make more explicit the full range of reasons for decline in pupil numbers, to be clear about the range of schools in scope and how we communicate the issues to the parent and wider community.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Governance**

37. The council has duties under the Education Act 1996 to secure that there are sufficient schools for providing primary and secondary education for their area. These schools need to be sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education. Appropriate education means education that offers such variety of instruction and training as may be desirable in view of the pupils' different ages abilities and aptitudes and the different periods for which they may be expected to remain at school including practical instruction and training appropriate to their different needs. In exercising these functions the Act requires councils



to have particular regard to the need for securing that primary and secondary education are provided in separate schools and the need for securing that special educational provision is made for pupils who have special educational needs. In practice, discharging these duties requires the council to actively monitor demand for school places, and plan to match supply to demand.

38. The report sets out a strategy to make changes to primary school provision in the light of the current over capacity. The production of this strategy is an executive decision of the Council that is undertaken by the Cabinet in accordance with its roles and functions set out in Part 3B of the Council's constitution.
39. Statutory processes apply to any proposal to alter a maintained school. Any such specific proposals will be subject to statutory consultation and publication under the Education and Inspections Act 2006, and in accordance with regulations and guidance issued under that Act.
40. The report refers to consultations that have already been undertaken in producing the strategy and confirms that comments have been taken on board in producing the proposed version of the strategy. Any statutory consultation on specific school alteration proposals will need to be taken account of prior to any decision to publish those proposals.
41. The report indicates that the Cabinet will make a further decision next year on any schools that will be the subject of statutory consultation with a view to alteration. Any decisions to close a school will ultimately need to be made by the Cabinet.
42. Cabinet is reminded that the public sector equality duty under section 149 Equality Act 2010, applies to the exercise of these functions. This requires that due regard be given to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between people with protected characteristics and those with none. Cabinet should take account of the Equality Impact Needs Analysis included as an Appendix to the strategy and give this due regard in considering this report. Any proposals to alter a maintained school will be subject to a full equality impact assessment which will be submitted for consideration by the Cabinet when taking any decision to carry out statutory consultation.

**Strategic Director of Finance and Governance REF: [CAS22/10]**

43. The Strategic Director of Finance and Governance notes the recommendations in this report to agree the strategy and approach for future-proofing the quality and supply of school places. Noting the rapidly declining financial situation across a range of schools it is important that the proposed approach is implemented robustly and that the schools estate is rightsized as swiftly as possible, both to ensure the sustainability of the schools and to protect the financial stability of the council. The Strategic Director of Finance and Governance also notes the financial implications of

the strategy as described in appendix 3a and 3b and the importance of ensuring that the supply of school places matches demand.

44. Schools governing bodies have a responsibility to manage their delegated budgets in accordance with the Southwark Scheme for Financing Schools, which in turn is based on national regulations. The scheme was last updated with effect from April 2021. Therefore, any revenue consequences flowing from the changes contained within the report to individual schools delegated budgets will need to be managed closely and carefully by schools having due regard to the provisions set out in that document and any existing financial arrangements agreed with the Local Authority set out in the scheme.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
19 October, 2021, Cabinet: Pupil Place Planning Report for 2021.  Item 15.	Children's and Adults' Services, 4 <sup>th</sup> Floor, Education Directorate, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5234
<a href="https://moderngov.southwark.gov.uk/documents/s102233/Report%20and%20appendices%20Pupil%20place%20planning%202021.pdf">https://moderngov.southwark.gov.uk/documents/s102233/Report and appendices Pupil place planning 2021.pdf</a>		
20 October, 2020, Cabinet: Pupil Place Planning Report for 2020.  Item 19.	Children's and Adults' Services, 4 <sup>th</sup> Floor, Education Directorate, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5234
<a href="https://moderngov.southwark.gov.uk/documents/s91339/Report%20Pupil%20place%20planning%20report.pdf">https://moderngov.southwark.gov.uk/documents/s91339/Report Pupil place planning report.pdf</a>		
29 October, 2019, Cabinet: Pupil Place Planning.  Item 15.	Children's and Adults' Services, 4 <sup>th</sup> Floor, Education Directorate, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5234
<a href="https://moderngov.southwark.gov.uk/documents/s85384/Report%20Pupil%20Planning%20Places.pdf">https://moderngov.southwark.gov.uk/documents/s85384/Report Pupil Planning Places.pdf</a>		
30 October, 2018, Cabinet: Pupil Place Planning  Item 9.	Children's and Adults' Services, 4 <sup>th</sup> Floor, Education Directorate, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5234
<a href="https://moderngov.southwark.gov.uk/documents/s78194/Report%20Pupil%20Place%20Planning.pdf">https://moderngov.southwark.gov.uk/documents/s78194/Report Pupil Place Planning.pdf</a>		
31 October, 2017, Cabinet: 2017 Primary and Secondary School Place Planning Strategy Update	Children's and Adults' Services, 4 <sup>th</sup> Floor, Education Directorate, 160 Tooley Street, London, SE1	Ric Euteneuer 020 7525 5234

Background Papers	Held At	Contact
Item 8.	2QH	
<a href="https://moderngov.southwark.gov.uk/documents/s78194/Report Pupil Place Planning.pdf">https://moderngov.southwark.gov.uk/documents/s78194/Report Pupil Place Planning.pdf</a>		
25 November, 2020, Council Assembly: Refresh of the Council Plan 2018-2022.  Item 6.1 And Appendix 1, Agenda Item 9.	Children's and Adults' Services, 4 <sup>th</sup> Floor, Education Directorate, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5234
<a href="https://moderngov.southwark.gov.uk/documents/s92005/Report Council Plan.pdf">https://moderngov.southwark.gov.uk/documents/s92005/Report Council Plan.pdf</a>		
<a href="https://moderngov.southwark.gov.uk/documents/b50012014/Council Plan 2018-2022 Appendix updated Tuesday 08-Sep-2020 16.00 Cabinet.pdf?T=9">https://moderngov.southwark.gov.uk/documents/b50012014/Council Plan 2018-2022 Appendix updated Tuesday 08-Sep-2020 16.00 Cabinet.pdf?T=9</a>		
The Borough Plan	Children's and Adults' Services, 4 <sup>th</sup> Floor, Education Directorate, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5234
<a href="https://moderngov.southwark.gov.uk/documents/s92006/Appendix A Southwarks Borough Plan 2020.pdf">https://moderngov.southwark.gov.uk/documents/s92006/Appendix A Southwarks Borough Plan 2020.pdf</a>		
London Councils "Do the Maths 2020"	Children's and Adults' Services, 4 <sup>th</sup> Floor, Education Directorate, 160 Tooley Street, London, SE1 2QH	Ric Euteneuer 020 7525 5234
<a href="https://www.londoncouncils.gov.uk/our-key-themes/children-and-young-people/education-and-school-places/do-maths-2020">https://www.londoncouncils.gov.uk/our-key-themes/children-and-young-people/education-and-school-places/do-maths-2020</a>		

## APPENDICES

No.	Title
Appendix 1	Place planning across Southwark's Primary Schools: A strategy for future- proofing quality and supply

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Jasmine Ali, Deputy Leader and Cabinet Member for Children, Young People, Education and Refugees	
<b>Lead Officer</b>	David Quirke-Thornton, Strategic Director of Children's and Adults' Services	
<b>Report Author</b>	Poppy Charlton, Service Development Manager	
<b>Version</b>	Final	
<b>Dated</b>	24 November 2022	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
List other officers here	N/A	N/A
<b>Cabinet Member</b>	Yes	No
<b>Date final report sent to Constitutional Team</b>		24 November 2022

<b>Item No.</b> 11.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Closure of St Francesca Cabrini Primary School	
<b>Ward(s) or groups affected:</b>		Peckham Rye	
<b>Cabinet Member:</b>		Councillor Jasmine Ali, Deputy Leader and Cabinet Member for Children, Young People, Education and Refugees	

## **FOREWORD - COUNCILLOR JASMINE ALI, DEPUTY LEADER AND CABINET MEMBER FOR CHILDREN, YOUNG PEOPLE, EDUCATION AND REFUGEES**

Schools are the heart of our communities in Southwark, so it is with great sadness that I ask Cabinet to approve the attached proposal to close St Francesca Cabrini.

St. Francesca Cabrini RC Primary School is a Roman Catholic voluntary aided, one-form entry, co-educational primary school (with nursery provision), located in Honor Oak in the London Borough of Southwark. It was founded by its trustees, The Missionary Sisters of the Sacred Heart of Jesus. The school is situated in the council's school place planning area 3 *Peckham and Nunhead*.

The trustees informed the governing body in December 2021 that they were withdrawing their operations in the UK to focus on their educational work in parts of East Africa. The trustees own the land and buildings and the school is sited within, a unique arrangement in Southwark.

The school has a net capacity of 420 pupils. However, the school's roll has been falling for some time, and has reduced every year since 2016 from around 350 pupils to 86 pupils in September 2022. This is a reduction of close to 75% over six years. For a variety of reasons, including Brexit, welfare reforms, and redevelopment, school rolls have fallen sharply in the locality over the last five years, and vacancies in the planning area stand at around 1,500 (29%) - the equivalent of three and a half, two-form entry primary schools.

The fall in rolls and other factors at the school have led to a steep drop in income, as the school's income is determined by the number of children enrolled. For 2022- 23, there is a shortfall in public funding of around £190K rising to £600+K in 2023- 24. The trustees have agreed to help underwrite the operational costs of the school until September 2023.

Without school's trustees and in the absence of an increasing , the governing body, with agreement from the Archdiocese of Southwark and Southwark Council, has determined that St Francesca RC Primary School is no longer financially sustainable.

There are 16 primary schools within 1.0 miles of St Francesca Cabrini (three are London Borough of Southwark schools, the other 13 are Lewisham schools. Historically, around 10% of pupils attending St Francesca Cabrini have come from Lewisham. Of the 16, two are Roman Catholic schools, one in LBS and one in LBL). In place planning terms, there is sufficient capacity within 1.0 miles of the school to absorb all displaced pupils. LA officers will ensure that every child on the school's roll has an alternative school place for September 2023.

The Governing body carried out a consultation following the statutory procedures on school closures between September and October 2022, no substantive objections were received from the very wide range of stakeholders (Primary schools, Head and Chairs of Governors, surrounding councils, trade unions, and the diocesan boards).

Councillors rightly expressed their concerns, and we met with them to discuss these. They were worried about the closure of the school, precisely because the school has been at the heart of the community for many years. The councillors made suggestions for the council to keep the building for education purposes. This was explored by the education team, although it is not straightforward as the school building doesn't belong to the council.

The Governing body took the decision to proceed with the formal proposal to close St Francesca RC Primary School at an Extraordinary meeting of governors on the 7 July 2022 after consideration of feedback from the statutory consultation.

Statutory notices were posted on September 22nd 2022 and closed on the 20 October 2022. No responses were received by the school, governing body or LA.

Though the school governing body and/or the local authority can propose closure, DfE guidance states that the decision to close must be made by the local authority.

The council's constitution states that the decision maker in this case would be the council's cabinet. The decision need to be taken through normal procedures for cabinet, and has been scheduled for the 6 December 2022 meeting.

The sheer volume of work to roll back an educational establishment is immense. Not least for the emotional turmoil that it has had on all involved. I would like to thank Head Teacher Mrs Maria Lawton-Quin and Anna Strappelli Chair of Governors for all that they are doing to support staff, families and

pupils. The consultation prompted many families to move to alternative schools already. So the school has been managing with a greatly reduced number of pupils. Credit to Maria and her team that the remaining children are receiving a high standard of education until they too are found alternative schools.

St Francesca Cabrini RC Primary School has been an integral part of life for so many local people including many local councillors in Southwark for so many generations and will be missed by us all. The fantastic head teacher, her team and this truly magical building will be sorely missed.

This is a difficult time for all our schools and the council is committed to supporting them to navigate their way through this difficult time until the demand for school places increase again.

**The council will do all we can to support** everyone at St Francesca Cabrini, the school staff, governors and pupils and their families through the next stages.

## **RECOMMENDATIONS**

1. That the cabinet approve the governing body's recommendation for the closure of St Francesca Cabrini Roman Catholic Primary School from 1 September 2023.
2. That the cabinet consider and note all the Appendices of the report in making their decision to approve the governing body's recommendation for the closure of St Francesca Cabrini Roman Catholic Primary School from 1 September 2023.

## **BACKGROUND INFORMATION**

3. St Francesca Cabrini RC Primary School, is a Roman Catholic voluntary aided, one-form entry, co-educational primary school (with nursery provision), located in Honor Oak in the London Borough of Southwark and was founded by the Missionary Sisters of the Sacred Heart of Jesus who are the Trustees.
4. The Pupil Admission Number (PAN) for each year group is 30 with a nursery class of 26. The school is part of the educational provision of the Archdiocese of Southwark and the London Borough of Southwark. The school is situated in Forest Hill Road, Honor Oak, London SE23 3LE.
5. In the autumn term 2021, the school's governing body was informed that the Trustees' had made the decision to withdraw its operation from the UK in August 2023, and focus its resource and mission in parts of East Africa where education is not widely accessible.
6. After significant consideration, the governing body of St Francesca Cabrini Roman Catholic Primary School took the view at its meeting of 2 March 2022 that the school could not sustain its provision without the aid

of the Trustees and was no longer financially sustainable. Therefore, a good quality of education could not be guaranteed into the future. Several reasons contributing to this position were stated which include those set out below:

- i. The pupil roll has fallen sharply and consistently over the past five years resulting in reduced (pupil led) funding: falling birth and baptismal rates indicate that the roll is highly unlikely to recover at least until 2031 based on GLA projections.
  - ii. This reduced funding over the past five years has created significant strains on the school's budget forcing the school to spend all its reserves and rely on additional subsidies from the Trustees to manage in year, essential expenditure. From April 2023 – August 31 2023, the school will require and receive further financial support from the Trustees to manage the school's running costs, as DfE funding will be insufficient.
  - iii. The combined circumstances outlined above means that the school will rapidly incur further debt if it remains open, and not be able to balance its budget in year, or reverse the growing debt without significant, additional funding.
  - iv. The school would be hampered in its capacity to deliver the broad and balanced curriculum and good standard of education.
7. In recent years, the school has found it difficult to fill the 30 places it is able to admit each year. As at the 8 September 2022 there were 82 compulsory age pupils on roll and 8.6 Full Time Equivalent non-compulsory age. Five years ago, the school would expect 420 compulsory age pupils to attend. There are no boarding pupils on roll. Of this roll, 2 children have an Education Health Care Plan (EHCP) and a further 19 have support for a special educational need but do not have an EHCP.
  8. School funding is dependent on pupil numbers. Vacant school places create an immediate cost for schools through reduced budgets, which in turn can affect the overall sustainability and quality of education standards at the school. The local authority confirmed at the beginning of this year that the school received another low number of applicants for September 2022.
  9. On 19 April 2022, national offer day, 17 children were offered places and this has now reduced to 7 children taking up a place. This puts additional pressure on the lack of numbers as 34 children left Year 6 in July 2022.
  10. Following its decision, the governing body held informal, information sessions on May 16 and 17 2022, with parents and carers of children at the school, staff and key stakeholders to explain the situation that the school was in and, that a formal process to consult on proposal for closure was to begin. The local authority (LA) and the Trustees with the



Catholic Commission have supported the governing body at each stage of this process.

11. In line with the Department for Education's (DFE) guidance: "*Opening and closing maintained schools, Statutory guidance for proposers and decision-makers, November 2019*", the decision makers for the closure of a state funded school (whether this is a community, foundation or voluntary aided school) is the council. St Francesca Cabrini Roman Catholic Primary School is the Proposer, Southwark Council is the decision-making body. In respect of the Council's constitution, the decision to close is to be taken by the council's Cabinet.
12. The governing body as Proposer followed the statutory process outlined in the guidance above for closing a maintained school prior to the Cabinet being required to make a decision of whether the school should close, There are five stages to this process, which are covered in detail in the next stage of this report.

### **KEY ISSUES FOR CONSIDERATION**

13. The five stages to a school closure consideration outlined in the guidance and mentioned above are set out below:
  - i. Stage 1 - Statutory Consultation with interested parties
  - ii. Stage 2: Publication of proposals
  - iii. Stage 3: Representation from publication
  - iv. Stage 4: Cabinet decision, and finally
  - v. Stage 5: Implementation of proposals, if agreed.
14. The governing body undertook Stage 1 – Statutory Consultation with interested parties details of which are provided below. The School's governing body then met on 7 July 2022 to consider the results and feedback of the consultation.
15. Consequently, the governing body voted unanimously to move to Stage 2 and Stage 3 of the process, to publish formal closure proposals and to invite formal comment on these proposals from stakeholders.
16. These stages of the process ran from the 22 September 2022 to 20 October 2022.
17. These proposals are set out in Appendix 3 of the report and should be considered by the cabinet in making their decision.
18. Stage 4 involved the writing of this report following the governing body's proposal to close, taking into account, any representations that were made during the pre-publication consultation and the publication of the statutory proposals in September.
19. Stage 5 – should the cabinet agree to the closure of the school, would be

the formal process of the school closing on the 1 September 2023.

20. A proposed timeline of the five stages are presented below:

<b>Stage</b>	<b>Dates</b>
Stage 1: Statutory Consultation with interested parties	13 May 2022 to 1 July 2022 (completed)
Stage 2: Publication	8 July 2022 (completed)
Stage 3: Representation	22 September 2022 to 20 October 2022 (completed)
Stage 4: Cabinet decision	6 December 2022
Stage 5: Implementation	1 September 2023

### **Results of the pre-publication consultation (Stage 1)**

21. It is a statutory requirement for the Proposer (in this case the school's governing body) to consult any parties they think appropriate before publishing statutory proposals. Several events to consult all stakeholders on the proposals were undertaken, and have been outlined in Appendix 4.
22. The process included a statutory element of consultation that lasted for 8 weeks (7 of which were during term time) to allow the widest possible opportunity for views/comments to be made by parents, carers, local residents and other stakeholders.
23. The purpose of the consultation was for Governors to seek the views of and engage with those that could potentially be affected by the proposed closure of St Francesca Cabrini Roman Catholic Primary School. It was also an opportunity for interested parties to suggest other options for consideration on the proposed closure of St Francesca Cabrini Roman Catholic Primary School from 1 September 2023.
24. In addition to this, the governing body sought the views of:
- i. All schools/admission authorities in Southwark, governing bodies and academy trusts (via the Headteacher and the Chair of Governors).
  - ii. Neighbouring Councils (Lambeth, Tower Hamlets, Lewisham, Croydon, Wandsworth, and Westminster).
  - iii. All Southwark Councillors and MPs.
  - iv. The Catholic Diocese and the SDBE.

- v. Appropriate Trade Unions.

25. Consultation was undertaken by:

- i. Placing a note on the school website containing the consultation documents.
- ii. Setting up a website that allowed people to answer the consultation questions.
- iii. Setting up an email address to allow for parents, carers and stakeholders to feed back on the pre-consultation proposals.
- iv. Distribution of a paper form for stakeholders to respond to.
- v. Two consultation meetings for parents, carers, community and stakeholders were held in person at the school.
- vi. Extensive consultation with staff, and their professional associations/trade unions was undertaken.

26. The results of the initial consultation are outlined in paragraphs 19 of this report.

27. At the conclusion of the statutory consultation outlined above, the Governing body reviewed the feedback they received. Whilst the majority of the response that were received were against the proposal, no substantive objections were raised by stakeholders, nor were any viable alternative proposals put forward.

28. The school's, Governors met on the 7 July 2022 and after careful consideration of the feedback and comments received, agreed to publish formal closure notices – stage 2 of the process.

### **Responses to range of issues raised in the initial consultation**

29. The governing body held two public parents meetings at which 38 attended and received 30 responses to its questionnaire, of which the vast majority (29) were against the closure of the school.

30. A number of issues were raised at the meetings and in the questionnaires, such as:

- a) What will happen to school site and impact on the environment?
- b) Where will the LA put the children?
- c) Parents will have to travel further to take children to school
- d) Government should give more money to stop closure, or the school should raise funds through after school activities, lottery, renting the building out
- e) Why can't the school be merged?
- f) Not enough alternative schools in the area
- g) The demographic data is wrong
- h) Council should not grant planning permission for new schools when there are so many vacancies?

31. The responses from the school and LA around these questions were:

a)	<p><b>Question:</b> What will happen to school site and impact on the environment?</p> <p><b>Answer:</b> The site will revert to the Trust, who will be responsible for its repurposing or disposal, within planning guidance.</p>
b)	<p><b>Question:</b> Where will the LA put the children?</p> <p><b>Answer:</b> There are over 5,500 vacancies in Southwark primary schools at the moment – over 20% of places at primary level are vacant.</p>
c)	<p><b>Concern:</b> Similar issues are being experienced in Lewisham.</p> <p><b>Response:</b> We do not anticipate there being an issue with accommodating children affected by the closure of the school.</p>
d)	<p><b>Concern:</b> Parents will have to travel further to take children to school.</p> <p><b>Response:</b> There are a number of schools with vacancies within easy travelling distance of the school.</p>
e)	<p><b>Comment:</b> Government should give more money to stop closure, or the school should raise funds through after school activities, lottery, renting the building out: The allocation of funding to schools falls out with the schools and local authorities' powers to change.</p>

	<p><b>Response:</b> In terms of fundraising, all of the above suggestions have been considered – the amount of fundraising required – ca £200,000 a year is felt to be too much for the school to raise.</p>
f)	<p><b>Question:</b> Why can't the school be merged?</p> <p><b>Response:</b> No Catholic schools in the immediate locality have been identified who are appropriate for a merger with the schools.</p>
g)	<p><b>Comment:</b> Council should not grant planning permission for new schools when there are so many vacancies.</p> <p><b>Response:</b> No new schools at primary or secondary level are planned for just this reason. There was a suggestion for a new secondary school on the site, but secondary numbers are sufficient for the number of schools in Southwark and Lewisham.</p>
h)	<p><b>Comment:</b> Not enough alternative schools in the area.</p> <p><b>Response:</b> There are 16 schools within one mile of the school, 2 of them Catholic schools.</p>
i)	<p><b>Comment:</b> The demographic data is wrong.</p> <p><b>Response:</b> The demographic data derives from figures independently calculated from the LA and school by the Greater London Authority (GLA) and Office of National Statistics (ONS). These all indicate a falling birth rate over the last 3 years and projected into the future.</p>

32. It was also noted that parents had already started to transfer their children even though the Missionary Sisters had given a public undertaking to support the school financially until 31 August 2023.
33. This would ensure adequate resources for all the children to continue at the school until then. Current Year 5 children who will be, as Year 6, sitting their Key Stage 2 SATS next summer, can do so with confidence before they transfer to their new secondary schools from 1 September 2023.
34. The school governing body had previously been looking at the possible options and had entered into discussions both with the Archdiocese of Southwark and Southwark Council, the detail of which was set out in the Pre-Consultation Documentation.
35. The final decision on the closure is Southwark Council's, who will make its decision at the December 2022 cabinet meeting. The governing body do recognise the impact this will have on the pupils, current and future, parents, staff and the community but have always put the child at the

heart of carrying out their roles and responsibilities for over 100 years.

### **Publication of the notices and representation (Stages 2 and 3) and responses to issues raised in the post publication consultation**

36. Governors of the school, proceeded to the next, formal stages of the process from the 22 September 2022 to 20 October 2022. Formal notices (Appendix 2) were published and displayed at the school, placed on the school website and in the local press, inviting comment on the Statutory proposal (Appendix 3) – this completed stage 3 of the statutory process. No responses were received by the school or local authority.

### **Cabinet decision (Stage 4)**

37. Although the consultation on the proposal has been conducted by the governing body, in line with the statutory guidance, the decision maker is the Cabinet of the Council. As such, Cabinet is able to:
- a. Agree the closure proposal as outlined in the report
  - b. Agree the closure proposal with modifications
  - c. Refuse the closure proposal.
38. If cabinet does not take a decision on the school closure within 2 months of the expiry of the formal notice (i.e. by the 20 December 2022), the matter would then be referred to the Office of the Schools Adjudicator (OSA) for final decision. The following bodies have the right to have the decision referred to the Schools Adjudicator, independent of the local authority after the cabinet decision is taken.
- (a) The Bishop of any Roman Catholic Church in the relevant area.
  - (b) The Diocesan Board of Education of any Church of England Diocese in the relevant area.
  - (c) The governing body or any foundation of the foundation or voluntary school specified in the proposals.

### **Formal closure of the school (Stage 5)**

39. If cabinet agrees to the St Francesca Cabrini Roman Catholic Primary School governing body's proposals to close, this will be effective from 1 September 2023.

### **Actions undertaken for the pupils, parents and carers affected**

40. The local authority, as the body responsible for school admissions in Southwark, has had to plan for every eventuality to ensure that all children attending St Francesca Cabrini Roman Catholic Primary School have a school place for autumn term, September 2023.
41. A coordinated admissions process, led by the local authority's school admissions team will be established to ensure that the parent/carer of

each child on the roll of St Francesca Cabrini Roman Catholic Primary School has access to an admissions application and has been able to state a preference of an alternative school, should the school close. An admissions officer will work closely with families and school staff alongside the formal, consultation process that the governing body followed, to ensure that every child is able to receive a provisional offer of an alternative school place for autumn term, September 2023.

### **Actions undertaken for the teachers and non-teaching staff affected**

42. The situation at the start of the process was that the governing body, informed their staff at the earliest possible opportunity that there was a potential that the school would close in September 2023. The trade unions were also involved at this stage.
43. Staff consultation events, led by the school's governing body, are noted in Appendix 4, amongst the other consultation events for stakeholders. A range of options have been put forward to the school to offer staff e.g. secondment and possible redeployment.

### **Policy framework implications**

44. The Borough Plan states "Southwark schools have improved significantly in recently years and we have been meeting previous high demand for school places by refurbishing and expanding popular schools and working with local parents to support new schools. We believe every child has the right to a good education, which is why we have campaigned alongside local parents for fair funding and worked with schools to drive up standards".
45. The proposals could potentially enable all children to transition into alternative schools in the locality extending the right to a good education for all pupils presently and potentially attending the school.
46. The reduction in places that would occur following implementation of the proposals would contribute to reduction of places to limit oversupply. By reducing surplus" school capacity locally and borough wide, the council will help ensure that schools remain viable, standards are maintained and improved, and parents and carers still have a choice of good or outstanding schools to choose for their children.
47. Primary planning strategies are aligned to local planning and policy frameworks, including the Borough Plan and Children and Young People's Plan. These outline the council's commitment to supporting schools to be outstanding, with children and young people able to achieve their full potential, and parents able to exercise real choice in a high-performing schools system.

## **Community, equalities (including socio-economic) and health impacts**

### **Community impact statement**

48. The Public Sector Equality Duty, at section 149 of the Equality Act, requires public bodies to have due regard when carrying out their activities to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between people with protected characteristics and those with none. The Council's Equality Framework commits the Council to ensuring equality is an integral part of our day-to-day business. "Protected characteristics" are the grounds upon which discrimination is unlawful.
49. The characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
50. An Equality and Health Impact Assessment has been completed and is attached at Appendix 5. Particularly relevant in the context of this decision are the characteristics of age, disability, race, and religion and belief. Cabinet should take account of this assessment in making its decision.
51. The statutory guidance requires the cabinet to consider the impact of this proposal on local integration and community cohesion objectives when they are taking a decision on the Governor proposals. Given that most children are remaining within the locality it is not felt that there will be any discernible impact on integration and community cohesion.
52. With regard to the Ministry of Housing, Communities & Local Government "Integrated Communities Action Plan" – the guidance issued by the Government lists (under "Education and Young People") a list of actions that schools and local authorities should reference, if needed. None of the 16 issues raised as part of the plan are appropriate to this proposal.

### **Equalities (including socio-economic) impact statement**

53. An Equality and Health Impact Assessment (EQHIA) has been completed for the proposed closure of the school and is attached as Appendix 5.

### **Health impact statement**

54. These have been set out in Appendix 5 of the report.

### **Climate change implications**

55. Following the council assembly meeting on the 14 July 2021, the council has now committed to considering the climate change implications of any decisions made. The council is developing a toolkit for staff on the council's climate change strategy. This provides guidance for staff to consider climate change impacts. Report authors are now required to



detail the implications of their recommendations.

56. This report has not directly considered the impact of climate change in the main body of the report, as the effects on climate change of the recommendation will have a minimal effect on climate change. As the numbers of pupils in the authority area falls, and the numbers of pupils attending particular schools reduce, then it is likely that less pupils will be travelling to schools, thereby potentially reducing travel (and carbon emissions) overall, and, where it is utilised, car use. There will be a negligible effect on the other categories outlined - enhancing the environment and green space, green jobs and businesses, sustainable energy and reducing waste, as these are not substantively addressed or required in this report.
57. No direct measures have been taken to reduce or enhance the impact on climate change as part of this project, as no substantive negative effects have been identified. Additionally, as no direct measures have been taken to reduce or enhance the impact on climate change as part of this project, no monitoring will be required.
58. As explained above, the falling numbers of pupils is likely, if anything, to have a net positive effect (albeit small) on climate change, as less pupils attend school and are therefore transported by car or other forms of transport. Reducing the number of school places will not directly enhance the environment and green space, nor will it create "green" jobs and businesses, or benefit sustainable energy or reduce waste, albeit that less pupils in a particular school could potentially use less energy and produce less waste.
59. Therefore, there will be, in our opinion, no substantive negative effects as a result of the recommendations and proposals, and no mitigation required

### **Resource implications**

60. The council aims to ensure that demand for school places is as closely matched to supply as possible. The closure of a school where there is considerable overcapacity supports this process.
61. Section 14 of the Education Act 1996, places a duty on local authorities to "*secure that sufficient schools for providing primary and secondary school education are available for their area*".
62. The authority is required to exercise these functions with a view to increasing opportunities for parental choice. The large level of existing and anticipated vacancies and the compact nature of Southwark's geography mitigate considerably against any risk of there being insufficient places to house pupils affected by the closure.
63. The freehold of the building belongs to the Trustees, who would ultimately

decide what use the building will be put to, if closure were agreed.

### **Legal implications**

64. Please see the comments below from the Director of Law and Governance.

### **Financial implications**

65. The Dedicated Schools Grant (DSG) Schools Block, which is awarded to fund education provision, is primarily calculated using pupil numbers and pupil characteristics. Consequently, there is expected to be minimal impact on the amount of the grant as a consequence of the closure. With a similar amount of income spread over a smaller number of schools, there will be a positive impact on the financial position of schools. This will be seen in those schools which accept pupils formerly attending St Francesca Cabrini Roman Catholic Primary School.
66. St Francesca Cabrini Roman Catholic Primary School ended the 2021/22 with a small surplus of £2k. The closure will incur costs such as redundancies, site security, resources removal and storage, uniforms for children transferring to other schools, archiving/disposal as well as well-being support packages for staff during a redundancy process. It is estimated that the overall costs of closure will be in the region of £450K, of which the significant proportion will be redundancy costs. These have been calculated on the age and length of service of different staff groups.
67. The schools pupil numbers have already reduced significantly. The October 2022 census shows currently 82 pupils on roll. This means for the period 1 April 2023 to 31 August 2023, the income the school will receive will be lower by £224K. It is important that expenditure is reduced to match this.
68. If the expenditure stays at its current level this would result in a deficit of a similar size that would need to be met by the Trustees otherwise it would fall on the council.

### **Human Resource Implications**

69. The governing body of St Francesca Cabrini Roman Catholic Primary School is the employer of all staff at the school.
70. It will follow formal staff redundancy processes in consultation with trade unions and staff as per the school's adopted Restructure and Re-organisation HR policy and procedure. This may or may not result in seconding staff, possible redeployment or redundancy.

## Consultation

71. Consultation in this proposal has been extensive and has involved all possible stakeholders, and is outlined in paragraphs 26 - 37.

## SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

### Head of Procurement

72. As no services are being procured, this is not applicable.

### Director of Law and Governance

73. The cabinet is being asked to approve proposals to close St Francesca Cabrini Roman Catholic Primary School, which is a voluntary aided school maintained by the council. A school closure is an executive decision of the council, which has been reserved in the council's constitution to be made by the cabinet. A decision to close the school therefore has to be made by the cabinet and in accordance with sections 15 and 16 and schedule 2 of the Education and Inspections Act 2006 , and the School Organisation (Establishment and Discontinuance of Schools) (England) Regulations 2013. The cabinet must also have regard to the statutory guidance "*Opening and closing maintained schools*" issued by the Department for Education in November 2019 when making a decision to close a maintained school.
74. The 2006 Act prescribes that one of the following decisions has to be made in relation to the proposals:
- (a) Reject the proposals
  - (b) Approve the proposals without modification
  - (c) Approve the proposals with such modifications as the cabinet thinks desirable after any relevant consultation.
75. The cabinet is being asked to make this decision following the publication of proposals by the school's governing body for the closure of the school. These proposals have been set out in a statutory notice and follow a period of statutory consultation required to take place prior to the proposals being published.
76. This consultation has to have been with anyone who appeared to the governing body to be appropriate.
77. Recommended consultees are set out in the statutory guidance. Details of this consultation are set out in the report, together with the results.
78. The cabinet should conscientiously take account of the outcomes of the consultation in taking this decision.

79. The proposals were published by the school's governing body on 22 September 2022. Any person may send objections or comments to these proposals to the council within four weeks of the date of publication of the proposals. Any objections or comments will need to be provided to the cabinet and conscientiously taken into account when making its decision.
80. The cabinet decision in relation to these proposals has to be made within two months of the close of the representation period of the publication of the statutory proposals, or the decision has to be referred to the Schools Adjudicator to make. If the decision is made to approve the proposals to close the school, the 2006 Act requires these to be implemented by the governing body and the council.
81. The statutory guidance referred to above sets out considerations that should be made by the council when deciding on proposals including:
- (a) The information in the proposals set out in Appendix 3.
  - (b) Being satisfied that the governing body has carried out the statutory process satisfactorily.
  - (c) Giving due regard to all responses received during the representation period.
  - (d) Being satisfied there are sufficient surplus places elsewhere in the local area to accommodate displaced pupils and the likely supply and future demand for places in the medium and long term.
  - (e) The overall quality of alternative places in the area balanced with the need to reduce excessive capacity.
  - (f) The local context in which the proposals are being made, taking account the nature of the area, the age of the children involved and any alternative options for reducing excess surplus capacity.
  - (g) The impact of any proposal on local integration and community cohesion objectives.
  - (h) Will the decision unreasonably extend journey times or increase travel costs or result in too many children being prevented from being able to travel sustainably.
  - (i) The effect on the balance of denominational provision in the area including the pupils currently on roll and the medium and long term need for places.
  - (j) Is the school a focal point for family and community activity providing extended services for a range of users? If so provision should be made for the pupils and their families to access similar services through their new schools or other means.

82. The cabinet needs to apply the public sector equality duty in section 149 Equality Act 2010 in making this decision, which requires it to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant protected characteristics are referred to in the community impact paragraphs above. An equalities impact analysis has been produced and needs to be considered by the cabinet in making this decision.
83. The cabinet also needs to have regard to the council's statutory duty under section 14 Education Act 1996 to secure that sufficient schools for providing primary and secondary education are available for their area. The schools available for an area shall not be regarded as sufficient for these purposes unless they are sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education. "Appropriate education" means education which offers such variety of instruction and training as may be desirable in view of—(a) the pupils' different ages, abilities and aptitudes, and (b) the different periods for which they may be expected to remain at school, including practical instruction and training appropriate to their different needs.

**Strategic Director of Finance and Governance REF: [CAS182022-23]**

84. The strategic director of finance and governance notes the proposal to close St Francesca Cabrini Roman Catholic Primary School. Maintained schools receive the majority of their funding via the Dedicated Schools Grant, which is broadly distributed on a per-pupil basis. As a result, falling rolls over a period of time can result in significantly reduced grant income, which can impact the ability of a school to balance its budget. Schools in financial difficulty contribute to wider financial stresses within the maintained schools estate and so it is important that the financial position of all schools are reviewed regularly to ensure they are living within their means.
85. Section 22 of the Schools and Standards Framework Act (SSFA) 1998 sets out the Local Authority's responsibilities with respect to the funding of schools and includes a duty to defray all the expenses of maintaining a school.
86. When a maintained school closes, any outstanding deficit falls to the council. Whilst the financial management of maintained schools is delegated to their governing bodies, ultimate responsibility lies with the local authority and it is incumbent upon officers and members to ensure robust governance and controls are in place, both with respect to falling rolls and financial deficits, to limit any further exposure to financial risk arising from schools in deficit.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Information about Schools St Francesca Cabrini Primary School	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link (please copy and paste into browser):</b> <a href="https://www.get-information-schools.service.gov.uk/Establishments/Establishment/Details/100851">https://www.get-information-schools.service.gov.uk/Establishments/Establishment/Details/100851</a>		
St Francesca Cabrini Primary School – online consultation notices	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link:</b> <a href="http://www.stfrancescacabrini.co.uk/covid-19">http://www.stfrancescacabrini.co.uk/covid-19</a>		
Department of Education	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link:</b> <a href="https://www.gov.uk/government/organisations/department-for-education">https://www.gov.uk/government/organisations/department-for-education</a>		
Children with SEND	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link:</b> <a href="https://www.gov.uk/children-with-special-educational-needs/extra-SEN-help">https://www.gov.uk/children-with-special-educational-needs/extra-SEN-help</a>		
Making significant changes (‘prescribed alterations’) to maintained schools - Statutory guidance for proposers and decision-makers October 2018	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link:</b> <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/756572/Maintained_schools_prescribed_alterations_guidance.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/756572/Maintained_schools_prescribed_alterations_guidance.pdf</a>		
School Admissions Code - Statutory guidance for admission authorities, governing bodies, local authorities, schools adjudicators and admission appeals panels. December 2014 –	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252

Background Papers	Held At	Contact
DfE		
<b>Link (please copy and paste into browser):</b> <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/389388/School_Admissions_Code_2014_-_19_Dec.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/389388/School Admissions Code 2014 - 19 Dec.pdf</a>		
Integrated Communities Government Action Plan	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link (please copy and paste into browser):</b> <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/778045/Integrated_Communities_Strategy_Govt_Action_Plan.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/778045/Integrated Communities Strategy Govt Action Plan .pdf</a>		
The Essential Guide to the Public Sector Equality Duty – EHRC July 2014	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link (please copy and paste into browser):</b> <a href="https://www.equalityhumanrights.com/sites/default/files/psed_essential_guide_-_guidance_for_english_public_bodies.pdf">https://www.equalityhumanrights.com/sites/default/files/psed_essential_guide_-_guidance_for_english_public_bodies.pdf</a>		
Item 6.1 – Council Assembly, Refresh of the Council Plan 2018-2022 - Borough Plan	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link (please copy and paste into browser):</b> <a href="https://moderngov.southwark.gov.uk/documents/s92006/Appendix%20A%20Southwarks%20Borough%20Plan%202020.pdf">https://moderngov.southwark.gov.uk/documents/s92006/Appendix%20A%20Southwarks%20Borough%20Plan%202020.pdf</a>		
Equalities Act 2010	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/2010/15/contents">https://www.legislation.gov.uk/ukpga/2010/15/contents</a>		
Education Act 1996	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/1996/56/contents">https://www.legislation.gov.uk/ukpga/1996/56/contents</a>		
Education and Inspections Act 2006	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/2006/40/contents">https://www.legislation.gov.uk/ukpga/2006/40/contents</a>		

Background Papers	Held At	Contact
Schools and Standards Framework Act 1998	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/1998/31/contents">https://www.legislation.gov.uk/ukpga/1998/31/contents</a>		
Public sector equality duty	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link:</b> <a href="https://www.gov.uk/government/publications/public-sector-equality-duty">https://www.gov.uk/government/publications/public-sector-equality-duty</a>		
Southwark's response 22 August 2022 – Public sector equality duty	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link (please copy and paste into browser):</b> <a href="https://www.southwark.gov.uk/council-and-democracy/equality-and-diversity/public-sector-equality-duty">https://www.southwark.gov.uk/council-and-democracy/equality-and-diversity/public-sector-equality-duty</a>		
Dedicated schools grant (DSG): 2022 to 2023	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link (please copy and paste into browser):</b> <a href="https://www.gov.uk/government/publications/dedicated-schools-grant-dsg-2022-to-2023">https://www.gov.uk/government/publications/dedicated-schools-grant-dsg-2022-to-2023</a>		
Education and Skills Funding Agency	Children's and Adults' Services, Education Directorate, 4 <sup>th</sup> Floor, 160 Tooley Street, London, SE1 2QH	Nina Dohel 020 7525 3252
<b>Link (please copy and paste into browser):</b> <a href="https://www.gov.uk/government/organisations/education-and-skills-funding-agency">https://www.gov.uk/government/organisations/education-and-skills-funding-agency</a>		

## APPENDICES

No.	Title
Appendix 1	Map showing the location of St Francesca Cabrini RC Primary School
Appendix 2	Statutory Notice for Closure



No.	Title
Appendix 3	Statutory Proposal
Appendix 4	Consultation activities on closure proposals
Appendix 5	Equality and Health Impact Assessment

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Jasmine Ali, Deputy Leader and Cabinet Member for Children, Young People, Education and Refugees	
<b>Lead Officer</b>	David Quirke-Thornton, Strategic Director of Children's and Adults' Services	
<b>Report Author</b>	Richard Hunter, Principal Advisor (Education, Learning and Achievement)	
<b>Version</b>	Final	
<b>Dated</b>	24 November 2022	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		24 November 2022

<b>Item No.</b> 15.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		The Thriving High Streets Fund	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Martin Seaton, Jobs, Business and Town Centres	

### **FOREWORD – COUNCILLOR MARTIN SEATON, CABINET MEMBER FOR JOBS, BUSINESS AND TOWN CENTRES**

Our town centres and high streets are at the heart of our communities. They provide the energy and distinctiveness to how our diverse neighbourhood work. They are where our local businesses and voluntary and community organisations work together, providing vital local products and services on our doorsteps. They are where people come together to shop, to have fun, to be in the community. It's therefore vital that our town centres and high streets remain vibrant, thriving, accessible and sustainable spaces, which are safe for all and contribute to the prosperity and cohesion of our local communities.

Our Council Delivery Plan 2022-26 is clear. We are committed to ensure every part of Southwark is a great place to live, with thriving neighbourhoods, including high quality green spaces and more trees, great fitness, sports & health facilities, good and outstanding schools, a local library and high quality playgrounds and investment in town centre and high streets.

Too many of our high streets and town centres have seen reductions in footfall and trade over a number of years with an increased trend towards online shopping, which accelerated in the pandemic and subsequent lockdowns. Smaller businesses in particular have struggled to adapt to the macro economic challenges our local places are facing with the cost of living crisis and increases in energy prices adding to the pressures. That's why as a Council and community we are again stepping up to these challenges, with additional support to businesses through our cost of living programme among other measures that we have put in place since the pandemic so cruelly hit our borough.

This report asks Cabinet to approve the next measure of support in the renewal of our high streets and town centres. Through our thriving high street fund, we will be inviting local businesses, charities, cooperatives and community led organisations to put forward proposals for high street focused projects. We are especially seeking ideas and projects that will support a greener, fairer, more equal, safer and healthier high street in line with the objectives set out in the report.

The recommendations outlined in this report will ensure Southwark's town centres and high streets continue to serve local residents and attract visitors from across London and beyond. All done while remaining safe and accessible places where all can come together and help make Southwark even better both now and in the years to come.

