

Cabinet

Tuesday 7 January 2025

11.00 am

Walworth Town Hall, 151 -155 Walworth Road, London SE17 1RS

Membership

Councillor Kieron Williams (Chair)
Councillor Jasmine Ali

Councillor Evelyn Akoto
Councillor John Batteson

Councillor Stephanie Cryan

Councillor Helen Dennis

Councillor Natasha Ennin

Councillor Sarah King
Councillor James McAsh

Councillor Portia Mwangangye

Portfolio

Leader of the Council
Deputy Leader and Cabinet Member for
Children, Education and Refugees
Cabinet Member for Health and Wellbeing
Cabinet Member for Climate Emergency, Jobs
and Business
Cabinet Member for Equalities, Democracy
and Finance
Cabinet Member for New Homes and
Sustainable Development
Cabinet Member for Community Safety and
Neighbourhoods
Cabinet Member for Council Homes
Cabinet Member for Clean Air, Streets and
Waste
Cabinet Member for Leisure, Parks and Young
People

INFORMATION FOR MEMBERS OF THE PUBLIC

Access to information

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Contact

Email: paula.thornton@southwark.gov.uk; constitutional.team@southwark.gov.uk

Members of the committee are summoned to attend this meeting

Althea Loderick

Chief Executive

Date: 19 December 2024



Cabinet

Tuesday 7 January 2025

11.00 am

Walworth Town Hall, 151 -155 Walworth Road, London SE17 1RS

Order of Business

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PART A - OPEN BUSINESS

MOBILE PHONES

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

1. APOLOGIES

To receive any apologies for absence.

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

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

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

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

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

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

5. PUBLIC QUESTION TIME (15 MINUTES)

To receive any questions from members of the public which have been submitted in advance of the meeting in accordance with the cabinet procedure rules. The deadline for the receipt public questions is midnight Tuesday 31 December 2024.

Item No.	Title	Page No.
6.	DEPUTATION REQUESTS	
	To consider any deputation requests. The deadline for the receipt of public questions is midnight Tuesday 31 December 2024.	
7.	MINUTES	1 - 10
	To approve as a correct record the minutes of the open section of the meeting held on 3 December 2024.	
8.	CORPORATE PARENTING ANNUAL REPORT 2023-24	To follow
	To note the report including progress of corporate parenting strategy, areas of focus for 2024-25 and work of the corporate parenting committee.	
9.	HOUSING REVENUE ACCOUNT - FINAL RENT AND CHARGES REPORT 2025-26	11 - 34
	To approve the housing revenue account budget and rent setting for 2025-26.	
10.	COUNCIL TAX BASE 2025-26	35 - 48
	To set the council tax base for 2025-26.	
11.	POLICY AND RESOURCES: REVENUE MONITORING REPORT 2024-25	49 - 68
	To note the forecast revenue out-turn position.	
12.	POLICY AND RESOURCES: CAPITAL MONITORING REPORT 2024-25 AND SOUTHWARK 2030 STRATEGIC ALIGNMENT	69 - 112
	To note the forecast capital out-turn position and approve the virements and variations to the general fund and housing investment capital programme and the new capital bids for inclusion into the capital programme.	
13.	STREETS FOR PEOPLE DELIVERY PLAN	113 - 126
	To approve the streets for people delivery plan.	

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| 14. | ALLOCATIONS FOR STRATEGIC COMMUNITY INFRASTRUCTURE LEVY FUNDING | 127 - 135 |
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To agree project allocations.

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| 15. | TUSTIN ESTATE UPDATE AND PHASE 2 COMPULSORY PURCHASE ORDER | To follow |
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To approve the compulsory purchase order strategy for phase 2 of the Tustin Estate regeneration.

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| 16. | MOTIONS REFERRED FROM COUNCIL ASSEMBLY | 136 - 153 |
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To consider motions referred from council assembly 20 November 2024 meeting as follows:

- The climate emergency in Southwark: a fair transition to net zero
- Supporting older people this winter
- Rethinking winter fuel payment cuts
- Right to grow
- Supporting the Climate and Nature Bill
- Support renters in Southwark.

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

EXCLUSION OF PRESS AND PUBLIC

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

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

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

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PART B - CLOSED BUSINESS

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

Date: 19 December 2024



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 3 December 2024 at 11.00 am at Southwark Council Offices, 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Kieron Williams (Chair)
Councillor Jasmine Ali
Councillor Evelyn Akoto
Councillor John Batteson
Councillor Stephanie Cryan
Councillor Helen Dennis
Councillor Natasha Ennin
Councillor Sarah King
Councillor James McAsh
Councillor Portia Mwangangye

1. APOLOGIES

All members were present.