## RECOMMENDATIONS

1. That the proposals set out for a £1.4m Thriving High Streets Fund programme are approved by Cabinet.
2. To approve an allocation of £460,000 revenue funding from the UK Shared Prosperity Fund to invest in the THSF grants programme for three years 2022/23 to 2024/25 in line with the grant agreement agreed with the GLA (pending).

## BACKGROUND INFORMATION

3. A core objective of the Council Delivery Plan 2022-26 is to ensure every part of Southwark is a great place to live, with thriving neighbourhoods, including high quality green spaces and more trees, great fitness, sports & health facilities, good and outstanding schools, a local library and high quality playgrounds and investment in town centre and high streets.
4. Our approach to thriving neighbourhoods is under development and will be about empowering communities to shape the places they live. This will build on the work and progress in recent years such as healthy high streets, building of new homes, social regeneration charters and the work our communities did together through local community hubs to support the most vulnerable during the pandemic among other key, shared activity.
5. Our approach will include developing longer term visions for how we will work with the community to protect and preserve what makes our neighbourhoods and town centres great and unique, whilst also bringing about sustainable change to make our neighbourhoods fairer, greener, safer and healthier. The work will be supported by shorter term action plans for the things we need to work on together with more greater urgency including where we need to invest and to deliver improvements.
6. Action plans are in development for town centres across the borough, tracking current activity, including current challenges and opportunities, identifying gaps and resourcing implications. These plans are being developed in partnership with ward members, local stakeholders and businesses. These plans will support the development of longer term visions and strategies across our places. The Thriving High Streets Fund will be a key resource in helping us realise short and longer term plans and improvements across our neighbourhoods.
7. More specifically, the Council Delivery Plan 2022-26 includes a commitment to *'Launch a new Thriving High Streets Fund to invest in all of*

*Southwark's high streets*' as part of the objective of '*Investing in our town centres and high streets*'.

8. The primary aim of the proposed Thriving High Streets Fund is therefore to help our high streets to thrive; to build resilience in our high streets as the cost of living impacts are felt across our neighbourhoods; to tackle health inequalities in our communities; to promote our work in tackling the climate emergency; and to make our high streets more inclusive to support long term plans for making every part of Southwark a great place to live.
9. This report seeks decision for agreement to establish a £1.4m Thriving High Streets Fund programme, outlining a proposed structure for delivery and implementation. The funding will be drawn from Southwark's UK Shared Prosperity Fund (UKSPF) Communities & Place borough allocation.
10. Funding from the UK Shared Prosperity Fund (UKSPF) will be made available from the GLA to support the delivery of the thriving high streets fund for a series of innovative, grassroots, spatially-based projects over a three year period. Applications will be invited to propose creative projects to deliver new approaches to improving our high streets and town centres, as well as those embedding and reinforcing more established activities. The funding will include £950k capital and £460k revenue to be spent on town centres and high streets across the borough. This report is specifically concerned and seeks decisions with the £460k revenue fund in the form of a THSF grants programme. Further work will be undertaken by the Director of Planning and Growth regards the £950k capital allocation and next steps.

## **KEY ISSUES FOR CONSIDERATION**

11. The proposed THSF grants programme has been designed to respond to the range of challenges high streets face as well as the unique attributes of each of the town centres and high streets in Southwark. All projects will support delivery of the town centre action plans that are being agreed as part of the Council Delivery Plan commitment on '*Investing in our town centres and high streets*'. Applicants will be required to demonstrate how their proposals meet the following objectives:
  - Produce sustainable benefits to the local economy beyond the funding period
  - Introduce new or creative approaches to improving Southwark's high streets and town centres
  - Add to and align with existing initiatives in the proposed area
  - Build the capacity of the local businesses or groups to accelerate economic growth beyond the funding period
  - Make our high streets and town centres more inclusive, particularly for residents from low income backgrounds and Black, Asian and minority ethnic communities
  - Benefit a significant number of local businesses and not disproportionately benefitting a few

- Attract match funding from other organisations or crowd funding
12. Applicants must also demonstrate how their project proposal closely aligns with two or more of the following themes (alignment with Southwark Stands Together being a mandatory requirement):
- **Healthy and safe high streets** - This theme opens up the opportunity to support projects that make our high streets safe and welcoming places to visit. This theme welcomes projects that target health inequalities, including, but not limited to, working to abolish food deserts in the borough, increasing access to health promoting goods and services, and creating green recreational spaces, or those supporting safety measures combatting violence against women and girls (VAWG) amongst others.
  - **A Greener Southwark** – This theme welcomes activities that support our work to tackle the climate emergency, achieve net zero in the borough and promote environmental sustainability, such as reducing carbon emissions or pollution, waste reduction and greening.
  - **Cost of living crisis** – This theme is targeted at promoting activities which support our aim for a fairer, more inclusive local economy, reducing the impact of the cost of living crisis on businesses, residents and visitors to our high streets. For example, assisting businesses in lowering energy costs, growing and selling reduced price fresh produce and supporting alternative community uses of existing spaces on our high streets.
  - **Southwark Stands Together** – All applicants will be required to demonstrate how their project will incorporate the ambitions of Southwark Stands Together; increasing diversity, reducing inequalities and tackling racism.
13. The fund will encourage partnership working that brings together diverse skills and expertise across our town centres and high streets. Applicants will be asked to demonstrate that their approach is supported by local businesses in the town centre or high street that is expected to benefit from the activity, and will be encouraged to seek match funding from other sources – potentially multiplying the fund’s investment into the area.
14. Subject to GLA approval of Southwark’s UKSPF allocation, applications for the first round of the THSF grants programme are expected to open in early 2023.
15. The funding allocation process has been designed to enable the staged funding of creative and innovative proposals, supporting the development and testing of new ideas so that they can then attract additional sources of funding. Applicants that have been awarded funding in this round will have the opportunity to seek additional funding for their projects in subsequent rounds of the Thriving High Streets Fund.

16. The Local Economy Team will work closely with the Communications and Marketing Teams on the development of the fund's prospectus and supporting documentation. The prospectus will outline the council's aims, intentions and requirements for the fund, providing detailed criteria for applicants to develop their proposals around. The prospectus will then be published and a communications plan developed to ensure it is promoted widely and ensure it reaches the attention of as many Southwark based partners, community groups and organisations as possible.
17. Applicants will have a six-week window to develop and submit their proposals after the prospectus is published. Applications will be evaluated by a panel of officers from across the council, considering them against the published criteria and working carefully to ensure as diverse a range of projects as possible are recommended for award, spread across our priority town centres so that beneficiaries are not all concentrated in one part of the borough. The panel will make recommendations to the Cabinet Member for Jobs, Business and Town Centres, who will have the final approval on proposed awards.
18. The THSF will support the council's broader ongoing work supporting our town centres and high streets.

### **Learning and Evaluation**

19. Learning will be built upon the experience of similar programmes, specifically the High Street Challenge (2014-2020) and the High Street Renewal Fund (2021-2022). Through these programmes, funding has been awarded to 68 projects with a total value of £1,325,975.
20. An evaluation of The High Street Challenge was carried out in order to understand its successes and highlight opportunities to improve its impact. This evaluation combined with an assessment of the needs our high streets and town centres in the current economic climate informed the development of the High Street Recovery Fund. This learning is carried forward to the Thriving High Streets Fund.
21. The evaluation of the High Street Challenge carried out in 2018 also captured feedback from funding recipients and council officers across departments, and this informed the development of the High Street Recovery Fund and subsequently the Thriving High Streets Fund.

### **Consultation**

22. A range of stakeholders have been consulted on the design, purpose and scope of the proposed THSF, leading to agreement on the themes set out.
23. To ensure we have a consistent, cross-council approach to our overarching town centres and high streets work, including the development of the Thriving High Street Fund, we have worked with officers across the council.

Internal stakeholders consulted include Environment, Public Health, Culture, and Sustainable Growth teams. Governance arrangements are in place, through which the work is reported to the Cabinet Member for Jobs, Business and Town Centres.

24. Consultation has included the Senior Officer Group for Town Centres, chaired by the Director for Strategy & Economy. The cross council director-level group meets on a monthly basis to ensure corporate oversight of the council's work on town centres, discuss key issues, monitor activities and oversee the development and implementation of the town centre action plans.
25. At the assessment stage, before making their recommendations for awards from the fund, the evaluation panel will consult colleagues with relevant expertise, such as those responsible for Markets, Highways, Licensing, Culture and Events, Sustainable Growth, and Public Health. This will also serve to ensure that THSF awards align and add value to the whole-council approach to revitalising our town centres and high streets, and do not run counter to council policy or conflict with existing activity.

### Next steps and timeline

26. Following agreement by Cabinet, officers will work up a more detailed programme of delivery, the key, initial stage milestones of which are set out below. Cabinet are reminded that the fund is subject to GLA approval and therefore the timeline may require amendment, including as a result of actions emerging from the town centre action planning work.

What?	By when?
Approval of Thriving High Streets Fund	December 2022
GLA final confirmation	January 2023 (TBC)
Launch of fund prospectus	January 2023
Submission of proposals, assessment, evaluation and agreement	Feb/March 2023
Planning for future rounds aligned with town centre action plan development	Feb/March 2023

### Policy implications

27. The Economic Wellbeing Strategy 2017-22 was adopted in December 2016 having secured council-wide endorsements. Support to businesses is central to two of its strategic objectives:
  - **Business:** A growth borough, where business thrives and prospers.
  - **Thriving town centres and high streets:** Dynamic, diverse, digital centres that are great places to visit, spend time and enjoy.
28. Work is underway on developing Southwark 2030, our vision for how the borough will look and feel in the long term and the contribution residents,

businesses, public sector partners, the voluntary and community sector, the Council and others will make to deliver on that vision. In support of this, work is also underway on how we grow a shared, fairer economic that works for all in our borough through a refreshed economic strategy which identifies high streets as key to a resilient economy and a means to promote equality and tackle challenges experienced in the borough.

29. The Thriving High Streets Fund will support the delivery of the Economic Strategy through the opportunities presented by the fund to harness the energy of businesses and other imaginative and enterprising people or groups, in order to breathe new life into our town centres and use innovative approaches to stimulate footfall and customer spend.
30. The Southwark Economic Renewal Plan was developed in response to the Covid-19 pandemic and it captured all council activities aimed at reducing and mitigating the economic impacts of the crisis. The activities are set out under four key themes – employment & skills, business, wellbeing, and high streets and town centres. The Thriving High Streets Fund falls primarily under the last of the four themes, forming part of a cross-council approach to supporting our town centres and high streets in recovering from the impact of the Covid-19 pandemic, Brexit and cost of living crisis, but it was designed in such a way that its outcomes will cut across all the themes of the plan.
31. The THSF has been designed to support the ambitions of the council's Southwark Stands Together Programme, with Southwark Stands Together included as one of the fund's four key themes and the only theme for which alignment is a requirement for applicants.
32. In line with the council's Climate Change Strategy and action plans, all applications will also be required to ensure that their proposal would contribute to net zero and delivering a greener, more sustainable borough.

## **Community, equalities (including socio-economic) and health impacts**

### **Community impact statement**

33. Community benefits will accrue through the direct outputs of this project. These include; increased number of visitors to the high street, increase in customer spend, public spaces created or improved, under used or empty spaces brought back into use, retail spaces improved, young entrepreneurs engaged, match funding secured and new jobs created.

### **Equalities (including socio-economic) impact statement**

34. Due regard has been paid to the Public Sector Equality Duty (PSED) in section 149 of the Equality Act 2010 specifically; to have due regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity; and foster good relations between people with protected characteristics and those who do



not. The principles of the PSED are imbedded in the core objectives of the Thriving High Streets Fund, as the programme intends to improve and develop participation from all sections of the community in a manner that will positively impact high streets and town centres. As part of the assessment process, applicants are asked to define how their projects will be inclusive and welcoming to all, linking directly to the council's Southwark Stands Together initiative. When considering the response to this question, the panel will score applicants based on how well their proposed project will engage a diverse local community and business groups, and promote inclusivity.

35. Care has also been taken in development of the prospectus to ensure the accessibility of the fund for Southwark-based businesses, community groups, educational establishments and voluntary sector organisations.
36. As part of the evaluation process, proposals will be assessed for their ability to build the capacity of local businesses and residents to support their high street or town centre to thrive beyond the life of the fund. Therefore, it is expected that the projects that are recommended for funding will have a long-term positive impact in their chosen areas.
37. The recommendations support the council's equalities and human rights policies and are not considered to have any significant adverse effect on socio-economic equalities.

### **Health impact statement**

38. The recommendations as set out in this report are not considered to have any adverse effect on health equalities. The recommendations are in fact anticipated to have a positive effect on health equalities. Health inequalities were specifically considered in the fund's design, with one of the four key themes to which fund applications must be aligned relating specifically to activities which reduce health inequalities and promote and support health-related activities.

### **Climate change implications**

39. The recommendations as set out in this report are not considered to have any adverse effect on climate change. A requirement of fund applications is to ensure project activities do not have any detrimental impact on the environment.
40. Furthermore, the fund specifically encourages applications for projects focused on activities that support the Council's work to tackle the climate emergency, achieve net zero in the borough and promote environmental sustainability, such as reducing carbon emissions or pollution, waste reduction and greening.

## **Financial implications**

41. It is proposed that the THSF be funded through the Southwark allocation of the UKSPF. Southwark's allocation from the GLA will include £1.4m through the Community & Place theme, which prioritises support for town centres and high streets.
42. Of the £1.4m, £460k has been agreed to support revenue projects. The GLA are currently assessing proposals from local authorities that align with the London UKSPF Investment Plan submitted to Government. Southwark has proposed to the GLA that this sum be approved for investment in the THSF.
43. Once agreed, a grant agreement will be entered into with the GLA setting out project deliverable and agreed spend and output profiles. The council will ensure that the delivery of the THSF will adhere to the grant agreement agreed with the GLA.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Governance**

44. Under the delegation set out in Part 3D of Southwark's constitution, the cabinet member proposes revenue budget allocations to Cabinet and seeks agreement of significant programmes. The Thriving High Street Fund is a significant programme that may have cross-cutting implications.
45. The UKSPF supports a commitment to level up all parts of the UK by delivering on each of the levelling up objectives:
  - Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
  - Spread opportunities and improve public services, especially in those places where they are weakest
  - Restore a sense of community, local pride and belonging, especially in those places where they have been lost
  - Empower local leaders and communities, especially in those places lacking local agency.
46. The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. To access the allocation, the Council will be asked to set out measurable outcomes that reflect local needs and opportunities. These should inform the interventions they wish to deliver. Places will be able to choose from investment across three investment priorities of communities and place, local business and people and skills.
47. The communities and place investment priority enables places to invest to restore their community spaces and relationships and create the foundations for economic development at the neighbourhood-level. The intention of this is to strengthen the social fabric of communities,

supporting in building pride in place. The supporting local business investment priority enables places to fund interventions that support local businesses to thrive, innovate and grow. Through the people and skills investment priority, the council can use their funding to help reduce the barriers some people face to employment and support them to move towards employment and education. Places can also target funding into skills for local areas to support employment and local growth.

48. The commitment in the Council Delivery Plan includes Thriving High Streets Fund to invest in all of Southwark's high streets as part of the objective of investing in town centres and high streets. The plan meets the investment priorities set out in the UKSPF.
49. The cabinet should consider the public sector equality duty in section 149 of the Equality Act 2010. The council must have due regard to the need to eliminate discrimination and other conduct that is prohibited by or under the Act; advance equality of opportunity; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The report discusses the equality impacts throughout the report, but particular attention is drawn paragraphs 8, 12, 27 and 33 of the report. Cabinet is advised to consider these paragraphs and the council's duties. This is a key decision as it likely to be significant in terms of the impact on communities and specifically in more than one wards.

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

50. The report is requesting cabinet to approve an allocation of £460,000 to invest in the Thriving High Street Fund from Southwark's allocation of the UK Shared Prosperity Fund for three years 2022/23 to 2024/25 in line with pending agreement with GLA.
51. The report is also requesting cabinet to approve the proposals for the Thriving High Streets Fund as detailed in the report.
52. The strategic director of finance and governance notes that this allocation will be funded from Southwark's allocation of £1.4m from GLA's UK Shared Prosperity Fund.
53. Staffing and any other costs to be funded from departmental revenue budgets.

**BACKGROUND DOCUMENTS**

Background Papers	Held At	Contact
<a href="#">Economic Strategy 2022-2030</a>	Local Economy Team, Chief Executive's Department	
<a href="#">Economic Renewal Plan</a>	Local Economy Team, Chief Executive's Department	
<a href="#">Economic Wellbeing Strategy</a>	Local Economy Team, Chief Executive's Department	

**APPENDICES**

No.	Title
None	

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Martin Seaton, Jobs, Business and Town Centres	
<b>Lead Officer</b>	Danny Edwards, Head of Local Economy	
<b>Report Author</b>	Noga Flexer, Senior Strategy Officer	
<b>Version</b>	Final	
<b>Dated</b>	24 November 2022	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
	<b>Officer Title</b>	<b>Comments Sought</b>
	Director of Law and Governance	Yes
	Strategic Director of Finance and Governance	Yes
<b>Cabinet Member</b>		
<b>Date final report sent to Constitutional Team</b>	24 November 2022	

<b>Item No.</b> 16.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Streets for People	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Rose, Leisure, Parks, Streets and Clean Air	

## **FOREWORD - COUNCILLOR CATHERINE ROSE, CABINET MEMBER FOR LEISURE, PARKS, STREETS AND CLEAN AIR**

We have a vision for our borough. We are working with communities to make our roads safer and create people friendly streets.

Just four out of ten households in Southwark have access to a car, and of these only 22% use it as their main mode of transport. The proportion of households driving and owning a vehicle is declining as our car-free population is growing.

People under 40 own fewer vehicles and drive less. This change in society started over 20 years ago before the internet and smartphones. Under 40-year-olds are already the largest demographic group in Southwark and this group continues to grow.

Yet a rise in traffic through and around our borough has made cars, not people, the focus on our roads. Many car journeys pass through Southwark without stopping, often on streets that were not built for such traffic.

We are working to restore quiet, safe streets in our communities while making sure people have ways to travel where they need to go in Southwark.

The availability of car parking is the strongest factor for people deciding whether to drive or not. Cars are typically in use for 4% of the time and are thus parked for 96% of the time.

Motor vehicles are responsible for more than half of air pollution in cities. The impact of poor air quality on people’s health is very well recognised.

Public Health England (PHE) suggests that 10% of adult deaths in Southwark may be attributable to particulate air pollution (measured as fine particulate matter PM2.5). This equates to around 90 deaths per year in the borough.

Air pollution also disproportionately affects the most vulnerable in society in particular children, older people and people with a wide range of chronic health conditions.

Southwark's Air Quality Action Plan outlines actions and policies to improve air quality in the borough over the five-year period of the plan.

52% of NO<sub>x</sub> emissions in Southwark come from road transport and therefore the Air Quality Action Plan and the Sustainable Transport Strategy are closely aligned.

Ethnicity is another key factor affecting people's movement and how they experience the public realm. Black, Asian and minority ethnic Londoners are more likely to walk and use public transport than white Londoners. This group is also more likely to be injured on roads, live in areas with worse air pollution and are more likely to be affected by hate crime and anti-social behaviour.

13.5% of our residents have one or more disabilities and we know that many of them want to be more active, but for various reasons feel unable to do so. Disabled people are twice as likely to be physically inactive (43%) than non-disabled people (21%). Many disabled are trapped in car dependency because alternative modes are not adapted to their needs. We need to make sure all people have access to the full range of transport choices.

Road traffic casualty rates, like many other public health issues, also show a steep social gradient. Children in the 10% most deprived wards are four times more likely to be hit by a car than those which are in the 10% least deprived. Concerns about road traffic injury are a major contributor to physical inactivity for both parents and children and need to be addressed if we are to encourage more active travel.

We also want to meet the needs of children and adults who require SEND travel and Blue Badge Holders of all ages, by providing comprehensive support and prioritisation to travel across our borough easily.

Older and less mobile residents require safe accessible pavements and good level interchanges with different forms of public transport. We are working with key transport partners such as TfL, bus operators and Network Rail to deliver this.

We have already introduced ten Streetscape schemes and other traffic reduction interventions in various forms around Southwark. In these areas, we've made the roads calmer, which means we can put in more seating, more trees and add important items such as cycle storage.

We've calmed the roads by closing roads to through traffic while giving priority to walkers, cyclists, and residents who can always drive to their homes inside the scheme.

We are already seeing a change in how people move around the borough. This report sets out our wider ambitions and how we will work with all our communities to deliver Streets for People.

## RECOMMENDATIONS

That cabinet:

1. Notes the need to take further action to deliver our council ambition for healthier neighbourhoods, cleaner air, thriving town centres and safer roads by providing opportunities for active travel and improving streets in the borough through council wide policies.
2. Notes that a comprehensive programme of community engagement will be delivered to ensure residents have an opportunity to inform the design and use of roads in their neighbourhoods.
3. Notes this programme will commence with the launch of the consultation process on Southwark's Sustainable Transport Strategy (previously referenced as The Movement Plan).
4. Notes the timetable for all subsequent local area based consultative processes, required to deliver our council ambition for healthier neighbourhoods, cleaner air, thriving town centres and safer roads, to be brought to Cabinet early in the New Year.

## BACKGROUND INFORMATION

5. The Council is improving the quality of life for residents by changing the way we travel in our borough. We have grasped this once in a generational opportunity to deliver change in our communities and improve the way we use our roads for the good of all. This report explains the measures already achieved that are benefitting all who live, work and study in the borough. The report sets a clear forward thinking approach for continued delivery of positive benefits.
6. The Council is delivering change that has significant positive impact, including:
  - Achieving the ambition of being a carbon neutral borough by 2030
  - Ensuring equality and inclusivity for all
  - Making walking great again for everyone, across the whole borough
  - Supporting key workers and those with shift patterns to access safe, affordable forms of travel 24 hours a day.
  - Making Southwark a cycle friendly borough with a new ambitious cycling strategy in 2023
  - Reducing air pollution from vehicles
  - Acting to improve air quality and road safety at every Southwark school
  - Creating safe, healthy, green streets
  - Equal pavements pledge.
7. The Council is putting people first and holding conversations with all our residents to shape the neighbourhoods in the borough for the future.

8. Our aim is to support good travel choices to make the borough a better place for all. We will be:
  - Providing space for additional cycle storage
  - Providing space for additional tree planting
  - Providing space for parklets and greening of the highway
  - Increasing opportunities for micro-mobility
  - Increasing access to EV charging
  - Increasing access to car clubs/car sharing
  - Creating more walking routes
  - Delivering a borough wide network of cycling routes for all cycling abilities
  - Prioritising bus journeys and removing barriers to improving journey times, frequency and connections to other forms of public transport such as rail stations, London overground and underground services.
  - Seeking further investment in our train and underground stations to make them more accessible for everyone and better connected with local bus services
  - Supporting businesses and traders to switch to zero pollution delivery vehicles and more schemes for cargo bike hire and storage locally. Together with rapid charging points for commercial vehicles
  - Encouraging people to switch to less polluting cars, incentivising the switch to zero emission and smaller vehicles with reduced parking fees for those less impactful vehicles
  - Providing greater choice for car owners to use their car less often, save money and improved their health by offering alternative ways to travel for shorter, local journeys. Also improving their personal health and well-being if they are able to walk and cycle
  - Ensuring that no one is left behind in seeking improvements to their street or estate, involving all those that will benefit from a public transport network and inclusive active travel the most. Specifically our older people and those with disabilities or mobility needs from our Black, Asian and minority communities.
  
9. Change is happening and significant work has already been undertaken on our roads to encourage and enable active travel in the borough. These changes put people first by creating effective use of space and supporting transport choices that reduce traffic levels on our roads.
  
10. We have provided:
  - 10 permanent Streetspace schemes to improve our roads. The schemes are based on a variety of criteria including areas of deprivation, pollution levels and childhood obesity. The schemes have been developed working closely with partners such as Guy's and St Thomas' Foundation.
  - 550 cycle hangars plus expanding network of cycle stands. This provides well over 3,000 spaces at a subsidised rate to users. We currently aim to have a minimum of over 1,000 hangars, providing



over 6,000 spaces, in place by 2025. Cycle hangars are popular assets in our community and in high demand. One hangar provides storage space for six bicycles. We will be looking at new ways of funding and working to significantly increase the number of hangars being installed to reduce the current backlog of resident requests for spaces.

- 3,400 cycle stands, designed to lock up to two bicycles per stand
- New cycle hire stations with six installed in 2022/23. We are currently looking to extend the location of hire stations into the south of the borough to improve availability for hiring bicycles on a short term basis.
- Nearly 1,000 on street disabled parking bays
- 400 electric vehicle charging points (street light trickle chargers and rapid chargers) with over 1,000 more to be installed by 2026
- 26 permanent school street schemes involving road closures in place. We are in ongoing discussion with over 100 Southwark schools in total to significantly increase the number of schemes and create a network of safe cycling routes to and from schools
- Walking maps showing safe and accessible routes for schoolchildren for over 20 schools, with proposals to have walking/wheelchair accessible routes available throughout the Borough by 2023.
- Network of cycle routes including over 2km of segregated cycle lanes installed every year for past three years
- Pocket parks, parklets, benches, greening and tree planting across the borough
- A minimum of 25 pedestrian crossings every year for the past three years and to continue with this target until at least 2025.
- Free cycle training for over 3,000 children and adults every year for past five years.

## **KEY ISSUES FOR CONSIDERATION**

11. Most households do not own a car. We need to regulate kerb space to manage the level of traffic in the borough and create a more balanced equal use of our roads. This will provide an opportunity for residents to shape the future of the roads in the borough. This will be achieved through the following actions:
  - Development of a neighbourhood led approach to parking across our streets and estates that seeks to prioritise and support the needs of all residents and the local economy
  - Parking controls that provide disabled parking bays and improved access for drivers and carers at places and services that are important to them
  - Parking control schemes that allow people to successfully access permits and information on parking, including payment, in a number of different ways if they are digitally excluded or have specific needs best met in person
  - Existing and new parking control areas will be supported to identify and create space for cycle storage, bike and car hire, EV charging

points, street trees, rain gardens, flood mitigation measures and other benefits determined locally

- The modernisation of parking control schemes to be positive mechanisms to enable the council to work with local communities to deliver improvements on their streets and roads
- To remove barriers to walking and cycling to create a more balanced road network that allows all residents greater choice and reduced costs in relation to how they travel in the borough
- Parking controls that enable the council and TfL to deliver much-needed comprehensive bus prioritisation schemes that improve the journey times, frequency and ridership of our bus network, through greater confidence in the bus network
- A revision and extension of the parking charges structure.

### **Parking Charge structure**

12. Parking is managed on our streets through the implementation of a simple emissions based parking charging structure. The impact of this charging structure on change of vehicle ownership to less polluting vehicles has been minimal.
13. Officers will develop a new and revised parking charging structure for both permits and on-street parking, the detail of which will be included within the annual budget setting report to be presented to Cabinet for approval in February 2023.
14. These new parking charges will reflect the data and impact of the ULEZ extension and the priorities that are clearly set out in relation to the Mayor of London's respective Transport and Air Quality Strategies and our borough level equivalents.
15. These charging structures will be revised and updated as new technology and vehicle data becomes available. They will also adapt and respond to other London road charging schemes if and when they are implemented.

### **Neighbourhood Parking**

16. Currently 68% of the borough has controlled parking zones. We have a number of reviews of existing schemes underway, established schemes have been extended in response to increases in cars and displacement of car parking from adjacent boroughs and controlled parking will be implemented across the remainder of the borough.
17. The consultation process on the borough's Sustainable Transport Strategy will continue to analyse data and feedback in relation to all the current issues communities face, including those that are created by excessive and uncontrolled parking in our neighbourhoods.

## Resident engagement

18. Resident engagement will be at the heart of the implementation of future schemes in order to provide the opportunity for residents to have a say in shaping the future of the roads in their neighbourhood that will include a platform to consider a range of opportunities.
19. Providing space for additional cycle storage - the Council Delivery Plan (CDP) provides a target of having 1,000 on-street cycle hangars by 2025. This will be achieved through a combination of installing discrete hangars on existing controlled parking areas, and in conjunction with the introduction of any new controlled parking areas.
20. Providing space for cycling and making walking great again – controlled parking areas could create space thus potentially removing barriers for walking and cycling.
21. Providing space for additional tree planting - for all existing and new school street schemes, streetspace schemes, controlled parking areas and highway improvement schemes, consideration will be given for the planting of new trees wherever space is available.
22. Providing space for parklets and greening of the highway - for all existing and new school street schemes, streetspace schemes, controlled parking areas and highway improvement schemes, consideration will be given to greening and the installation of parklets wherever space is available.
23. Increasing opportunities for hired micro-mobility schemes - the Council is committed to enabling greater use of e-bikes and e-scooters and the Cabinet Member for Leisure, Parks, Streets and Clean Air has approved the participation in the pan-London e-scooter trial and also approved entering into memorandum of understandings with e-bike operators to trial e-bikes in the borough, both to be trialed until May 2024
24. Through the introduction of further controlled parking there is an opportunity to change the use of some of the kerb space to provide parking on the carriageway for both forms of vehicle (particularly in the south of the borough) and to also create micro-mobility hubs (parking for e-bikes, e-scooters and cycles (stands and or cycle hangers)).
25. Increasing access to EV charging - work is currently underway to develop an EV charging strategy for the borough. This strategy will provide a pathway to deliver the corporate ambition of 1000 additional electrical charging points by 2026.
26. The strategy will make clear reference to the modernisation of the established controlled parking programme across the borough, as well as the requirements for additional cycle storage and highway greening.

27. The engagement and consultation taking place with residents as part of this report will be shared with colleagues working directly on the EV charging strategy to ensure it is informed by local residents' views.
28. Creating more space for walking and cycling for all school children. Providing support for our most vulnerable school children and adults who require SEND transport or access to a Blue Badge exempt vehicle.
29. Creating safer roads and streets for all schools, with improved air quality for those schools on main roads. Tackling local area issues in relation to clusters of schools and the parking and vehicle volumes associated with term time traffic and car use generated by non-catchment schools.
30. Providing local businesses and traders improved accessibility for loading and unloading and parking bays for customer use - supporting the creation of space for cargo bikes, customer seating and space for stalls, intermediate and seasonal commercial space to trade and extend the business offer.
31. Increasing access to car clubs/car sharing - the existing contracts with car club operators expire at the end of April 2023 which provides an opportunity to increase the number of parking bays/streets within the procurement of the new car club/car sharing contracts. This can be achieved through the provision of greater kerb space implemented in controlled parking zones and through reducing the number of vehicles using our roads.

### **Timeline for delivery**

32. The following milestones will be delivered:
  - Consultation on the Refresh of the Movement Plan 2019 as Southwark's Sustainable Transport Strategy – December 2022 to February 2023
  - Consultation and community engagement for new neighbourhood parking schemes and controls – January 2023 onwards
  - Consideration and approval of revised parking charging structure as part of the Budget setting process – February 2023
  - Consideration and Cabinet approval of Sustainable Transport Strategy – May 2023
  - Implementation of any new areas of neighbourhood parking controls – from September 2023 onwards
  - Review of controlled parking – six to 12 months post implementation for existing and new schemes.

### **Communications and engagement**

33. A range of proactive messaging, branded and identified as "Streets for People" is being produced to inform and involve people who live, work and study in the borough about the active travel schemes. Information and updates about active travel measures will be shared as plans

progress. Following on from previous consultations and engagement work, a communications plan is currently being developed for the year ahead. The activity will be underpinned by data and will build on existing agreed policies, such as the current Movement Plan, which is to be subject of a public consultation from December onwards and rebranded as the Sustainable Transport Strategy.

### **Policy framework implications**

34. The extension of active travel in the borough would meet all the missions of the Movement Plan (2020):
- a. Mission 1 – Equity Framework: The connectivity increased by additional transport modes that will reduce pollution and enable modal shift whilst improving health and wellbeing via active travel increases
  - b. Missions 2 and 3 – Benefit Mental and Physical Wellbeing: Active travel improves both mental and physical well-being whilst additionally reducing noise pollution from private vehicles
  - c. Mission 4 – Reduce Traffic: Providing alternative modes of transport across the borough to supplement the pre-existing network of public transport, including the option for one way rides will help to reduce both short and longer journeys across the borough
  - d. Missions 5 and 6 – Streets for People and Support Businesses to Prosper: By reclaiming spaces from cars for parking and demarcating space from other vehicles, areas will be improved by reduction of journeys in private vehicles and improving spaces for a new class of vehicle. This will also support local businesses by improving range of vehicle provision to access local businesses via local parking to high streets and destination areas
  - e. Missions 7, 8 and 9: By transitioning to other forms of transport, it is expected that journeys in private vehicles will be offset to reduce pollution and reduce danger of collision by also reducing number of private vehicles.

### **Community, equalities (including socio-economic) and health impacts**

#### **Community impact statement**

35. The recommendation set out in this report are not considered to have a disproportionate effect on any particular community group.

#### **Equalities (including socio-economic) impact statement**

36. The recommendations support the council's equalities and human rights policies albeit the nature of any impacts on those with protected characteristics will not be known until the extent of the controlled parking zones are determined, following community engagement and consultation.

Equality assessments will be carried out and considered by the subsequent decision makers

37. The recommendations as set out in this report are not considered to have any significant adverse effect on socio-economic equalities.

### **Health impact statement**

38. This report takes a holistic perspective, encouraging active travel to achieve healthier neighbourhoods, cleaner air, and thriving town centres. Active travel can improve physical and mental wellbeing. A shift away from car use could also contribute to improvements in air quality, which has an impact on health outcomes. Community engagement is embedded into the strategy, which should help to identify the varied needs and desires of the borough's residents.

### **Climate change implications**

39. This report has clearly considered climate change as part of the decision. Encouraging active travel is a key element of our Climate Change Action Plan to reach our ambition of becoming a carbon neutral borough by 2030. By revising the parking charging structure and implementing controlled parking across the borough, the council is acting to reduce car use, which will improve air quality and reduce emissions. This links directly to actions G.1.i, G.1.ii, G.2.iii, and G.4.iii in the Climate Change Action Plan.
40. This decision also proposes a community engagement structure that allows residents to influence the nature of active travel and roads. If done effectively, this will work to ensure a transition from car use to active travel that is supported by local people.
41. The impacts of these measures should be monitored and assessed, to determine their effectiveness at reducing travel related emissions and improving air quality.

### **Resource implications**

42. There are no resource implications associated with the recommendations set out within this report as the proposed community engagement associated with the implementation of the controlled parking can be managed within existing resources in the Highways Division.

### **Legal implications**

43. The legal implications associated with the recommendations of this report are set out in paragraphs 47-51 below.

### **Financial implications**

44. The implementation of controlled parking is primarily funded from the parking services revenue account. The use of any surplus arising on this

account must be in accordance with section 55 (as amended) of the Road Traffic Regulation Act 1984.

45. Funding for cycle hangars is from a range of sources including Climate Change funding (£2.5m over 4 years), plus Cleaner, Greener, Safer (CGS) allocation and Devolved Highways Budget (DHB).

### **Consultation**

46. Consultation will be undertaken with the community as part of the implementation of the controlled parking zones with a view to providing an opportunity to shape the roads within the respective neighbourhoods.

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

#### **Director of Law and Governance (AGG 11/22)**

47. There are no significant legal concerns arising from the recommendations set out in this report. The Director of Law and Governance and her staff will continue to provide advice to officers on any legal and governance issues which may arise during the delivery of the policy to encourage active travel and in any implementation of the controlled parking zones throughout the borough.
48. The Council in exercise of its function is subject to the public sector equality duty in accordance with section 149 of the Equality Act 2010 and must have due regard to the need to eliminate discrimination, advance equality of opportunity, and to foster good relations between people with protected characteristics and others. However, the nature of any impacts on those with protected characteristics will not be known until the extent of the controlled parking zones are determined, following community engagement and consultation. Equality assessments will be carried out and considered by the subsequent decision makers
49. The delivery of an active travel policy and community engagement is an executive function of the Council which can be considered by the Cabinet in accordance with Part 3B of the Council's Constitution.
50. The details of the revision of the parking charging structure will be presented to Cabinet as part of the annual budget setting report in February 2023. Cabinet has authority to approve such report as set out in Part 3C of the Council's Constitution.
51. Any implementation of controlled parking zones following the community engagement process will be presented to the Cabinet Member for Leisure, Parks, Streets and Clean Air for approval in accordance with Part 3D of the Council's Constitution.

**Strategic Director of Finance and Governance (FC22/044)**

52. The strategic director of finance and governance notes the recommendations to Cabinet on actions on active travel and the future of our roads to deliver the council's ambition for healthier neighbourhoods, cleaner air, thriving town centres and safer roads.
53. The strategic director also notes the changes to the parking charging structure, the use of parking surpluses and the other sources of funding available for the various schemes.
54. Officer time to effect recommendations will be contained within existing budgeted revenue resources.

**BACKGROUND DOCUMENTS**

Background Papers	Held At	Contact
None		

**APPENDICES**

No.	Title
None	

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Catherine Rose, Cabinet Member for Leisure, Parks, Streets and Clean Air	
<b>Lead Officer</b>	Matt Clubb, Director of Environment	
<b>Report Author</b>	John Wade, Head of Traded Services	
<b>Version</b>	Final	
<b>Dated</b>	24 November 2022	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Climate Change	Yes	Yes
Public Health	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	25 November 2022	



<b>Item No.</b> 17.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Air Quality Strategy & Action Plan (2023 – 2027) and Air Quality Management Area	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Catherine Rose, Leisure, Parks, Streets and Clean Air	

**FOREWORD - COUNCILLOR CATHERINE ROSE, CABINET MEMBER FOR PARKS, STREETS AND CLEAN AIR**

Poor air quality has a significant impact of on human health. At Southwark, we are fully committed to doing all we can to help and encourage our services, local businesses and residents to consider the air quality impact of the choices they make and everything they do. Since the first detailed assessment of local air quality assessment was undertaken in 2002, Southwark has been taking steps to tackle the impact of poor air quality on human health.

Local air quality is a public health priority for Southwark which is captured in one of the seven key themes set out in the council plan. Performance indicators for measures to improve air quality are also included in the plan.

I am very pleased to introduce this updated and improved Air Quality Strategy and Action Plan 2023 – 2027, a five year plan to continue driving forward improvements to our air quality. The updated plan builds on the successes of the previous 2017- 2022 plan which firmly established air quality as a key concern for all. In developing the plan, comments and contributions were sought from key stakeholders and interest groups advocating for clean air, particularly young people, such as the Live + Breathe arts event as part of the We Live and Breathe campaign.

But I wish to thank all those who are advocating for change and challenging us as a council to do more. Group such as All Choked Up, Mums for Lungs and XR Southwark as well as health and environmental professionals from across the NHS and other non-governmental agencies.

I take great pleasure in promoting the many air quality improvement projects Southwark have undertaken in the past, with the recognition that there is much more for us to do.

Our major successes over the last five years include:

- Introducing School Streets at 23 schools to help improve the environment outside schools.
- We have undertaken air quality audits at 24 schools which has helped to identify action that can be taken in and around this sensitive environment.
- We have increased our monitoring of air quality by adding an extra 4 continuous air quality monitoring stations to provide a more detailed picture of air quality in Southwark.
- As new council fleet vehicles are procured emission considerations are at the forefront in the selection process for new council vehicles.

With the recent review undertaken by the World Health Organisation that resulted in a significant tightening of the guideline values there is a need to constantly strive to reduce air pollution to improve health outcomes.

This updated Air Quality Action Plan for 2023 – 2027 sets out the range of actions that Southwark will undertake to improve air quality which also support the ambition of the council to end carbon emission. It is anticipated that with air quality having a crucial and significant impact on health, new research, new technology, new ideas, new partnerships and new funding opportunities will present themselves and we will consider how these can be applied for the benefit of Southwark residents as they emerge.

Southwark fully support the Mayor of London's aims for the improvement of air quality and we will provide an annual progress report to the Mayor detailing our performance against the actions set out within this action plan. Details of any additional actions we take including the corresponding impact will also be included in that report.

As cabinet member I am asking that cabinet, after consideration, to approve the draft Air Quality Action Plan 2023 – 2027 and Air Quality Management Area Order for publication by 1 January 2023.

## **RECOMMENDATIONS**

1. That Cabinet approve the Air Quality Action Plan 2023 – 2027 at Appendix 1, and Air Quality Management Area at Appendix 2.

## **BACKGROUND INFORMATION**

### **Air Quality Strategy and Action Plan**

2. Southwark is required by Part IV Environment Act to have an Air Quality Strategy and Action Plan to address poor air quality levels in parts of the borough. The strategy and action plan must be reviewed at the end of each five-year period, and a revised/updated plan published at the end of each period.

3. The current Air Quality Strategy and Action Plan 2018-2022 ends in December 2022. Poor air quality continues to be a concern in the borough, so an updated five year strategy and action plan is required for 2023 – 2027.
4. Additionally, the Air Quality Management Area declared in Southwark in 2003 does not include a small area at the southern end of the borough which now needs to be included following the introduction of World Health Organisation (WHO) guidelines, and the ambition, identified in public consultation to adopt the WHO guidelines. Therefore, the Air Quality Management Area has been revised to include all areas in the borough.

### **Consultation**

5. Public and further internal consultation took place on the Air Quality Strategy and action Plan 2023-2027 and the revised Air Quality Management Area, generating around 1000 unique comments on the proposed actions. The comments were reviewed in detail, and revisions were made in response to the consultation comments as appropriate. Further detail is given in the section on consultation below.

### **Governance**

6. An officer and member working group was convened in early 2022 to review the process for revising and adopting the revised Air Quality Action Plan, and to ensure the revised Air Quality Action Plan would support other key Council priorities.
7. The Air Quality Steering Group (AQSG) chaired by Director of Public Health, and a number of sub groups of AQSG, met to consider further the outputs from the officer and member working group, to consider its own high level input to the Air Quality Action Plan, and to review performance indicators.
8. Environment and Community Engagement Scrutiny Commission reviewed the draft Air Quality Action Plan and Air Quality Management Area order on 11 October 2022, and did not request any amendments to the draft Plan or Order.

### **Timetable for Implementation**

9. As required by statute The Air Quality Action Plan 2023 – 2027 and Air Quality Management Area was submitted to Greater London Authority for comments on 31 October 2022.
10. A comment was received from the Greater London Authority on the Air Quality Action Plan 2023 – 2027 relating to the date by which Southwark intends that its vehicle fleet will be fossil fuel free. We advised we are working towards Southwark's commercial fleet, subject to operational requirements, being emission free by 2030. Furthermore, work has

already begun to reduce the size of the fleet through rationalising operational need and with standard combustion engine vehicles being replaced with full electric where possible. This was subsequently reflected in the Air Quality Action Plan. There were no comments on the Air Quality Management Area.

11. The timetable followed to approve and publish the Air Quality Action Plan 2023 – 2027 and Air Quality Management is set out below. The Air Quality Action Plan will be published on Southwark’s website once adopted by Cabinet.

<b>Air Quality Management Area (AQMA) and Air Quality Action Plan 2023 – 2027 (AQAP)</b>	
<b>Activity:</b>	<b>Complete by:</b>
AQAP consultation	May to July 2022
AQMA consultation	September 2022
AQMA and AQAP to Environment Scrutiny Commission	11 October 2022
AQMA and AQAP to GLA for approval	31 October – 17 November 2022
AQSG final review of AQMA and AQAP	31 October – 17 November 2022
Approval of AQMA and AQAP : Cabinet Report	6 December 2022
Scrutiny period for Cabinet decision (if called in)	6 – 30 December 2022
Publish AQMA and AQAP	31 December 2022

## **KEY ISSUES FOR CONSIDERATION**

12. The process and public consultation to review the Air Quality Action Plan has followed the statutory guidance. Officers consulted internally with officers from across the council with responsibilities to maintain and review other policies and plans, to ensure that the draft Air Quality Action Plan is well linked with and aligned to other policies and plans across the council. This includes Southwark’s Council Delivery Plan, the Movement Plan, and the Climate Action Plan.
13. The final version of the Air Quality Action Plan 2023 – 2027 is presented as Appendix 1, incorporating final proposed amendments arising from a GLA comment:
  - Sections 1 to 3 present data about air quality in Southwark, and describe the health impacts of air pollution.
  - Section 4 is the work action table. This sets out the measures that the Council will seek to implement over the next five years.

14. The Air Quality Action Plan should be considered a living document: actions will be removed from the action table when completed, others may be added in the course of the five year lifespan of the plan as new measurement techniques and new information on health impacts of air quality emerges, and as council strategic aims evolve.
15. As discussed above the Air Quality Management Area has been revised to include all areas in the borough. This is reflected in the Air Quality Management Area draft order presented as Appendix 2.

### **Policy framework implications**

16. Air pollution causes adverse health impacts, and contributes to the onset of respiratory, heart disease and cancer. Air pollution particularly affects the most vulnerable in society: children and older people, and those with heart and lung conditions. Air quality is an equalities issue, because areas with poor air quality are often also the less affluent areas.
17. The Air Quality Action Plan has been produced as part of our statutory duties to work towards air quality objectives under Part IV of the Environment Act 1995 as set out in UK Clean Air Strategy 2019, and under London Local Air Quality Management.
18. An additional feature of the Air Quality Action Plan 2023 – 2019 is that it will work towards new non-statutory targets set out in World Health Organisation (WHO) objectives, in support of the Mayor of London's aim to achieve the WHO objectives across London by 2030. The WHO targets are more ambitious than the national targets set by central government.
19. The Air Quality Action Plan 2023 – 2027 contributes to:
  - a) Southwark's Council Delivery Plan which has themes on closing the gap to tackle inequalities and provide a great start in life, amongst other commitments. The Air Quality Action Plan includes actions that will directly tackle health issues that particularly affect Black, Asian and minority ethnic communities, provide support to vulnerable residents, and make it easier for residents to lead healthy and active lives. The plan includes actions that will make it easier for children and their carers to mitigate the health effects of air pollution, thereby improving their opportunities to reach their potential.
  - b) actions for tackling the climate emergency, as many sources of air pollution are also carbon emitting combustion sources.

## **Community, equalities (including socio-economic) and health impacts**

### **Community impact statement**

20. The Joint Strategic Needs Assessment on Air Quality (Southwark Public Health, 2022) shows clear inequalities in Southwark. Some groups of people with the Protected Characteristics of age, disability, and race are identified as priority groups more vulnerable to exposure to poor air quality, and the subsequent adverse health effects. This includes people of Black ethnicity, children, older people, and people with relevant health conditions.
21. Actions to improve air quality and reduce exposure to poor air quality in the Air Quality Action Plan 2023 – 2027 will particularly benefit Southwark's most vulnerable residents and visitors, contributing to the reduction of health inequalities over the long term.
22. The equality and health impact analysis indicates that the policy shows no potential for discrimination and all appropriate opportunities have been taken to advance equality of opportunity and foster good relations between people with different protected characteristics.

### **Equalities (including socio-economic) impact statement**

23. People from black and minority ethnic groups, and disadvantaged communities are likely to experience worse exposure to poor air quality than others, and are therefore more likely to suffer from a relevant health condition, and experience worse health consequences during episodes of higher air pollution. Children and older people are likely to experience worse health consequences for the same level of exposure.
24. Improving air quality and reducing exposure to poor air quality among large sections of Southwark's residents and visitors will reduce the socio-economic impact of poor air quality through fewer working days lost to sickness absence, and by reducing the burden on health care services.

### **Health impact statement**

25. A robust air quality action plan with strong commitment to full implementation will create opportunities to improve air quality, and to mitigate the health impacts of poor air quality on children, older people, people with relevant health conditions, and people living and working in areas of poor air quality. This last group includes disproportionately higher numbers of black and minority ethnic communities, and other disadvantaged groups, including those experiencing socio-economic disadvantage.

### **Climate change implications**

26. Climate change impacts as covered in the council's Climate Change

Strategy have been considered while developing the Air Quality Action Plan.

27. Climate change director and climate change team officers contribute to the Air Quality Steering Group that took a lead in developing the Air Quality Action Plan 2023 - 2027.
28. Many sources of air pollution are also combustion sources that contribute to carbon dioxide emissions, the principle greenhouse gas that causes atmospheric heating and contributes to climate change.
29. The main combustion sources of poor air quality are road traffic and other internal combustion powered plant on construction sites, and gas, oil and wood combustion for space heating and catering.
30. Measures in the Air Quality Action Plan that focus on reducing emissions from combustion sources also contribute to reducing emissions of carbon dioxide. When selecting measures, greater attention has been given to those that reduce carbon dioxide and other greenhouse gas emissions.
31. Actions in the Air Quality Action Plan include encouraging sustainable travel and reducing car use, enhancing the environment and green space, and sustainable energy.
32. It is intended to monitor the achievement of actions in the Air Quality Action Plan, including those that contribute to climate change, through the new Corporate PI recording system.

### **Resource implications – this report and these recommendations**

33. There are no financial or staffing implications to producing the Air Quality Action Plan 2023 – 2027, as the costs and staff time, including the public consultation costs, and costs of publication were and will be met from existing resources. Future resource implications of actions proposed in the Air Quality Action Plan 2023 – 2027 are set out below.

### **Resource implications – future implementation**

34. Adoption of the Air Quality Action Plan 2023 – 2027 and continued action to combat air pollution has future resource implications to implement the actions in the action plan. Some actions may be implemented from within existing resources. Other actions may require internal or external project funding. Some air quality projects are run in partnership with other boroughs and organisations.
35. Internal project funding is sought each year through the capital bids process, and any financial, budget and staffing issues will be dealt with through that process. In the past five years, capital bids have funded the various projects including;

- ‘#onething’ air quality awareness campaign;
  - car free days;
  - schools air quality audits
  - school and nursery air quality starter grants
  - replacement of pool cars with fully electric vehicles
  - assessment of emissions from council owned medium combustion plant (mainly estates communal heating and hot water boilers)
36. External funding is sought whenever suitable funds are opened for applications. In the past five years, sources have included the Mayor’s Air Quality Fund, and Defra’s Clean Air Fund. All financial, budget and staffing issues associated with externally funded projects will be dealt with through the reporting process and subject to scrutiny and approvals from Departmental Contract Review Board.
37. Over the past five years, Southwark has led or participated in air quality projects arising from bids for external funds. Projects have included;
- Trials of anti idling signage at Tower Bridge during bridge lifts
  - Walworth Low Emission Neighbourhood
  - alpha-beta phase redevelopment of the airTEXT air quality alerts
  - installation of a heat pump system in a Southwark school
  - anti-idling action
  - Non road mobile machinery construction sites enforcement
  - Road sweeping impact on re-suspended road dust.
38. Other sources of air quality project funds, including match funds for externally funded projects, have been obtained from s.106 payments paid to mitigate air quality impacts of development, the parking revenue fund, the internal Digital Innovation Fund, and Impact on Urban Health charity. Future sources of funds for air quality projects may include the Carbon Fund.
39. Examples of projects financed from these sources include;
- upgrades of monitoring equipment in the Air Quality Monitoring Stations, and expansion from two stations to six (Parking Revenue Account funds)
  - a pilot digital discovery project on the airTEXT air quality alerts system (a precursor to the Defra funded project mentioned above) (funded by Southwark’s Digital Innovation Fund and Impact on Urban Health charity).
40. Work is being done across council divisions to ensure that resource planning for air quality improvements is a key consideration in delivery of work programs across the council. This work is coordinated through a Director level chaired Air Quality Steering Group (AQSG).
41. Air quality projects follow a system of reporting from inception to completion. Where future air quality projects have staffing or capital



resource implications, advice and comments will always be sought from the finance and governance department and relevant departmental finance officers.

### **Legal implications**

42. Due to the current levels of air pollution in Southwark, there is a legal requirement to have an Air Quality Management Area, and an Air Quality Action Plan.

### **Financial implications**

43. Financial implications have been described under resource implications above, and no additional advice has been sought on this report from Director of Finance.

### **Consultation**

#### **Consultation approach**

44. Prior to public consultation, internal consultation and review of the air quality action plan took place through Air Quality Steering Group. As required by the Local Air Quality Management framework, the air quality team at the GLA were sent and have reviewed both the pre-consultation and final drafts. Comments relating to actions and targets were noted and discussed at Air Quality Steering Group, and other minor comments on the layout of tables were incorporated.
45. The public consultation was advertised in advance with the required statutory newspaper notices, and at Southwark Council offices.

#### **Online consultation**

46. Advice was sought from the council's internal consultation team on the design and format of consultation most likely to be effective. As the Air Quality Action Plan (AQAP) is a complex, long and technical document that has evolved gradually since 2003, an online format was strongly advised. The consultation was divided into the sections shown below, allowing people to choose to answer only the parts that were of interest to them personally.

- Monitoring
- Emissions from developments and businesses
- Public Health
- Delivery servicing and freight
- Borough fleet actions
- Localised solutions
- Cleaner transport

47. The online consultation was published, inviting open comments on all

aspects of the AQAP. Due to restrictions on public consultation imposed by the pre-election period, the consultation started later than originally anticipated, and ran for eight weeks between May and July 2022.

48. An invitation to take part in the consultation was circulated to stakeholders and an email circulation list of around 7000 regular consultees, as well as a list of stakeholders established by the guidance.
49. One of the early consultation responses suggested providing an additional screened view of the consultation, highlighting a few headline actions in each of the sections, to obtain further responses from people with less time to devote to an in depth response. This idea was accepted, and a screened view of the consultation was added, with the option to look at all the areas and questions as originally formatted, if preferred. The consultation was promoted again to the same group of people by way of a reminder of the ongoing consultation. In addition, the Empowering Communities team promoted the ongoing consultation on their social media accounts.

### **Citizens Juries**

50. An approach was made to climate change team to explore whether it would be possible to additionally consult on the air quality action plan via the climate change citizens' juries. Given the synergy between air pollution and climate change, with many air pollutants arising from combustion sources or other greenhouse gas sources, it was hoped there would be an opportunity to conduct some more in depth consideration of the air quality action plan proposals.
51. However, the terms of reference of the citizens' juries meant that the juries themselves were expected to identify the issues of concern, and asking them to consider a particular topic would have defeated this aim. However, Environmental Protection Team (EPT) have reviewed the approach taken by the Climate Change team and their experience of setting up citizens juries, and have gained an overview of the costs and administrative demands of setting up air pollution juries to conduct any future review of air quality actions.

### **Outreach**

52. EPT have offered to deliver a presentation on the Air Quality Action Plan to each of the 23 Empowering Communities Program ward meetings, and to take feedback from any subsequent discussion. None of the ward meetings have yet requested a presentation, however this remains a future option to validate or expand on the existing consultation feedback and responses.

### **Initial analysis of responses**

53. Reminders were sent to all stakeholders a week before the online public

consultation closed. This prompted a marginally late in depth response from 'Mum's for Lungs', which was accepted, and which has been included in analysis. A further in depth response was received from the Environment Agency.

54. A total of 262 responses from unique individuals or organisations were received, containing slightly over 1,000 individual comments on the Air Quality Action Plan 2023 - 2027. The consultation as initially designed generated 66 of these responses over the course of eight weeks, and the screened view of the consultation resulted in an additional 196 responses received through the link to the screened view.
55. One response was opposed on principle to the council having an air quality management area or action plan, and was opposed on principle to the UK following standards set by the World Health Organisation. One further response particularly opposed having Low Traffic Neighbourhoods. Apart from these two responses, the consultation feedback largely endorsed the actions included in the plan, and included many helpful suggestions to make the language more clear, and to define performance indicators.
56. Some responses would not directly translate into actions for the air quality action plan, but are still relevant to other council plans. To help align the air quality action plan with the Borough Delivery Plan, Climate Emergency Action Plan and the Movement Plan, these responses will be passed to the appropriate teams, as part of the cross team aim for the plans to each use consistent language, and for the actions to align.

### **Emerging changes**

57. The consultation produced valuable and helpful insights on which types of actions the public feel should be emphasised, and how air quality actions should support and align with other actions in the council plans to improve quality of life. The responses also made useful suggestions for improvements to the effectiveness of the plan, including changes to key performance indicators (KPIs) and language to demonstrate commitment. The consultation also confirmed that the plan contains the ideas that will be most effective at combatting poor air quality.
58. A number of responses called for the council to be more ambitious in existing targets, suggesting for example that instead of having an action to 'explore' the possibility of improvements, we should 'commit' to these. There was support for expanding the Air Quality Management Area to cover the whole borough, and for committing to WHO guideline standards of air quality over the existing national standards. There was support for continuing to use the planning system to secure high air quality standards in new development and new building heating systems, and for new development to have access to green space. A large proportion agreed that work should be done with commercial catering establishments, to reduce emissions from commercial catering.

59. There was also strong support for public information campaigns, work with schools and communities to encourage active travel and healthy streets, and to create clean air zoning around schools, health care locations, and care homes. There was support for working to increase low emission freight, for 'greening' the council's own vehicle fleet, to have more low emission neighbourhoods like the Walworth LEN, and to work to reduce vehicle idling. There was moderately strong support (62%) for extending the ULEZ to the M25. There was strong support for encouraging low emission vehicles over standard vehicles, and for introducing more electric vehicle charging points.

### **Consultation respondent demographics**

60. Consultation responses were reasonably evenly spread across the district, but were received in greatest numbers from Walworth and Dulwich. There has been recent public consultation on air quality in Walworth and Dulwich because of the Walworth Low Emission Neighbourhood, and Low Traffic Neighbourhoods in both Walworth and Dulwich. When people respond to an air quality related consultation, they are asked whether they would like to be contacted about future similar consultations, so previous consultees in Walworth and Dulwich appear to have been self-selected to respond to the Air Quality Action Plan consultation.
61. Responses to the equalities section of the questionnaire showed that there was a reasonable spread of people across age bands over the age of 25, but minimal response from people aged 24 or under. Most respondents were of white ethnicities, with smaller numbers from Black and other Minority Ethnic backgrounds. Around 15% of people described themselves as having a disability. More men than woman responded, in the ratio of around 4 to 3. About half respondents described themselves as heterosexual, with a further quarter preferring not to say or providing no answer. Around a quarter expressed non-heterosexual sexual orientations.
62. Over the course of the Air Quality Action Plan 2023 to 2027, new and additional ways will be sought of increasing interactive public engagement around considering and setting air quality policy, which will be especially beneficial among hard to reach groups.

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

63. This report does not include a procurement or provide information in respect of contracts, major regeneration, or significant risks, and therefore comments from Director of Law and Governance, Strategic Director of Finance and Governance, or Head of Procurement are not required and have not been sought.

## Director of Public Health

64. The health effects of air pollution are well documented, contributing to cardiovascular and respiratory illnesses as well as cancer. These effects are experienced unequally, with children, older people, and those with certain chronic illnesses most affected. Measures to improve air quality can not only boost health and reduce health inequalities, but also benefit the economy and the environment. As such, Public Health recognises the importance of tackling air quality, and is fully supportive of the Air Quality Action Plan.
65. We are pleased to contribute to the Council's work on air pollution including by chairing of the Air Quality Steering Group by the Director of Public Health, supporting a number of air pollution projects, and producing a Joint Strategic Needs Assessment (JSNA) about the health effects of air pollution in Southwark. We recognise the limitations of the role of local authorities in improving air quality and call on central government to be more ambitious with their air pollution targets.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Emerging Joint Strategic Needs Assessment on Air Quality 2022 <a href="https://www.southwark.gov.uk/assets/attach/6353/Final-Air-Quality-JSNA-March-2018.pdf">https://www.southwark.gov.uk/assets/attach/6353/Final-Air-Quality-JSNA-March-2018.pdf</a>	Public Health Southwark Council 160 Tooley Street Southwark	Sangeeta Leahy 07756 214 405
Consultation and Summary Responses <a href="https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=7341&amp;Ver=4">https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=7341&amp;Ver=4</a>	Regulatory Services Southwark Council 160 Tooley Street Southwark	Environmental Protection Team Paul Newman <a href="mailto:paul.newman@southwark.gov.uk">paul.newman@southwark.gov.uk</a>
Equality and Health Impact Analysis <a href="https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=7341&amp;Ver=4">https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=7341&amp;Ver=4</a>	Regulatory Services Southwark Council 160 Tooley Street Southwark	Environmental Protection Team Paul Newman <a href="mailto:paul.newman@southwark.gov.uk">paul.newman@southwark.gov.uk</a>

**APPENDICES**

<b>No.</b>	<b>Title</b>
Appendix 1	Draft Air Quality Action Plan 2023 – 2027
Appendix 2	Air Quality Management Area draft Order

**AUDIT TRAIL**

<b>Lead Officer</b>	Anju Sidhu Head of Regulatory Services	
<b>Report Author</b>	Paul Newman Environmental Protection Team Leader	
<b>Version</b>	Final	
<b>Dated</b>	28 November 2022	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	No	No
Strategic Director of Finance and Governance	No	No
List other officers here	Director of Public Health	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		28 November 2022

<b>Item No.</b> 18.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Southwark District Heating Network Local Development Order	
<b>Ward(s) or groups affected:</b>		Rotherhithe, North Bermondsey, South Bermondsey, Old Kent Road, Peckham, St Giles, Rye Lane, Nunhead and Queens Road	
<b>Cabinet Member:</b>		Councillor James McAsh, Climate Emergency and Sustainable Development	

**FOREWORD – COUNCILLOR JAMES MCASH, CABINET MEMBER FOR THE CLIMATE EMERGENCY AND SUSTAINABLE DEVELOPMENT**

The climate emergency is an existential threat to our species – and the biggest threat of our time. Southwark Council has committed to becoming carbon neutral by 2030 and our climate strategy and action plan provide an ambitious road map to achieve it.

Around 75% of Southwark’s carbon emissions come from buildings – and much of that is from heating and hot water. We cannot tackle the climate emergency without decarbonising our buildings.

In 2013 we connected around 2,500 homes in Bermondsey to the SELCHP heat-from-waste plant in Lewisham. Heat which would otherwise be squandered into the air is pumped through a network of underground pipes to warm our residents’ homes. This saves around 7,700 tonnes of carbon per year.

But excess heat remains, and we can put it to good use. The Southwark Plan and the draft Old Kent Road Area Action Plan signal our intent to extend this district heating network to the south, potentially connecting it to around 3,000 existing council homes in Peckham and to new developments around the Old Kent Road.

This document outlines the Local Development Order (LDO) needed to achieve this goal, and is a key milestone in this process. While the network will mostly comprise underground pipes, with limited impacts on our environment, the construction of utilities infrastructure can be a disruptive process. The LDO allows this to go ahead and puts in place a framework to limit disruption: minimising the number of holes dug into the ground and the number of trucks on our streets. It will ensure that suitable construction management plans are put in place to reduce these impacts and coordinate with other building and utilities work which is happening in the area.

## **RECOMMENDATIONS**

1. That Cabinet approves a draft District Heating Network Local Development Order (Appendices A and B) for public consultation.
2. That Cabinet notes the Equalities Impact Analysis which is in Appendix C.
3. That Cabinet notes that the Council has made an Environmental Impact Assessment (EIA) Screening Opinion and has resolved that the Local Development Order does not comprise development which requires EIA.

## **BACKGROUND INFORMATION**

### **District Heating Network**

4. The heating and hot water in much of the social housing stock that Southwark Council owns and maintains is provided through communal heating generated by gas fire boilers.
5. In 2013, Southwark Council awarded the Southwark Heat Network Contract to Veolia to build and supply heat through a district heating system connected to SELCHP (South East London Combined Heat and Power). SELCHP is an energy recovery facility which processes over 430,000 tonnes of municipal waste per year. This mixed municipal waste is used as the main source of fuel and the energy is exported as both electricity to the grid and heat to homes and businesses within Southwark.
6. The District Heating Network (DHN) comprises highly insulated underground pipes that take hot water from SELCHP, and deliver it to heat exchangers in boiler houses on the Southwark estates, where the heat is extracted to provide heating and hot water, and the cooler water returns to the SELCHP plant for recirculation.
7. The existing network currently provides heating and hot water for 2,500 properties in Southwark. The system also enables other small third-party connections, replacing the need for local energy centres. Because the energy from SELCHP has a very low carbon content, the DHN has saved approximately 7,700t of CO<sub>2</sub> per year since its construction.
8. Buildings account for over 75% of the carbon emissions generated in Southwark. The Council has been working for the past two years to test the viability and feasibility of extending the DHN into the Old Kent Road area, and down to North Peckham. It has the potential to connect 3,000 council homes as well as new development, including the Tustin Estate and Ledbury Estate. The council's feasibility study suggests that connecting this development to district heating could reduce CO<sub>2</sub> generated by heating and hot water by as much as 89% over the course of 25 years. Connecting more buildings to district heating can play a key role in Southwark and London's response to the Climate Emergency.



9. The SELCHP DHN is operated by Veolia. In progressing the Old Kent Road and Peckham extension the council and Veolia are currently at commercialisation stage.. Subject to a separate cabinet decision on varying the council's existing heat supply contract with Veolia, construction of the network could commence in autumn 2023.

### **Simplified Planning**

10. Unlike statutory undertakers like electricity and water companies, DHN operators do not have "permitted development rights" to install pipes and utilities equipment and therefore require planning permission. In order to avoid the need for potentially multiple planning applications the council has the option of making a Local Development Order which grants permission for the type of development specified in the Order, and by doing so, removes the need for a planning application to be made. LDOs are prepared by Local Planning Authorities who have the right to apply conditions to ensure that the development is acceptable in planning terms.
11. In this case, implementation of the LDO would grant planning permission for the pipes and equipment needed to facilitate the DHN. The pipes would mainly be laid underneath the public highway. The only potential structures to be permitted would potentially be small cabinets which sit adjacent to plant rooms, and which take the pipes through the wall to connect to existing boilers.
12. The land that the LDO would apply to would comprise Council owned land and adopted highway. This is shown in Appendix B. During consultation there will be an opportunity to engage private landowners on whether their land should be included. They would benefit from connection to the DHN as it can help developments meet future building regulations and planning policies in a cost-effective way.

### **Consultation**

13. The council will consult publically on the draft LDO. Consultation will be carried out over a 10 week period, in compliance with the Town and Country Planning (Development Management Procedure) (England) Order 2015 which require a minimum of 4 weeks and the council's draft Statement of Community Involvement which requires a minimum of 6 weeks for all planning documents.
14. The LDO will be published on the council's website, a press notice will be sent out and a notification email to all our statutory consultees and other interested subscribers. An online questionnaire will be published on the Consultation Hub for members of the public to share their views. Representations will also be accepted by email and post.
15. The council will consider all comments received and has the opportunity to make amendments to the LDO prior to reporting it back to cabinet for adoption which is anticipated in March 2023.

## KEY CONSIDERATIONS

16. The rationale for extending the district heating network is established in both the Southwark Plan 2022 and the emerging Old Kent Road area action plan. LDOs to help deliver DHNs have been put in place in Leeds and Exeter and a number of other cities are in the process of exploring their use. Paragraph 51 of the National Planning Policy Framework (NPPF) also promotes the use of LDOs to encourage development, which is tailored to local circumstances and promotes economic, social or environmental gains for the area.
17. While the DHN connected to SELCHP would be operated by Veolia, any provider who is developing a network in the area identified would benefit from the rights provided. It should be noted that the LDO only grants planning permission and does not remove the need to comply with other relevant legislation. It is the responsibility of operator/builder to obtain any other licenses and consents required for the construction of the DHN extension. This would include landowner consent to build on council (or any owner's) land and highways consents such as Section 50 of the New Roads and Street Works Act 1991.
18. Veolia intends for the project to be constructed in two phases. The preferred choice for the network design would comprise the following route (shown in Appendix D) although this may be subject to change depending on ground condition, presence of other utilities etc.
19. The first phase would see the construction of the network from the SELCHP facility running east along Surrey Canal Road, crossing the borough boundary into Southwark to join Ilderton Road and running south towards the redeveloped Tustin Estate which will connect to the network. It will then cross the Old Kent Road and run down to the Brimington Estate where it would connect to the existing boiler house.
20. The second phase would see the network branch off to the east with the potential to connect to a number of estates including the Acorn, Bell Gardens, Ledbury, North Peckham, Cossall, Pelican and Sceaux Gardens. While the network would be built primary in the public highway, it would need to cross Brimington Park and also Surrey Canal Park.
21. In addition to phases 1 and 2, Veolia are progressing an extension to the Biscuit Factory in Bermondsey. In order to provide flexibility to connect to third party developments, the area that would be designated under the LDO extends over a large part of the Old Kent Road opportunity area.
22. In order to help manage the impacts of development and ensure it the LDO does not result in unacceptable outcomes, the council is able to attach conditions. These can ensure that the following themes are addressed:
  - Heritage: Restrictions of development allowed within the curtilage of a listed building and in conservation areas
  - Archaeology: Pre-commencement requirement to provide of a desk archaeological assessment and written scheme of investigation

- Assessment of any impacts on trees and appropriate replacement if required depending on their quality and value;
- Ecological assessments;
- Provision of Construction Environmental Management Plans (CEMPs) to help reduce impacts for neighbours and ensure that the construction process adheres to Southwark's Technical Guidance for Demolition and Construction. Contractors will be expected to liaise with the local community during construction and will also be expected to liaise with the local authority to help ensure coordination between contractors and utilities companies working in the area at the same time.
- Time limit: The LDO will expire within 5 years, unless extended by the council.

## **Community, equalities (including socio-economic) and health impacts**

### **Community impact statement**

23. The adoption of the LDO and the resulting extension of the DHN will have a positive impact on the community.
24. Delivery of the DHN extension will benefit our most vulnerable residents and help the Council effectively tackle fuel poverty by providing greater energy security. It will also contribute to tackling climate change which is the biggest humanitarian threat this generation faces.

### **Equalities (including socio-economic) impact statement**

25. In everything we do as a Council, we seek to promote equality and discharge our full Public Sector Equalities Duty (PSED) under Section 149 (1) of the Equality Act 2010. 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. A detailed Equalities Impact Assessment has been undertaken in regard to this proposal (see Appendix B).
26. Overall, the LDO if implemented, and subsequent extension of the DHN should reduce inequality and have a positive impact on groups which are protected under the Act. Connection to the DHN will bring improved reliability and efficiency of heating and hot water systems which should lead to lower overall heating costs. This would benefit our residents with a lower socio-economic status and those who have higher heating requirements such as elderly and disabled residents.

### **Health impact statement**

27. There is a link between poor air quality and negative health outcomes. The Council has an ambition and a legal obligation to improve air quality in the borough.
28. The main atmospheric pollutants of concern in Southwark are Nitrous Dioxide (NO<sub>2</sub>) and Particulate Matter (PM). The main source of these pollutants locally

is traffic emissions but domestic heating also makes a significant contribution with commercial and domestic gas heating is estimated to contribute nearly 30% of local NO<sub>2</sub> emissions.

29. In the short term, the construction of the DHN may cause increased emissions from increased traffic and heavy duty vehicles required on site, leading to poorer air quality. These impacts will be temporary and can be managed through the Construction Environmental Management Plan.
30. In the long term, the extension of the DHN will result in a decreased reliance on gas boilers which emit harmful gases which will mean an improvement in air quality and therefore better health outcomes for Southwark residents.

### **Climate change implications**

31. The adoption of the LDO which facilitates the extension of the DHN will have a positive impact on the Council's contribution to tackling Climate Change.
32. Analysis has shown that the majority of Southwark's carbon emissions come from buildings and a sizeable proportion come from Southwark's own buildings. Modelling shows that moving away from gas boilers is an effective way to reduce carbon emissions. The SELCHP DHN is low-carbon and generated from a renewable energy source. The energy from SELCHP also incorporates circular economy principles as the energy is recovered from municipal waste which would otherwise end up in landfill.
33. Implementing the LDO, resulting in the delivery of the DHN extension will achieve two of the actions set out in *Southwark's Climate Change Strategy 2021* under *Priority 1 – Greener Buildings*:
  - Theme C. Low-carbon technologies and practises are encouraged within the borough's buildings. The goal is to maximise the use of low-carbon technologies for new and existing homes. The immediate action sets out to identify households not currently serviced by district heating that can be switched onto SELCHP or equivalent district heat system. Alongside this Identify areas of the borough that cannot be served by heat networks and must look at communal ASHP, CHP or secondary source heat pumps.
  - Theme E. Decarbonise council housing. The goal is to replace gas with low-carbon technologies. The immediate action is to increase the number of council-owned homes to the extended SELCHP network where feasible.

### **Financial implications**

34. There are no direct financial implications for the council associated with making the LDO. Work to prepare the Local Development Order is funded by existing staff budgets. As noted above the LDO does not override other consents which are required to deliver the network. A decision to vary the council's existing heat and hot water supply contract with Veolia would require a separate cabinet decision.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Governance**

35. Should the cabinet be satisfied with the contents of this report then it has the power to make the decision recommended at paragraph 1 of this report by virtue of the council's constitution. Decisions relating to LDOs are not reserved to any body within the Council. Given the strategic nature of the LDO, decisions relating to it are appropriately matters for cabinet. This is supported by the express executive functions of Cabinet in part 3B, including to consider and promote strategic initiatives to improve the quality, efficiency and effectiveness of the council's services to the public. In addition, Article 6 provides that cabinet will carry out all of the functions which are not the responsibility of any other part of the Council under law or the constitution.
36. The Equality Act 2010 introduced the public sector equality duty, which merged existing race, sex and disability equality duties and extended them to include other protected characteristics; namely age, gender reassignment, pregnancy and maternity, religion and belief and sex and sexual orientation, including marriage and civil partnership. In summary those subject to the equality duty, which includes the Council, must in the exercise of their functions: (i) have due regard to the need to eliminate unlawful discrimination, harassment and victimisation; and (ii) foster good relations between people who share a protected characteristic and those who do not. Paragraphs 24 and 25 of the report confirms that the proposals will have no disproportionate impact on any particular age, disability, ethnicity and sexual orientation. The same paragraphs confirm that the proposals support the Council's equalities and human rights policies and promote social inclusion. The implementation of the proposals are not anticipated to have any detrimental impact on a particular protected group under the Equality Act 2010.
37. The Human Rights Act 1998 imposed a duty on the council as a public authority to apply the European Convention on Human Rights; as a result the council must not act in a way which is incompatible with these rights. The most important rights for highway and planning purposes are Article 8 (respect for homes); Article 6 (natural justice) and Article 1 of the First Protocol (peaceful enjoyment of property). The implementation of these proposals is not anticipated to breach any of the provisions of the Human Rights Act 1998

### **Strategic Director of Finance and Governance (FC22/047)**

38. This report is requesting that cabinet approves a draft District Heating Network Local Development Order (Appendices A and B) for public consultation as detailed above.
39. The strategic director of finance and governance notes that there are no immediate financial implications arising from this report.
40. It is also noted that staffing and any other related costs will be contained within existing departmental revenue budgets.

**BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Old Kent Road district heating feasibility study	160 Tooley Street London SE1 2QH	Ali Weatherup <a href="mailto:ali.weatherup@southwark.gov.uk">ali.weatherup@southwark.gov.uk</a>
<b>Link:</b> <a href="#">Environment and sustainability - Southwark Council</a>		
Environmental Impact Assessment screening opinion	160 Tooley Street London SE1 2QH	Ali Weatherup <a href="mailto:ali.weatherup@southwark.gov.uk">ali.weatherup@southwark.gov.uk</a>
Planning reference: 22/AP/3936 <b>Link:</b> <a href="https://planning.southwark.gov.uk/online-applications/">https://planning.southwark.gov.uk/online-applications/</a>		

**APPENDICES**

<b>No.</b>	<b>Title</b>
Appendix A	Draft Local Development Order
Appendix B	Area covered by the Local Development Order
Appendix C	Equalities analysis
Appendix D	Phasing plan for SELCHP extension

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor James McAsh, Climate Emergency and Sustainable Development	
<b>Lead Officer</b>	Althea Loderick, Chief Executive	
<b>Report Author</b>	Tim Cutts, Senior Regeneration Manager	
<b>Version</b>	Final	
<b>Dated</b>	23 November 2022	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		23 November 2022

<b>Item No.</b> 19.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Driving up Standards for the Private Rented Sector Phase 2	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Dora Dixon-Fyle, Community Safety	

#### **FOREWORD – COUNCILLOR DORA DIXON-FYLE, CABINET MEMBER FOR COMMUNITY SAFETY**

The 2021 census has already shown that the population has grown by 8% in London since the last census in 2011. The private rented sector plays an important role in the borough as the pressure on housing stock increases. With the advent of a serious cost of living crisis, the council believes that it is more important than ever to take action to protect the welfare of its residents, ensuring that they live in housing that protects their health, safety and welfare.

Whilst the council recognises that most homes in the private rented sector are well managed, there are a minority of landlords who willfully neglect their businesses or, more often, those with the best of intentions are not aware of their full responsibilities.

The council will continue to build on working in partnership with good landlords, support those landlords who want to become more responsible and enable more targeted and effective action against rogue landlords. Tackling landlords who are not managing their properties effectively, maintaining adequate standards, treating their tenants fairly or, challenging their tenant's behaviour causing problems for neighbouring residents with repeat anti-social behaviour.

Significant progress has been made to improve the private rented sector through the council's first discretionary licensing schemes from 2016 to 2020, and the introduction of additional licensing and two selective licensing designations in March this year. If approved by the Secretary of State for Levelling Up, Housing and Communities, the addition of two further selective licensing designations will help build on these successes making Southwark a safer and more desirable place to live.

#### **RECOMMENDATIONS**

1. To note the success of the first phase of the pilot scheme for licensing which comprised of (1) a borough wide additional licensing scheme for houses of multiple occupation that are not licensable under the mandatory scheme, and (2) designations 1 and 2 of selective licensing for all private rented sector homes that aren't licensable under mandatory or additional licensing and focused on the wards with most need.



2. To agree the introduction of a 5 year selective licensing scheme (designation 3) comprising of 4 wards; North Walworth, Nunhead & Queens Road, Old Kent Road and Peckham as detailed in Appendix 1.
3. To agree the introduction of a 5 year selective licensing scheme (designation 4), comprising of 10 wards; Camberwell Green, Chaucer, Dulwich Hill, Dulwich Wood, London Bridge & West Bermondsey, Peckham Rye, Rotherhithe, Rye Lane, South Bermondsey and Surrey Docks as detailed in Appendix 2.
4. To agree that officers make an application to the Secretary of State for the Department for Levelling Up, Housing and Communities for approval of designations 3 and 4 of selective licensing.
5. To delegate the authority to the strategic director of environment and leisure to make any minor amendments to the schemes as necessary during the 5 year duration, for the effective administration of the schemes.

### **BACKGROUND INFORMATION**

6. The private rented sector (PRS) in Southwark constitutes nearly a third of the housing stock in Southwark and plays a crucial role in meeting the housing requirements of residents. According to census data, growth in the PRS in Southwark has been significant from 12.5% in 2001 to just over 29% (42,964) in 2019.
7. Southwark is a borough with a broad diversity and a wide range of issues in its private rented housing sector. There are different types of landlord operating within this sector from professional, responsible landlords to inexperienced, reluctant or accidental landlords, and rogue or criminal landlords.
8. The council will continue to take a different approach to each type of landlord, rewarding responsible landlords, supporting and educating inexperienced, reluctant or accidental landlords; and tackling rogue or criminal landlords so they are forced to either operate responsibly or stop them operating within the sector. Licensing is one of the tools the council is using to regulate the private rented sector.
9. There are three types of licensing that can apply to properties in the private rented sector. All three types are included in these proposals and are referred to and outlined in more detail within this document and its appendices. These are:
  - Mandatory Licensing - Under part 2 of the Housing Act 2004, larger houses in multiple occupation (HMOs) (definition outlined below) that are occupied by five or more persons forming at least 2 separate households are required to be licensed.
  - Additional Licensing – Part 2 of the Housing Act 2004 also gives local authorities power to license HMOs that are not covered by mandatory licensing. This includes shared houses and smaller bedsit type accommodation where there are three or more people in two or more

- households. It can also include some properties converted into flats that do not comply with 1991 (or later) Building Regulations
- Selective licensing - Part 3 of the Housing Act 2004 gives local authorities power to license properties that are not covered by mandatory or additional licensing.
  - Note: The above provisions are set out in more detail below under Legal Implications on pages 17 and 18 below.
10. The council has operated a mandatory licensing scheme since April 2006. The mandatory scheme will continue to run without an end date in accordance with Part 2 of the Housing Act 2004.
  11. Southwark's first additional and selective licensing schemes started on 1 January 2016 for 5 years and ended on 31 December 2020. The council made significant steps towards improving the PRS under these previous schemes.
  12. Whilst the onset of the pandemic delayed progress on new licensing proposals evidence collected by officers in 2019/2020 pointed to a number of wards in the borough that would benefit from selective licensing as well as compelling evidence for a further borough wide additional licensing scheme. However, the evidence for selective licensing pointed to four distinct areas with different issues from each other. Following cabinet approval on 19 January 2021 the council carried out a public consultation for its proposals for licensing. This included proposals for a new targeted selective licensing scheme with four separate designations in line with the evidence. Each designation was designed to tackle the specific problems in those areas. It was agreed that these designations would need to be introduced using a phased approach. The first 6 months of Phase 1 acting as a pilot before making a decision on phase 2.
  13. The phased approach was designed to:
    - tackle the worst issues in the borough first
    - ensure the new approach to licensing is effective
    - that the council has the capacity to run the schemes effectively
    - reduces the impact on large portfolio landlords and
    - allows the council to make changes to improve the performance of the schemes where necessary before introducing a larger and more complex scheme.
  14. Phase 1 consisted of a borough wide additional licensing scheme, and designations 1 and 2 of selective licensing. These two selective designations collectively equate to 18% of the total PRS in Southwark. The council agreed to measure its progress during the first 6 months of phase 1 against the objectives for each designation (See appendix 3). These objectives were set for the 5 year period of the licensing scheme. It is therefore important to note that the success of this phase, the pilot, is measured on the significant progress made on the

objectives rather than achieve all of the objectives in full. The objectives that would take priority at the start of a licensing scheme would be to:

- ensure that as many landlords as possible had made applications
  - that a large number of those applications were being processed within good time
  - and that the council had made a start on enforcement work arising from the schemes and
  - continue to carry out enforcement on other work streams.
15. If successful, it was agreed that officers would return to cabinet to seek approval for designations 3 and 4 of selective licensing and for permission to make an application to the Secretary of State for the Department for Levelling Up, Housing and Communities (DLUHC) for phase 2.
16. Having completed an extensive consultation on the proposals, and following cabinet approval on 19 October 2021, the council introduced phase 1 of its new licensing schemes and the [Landlord's Gold Standard Charter](#). The licensing schemes started on 1 March 2022 and were implemented under the general approval as set out in Legal Implications on pages 19 and 20 below.
17. The Charter was designed to recognise landlords who provide a better service than the one required by law, encourage other landlords to achieve a higher standard, and give tenants a better idea of the standard of accommodation that they should be offered. The Charter also offers incentives through discounts on licenses to encourage landlords to sign up to the council's [Finders' Fee scheme](#). The scheme helps residents find a good landlord and property for their next home.

## KEY ISSUES FOR CONSIDERATION

18. This report, and attached appendices, sets out:

Phase 1 – Progress of existing licensing scheme.

- Progress made on the borough wide additional licensing designation for smaller HMOs since its introduction on 1 March 2022.
- Progress made on designations 1 and 2 of selective licensing to improve conditions and tackle ASB in targeted areas since their introduction on 1 March 2022.
- Progress on the Gold Standard Charter for Landlords.

Phase 2 - Proposed designations.

- Final proposals for designations 3 and 4
- Evidence supporting selective licensing designations 3 and 4
- The consultation on the council's licensing proposals
- The results of the consultation

- The changes the council made in response to the consultation results and representations
- The next steps for phase 2 of selective licensing

### **Phase 1 – Progress of existing licensing schemes**

19. The following schemes started on 1 March 2022 and form phase 1 of licensing:
- A borough wide additional licensing designation that applies to most HMOs that do not fall within the scope of mandatory HMO licensing. This includes some buildings converted into self-contained flats that can also be defined as HMOs (section 257 of the Housing Act 2004).
- Selective licensing applying to all PRS properties that do not fall within the mandatory or additional licensing schemes as follows:
- Designation 1, which includes two wards, Champion Hill and Newington, to tackle high levels of ASB linked to the PRS in the borough, and high levels of repeat incidents of ASB.
  - Designation 2, comprising three wards Faraday, Goose Green and St Giles to tackle poor property conditions.
20. The council employed an external consultant, Cadence Innova, to carry out an independent review of the first 6 months of the schemes. The key findings and conclusion are outlined below. The full report is available in appendix 3.

#### Key Findings

##### Applications received and suitability of licence holders

21. During the pilot phase, 1695 selective licence applications were received and 1070 selective licences granted.
22. 25% of applications expected within the five-year scheme period were received within the first 6 months of the scheme going live.
23. A level of 'self-regulation' has been imposed as landlords will not be granted a licence unless they are able to demonstrate at the point of application that they are a 'fit and proper person' to hold a licence and that satisfactory management arrangements are in place.

##### Housing Standards and Anti-Social Behaviour

24. Through the licensing scheme, the council has been able to regulate the private rented sector (PRS), improve housing conditions and promote better standards of management. Conditions are attached to all licences and landlords must proactively manage their properties and take reasonable action to address any identified problems so that they comply with licence conditions.

25. 1167 desktop audits have been undertaken and where necessary statutory notices have been served, bringing about much needed improvements and raising the standards of poor accommodation across the borough.
26. Designation 1 licences contain specific conditions that clearly state the responsibilities of landlords to prevent and deal with any ASB that arises. Guidance has also been provided to landlords on how to manage tenants who are causing ASB. PSHE Officers work closely with colleagues from the noise & nuisance, waste management, environmental protection and the ASB service to investigate and find solutions for any ASB issues emanating from PRS properties. External mediation services can also be used to resolve the more difficult ASB cases.
27. Inspections are carried out in accordance with property/licence risk assessments. Those properties with the highest risk factors being inspected first. This ensures scarce resources are directed to bring the minority of landlords who are deliberately failing to comply with the law into compliance.
28. An effective licensing scheme relies on robust enforcement and by using intelligence gathered via licence applications and service requests, the council has been able to better target enforcement action towards the minority of landlords who fail to invest in their properties or meet their legal obligations. Southwark is currently ranked fourth out of the top 10 LA's with the highest level of enforcement.