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

There were none.

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

There were none.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

Councillors Evelyn Akoto, Natasha Ennin and Portia Mwangangye declared a

disclosable pecuniary interest in respect of Item 10: Housing Revenue Account – Indicative Rent and Charges report 2025-26.

5. MINUTES

RESOLVED:

That the minutes of the meeting held on 15 October 2024 be approved as a correct record and signed by the chair.

6. PUBLIC QUESTION TIME (15 MINUTES)

There were none.

7. DEPUTATION REQUESTS

There were none.

8. A GOOD START IN LIFE- SOUTHWARK SCHOOLS STANDARDS REPORT 2023-24

Ruth Sharp from Rye Oak primary school, SE15 and Delia Jameson from St Joseph's primary school, Camberwell were in attendance to provide their input to the report.

RESOLVED:

That the Southwark Standards Report, 2023-24 be noted.

9. POLICY AND RESOURCES: MEDIUM TERM FINANCIAL STRATEGY UPDATE 2025-26

RESOLVED:

That the following be noted:

1. The updates from the autumn statement delivered on the 30 October 2024 and the budget challenge process.
2. The updated general fund budget gap for 2025-26 of £4.12m and £8.19m for 2026-27, before transformation programme savings (Appendix A of the report).
3. The proposed options to help achieve a balanced 2025-26 general

fund budget and indicative savings for 2026-27 together with departmental narratives (Appendices B and C of the report).

4. Appendix D of the report which details the draft fees and charges schedules.
5. Appendix E of the report outlining the savings required in 2024-25 and 2025-26 to balance the housing revenue account budget.
6. Strategic directors will continue to work with their respective cabinet members to find additional savings options to close the estimated funding gap.
7. Equality impact assessments are ongoing and that a cumulative impact assessment will be presented to cabinet as part of the budget update in February.
8. The contents of this report will be considered by overview and scrutiny committee in January prior to February 2025 cabinet.

10. HOUSING REVENUE ACCOUNT - INDICATIVE RENT AND CHARGES REPORT 2025-26

Having declared a disclosable pecuniary interest, Councillors Evelyn Akoto, Natasha Ennin and Portia Mwangangye withdrew from the meeting while this item was being discussed.

RESOLVED:

That the following be noted:

1. The proposed rent increase of 2.7% for all directly and tenant managed (TMO) housing stock within the council's housing revenue account. This is in accordance with the government's guideline rent formula of CPI+1% (based on September 2024 consumer price index) as set out at paragraphs 15-16 of the report with effect from 7 April 2025.
2. The proposed rent increase of 2.7% for the council's shared ownership stock as set out at paragraph 17 of the report with effect from 7 April 2025.
3. The proposed increases to tenant service charges, comprising estate cleaning, grounds maintenance, communal lighting and door entry maintenance as set out in paragraphs 18-19 of the report with effect from 7 April 2025.
4. The proposed increase in sheltered and supported housing service charges as set out in paragraph 20 of the report with effect from 7 April 2025.

5. The proposed increase in charges for garages as set out in paragraph 21 of the report with effect from 7 April 2025.
6. The change to the garage concessionary rate as previously agreed under individual decision making (IDM) by the cabinet member for council housing as set out in paragraph 22 of the report.
7. The proposed freezing of tenant heat network charges for 2025-26 at existing levels, with the exception of the borough-wide metered charge for new homes, which will reduce as set out in paragraphs 23-40 of the report, with effect from 7 April 2025.
8. That resident engagement on the specific proposals will be undertaken along with information to assist in understanding the primary income sources that underpin the housing revenue account (HRA) and how those resources are spent on the care, upkeep and investment in the existing housing stock and provision of new council homes. Resident feedback will be reported to cabinet at its meeting on 7 January 2025.

11. STATEMENT OF COMMUNITY INVOLVEMENT AND DEVELOPMENT CONSULTATION CHARTER: ANNUAL REVIEW AND UPDATES

RESOLVED:

1. That the updated statement of community involvement (SCI) and development consultation charter (DCC) 2024 with the minor changes set out in Appendices 2 and 3 of the report be agreed.
2. That the updated development consultation charter templates (early engagement strategy, engagement summary, and equality and needs impact assessment) at Appendices 4, 5, and 6 of the report be agreed.
3. That the statement of community involvement (SCI) and development consultation charter (DCC) be issued for a public consultation for a minimum six weeks.