#### Working with landlords

29. An educational approach has been taken to dealing with licensing non-compliance. Seeking in the first instance to work with landlords and bring about compliance through informal means. The council recognises that the majority of landlords in the borough are both responsible and cooperative.
30. Accreditation is key to raising levels of professionalism and standards in the private rented sector. Although as yet, there has not been a significant uptake of the Gold Charter, as of September 2022, Southwark had 1201 landlords accredited to the London Landlord Accreditation Scheme (LLAS).

#### Engagement and communication with landlords and tenants

31. Engagement with tenants and landlords has increased with articles in the monthly resident newsletters and borough wide quarterly magazine. 2064 landlords and agents have signed up to receive invites to the council's landlord forum and regular bulletins.
32. As part of the council's communications and engagement campaign, google AdWords were utilised. This resulted in 40,859 impressions (number of digital views or engagements) and 6,122 clicks on ads (15% click through rate). The success of the digital marketing campaign has helped to improve landlord and tenant engagement and education with large numbers visiting the Council's licensing webpages to learn more about the licensing schemes.

### Holistic Approach to raising standards

33. The team is working with a number of services across the Council to raise and maintain housing standards and provide support to landlords and residents. We are in regular contact with anti-social behaviour unit, planning, building control and housing support.
34. The team is joint working with the Fuel Poverty Partnership and climate change that will also contribute to improvements in general housing conditions and a reduction in deprivation.
35. We are also contributing to Southwark Cost of Living initiatives specifically targeting the private sector.

### Resources

36. The council has implemented a new IT system for end-to-end application processing and workflow management. Five licence processing officers have been appointed on temporary contracts, ensuring all applications are managed in a timely manner and there are no significant delays in the collection of part B fees. Projected revenue has been achieved.
37. Enforcement capability is being scaled up and four new enforcement officers have been appointed on temporary contracts. A recruitment campaign for qualified and experienced environmental health/housing enforcement professionals is ongoing.

### Conclusion

38. Southwark Council has made significant progress during the pilot period in meeting its licensing scheme objectives. The pilot has allowed the Council to confirm the predicted levels of PRS and that a ward based approach to licensing is justified. It has also enabled a gradual building up of licensing administration capacity and enforcement capability.
39. Through its marketing and engagement strategies landlords and agents have been made aware of the scheme that has resulted in an extremely high 'uptake' of licences within the first 6 months of the scheme. The council has introduced new administration processes to ensure licences are granted within a reasonable period and fees are collected without delay.
40. During the pilot period the council has adopted an educational approach to licensing however where necessary the council has not hesitated in using all enforcement tools to bring about compliance.
41. Although the pilot period has been too short to measure a trend and to determine a reduction in repeat ASB incidences, new ways of working and protocols have been developed to ensure that this objective is achieved in the long term.

42. The pilot scheme has however been able to demonstrate that through licensing, the council is able to regulate the private rented sector, improve housing conditions and promote better standards of management.

## **Phase 2 - Proposed designations.**

### Evidence

The council worked with an external consultant, Metastreet Ltd, to carry out a Housing Stock Condition and Stressors Survey.

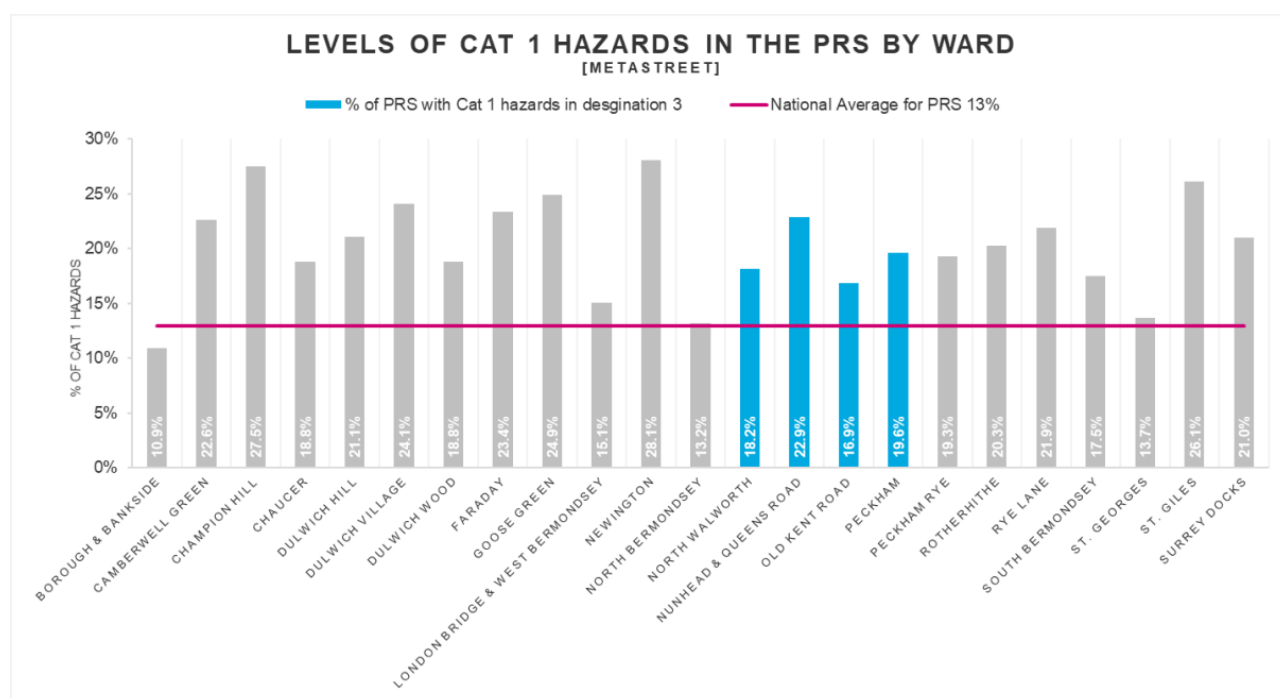
43. The data for the survey was gathered using existing data from across the council and from external sources relating to property conditions, anti-social behaviour and deprivation.
44. In order to determine the wards with the highest levels of **poor property conditions** factors such as housing complaints, housing notices and EPC data were included.
45. For **deprivation**, council held statistics and publicly held data were used that align with the legislation and guidance. These include IMD and barriers to housing and services. Proxies were used for other factors, for example, early unavoidable death rates and levels of childhood obesity for 'health of households'.
46. The results of the survey were used to develop the proposals for licensing, including selective designations 3 & 4, and included information gathered on the size, geographical spread and condition of the private rented sector in Southwark.

More information is given in Appendix 4, Private Rented Property Licensing – Evidence Report. The Housing Stock Condition and Stressors Survey report can be found here: [Housing Stock and Stressors Report, Metastreet, 2019](#)

47. As a response to the evidence outlined by the Survey, at consultation, the council proposed four ward based, selective licensing designations each addressing specific issues within each of the designations. These schemes would apply to all private rented sector properties that are not included in the Mandatory or Additional Licensing schemes. These proposals were split into two phases.
- Phase 1 consisted of Designations 1 & 2 which collectively equate to 18% of the total PRS in Southwark which were implemented on 1 March 2022
  - Phase 2 consisted of Designations 3 & 4, which collectively equate to 67% of the total PRS in Southwark, which are outlined below.

### Designation 3

48. This proposed designation, at consultation, includes four wards, North Walworth, Nunhead & Queens Road, Old Kent Road and Peckham. These wards are some of the most deprived and in Southwark and have poor property conditions.
49. These four wards are all in the bottom 30% of deprived wards in the country and with category 1 hazards that are higher than the national average. Poor property conditions make deprivation worse meaning that people in those areas, who cannot choose where they live, are often stuck in overcrowded and poorly maintained housing. Evidence suggests that there are likely to be 1,858 properties within these 4 wards that suffer from severe overcrowding, damp & mould, and fire hazards.

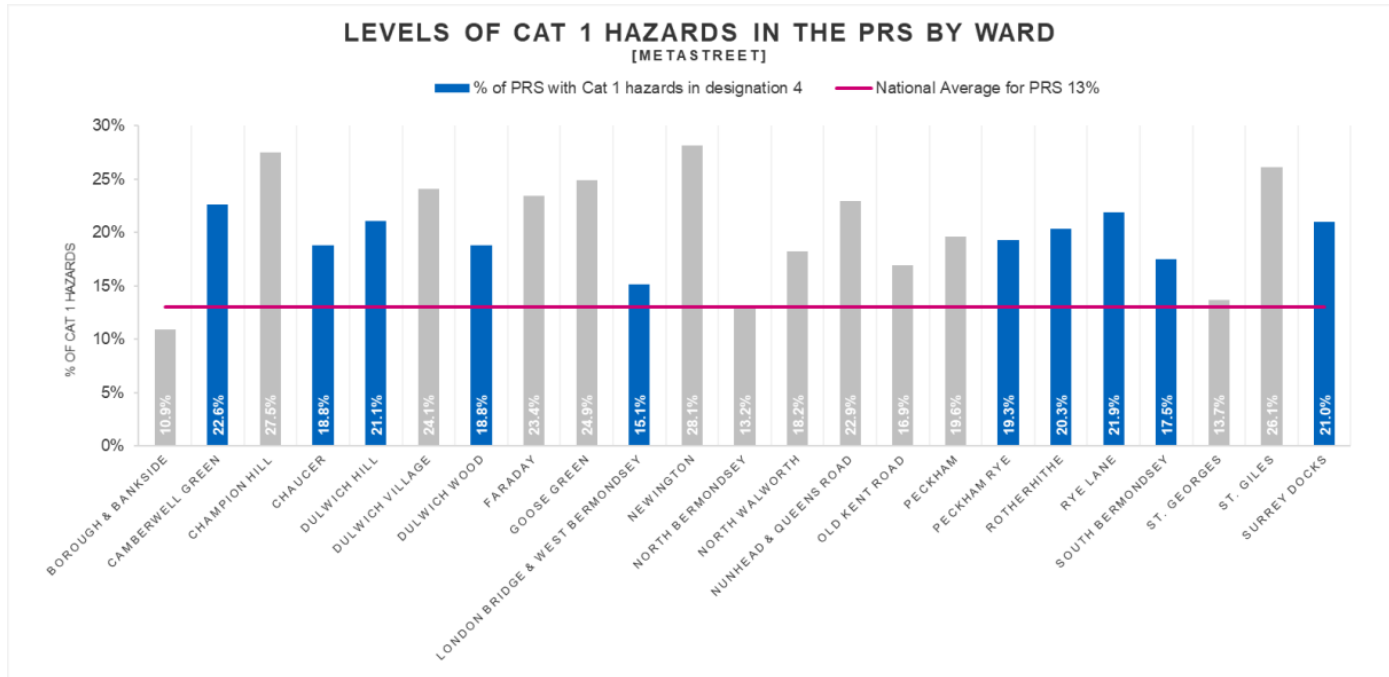


Source: [Housing Stock and Stressors Report, Metastreet, 2019](#)

### Designation 4

50. This proposed designation, at consultation, comprises the following 10 wards with high levels of poor property conditions; Camberwell Green, Chaucer, Dulwich Hill, Dulwich Wood, London Bridge & West Bermondsey, Peckham Rye, Rotherhithe, Rye Lane, South Bermondsey and Surrey Docks.
51. The properties in this designation have levels of category 1 hazards that are higher than the national average for PRS of 13%. Overall, in these ten wards, there are 3,754 properties in the PRS that are predicted to have category 1 hazards as shown in the graph below.





Source: [Housing Stock and Stressors Report, Metastreet, 2019](#)

### Consultation

52. Before a local authority can introduce a licensing scheme, it must take reasonable steps to consult all persons who are likely to be affected by any licensing scheme and to consider any representations made.
53. On 19 January 2021, Cabinet gave approval for officers to carry out a public consultation on new proposals for the private rented sector. The report included information on:
  - the results of the previous schemes and other actions taken to improve the private rented sector
  - the Housing Stock Condition and Stressors Survey
  - proposals for new selective licensing schemes
  - details on how officers intended to conduct the consultation and
  - the phased approach to introduce a new, ward based, selective licensing scheme in a small area (designations 1 and 2) followed by a larger scheme (designations 3 and 4) to be approved by the Secretary of State for Housing, Communities and local Government.
54. The public consultation on the new proposals began on 15 February 2021 and ran for 19 weeks before ending at midnight on the 28 June 2021. The consultation was paused for the 6 week pre-election period before the London Mayoral elections in May.
55. The consultation asked for views on a numbers of council's proposals including:
  - Selective Licensing in 19 wards through four designations

- Conditions, new fees and discounts attached to selective licensing
- Respondents perceptions and experiences of the issues in the borough

#### High level results of Consultation

56. The consultation provided a total of 1,916 responses received on the online survey and 121 responses on a commonplace map. (Appendix 6 gives detail on the consultation and responses).

Selective Scheme Responses	Agree	Disagree	No Opinion
Proposed introduction of scheme	42%	20%	38%
Proposed Licensing conditions	36%	20%	44%
	Reasonable	Unreasonable	No opinion
Proposed Licensing Fee	34%	32%	34%

57. It is clear a high percentage of respondents agree with the Council's proposals and in response to this, the council does not intend to change the area or type of property covered by the proposed selective licensing designations 3 and 4.
58. The objective of the proposed licence conditions are to improve property condition and management of these properties whilst recognising that the Housing Act 2004 in general requires the Council to deal with sub-standard conditions using HHSRS assessments and enforcement powers, e.g. an Improvement Notice under Part 1 of the Act.
59. Whilst the results of the consultation show that, most respondents who had a firm opinion agreed with the proposed conditions there were a number of written representations regarding specific conditions that were considered by the council. The conditions attached to this scheme have therefore been amended in response to a number of these representations. Some conditions were deleted or amended and this is set out in more detail in appendix 7 with the final proposed conditions for each designation are set out in appendix 1 and 2.

60. Proposed Licensing Fee

	Part A	Part B	Total
Selective Licensing Designations 3 & 4	£630	£270	900

61. The majority of the respondents thought that the proposed fees were reasonable. The council therefore does not intend to change the final proposed fees for selective licensing designations 3 and 4.

### Discounts for the proposed licensing schemes

62. At consultation, the council proposed 4 possible discounts to the licence fees however, the council has removed the discount for landlords joining the Social Lettings Agency as those properties will now be exempt from licensing. Gold Standard Charter members who sign up to the council's Finder's Fee scheme will be referred to as Gold Standard Charter Plus members. These changes have not affected the value of the discounts on offer.
63. The consultation responses considered by the council therefore are;

Name of discount	Discount	When the discount will apply	Applicable to Schemes
Early Bird discount	30% on Part A & B fees	First 3 months from start of the scheme	Selective
Gold standard Charter members	50% on the Part B fee	For the full life of the scheme	Mandatory, Selective and Additional
Gold Standard Charter Plus members	100% on the Part B fee	For the full life of the scheme	Mandatory, Selective and Additional

64. High level results of Consultation

	Reasonable	Unreasonable	No opinion
Proposed Discounts	39%	19%	42%

65. Respondents were asked which of the discounts should be removed and for suggestions for discounts that should be added. Whilst a number responded with comments regarding general disagreement to the proposals there were very similar numbers of respondents suggesting that the early bird and Gold Standard Charter discounts should be removed while others suggested that there should be a discount for 'good landlords' and for those that were licensed under the previous schemes.
66. 30% of landlords said that the proposed discount for Gold Standard Charter would be an incentive to sign up.
67. The final proposed fees and discounts are outlined in appendix 9.
68. At consultation, the council stated that licences issued under the previous selective licensing schemes that have not expired during the 5 year period of the proposed schemes will be valid under the new designations for the remainder of their licence period. Landlords who wish to take advantage of the early bird discount, that will be available for the first three months following the start of the schemes, can apply for a new licence within the early bird period if they wish to take advantage of the discount. The council has not made any changes to this proposal. The new licence, if applied for during the early bird discount period, if

the application meets all of the standard requirements attached to the licensing process, will be issued for the 5 year period of the new licensing scheme. It will be for each landlord to decide whether they would prefer to take advantage of the early bird discount or keep their existing licence until it expires, applying for a new license at that time without the benefit of that particular discount.

### **Addressing the number of responses with 'No opinion'**

69. It was noted that there were a high number 'don't know'/not sure' responses, throughout the consultation.

70. Number of 'don't know'/not sure' responses by respondent type

	Landlords	PRS tenants	Council tenants/owner occupiers & other
To proposals to introduce licensing schemes	21%	38%	41%
Licensing conditions	21%	37%	42%
Fees	14%	42%	44%
Discounts	19%	35%	46%

71. Although the highest percentage of 'don't know/not sure' responses were from owner occupiers, housing association tenants or council tenants, who may not have any previous experience of the private rented sector or licensing, a significant number were from landlords and tenants in the PRS. This is thought to be an indication of a lack of awareness of rights and responsibilities within the sector. This is something that the council believed to be the case before the consultation and believe that the consultation results bear this out. The council is committed to; empowering residents to take pride and influence over their homes, support businesses, and increase the professionalism of landlords operating in the borough. As part of this commitment, and in response to the consultation the council has, and will continue to, increase and improve promotion of its existing services and initiatives. These initiatives include the proposed renters' support organisation, the Landlord's Gold Standard Charter, landlord's forum and newsletter, and residents newsletter to inform PRS tenants and landlords. The council will continue to work with landlords and tenants to ensure that services are meeting their needs.

### **Alternatives to Discretionary Licensing**

72. When considering whether to make an additional or selective licensing designation a local authority must identify the objectives that a designation will help it to achieve. At consultation the proposed scheme objectives that relate to 'Phase 2' were:

- Improve property standards in the borough
- Ensure compliance with licence conditions

- Maximise the number of licensable properties that are licensed to ensure that the schemes are improving housing standards to the largest possible percentage of licensable properties
73. Improve the professionalism of landlords and managers and the management of PRS property.
74. At consultation, the council detailed a number of other courses of action or alternatives to selective licensing that had been considered, but did not believe that they, individually or collectively, provided an effective means of tackling poor housing conditions in the borough, or of delivering the scale of improvement required. The alternatives considered were:
- Use of Part 1 Housing Act enforcement powers (Housing Health and Safety Rating System) and Public Health powers
  - Voluntary Accreditation schemes facilitate improvement in management practices and standards
  - Rely on prosecutions and civil penalties for housing offences
  - Improvement grants to improve sub-standard properties.
75. The 20% of respondents that did not agree with the proposed selective licensing schemes were asked what they thought the alternatives should be. The main comments were similar in nature and volume to those about additional licensing. Appendix 7 gives more details of the representations received and a response to those representations.
76. The council is of the opinion that no viable alternatives were identified through the consultation process that would, individually or collectively, be capable of delivering the scheme objectives that the council would deliver through the operation of the proposed selective or additional licensing schemes. The final objectives for the licensing schemes (alongside outcomes and outputs) can be found in Appendix 8.

#### Next Steps to Implement Phase 2 of Selective Licensing

77. Following cabinet approval of the proposed selective licensing designations 3 and 4 set out in this report, officers will submit an application to the Secretary of State for Levelling Up, Housing and Communities for approval to implement the designations. The time table for this is as follows:

<b>Stage</b>	<b>New timetable 2022/23</b>
Final submission to DLUH	January 2023
DLUH response to enquiries and decision	February to May 2023
3 month statutory notification and standstill period	June to August 2023
Phase 2 go live	September 2023

78. In line with recommendation five of this report, following implementation, approval will be sought from the Strategic Director of Environment and Leisure for any minor amendments to the schemes. These minor changes, for example, include the removal or rewording of a standard licensing condition following a

change in law or formal guidance from DLUCH. These changes will only be made as necessary to ensure that the designations are compliant with legislation, case law and formal guidance throughout their 5 year duration and for the effective administration of the schemes. Any substantial changes to the schemes will need to follow the legislative framework for selective licensing.

#### Licensing working in conjunction with existing initiatives and partnerships

79. We will continue to build on the good working relationship with our internal and external partners. We have engaged in several joint working initiatives and partnerships with agencies such as the Police, Fire Service, HMRC, Immigration Enforcement, Rogue landlord multi-disciplinary task force, Homelessness Forum, Envirocrime and Planning Enforcement. We will also continue to actively promote the Gold Standard Charter and support accredited landlords.

### **POLICY FRAMEWORK IMPLICATIONS**

#### **Fairer, Greener, Safer Manifesto Commitments**

80. As part of the 2022 manifesto, the Council committed to taking a zero tolerance approach to rogue landlords. Licensing gives the council the framework to hold landlords to account and gives greater powers to tackle landlords who do not maintain appropriate standards.

#### **Southwark's Fairer Future Commitments**

81. The Borough Plan sets out these commitments across eight themes. Licensing schemes supports a number of the themes that form Southwark's Fairer Future Commitments. It supports 'homes for all' and 'tackling health inequalities' by improving living standards in the borough and will help to address poor housing, as well as dealing with and deterring rogue landlords.
82. A secure home environment gives Southwark residents the platform to make the most of the opportunities on their doorstep supporting a number of the themes including 'thriving neighbourhoods' and 'a great start in life'.
83. Licensing also supports Southwark's and the GLA's commitment to tackling rogue landlords. Rogue landlords are likely to be responsible for other criminal activity such as money laundering, modern day slavery and trafficking. Licensing helps the council establish who the responsible landlords are, educate and support the less professional landlords and identify the rogues. This benefits responsible landlords who make less profit from their business than the unscrupulous ones that ruin the reputation of the sector.

#### **Southwark's Housing Strategy 2020**

84. The housing strategy sets out the council's the long term direction with simple clear commitments and updated actions. This strategy includes the commitments for mandatory, additional and selective licensing.
85. The four fundamental issues are affordability; quality; security and pride and responsibility.

86. The four broad principles on these key values, as follows:
- Increasing the supply of genuinely affordable high quality homes that meet our residents' housing needs and aspirations
  - Demanding safer, higher quality, energy efficient homes
  - Promoting tenure security and social support in housing, and improving the health, wellbeing and economic resilience of residents.
  - Empowering residents and communities to have pride and influence over their homes.
87. The principles make specific reference to demanding safer, higher quality, energy efficient homes. The licensing proposals help the Council to ensure properties in the private rented sector comply with these principles.
88. The principles make specific reference to empowering residents to take pride and influence over their homes. Landlords must display their licenses in their properties and if they do not tenants can easily find out if their property has a license and request a copy. This helps to empower private sector tenants by informing them of the standards their landlords must comply with.

## **COMMUNITY, EQUALITIES AND HEALTH IMPACTS**

### **Community impact statement**

89. The proposals for phase 2 of selective licensing work towards the council's continuing goal to set out the Council's expectations for the private rented sector and drive up standards. These proposals will have a positive impact on the wider community, as it is recognised that an increase in legally compliant and decent homes are linked to improved communities, reduced crime, improved educational attainment and health.

### **Equality (including Socio-economic) Impact Statement**

90. Poor housing is more likely to affect the most vulnerable in society. The disabled, those with impaired immune systems, the very old and young, the most disenfranchised in our society; those escaping abuse, ex-offenders, addicts and reformed addicts, migrants and particularly illegal immigrants who are more susceptible to modern day slavery, are most likely to be living in the worst dwellings in PRS. The proposed phase 2 of selective licensing schemes seek to improve the quality of accommodation for occupiers in the private rented sector, reduce the impact on the wider community and make our expectations for the sector clear and transparent.
91. Licensable properties are required to meet conditions that are aimed at ensuring fit and proper management and tenancy, providing a fair environment for all tenants and landlords, better choice and standard of rented accommodation, and be adverse to rogue and non-compliant landlords. These proposals are designed to empower more tenants so that they have a standard to point to when choosing a home and confidence in approaching their landlord for improvements to their existing home regardless of age, disability, gender, race, sexuality etc. This will lead to better quality accommodation and greater community stability for groups who are unable to access social housing or homeownership therefore is can

assist with community cohesion and tackle exclusion. The Equalities Impact Assessment for licensing is provided in appendix 10.

### **Potential negative economic impact**

92. There is no evidence to suggest that the introduction of the council's previous licensing schemes had a negative impact on the areas in which they operated. A recent independent review of the Use and Effectiveness of Selective Licensing commissioned by MHCLG (now DLUHC) determined that there was no substantive evidence of rent rises being passed onto tenants due to the introduction of selective licensing schemes. Should the proposed designations be confirmed, no negative economic impacts are anticipated. It is considered that selective licensing, when combined with other measures taken in the designated areas will have a positive economic impact rather than negative by reducing the factors that contribute to deprivation and improving housing conditions in the designated area.

### **Health Impact Statement**

93. Poor housing has long been identified as a health inequality that adversely impacts the health of occupiers, especially those in vulnerable groups. It is widely accepted that the ability to live in decent housing is key to all aspects of wellbeing. These proposals will improve the living conditions for those tenants in the private rented sector and in doing so will have a positive impact on the health and wellbeing of those occupiers.

### **Climate Change Implications**

94. The licensing proposals support the Council's Climate Change Strategy by working to ensure that the energy efficiency in private rented sector properties is improved. The conditions attached to the licenses remind landlords that properties must have an Energy Performance Certificate of E or above in line with the Minimum Energy Efficiency Standards (MEES). Where there is a lack of compliance, and if there has been no registration of a valid exemption, enforcement will be under The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 and The Energy Efficiency (Private Rented Property) (England and Wales) (Amendment) Regulations 2019 (discretionary condition).

Note: More information on the Minimum Energy Efficiency Standards (MEES) is available here: [Domestic private rented property: minimum energy efficiency standard - landlord guidance](#)

95. The Gold Standard Charter asks landlords to achieve higher EPC standards than the required minimum standard. Landlord forums, news bulletins, and the proposed renters' support organisation will be used to give information to landlords and tenants at regular intervals regarding; the energy efficiency standards and regulations, information on how to achieve improved energy efficiency, and the various grants and schemes offered by energy companies or central government to improve energy efficiency. The PRS Housing Enforcement Service responsible for licensing are liaising with the Council's Fuel Poverty / Energy Efficiency Officer on projects specifically for the private rented sector.



96. In order to deliver improvements in energy efficiency in homes, government needs to significantly increase the level of funding available for renewable heat technology and for raising the thermal efficacy of existing buildings. The council will continue to make the case to government for investment in homes both in our bilateral discussions, but also working in partnership with other boroughs through London Councils.
97. More information regarding the council's Climate Change Strategy can found here: <https://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=7377>

## LEGAL IMPLICATIONS

### The legislative framework for Licensing

98. The Housing Act 2004 allows Councils to license privately rented housing in three ways:
- a) Mandatory licensing under Part 2, section 55 of the Housing Act 2004 places a duty on all local authorities to license houses in multiple occupation occupied by five or more persons, living in two or more single households.
  - b) Additional licensing under Part 2, section 56 of the Housing Act (detailed further below in section 2 "*Additional Licensing*").
  - c) Selective licensing under Part 3, section 80 of the Housing Act 2004 (detailed further below in section 3 "*Selective Licensing*").

#### *Selective Licensing*

99. Under section 80 of the Housing Act 2004, a local housing authority can designate the whole or any part(s) of its area as being subject to selective licensing.
100. Where a selective licensing designation is made it applies to all Part 3 Houses that may be houses or flats as defined by sections 79 and 99 of The Housing Act 2004 that are privately rented in the area, subject to certain exemptions; for example Registered Social Landlords, or HMOs that are required to be licensed under Part 2 of the Act through the mandatory licensing scheme or any additional licensing scheme.
101. The local authority will need to submit an application for approval to the Secretary of State for Levelling Up, Housing and Communities if it intends to make a selective licensing designation that covers.
- a. 21% or more of its total geographical area and
  - b. includes more than 20% of its privately rented properties.
102. For the council to introduce a selective licensing scheme applying to non HMOs it has to be satisfied it is an area in which one or more of the following general conditions apply. These general conditions are:
- That the area is, or is likely to become, an area of low housing demand;

- a. That the area is experiencing a significant and persistent problem caused by antisocial behaviour (the council must show some or all landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat and effectively deal with the problem)
  - b. The area has poor property conditions
  - c. The area has high levels of migration
  - d. The area has high levels of deprivation
  - e. The area has high levels of crime.
103. The authority must also be satisfied that making a designation will, when combined with other measures undertaken in the area by the local housing authority (or by other persons together with the local housing authority) lead to a reduction in, or the elimination of, the problem(s).
104. Under the Secretary of State's General Approval 2015, before a local authority can introduce a selective licensing scheme it must take reasonable steps to consult all persons who are likely to be affected by any such licensing scheme for a minimum of 10 weeks. The local authority must consider any representations made during the consultation.
105. Before making any decision, cabinet must have due regard to the responses received through the consultation undertaken and take due regard to the matters set out in the DLUHC Guidance: Selective licensing in the private rented sector - A guide for local authorities.
106. In particular it must be considered whether there are any other courses of action available that would achieve the same objective or objectives as any proposed schemes without the need for the designations to be made.
107. Once the Local Authority has decided to implement schemes the Local Authority must, within 7 days of the decision, publish a public notice of the designation to include:
- that the designation has been made
  - whether or not the designation was required to be confirmed and either that it has been confirmed (under section 58 or section 82 as appropriate) or that a general approval applied to it (giving details of the approval in question)
  - the date on which the designation is to come into force, and
  - any other information which may be prescribed.
108. The start date for the designation must be no earlier than three months after the date on which the designation is confirmed.
109. After publication of a notice, and for as long as the designation is in force, the local housing authority must make available to the public in accordance with any prescribed requirements.
- copies of the designation, and

- such information relating to the designation as is prescribed.

### Financial and Resource Implications

110. Administration of the scheme is such that it is intended to be self-financing over a five year period. The fees that are being applied are set at a level where the revenue from the fee will cover the cost incurred and will be reviewed on an annual basis to ensure it is in line with inflation and reflects the costs of the scheme.

111. The fees proposed are as follows:

Licence Type	Part A	Part B	TOTAL
Selective	£630	£270	£900

112. The discounts proposed are:

A 30% early bird discount for the first 3 months from the start date of the schemes. (The early bird discount does not include applications made for mandatory licences.)

113. A discount of 50% will be offered on the 'Part B' fee for all licensing schemes where the landlord and/or managing agent has signed up to the Council's Gold Standard Charter for Landlords. More information regarding the fees and discounts can be found in appendix 9.

114. The forecast costs and income over the five-year period are as follows:  
5 year Income and Expenditure Analysis

Description	Selective Licensing Phase 2 (designations 3 & 4)	Annual Average
	£'000	£'000
Staffing Costs	10,313	2,063
Other running costs	2,518	504
Total costs	12,831	2,566
Estimated Income	(12,815)	(2,563)
Net Expenditure	15	3

115. The income will be closely monitored and a team proportionate to the demand for the service will be employed. The costs of the scheme will cover the cost of; processing the license application, compliance monitoring and, enforcement against landlords who are non-compliant with the licensing process.

## SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

### Head of Procurement

116. N/a

### Director of Law and Governance

117. The Housing Act 2004 requires private rented houses in multiple occupation (HMO's) of a specified size to be licensed (mandatory licensing) and allows a local housing authority to extend licensing to smaller HMO's by designating an area or areas of their district or the whole of their district as subject to additional licensing. The Act also enables local housing authorities to extend licensing requirements to other private rented properties by designating for selective licensing an area or areas of their district or the whole of their district.
118. The licensing provisions do not apply to houses let by local housing authorities or registered social landlord.
119. The circumstances in which the council may designate areas as subject to selective licensing are set out in the Act and are summarised in this report together with the evidence supporting the proposed designations.
120. For selective licensing, the council may designate areas as subject to licensing, if it is satisfied that the areas are impacted by one of a number of conditions set out in legislation; one of the conditions is that the areas are experiencing significant problems with anti-social behaviour (ASB). This is the condition relied on for the purpose of the scheme proposed in this report.
121. When considering a selective licensing scheme on the basis of ASB, the council must also be satisfied that there is a link between the ASB and private rented accommodation in the area. It must be satisfied:
- a) the area(s) is/are experiencing a significant and persistent problem caused by ASB
  - b) some or all of the landlords letting in the area are failing to take reasonable action to combat the problem
  - c) when combined with other measures taken in the area by the local housing authority or by other persons, making designations will lead, to a reduction in or elimination of the problems identified
  - d) the scheme will significantly assist with achieving objectives.
122. For selective licensing schemes the council must also be satisfied before making designations that;
- (i) the proposed designations are consistent with the overall housing strategy,
  - (ii) a coordinated approach is adopted in dealing with homelessness, empty properties and ASB,
  - (iii) alternative courses of action have been considered.

123. The law specifies conditions that a licence must contain but otherwise a licence may include such conditions for regulating management of the licensed property as the council feels appropriate.
124. The council may set an application fee. Such fee must be reasonable and proportionate and should not exceed the anticipated cost to the council of running and enforcing the licensing scheme.
125. The council may invoke enforcement processes against those controlling or managing a property without a licence or failing to comply with licence conditions.
126. The designation of areas subject to selective licensing requires approval from the Secretary of State.
127. The Act requires the local housing authority to carry out consultation before making a designation. Before making the designation the local housing authority must:
  - (a) take reasonable steps to consult person who are likely to be affected by the designation; and
  - (b) consider any representations made in accordance with the consultation and not withdrawn.
128. DCLG guidance suggests that this consultation should include local residents, for example, tenants, landlords and managing agents, other members of the community who live or operate businesses or services in the proposed designated area and local residents and businesses in the surrounding area that will be affected. Case law indicates that those affected outside the Council's area should also be consulted. A minimum consultation period of 10 weeks is required under the general consent issued by the Secretary of State in April 2015.
129. When considering the recommendations of this report, due regard must be given to the public sector equality duty in section 149 of the Equality Act 2010. This requires the Council to consider all individuals when carrying out its functions.
130. Importantly, the council must have due regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity and foster good relations between people with protected characteristics and those who do not. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The public sector equality duty also applies to marriage and civil partnership, but only in relation to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct. Cabinet members are referred to the community impact statement in the report.
131. Designations can last for no more than 5 years from the date on which it comes into force. The council must review the designation from time to time and if appropriate, the designation may be revoked.

132. Designations, once made must be publicised by the council within 7 days and notice provided within 2 weeks to interested parties, in accordance with the specifications set out in regulations. Once the notice has been published the council must make copies of the designation and any prescribed information available to the public.
133. It is a criminal offence to let out a property in the designation area without applying for a licence. Failure to apply for or obtain a licence could lead to prosecution and an unlimited fine or the imposition of a civil penalty of up to £30,000. In addition, the council or the tenants of the property could apply to the First Tier Tribunal for a Rent Repayment Order, requiring the landlord or agent to repay any rent paid for up to 12 months during which the property was unlicensed.
134. Once a designation has been made, no notice under section 21 of the Housing Act 1988 (notice requiring possession) may be served in relation to a short-hold tenancy of the whole or part of an unlicensed property, whilst it remains unlicensed.
135. Where the breach of a licence condition is identified, the licence holder may be prosecuted for each breach or issued with civil penalty of up to £30,000 for each breach.
136. If the licence holder allows the property in question to become occupied by more than the number of persons permitted by the licence, he or she may also be prosecuted and sentenced to an unlimited fine or the imposition of a civil penalty of up to £30,000.

**Strategic Director of Finance & Governance (FC22/045)**

137. The strategic director of finance and governance notes the recommendations to cabinet to approve designations 3 and 4 of selective licensing and the making of an application to the Secretary of State for the Department for Levelling Up, Housing and Communities (DLUHC) for approval of the licensing designations to operate in Southwark for 5 years.
138. The strategic director of finance and governance notes the financial and resource implications detailed in the body of this report. It is also noted that these would underpin the setting up of budgets for the service and would be regularly reviewed to ensure that they remain robust and relevant.
139. Officer time to effect recommendations will be contained within existing budgeted revenue resources.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Driving up standards in the Private Rented Sector – Cabinet Decision 19 October 2021	Southwark website	<a href="mailto:Emma.trott@southwark.gov.uk">Emma.trott@southwark.gov.uk</a>
<b>Link:</b> <a href="https://modern.gov.southwark.gov.uk/ieDecisionDetails.aspx?AllId=60679">https://modern.gov.southwark.gov.uk/ieDecisionDetails.aspx?AllId=60679</a>		
Housing Act 2004	.gov.uk website	N/A
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/2004/29">Housing Act 2004 (legislation.gov.uk)</a>		
Housing and Planning Act 2016	.gov.uk website	N/A
<b>Link:</b> <a href="https://www.legislation.gov.uk/ukpga/2016/16">Housing and Planning Act 2016 (legislation.gov.uk)</a>		
Selective licensing in the private rented sector: A Guide for local authorities (DCLG – March 2015)	.gov.uk website	N/A
<b>Link:</b> <a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/431212/selective-licensing-in-the-private-rented-sector-a-guide-for-local-authorities.pdf">Selective licensing in the private rented sector: a guide for local authorities - GOV.UK (www.gov.uk)</a>		
The Housing Act 2004: Licensing of Houses In Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015	.gov.uk website	N/A
<b>Link:</b> <a href="https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/431212/general-consent-final-2.pdf">General consent final 2 .pdf (publishing.service.gov.uk)</a>		
Housing Strategy (London Borough of Southwark – 2020 to 2043)	Southwark website	N/A
<b>Link:</b> <a href="#">Housing Strategy – Southwark Council</a>		
London Borough of Southwark - Council Plan 2018 – 2022	Southwark website	N/A
<b>Link:</b> <a href="#">Southwark's Borough Plan - Southwark Council</a>		
London Borough of Southwark Finder's Fees scheme	Southwark Website	N/A
<b>Link:</b> <a href="#">Earn money from your property</a>		

Background Papers	Held At	Contact
Climate Change Strategy	Southwark Website	N/A
<b>Link:</b> <a href="https://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=7377">https://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?ID=7377</a>		

## APPENDICES

No.	Title
Appendix 1	Selective Licensing Designation 3 - Final Proposal
Appendix 2	Selective Licensing Designation 4 – Final Proposal
Appendix 3	Phase 1 Licensing Pilot Results
Appendix 4	Private Rented Property Licensing – Evidence Report
Appendix 5	Consultation on Private Sector Licensing in Southwark - Consultation Evidence
Appendix 6	Consultation on Private Sector Licensing in Southwark – Final Report
Appendix 7	Council’s Consideration of Consultees’ Responses to the Public Consultation
Appendix 8	Licensing Schemes - Objectives, Targets and Measures – Final Proposal
Appendix 9	Statement of Fees, Charges and Discounts for Licensing – Final Proposal
Appendix 10	Equalities Impact Assessment



## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Dora Dixon-Fyle, Community Safety.	
<b>Lead Officer</b>	Caroline Bruce Strategic Director - Environment and Leisure	
<b>Report Author</b>	Emma Trott, Private Sector Housing Enforcement Manager, Regulatory Services	
<b>Version</b>	Final	
<b>Dated</b>	23 November 2022	
<b>Key Decision</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	23 November 2022	

<b>Item No.</b> 21.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Adoption of Statement of Community Involvement (SCI) and Development Consultation Charter (DCC)	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor James McAsh, Cabinet Member for the Climate Emergency and Sustainable Development	

## **FOREWORD – COUNCILLOR JAMES MCASH, CABINET MEMBER FOR THE CLIMATE EMERGENCY AND SUSTAINABLE DEVELOPMENT**

Southwark is a place of fast-paced change. In just one generation, a neighbourhood can undergo a complete transformation. This change can bring vibrancy and excitement but only when residents are part of the process.

The Statement for Community Involvement (SCI) and Development Consultation Charter (DCC) set out clear standards for consultation and engagement. Written in plain English and publicly available, residents can use these documents to find out exactly what they can expect from the council and the developers.

- Who should be consulted?
- When should they be consulted?
- How should they be consulted?

When development is on the horizon, these are the questions that residents and community groups so often ask, and so justifiably. The Statement for Community Involvement and Development Consultation Charter provide the answers.

## **RECOMMENDATIONS**

1. That Cabinet approves and adopts the updated Statement of Community Involvement (SCI) at Appendix A to this report.
2. That Cabinet approves and adopts the Development Consultation Charter (DCC) at Appendix B to this report noting that it forms part of the Statement of Community Involvement.

## **BACKGROUND INFORMATION**

3. Both the Statement of Community Involvement (SCI) and the Development Consultation Charter were the subject of a report to [Cabinet on 7 December 2021](#). Cabinet approved the drafts for consultation, delegated authority to the Director of Planning and Growth to finalise the documents in response to the

consultation and noted that a further report would be brought to Cabinet recommending adoption of the final versions.

### **The Statement of Community Involvement**

4. Section 18 (1) of the Planning and Compulsory Purchase Act 2004 requires all local authorities to produce a Statement of Community Involvement (SCI). The SCI is a document that sets out how the council will ensure that local communities, businesses and other stakeholders can be involved in local planning decisions and help to shape the places where they live. This includes the preparation of the Local Plan and policy documents, as well as the process for making decisions on planning applications.
5. The SCI is a statutory document that sets out our commitment to local residents and stakeholders about how we will consult and engage with the community throughout the planning process.

### **The Development Consultation Charter**

6. The Development Consultation Charter (DCC) forms part of the SCI and sets out standards of consultation for applicants who wish to develop in the borough. It introduces new requirements for applicants of major developments and council schemes to prove that they have undertaken sufficient engagement and consultation.
7. The new requirements are three documents that developers will need to provide at various stages throughout the planning process to demonstrate continued commitment to meaningful community engagement. The documents that are required are as follows:
  - a) **Early Engagement Strategy (Appendix C)** – this document will be a requirement for pre-application discussions. The purpose is to ensure that applicants are engaging with residents and local stakeholders from the outset of the development process. It consists of a Facts-based Audit of the site and outlining how the developer will approach engagement with the community before an application is submitted.
  - b) **Engagement Summary (Appendix D)** – this document will be a validation requirement for submitting a relevant planning application. The purpose is to provide an overview of the engagement that has taken place with local residents and stakeholders prior to submission of a planning application.
  - c) **Equalities Impact Assessment (Appendix E)** - Under the Public Sector Equality Duty (PSED) public authorities are required to have due regard to the aims of the duty when making decisions and setting policies. As set out in the Development Consultation Charter (DCC), the Public Sector Equalities Duty (PSED) does not apply to developers. However, to be compliant with the DCC, we require developers to support the council in meeting and discharging this important duty. For developers, this means producing a proportionate Equalities Impact Assessment of the impacts of the development.

## Consultation

8. The SCI and DCC were then amended to take on board the comments made during this initial round of consultation, with particular emphasis on our approach to consultation during exceptional circumstances like the COVID-19 pandemic.
9. The second round of consultation on the Statement of Community Involvement (SCI) and Development Consultation Charter (DCC) began in December 2021 and closed at the end of March 2022.
10. The SCI Consultation Plan approved by Cabinet on 7 December 2021 set out a series of actions and groups of people to engage with, with a particular emphasis on engaging with people who do not usually get involved with planning.
11. For further information on our consultation process, please see the consultation report attached as Appendix F.

## Feedback from Consultation (December 2021 to March 2022)

12. There were three key themes that influenced the changes made to the SCI and DCC post consultation:
  - d) **Improving accessibility and transparency** – comments suggested that the council needs to prioritise inclusivity and ensure that we are reaching as wide a range of people as possible. This includes more effective use of social media and robust offline measures of consultation such as use of posters and existing community groups.
  - e) **Simplifying language and formatting** – consultees often found the document difficult to read with overreliance on jargon and technical language. It was suggested that the document needs to be simplified into plain English where possible.
  - f) **Outlining clearly our processes and procedures** – particularly when considering the DCC, consultees suggested that we needed to outline our processes more clearly. Some consultees suggested the use of diagrams to aid understanding.
13. For a more detailed overview of the comments received from consultation, please refer to the consultation report attached as Appendix F.