12. TACKLING CRIME AND ANTISOCIAL BEHAVIOUR

RESOLVED:

That it be noted:

1. That cabinet has requested that officers commission a comprehensive, external, and independent review of the council's community safety and antisocial behaviour policies and strategies over the next six months, in line

with the Southwark 2030 Strategy that will examine:

- a. the way that the council works in partnership with other agencies through the community safety partnership
 - b. cross council working on community safety issues
 - c. the community safety services that the council provides, including the community wardens service.
2. That officers will report back to cabinet in July 2025 on the outcomes of the review of community safety.
 3. That officers will also report back to cabinet in July 2025 on the reviewed community safety plan and annual assessment that is currently underway by the community safety partnership and is statutorily required under the Crime and Disorder (Formulation and Implementation of Strategy) Regulations 2007(as amended).
 4. That the proposed greater use of the council's enforcement powers to address antisocial behaviour in instances where advice and guidance has not received the required reduction. This will include reviewing our current enforcement policy (Regulatory Services Enforcement Policy 2021) and looking at how each partner across the wider community safety partnership and council uses their powers to work together to tackle crime and antisocial behaviour.

13. GATEWAY 1 – PROCUREMENT STRATEGY FOR ADULTS CARE AT HOME

RESOLVED:

1. That the procurement strategy, single supplier negotiation, for the delivery of home care services for adults in Bermondsey, Rotherhithe, Camberwell and Peckham with the existing adults' core provider, London Care, comprising two contracts be approved, namely:
 - (i) Bermondsey and Rotherhithe at an estimated value of £2.2m
 - (ii) Camberwell and Peckham at an estimated value of £2.9m for a period of twelve months commencing on 1 April 2025, and ending on 31 March 2026, with an estimated total value of £5.1m.
2. That the procurement strategy, single supplier negotiation, for the delivery of home care services for adults in Bermondsey, Rotherhithe, Camberwell and Peckham with the existing adults' core provider, Sage Care, comprising two contracts be approved, namely:
 - (iii) Bermondsey and Rotherhithe at an estimated value of £1.1m
 - (iv) Camberwell and Peckham at an estimated value of £2.3m for a period of twelve months commencing on 1 April 2025, and ending

on 31 March 2026, with an estimated total value of £3.4m.

3. That the procurement strategy, single supplier negotiation, for the delivery of home care services for adults in Walworth, Blackfriars, Camberwell and Peckham with the existing adults' core provider, Supreme Care, comprising two contracts be approved, namely:
 - (v) Walworth and Blackfriars at an estimated value of £3.9m
 - (vi) Camberwell and Peckham at an estimated value of £2.5m for a period of twelve months commencing on 1 April 2025, and ending on 31 March 2026, with an estimated total value of £6.4m.
4. That the procurement strategy, single supplier negotiation, for the delivery of home care services for adults in Walworth, Blackfriars and Dulwich with the existing adults' core provider, Chrysalis Community Care (previously known as Medacs Healthcare), comprising two contracts be approved, namely:
 - (vii) Walworth, Dulwich and Blackfriars at an estimated value of £1.1m
 - (viii) Camberwell and Peckham at an estimated value of £1m for a period of twelve months commencing on 1 April 2025, and ending on 31 March 2026, with an estimated total value of £2.1m.
5. That the approval of the contract award recommendations (gateway 2 report) be delegated to the strategic director of children and adult services, in consultation with the cabinet member for health and wellbeing for the reasons given in paragraphs 43-44 of the report.

14. LEDBURY ESTATE COMPULSORY PURCHASE ORDER

RESOLVED:

1. That the current position in relation to the delivery of new homes at Phase 2 of the Ledbury Estate Renewal Scheme be noted as follows:
 - (i) A construction contract with Higgins Partnerships Ltd to deliver both Phase 1 and Phase 2 of the Estate Redevelopment, along with the required budgets to deliver the Ledbury Estate Renewal Scheme was agreed by cabinet in December 2021 and March 2023 respectively.
 - (ii) A planning application (22/AP/0554) for the redevelopment of both phases of the site, providing 80 homes on the first phase and 260 homes on the second phase was approved in December 2022.
 - (iii) The council has already acquired 19 leasehold interests across the 4 Ledbury towers. 6 of these were in Bromyard House which facilitated successful vacant possession for Phase 1.