## KEY ISSUES FOR CONSIDERATION

14. The tables below provide an overview of the key changes made to the SCI and the DCC based on the feedback received at consultation and the reason for this change.

## Overview of Key Changes to the Statement of Community Involvement Post-Consultation

Page Reference	Summary of Change	Reason for Change
All	Reviewing and rewriting the language used to plain English where possible and remove unnecessary jargon.	Feedback from public consultation suggested that the language needs to be simplified and emphasis should be put into avoiding jargon.
All	Where technical language is used, providing a definition in the glossary and adding a link to the definition in the glossary so that readers can easily work out the meaning of key terms.	Feedback from public consultation suggested that language needs to be simplified, however where that is not possible we need to provide as much guidance as possible.
Page 6	The Digital Strategy and monitoring pages have been deleted and a summary of the work going on to improve engagement moved to the Executive Summary.	Feedback from public consultation suggested that the document needed to be more concise. The sections will link to our website for more information.
Pages 9 to 12	The Equality and Diversity section of the document outlines our commitment to ensuring that our consultation and engagement processes prioritise equality. It also outlines our Public Sector Equalities Duty.	<p>We received comments at public consultation that the SCI did not prioritise inclusivity and that we needed to outline our commitment to including those with protected characteristics more clearly.</p> <p>We commit to Equality and Diversity in the 'What is the Statement of Community Involvement?' and set out our intention to prioritise inclusivity from the outset and to highlight that equality is at the forefront of our activities as a planning service.</p>
Pages 16 to 17	The table outlining the notification requirements for each application type has been updated to improve clarity and align the requirements with the Town and Country	For clarity and to meet the current statutory requirements.

Page Reference	Summary of Change	Reason for Change
	Planning (Development Management Procedure) (England) Order (2015).	

### Overview of Key Changes to the Development Consultation Charter Post-Consultation

Page Reference	Summary of Change	Reason for Change
Page 3	<p>Introduces three stages of participation in the planning process:</p> <p>(1) Engage – engage with residents before a planning application is submitted to ensure they are able to influence and be included in the design of a scheme</p> <p>(2) Consult – provide opportunities for residents to feedback on the design and impact of a scheme throughout.</p> <p>(3) Inform – ensure regular contact with residents throughout the construction process until completion.</p> <p>This replaces the previous stages (1, 2 and 3).</p>	<p>We wanted to distinguish between engagement and consultation in the planning application process.</p> <p>This method of splitting out participation in the planning process also links to the methods of participation outlined in the spectrum of participation included in the SCI.</p>
Page 7	<p>We have introduced a new diagram that provides a timeline of participation in planning and the requirements for developers, planning officers and residents at each stage.</p>	<p>We received comments at consultation that suggested we should use more diagrams to explain our processes and procedures.</p>

Page Reference	Summary of Change	Reason for Change
Page 8	<p>We have renamed the Pre-Submission Engagement Plan as the Early Engagement Strategy (EES).</p> <p>We have introduced a 'Facts-based Audit' as part of the requirements of the EES.</p>	<p>There was confusion over the difference between a pre-submission engagement plan, engagement summary and engagement plan. Therefore, we renamed the documents to match the stages of participation outlined above.</p> <p>We received several comments at consultation about the need for a facts-based audit earlier in the development process so that we can ensure developers understand the spatial context of the site.</p>
Page 9	<p>We have moved the requirement for an engagement summary to follow the EES as a validation requirement when an application is submitted.</p>	<p>This was moved to follow the participation in planning process (outlined above) and to ensure that developers have undertaken sufficient engagement prior to submitting an application.</p> <p>Feedback from consultation suggested that participants often felt that developers only engage once an application has been submitted and the design has been finalised. By requiring evidence of engagement before an application is submitted, we can ensure that residents have a say in the design of a development from the outset.</p>

## Implementation Plan

15. We have produced an implementation plan to ensure that we achieve the key objective of the SCI and DCC: to improve participation in planning in Southwark.
16. The DCC introduces new requirements for officers and developers. We need to ensure that each party is aware of their responsibilities and is confident that the schemes they are proposing are meeting the standards of the Charter. To achieve this we have proposed a number of measures:

Proposed Action	Purpose	Timeline
Additional training for officers on the adopted SCI and DCC– including: (1) what should be included in each DCC document; (2) how to assess documents submitted; (3) committee report summaries (4) promoting equality when assessing applications	Officers have been implementing the draft DCC requirements over the last year since it has been on the validation checklist. We will ensure developers are meeting our expected standards of engagement at validation and assessment stages of planning applications.	December 2022
Templates for applicants	To give applicants clear guidance on the requirements of the documents and ensure that information submitted is to the level of detail we expect.	See attached appendices.
Review and monitor DCC submissions to ensure compliance	To ensure that the documents we are receiving from applicants are meeting the requirements outlined in the DCC. If documents are not meeting the desired standards, we will outline further guidance on our website.	Quarterly monitoring
Review Council communication strategy for planning services	To ensure that we are reaching out to communities that often feel excluded from the planning system. In particular, review our	2023



Proposed Action	Purpose	Timeline
	approach to social media as part of ongoing digital planning work stream.	
Digital version of the SCI and DCC embedded into the website.	To improve the accessibility of the documents and allow users to find key information easily.	January to March 2023

17. We also recognise that there is scope to improve our wider approach to community engagement beyond the limitations of the SCI and DCC. We will work alongside our colleagues in Community Engagement to prepare a review of the Council's approach to communicating planning.

## **COMMUNITY, EQUALITIES (INCLUDING SOCIO-ECONOMIC) AND HEALTH IMPACTS**

### **Community impact statement**

18. The implementation of the SCI and DCC will have a positive impact for the community. The SCI and DCC represent our commitment to ensuring better and increased involvement of local communities, businesses and other stakeholders in planning decisions, plan-making and the design of schemes. The planning decisions the council takes based on these improved processes have the potential to deliver wider equality benefits, improving the quality of homes and community buildings, reducing air pollution, improving health and creating good quality green jobs.

### **Equalities (including socio-economic) Impact statement**

19. In everything we do as a council, we seek to promote equality. The implementation of the SCI and DCC will have a positive impact for all, including those with protected characteristics.

### **Health impact statement**

20. N/A

### **Climate change implications**

21. Early assessment of climate and sustainability considerations that relate to development sites should embed positive responses within new development proposals.

### **Resource implications**

22. There will be a requirement for officers to review and monitor the SCI and the required documents set out in the DCC through the application process. This will be carried out using existing resources in the Planning and Growth division.

### **Legal implications**

23. See response from Director of Law and Governance.

### **Financial implications**

24. There are no immediate financial implications due to the implementation of the recommendations of this report.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Governance (MF)**

25. The Council, as local planning authority, is required to prepare a statement of community involvement (SCI) in accordance with section 18(1) of the Planning and Compulsory Purchase Act 2004. The law prescribes the matters that the SCI must contain, including a statement of the Council's policy for involving the public in the planning and plan making functions of the local planning authority. Current Planning Practice Guidance issued by the Government states that it is important that Statements of Community Involvement are kept up-to-date to ensure effective community involvement at all stages of the planning process. Therefore, a local planning authority should regularly review and update their Statement of Community Involvement to reflect any changes to engagement.
26. The report confirms that the Council's duty under S149 of the Equality Act 2010 (the Public Sector Equality Duty) has been considered and complied with in the preparation of the SCI and the Development Consultation Charter (DCC). The Public Sector Equality Duty is reflected in the policies that the SCI and DCC documents incorporate as planning is recognised as a key area in which the Council can pursue the objectives of eliminating discrimination and advancing equality of opportunity.
27. Members and officers are reminded that the policies and procedures outlined in the SCI create a legitimate expectation and that it will be matter of procedural fairness and reasonableness on the part of the Council to adhere to the SCI in the absence of exceptional circumstances.

### Strategic Director of Finance and Governance (CE22/045)

28. This report is recommending the cabinet to approve the adoption of the Statement of Community Involvement that replaces the current SCI from 2008 and to approve the adoption of the Development Consultation Charter.
29. The strategic director of finance and governance notes that there are no new immediate financial implications arising from this report.
30. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

### APPENDICES

No.	Title
Appendix A	Statement of Community Involvement
Appendix B	Development Consultation Charter
Appendix C	Early Engagement Strategy Template
Appendix D	Engagement Summary Template
Appendix E	EQIA Template
Appendix F	Consultation Report
Appendix G	Equalities Impact Assessment

### BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
National Planning Policy Framework	<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf</a>	planningpolicy@southwark.gov.uk

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor James McAsh, Climate Emergency and Sustainable Development	
<b>Lead Officer</b>	Juliet Seymour, Head of Policy, Building Control and the Historic Environment	
<b>Report Author</b>	Emma Popham, Planning Policy Officer	
<b>Version</b>	Final	
<b>Dated</b>	24 November 2022	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	Y	Y
Strategic Director of Finance and Governance	Y	Y
Cabinet Member	Y	Y
<b>Date final report sent to Constitutional Team</b>		24 November 2022

<b>Item No.</b> 22.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Elephant and Castle Town Centre – Compulsory Purchase Order	
<b>Ward(s) or groups affected:</b>		North Walworth St George’s	
<b>Cabinet Member:</b>		Councillor James McAsh, Climate Emergency and Sustainable Development	

**FOREWORD - COUNCILLOR JAMES MCASH, CABINET MEMBER FOR THE CLIMATE EMERGENCY AND SUSTAINABLE DEVELOPMENT**

In April 2020 cabinet agreed to make and pursue a compulsory purchase order (CPO) for both the east and west Elephant and Castle town centre sites. This report explains that since then the developer has made considerable progress towards delivering the scheme. Vacant possession of the shopping centre and 26-32 New Kent Road were obtained without the need for CPO powers. Subsequently these buildings were demolished and the developer has appointed Multiplex, a major building contractor, to carry out the new development on the East site which is now visibly underway. The report sets out the considerable benefits that will arise from the development which include new homes, jobs, and work space.

Agreements have been reached with Transport for London (TfL) to enable the construction and handover of the new Northern Line Underground station box to London Underground. A revised planning permission has been secured which will allow for the incorporation of the Bakerloo Line when the Bakerloo Line extension proceeds. Contracts have been exchanged with the University of the Arts London to build a new campus for the London College of Communication on the east site which paves the way for the redevelopment of the west site. These are welcome developments that deliver on our commitments to enhance public transport provision and secure the long term future of LCC at its established home at the Elephant and Castle.

Throughout this process the council has continued to meet its commitment to local traders displaced by the redevelopment to ensure they have the opportunity to continue to operate in the area. The relocation funds secured through the s106 agreement and the £200,000 that the council made available have been now been largely expended. This has ensured that 53 eligible independent businesses have been relocated or are in ongoing and final legal discussions.

**RECOMMENDATIONS**

That the Cabinet agrees:

1. That subject to the prior completion of an indemnity agreement with Elephant & Castle Properties Co. Limited ("EC"), the council makes and (subject to any

necessary confirmation from the Secretary of State) implements a compulsory purchase order ("CPO") under section 226(1)(a) of the Town and Country Planning Act 1990 and section 13 Local Government (Miscellaneous Provisions) Act 1976 (and in accordance with the procedures in the Acquisition of Land Act 1981) in respect of the area edged red on the plan at Appendix A ("the Order Land") for the acquisition of the land shown coloured pink on the same plan and the creation and acquisition of new rights over the land shown coloured blue on the same plan<sup>1</sup> for the purpose of facilitating the redevelopment, development and improvement on or in relation to that land, namely a mixed use town centre redevelopment scheme including residential, retail, offices, education, assembly and leisure, a new station entrance and station box for use as a London Underground operational railway station, nightclub, commercial, business and services, access and highway works, public realm and landscaping, car and cycle parking, plant and servicing and associated and ancillary works and structures ("the Scheme") on and adjacent to the Order Land, with the land comprised within the Scheme ("the Scheme Land") being shown edged red on the plan at Appendix B

2. The Director of Planning and Growth be authorised on behalf of the council to finalise the terms of and enter into the CPO indemnity agreement with EC to underwrite in full the council's costs and liabilities associated with the proposed CPO, including suitable security for the council's liabilities, and
3. Subject to completion of the CPO indemnity agreement referred to in recommendation 2, the Director of Planning and Growth be authorised on behalf of the council to :
  - (a) take all necessary steps to secure the making, confirmation and implementation of the CPO, including the publication and service of all notices and the presentation of the Council's case at public inquiry should one be called;
  - (b) acquire for planning purposes all interests in land and new rights within the Order Land as may be necessary to facilitate the Scheme, either by agreement or compulsorily, including entering into negotiations with any third parties for the acquisition of their land interests and/or for new rights over their land (as appropriate), the payment of compensation and dealing with any blight notices served in connection with the CPO;
  - (c) approve agreements with land owners setting out the terms for the withdrawal of objections to the CPO, including where appropriate seeking the exclusion of land or new rights from the CPO or giving undertakings as to the enforcement of the terms of the CPO;
  - (d) make any deletions or amendments to the draft CPO map at Appendix A and/or the related draft ownership schedules of the CPO (including any minor additions) should the need arise, so as to include all interests in

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<sup>1</sup> Colour versions of the CPO map are attached at appendix A; a black and white version of the draft CPO map, showing the areas to be acquired (pink) as hatched black and the areas of new rights (blue) as light grey is included at Appendix L.

land and rights required to facilitate the construction, maintenance and use of the Scheme;

- (e) dispose of the land acquired from third parties pursuant to the CPO and/or through private negotiations, pursuant to section 233 of the Town and Country Planning Act 1990, in accordance with the terms of the CPO indemnity agreement;
- (f) take all necessary actions in relation to any legal proceedings relating to the CPO, including defending or settling (as appropriate) any compensation claims referred to the Lands Chamber of the Upper Tribunal due to the making or implementation of the CPO, and to take all necessary steps in respect of other legal proceedings that relate to the making, confirmation or implementation of the CPO;
- (g) authorise entry onto land to undertake surveys under section 172 Housing and Planning Act 2016 and/or other relevant powers;
- (h) where necessary in the absence of agreement, to exercise powers under section 271 and/or 272 Town and Country Planning Act 1990 in respect of the extinguishment of rights of statutory undertakers and electronic communications code network operators;
- (i) appoint and/or retain such external professional advisors and consultants as are necessary to assist the Council in facilitating the Scheme, including in the promotion of the CPO and the settlement of any compensation claims;
- (j) take all necessary, ancillary or incidental steps to give effect to the recommendations in the report.

## **BACKGROUND INFORMATION**

### **Introduction and the need for a further Cabinet decision**

4. In April 2020, Cabinet considered a trio of reports on the redevelopment of the Elephant and Castle Shopping Centre and London College of Communication ("LCC site"). Cabinet unanimously resolved to authorise the use of CPO powers to facilitate the redevelopment and so deliver on the Council's long term vision for this strategic site within the Elephant and Castle opportunity area. The site is now designated as NSP48 in the recently adopted Southwark Plan. The site comprises: "the East Site", being the former Shopping Centre site and the immediately adjacent 26-32 New Kent Road (the buildings on those areas having now been demolished in full) and some of the arches under the adjacent railway viaduct; and "the West Site", comprising the LCC site and its immediate surroundings.
5. Considerable progress has been made since April 2020. The developer has acquired much of the land and new rights required for the Scheme by agreement, thus greatly reducing the potential adverse effects of compulsory purchase as previously considered by Cabinet. The old buildings on the Shopping Centre site

and at 26-32 New Kent Road have been demolished and the developer has secured funding for, and has begun, the new buildings on the East Site. Further detail on the considerable progress made can be found at paragraph 26 and Appendix D.

6. However, despite further negotiations between the developer and the remaining affected parties, agreement has not been reached to acquire all the land interests required for the Scheme. This raises the very real risk that parts of the East Site of the consented Scheme will not be delivered.
7. Amongst the areas at risk is a significant and important part of the planned public realm on the East Site, which currently comprises two railway arch units at 6 and 7 Farrell Court on Elephant Road and an area of hardstanding immediately adjacent to the railway viaduct. This would provide an important pedestrian link between the East Site, Elephant Road and Elephant Park, thus bringing the connectivity benefits that the Council has long been seeking for this part of the town centre. Furthermore, acquisition of land and new rights over the area immediately to the west of the viaduct is also needed to ensure the completion of other public realm including the completion of a new, direct, surface level access for pedestrians between the new London Underground station and the railway station.
8. As the approved phasing plan for the planning permission requires the East Site to be completed (save in certain respects) before development takes place on the West Site, as a consequence this jeopardises the delivery of the West Site.
9. Due to the progress that has been made to acquire interests through agreement, the extent of land and new rights that needs to be acquired by way of CPO is now significantly reduced as compared to what was envisaged in April 2020. While this is a welcome development, a new CPO resolution, focused on the reduced extent of land and the current circumstances, will now be needed. This requirement is in part necessary as the April 2020 Cabinet CPO resolution was amended by Cabinet so that only minor amendments to the then proposed draft CPO map could be made. The changes to the original map, though largely arising from the progress that has been made, cannot be considered to be minor amendments.
10. In broad terms, the outstanding interests and rights that still remain to be acquired are as follows (Cabinet may find the indicative plan of the railway arch units at Appendix E helpful in this context):
  - Arches 6 and 7 Farrell Court on Elephant Road are required to provide the pedestrian link between the East Site, Elephant Road and Elephant Park, to be known as the Park Route. Both the units are owned long leasehold by Arch Co and will need to be acquired from them to achieve this outcome. These arches are also currently occupied by two business tenants, DistriAndina and Beset. Beset have shared occupation of their unit with various other small businesses. The Council and the developer wish to relocate the tenants (and their occupiers) to enable the redevelopment of these arches. The developer is proposing to relocate DistriAndina to new premises it is developing on the East Site as part of the Scheme. It is



proposed that Beset would also be relocated within the Scheme, to the two arch units 4 and 5 Farrell Court currently occupied by Corsica Studios (see below).

- A corridor of land immediately to the west of the viaduct which is needed to provide the public realm to connect the East Site (including the new London Underground station) with the new public route beneath the viaduct and the overground railway station. The long leasehold title to the land is owned by Arch Co and will need to be acquired from them to ensure this outcome is achieved.
- A new right of way for pedestrians over the small area of Network Rail land to the immediate west of the railway station is also required. A tiny fragment of Network Rail land, which is not used operationally, is also required as part of the public realm area.
- Arches 113A, 120, 113B and 121 on Elephant Road (to the north of the railway station). These arches formed the vehicular access to the former Shopping Centre and a private pedestrian route providing access to the rear of the former Coronet. Both access routes are no longer needed following the demolition of those buildings on the East Site. It is proposed that these arches become the new home for Corsica Studios, a cultural venue specialising in electronic and dance music which is currently located to the south of the railway station at 4 and 5 Farrell Court on Elephant Road. It has been concluded that for the developer to meet the “agent of change principle” it has become necessary to relocate the club here, just a short distance up Elephant Road, so that it can continue to operate on Elephant Road. Although the developer has some leasehold interest in these arch units to the north of the railway station, its lease is constrained to be used only for access purposes. Arch Co also have a long leasehold interest in these arches, but their interest is not so constrained. Their interest will therefore need to be acquired to achieve this outcome.
- Arches 4 and 5 Farrell Court. These arches are currently home to Corsica Studios. As referred to above (and as explained in more detail in paragraphs 34 - 40) it has been concluded that the developer will need to relocate Corsica Studios a short distance up Elephant Road to ensure that the developer is meeting its obligations, as an agent of change, to mitigate impacts upon the operation of the club. If Corsica Studios were to relocate to Arches 113A/120 and 113B/121, 4 and 5 Farrell Court would become vacant. It is proposed that 4 and 5 Farrell Court would be used to relocate Beset, who will need to be relocated because of the creation of the pedestrian route in what is currently 6 and 7 Farrell Court. These Arches are also owned long leasehold by Arch Co and it will be necessary to acquire their interest in the arches to achieve this outcome.
- On the West Site there are a number of relatively minor issues but which could still potentially jeopardise the delivery of the Scheme. There are two small areas of unregistered land and two sub stations that the developer will need to acquire in order to proceed with the Scheme on the West Site.

The developer also requires some new rights over the Metropolitan Tabernacle land (but not the acquisition of the Tabernacle land), for a temporary period, to facilitate demolition of the current LCC building and to decouple the current LCC building from the northern façade of the Tabernacle. Some crane oversail rights are also sought over the Tabernacle and other areas adjacent to the LCC site.

## **KEY ISSUES FOR CONSIDERATION**

11. As stated in April 2020, exercising compulsory purchase powers is a power of last resort that should only be used appropriately. It continues to be the case that the Council's preference would be for the remaining issues to be resolved through negotiation between the parties. Officers are of the view, however, that there are significant differences in the views of the key parties (principally the developer and Arch Co) which mean that a negotiated outcome is not a realistic prospect at this point in time. This "deadlock" is creating uncertainty for the businesses occupying the arches and could frustrate the delivery of the full benefits of the Scheme. In these circumstances, officers have concluded that a new CPO resolution, and the making and pursuit of a CPO, is justified in the public interest.
12. The CPO process is legally complex and therefore this report is both long and technical in nature. It sets out why the use of CPO powers continues to be necessary and justified and should be pursued. It sets out the progress that has been made to date to acquire land and new rights, the public benefits of the Scheme and those benefits which would directly arise from the proposed CPO. The report also provides background information regarding the developer and confirms that an indemnity agreement will be completed with the Council to meet its costs in full arising from the CPO process.
13. In conclusion the CPO process is a long one and the Council's action is required now. Unless the Cabinet authorises a CPO as recommended in this report, there is a very real risk that the East Site will not be completed in full and therefore not all the public benefits of the Scheme would be secured. In particular, the long standing objective of establishing a pedestrian route between the East Site, Elephant Road and Elephant Park would not be provided. The location of the Park Route through what is currently 6 and 7 Farrell Court was the subject of careful consideration prior to the planning application being submitted, and the reasons why this route was chosen can be found at paragraph 12 of Appendix J. As explained above, due to the approved planning phasing, if the developer is not able to complete the East Site this could also jeopardise the ability to continue the Scheme onto the West Site. Agreeing this resolution will also ensure that the Council can be confident that its long term commitment to provide alternative locations for businesses impacted by the Scheme will be delivered.

## **The April 2020 Cabinet decisions**

14. On 7 April 2020, Cabinet considered three reports on the Scheme. Agenda Item 23 was a Progress Report which set out the context for the future of the Shopping Centre, detailed the planning benefits that would arise from the Scheme, public sector equality duty ("PSED") issues and recommended the allocation of

£200,000 of additional support for displaced traders. Agenda Item 24 considered the case for making a CPO to facilitate the Scheme and recommended that the Council make and pursue the confirmation of a CPO. Agenda Item 25 considered the case for overriding third party rights that affect the Scheme site (primarily rights of light) and recommended the use of the Council's statutory powers to override those rights, so as to facilitate the Scheme, with holders of those rights being entitled to compensation.

15. Cabinet resolved unanimously to follow officers' recommendations for all three items, with a slight amendment to the proposed recommendation on the CPO so that the Director of Regeneration has delegated authority to make minor (rather than any) alterations to the draft CPO map.
16. The general background and context to the redevelopment was considered in detail by Cabinet in April 2020, with paragraphs 3 – 26 of the Agenda Item 24 report explaining the general principles regarding compulsory purchase, the details of the developer, the site context and history and the planning policy as it then stood (links to that report are available at the end of this report - see Background Documents).

### **The developer**

17. EC is a company registered in the British Virgin Islands. It owns the freehold title to the former Shopping Centre site and the immediately adjacent New Kent Road properties. It is a subsidiary company of Get Living plc, an English public limited company. Get Living's shareholders are "the Triangle Partnership". The Triangle Partnership comprises three parties: (1) Dutch pension fund Stichting Depository APG Strategic Real Estate Pool, which has a 39% share in the Triangle Partnership and is the largest pension fund manager in the Netherlands; (2) QD UK Holdings Limited Partnership, a Scottish limited partnership, set up by Qatari Diar, the sovereign wealth fund of the State of Qatar, which has a 22% share in the Triangle Partnership; and (3) DOOR SLP, which has a 39% share in the Triangle Partnership. DOOR is a co-investment platform co-founded by Oxford Properties Group and DV4 Limited and it is a separate legal partnership registered in Jersey. All its assets are based in the UK. The Oxford Properties Group is the global real estate arm of the Ontario Municipal Employees Retirement System and is based in Toronto, Canada. DV4 is a real estate investment vehicle based in the British Virgin Islands.

### **The Scheme**

18. Full planning permission for the vast majority of the Scheme was granted by the Council on 10 January 2019 for the comprehensive redevelopment of the Shopping Centre, 26-32 New Kent Road, arches 6 and 7 Elephant Road and the LCC site. Planning Committee approval had been given in July 2018 subject to completion of the section 106 planning agreement and no call-in by the Mayor, and the planning permission was granted once those pre-conditions were satisfied. A judicial review court challenge to the planning permission failed on all grounds, with both the High Court (20 December 2019) and the Court of Appeal (28 May 2021) ruling that the Council had acted entirely lawfully in granting the permission.

19. Since April 2020 the Council has approved two section 73 applications to make material amendments to the Scheme. These did not fundamentally alter any components of the Scheme but included further planning benefits such as an increased number of affordable housing units, increased office space (including affordable workspace) and the construction of a larger new London Underground station box.
20. The July 2021 planning permission for the redevelopment (as amended by non-material amendment approvals) includes:
  - 18,210 sq m of new retail (use classes A1 – A4) floorspace (including 10% affordable retail space)
  - 6,462 sq m of assembly and leisure facilities
  - 983 new homes (with 35% affordable housing, comprising 119 flats at social rent equivalent levels, 57 flats at London Living Rent Levels and 161 flats at discounted market rent). 983 homes equates to 42% of the borough's annual housing target.
  - 7,019 sq m of new offices (including 10% affordable workspace)
  - a new London Underground station box and entrance to the East Site, with an enlarged station box to increase capacity and improve accessibility in the new Northern Line ticket hall, and to future-proof the station box so that it can also accommodate the Bakerloo Line extension if that project is delivered. The new station will improve operational capacity and accessibility from street level to platform level, with step-free access between the new ticket hall and the Northern Line platforms, and will provide the potential for a single entrance into both the Northern and Bakerloo Lines from the East Site. The new station will represent a significant improvement in strategic transport infrastructure at Elephant and Castle and is a key part of unlocking the growth required by planning policy in the town centre. Though there is some uncertainty as to the TfL funding position for the fit-out of the new station box due to the pandemic, all parties are working towards the provision of the new Underground station. Whilst there is some uncertainty as to whether the Bakerloo Line extension project will proceed, it remains an important policy commitment for the Council and in January 2020 the Council agreed to provide £7.5 million towards that project.
  - a new modern campus building of 43,870 sq m for the LCC on the East Site, to replace its current outdated buildings, helping to secure its long-term future in the area
  - a pedestrianised route from Elephant Road into the heart of the new development ("the Park Route"), through some of the railway viaduct arches adjacent to the Shopping Centre site, thereby improving the connectivity of the town centre and Elephant Park, fulfilling a key ambition for the Council.

- Significant improvements in public realm, permeability of the site and accessibility. The layout of the East Site has been planned to improve the transition between the national rail station, the Underground station and the wider town centre, improving the efficiency of this location as a major transport interchange. As well as the Park Route, a new "Station Route" will provide a direct surface pedestrian connection from the Underground station to the rail station. The Park Route and the Station Route will meet at a new space outside the rail station to be known as "the Court". A third pedestrian public realm route on the East Site will connect Walworth Road to the Court along the western side of the railway viaduct.
21. The Metropolitan Tabernacle is a Grade II listed building, part of which immediately adjoins the current LCC building. Listed building consent has been obtained to carry out minor alteration works to the northern façade of the Tabernacle, to allow for the separation of the two buildings to take place.

### **Planning Policy**

22. Paragraph 25 of the Agenda Item 24 April 2020 report, and Appendix H to that report, set out the strong planning policy support for a high density, mixed-use redevelopment on this large brownfield site. Since then, the Southwark Plan 2022 and the London Plan 2021 have been adopted and form the up to date development plan. At both the general and site specific levels, these new development plan documents continue to provide strong policy support for the Scheme. Appendix C to this report provides an updated summary of the development plan policy framework for the site. It can be seen from that there is specific planning policy support not just for the Scheme as a whole but also for the creation of the Park Route, pedestrian connectivity, connectivity between public transport nodes, public realm improvements and protecting the night-time economy (in relation to the electronic and dance music club). All of these important aspects will be facilitated by the proposed CPO.

### **Benefits of the Scheme**

23. In addition to the beneficial elements referred to at paragraph 20, the very considerable benefits arising from the Scheme include:
- The creation of 1,230 construction jobs per year over the 10 year build programme.
  - The generation of up to 2,085 gross new full time equivalent jobs, depending on the exact nature of the commercial uses which will ultimately come forward; this would be an increase of over 600 as compared to the estimated 1,418 such jobs across the East and West sites when the Shopping Centre and the New Kent Road properties were occupied.
  - Measures to secure jobs for unemployed borough residents are contained in the section 106 planning agreement and will deliver significant economic benefits to the local population. On the East Site there will be 282 construction jobs and courses for unemployed local residents and 70 apprenticeships. In the completed East Site there will be a minimum 212

jobs for local residents. On the West Site there will be 132 construction jobs and courses for unemployed local residents and 33 apprenticeships. In the completed West Site there will be a minimum of 45 jobs for local residents.

- The new residential population (up to 1,880 people) is expected to have a total household expenditure in excess of £28 million per annum, some of which would be spent locally on goods and services, thereby contributing to the local economy and supporting new jobs locally.
  - It is estimated that Council Tax revenue could be up to £2.1 million per annum, based on 2020-21 Council Tax bands and assuming all units are fully occupied and no rebates or discounts are offered.
  - The Scheme will generate estimated CIL payments (assuming social housing relief is applied) of £4,278,679 Mayoral CIL and at least £11,230,308 Southwark CIL.
  - The redevelopment of the two arches to the north of the railway station to provide a new cultural venue to cater for electronic and dance music, so that Corsica Studios can relocate there, thus ensuring the retention of that cultural use on Elephant Road, as explained in more detail later in this report.
  - The redevelopment of 4 and 5 Farrell Court, currently occupied by Corsica Studios, to provide a suitable relocation opportunity for the displaced tenant and occupiers of 7 Farrell Court (which is required for the Park Route), as explained in more detail later in this report.
  - A substantial investment in cycling infrastructure within the buildings and the public realm amounting to 2,115 long-stay and 302 short-stay cycle parking spaces. The Scheme will deliver an additional 60 cycle hire docking points, split between 2 new locations, one primarily serving the East Site and one the West.
  - Bus stop upgrades and real time information displays.
24. Many of the benefits of the Scheme depend on the proposed CPO because the Scheme cannot be progressed and completed (in accordance with the planning permission) without the CPO. Although work has begun on the East Site (as explained below), and the physical construction of the East Site new buildings can take place without the CPO, the completion of key parts of public realm, including the connectivity between the East Site and Elephant Park and the pedestrian connection to the railway station, are at risk; and the approved phasing of the planning permission requires the East Site to be completed (save in respect of the proposed redevelopment of the current LUL Northern Line station) before demolition of the West Site can begin. So the CPO is necessary to continue and complete the East Site, and thus to allow the redevelopment of the entirety of the West Site. The CPO is also required to facilitate the demolition and construction for the West Site. So the CPO is essential for the successful implementation and completion of the Scheme.

25. Specific benefits that the new CPO would directly deliver are:

- Improvements in pedestrian connectivity between the East Site and Elephant Park by enabling the creation of the Park Route beneath the railway viaduct;
- Improvements in pedestrian connectivity on the East Site between the new Underground station and the railway station;
- Improvements in the public realm on the East Site;
- Securing the future of Corsica Studios on Elephant Road, within Arches 113A/120 and 113B/121 to the north of the railway station;
- Providing a relocation opportunity for the displaced occupiers of 7 Farrell Court, within the adjacent 4 and 5 Farrell Court;
- The completion of the East Site, thus allowing the West Site to come forward in accordance with the approved phasing, with all the benefits that the West Site entails, including 498 new residential units (of which 165 are affordable housing units), 3,962 sq.m. of new retail units and a new cultural venue;
- The ability to physically construct the West Site through the acquisition of title to the small unregistered areas and the new rights to facilitate the development, as referred to in paragraph 10.

### **Progress of the Scheme since April 2020**

26. Very considerable progress has been made on the Scheme. A detailed list of the various milestones that have occurred since April 2020 appears at Appendix D. By way of a brief summary of some of the key events:

- EC and its group companies have entered into a contract with the key anchor tenant, the owner of the LCC site, University of the Arts, London ("UAL") to build a new university campus for UAL on the East Site, and once that is completed to purchase the LCC site, thereby paving the way for the West Site redevelopment to occur.
- The overriding rights mechanism approved by Cabinet as Agenda Item 25 in April 2020 was put in place for all requisite areas, thus removing the ability of third parties to prevent the development proceeding because of e.g. rights of light.
- Affordable replacement retail units were opened in Perronet House, 50 New Kent Road and on a temporary (5 year) basis at Castle Square.
- EC obtained vacant possession of the Shopping Centre and 26-32 New Kent Road, without any need to resort to CPO powers. The relocation funds under the section 106 planning agreement and the additional £200,000 allocated for traders by the Council have largely been expended.

- The Shopping Centre and buildings at 26-32 New Kent Road have been demolished.
- EC obtained a revised planning permission, refining parts of the East Site, in part due to changes required by UAL. The new Underground station box will now be bigger, to allow not just for the Northern Line but also potentially for the Bakerloo Line if the Bakerloo Line extension proceeds.
- Agreement has been reached with Network Rail and Govia Thameslink for the developer to fund the operational changes which will be required to the railway station.
- EC and its group company have entered into an agreement with LUL and TfL in respect of (among other aspects) the construction and handover of the new Underground station box to LUL and the transfer of various plots of TfL land to EC.
- A major building contractor, Multiplex, has been appointed to carry out the new construction on the East Site.
- EC has procured debt funding for the East Site (£365 million).
- Multiplex has begun the substantive new construction on the East Site.

### **Significant progress - but land assembly is not complete**

27. From the preceding section, Cabinet will see that there has been very significant progress towards the delivery of the Council's vision for the East Site. However, some key parts of the Scheme Land are not yet under EC's control and thus cannot be delivered, and without those key parts being delivered the Scheme cannot be delivered as envisaged. In broad terms the outstanding land requirements and related ownership issues can be summarised as follows (Cabinet may find the indicative plan at Appendix E helpful in respect of the railway arch units).

#### *The East Site - the Park Route*

28. Firstly, there is the need for the Park Route to be secured i.e. the pedestrian walkway, to the south of the railway station, under the railway viaduct through what are currently railway arch premises at 6 and 7 Farrell Court between the East Site and Elephant Road/Elephant Park. The requirement for such a link was first proposed in the Council's 2004 Elephant & Castle Supplementary Planning Guidance and has been a constant and longstanding aim of the Council in redeveloping the town centre. The requirement for such a pedestrian access link is now contained in the New Southwark Plan policy NSP48.
29. 6 and 7 Farrell Court are owned by Network Rail (freehold) and Arch Co (long leasehold). These two units are subject to tenancies granted to DistriAndina (6 Farrell Court) and Beset (7 Farrell Court). Beset has shared possession of that unit with small, micro businesses. To create the Park Route it will be necessary to acquire the long leasehold title of Arch Co and the tenancy interests in these



two units, thus allowing vacant possession of those two arch units to be achieved. The relocation of the occupiers of 6 and 7 is discussed below. As Arch Co's leasehold title to the railway arch units comprises the railway arch units and the subsoil beneath, and does not extend to the viaduct structure including the adjacent undersides and sides of arches, it is also necessary to acquire new rights from Network Rail to affix apparatus to the sides and undersides of those arches in connection with the proposed works. So, for the creation of the Park Route, new rights will need to be created in respect of the viaduct structure to allow for the necessary works to be undertaken to remove the existing arch unit premises and to affix eg lighting and signage to the sides and undersides of the arches, and to allow the affixing of a kiosk unit within one of the arches required for the Park Route.

30. In respect of the Park Route, and more generally, the Council's proposals and the proposed CPO will not interfere with the operational running of the railway and for the avoidance of doubt no title owned by Network Rail to any part of the operational railway is to be acquired as part of the CPO.

*The East Site - other public realm*

31. An important corridor of land required for proposed public realm immediately to the west of the railway viaduct has not been secured. This corridor can be seen on the draft CPO map at Appendix A (numbered parcels 22, 25 (part), 28 (part), 29 – 31, 34-36, 38 -40, 46 and 56 on Sheet 2 of the map). This is necessary to form part of the Park Route and to connect the East Site to the overground railway station via the Station Route, fully integrating those two sites and enabling the continuous public realm connection between the new Underground station and the overground railway station which the Council requires.
32. The freehold title to this area is largely unregistered, but accepted by all parties to be owned by Network Rail (who also own a registered freehold title to part of the corridor). Arch Co holds a long leasehold title to most of the corridor, though a small area to the immediate west of the railway station is owned solely by Network Rail. On one part of the corridor, immediately to the west of 4 and 5 Farrell Court, an external smoking shelter has been erected which is used by the tenant of 4 and 5 Farrell Court, Corsica Studios. It will be necessary to acquire Arch Co's long leasehold title to most of the corridor (and any interest that Corsica Studios has as occupier in the external smoking shelter area) and to acquire a new right of way for pedestrians across the small area owned by Network Rail and a corresponding right to pave and maintain the small area solely owned by Network Rail (parcels 34, 35 and 38 on the draft map at Appendix A). A new right is also sought to pave and maintain paving under an external staircase outside the railway station (parcel 39).
33. Adjacent to the corridor of land running along the western side of the railway viaduct is a tiny fragment of land which juts into the private vehicular access road which formerly led to the basement of the former Shopping Centre (parcel 37 on the draft CPO map at Appendix A). This parcel is owned by Network Rail. It is not clear why this land remained with Network Rail's predecessors (the British Railways Board) given that for many years it has formed part of the access into the Shopping Centre. It will be necessary to acquire this fragment of land from

Network Rail. This will have no operational impact on Network Rail given that the land has formed part of the Shopping Centre access for many years.

*The East Site – 4 and 5 Farrell Court and the arches to the north of the railway station*

34. Immediately to the south of 6 Farrell Court is 4 and 5 Farrell Court, occupied as a cultural venue specialising in electronic and dance music by Corsica Studios. London Plan policy D13 (The Agent of Change) places the responsibility for mitigating impacts from existing noise emitting activities or uses on the proposed new noise-sensitive development. This means that the responsibility for mitigating the impact of noise is on the proposer of eg the new residential development. As a consequence, the developer of residential units close to a noise emitting activity (such as Corsica Studios) may need to design them in a more sensitive way to protect the new occupiers from noise impacts and/or to pay for soundproofing of the existing music venue. Corsica Studios is on the GLA's Cultural Use at Risk register, so some intervention by the Council has been envisaged to ensure Corsica can continue to operate successfully.
35. Accordingly, the July 2021 planning permission envisages the need for some acoustic mitigation to take place in the new residential units on the East Site in addition to measures applied at source in 4 and 5 Farrell Court, with noise limits needing to be complied with at the boundary of the residential units by way of condition. EC proposed two methods of mitigation – high specification glazing on its new buildings and soundproofing of 4 and 5 Farrell Court which, taken together, would mitigate the noise impacts. The related section 106 planning agreement requires a payment to be made to the Council of £125,000 to be used for the purposes of funding the soundproofing works within 4 and 5 Farrell Court. That money has been paid to the Council by EC in accordance with the agreement. EC and the Council's intention has always been (and remains) to ensure that the electronic and dance music and residential uses can subsist harmoniously together.
36. In April 2020, when Cabinet first considered a CPO resolution, it was envisaged that the Council would acquire new rights over 4 and 5 Farrell Court, to undertake the sound insulation works within the existing music venue. However, as detailed technical discussions have progressed between Corsica and EC as to the location of the sound-proofing within 4 and 5 Farrell Court and the consequential works that would be required to the units, it has become clear that the sound insulation required would be so considerable (costing far in excess of the money secured under the section 106 agreement) and so extensive physically that the work would (in effect) require the complete remodelling of 4 and 5 Farrell Court - but would still result in a significant loss of useable floorspace, below that required by Corsica. The position is also complicated by the fact that, running through the centre of 4 and 5 Farrell Court, is a fire escape route, which Corsica have a right to use but which is not currently part of the demised area of their tenancy. To make the remodelling of their units work, this fire escape area would need to be leased to Corsica too. This cannot be done by the creation of new rights. Furthermore, to achieve the required remodelling of 4 and 5 Farrell Court would require physical works that will take between 3-6 months to carry out, during which time Corsica would not be able to trade and would close during that period.

37. EC therefore analysed whether, alternatively, it would be feasible to install further, additional acoustic insulation (beyond the higher specification glazing which had already been planned for the residential units) within the new residential units on the East Site. However, the detailed analysis demonstrated that further façade treatment of the residential units was not feasible, with the increased thickness of wall required on the residential tower leading to numerous apartments being impacted and the considerable loss of residential floorspace, including lost bedrooms (the majority being within the affordable units). In addition, the increased façade treatment would not work on its own (ie without some mitigation at the source in 4 and 5 Farrell Court).
38. As with the delivery of the new residential units, the retention of the electronic and dance music use in this location also attracts strong planning policy support (as seen at Appendix C) and the retention of that use as an important part of the night-time economy is needed. However, it is practically impossible for a satisfactory noise solution which leaves Corsica at 4 and 5 Farrell Court.
39. Faced with these facts, the only practical solution which enables the retention of the electronic and dance music use on Elephant Road, and one which would allow for Corsica to continue trading throughout, is for the set of railway arches to the north of the railway station, Arches 113A/120 and 113B/121, which are currently vacant (see the plan at Appendix E), to be developed into new premises for Corsica by EC. These units could accommodate the necessary sound insulation and would give Corsica the requisite floorspace. Once that new space is ready for Corsica, they could then move their operation seamlessly the short distance up Elephant Road, with no need to close their operation. This would also have the added benefit that Corsica would be able to operate entirely within an area clearly let to them – at present they are using areas which fall outside their tenancy area (to the rear of 4 and 5 Farrell Court, and within the fire escape) and the basis for their doing so is unclear.
40. EC owns a long leasehold title to Arches 113A/120 and 113B/121 which are proposed for the rehoused electronic and dance music club, but the leasehold title EC owns is constrained to be used for access purposes only. It does not allow for any beneficial occupational uses, and so would not allow for the proposed redevelopment of these arches. Arch Co owns a long leasehold interest in these arches which is not so constrained (other than by the EC leases) and the freehold title is accepted to be owned by Network Rail. To achieve the development of the Arches 113/120 and 113B/121 for the music use it will be necessary for the Council to acquire Arch Co's long leasehold title to the units, and to acquire new rights in respect of Network Rail's freehold title to the viaduct structure to undertake the necessary physical works (such as the affixing to the viaduct arches of new frontage and rear elevations for the club). So the acquisition of title and new rights in respect of Arches 113A/120 and 113B/121 is justified as it is the means by which the only practical way of retaining the electronic and dance music use, harmoniously with the new residential use, can be achieved.
41. Planning permission for the envisaged use of Arches 113A/120 and 113B/121 has not yet been granted, but EC's planning consultants are working up a planning application for the works and change in use. There is no reason why

the necessary consents should not be granted given the policy support for the cultural music use.