- (iv) On Phase 1, vacant possession was achieved on 25 July 2022 with a formal start on site date of 4 December 2023.
 - (v) On Phase 2, there are currently 15 leasehold interests across the three remaining towers of Peterchurch House, Skenfrith House and Sarnesfield House (hereafter “the three towers”).
 - (vi) The council is pursuing a negotiated settlement with all leaseholders situated within the three remaining towers, with the intention to acquire these remaining interests by agreement without the need for the council to apply to use its compulsory purchase powers.
 - (vii) The council may need to use its compulsory purchase powers to acquire outstanding land and interests in the absence of a negotiated settlement to acquire such interests.
 - (viii) The council is offering to rehouse all resident leaseholders who want to stay on the rebuilt Ledbury Estate, in a new leasehold home on either an outright purchase or shared equity loan basis (subject to financial assessment), in compliance with the policies outlined in the Ledbury resident offer document.
 - (ix) Phase 1 is currently anticipated to complete in June of 2026.
2. That a further report be prepared and submitted to cabinet at a later date (if required) seeking cabinet’s formal resolution to make a compulsory purchase order (CPO).
 3. That the ongoing efforts to rehome residents from the three towers, based on a critical health and safety risks, as detailed in the July 2024 Rehoming Notice section below. The following be agreed in principle:
 - (i) To use its compulsory purchase powers under Section 226(1)(a) of the Town and Country Planning Act 1990 (“the 1990 Act”) and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of all land and interests (which are not already owned by the council) within the area of land shown for identification purposes edged black and bold on the plan in Appendix 1 of the report, for the purposes of facilitating the redevelopment, development and improvement of the land and securing the delivery of 340 new homes on the site in line with the planning application for Phase 2 (“the Scheme”) thereby securing the continued redevelopment of the Ledbury Estate, in line with the original planning consent (22/AP/0554) and associated minor material amendments application (24/AP/2136), subject to a formal resolution to make a Compulsory Purchase Order (CPO) at a later date.
 4. That the director of planning and growth, in consultation with the managing director of Southwark Construction, be authorised on behalf of the council to:

- (i) 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.
 - (ii) Acquire for planning purposes all interests in land and new rights within the CPO area as may be necessary to facilitate Phase 2 of the scheme, either by agreement or compulsorily, including entering into negotiations with any third parties for the acquisition of the 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.
 - (iii) Approve agreements with landowners 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.
 - (iv) Make any minor additions, deletions, or amendments to the extent of the land to be included in the CPO as shown in Appendix 1 of the report should the need arise, to include all interests in land and rights required to facilitate the construction, maintenance, and use of the scheme.
 - (v) 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 any other legal proceedings that relate to the making, confirmation, or implementation of the CPO and
 - (vi) Appoint and/or retain such external professional advisors and consultants as are necessary to assist the council in facilitating the development of Phase 2 of the scheme, including in the promotion of the CPO and the settlement of any compensation claims.
 - (vii) To apply to the Secretary of State for redevelopment status in order to rely on Ground 10A of the Housing Act 1985 (in respect of any secure tenants).
 - (viii) The use of the overall works contingency budget to deliver the CPO as set out in paragraphs 98 to 105 of the report.
5. That for the purpose of making and confirming the CPO, it's acknowledgement of the available budget of £212,000,000 for the entire Ledbury Estate renewal scheme budget (with details outlined in the financial implications of the report) be confirmed.

**15. RESPONSE TO THE ENVIRONMENT SCRUTINY COMMISSION:
SUSTAINABLE FREIGHT**

RESOLVED:

1. That the report be noted.
2. That a response has been provided to the seven recommendations of the scrutiny commission in the table in paragraph 9 of the report. Where relevant, these have been acknowledged and incorporated into the freight plan and other highways work. It has also been noted where responsibility for addressing the recommendations sits with other parts of the council.

**16. RESPONSE TO THE REPORT OF THE HOUSING, COMMUNITY SAFETY AND
COMMUNITY ENGAGEMENT SCRUTINY COMMISSION - REVIEW OF
HEATING AND HOT WATER OUTAGES**

RESOLVED:

That the responses provided against each of the recommendations posed in the housing, community safety and community engagement scrutiny commission report entitled "report of the housing, community safety and community engagement scrutiny commission: review of housing allocations, homelessness, and heating and hot water outages, fire safety and policing in Southwark" dated 22 July 2024 be noted.

**17. RESPONSE TO THE REPORT OF THE HOUSING, COMMUNITY SAFETY AND
COMMUNITY ENGAGEMENT SCRUTINY COMMISSION - HOMELESSNESS
AND REVIEW OF HOUSING ALLOCATIONS**

RESOLVED:

That the response to the recommendations 1-4 & 11 of the housing, community safety and community engagement scrutiny commission be noted.

**18. REPORT FROM THE ENVIRONMENT SCRUTINY COMMISSION:
BIODIVERSITY SCRUTINY REVIEW**

Councillor Margy Newens, chair of the environment scrutiny commission presented the report to cabinet.

RESOLVED:

1. That the recommendations of the environment scrutiny commission: biodiversity scrutiny review report, Appendix 1 of the report be noted.
2. That the relevant cabinet member reports back to cabinet on the recommendations, as set out in the report.

EXCLUSION OF THE PRESS AND PUBLIC

That the press and public be excluded from the meeting for the following item 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.

19. MINUTES**RESOLVED:**

That the minutes of the closed section of the meeting held on 15 October 2024 be approved as a correct record and signed by the chair.

The meeting ended at 1.10pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 17 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT WEDNESDAY, 11 DECEMBER 2024.

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.

Meeting Name:	Cabinet
Date:	7 January 2025
Report title:	Housing Revenue Account – Final Rent and Charges Report 2025-26
Cabinet Member:	Councillor Stephanie Cryan - Equalities, Democracy and Finance Councillor Sarah King - Council Homes
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/a

FOREWORD - COUNCILLOR STEPHANIE CRYAN, CABINET MEMBER FOR EQUALITIES DEMOCRACY AND FINANCE AND COUNCILLOR SARAH KING, CABINET MEMBER FOR COUNCIL HOMES

In December 2024, Cabinet received indicative proposals for increases in tenant rents and a range of service charges for 2025-26. We have since received feedback from tenants on these proposals and this report provides feedback to Cabinet on this engagement.

The Housing Revenue Account is wholly reliant on tenant rents and service charges, homeowner service charges, garages, commercial property and other income streams to fund landlord services. The council has faced unprecedented budget challenges since 2016 caused by external factors beyond its control, namely, more onerous building safety requirements, exceptional inflationary pressure, rising interest rates and an annual rent reduction followed by a rent cap, that has restricted the amount of income able to be generated to pay for services. This has combined to undermine the financial resilience of the Housing Revenue Account and as recent reports to cabinet have outlined, we have implemented a Housing Revenue Account Budget Recovery Plan to help steady the finances in the shorter term and to bring back financial resilience over the medium to longer term.

Whilst we remain acutely aware of the challenges that residents face given the cost of living crisis and understand that increases in rent and charges will be difficult for some, we do have financial support schemes in place to assist those in most need, and help and information can be found on the council's website.

We know that residents want us to continue to improve and invest in their homes. Our vision is to ensure our residents live in safe, good quality, sustainable housing that they are proud to live in, set within thriving and healthy communities, where tenants and homeowners feel they have a genuine stake in the present and the future of their homes and estates.

The Council is rightly now subject to a significantly tighter framework of regulation, through the Building Safety Regulator, a strengthened Housing Ombudsman and an enhanced Regulator for Social Housing. This includes greater scrutiny of our role as a landlord and includes understanding the condition of our stock, health and safety compliance and remediation of damp and mould, as well as a greater emphasis on resident engagement and oversight. This administration's priority is responding quickly and comprehensively to the recent regulatory judgement, providing the highest standard of service and meeting our commitment to be a good landlord.

Taken together, this means we have to ensure we set a balanced budget and deliver on our Recovery Plan. We welcome the recent announcement by the Chancellor of the Exchequer in her Autumn Statement which commits to a rent setting formula of CPI+1% over the next five years as this will bring greater certainty within the Housing Revenue Account.

There are no changes to this report following our consultation with tenants and we ask that cabinet approve the recommended increases to rent, service charges and garage rents.

RECOMMENDATIONS

Recommendations for the Cabinet to note

1. The change to the concessionary garage charging policy as previously agreed under Individual Decision Making (IDM) by the Cabinet Member for Council Housing as set out in paragraph 22.
2. The resident feedback from the engagement event that took place on 10 December 2024, attached at Appendix 2.

Recommendations for the Cabinet to approve

3. The rent increase of 2.7% for all directly and tenant managed (TMO) housing stock within the council's Housing Revenue Account. This is in accordance with the government's guideline rent formula of CPI+1% (based on September 2024 Consumer Price Index) as set out at paragraphs 14-16 with effect from 7 April 2025.
4. The rent increase of 2.7% for the council's shared ownership stock as set out at paragraph 17 with effect from 7 April 2025.
5. The increases to tenant service charges, comprising estate cleaning, grounds maintenance, communal lighting and door entry maintenance as set out in paragraphs 18-19 with effect from 7 April 2025.
6. The increase in sheltered and supported housing service charges as set out in paragraph 20 with effect from 7 April 2025.
7. The increase in charges for garages as set out in paragraph 21 with effect from 7 April 2025.

8. The freezing of tenant heat network charges for 2025-26 at existing levels, with the exception of the borough-wide metered charge for new homes, which will reduce as set out in paragraphs 23-40 with effect from 7 April 2025.