42. If, for some reason, that use was not instigated in Arches 113A/120 and 113B/121, the Council would not want to see those arches left vacant, as a gap in the arch units fronting Elephant Road, and EC would still wish to have some other beneficial use of those arches in that scenario. In April 2020, Cabinet approved the use of CPO powers for those arches on the basis that the intention was that these units would be converted into retail/café units. If the relocated electronic and dance music use was not instigated in those arches, the acquisition of greater title from Arch Co, and related rights from Network Rail, would still be justified to bring about retail/café uses. Again, planning permission for such alternative uses does not exist but there is no reason why permission would not be granted in this location.
43. The relocation of Corsica Studios to the northern arches would leave 4 and 5 Farrell Court vacant. As discussed above, the creation of the Park Route in 6 and 7 Farrell Court would displace the occupiers of those units. The Council is mindful that the occupiers of the units are small, local businesses. There is a need to mitigate any adverse impacts on those tenants and occupiers. Although efforts have been made to secure the relocation of the tenants and their occupiers elsewhere in the vicinity this has not been achieved. As described later in this report, it may be that the tenant of 6 Farrell Court (DistriAndina) relocates elsewhere in the vicinity but it is not clear to the Council that this will occur. No suitable alternative relocation premises has been found which meets the requirements of the tenant of 7 Farrell Court (Beset). Accordingly, the Council and EC intend to acquire 4 and 5 Farrell Court, immediately next door to 6 and 7 Farrell Court, as a relocation opportunity within the Scheme for Beset and the other occupiers of 7 Farrell Court. This would be the best mitigation against their displacement (and the potential adverse effects arising therefrom) as the units are suitable for their uses and are immediately adjacent. For DistriAndina, EC also proposes to relocate them within the Scheme, into a new unit fronting Walworth Road on the East Site.
44. It is not practicable to house both DistriAndina and Beset within 4 and 5 Farrell Court as there is not enough space to do so and in any event DistriAndina meet the eligibility criteria to move into new premises on the East Site under the terms of the existing section 106 planning agreement whereas Beset do not (as Beset are not a retailer), so DistriAndina have that option available to them (as well as possibly being able to take a unit on the adjacent Lendlease scheme as referred to below).
45. This proposal would require redevelopment of 4 and 5 Farrell Court by way of physical works and change in use from its current electronic and dance music venue use to the uses currently carried on by the occupiers of 7 Farrell Court. Planning permission for that element of the Scheme does not yet exist but there is no reason why such permission would not be granted given the proposal to create a new home for Corsica Studios further up Elephant Road. Again, EC's planning consultants are working up an application which would include those works and change in use for 4 and 5 Farrell Court.

46. The long leasehold title to 4 and 5 Farrell Court is owned by Arch Co, with Network Rail again owning the unregistered freehold title. To achieve the development of 4 and 5 Farrell Court referred to above it will be necessary for the Council to acquire Arch Co's long leasehold title to the units, and to acquire new rights in respect of Network Rail's freehold title to the viaduct structure to undertake the necessary physical works.

*The West Site*

47. There are several areas on the West Site where the acquisition of title or new rights is required. The approved phasing strategy for the Scheme is for the East Site to come forward first, but it is necessary to pursue and obtain CPO powers in respect of parts of the West Site now, to ensure that the West Site redevelopment can commence and be completed as envisaged. In summary the West Site outstanding land requirements and related ownership issues are as follows.

*The West Site – two strips of unregistered land*

48. Title to two strips of unregistered land is required. The first is an area of hardstanding to the immediate north of the LCC site, adjacent to St Georges Road, which will be used as paved public realm. This is needed to complete the public realm in that area. The second is an area of hardstanding immediately to the north of Pastor Street and forming part of the southern access into the LCC site. Again, this will be used as paved public realm, but the proposed basement of the new West Site buildings also just juts into this area. If this strip is not acquired then it would present an obstacle to the extension of the public access route north from Pastor Street, through the heart of the West Site, thus undermining the aim (and requirement) of planning policy to increase pedestrian connectivity throughout the site. It would also mean that a small part of the basement would not be delivered as permitted. As the strips are unregistered, their ownership is unknown and EC cannot negotiate for their acquisition.

*The West Site – two ground floor electricity sub-stations within the LCC site*

49. These two sub-stations are held on a long leasehold basis by the electricity statutory undertaker, London Power Networks. These areas will be built upon with new buildings, so the areas are required for the Scheme. It is hoped that a surrender of these leases can be negotiated by agreement, but given the location of the sub-stations on what will be the West Site redevelopment the Council must ensure that acquisition of the leasehold title to the sub-stations can take place.

*The West Site – new rights over the Metropolitan Tabernacle*

50. No acquisition of title to the Tabernacle's land is envisaged, but some new rights are required which are relatively minor in nature but which are nevertheless essential to the successful demolition and construction to be carried out on the West Site. New rights are needed to de-couple the current LCC building from the northern façade of the Tabernacle, and for carrying out any consequential amendments to that façade as a result, and to erect scaffolding over a relatively small part of the Tabernacle land (and to manage access thereto) whilst

demolition on the immediately adjacent LCC site takes place. This may require the temporary restriction of access through the walkway within the Tabernacle site which adjoins the LCC building for up to 3 months. This is to ensure safe working whilst the LCC building is removed and the decoupling works are undertaken. A right of crane oversail over part of the Tabernacle site is also sought. This is necessary to allow construction cranes to swing over the site. Without such a right the redevelopment of the West Site would be constrained and significantly more difficult.

#### *The West Site – crane oversail rights over other areas*

51. Crane oversail rights are required over a small part of The Castle Centre (leisure centre) to the south of the LCC site, part of the grounds of Perronet House to the north of the LCC site, and parts of highways adjoining the LCC site being Elephant and Castle, St George's Road, Oswin Street, and Brook Drive, and the entirety of Pastor Street. The rationale for seeking these rights is the same as for the crane oversail over the Tabernacle.

#### **Relocation**

52. The Council has been working to ensure that the occupiers of the affected railway arch units are relocated satisfactorily. Whilst the tenant of 6 Farrell Court (DistriAndina) has been negotiating the lease of a unit from Lendlease in its adjacent scheme, it is still present at 6 Farrell Court and may stay there (in addition to taking a lease of the nearby Lendlease unit).
53. Despite the efforts of EC and the Council, no suitable off site unit meeting the requirements of the tenant of 7 Farrell Court has been found.
54. The relocation provision summarised earlier in this report, i.e. Corsica to move to the arches north of the railway station, DistriAndina to move into a new unit within the Scheme, and Beset and the other occupiers of 7 Farrell Court to move within the Scheme into 4 and 5 Farrell Court, offers a solution which will not only deliver the Park Route as set out in the July 2021 planning permission but will also retain the electronic and dance music use, and facilitate relocation of those businesses, without the need for any period of closures of those businesses. The envisaged sequencing is that Corsica Studios would move first, out of 4 and 5 Farrell Court into Arches 113A/120 and 113B/121 to the north of the railway station, then EC would redevelop 4 and 5 Farrell Court for Beset and their occupiers. In the meantime, DistriAndina would fit out and open their new unit within the East Site. This would then free up 6 and 7 Farrell Court to be opened as the Park Route a few months later. It should be noted that this sequencing, which will ensure continuity of trading for all of the affected occupiers, may result in the Park Route opening slightly later than the rest of the East Site. However, it should only be a matter of months and officers are of the view that a short interval would be acceptable given the favourable outcomes for all of the affected occupiers.
55. The proposed relocation arrangements have been put to Arch Co and the affected tenants. Officers are of the view that the arrangements are reasonable and should very much be supported. The proposed agreement between the

Council and EC will contain provisions which will require EC to offer the envisaged relocation opportunities where land is acquired by the Council pursuant to a CPO and then disposed of to EC.

### **Attempts to acquire land interests by negotiation**

56. In collaboration with the Council, and in line with Government guidance, steady progress has been made by EC in acquiring the necessary land interests and rights required for the Scheme by agreement. This can be seen from the detailed list of update events in Appendix D.
57. Cabinet is referred to Appendix F, where the developer has provided an updated summary of the status of discussions with the remaining third parties. EC has been acting in collaboration with the Council in making offers to third parties, with the common aim of acquiring the necessary land interests by agreement wherever practicable and reducing the areas required to be compulsorily acquired. Officers have been kept regularly apprised of negotiations by EC. Officers are satisfied that genuine and reasonable attempts to acquire interests by agreement have been made. Credible and reasonable offers have been made by EC to acquire land interests over several years. The extent of agreements already reached with various other parties over several years is further evidence that EC has been acting reasonably.
58. Discussions with the Arch Co for its long leasehold interest were taking place for some considerable time before the Cabinet meeting of April 2020. Following the April 2020 resolution, EC has been seeking to agree commercial terms with the Arch Co and Council officers have been kept informed as to the negotiations. The Council's surveyor also wrote to Arch Co on 28 August 2020 to make plain the Council's intentions and to stress the importance of the Scheme to the Council. Council officers also met with Arch Co representatives in May 2022 to again impress on Arch Co the importance of the Scheme and to try to encourage Arch Co to reach agreement with EC. The offers put to Arch Co include a range of options which include, but went beyond, simply acquiring what is included in the CPO. Despite reasonable offers having been made by EC, the parties remain apart in their valuations.
59. In early June 2022, in a further genuine effort to reach agreement, EC put a proposal to Arch Co which involved the redevelopment of the arch units and the relocation arrangements of the tenants but which would also allow Arch Co to retain its long leasehold title of the arch units and the corridor immediately adjacent to the viaduct. In return, Arch Co would be required to (i) grant EC long leases of the corridor immediately adjacent to the viaduct and one of the arches to the north of the railway station, (ii) agree surrenders of the existing occupational tenancies in 4 and 5, and 6 and 7, Farrell Court and (iii) grant new tenancies in respect of 4 and 5 Farrell Court and the new home for the electronic and dance music club to the north of the railway station. EC would undertake the necessary works to create the new club and to create the Park Route in 6 and 7 Farrell Court and physical works to 4 and 5 Farrell Court, subject to obtaining Network Rail consent to do so. It is not clear to EC or the Council that Arch Co will engage with that proposal. Since it was submitted to Arch Co, there

has been no positive engagement on it and Arch Co have again referred to the possibility of an outright sale.

60. Offers have been made by EC to acquire the occupational tenancy interests owned in the railway arches needed for the Park Route from the Scheme to Elephant Road. So far those offers have not been accepted by the tenants.
61. It is important to note that the proposal put to Arch Co to potentially achieve the redevelopment of the arch units and the relocation of Beset and Corsica within them, outside the CPO context, would require the co-operation and agreement of all parties – EC, Arch Co, Network Rail and the tenants. Whilst officers hope that all parties will agree to those arrangements, the CPO is required to (among other things) facilitate those redevelopments and those relocation opportunities in the event that agreement is not reached with all parties. Moreover, even if agreement is reached with all parties, if any one party defaults on its contractual commitments that may lead to the proposal unravelling. For that reason, it is envisaged that the CPO would be pursued even if agreement was reached with Arch Co and all of the affected parties along the lines put to Arch Co in June 2022, but so that the Council would undertake not to implement the confirmed CPO in respect of the arches as long as all parties stuck to their contractual commitments. In this way, it is envisaged that in this scenario the CPO would act as a backstop in the event of default.
62. EC has also been in discussions with the Tabernacle to acquire the requisite new rights over the Tabernacle site for some time, but no agreement has yet been reached.
63. Accordingly, the making of a CPO by the Council (and the seeking of confirmation from the Secretary of State as to the CPO) is necessary to acquire the outstanding land interests and rights for the Scheme.
64. As pointed out in April 2020, where commercial property is involved it is often the case that the making of a CPO acts as a catalyst for the parties to enter into meaningful negotiations. Government guidance explicitly recognises this and suggests the making of a CPO can help make the authority's intentions clear, which might encourage parties to enter more readily into meaningful negotiations. That guidance also states that it may be sensible for the acquiring authority to instigate the formal CPO process whilst negotiations continue, to mitigate against valuable loss of time. That is the situation that now faces EC and the Council. Without the Council making a CPO, the delivery of important parts of the East Site is jeopardised, as is the ability to carry out the Scheme on the West Site.

### **The Council's powers and the legal and policy guidance framework**

65. Appendix G sets out the relevant legal and policy framework in respect of considering the exercise of CPO powers.
66. Among these, section 226(1)(a) of the Town and Country Planning Act 1990 gives the Council power to acquire compulsorily any land in their area if the Council thinks that the acquisition will "facilitate the carrying out of development,



re-development, or improvement on, or in relation to, the land". Not only must this test be met, but in addition the Council must have regard to and apply Section 226(1A) of the 1990 Act so the Council must not exercise the power under section 226(1)(a) unless it thinks that the development, re-development or improvement is likely to contribute to the achievement of any one or more of the following objects:

- (a) the promotion or improvement of the economic well-being of their area
- (b) the promotion or improvement of the social well-being of their area
- (c) the promotion or improvement of the environmental well-being of their area.

67. As stated in more detail in Appendix G, the Government has set out detailed policy guidance to be followed by local authorities in respect of CPOs. Among the guidance tests are: a CPO should only be made where there is a compelling case in the public interest; compulsory purchase is intended as a last resort, however it may often be sensible to initiate formal CPO procedures to mitigate loss of valuable time; the purposes for which the CPO is made must justify interference with the human rights of affected parties; acquiring authorities should address sources of funding and the timing of that funding, and the potential financial viability of the scheme for which land is being acquired; the acquiring authority are expected to evidence that meaningful attempts at negotiation have been pursued and reasonable offers to acquire have been made by the acquiring authority; that the scheme is unlikely to be blocked by any physical or legal impediments; and the acquiring authority should show the extent to which the proposed purpose of the CPO will contribute to the achievement of the promotion or improvement of the economic, social or environmental well-being of their area.

### **The proposed CPO**

68. The proposed CPO will enable the outstanding land interests that are required for the Scheme shown shaded pink on the plan at Appendix A to be acquired. It will also provide for the creation and acquisition of new rights over the land shaded blue on the plan at Appendix A. Seeking such new rights is relatively common in a CPO and will particularly facilitate the construction process. The rationale for including these areas is included in the "Significant progress – but land assembly is not complete" section above.

69. The area required for compulsory acquisition as compared to April 2020 is considerably reduced on the East Site, which reflects EC's success in ensuring title to and vacant possession of the large majority of the East Site. With the construction process having begun on East Site, EC has also been able to consider with its contractor what is possible to be undertaken from the western side of the railway viaduct, without access through the railway station and some of the other railway arch premises, which also explains why less land is being included for new rights within the railway viaduct than in 2020. Crane oversail rights have also been obtained from TfL and LUL in respect of the East Site, removing the need to seek the same by compulsory acquisition.

70. It may nevertheless be necessary as part of the finalisation of the CPO to make amendments to the draft CPO map and the recommendations allow for this.
71. Cabinet may note that some of the railway arch areas are shaded pink on the CPO map (for acquisition) but also have corresponding areas of blue (creation of new rights) on inset plans on the draft CPO map. This is due to the fact that it is the arch units (and the airspace and subsoil therein) which are being acquired, not the viaduct structure itself, so it is necessary to acquire new rights in respect of the railway viaduct for the minor works required to eg affix apparatus to the sides and undersides of those arches and to remove existing frontage and rear elevations at 6 and 7 Farrell Court from the viaduct.

### **The CPO Process**

72. Appendix H explains the detailed (and lengthy) process of a CPO and the compensation that would be payable to affected parties both for the acquisition of title and for new rights.
73. Importantly, all costs associated with the process and all compensation payable to third parties for the acquisition of their land (or for new rights) will be underwritten by EC through the CPO indemnity agreement.

### **The terms of the CPO indemnity agreement**

74. Cabinet is referred to paragraphs 72 – 81 of the April 2020 Agenda Item 24 report which set out the proposed terms of the CPO indemnity agreement between EC and the Council. These remain relevant. A satisfactory CPO indemnity agreement with EC (complete with guarantee of EC's obligations by Get Living Plc) has been negotiated by officers, and the completion of such an agreement is a prerequisite of making a CPO under the proposed Cabinet resolution.
75. The previous Cabinet resolution required the exchange of the UAL sale contract as a pre-condition to the making of the CPO. This is no longer required because the UAL sale contract was entered into in 2020.
76. It is unnecessary, as part of the CPO indemnity agreement, to include an obligation on EC to build the Scheme. In April 2020 the Council took the considered view that the heavy investment and commitment to the Scheme shown by EC meant it was likely that EC would progress with the Scheme, such that an obligation on EC to build the Scheme was unnecessary. That view has been borne out (and reinforced) by the considerable progress that EC has subsequently made with the Scheme. The numerous commitments and heavy investment since April 2020 lend further weight to the conclusion that the Scheme will progress and be completed subject to the Council using CPO powers. Similarly, it is now unnecessary for the CPO indemnity agreement to contain a pre-condition to exercise of the confirmed CPO powers that the Council must be satisfied that there is a reasonable prospect of the land being redeveloped within a reasonable period of time. The extent of EC's resolute commitment to go forward with the Scheme has already been demonstrated.

### **Adverse effects of the CPO**

77. The proposed CPO will (or in some cases may) result in some adverse effects for those affected. Appendix I contains details of the adverse effects that can be ascribed to the CPO. Given that EC was able to acquire title to and vacant possession of the large majority of the East Site without the need to have recourse to CPO powers, these adverse effects are greatly reduced as compared to the potential adverse effects in April 2020.
78. Regard is to be had to the adverse effects at Appendix I and weighed in considering whether to resolve to authorise the CPO.

### **Policy framework implications**

79. Planning policy is addressed at paragraph 22 and Appendix C.

### **Community, equalities (including socio-economic) and health impacts**

#### **Community impact statement**

##### *Human Rights Implications*

80. The acquisition of land (and the creation and acquisition of new rights) authorised by this report will interfere with rights under Article 1 of the First Protocol to the European Convention on Human Rights (right to peaceful enjoyment of possessions). The CPO will give rise to the acquisition of property interests against the will of the owner and may also in certain instances infringe the enjoyment of existing assets with economic value, such as the goodwill of a business (which could happen in a worst case scenario in respect of the tenants of 4 and 5 Farrell Court and 6 and 7 Farrell Court). It will also interfere with rights over the CPO site. However, Article 1 of the First Protocol allows for such interference if it is in the public interest and subject to the conditions provided for by law and the principles of international law. The interference must also be in pursuit of a legitimate aim, which is the case here. Therefore, the use of planning powers contemplated in this report is lawful in Article 1 terms provided that the Council strikes a fair balance between the public interest and the private rights protected by Article 1. It is also relevant that compensation is available to persons affected by compulsory acquisition in certain instances. By way of the very considerable benefits that will arise from the Scheme (even limited to those specific benefits that the CPO would directly deliver), it is considered the compelling benefits in the public interest when weighed against the private rights of individuals, and indeed the wider adverse implications set out in Appendix I, justify the interference with Article 1 rights in this case.
81. As regards Article 6 Convention rights (right to a fair and public hearing to determine a person's civil rights), there are well-established statutory procedures that give all of those likely to be affected by the CPO the right to be notified and the opportunity to object. Any such objections may cause a public inquiry where such objections can be heard. Disputes as to compensation can be referred for hearing by the Lands Chamber of the Upper Tribunal. For these reasons, Article 6 is complied with.

82. Article 8 Convention rights (right to respect for private and family life, a person's home and his correspondence) can potentially be relevant in compulsory acquisition. The rights guaranteed by Article 8 may include the right to respect for private and family life enjoyed at a company or individual's business premises. Since Article 8 guarantees the right to a "private social life", it covers private social life enjoyed at a place of work or in professional, business or commercial activities. Article 8 does, though, allow for interference if it is necessary in the public interest and proportionate to the legitimate aim being pursued (here, economic wellbeing). For this CPO, there is no evidence to show Article 8 is engaged but assuming conservatively that Article 8 is engaged by reason of any interference with business premises and to affected individuals' private social lives derived from the business setting, given the public benefits of the Scheme (even if limited to those specific benefits that the CPO will directly deliver) and the compensation which will be payable in respect of any acquisition of land or new rights over land or the overriding of rights, any interference with rights in this case is proportionate, in the public interest and in pursuit of a legitimate aim.
83. Regard has been had to whether Articles 9 (freedom of thought, conscience and religion), 11 (freedom of peaceful assembly and association) or 14 (freedom from discrimination) of the Convention are engaged and whether there is any infringement of them. In each case it is considered that they are not engaged and there is no infringement.

### **Equalities (including socio-economic) impact statement**

84. The nature and effect of the Public Sector Equality Duty (PSED) is set out in Appendix G. In considering the recommendations herein the Cabinet must have due regard to the possible effects of them on any groups sharing a protected characteristic to discharge the PSED. This is an ongoing obligation.
85. The April 2020 Cabinet report set out the work that the Council had then done to consider the PSED and the impacts on those with protected characteristics. To assist the Council in meeting its duty, Council officers have undertaken an updated equalities impact assessment of the proposed CPO. As part of this, the Council appointed Tree Shepherd to independently gather information on the nature of the occupiers in 6 and 7 Farrell Court and their businesses. The full analysis by the Council's officers is set out in Appendix K. The key findings in respect of the exercise of the CPO powers now envisaged are in summary:
- There is a potential adverse effect on the Latin American and (in one case) Black African (protected characteristic of race) businesses who occupy 6 and 7 Farrell Court, which in a worst case scenario may include the closure and loss of those businesses. However, the Council and EC are seeking to acquire 4 and 5 Farrell Court to redevelop it into a relocation opportunity within the Scheme for Beset and their occupiers, and to relocate DistriAndina into the Scheme in a new unit on the East Site, thus mitigating the adverse impacts on those occupiers. Accordingly, it is considered unlikely that their businesses would close as a result of the exercise of CPO powers.

- In respect of Corsica Studios, and a worst case scenario of its business closing if the confirmed CPO does not include the acquisition of all necessary rights and interests in EC's northern arches for them to relocate to, it is not considered that any one group with protected characteristics would be disproportionately affected. However, the Council and EC's intention is to facilitate the redevelopment of the arches to the north of the railway station and to offer Corsica the opportunity to relocate to those new premises, avoiding any need for Corsica to close, even temporarily. If Corsica moved to those new premises it is likely that their clientele (and employees) would benefit from a unit with better internal access, which would benefit all users including those with disability.
  - There will potentially be some temporary, short term (up to 3 months) adverse impacts on the Tabernacle due to the need to scaffold part of their land whilst works to decouple and demolish the immediately adjacent LCC building take place. This is explained in detail in Appendix K and potentially could disproportionately affect groups sharing the protected characteristics of religion, age, race, pregnancy and maternity, and disability. Any adverse impacts are considered to be minor. For the avoidance of doubt, the Tabernacle will be able to remain open and the main entrance on the front façade will remain open, and the disabled entrance within the front side arch will be available at all hours when the Tabernacle is being used.
  - There will be benefits to all users of the East Site from the creation of surface level public access to create the Station Route, the Park Route and further public realm adjacent to the railway viaduct. This is likely to be particularly beneficial to the elderly, those with ambulant disability, pregnant women and families with young children. It will also ensure the permeability of the site for visitors to all parts of the East Site, including the replacement affordable retail floorspace and proposed replacement bingo facility, both of which are included in the East Site at least in part to address adverse equality impacts identified at the planning permission stage.
  - In addition, the approved phasing plan under the July 2021 Permission requires the East Site (other than the current LUL Underground station) to be completed prior to works beginning on West Site. So the CPO will unlock the ability to develop West Site, including the affordable retail floorspace, new dwellings (including affordable housing units, and 10% wheelchair accessible units) and job opportunities associated with that phase of the Scheme, all of which are considered to have positive equality impacts.
  - It is not considered that the daylight and sunlight impacts which could arise from the construction of tall buildings on the West Site would disproportionately affect any one group with protected characteristics.
86. The decision before Cabinet is whether to exercise the CPO powers now envisaged. Any PSED implications arising from the decision to close the Shopping Centre and its market area in 2020 (which was not a decision made by the Council) are not attributable to the decision now before members.

87. The recommendations in this report will facilitate the redevelopment of the East Site and the West Site. This will bring benefits to all, including groups sharing protected characteristics, as set out elsewhere in this report. Weighing up the relevant considerations and recognising the potential adverse impacts on those with protected characteristics as set out above, which the Council has sought and will continue to seek to mitigate, for the reasons summarised in this report there is a compelling case for the CPO and the benefits that will result to the community at large.
88. In terms of socio-economic impacts, as explained earlier in this report, the Council must not exercise the power under section 226(1)(a) unless it thinks that the development, re-development or improvement is likely to contribute to the achievement of any one or more of the following objects:
- (a) the promotion or improvement of the economic well-being of their area
  - (b) the promotion or improvement of the social well-being of their area
  - (c) the promotion or improvement of the environmental well-being of their area.
89. For the reasons set out in detail in paragraphs 3-19 of Appendix J, it is considered that the redevelopment is likely to contribute to the achievement of all three of the well-being objects.

### **Health impact statement**

90. If the recommendations of this report are adopted and a CPO is made and subsequently confirmed and implemented, this will facilitate development of the Elephant and Castle Town Centre. Whilst the making of a CPO has no direct health impacts it is considered that the development, with improved public realm, better housing, new facilities and access as described elsewhere in this report will have beneficial effects on the locality and the local population. The route through the railway arches will encourage greater pedestrian access.

### **Climate change implications**

91. If the recommendations of this report are adopted and a CPO is made and subsequently confirmed and implemented, this will facilitate development of the Elephant and Castle Town Centre. Whilst the making of a CPO has no direct climate change implications the development which is facilitated by it will have climate change impacts.
92. One of the key purposes of the CPO is to secure the delivery of a new pedestrian link between the East site, Elephant Road and Elephant Park. This route will connect the town centre with adjoining communities providing a safe, convenient and sustainable option for residents to walk to retail and leisure facilities. The connection will also provide a convenient route to the new integrated underground station, Network Rail over ground station and to bus services helping to encourage the use of public transport and reducing the reliance on the car. This approach is consistent with the council's objectives in the adopted movement plan. The proposals for the rail arches will require planning permission

and the applicant will need to demonstrate how the scheme complies with the council's carbon reduction policies.

### **Resource Implications**

93. The making of a CPO and, if there are objections, the resulting public inquiry, will require significant staff resources. This will come from various disciplines including Regeneration, Planning, Legal and Communications, as well as external advisors including Counsel. The making of the CPO is conditional on EC meeting these costs in full, so there will be no negative cost implications, but the process will result in staff resources being diverted from normal duties as necessary. This will create some challenges that will be managed.

### **Legal Implications**

*Whether the use of the Council's CPO powers is justified*

94. This question involves testing the proposed use of the powers against the legal and policy guidance framework set out in Appendix G of this report. A detailed analysis has been undertaken in Appendix J and in respect of human rights and the PSED in the preceding sections of this report. It is concluded all of the relevant legal and policy tests are met.
95. Cabinet will note that careful consideration has been given (at paragraph 12 of Appendix J) to the possibility of using Arches 113A/120 and 113B/121, to the north of the railway station, as an alternative route for the Park Route. However, for the detailed reasons given in that paragraph, this would be a much inferior route to that which has been approved under the planning permission (through 6 and 7 Farrell Court).

### **Financial implications**

96. The Council's costs of the CPO process and all compensation payable to affected parties will be underwritten in full by EC, with Get Living Plc providing a guarantee. Accordingly, there should be no adverse financial implications for the Council.

### **Consultation**

97. The parties directly affected by the making of a CPO have all been contacted and made aware of the Council's proposals. This follows engagement between them and the developer (and the Council) in relation to the arrangements for their relocation, details of which are given in Appendix F.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Governance**

98. The acquisition of land through the use of compulsory purchase powers is a matter reserved to Cabinet by virtue of part 3C of the Council's constitution.

99. The purpose of this report is to seek authorisation for the making and (subject to confirmation by the Secretary of State) the implementation of a CPO under section 226(1)(a) of the 1990 Act. In addition, the Director of Regeneration is to be authorised to enter into CPO indemnity agreement, the purpose of which is to ensure that all of the Council's costs in using its CPO powers are underwritten by the developer.
100. A detailed summary of the legal powers available to the Council in connection with the use of its CPO powers and the curbs on the use of those powers is set out in Appendix G to this report. These include the tests to be met under sections 226(1)(a) and 226(1A) of the 1990 Act (among other legal requirements). The tests under those sections are also set out earlier in this report (paragraph 66).
101. Paragraphs 20 and 23 of this report set out a summary of the benefits of the Scheme and paragraph 25 summarises the specific benefits that the CPO would directly deliver.
102. Appendix I provides detail on the adverse effects which can be attributed to the CPO, and the preceding sections of this report detail the human rights and equalities implications of the use of CPO powers. Due regard must be had to the equality implications of the CPO, particularly on groups sharing a protected characteristic as defined in the Equality Act, including eliminating discrimination, harassment and victimisation, and advancing equality of opportunity and fostering good relations between persons who share a relevant protected characteristic and persons who do not share it. In terms of human rights, there needs to be a fair and proportionate balance struck between the adverse effects of the CPO and the public interest benefits which the CPO will directly deliver.
103. Appendix J provides a detailed analysis of the justification of the use of the Council's powers.
104. The Council has received advice from specialist legal counsel in the use of its CPO powers, including the impact on human rights and equalities. Further specialist legal advice will be sought as the matter progresses.

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

105. The Strategic Director of Finance and Governance notes that the CPO is subject to the prior completion of the indemnity agreement with EC which will underwrite in full the Council's costs and liabilities associated with the proposed CPO. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.

### **CONCLUSIONS**

106. The town centre redevelopment comprised in the Scheme is a crucial component in meeting the Council's long held policy aims for the Elephant & Castle Opportunity Area.
107. The Council has been patient in allowing time for private negotiations to resolve land ownership issues but there is a significant risk these will not be successful.



108. The compulsory acquisition of land and new rights pursuant to a CPO will interfere with the human rights of those parties who hold the land interests. These rights have been carefully considered, as have the significant public benefits which are likely to arise from the exercise of the CPO powers and the fact that compensation is payable to anyone whose interests are acquired or whose rights are infringed.
109. Having regard to government guidance on the use of CPO powers, including the fit of the Scheme with the planning policy framework, the efforts made to acquire by agreement, the purpose for which the CPO is being made and whether that justifies the interference with human rights, the lack of likely impediments to the delivery of the Scheme if the CPO is made, resources and funding, and consideration of any alternative means of achieving the Council's objectives, the CPO proposals are no more than necessary to accomplish the objectives of the CPO and there is a compelling case in the public interest for making a CPO to facilitate the Scheme. Such a case is consistent with the statutory tests set out in the 1990 Act, the PSED and the Human Rights Act.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Reports to Cabinet April 2020	160 Tooley Street London SE1 2QH	Jon Abbott 020 7525 4902
<a href="#">Cabinet report template 2012 (southwark.gov.uk)</a> <a href="#">Report EC CPO.pdf (southwark.gov.uk)</a> <a href="#">Report EC Property Rights.pdf (southwark.gov.uk)</a>		
Elephant and Castle Supplementary Planning Document and Opportunity Area Planning Framework	160 Tooley Street London SE1 2QH	Jon Abbott 020 7525 4902
<a href="https://www.southwark.gov.uk/assets/attach/1817/1.0.5-elephant-castle-spd-oapf.pdf">https://www.southwark.gov.uk/assets/attach/1817/1.0.5-elephant-castle-spd-oapf.pdf</a>		
Southwark Plan 2022	160 Tooley Street London SE1 2QH	Jon Abbott 020 7525 4902
<a href="https://www.southwark.gov.uk/assets/attach/94325/Southwark-Plan-2022.pdf">https://www.southwark.gov.uk/assets/attach/94325/Southwark-Plan-2022.pdf</a>		
The London Plan 2021	160 Tooley Street London SE1 2QH	Jon Abbott 020 7525 4902
<a href="https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf">https://www.london.gov.uk/sites/default/files/the_london_plan_2021.pdf</a>		
Listed building consent report 16/AP/4525	160 Tooley Street London SE1 2QH	Dipesh Patel 020 7525 1778
<a href="http://moderngov.southwark.gov.uk/documents/s76029/ITEM%20%20-%20REPORT%2016AP4525.pdf">http://moderngov.southwark.gov.uk/documents/s76029/ITEM%20%20-%20REPORT%2016AP4525.pdf</a>		
Planning Committee report Application 16/AP/4458	160 Tooley Street London SE1 2QH	Dipesh Patel 020 7525 1778
<a href="#">Report - Shopping Centre site Elephant and Castle 26 28 30 and 32 New Kent Road Arches 6 7 Ele.pdf (southwark.gov.uk)</a>		

Background Papers	Held At	Contact
Officer report, section 73 application 20/AP/3675	160 Tooley Street London SE1 2QH	Dipesh Patel 020 7525 1778
<a href="https://planning.southwark.gov.uk/online-applications/files/BADE128DB62EE9E05BD128DEC7D3EF02/pdf/20_AP_3675--1109296.pdf">https://planning.southwark.gov.uk/online-applications/files/BADE128DB62EE9E05BD128DEC7D3EF02/pdf/20_AP_3675--1109296.pdf</a>		
Officer report, section 73 application 21/AP/1104	160 Tooley Street London SE1 2QH	Dipesh Patel 020 7525 1778
<a href="#">Report - E and C Shopping centre.pdf (southwark.gov.uk)</a>		
Guidance on Compulsory Purchase Process and The Crichel Down Rules	160 Tooley Street London SE1 2QH	Jon Abbott 020 7525 4902
<a href="#">Compulsory purchase process and the Crichel Down Rules (publishing.service.gov.uk)</a>		

## APPENDICES

No.	Title
Appendix A	Draft CPO Map (sheets 1 of 2 and 2 of 2)
Appendix B	Plan of Scheme Land
Appendix C	Planning policy framework
Appendix D	Progress of the Scheme since April 2020
Appendix E	Indicative arch units location plan
Appendix F	Updated summary of status of negotiations
Appendix G	Legal and policy guidance framework
Appendix H	CPO process and compensation
Appendix I	Potential adverse effects of the CPO
Appendix J	Analysis of whether the use of CPO powers is justified
Appendix K	Equalities impact assessment in respect of the CPO
Appendix L	Further version of draft CPO map in black and white

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor James McAsh, Cabinet member for the Climate Emergency and Sustainable Development	
<b>Lead Officer</b>	Steve Platts, Director of Planning and Growth	
<b>Report Author</b>	Jon Abbott, Head of Regeneration North	
<b>Version</b>	Final	
<b>Dated</b>	24 November 2022	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	24 November 2022	

<b>Item No.</b> 23.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Funding Prospectus	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Stephanie Cryan, Communities, Equalities and Finance	

### **FOREWORD - COUNCILLOR STEPHANIE CRYAN, CABINET MEMBER FOR COMMUNITIES, EQUALITIES AND FINANCE**

We are proud of the diversity and richness of our community sector. It is a defining feature of Southwark and part of what makes the borough so special.

The council's commitment to our community sector is demonstrated by the amount that we invest through our range of grant programmes. We invest over £22 million in a year in funding services and activities delivered by the local voluntary and community sector (VCS). Between 2017 and 2022, the council invested £82.4 million making Southwark one of the most generous local authority funders in London. That is because we know what a difference our VCS makes.

The new council delivery plan sets out our ambitions for the next period. We need to close the gap by reducing inequality, tackling racism and racial inequity. We know how important our community sector is in our neighbourhoods and communities, on our estates with long established historic organisations and new and emerging ones providing support, services, meeting spaces and so much more.

This funding prospectus is a practical guide to how we fund and what funding is available for our VCS. Two independent reviews last year told us what we could be doing better and what we are already doing well. The prospectus brings together information in one place. It says what we are going to do differently and how these changes will make the borough fairer and more equal.

I am proud of our record of investment. But we are always seeking to increase the impact of our funding and to ensure that the organisations we fund are truly representative of our population. A key issue identified as part of Southwark Stands Together was unequal access for our Black Asian and minority ethnic communities to our grants programmes - an issue that was compounding inequality- and one that we are determined to address. The prospectus says how we will do this.

## RECOMMENDATIONS

1. That Cabinet notes the council wide Funding Prospectus for the Voluntary and Community Sector (VCS) (Appendix 1) which sets out our new commitments to funding applicants.
2. That Cabinet notes the richness and diversity of the 12 regular funding programmes contained in the prospectus and how these are available to meet a wide range of community needs to ensure that Southwark remains a dynamic, diverse, responsive and supportive council. In 2022 402 grants have been made with the smallest £500 and 62 contracts with the largest over £6m.
3. That Cabinet notes the principles, commitments and purpose that underpin the funding programmes and how these frame the prospectus as a practical guide to how we provide funding as well as setting out how we will meet the challenges that emerged from the reviews.
4. That Cabinet notes the following changes to our working practice set out in the prospectus.
  - We will monitor funding to our Black, Asian and minority ethnic led organisations across our grants programmes. Where there is evidence of gaps, we will target funding for those groups and work to close the gap.
  - We will commit to ensuring there is funding support to our different communities and have started to collect information that will tell us whether organisations applying for funding are led by people from our diverse communities. This will ensure that funding reaches organisations that reflect the population of the borough.
  - We will still collect information that tells us which communities VCS organisations are working with and will ensure that there is support to organisations to apply for funding who have not received council funding before.
  - Assessment panels for grant making will include community representatives from outside the council.
5. That Cabinet notes that a review of the current VCS outcomes framework is currently underway so that is aligned with the Council Delivery Plan and will be brought to Cabinet in February 2023.

## BACKGROUND INFORMATION

6. The prospectus is a response to two independent reviews carried out in 2021:
  - the Southwark Stands Together grants review, that examined whether there are obstacles to Black, Asian and minority ethnic groups making successful grant applications;

- The Community Investment Review which looks at the effectiveness of funding to deliver outcomes.
7. *The cabinet report on the Grant reviews in February 2022 tasked officers to create a prospectus that set out how we will address issues that have emerged from both reviews including:*
- *How we support organisations grow and bid successfully to deliver larger programmes*
  - *How we involve Black Asian and minority ethnic community representatives in the grant making assessment process to make it more transparent and fair*
  - *How we can substitute the current colour blind approach to our funding for a more nuanced intersectional one.*
  - *How we remain informed by the data and evidence we are receiving across the council and embed flexibility.*
  - *How we can ensure that we continue to ring fence funding*
8. The broader context is the pandemic highlighted levels of poverty and community exclusion, which have compelled the Council to consider a step change in its approach to grants and funding. In both adversity and normality the VCS plays a vital role in sustaining our communities and our residents.
9. The impact of the cost of living crisis means that the adversity that was highlighted by the pandemic is continuing and presenting new challenges for residents, for VCS partners and the council. It is unclear how long these challenges will continue for. The council working with our residents and partners is determined to do everything it can to ensure that this crisis does not become the new normality. Our VCS funding is a critical part of the mix of support available to our communities.
10. We recognise the critical role the VCS plays in addressing and mitigating the impacts of inequality both regionally and at the neighbourhood level. Our grant making, commissioning and procurement at all levels has a significant impact on the ability of these organisations to meet needs, address inequality, and support communities to thrive. What and who we invest in makes a difference to the health, well being and resilience of our communities.

## **KEY ISSUES FOR CONSIDERATION**

11. The funding prospectus addresses a number of different purposes.
- The first is to set out how our funding offer supports the delivery of the high level borough plan outcomes.
  - Its second purpose is to set out the detail of what we are changing, to ensure that how our funding is managed, contributes to reducing inequality, tackling racism and racial inequity.
  - A third and broader purpose is to provide a practical guide to how

and what we fund. It brings information together in one place and includes what support is available for communities to access this funding.

12. Improvements in access to funding that have taken place include the single Southwark grants funding portal. This lists all recurring grants funding and provides a single point of access online application system.
13. Other resources include the VCS Commissioning Forward Plan which provides details of commissioning opportunities for the coming years.
14. The Southwark Stands Together grants review found that there are obstacles to Black, Asian and minority ethnic groups making successful grant applications. It found that there were gaps in data collection and uncertainty and inconsistency across the council in how data is collected. It also found that a lack of clarity around an agreed definition of what constitutes a Black, Asian and minority ethnic group was an obstacle to effective monitoring and these are addressed in the prospectus and the earlier cabinet report.
15. The changes set out in the prospectus and as recommendations to Cabinet will address these obstacles in a council wide systemic way. Black, Asian and minority ethnic groups must not face obstacles to making successful grant applications.
16. The Communities and VCS Commissioning Team have started to collect this data through the council wide grants portal as grants programmes are launched. This is reported as part of quarterly council plan monitoring.
17. The changes introduced will monitor to what extent Black, Asian and minority led groups are receiving funding that reflects the demography of the borough. As the data emerges officers, working with community representatives will need to identify what steps can be taken to close the gap.
18. As part of Southwark Stands Together - tackling racism and inequality- the council is committed to strengthening our approach to equalities, embedding it in everything we do and to increase representation of Black, Asian and minority ethnic residents in community leadership positions.
19. In addition to monitoring which organisations are making applications and which are successful through the grants portal, the council will monitor whether organisations that are not Black, Asian and minority ethnic led have trustee boards that are reflective of Southwark's demography. There is a long-term challenge in addressing the inequality of leadership and representation for funding that is allocated through contracts with even less Black, Asian and minority ethnic led organisations being awarded contract funding.
20. A steering group consisting of community representatives from Southwark

communities has worked with cross council officers since the spring of 2021. The group has guided the work of the reviews referred to from inception, including specifying the review brief, appointing the contractors, defining key Key Lines of Enquiry, facilitating broader community engagement and providing challenge through all steps of the process around the ambition and scope for change.

### **Next Steps**

21. The prospectus will be updated on an annual basis to ensure that up to date funding information is available.
22. We will agree the long term vision for funding outcomes with the VCS once Southwark 2030 has been agreed.
23. We will be building a strategy around Neighbourhood Based investment in the VCS which will include identifying the gaps in each neighbourhood and understanding how representative organisations are of the local community (including trustees).
24. The prospectus will be available in a pdf document on the council website, shared as a guide with networks, stakeholders and residents groups. Not all the information in the first prospectus will remain current so the annual review will also highlight other changes.
25. As part of this process we will also work with stakeholders on the review of the outcomes framework which is underway to ensure that there is representation for key outcome areas such as reducing food poverty, access to justice, rights and entitlements, digital inclusion and access to services to ensure a focus on addressing inequality and meeting the greatest needs.

### **Policy framework implications**

26. The recommendations support the delivery of the Council Plan to create a fairer and just society and specifically the Southwark Stands Together programme and the commitment to:
  - *Review our grant making and commissioning processes to remove any barriers to equal access to funding and delivery opportunities; to consider:*
  - *How targeted support can be offered to groups from Black, Asian and minority ethnic backgrounds, who have not previously accessed grant funding;*
  - *Whether the way in which we structure our grant making enables or disables people to access these opportunities;*
  - *The support in place for people to access funding;*
  - *Our grant making and commissioning processes and requirements and the barriers these may generate.*



27. Having a strong, vibrant and engaged VCS is a key part of creating a fairer and just society through enabling volunteering, participation, inclusion and well-being at a borough wide and neighbourhood level and supports our VCS strategy and volunteering strategy.