BACKGROUND INFORMATION

9. The Housing Revenue Account (HRA) reflects the statutory requirement under Section 74 of the Local Government and Housing Act 1989 to account separately for local authority housing provision. It is a ring-fenced account, containing solely the costs arising from the provision and management of the council's housing stock, offset by tenant rents and service charges, homeowner service charges, commercial property, and other income streams. The council has a statutory responsibility to set a balanced HRA budget.
10. The Welfare Reform and Work Act 2016 compelled councils and housing associations to reduce rents by 1% each year for the period 2016-17 to 2019-20. In October 2017, government announced that national rent policy would revert to CPI+1% for a period of five years from 2020-21 to 2024-25. In April 2024 government extended the policy to cover 2025-26.
11. Guideline rent policy of CPI+1% was set at a time of prolonged low inflation well within the government's own inflationary target of 2%. However, macro-economic and geo-political events combined to markedly increase inflationary pressure with September 2022 CPI rising to 10.1%, which would have resulted in a rent increase of 11.1% from April 2023. In recognition of the fiscal impact that a rent increase at that level would have had, government intervened by capping the increase at 7% for 2023-24 (in effect setting a ceiling on the increase).
12. Whilst the council supports action to protect tenants where possible, the resources forgone by the cap were in the order of £9m+ per annum, and without any recompense from government has increased the pressure on resources to maintain services and transfers the budget risk to local authorities. The compound effect these policy interventions effectively reduces the rental baseline for future years and over the life of the 30-year business plan exceeds a billion pounds of income foregone.
13. A further consequence of the 7% rent ceiling was that the target rent was uplifted at a differential rate (CPI+1%, i.e. 11.1%), which had the effect of increasing the gap between actual and target rent. The only dwellings not affected were re-lets and new properties added to the stock post 3 April 2023, which went straight to the new target. Going forward however, this does provide greater headroom in terms of the move in rental values when properties are re-let at target, which will gradually take effect over an extended timeframe. The Council continues to lobby government for the re-introduction of rent convergence to increase rental income and mitigate budget pressures in the HRA.