## **Community, equalities (including socio-economic) and health impacts**

### **Community impact statement**

28. The recommendations in this report will have a positive community impact. The reviews were co-produced with a range of community representatives who are network chairs and represent community networks as well as their own organisations. Additional resources in the form of grant funding and improved use of data and intelligence will have a positive impact on communities. There will not be any negative community impacts.
29. In particular building within our ways of working and grant making stronger support for small and community led organizations, recognition for the important role that infrastructure groups play in creating a thriving and connected VCS should support the success of groups run by and for our different communities.

### **Equalities (including socio-economic) impact statement**

30. Section 149 of the Equality Act, lays out the Public Sector Equality Duty (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 proposals support the delivery of the PSED and the council's [Approach to Equality](#) by specifically putting in place measures that are designed to reduce inequality. In particular, these proposals aim to:
- Tackle inequalities affecting Black Asian and minority ethnic residents and Black Asian and minority ethnic led organisations in terms of access to funding and resources
  - Improve the effectiveness of the council's investment in the VCS in terms of tackling broader inequalities, including socio-economic inequality.

### **Health impact statement**

31. These proposals aim to improve the council's effectiveness in tackling inequalities.
32. The socio-economic inequalities experienced by different groups in the borough, including Black Asian and minority ethnic communities, are directly linked to health inequalities and have meant that they have been disproportionately affected by both the pandemic itself and the impacts of lockdowns and other measures. There is evidence that the cost of living

crisis is having a disproportionate impact on Black Asian and minority ethnic communities.

33. Improving access to council funding for Black Asian and minority ethnic communities and other disadvantaged groups will enable organisations to better support the health and wellbeing of their communities. It will also increase their ability to support their communities to access mainstream health services, by overcoming language and other barriers.

### **Climate change implications**

34. Climate change is linked to social justice because the most marginalised communities are at greater risk from the impacts of our changing climate.
35. Black, Asian and minority ethnic organisations that are thriving and sustainable will be in a better position to engage with their communities about climate change and support a just transition to a carbon neutral borough by 2030, as well as support those communities build strategies for mitigating the impact of change.
36. The review of the Common Outcomes Framework will include a review of the 'Greener Communities' outcomes and how they could be clearer and more measurable in terms of reducing emissions and other environmental measures such as improving biodiversity and reducing plastic use.

### **Resource implications**

37. The creation of the prospectus including its annual review will be the responsibility of the Communities and VCS Commissioning Team and can be delivered within existing staff resources.

### **Legal implications**

38. Please see the concurrent report of the Director of Law and Governance below.

### **Financial implications**

39. There are no financial implications as there are no additional costs involved.

### **Consultation**

40. The reviews have been co-produced with a steering group of community representatives who took part in all aspects of the process from the evaluation of tenders, to defining the scope of the review, steering and facilitating engagement with stakeholders and challenging and refining the recommendations. Community representatives have been drawn from networks including Latin American, Southwark REACH (forum of community organisations, voluntary groups and community activists supporting the

Black, Asian and Minority Ethnic community), Carers, Womens, Mental Health and Community Southwark (the umbrella and leadership body for the VCS locally)

41. There has been cross-council engagement with commissioners and a focus group with members of Southwark Funders.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Head of Procurement**

42. Not applicable.

### **Director of Law and Governance**

43. Cabinet is asked to note the council wide Funding Prospectus for the Voluntary and Community Sector (VCS) as set out in Appendix 1 to this report. Cabinet is also asked to note the principles, commitments and purpose that underpin the funding programmes and the changes to the council's working practice contained in the Prospectus.
44. Approval of the recommendations of this report is consistent with paragraph 10 of Part 3C of the council Constitution, which reserves to the Cabinet the approval of policy and procedures governing the council's relationship with the voluntary sector.
45. The council is subject to the "Best Value" duty (under the Local Government Act 2003) to "make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness". The government's Best Value Statutory Guidance requires the council to approach "value" as including economic, environmental and social value, and to be responsive to the needs of the voluntary and community sector. The council's approach as outlined in this report appears to be consistent with these duties.
46. Cabinet is reminded that the council is subject to the Public Sector Equality Duty in section 149 of the Equality Act 2010, and attention is drawn to the community impact and equalities impact statements of the report in this regard. The duty requires the council, in the exercise of all its functions, to have due regard to the need to:
- a. eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - b. advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - c. foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The duty is a continuing one.

47. Cabinet is also referred to the consultation undertaken as part of the creation of the prospectus, as described in paragraphs 39 and 40 of the report.

#### **Strategic Director of Finance and Governance (FC22/045)**

48. The Strategic Director of Finance and Governance notes the recommendations of the report concerning the council wide Funding Prospectus for the Voluntary and Community Sector. The report notes the Funding Prospectus will be a practical guide to how funding is provided to the VCS.
49. Paragraph 36 notes the annual review of the prospectus by the VCS Commissioning Team will be delivered within existing staffing resources and paragraph 39 notes there are no additional financial commitments as a consequence of adopting the Funding Prospectus.

#### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
<b>Link:</b>		
<a href="#"><u>Southwark Stands Together &amp; Community Investment Reviews</u></a>		

#### **APPENDICES**

<b>No.</b>	<b>Title</b>
Appendix 1	Southwark Funding Prospectus

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Stephanie Cryan, Communities, Equalities and Finance	
<b>Lead Officer</b>	Caroline Bruce, Strategic Director, Environment and Leisure	
<b>Report Author</b>	Andy Matheson, Senior Commissioning Officer, Communities Division,	
<b>Version</b>	Final	
<b>Dated</b>	23 November 2022	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		23 November 2022

## APPENDIX 1

### Southwark Funding Prospectus

#### Foreword - Councillor Stephanie Cryan, Cabinet Member for Communities, Equalities & Finance, December 2022

We are proud of the diversity and richness of our community sector. It is a defining feature of Southwark and part of what makes the borough so special.

The council's commitment to our community sector is demonstrated by the amount that we invest through our range of grant programmes. We invest over £22 million in a year in funding services and activities delivered by the local voluntary and community sector (VCS). Between 2017 and 2022, the council invested £82.4 million.

The new council delivery plan sets out our ambitions for the next period. We need to close the gap by reducing inequality, tackling racism and racial inequity. We know how important our community sector is in our neighbourhoods and communities, on our estates with long established historic organisations and new and emerging ones providing support, services, meeting spaces and so much more. This prospectus is a guide to how and what we fund. It also sets out how our approach will help us to work with you on making the changes that you told us need to take place to make the borough fairer and more equal.

#### What is changing?

In 2021, reviews of council funding to the VCS were carried out and many of you told us about difficulties and challenges you have in getting funding from the council and other funders. We know things need to change.

In response to these concerns, our new commitments to funding applicants are set out in this Prospectus. Much of this may be familiar to you already. We have brought the information together in one place. Council grant funding is an investment in our communities and in people powered neighbourhoods.

#### What is changing?

- |  |
|--|
| <ul style="list-style-type: none"> <li>• We will monitor funding to our Black, Asian and minority ethnic led organisations across our grants programmes and where there is evidence of gaps we will target funding for those groups and work to close the gap</li> </ul>   |
| <ul style="list-style-type: none"> <li>• There will be a £400k Equalities Grants programme in 2023 with £200k ring-fenced for Black, Asian and minority ethnic led organisations</li> <li>• We commit to ensuring there is funding support to our disabled, LGBTQI+, and other communities with protected characteristics</li> <li>• We have started to collect information that will tell us whether organisations applying for funding are led by people from our diverse communities. This will help to ensure that funding reaches organisations that reflect the population of the borough</li> </ul> |

- We will still collect information that tells us which communities VCS organisations are working with
- We will ensure that there is support to organisations to apply for funding who have not received council funding before
- We will ensure that assessment panels for grant making include community representatives from outside the council

### What difference will it make?

We will know whether our funding is reaching organisations that reflect the diversity of the population of Southwark. We will be able to put in place measures that change this if we are not. We will be able to target our funding effectively at organisations that reflect our diverse communities.

Once an organisation has been awarded funding, we will monitor that funding in a way that is more about us working together for the benefit of residents, than about bureaucratic hurdles. We will take an assets-based approach, looking not for problems to be solved but opportunities to be harnessed and realised. The involvement of community representatives should result in funding decisions that are more targeted and effective in addressing local inequalities.

### Regular council funding programmes

The council will continue to invest in each of the programmes set out in the table below:

Funding programme	Annual budget - indicative	Criteria
<b>Common Purpose</b>	£801,451	<ul style="list-style-type: none"> <li>• 2 year community engagement grants: meeting the diverse needs of different communities, and bringing communities together</li> <li>• 4 year strategic partnership grants: strategic borough wide role, support to grassroots orgs</li> </ul> <p>Outcomes relating to health, wellbeing, a greener borough; digital inclusion, volunteering, independence</p> <p><a href="#">Common Purpose grants - Southwark Council</a></p>
<b>Neighbourhoods Fund</b>	£630,000	<ul style="list-style-type: none"> <li>• Local action by communities</li> <li>• Bringing different people together</li> <li>• Making neighbourhoods come to life</li> </ul> <p>Grants usually £500 up to £5,000 maximum</p>

Funding programme	Annual budget - indicative	Criteria
		<a href="#">Neighbourhoods Fund - Southwark Council</a>
<b>Community Safety</b>	Approx. £300,000	<p>Funding from the Mayor's Office for Policing and Crime administered locally in Southwark for</p> <ul style="list-style-type: none"> <li>• Gangs, exploitation and safe accommodation work</li> <li>• Integrated offender management</li> <li>• Early intervention</li> <li>• Violence against women and girls</li> </ul>
<b>Positive Futures for Young People</b>	£542,301	Organisations funded to deliver activities for children and young people 11yrs to 25yrs, to meet outcomes of activities for children and young people as outlined in Youth New Deal.
<b>Culture Together</b>	£152,000	<p>Project grants that support arts and cultural organisations in celebrating or achieving equality and representation in one of four focus areas:</p> <ul style="list-style-type: none"> <li>• Audiences</li> <li>• Workforce</li> <li>• Governance</li> <li>• Artistic content.</li> </ul>
<b>Cultural Celebrations</b>	£65,000	Events funded through this programme should be free of charge and community-focused, and must support the aims of the Creative Southwark cultural strategy and deliver against the Fairer Future commitment of creating a vibrant Southwark.
<b>Black History Month</b>	£30,000	Funding for events to take place during Black History Month (October) that honour the achievements, culture and history of African, Caribbean and diaspora communities.
<b>Public Health</b>	Approx. £900,000	<p>A number of grant programmes including</p> <ul style="list-style-type: none"> <li>• Holiday activity and food grants</li> </ul>



Funding programme	Annual budget - indicative	Criteria
		<ul style="list-style-type: none"> <li>• Health improvement grants</li> <li>• Cancer screening uptake grants</li> <li>• Vaccine uptake grants</li> </ul>
<b>Cleaner Greener Safer Capital Fund</b>	£1.88m annually divided equally between 23 wards	Annual funding programme for capital improvements. Eligible ideas must result in a permanent, physical improvement in the public realm to be eligible. Majority of funding is awarded to projects managed by council officers in consultation with the local community.
<b>Resident Participation Fund</b>	Total budget £905,000. This includes the Getting Involved Grants: £248,000	Grants to Tenants & Residents Associations only, on rolling basis throughout year. Contributes to social regeneration & participation.
<b>Devolved Highways Budget</b>		Solving highways related issues as identified at a ward level
<b>Community Infrastructure Levy</b>	Funding is triggered by building developments in the borough – not possible to give an annual budget figure	This is a charge that the council can set for new building developments in the borough. The funding can be used to fund infrastructure such as health and social care facilities as well as grant making through the neighbour element of the levy. <a href="#">Community Infrastructure Levy (CIL) - Southwark Council</a>

## 1. PRINCIPLES, COMMITMENTS & PURPOSE

**Our principles: will be driven by the vision to transform Southwark through our work to close the gap, be people powered and support thriving neighbourhoods**

**Our funding will:**

- Connect our communities
- Create fairness and equity for Black, Asian and minority ethnic groups and other disadvantaged communities
- Be open & transparent

## Our commitment to you as a grant applicant

### **We welcome and value all applications for funding that will make Southwark a better place**

- We will explain our funding criteria (requirements) clearly
- Our application forms and guidance will be in plain English and will be sense checked with community members
- We will only ask for information that we need
- We will publish our timetables and stick to them. If we need to ask you for extra information we will give you a reasonable amount of time to provide it. When we make decisions we will let you know the outcomes as promptly as we are able.
- If we are not able to fund you, we will explain the reasons clearly. We will offer you advice to help give you a better chance of being successful next time.
- We will listen to what organisations tell us about their challenges in applying for funding and take responsibility for working with them to overcome these challenges, to make our funding processes fairer
- We will collect information on who is applying for funding so that we can map who from our different communities are successful in funding applications to make sure we are not creating barriers
- We will keep a database of Black Asian & minority ethnic led organisations in the borough which will help us reach out to Black Asian & minority ethnic led organisations and track who among those groups are applying for funding and who aren't
- We will act positively to encourage and ensure there is support for Black Asian and minority ethnic led groups who have not had council funding before, to access funding, in particular core funding
- We will work with community partners to provide support for organisations and networks representing our different communities
- We will actively seek to attract to our programmes organisations who haven't been funded before, and to enable smaller organisations who are successful in applying for small grants to move on to securing larger amounts should they wish to.
- We will continuously review the way we give grants, to tackle barriers for particular groups, and learn from good practice elsewhere

- We will welcome any feedback you have and seek to act on it
- The recommendations about who to fund in each programme will be made by a diverse evaluation panel that will include relevant representatives from outside the council.

### **Our purpose: what can the funding be used for?**

The purpose of the funding depends on the funding programme. All funding from the council should help Southwark and its communities and residents to be some or all of the following:

- **Safer** – at home, and when out and about in the borough
- **Reduce inequality** and close the gap
- **Healthier** - at all life stages, in both mind and body
- **Greener** - together we are tackling the climate emergency and increasing the biodiversity (wildlife) of the borough
- **Engaged** - making the most of volunteering opportunities; having your voice heard;
- **Vibrant** - thriving small businesses and a dynamic arts and cultural sector

## 2. GRANTS

### **Our eligibility requirements**

Organisations applying must:

- Be a **not for profit** organisation (there may be exceptions, such as the Local Economy Team's small business grants; or the Culture Team's grants to individual artists). The kinds of organisations we fund include:
  - Registered charities
  - Registered not for profit companies
  - Community interest companies
  - Industrial and provident societies
  - Unincorporated associations and grassroots community groups

**We welcome applications from faith groups. The funding needs to benefit those in need regardless whether they have any faith or none, and should not be used to promote a particular religion.**

- Be based within the borough of Southwark – **or** based outside, but providing services to Southwark residents.
- Provide a recent set of annual accounts that have been audited (for those with an annual income of over £1m) or independently examined (those with an annual income of over £25,000). For smaller or newly formed organisations that don't yet have annual accounts, we may ask for a bank statement or simple set of accounts.

Across the council grant programmes, we support many organisations, projects and activities. There are 402 grants and 62 contracts with the smallest grant £500 and the largest contract over £6m.

### **How applications are assessed:**

- Officers check that applications meet the basic eligibility requirements explained above
- Eligible applications are reviewed by a panel of officers and community representatives. Each application will be judged against the funding criteria set out in the programme.

### **Our decision-making**

- The panel makes recommendations to the decision maker as to which grants to fund.
- A report on the applications and the recommendations is on the council website [here](#). If you apply for funding you will be sent the link to the report after it has been published.
- A [Cabinet member](#) then makes the decision if the grant value is more than £2500. For grants under £2500 the decision is taken by a service manager. This report is not published but will be sent to you as part of the approval process.

### **Letting you know the outcome of your application**

- We aim to let you know whether you have been successful or not as soon as possible in line with decision-making above
- If you have been unsuccessful, we will write to you explaining why. We will give you details of how to get support with future applications and we may give you details of other funding opportunities we think might be relevant to you. We are also happy to have a telephone conversation with you if you think that might be helpful.
- If you have been successful, we will write to you to confirm the amount of funding. It may be less than the amount you applied for. This could happen if organisations have applied for more funding than is available. If the amount is less than you applied for, we will be realistic about what you will be able to do with it. We will ask you to send us a new breakdown of costs, showing how you will spend the reduced amount of money.

### **Conditions of grant funding**

- There are conditions attached to all council grants which can be found here [Common Purpose grants - Southwark Council](#) approximately 11 paragraphs

down the page. All organisations who receive grant funding from the council must comply with these conditions.

### **Paying your grant**

- The council will pay grants in advance and usually in instalments except for very small grants. If you are being awarded a grant for a financial year (1<sup>st</sup> April to 31<sup>st</sup> March) you may be paid in quarterly instalments.
- Your grant will be paid into your organisation's bank account. Before we can pay it, we will check if your organisation is already listed as a vendor on the council's accounting system. If you've been paid by the council before, it's likely you will be listed as a vendor. If you've never had a payment from the council before, we will ask you to give details of your organisation's bank account and full contact details on a company letterhead. You can send this electronically as a pdf. We will send your details to the council's Finance department who will check the information before they set you up on the council's accounting system. This can take two weeks or more.
- Whenever you apply for a grant you will be asked to provide your organisation's bank account details, even if the council has them already, in case you have changed your bank account.

### **Monitoring and evaluation**

- The grant will be monitored to check that the money is being spent on what we have agreed. We need to be sure that your organisation is keeping to the Conditions of Grant Funding
- During the period of the grant, we will keep in touch with each other. You will have a key contact in the council who will be your link officer and will be available to help with any queries or concerns you may have
- Different council grant-giving teams have their own monitoring systems. When they award the grant to you, they will let you know what they will need from you during the period of the grant. This could include:
  - Visiting your organisation, at an agreed time
  - Attending your AGM (annual general meeting) or other event(s) that you organise
  - Asking you to send in reports on who has accessed the funded service (**outputs**) such as numbers of clients, and numbers of clients from particular groups and what difference it has made to people's lives (**outcomes**). The amount of information you are asked to provide will differ depending on the size of the grant.
  - Documents such as accounts, policies, annual reports and minutes of trustee meetings (you can blank out any confidential information in

trustee minutes). The amount of information you are asked to provide will depend on the size of the grant. We will explain why we need the information; we won't ask you for information that we won't use and we will only ask for it once across the organisation.

- **We do not expect you to share confidential client information with the council.**
- We will use the data and intelligence you give us to look at the needs of people in the borough and how they are changing. This will help us target funding better in the future, to meet those needs.

### How to apply for funding

- Regular council funding opportunities are advertised on the [Council website funding page](#)
- Applications are made electronically and not on paper documents. Most council grant funding teams now use the council's [Funding portal](#). If you haven't used the portal before you will need to create a log-in. This is simple to do. It is a good idea to make sure that others in your organisation have details of the log in email and password.

### Planning and support

Getting ready to apply for funding

Fundraising help is available from [Community Southwark](#) who offer one to one advice, training sessions and fact sheets.

- Finding out about funding

Council grants programme are normally advertised for a fixed period of time, usually a minimum of six weeks. You can find out about funding opportunities using these links. It may be worth bookmarking them and returning to them regularly

- [Council grants and funding webpage](#)
- Council commissioning [forward plan](#) – for a longer term view of what's coming up
- [Community Southwark website](#) and funding newsletter
- [United St Saviour's Guide to Funding in Southwark](#) (lower down this page under 'summary reports and publications') United St Saviours are an independent charity and funder, based in Southwark.

## What to do if the project isn't going to plan

When we fund you it is because your idea is a good way of responding to community needs. We want you to succeed. We recognise that things don't always go to plan. If you have concerns about the project then get in contact and talk to your link officer. We will have a conversation to try and resolve the issues together.

### 3. CONTRACTS

Unlike grants, the council enters into contracts with external providers for goods, works and services that it does not deliver in-house. These are managed in line with the council's Contract Standing Orders:

[FINANCIAL STANDING ORDERS \(southwark.gov.uk\)](https://www.southwark.gov.uk/contract-standing-orders)

All procurements also have to comply with the procurement law, currently the Public Contract Regulations (2015).

The Fairer Future Procurement Framework also sets out the core considerations and ethical considerations relating to procurements, especially where these are of higher value:

[Appendix 1 Fairer Future Procurement Framework.pdf \(southwark.gov.uk\)](https://www.southwark.gov.uk/procurement-framework)

Procurement is one of the three parts of Community Wealth Building

A review of what the council is able to put in place in relation to making it easier for local businesses to do business with Southwark Council is in place as part of this review and on-going work with other Southwark anchor institutions with a change of Procurement regulations, planned for 2023.

Organisations can proposed to work with others as a consortium to support their capability and capacity to deliver contracts

The eProcurement system used by the council is Proactis. Registering is free for businesses and the same system is used by the majority of London Boroughs:

<https://www.londontenders.org/>

- *The rules for how contracts are awarded are set by the government rather than the council*
- *But – we can look at how we can support smaller organisations grow and build their capacity to get themselves into a position where they can bid for contracts and be successful.*
- *This could be in partnership with other organisations.*

[Pro contract](#) – e-procurement system used by most London boroughs

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- This could be in partnership with other organisations.

[Pro contract](#) – e-procurement system used by most London boroughs

This table summarises the key differences between grants and contracts

### Comparison

Key Characteristics	Contracts	Grants
Legally Binding	Yes	No
Level of protection to the council in the event of a breach	Maximum - Council can take legal action for breach	Minimum - can withhold future funding and attempt to clawback paid funding
<a href="#">Contract Standing Orders</a> and Procurement Guidelines apply	Yes	No
General principles of transparency, accountability and fair dealing apply	Yes	Yes
Eligible for Gift Aid	No	Yes
Subject to VAT	Possibly	No
Fixed term	Yes	No
Annual renewal	No	Maybe
Standard terms and conditions	Yes - contract, quotation and tendering documents	Yes - standard Conditions of Grant Funding are available <a href="#">Common Purpose grants - Southwark Council</a>
Decision Makers	Depending on the contract amount the decision may be taken by the council's	Elected member of the council's Cabinet for grants over £2500



Cabinet, an elected member, a chief officer of the council or a chief officer may delegate the decision to director / manager of the council

External Advertising

Required for contracts over £75,000

Good practice

#### 4. GLOSSARY OF TERMS

- **AGM (annual general meeting):** The AGM of a company or organisation is a meeting which it holds once a year in order to discuss the previous year's activities and accounts. These meetings may be required by law or by the organisation's constitution or governing documents
- **Black Asian & minority ethnic led :** The council's definition is those organisations where 75% of the governing body (Board of Trustees or Management Committee), and 50% of the senior staff of the organisation ie key decision-makers, self-identify as being from that specific community or identity.
- **Capital improvements :** funding for the purchase, refurbishment or renovation (inc. fixtures and fittings) of buildings or land or the purchase of vehicles, computers and computer systems, other equipment or items such as marketing or accounting software. Is the opposite of revenue/ project funding that pays for salaries and running costs
- **LGBTQ+ :** is an acronym for Lesbian, Gay, Bisexual, Trans and Queer. The + recognises that there are more ways to identify and describe gender and sexuality beyond the acronym. While the above are common terms used to self-identify gender and sexuality in the English language, the world is and has always been a place of diverse sexualities and gender identities.
- **Procurement:** the process by which an organisation buys the products or services it needs from other organisations. Part of the wider commissioning process
- **Voluntary and community sector (VCS):** also known as VCSE (voluntary, community and social enterprise), Civil Society or the Third Sector. Is any organisation (incorporated or not) working with Social Purposes. This ranges from small community based groups/schemes (Food Banks, community hubs, Mutual Aid Groups, groups supporting refugees/asylum seekers etc.), through to larger registered Charities that operate locally, regionally & nationally

VCS Commissioning Team, Communities Division  
[CVSSU@southwark.gov.uk](mailto:CVSSU@southwark.gov.uk)

<b>Item No.</b> 24.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Progress with Insourcing of Leisure Services	
<b>Wards or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Catherine Rose, Cabinet Member for Leisure, Parks, Streets and Clean Air	

### **FOREWORD - COUNCILLOR CATHERINE ROSE, CABINET MEMBER FOR LEISURE, PARKS, STREETS AND CLEAN AIR**

The last update report in March 2022 outlined the positive progress towards transfer of leisure services back to Council operation and management. I am pleased to report that this progress has continued at pace.

We know that well maintained, accessible and affordable facilities, gyms, swimming pools contribute to a pride in local services, encouraging activities and experiences across generations. We believe that the provision of high quality leisure facilities enrich our communities, providing a diversity of sports and recreation for many, irrespective of age, ability or background. This strengthens our community and supports social cohesion in challenging times.

We also know that physical activity and movement can help improve communities' physical and mental health, preventing many avoidable conditions and easing pressure on our NHS. With all this in mind, we are moving steadily towards a collaborative approach across all council services to support leisure insourcing.

We have now employed a core team to assist with the insourcing, including support in Human Resources, Finance, ICT, Programming, Marketing and Communications. We are currently also engaging with communities, users and non-users on the 'look and feel' of the new service, and plan, in the New Year, to publish a refreshed service brand to replace the Everyone Active brand identification. We want staff to know and believe that they have good, secure jobs. We are working to ensure that residents experience a high quality service and have an excellent local provision to meet their needs.

Our leisure centres continue to be popular, with post-covid recovery levels of attendance now exceeding pre-covid levels.

We remain focused on a two-phased approach to insourcing. Firstly we are focused on ensuring that the centres transfer seamlessly from the current operator, Everyone Active, to the council in June 2023 with negligible impact on customers and staff.

Our second area of focus, when the service is transferred, will be to consider how long term aims and ambitions can be achieved alongside, and supporting, other council priorities and programmes, and how we might be able to enhance the current service offer. Developing the offer will involve extensive consultation with customers and non-users, supported with our experience of operating the service.

This report highlights the work in progress to effectively deliver across a full range of workstreams and implement plans for transfer of services back under council management and operation from June 2023. The process is complex and challenging, and relies on the ongoing cooperation of Everyone Active; we continue to engage Everyone Active management, local unions and staff in the planning and transfer of services in June 2023.

The report sets out some of the key challenges being faced, addressed and mitigated where possible - particularly in relation to global challenges, including spiraling energy costs and the cost of living crisis. Regardless of the challenge, the focus remains to be on delivering the best outcomes for our residents.

We recognise health inequalities remain within our communities and believe that bringing leisure services in house, will help the Council to better address these inequalities and achieve the best social return for investment made into these services.

We firmly believe that, by working more collaboratively across council service and with communities we can make a difference to the health and wellbeing of residents and hope that you will continue to support the Council on this journey. To this end, we would encourage anyone within an interest in the future provision of community based leisure services to add their voice, to help us shape this journey.

We know that we still have much work to do, but we are committed to making the changes needed to become more inclusive, more diverse and more innovative, to deliver even greater impact within our communities.

I hope you choose to join in this exciting journey and make Southwark an example of what councils and residents working together can achieve.

## **RECOMMENDATION**

### **Recommendations for the Cabinet**

1. That Cabinet notes the progress that has been made towards delivery of the leisure insourcing, including the challenges, opportunities and management of risk associated with this programme.
2. That Cabinet notes the staffing structure that has been developed across the centres, modelled around the TUPE transfer, with a supporting management structure and an initial mobilisation team structure.

3. That Cabinet notes work underway on developing new branding, to ensure a strong and easily identifiable brand is created for the Council's leisure services, which clearly defines the service within the community and within the wider leisure sector.
4. That Cabinet notes the ongoing work associated with harmonisation of terms and conditions in line with TUPE regulations, and in discussion with the recognised Trade Unions.
5. That Cabinet notes that the financial target operating model that is being developed, to underpin the delivery of the service after transfer.

## **BACKGROUND INFORMATION**

6. Following the recommendation of the GW0 report in March 2021, on 14 September 2021, Cabinet considered the GW1 Procurement Strategy report for insourcing the leisure service and approved the plan to bring the leisure service back in-house in June 2023 at the expiry of the current contract with Sports and Leisure Management Limited (operating as Everyone Active).
7. Cabinet further approved the deployment of appropriate immediate resources and a one-off mobilisation budget to enable the insourcing process.
8. The council's primary aims and objectives for the insourcing strategy are;
  - To give the council direct control over its leisure services and enable, in time, significant innovation in leisure provision, through wide-reaching cross-council and whole system collaboration, which further enhances the health and well-being of Southwark's residents.
  - Transferring the service as smoothly as possible for customers
  - Transferring the service as smoothly as possible for staff
  - Delivering a value for money service.
9. The challenge of bringing this complex customer-focused and market-driven service in-house cannot be underestimated and, in the first instance, the focus must be on a safe and smooth transition from the current provider to direct delivery by the council in June 2023 - with the aim of having no detriment to the current levels of service provision and minimum impact on staff transferring. It is recognised that the commerciality and market sensitivity of the insourced leisure service means that it cannot be considered in the same way as many other Council services and will require innovative and alternative approaches and skill sets.
10. To support the longer term aspirations of the Council, a Strategic Outcome Planning Framework will be developed, which will include consideration of the role of leisure services in addressing the following

long-term objectives and opportunities:

- To ensure that the council can provide leisure facilities and services according to its priorities, maximising opportunities for residents to lead healthier lives
  - To ensure the health and wellbeing of residents is prioritised as we emerge from the pandemic, especially those from Black, Asian and Minority Ethnic communities (in accordance with the principles of Southwark Stands Together)
  - To work innovatively with key departments and divisions across the Council and with partners, to provide excellent services for residents most in need
  - To minimise the immediate financial impact of the delivery of services
  - To run a service that is fit for the future and can respond flexibly to shifting priorities
  - To increase the numbers of locally employed people who will benefit from the council's terms and conditions
  - To implement a digital modernisation programme which supports effective operation of the service
  - To ensure that a comprehensive energy strategy contributes towards cost efficiencies and progress towards the Councils decarbonisation aims.
11. Some of these opportunities will be realised from the date of transfer, whilst some will be reliant on the embedding of longer term approaches.
12. The Cabinet report of 14 September 2021 noted that a progress report would be brought back to Cabinet in Spring 2022 in order to provide an update on progress with the delivery of the project plan and management of the risks identified in the GW1 report. This report was considered by Cabinet on 8 March, 2022.
13. The Cabinet report of 8 March 2022 noted positive progress towards delivery the project plan and management of the risks identified in the GW1 report.
14. This paper provides a further progress update.

## **PROGRESS UPDATE**

### **Governance Arrangements**

15. As set out in previous reports, comprehensive governance arrangements continue to operate for the delivery of the leisure insourcing project, with reporting and governance of the leisure insourcing project being carried out primarily within four officer groups:
- The Sponsor Board

- The Programme Board
  - The Project Delivery Team
  - Working Groups
16. The Working Groups are led by the representatives from each of the council's relevant service areas and are responsible for defining and undertaking the specific tasks in each workstream, keeping the Programme Manager informed of progress and supporting the Project Delivery Team on the development of the new leisure offer.
17. In addition to the inhouse teams, the Project Delivery Team have commissioned support from an IT Project Manager and a number of specialist consultants - a Financial Consultant, an HR Strategy Consultant, FMG Consulting Ltd (specialist sport and leisure consultancy), Clyde & Co (specialist legal employment consultants) and AllianceTA6 (Marketing Agency) to provide additional capacity and specialist advice and support in respect of the leisure industry and the insourcing project.
18. Whilst the leisure insourcing will follow standard constitutional processes in relation to formal decision making, in view of the magnitude, significance and scale of the insourcing programme, regular joint Lead Member Briefings will continue to be arranged for relevant Cabinet Members.

### Work to Date

19. A draft programme plan was provided as part of the GW1 Procurement Strategy report. This plan detailed five phases of work as follows. This plan has now been updated to include additional phases, as set out below:

**Table 1 – Programme Plan Phases**

Phase	Task	Timeframe	Progress
Phase 1	Programme Set-up and Planning	Sept – Dec 2021	Completed
Phase 2	Mobilisation and Preparation for Transfer	Jan 2022 – April 2023	In progress
Phase 3	Project Planning and creation of Leisure Services Insourced Division	July 2022 – March 2023	In progress
Phase 4	Completion of planning and commencement of transition of service	April 2023 - May - 2023	
Phase 5	Strategic Outcomes Planning	Jan 2022 – May 2023	Prelim work underway
Phase 6	Commencement of Insourced Service	Jun 2023	
Phase 7	Service Activation and Bedding-In	Jun 2023 – May 2024	
Phase 8	Service Development and Enhancement	Jun 2024 – Dec 2025	
Phase 9	Service Evaluation	Jan 2026– Mar 2026	

20. The key focus of the Project Team in the planning of the work programmes has been to develop the scope of work, planning actions, identifying procurement requirements, securing staffing resources and financial planning for the insourced leisure services within the council's wider services and support structures.

### **Managing the Leisure Service**

21. A staffing structure has been developed which includes both a temporary mobilisation team and a permanent team, which will be responsible for supporting the staff transferring from EA under TUPE (see Appendix 1 for the structures).
22. Most of the planned pre-transfer posts have now been recruited and are in post, with the exception of the following service support posts, which will be recruited before January 2023; Facilities Coordinator, Marketing Coordinator, Learning & Development Business Partner.
23. Further consideration may be given to other roles, as details of transfer of undertakings for employment are finalised.
24. Authority for permanent structural changes to the workforce have been completed via the normal council reporting processes, with approval by the Strategic Director of Environment and Leisure. Union colleagues have been consulted on proposals, in line with due process. Alongside the formal union meetings, additional meetings have also been held, to seek to maximise information sharing and collaborative opportunities.

### **Key Issues / Challenges / areas of focus**

25. Southwark is one of the first boroughs in the UK to fully insource leisure services following a period of externalisation, and whilst the opportunities associated with this unique approach should not be under-estimated, neither should the challenges associated with this process.
26. As the various workstream considerations have progressed, a number of key issues and challenges have been identified which will need specific attention through the mobilisation and/or post-transfer phases. They include the following:

### **Human Resources**

27. **Recruitment** - Whilst there have been recruitment challenges due to HR capacity, all key posts are now either been recruited to, or are at interview stage.
28. **Harmonisation** - In relation to the transferring workforce, there are a number of HR issues which are under consideration, in relation to harmonisation. These include:

- Standard contract (including treatment of staff with multiple contracts)
  - Comparable pay
  - Working Hours (current EA workforce work 40 hours a week)
  - Casual staff / zero hours contracts
  - Bonus / commission
  - Overtime
  - Shift patterns
  - Pensions
  - Timing of harmonisation
29. Work is ongoing on each of these issues, in consultation with a senior HR strategic advisor and an employment law specialist company. The initial focus is to achieve in principle agreement in each area prior to transfer. Regular staff meetings are being held, and regular discussions are also taking place with the recognised trade unions.
30. All of the challenges are now understood, with plans in place to maximise benefits and minimise risks, with the key objective being to ensure a smooth transfer. All transferring employees will be offered enrolment on the local government pension scheme with effect from 20 June 2023.
31. An onboarding plan has been completed and is in progress. The first stage involved engagement with Everyone Active's management team, to outline the aspirations of the council, the process to be followed, project structure and implementation plans. This has been followed with four meetings with staff to date, to provide similar information as that shared with managers, and to report progress. The Cabinet Member for Leisure, Parks, Streets and Clean Air, Councillor Catherine Rose attended one of the staff meetings. The second phase of the plan includes continuation of monthly progress meetings, creation of a staff representative forum and a programme of one to one meetings with transferring staff in the new year. The Chief Executive and Strategic Director for Environment and Leisure will also be meeting the EA staff in the new year.

## **Finance**

32. Financial management systems and budgets are being developed for the Leisure Services Division, which are fully compliant with council policies and procedures. It is also important that they are able to provide suitable commercial flexibility.
33. There is recognition that the impact of Covid is making short-term business planning challenging.
34. Confirmation of Target Operating Model (TOM) – current economic challenges, alongside unknowns, create financial uncertainties that may impact the TOM. Issues of concern include energy prices, treatment of



VAT, potential impact of the cost of living crisis on income, detailed staff cost information. Whilst officers continue to work to the allocated net budget of £2.6m, sensitivity analysis has identified that there may be need for additional budget. Planning for this eventuality is being factored into the 2023 budget planning process.

## **ICT**

35. Work is ongoing in relation to the implementation of new ICT network and infrastructure required for Leisure Services going live. In parallel to this, work is also underway for the implementation of new leisure management system, Gladstone 360 and Gladstone Direct Debit. Gladstone mobilisation is due to take place before the end of November 2022.
36. In regards to network migration, the strategy is to run a Southwark Council network in parallel with the existing EA network, in order to minimise service disruption, an approach that has been adopted successfully by others in a similar position, so is tried and tested. While taking this approach, it is recognised that a significant amount of resource and investment is required to complete this complex migration. The key risk is associated with managing the switchover and ensuring minimal disruption to the service.
37. There have been some challenges linked to delays in Virgin connectivity work which have led officers to consider alternative ways to ensure connectivity is achieved. However, initial Virgin Media surveys have now taken place on 9<sup>th</sup> November 2022 at two sites with further surveys scheduled to take place at all remaining sites before the end of November 2022. The Virgin Media surveys will inform if there are any planning implications which could lead to potential delays in achieving connectivity. However, there are contingency plans in place if this happens.
38. As part of the work to understand hardware and software needs of the service, a technical blueprint is currently under development to ensure that all ICT elements are built in to the required specifications and quality. Contributions to this document are provided by all relevant internal stakeholders and external suppliers.

## **Procurement**

39. Work is underway to ensure all goods and services are procured in a timely manner, and in line with public procurement regulations – and in a way that enables the speed and flexibility required for the delivery of leisure services, within a commercial market-place. 37 separate procurements have been identified to date, requiring substantial resource to undertake in a timely manner. In view of the significant amount of work required to deliver such a large number of procurements in a short window, additional temporary resource is being secured.
40. There are also some supply chain challenges within the industry, which

need to be managed. There is currently a national shortage of pool chemicals, with long lead in times leading to pool closures in some instances. Officers are exploring, with EA, whether alternative approaches might be taken to prevent this risk in the future.

### **Health and Safety**

41. This workstream includes creation of H&S practices and procedures and integration into council systems, to ensure clarity of process and responsibility. Work is ongoing across teams to ensure smooth integration and robust policies, practices and procedures.

### **Facilities Management**

42. Each centre is being surveyed to identify works required, to enable building works to be carried out and to ensure that contractual obligations are met by EA, in relation to dilapidations requirements at contract exit.
43. The surveys will also identify the capital costs associated with the works required, for consideration in capital budget process for 2023/24.
44. Development of planned preventative maintenance and lifecycle cost plans are also underway.

### **Marketing and Communications**

45. This involves the development of site and service brand and style guides to ensure that the marketing and communication activity of the insourced leisure service is in accordance with council policies and procedures whilst also enabling commercial flexibility and appeal in a highly competitive market.
46. It is also necessary to ensure brand appeal, to enable customer retention and new sales.
47. A marketing consultancy has been appointed to assist with this work, which will include user and non-user (resident) surveys and forums. Further detail will be brought to Members for consideration in due course.

### **Legal**

48. Legal issues include the management of the GDPR-compliant transfer of staff and customer data from Everyone Active to the insourced leisure service at the commencement of the operational phase.
49. It is also necessary to ensure that the Council's scheme of management is expanded to enable timely decision making at the appropriate level, in line with council's governance requirements. This will enable effective decision making pre and post transfer.

## Contract Exit

50. This includes the ongoing monitoring of, and liaison with, Everyone Active and the management of the expiring leisure management contract.
51. All parties continue working to ensure a cooperative relationship between the Council and Everyone Active, which will support a seamless transfer of services and an exchange of appropriate information to enable the new service to achieve optimum performance.
52. These issues and others associated with each service area are the subject of ongoing consideration and management as part of the Working Group discussions, and are captured in the detailed plans developed for each work area.

## Key Risks

53. In addition to the key challenges outlined above, Table 2 below provides an update of the key risks which have been identified and are likely to arise through the course of the delivery of the programme plan.

**Table 2 – Summary of Key Risks**

<b>Risk</b>	<b>Notes</b>	<b>Likelihood</b>	<b>Potential impact</b>	<b>Mitigation/Control measures</b>	<b>Revised impact</b>
Impact of COVID-19	Uncertainty around medium and longer-term impact of COVID pandemic	Medium	High	- close monitoring of EA and wider sector recovery; - detailed budget planning for operational phase, including sensitivity analysis	Medium
Financial performance	Uncertainty of future financial performance alongside significant inflationary pressures, in particular around energy costs.	Medium	High	- detailed budget planning, including revenue sensitivity analysis and identification of cost mitigation measures, reflected in the corporate budget planning process; - implementation of budget management and performance monitoring procedures - identifying and investment in energy cost saving measures	High
Operational performance	Scope for poor or inconsistent operational performance	Medium	Medium	- recruitment and training of appropriate leisure professionals to oversee the service;	Low

<b>Risk</b>	<b>Notes</b>	<b>Likelihood</b>	<b>Potential impact</b>	<b>Mitigation/Control measures</b>	<b>Revised impact</b>
				- establishment of robust quality management systems; - implementation of appropriate customer engagement systems	
Lack of capacity to recruit required additional staffing levels at pace	Delay in recruiting skilled resource to deliver through mobilisation phase	Medium	High	Recruitment of sufficient HR support to ensure sufficient resource to support the wider recruitment process	Low
Impact on central services	Uncertainty re scope and level of additional support likely to be required	High	Medium	- proactive engagement with central service teams; - ongoing working group discussions and programme plan delivery; - identification and recruitment of additional resource requirements; - establishment and management of mobilisation budget	Low
Staffing – retention of staff	Scope for loss of staff to other EA contracts and/or loss of staff morale	High	Medium	- early engagement with EA to establish TUPE information and contractual provisions regarding changes of staff structures; - implementation of proactive onboarding plan for transferring workforce to ensure welcoming approach and seek to minimize anxiety of change	Medium
Early contract exit	Potential for EA to fail or pursue early exit from contract	Low	High	- continued engagement and open communication with EA; - continued monitoring of market recovery and understanding of any impacts on EA	Low
Programme delays	Scope for elements of the mobilisation process to be	Medium	High	- establishment of clear project governance arrangements; - establishment and	Medium

Risk	Notes	Likelihood	Potential impact	Mitigation/Control measures	Revised impact
	delayed			delivery of detailed programme plan - escalation approach identified to flag any delay	
Failure to achieve benefits of insourcing	Potential for practicalities of mobilisation to divert focus from insourcing benefits	Medium	High	- established clear project governance arrangements with clear description of strategic objectives; - Implementation of strategic outcomes planning process	Medium
Failure to at least replicate existing service provision	Negative impact on customer perceptions and commercial performance	Medium	High	- Engagement with EA to understand current methods of operation and resource requirements. -procurement of external resource to deliver key services, e.g. cleaning	Medium
Failure to at least replicate existing ICT functionality and service provision	Negative impact on customer perceptions and commercial performance	Medium	High	- early engagement with EA and central ICT team to establish requirements; - Recruitment of appropriate internal and external resource to oversee process.	Low
Reputational risk if programme is not delivered on time and to a high standard	High profile insourcing will attract attention. Poor performance will become highly visible. Recruitment delay impacts in some areas – e.g. procurement	Medium	Medium	Careful and early planning with sufficient resources will limit likelihood of poor performance. High level support and engagement from both Members and senior officers will ensure clear vision and ensure smooth implementation. Consideration of handover timing and a temporary suspension of services for short period to facilitate smooth changeover will reduce risk. Plans developed to mitigate delays in recruitment – e.g. procurement.	Medium

## **Mobilisation Costs**

54. As set out in the GW1 report, a mobilisation budget of £2.4million has been established for the mobilisation process. The level of commitment and forecast budget requirements are currently in line with this provision.