KEY ISSUES FOR CONSIDERATION

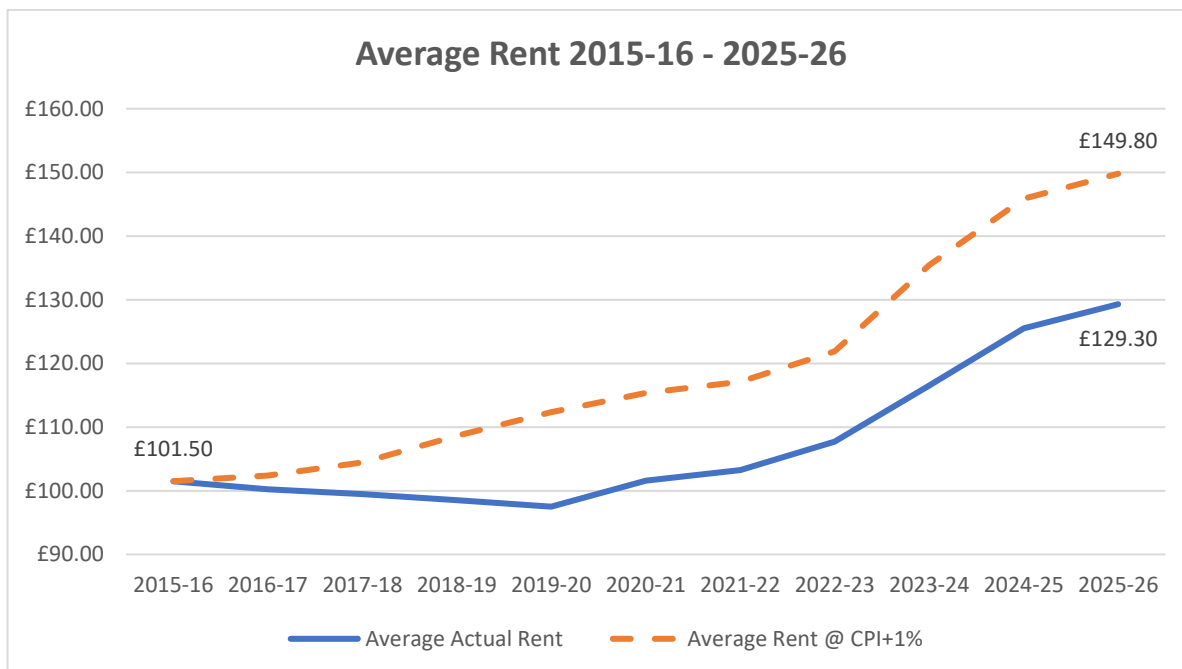
Average Weekly Rent

14. The council is taking action to make sure council homes and estates are decent, safe, and well-maintained. To this end, there are plans for over £250 million worth of investment in the next three years, including better repairs, better homes, better estates, and better customer services. Work to improve council homes and estates is principally paid for through council rents c.73%, (but rises to c.84% when tenant service charges and pooled heat network charges are included). The cost of works to maintain tenant's homes is generally increasing because of inflation and new regulatory requirements around building safety, and rents are proposed to increase by 2.7% to help pay for this next year. The council has always endeavored to keep rent increases as low as possible, while making sure there is enough money to pay for work to improve homes and estates.
15. The table below compares the current average rent by bed size for 2024-25 against the proposed average rent for 2025-26 uplifted by 2.7%, in accordance with the guideline formula of September CPI+1%. This is measured at the mid-year point and includes estimated stock movements over the coming period arising from stock loss, offset by the addition of new homes coming on stream, and the effect of the 'straight-to-target' rent policy when properties are re-let.

Number of bedrooms	Revised Average Rent £ per week 2024-25	Indicative Average rent £ per week 2025-26	Increase £ per week	Increase £ per annum
0	£98.33	£100.98	£2.65	£137.80
1	£113.48	£116.54	£3.06	£159.12
2	£125.60	£128.99	£3.39	£176.28
3	£137.73	£141.45	£3.72	£193.44
4	£149.47	£153.50	£4.03	£209.56
5	£165.19	£169.65	£4.46	£231.92
6+	£178.69	£183.52	£4.83	£251.16
Borough wide Average	£125.90	£129.30		

Note. The 2024-25 average rent is updated to reflect the mid-year stock position to ensure greater comparability.

16. The impact of past government interventions in rent policy is illustrated in the chart below which shows the gap between Southwark's indicative average weekly rent for 2025-26 (solid line), compared to what it would have been had the rent formula (CPI+1%) been applied consistently over the period (dotted line). The gap is c.£20.50 per week lower in cash terms, equating to c.£38m in rent forgone in 2025-26 for the provision of services and investment in the housing stock.



Shared Ownership

17. In October 2023, government introduced a series of reforms to shared ownership rents. These reforms apply to the leases of shared ownership properties delivered through the Affordable Homes Programme, Section 106 developer contributions and leasehold interests through the Right to Shared Ownership. Previously, shared ownership rents were set with reference to the Retail Price Index (RPI +0.5%), which is generally higher than CPI. Government recognised this was an outdated measure of inflation and introduced reforms to bring shared ownership rents in line with the limit applied to annual rent increases in other forms of social housing (i.e. CPI+1%). Cabinet agreed to move to the CPI methodology from 1 April 2024 to ensure equity across tenures. The council currently has 89 shared ownership properties.

Tenant Service Charges

18. Tenant service charges (TSC) originated from the government's rent restructuring regime in 2002-03 with the intention of ensuring greater consistency and transparency between local authority and Registered Social Landlords (RSL's). In 2003-04 the council de-pooled four service charge elements comprising estate cleaning, grounds maintenance, communal lighting and door entry from the basic rent (meaning rents were reduced by an equivalent amount to match the cost of the service charges). There was no detriment to tenants financially as both rent and service charges remained eligible for welfare support.
19. The principle underpinning the charges is that they are set at a level to ensure full cost recovery from service recipients only. This ensures no cross-subsidy from residents that do not receive those services. Borough-wide costs are pooled to moderate any area cost differentials, then divided by the estimated number of service recipients to derive a standard weekly charge. To ensure

costs and charges remain aligned, they are rebased annually to reflect changes in contract values, inflation and activity/ volume movements. The existing and proposed rates are set out below.

Tenant Service Charges	2024-25 £ per week	2025-26 £ per week	Increase £ per week	Increase £ per annum
Estate Cleaning	8.11	8.76	0.65	33.80
Grounds Maintenance	1.77	1.80	0.03	1.56
Communal Lighting	2.44	2.70	0.26	13.52
Door Entry	0.82	0.84	0.02	1.04
Total	13.14	14.10	0.96	49.92

Sheltered and Supported Housing Service Charges

20. Sheltered and supported housing service charges reflect the cost of enhanced housing management support provided to residents in sheltered and extra care accommodation. They are in addition to the standard rent and are reviewed annually and set at a rate to fully recover the additional cost of providing the service. For 2025-26, it is proposed to increase charges by £1.64 to £39.84 per week, an uplift of 4.3% reflecting inflationary cost pressures. Service charges like rents are eligible for welfare benefit and currently c.76% of residents are in receipt of full or partial support or receive transitional funding from Adult Social Care, a long-standing agreement emanating from the Supporting People funding regime, which is gradually falling out as residents leave sheltered care.