## **Policy framework implications**

55. The management of the leisure centres and delivery of excellent leisure services is directly linked to the council's commitment to a 'Fairer future for all', in particular:

We want to break down barriers that prevent people from thriving in Southwark, so that whatever your background you can live a healthy life.

56. The 2022-23 Council Delivery Plan sets out a series of commitments across seven themes:

- Transforming our borough
- A thriving and inclusive economy
- A healthy environment
- Quality, affordable homes
- Keeping you safe
- Investing in communities
- Supporting families

Leisure centre provision contributes to the delivery of these commitments. In particular, the Delivery Plan states, 'We will offer a range of activities to keep all our residents fit and healthy, including a new council-run leisure service' and "We will enable residents of all ages to stay active and healthy: establishing a new in-house active Southwark service, with access to a wide range of activities.'

57. In addition, leisure centre provision is an important part of the Active Southwark strategy which was agreed by Cabinet in April 2019. The themes of the strategy are:

- Active People – understanding the circumstances of individuals to better shape our services and offer
- Active Places – shaping our environment and facilities so that they encourage more people to be more active
- Active Communities – maximising resources and building partnerships with our communities that promote physical activity.

58. The new public health sector management arrangements around Integrated Care Services (ICS) provides further opportunity for leisure to participate and influence future thinking and direction around investment in Southwark community's health and wellbeing.

## **Community, equalities (including socio-economic) and health impacts**

### **Community impact statement**

59. As noted in 'Table 1 – Programme Plan Phases', the council will be undertaking strategic outcomes planning which will reflect upon how and where the in-house leisure service can contribute positively to the delivery of the council's wider strategic outcomes. This fundamental review will reflect the specific objectives and priorities established in the Delivery Plan and the 'Southwark Stands Together' pledges, whilst also recognising wider local needs and the strategic objectives of relevant partners and stakeholders. In particular, it is expected that the strategic outcomes planning will focus on the scope for the in-house leisure service to help to address health and other inequalities in Southwark.
60. Potential areas of community impact would be in relation to any changes implemented, based on the result of the strategic outcomes planning work. To minimise any impact on the community and residents with protected characteristics, an equalities impact assessment will be carried out if any changes to the service are proposed.
61. That said, it should be noted that at the point of transfer there will be limited impact on the community as the council plans to retain its existing leisure offer initially, to ensure a successful transition/ bedding in period.
62. The Equalities Impact Assessment will be updated at key milestone intervals throughout the mobilisation period.

### **Equalities (including socio-economic) impact statement**

63. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well-being of the local area can be secured. The details of how social value will be incorporated within the insourcing of the leisure services are set out in the following paragraphs.
64. The insourcing of the leisure service will result in benefits for the local economy. One of the council's key objectives of insourcing the service is to increase the numbers of locally employed people who will benefit from the council's favourable terms and conditions.
65. The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that all staff, contractors and subcontractors engaged by the council to provide works or services within Southwark pay their staff at a minimum rate equivalent to the LLW rate. EA are currently also delivering on this commitment so this would continue and the council will pay the London Living Wage.

66. The council does not deploy harmful zero hour contracts and is committed to employing full and part time staff. The employment of casual employees working variable hours, some only occasional hours, is also an essential component of effective resourcing for delivery of leisure services. The Council are likely to use casual working arrangements but will give due consideration to the preferences of staff and ensure that there is no harmful impact for staff working under casual employment arrangements.
67. The council will continue to appoint apprentices as part of an insourced leisure service, with an intake scheduled to be recruited in May 2023 for commencement in September 2023.

### **Health impact statement**

68. The long term objectives of insourcing the leisure services outlined in paragraph 10 are directly linked to reducing health inequalities and improving the opportunities for residents to lead healthier lives through the development of a more resident focused service.
69. The process by which the leisure services are insourced does not impact on the current opportunities that residents have, as the initial aim is to provide the same service that residents currently receive.
70. Throughout the process of insourcing the leisure services, the Project Delivery Team will regularly consult with key health stakeholders such as the Public Health team and Adult and Social Care Team to develop the long term vision for the service, so ensuring that it remains closely aligned to their current policies and strategies for reducing health inequalities and providing equitable access to services for all residents.
71. In addition to this, the Strategic Outcomes Planning exercise, in phase five of the project delivery phases, will also assist the council on focusing the long term delivery of the service where is it needed the most in order to meet the objectives set out in paragraph 10.

### **Climate change implications**

72. The council's leisure providers have always been required to provide acceptable and appropriate environmental policies, required to deliver on specific performance targets for increasing recycling, reducing waste and energy consumption and expected to implement energy management plans aimed at reducing carbon emissions in line with the council's own targets.
73. With the council declaring a Climate Emergency it is expected that the requirements of an insourced service will not only continue to uphold the existing standards in place, but to expand on them over time. In this regard, the service will seek to set the example of good environmental



impact management and deliver on the key objectives from the Climate Emergency Action plan approved by Cabinet in July 2021.

74. A full energy assessment and impact study has been completed for each facility.
75. An application has been made to the government Public Service Decarbonisation Scheme to support investment in asset improvements to reduce carbon outputs and improve energy efficiency. The outcome of the application will be known in early 2023.

### **Resource implications**

76. As detailed in paragraphs 26-30 the insourcing of the leisure service has significant resource implications. The two year Head of Leisure Insourcing has been in post since March 2022, and has overseen the recruitment of the operations, commercial and support manager roles, in line with the council's standard recruitment processes. After the mobilisation period is complete, and services bedded in, the Head of Leisure Insourcing role will end, and will be replaced by a permanent Head of Leisure Services and Facilities.
77. Officers have also completed recruitment of a Programme Manager, Leisure Operations Manager, Leisure Commercial Manager, Leisure Finance and Systems Manager and a HR Business partner. All posts started by the end of November, 2022.
78. Ongoing recruitment includes; an Applications System Team Leader, HR Learning and Development Business Partner, Marketing Coordinator, and Facilities Management Coordinator.
79. As noted in paragraphs 14 and 15, specific input and resource will be required from the various central support teams during the mobilisation phase and once the insourced leisure service has commenced.
80. Staff in the current leisure contract will be protected under the Transfer of Undertakings (Protection of Employment) legislation (TUPE). There are likely to be amendments to the final number of staff who will transfer under TUPE arrangements. The impact of these changes on HR and payroll will be managed as part of the HR working group.

### **Legal implications**

81. As noted in paragraph 89-91 below.

### **Financial implications**

82. The Cabinet report of 14/9/2021 which approved the recommendation to insource the leisure services also approved the mobilisation cost of £2.4m connected with this process to be funded from earmarked reserves.

83. The cost of this leisure insourcing process will be allocated against the revenue budgets of the Sports and Leisure team and any costs that cannot be contained within departmental revenue budgets will be submitted for funding from the earmarked reserves of £2.4m at year end.
84. A new and specific cost centre has been setup to collate and monitor all costs associated with the insourcing of the council's leisure facilities and related services. The related costs will be monitored and reported as part of the departmental revenue budget monitoring process.
85. A base budget £2.6m per annum has been set aside for the ongoing costs of operating the leisure services once the service is brought back in house. It was initially expected that this base budget of £2.6m together with the income to be generated across the leisure centres was sufficient to fund the service under an in-house arrangement. However, the current economic climate, cost of energy prices, cost of living crisis and its impact on income, together with the treatment of VAT for the service indicates that additional funding may be required. Work is currently underway to assess the extent of the additional funding required, and once confirmed, this will be incorporated into the council's budget setting process for 2023/24.

### **Consultation**

86. Staff - Formal engagement and consultation will take place with existing Everyone Active staff as part of the TUPE process; this has been built into the programme plan. Consultation will also take place with the relevant Trade Unions as part of this process to assist with robust check and challenge of the programme management process. The aim is to make the transition from external contract to council employee as smooth and informed as possible. In addition to the formal processes, informal discussions are also taking place between staff (as supported by, and agreed with, EA) and with the unions, to seek to minimise disruption, reduce anxiety associated with change, and maximise opportunities.
87. Internal stakeholders – relevant teams and departments such as public health and adult and social care are part of the governance structure of the programme to insource the services. As such they have representatives on the corporate steering group, and the Programme Management Team will have regular workshop meetings to explore the insourcing route and future direction of the service in more detail.
88. External stakeholders and residents – consultation with these groups will take place through the marketing and communications workstream and as part of the Strategic Outcome Planning work.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Governance**

89. There are no specific legal implications arising from the recommendations in this report, which is an update report in respect of the planned insourcing. Advice has previously been given in the earlier reports to Cabinet concerning this insourcing, and specifically the gateway 1, which is still relevant.
90. Cabinet's attention is drawn to the Public Sector Equality duty (PSED General Duty) under the Equality Act 2010, which requires public bodies to have regard, when making decisions, to the need to eliminate discrimination, advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it. The PSED General Duty is a continuing duty, and therefore the Cabinet is specifically referred to the community, equalities (including socio-economic) and health impacts at paragraphs 58-70, setting out the consideration that has been given to equalities issues which should be considered when noting the recommendations in this report.
91. The Director of Law and Governance and her staff will continue to provide advice to officers on any legal and governance issues arising during the programme plan phases noted in Table 1.

### **Strategic Director of Finance and Governance (FC22/043)**

92. The report is requesting Cabinet to note the progress that has been made in respect of the delivery of the project plan, the challenges and opportunities associated with insourcing, and management of risk in respect of the insourcing of the leisure service.
93. The strategic director of finance and governance notes the financial implication and understands that any additional funding required for operating the in-house service will be incorporated into the council's 2023/24 budget setting process for formal approval.
94. Staffing and any other costs connected with this report to be contained within existing departmental revenue budgets.



## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Gateway 0 - Appraisal of management options for leisure centres	Leisure Team, 160 Tooley Street	Tara Quinn 07940788704
<a href="https://moderngov.southwark.gov.uk/documents/g6667/Public%20reports%20pack%20Tuesday%2009-Mar-2021%2011.00%20Cabinet.pdf?T=10">https://moderngov.southwark.gov.uk/documents/g6667/Public%20reports%20pack%20Tuesday%2009-Mar-2021%2011.00%20Cabinet.pdf?T=10</a>		
Gateway 1 - Procurement Strategy Approval Insourcing the leisure service	Leisure Team, 160 Tooley Street	Tara Quinn 07940788704
<a href="https://moderngov.southwark.gov.uk/documents/s101258/Report%20Gateway%201%20-%20Procurement%20strategy%20approval%20insourcing%20the%20leisure%20service.pdf">https://moderngov.southwark.gov.uk/documents/s101258/Report%20Gateway%201%20-%20Procurement%20strategy%20approval%20insourcing%20the%20leisure%20service.pdf</a>		

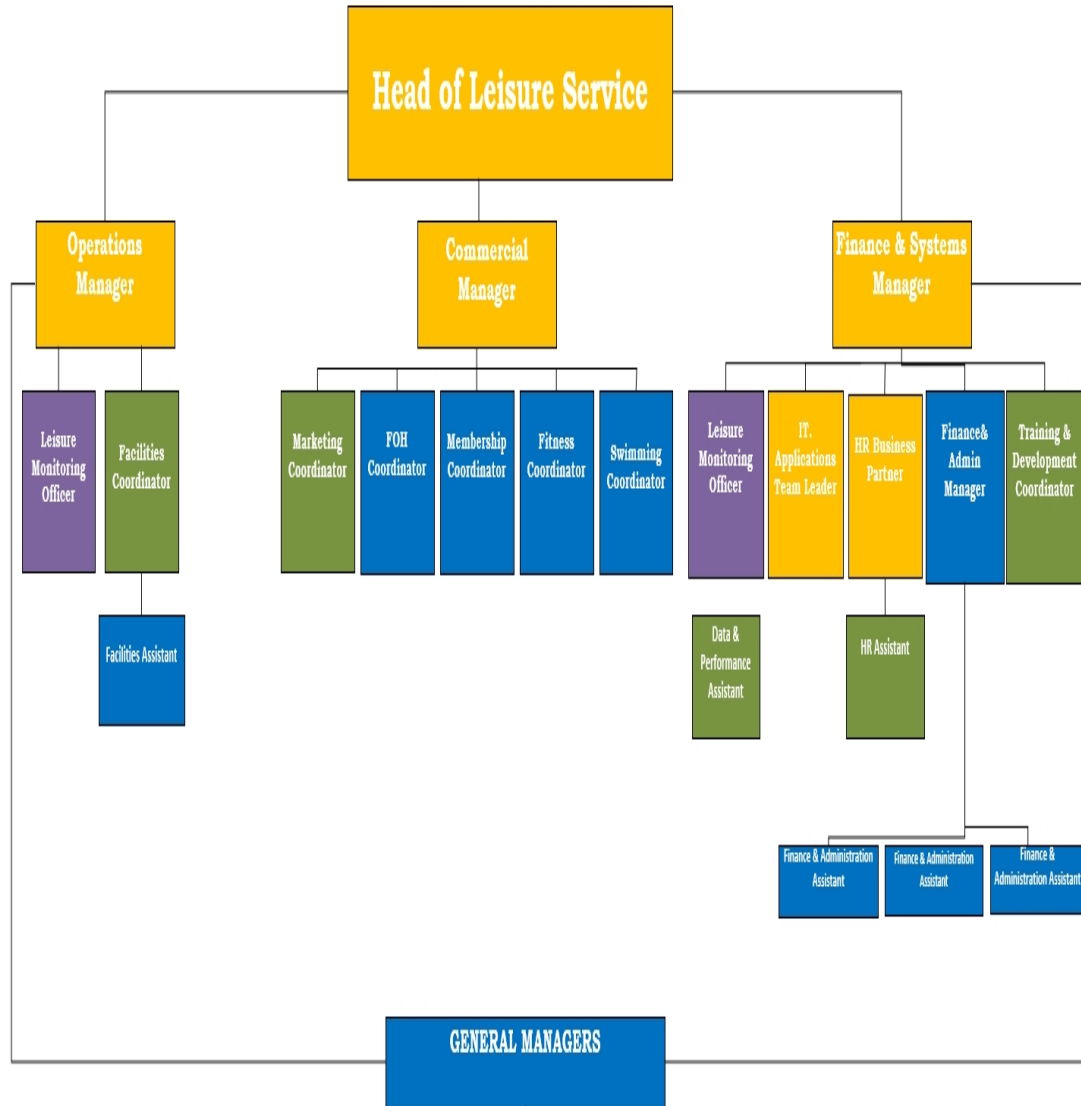
## APPENDICES

No.	Title
Appendix - 1	Summary Staffing Structure

## AUDIT TRAIL

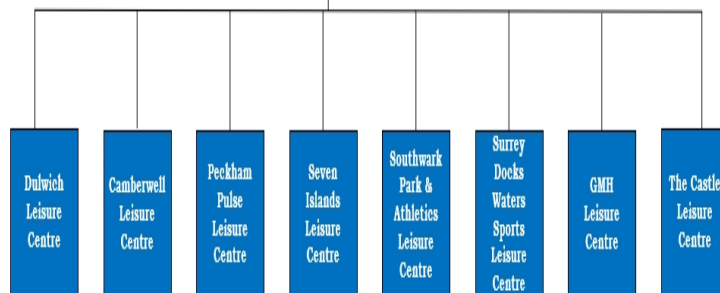
<b>Cabinet Member</b>	Councillor Catherine Rose, Cabinet Member for Leisure, Parks, Streets and Clean Air	
<b>Lead Officer</b>	Toni Ainge, Director of Leisure	
<b>Report Author</b>	David Pugh, Head of Leisure Insourcing	
<b>Version</b>	Final	
<b>Dated</b>	24 November 2022	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		25 November 2022

# LEISURE SERVICE DIVISION



## KEY

- Recruited Post
- New Post
- TUPE Transfer
- Council Transfer



<b>Item No.</b> 25.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Gateway 1 - Procurement Strategy Approval: Solicitors Framework	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Stephanie Cryan, Communities, Equalities and Finance	

**FOREWORD – COUNCILLOR STEPHANIE CRYAN, CABINET MEMBER FOR COMMUNITIES, EQUALITIES AND FINANCE**

There are occasions when the council has to obtain specialist legal advice and assistance in order to support and maintain the delivery of high quality professional services being provided by the council’s in-house legal team.

Our current framework contract ends in March 2023 and this report recommends that the council join the London Boroughs Legal Alliance Solicitors Framework.

The framework will allow the council to deliver its fairer future commitment of achieving value for money, through the maintenance of competitive fixed rate and quality assured solicitors services.

As well as providing added benefits and social value to the council’s legal team and departments, the framework will also generate soft benefits for residents and the Southwark community in the form of the provision of work experience and apprenticeships, interview training, volunteering schemes, support to schools by way of mentoring, or talking to groups of pupils about careers in the law, provision of goods or services for community groups such as pro bono legal advice and fundraising events.

**RECOMMENDATIONS**

1. That the cabinet approves the procurement strategy outlined in this report to use the London Boroughs Legal Alliance (LBLA) Solicitors Framework to provide solicitor services to the council for a maximum period of three years and four months from 24 March 2023 at an estimated annual value of £2.7m and an estimated total value of £9.m.
2. That the cabinet notes that the LBLA management fee of £11,434 per annual is for both the Barristers Framework and the Solicitors Framework.
3. That the cabinet delegates the approval of the Gateway (GW) 2 contract award decision to join the LBLA Solicitors Framework to the Strategic Director of Finance and Governance.

## **BACKGROUND INFORMATION**

4. Legal services has in-house lawyers but from time to time additional support is required from external solicitors, either because of the specialist nature of the work or due to capacity issues. Due to defined current and future resources it is not possible for all legal needs of the council to be met entirely through the work of Legal Services, and provision is therefore required to have access to external specialists for when the need arises.
5. Southwark Council established its own framework for the provision of solicitor's services on 24 September 2018, for a period of four years. By a GW 3 report dated 15 September 2022, approval was given to extend the Southwark Solicitors Framework for 6 months, until 23 March 2023. The Southwark Solicitors Framework allows the council to deliver its fairer future commitment of achieving value for money, through the maintenance of competitive rates and quality assured legal services.

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

6. The aim of this exercise is to consider use of an existing framework for solicitor services in order to continue to receive benefits of economies of scale, and a streamlined and efficient process for instructing solicitors.
7. The LBLA was formed in 2009 with the aim of being a successful collaborative partnership of local authority legal teams, and it considers itself to be at the forefront of innovative procurement practice with the intention of delivering best value services to local authority clients and local residents. The alliance is managed by specialist legal consultancy Kennedy Cater, who have assisted with the procurements and manage three frameworks on LBLA's behalf. These are a Solicitors Framework, a Barristers Framework and a Legal Libraries Framework. The council is currently an Associate Member of the LBLA's Barristers Framework. This GW1 report relates to the use of the LBLA Solicitors Framework.
8. The LBLA Solicitors Framework came into effect on 8 July 2022 and will be in place until 7 July 2025, with an option to extend for a further 12 months. The new framework is the fourth such procurement exercise undertaken by the LBLA advised through Kennedy Carter. Westminster City Council acted as the Contracting Authority on the procurement exercise.
9. Alongside Westminster City Council, the participating authorities are the London Boroughs of Bexley, Brent, Bromley, Camden, City of London Corporation, Ealing, Enfield, Royal Borough of Greenwich, Hackney, Hammersmith and Fulham, Haringey, Havering, HB Public Law (Harrow, Barnet and Hounslow, Aylesbury Vale District Council and Slough Borough Council) Hillingdon, Islington, the Royal Borough of Kensington & Chelsea, Newham, Redbridge, Tower Hamlets, Waltham Forest and the London Fire Brigade. The LBLA framework agreement is also be available to other local authorities within Greater London and South-East England (Bedfordshire,



Berkshire, Buckinghamshire, East Sussex, Essex, Hampshire, Hertfordshire, the Isle of Wight, Kent, Oxfordshire, Surrey and West Sussex).

10. The LBLA Solicitors Framework is split into two lots:

Lot 1 - Regeneration

Lot 2 - The full range of legal services, including litigation, commercial, property and miscellaneous local government/public law work

11. Unlike the Southwark Solicitors Framework, the LBLA Solicitors Framework does not cover residential conveyancing, so this area of work will need be procured separately and will be subject to a separate Gateway approval.

12. The firms appointed on the LBLA Solicitors Framework are:

**Lot 1**

Anthony Collins  
Ashfords  
Bevan Brittan  
Browne Jacobson  
DWF  
Pinsent Masons  
Sharpe Pritchard  
Trowers & Hamblins

**Lot 2**

Anthony Collins  
Ashfords  
Bevan Brittan  
Birketts  
Browne Jacobson  
Capsticks  
Sharpe Pritchard  
TLT

13. Call offs from the LBLA Solicitors Framework can be by a direct award to any provider on the relevant lot without reopening competition, where it is deemed that a participating solicitor represents the most economically advantageous solution for such services, or can be instructed following a mini-tender between legal providers on that lot who are capable of providing the required services. The LBLA Solicitors Framework anticipates that in the majority of instructions direct award will be used.

14. The LBLA Solicitors Framework arrangements provides:

- a wide range of solicitors with the required expertise to choose from;
- certainty as to the cost of instructing solicitors;
- the means for monitoring and controlling expenditure.

## **Market considerations**

15. The market for solicitors in London is very developed, with a good number of firms on the framework panel. A procured panel will ensure the council receives best value in the purchase of external legal advice.

## **KEY ISSUES FOR CONSIDERATION**

### **Options for procurement route including procurement approach**

16. Several options were considered when identifying a preferred procurement approach. These were:
  - Do nothing – this is not a viable option as the council’s current framework expires on 23 March 2023 and it needs access to additional legal support.
  - Provide in-house – the council requires legal expertise to provide advice to council departments where its in-house lawyers are unable to do so for the reasons outlined in paragraph 3 of this report. The LBLA Solicitors Framework will support the in-house function.
  - Instruct solicitors on an ad-hoc basis – this route was considered less efficient in terms of management of spend and efficiency of service. The provision of legal services is subject to the procurement requirements of the Public Contract Regulations 2015, so the anticipated spend would need to be advertised through the Find a Tender Service. This approach is therefore not recommended.
  - Undertake a restricted tender process to establish the council’s own framework – this was the route followed in 2018, and has been successful in providing these services. However this requires a high level of limited internal staging resources for a time intensive process which will not necessarily guarantee better value for money or a better outcome. The LBLA’s Solicitors Framework has recently been procured and provides services to more than 20 local authorities, and therefore it is unlikely that a separate procurement undertaken by Southwark would achieve better value for money. It would also involve extensive resource by Southwark to procure. Solicitors might also be reluctant to enter into a new procurement so soon after taking part in the LBLA procurement due to the resource needed on their part.
  - Join a pre-existing framework agreement – the LBLA framework is available to other local authorities in London and the South East of England to use. Kennedy Cater (who manage the framework) have provided Southwark with information relating to the framework, including the benefits and how it will be managed and monitored, and this appears to be an effective way of securing solicitor services. The council has considered the Crown Commercial Services Legal Services Framework (CCS) but found that the level of benefits, monitoring and management

under the LBLA Solicitors Framework is more suitable for the council's needs.

### Proposed procurement route

17. The proposed procurement route is to use the LBLA Solicitors Framework, subject to further analysis of the outcome of that procurement, as noted in paragraphs 26 and 27.

### Identified risks for the procurement

18. The following risks have been identified for this project:

<b>Risk</b>	<b>Category</b>	<b>Mitigating action</b>
The framework has been procured by a third party and therefore might not address Southwark specific requirements	Low	The LBLA framework has been procured in consultation with LBLA members, who are London Boroughs and who have similar needs in respect of legal advice.
There are a large number of LBLA members and therefore there are insufficient number of providers for the capacity required	Medium	The LBLA framework includes a higher number of providers in high volume areas If the council were to procure its own framework this would not increase capacity as procurement would be through the same pool of providers.
The pricing document is not sufficiently robust or rates are higher than under existing arrangements.	Low	Prices have been obtained following a competitive tendering process, and following consultation with LBLA members. Extracts of the pricing information has been supplied by the LBLA which are in the process of being analysed.
Procurement risk	Low	The LBLA framework was procured in accordance with the Public Contracts Regulations 2015 and allows local authorities and other public bodies to join the framework by entering into an access agreement with Westminster City Council and an Engagement Letter with Kennedy Carter.
Inflationary increase	Low	The panel rates are fixed for the initial three year term and any one year extension.

### Key / Non Key decisions

19. This report deals with a key decision.

## Policy Framework Implications

20. The use of a solicitors framework will ensure that the council fulfils parts of its fairer future commitments and values by ensuring that the solicitors instructed deliver value for money across the legal function and also to provide soft benefits to the local area, economy and resident.
21. The requirements of the Fairer Future Procurement Framework (FFPF) will be incorporated into instructions issued through the LBLA.

## Procurement Project Plan (Key Decisions)

Activity	Complete by:
Enter Gateway 1 decision on the Forward Plan	07/10/2022
DCRB Review Gateway 1	03/11/2022
CCRB Review Gateway 1	10/11/2022
Brief relevant cabinet member (over £100k)	17/11/2022
Notification of forthcoming decision - Cabinet	25/11/2022
Approval of Gateway 1: Procurement strategy report	06/12/2022
Scrutiny Call-in period and notification of implementation of Gateway 1 decision	16/12/2022
Final review of LBLA framework	30/12/2022
Forward Plan if GW2 (if GW2 is key decision)	18/11/2022
DCRB Review Gateway 2: Contract award report	26/01/2023
CCRB Review Gateway 2: Contract award report	02/02/2023
Approval of Gateway 2: Contract Award Report	14/02/2023
End of scrutiny Call-in period and notification of implementation of Gateway 2 decision	23/02/2023
Enter into framework agreement	24/03/2023
Add to Contract Register	27/03/2023
Date from which orders may be placed under framework	24/03/2023
Initial framework completion	07/07/2025
Framework completion date – if extension is exercised by	07/07/2026

## TUPE/Pensions implications

22. The nature of services and how solicitors are instructed means that there are no TUPE implications as a result of this procurement.

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

23. The LBLA developed all tender documentation as part of their procurement, including documents which the council will use to call off from the framework.

### **Advertising the contract**

24. Advertising the contract is not required, as the procurement has already been undertaken by Westminster City Council on behalf of the LBLA during the initial procurement of the framework.

### **Evaluation**

25. The evaluation criteria for appointment to the LBLA framework were 50:50 price/quality for each lot.
26. The LBLA have provided an extract from the pricing information relation to the solicitors framework and this is currently being analysed by Legal Services.
27. There are a number of options for membership of the LBLA, either full membership (which allows use of all frameworks operated by the LBLA), associated membership with access to the barristers framework or the solicitors framework, or a non-membership option which allows access to the framework but with limited training options. As the council is currently an Associate Member by virtue of having access to the LBLA Barrister Framework, if the council includes the solicitors' element, the council will be entitled to Full Membership. This would allow the council to continue to benefit from the training provided under the framework. A discount is also applied to the member's annual fee at the beginning of the following year, each time a new borough joins. Non-member income is also split between the members and off-set against the next annual member's fee. The council will be required to enter into an access agreement with Westminster City Council to allow participation in the solicitors framework, and also to enter into an engagement agreement with Kennedy Cater for support and management of the framework. Further details of these arrangements and permission to enter into these will be included in the GW 2 report.

### **Community, equalities (including socio-economic) and health impacts**

#### **Community impact statement**

28. The use of solicitors for legal advice is judged to have limited impact on local people and communities. However, during the tender stage bidders were encouraged to provide benefits such as the provision of work experience, volunteering, legal surgeries etc, as further detailed in paragraphs 34 and 35 of this report.

### **Equalities (including socio-economic) impact statement**

29. The nature of the legal services are such that they have no direct equalities (including socio-economic) impact on local people or communities.

### **Health impact statement**

30. The nature of the legal services are such that they have no direct health impact on local people or communities.

### **Climate change implications**

31. The nature of the legal services are such that they have no direct impact on climate change but are delivered in line with the council's declared climate emergency and Climate Change Strategy.

### **Social Value considerations**

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

### **Economic considerations**

33. Value added benefits and social value were evaluated during the LBLA tender. In relation to value added benefits bidders were required to confirm that they would provide the following:
- The provision of a minimum of one bespoke legal training session per annum per Lot, as part of the annual LBLA Training Programme, although bespoke sessions for individual LBLA members, webinars and podcasts can be provided in addition;
  - Monthly management information services to enable the participating authorities to monitor the operation of the Framework and to enable strategic decision making by them around encouraging competition and delivering better value for money, and
  - Twenty minutes of free advice (telephone or email) per potential new instruction.
34. Bidders were also asked to consider offering additional value added benefits such as newsletters/bulletins to update on changes in law, additional bespoke training, legal surgeries and secondments, and a number of bidders included additional benefits which were evaluated.

### **Social considerations**

35. In June 2019 the council adopted a new FFPF which sets out how the council will use procurement to support the delivery of the Borough Plan and Fairer

Future Commitments, and the processes and practices that are needed to do this. The council expects all of its procurement activity to be undertaken to the highest ethical, sustainable and responsible standards and within a robust and transparent governance framework.

36. As this framework was established by the LBLA, the council had no involvement in the procurement of the framework, but it was undertaken in consultation with LBLA members, who are also public authorities, and some of whom have similar social value requirements.
37. In relation to social value, bidders were encouraged to provide benefits to Southwark residents and communities. Each firm's offering is different but includes initiatives such as:
  - the provision of work experience and apprenticeships;
  - interview training;
  - volunteering schemes, provision of support to schools by way of mentoring, or talking to groups of pupils about careers in the law;
  - provision of goods or services for community groups such as pro bono legal advice and fundraising events.
38. The LBLA have confirmed that the majority of bidders offered these additional social value commitments, and these are captured in the framework documents, so if the council were to use the LBLA framework it would have the benefit of these.
39. The LBLA's Solicitors Framework requires all panel solicitors to comply with its legal obligations under UK discrimination and equal opportunity law (including those relating to harassment). In discussions with the LBLA, they have confirmed that at call off stage the council could request solicitors to voluntarily sign up to the relevant provisions of the council's FFPF requirements.
40. The council is committed to ensuring London Living Wage (LLW) benefits not only the council's directly employed staff but also those who work for the council through contracts. However the nature of service being provided on an ad-hoc basis means that those providing advice would not fall within the requirements of 'Relevant Staff' to whom LLW should be paid, although it is expected that solicitors and their office staff will already be paid in excess of the LLW.

### **Environmental/Sustainability considerations**

41. The nature of the services to be supplied means that there are no specific environmental or sustainability considerations.

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

42. The council's contract register publishes the details of all contracts over £5,000 in value to meet the obligations of the Local Government Transparency Code. The Report Author must ensure that all appropriate details of this procurement are added to the contract register via the eProcurement System.
43. When joining the LBLA framework the council is required to pay an annual fee to Kennedy Cater who will have overall responsibility for managing the framework on the LBLA) and the fee will depend on the membership option chosen. In return the following services are provided:
- monitoring use of panel firms and billing levels and providing monthly updates
  - ensuring delivery of value-added and social commitments such as training and legal updates
  - co-ordinating joint training schedule / networking events / legal updates
  - arranging /chairing working group meetings between the members on a regular basis
  - capturing opportunities to save costs across the LBLA by providing additional support for large-scale matters, e.g. project managing mini-tenders and larger instructions
  - collating feedback.
44. Occasionally there will be instructions which cannot be dealt with through the framework, due to the complexity or specific nature of the advice required. All off-panel spend must be approved by the head of team for the relevant panel before instructions can be issued, and this will be monitored on a six-monthly basis.
45. Monitoring reports will be presented to Departmental Contracts Review Board and Corporate Contracts Review Board as required by the council's Contract Standing Orders.

### **Staffing/procurement implications**

46. Use of this framework will be managed within existing resources in Law and Governance.

### **Financial implications**

47. The LBLA framework is a demand-led arrangement it is therefore not possible to estimate future spend over the life of the framework, but based on previous spend under the Southwark Solicitors Framework and contingency need to cover increase in the rates, the spend for the life of the LBLA solicitors Framework is estimated to be £9m.
48. The costs of solicitors' services are met by service departments. Those costs will need to be agreed and met by the service departments at the time legal



advice is required and will therefore need to be contained within departmental legal budgets.

49. There will be an annual cost for using the LBLA framework (which will depend on the membership required) and this will need to be met by the budget of Law and Governance. The fee is currently £11,434 per annum and it will be reduced each time a new local authority joins the framework. Legal Services consider that the additional benefits received under the LBLA framework justify payment of any annual fee, but this will be fully detailed in the GW 2 report. The council would also need to deploy significant resource to undertake its own procurement, which is saved by entering into a pre-procured arrangement.

### **Legal implications**

50. Please see concurrent from the Director of Law and Governance.

### **Consultation**

51. As part of the Legal Service's business plan, client consultation on the most effective ways of providing legal services has been undertaken.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Finance and Governance (F&G22/008)**

52. The report seeks approval from cabinet for the procurement strategy outlined in this report to use the London Boroughs Legal Alliance (LBLA) Solicitors Framework to provide solicitor services to the council for a maximum period of three years and four months from 24 March 2023 at an estimated annual value of £2.7m and an estimated total value of £9m.
53. The Framework allows the council to deliver its fairer future commitments of achieving value for money, through the maintenance of competitive rates and quality assured legal services. Cabinet notes the financial implications as set out in paragraphs 48 to 50.

### **Head of Procurement**

54. This report seeks approval from cabinet for the procurement strategy outlined in this report to use the London Boroughs Legal Alliance (LBLA) Solicitors Framework to provide solicitor services to the council for a maximum period of three years and four months from 24 March 2023 at an estimated annual value of £2.7m and an estimated total value of £9m.
55. Cabinet notes that the LBLA management fee of £11,434 per annual is for both the Barristers Framework and the Solicitors Framework. Cabinet also notes the procurement is detailed in paragraphs 16 to 17 and 24 to 28 the risks are detailed in paragraph 18, the impact on equalities, health and climate change are detailed in paragraphs 30 to 32, social value commitments are

detailed in paragraphs 38 to 39, confirmation of the payment of LLW is detailed in paragraph 41, management and monitoring of the contract is detailed in paragraphs 43 to 46.

### Director of Law and Governance

56. This report is requesting approval to the use of the LBLA's Solicitors Framework to provide solicitor services to the council as further detailed in paragraph 1. The provision of legal services at this value is subject to the light touch regime under the Public Contracts Regulations 2015. The tendering process undertaken by the Westminster City Council meets the tendering requirements, and the council may therefore use the framework without undertaking a tendering process of its own.
57. This report is prepared on behalf of the Director of Law and Governance, and therefore all other legal implications are noted in the report.

### BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
Gateway 3 report – Extension of the Solicitors Framework	Title of department / unit Address	Name Phone number
Link: 15/09/2022 - <a href="#">Gateway 3 - Variation Decision, Southwark Solicitors Framework</a>		

### AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Stephanie Cryan, Communities, Equalities and Finance	
<b>Lead Officer</b>	Doreen Forrester-Brown, Director of Law & Governance	
<b>Report Author</b>	Clara Diala, Specialist Contracts Lawyer	
<b>Version</b>	Final	
<b>Dated</b>	17 November 2022	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Director of Law and Governance	Yes	Yes
<b>Contract Review Boards</b>		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
<b>Cabinet Member</b>	<b>Yes</b>	<b>Yes</b>
<b>Date final report sent to Constitutional Team</b>		17 November 2022

<b>Item No.</b> 26.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Cover report for Scrutiny Review Report: Streamlining planning applications for retrofit and renewable energy	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Environment & Community Engagement Scrutiny Commission	

## RECOMMENDATIONS

1. That the cabinet considers the recommendations in the Scrutiny Review Report: Streamlining planning applications for retrofit and renewable energy (Appendix A) as set out in section three, page two, of the report and request that the relevant cabinet member reports back within eight weeks.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Environment & Community Engagement Scrutiny Commission agenda and papers 2022  <a href="https://moderngov.southwark.gov.uk/mgCommitteeDetails.aspx?ID=606">https://moderngov.southwark.gov.uk/mgCommitteeDetails.aspx?ID=606</a>	Scrutiny Team 160 Tooley Street London SE1 2QH	Julie Timbrell 020 7525 0514

## APPENDICES

No.	Title
Appendix A	Scrutiny Review Report: Streamlining planning applications for retrofit and renewable energy

## AUDIT TRAIL

<b>Lead Member</b>	Councillor Margy Newens, Chair of Environment & Community Engagement Scrutiny Commission	
<b>Lead Officer</b>	Everton Roberts, Head of Overview and Scrutiny	
<b>Report Author</b>	Julie Timbrell, Project Manager , Scrutiny	
<b>Version</b>	Final	
<b>Dated</b>	24 November 2022	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director of Law and Governance	No	No
Strategic Director of Finance and Governance	No	No
<b>Cabinet Member</b>	No	No
<b>Date final report sent to Constitutional Team</b>		24 November 2022

**APPENDIX A****Environment and Community Engagement Scrutiny Commission****Scrutiny Review Report: Streamlining planning applications for retrofit and renewable energy****November 2022****1 INTRODUCTION**

The Commission initiated this mini review at the first meeting of the administrative year, on the 18 July, and completed the review at the second meeting on the 11 October 2022.

This timescale was chosen by the Commission as an opportune period to look at the Planning Service as the recently adopted Southwark Plan is being reviewed over the autumn in order to bring the plan in line with the council's declaration of a Climate Emergency 2019 and the more ambitious borough target to reach net zero by 2030.

Last year's Environment Scrutiny Commission Energy Review focussed primarily on interventions that the Council could pursue to reduce energy consumption and carbon on its own estate and in the public realm, as well as through the process of planning consent for development. This mini-review is intended to dovetail with last year's Energy Review, to streamline the process whereby organisations and individuals operating outside the public sector are able to and, potentially, encouraged to invest their own resources to achieve carbon saving.

Two sessions were held with officers providing verbal and written evidence on planning policy and implementation. Commission members' lines of inquiry particularly focused on constituent feedback arising from use of the Planning Service by owner occupiers pursuing installation of renewable energy technology on their homes.

**2 MATTERS CONSIDERED**

The commission considered the following issues:

- The launch and usage of the free pre-application service for domestic renewables and external insulation, which commenced on 1 April 2022.
- The 'Find Out If You Need Planning Permission' free online tool to check whether the proposed works will need planning permission, launched on the planning website on 8 August 2022.
- The current number of planning applications for renewable energy and insulation.
- How the Planning Service is generating feedback from residents with a view to improving the service.

- Current advice provided and further ways to clarify and simplify the process, following feedback from residents who have made or would like to make applications for the installation of solar panels on their homes.
- Constituent concerns that there is a nudge from the portal to obtain a Certificate of Lawful Development, which comes with a cost, when this may not be needed in all cases.
- A need for collaboration between council officers and the Dulwich Estate, the other planning authority in the borough, to ensure that a similar approach to enabling renewables and retrofit through planning is adopted, as far as possible.
- Exploring what services the council can provide to residents in different types of tenure (owner occupiers, leaseholders, council and social housing tenants) to support the installation of carbon saving measures in their homes, through both the planning service and Green Building Fund.
- Monitoring the uptake of services to ensure equality of access.

### **3 RECOMENDATIONS**

1. Planning advice will be presented clearly and in plain English with any acronyms explained.
2. Explanatory guidance for completing the (government mandated) online Planning forms will be amended to ensure that it explicitly refers to common carbon saving measure(s) that are the subject of the given planning application.
3. Clear guidance will be provided to applicants as to why and whether a Certificate of Lawful Development may be required or not, helping residents to make informed choices.
4. The planning advice services available within the council to help residents proceed with carbon saving adaptations to their homes will be promoted.
5. The council will work with other planning authorities within the borough, to improve and expand uptake of carbon saving adaptations in domestic (and, where appropriate, other) contexts.
6. Relevant and appropriate demographic and geographic data will be requested from residents using the pre-application service in order for the council to assess, after a relevant period, the accessibility of this service to all Southwark residents.
7. Residents in different types of tenure (leaseholder, council and social housing, private rented) will be provided with advice and assistance by the council on ways to take forward the installation of carbon saving measures on their homes, and demographic data captured, as above.
8. Feedback from applicants will be collected and collated in order to facilitate further improvements in service delivery.

<b>Item No.</b> 27.	<b>Classification:</b> Open	<b>Date:</b> 6 December 2022	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Appointments to Outside Bodies 2022-23 – Mountview	
<b>Ward(s) or groups affected:</b>		N/a	
<b>From:</b>		Proper Constitutional Officer	

## RECOMMENDATION

1. That the cabinet consider and agree to appoint a councillor to Mountview outside body (one vacancy).

## BACKGROUND INFORMATION

2. Each year the council undertakes appointments to a number of outside bodies, which normally takes place at the June cabinet meeting. Mountview have requested a council nomination to serve in a trustee/observer capacity for 2022-23, which will be a new appointment for the council to this outside body.
3. The relevant cabinet member portfolio for this appointment would be Councillor Catherine Rose, cabinet member for leisure, parks streets and clean air.

## KEY ISSUES FOR CONSIDERATION

### Appointments to outside bodies

4. It is for the cabinet to affiliate to and appoint representatives to outside bodies where such appointments are a function of the cabinet.

### Nomination to Mountview (one vacancy)

5. Mountview is a world-leading drama school that offers professional vocational training in performance and production arts to over 500 foundation, undergraduate and postgraduate students. In 2018 Mountview moved into a purpose-built facility in Peckham that comprises two theatres, 23 acting and dancing studios, TV and radio suites, practice rooms, meeting rooms and café / bars.
6. The appointed member will act as a trustee/observer with an invitation to join a sub-committee with additional meetings / responsibilities but not obligatory.

### Legal implications

7. Appointments to some of the outside bodies may carry risk both corporately and to the individuals appointed. Standards committee at its meeting on 9 November 2011 approved 'Guidance to Members who serve on Outside Bodies' which is intended to help councillors understand their duties when appointed to outside bodies, and how to handle conflicts of interest that may arise. The guidance is available in the library on the council website.

### Community, equalities (including socio-economic) and health impacts

#### Community impact statement

8. The council is being invited to make a nomination to Mountview. The nominations process has no direct impact on the community.

#### Equalities (including socio-economic) impact statement

9. There are no specific implications arising.

#### Health impact statement

10. There are no specific implications arising.

### Climate change implications

11. There are no specific implications arising.

### BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

### APPENDICES

No.	Title
None	



**AUDIT TRAIL**

<b>Lead Officer</b>	Chidilim Agada, Head of Constitutional and Member Services	
<b>Report Author</b>	Paula Thornton, Constitutional Officer	
<b>Version</b>	Final	
<b>Dated</b>	23 November 2022	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Governance	No	No
Strategic Director of Finance and Governance	No	No
<b>Date final report sent to Constitutional Team</b>		23 November 2022