Garage Charges

21. The garage portfolio generates an important income stream for the HRA (c.£6.6m), that covers repairs and maintenance and the refurbishment of closed garages to bring them back into use and contributes to the wider provision of housing management services. Charges are routinely benchmarked against inner London quartile rates, considering elasticity of demand and stock availability. For 2024-25, the standard Southwark garage rent is towards the upper quartile of London authorities, whilst the private sector rate is the second highest amongst those authorities benchmarked. However, compared to lettings in the private sector they remain below the upper quartile and have in recent years been increased by a higher percentage than the standard rate. For 2025-26 it is proposed that both standard and private sector charges increase by c.5% (rounded), in accordance with council-wide guidance on discretionary fees and charges. The private sector rate is subject to and inclusive of VAT at the prevailing rate (20%).

Garage Charges	2024-25 £ per week	2025-26 £ per week	Increase £ per week	Increase £ per annum
Standard Rate	24.70	26.00	1.30	67.60
Small Sites Rate	13.40	14.10	0.70	36.40
Private Sector Rate (inclusive of VAT@20%)	45.30	47.60	2.30	119.60
Additional Charges:				
Larger Garage	6.20	6.50	0.30	15.60
Additional Parking	6.20	6.50	0.30	15.60
Water Supply	0.50	0.50	—	—
Additional Security	1.00	1.00	—	—

Concessionary Garage Rate

22. For many years, the council has applied a concessionary reduction of £5 per week from the standard garage rate for registered disabled and elderly residents over 70 years of age. Garage rental is discretionary and there are c.850 garages let at a concessionary rate which equates to over £220k of rental income per annum forgone. As part of the rent setting process for 2024-25, Cabinet instructed officers to undertake a review of garage charging policy including the concessionary scheme. The Cabinet Member for Council Housing considered a report in July 2024 setting out options, which resolved to phase out the concessionary rate over two years commencing April 2025 and remove it altogether from April 2026 for non-blue badge holders. The scheme remains unchanged for both existing and new blue badge holders, with the proviso for annual renewal and means testing. Accordingly, the scheme will close to new applicants from April 2025. The table below sets out the existing and proposed charges for 2025-26.

Concessionary Garage Charges	2024-25 £ per week	2025-26 £ per week	Increase £ per week	Increase £ per annum
Concessionary Rate:				
• blue badge holders (£5 pw reduction)	19.70	21.00	1.30	67.60
• non-blue badge holders (£2.50 pw reduction)*	19.70	23.50	3.80	197.60

*Note. *Includes year 1 of the phased reduction in the concessionary rate.*

Heat Network Background

23. The council's charging policy for heat networks commenced in 1995 with the establishment of the ring-fenced heating account, which is essentially a fuel only account. Currently gas and electricity represent around 88% and 12% respectively of the energy needs for the heat network, in addition to the South East London Combined Heat and Power (SELCHP) element operated by Veolia. The purpose of the account is to smooth-out energy price fluctuations and volume changes caused by severe weather, mitigate any deficit periods where costs exceed income and minimise frequent changes to charge rates.
24. The procurement of gas and electricity for the council's heat network is provided by LASER Energy, part of the Commercial Services Group (CSG), wholly owned by Kent County Council (KCC). LASER are one of the largest energy buying organisations in the UK, purchasing c. £2.6bn of energy from the wholesale market between 2020-2024 and serving over 200 public bodies, including NHS Trusts, Universities and Colleges, Local Authorities and Housing Associations. This arrangement has over a sustained period delivered consistently lower utility costs than those obtainable in domestic energy markets, for the benefit of heat network recipients. The council has recently reprocurd the contract with LASER for the purchase and supply of the council's gas and electricity for a four-year period (1 April 2025 to 31 March 2029), with the option of a one-year extension to 31 March 2030.

Heat Network Charging Methodology

25. Energy costs for the heat network are pooled and standardised 'fuel only' charges set on a borough-wide basis for tenants, depending on the number of bedrooms and type of heating installation. This ensures parity between tenants across the borough regardless of the age and condition of the heating system to which they are connected (with the exception of those in metered properties). On-going investment in energy efficiency measures to reduce consumption has also contributed to the financial stability of the heating account over a sustained timeframe which benefits both tenants and homeowners. For tenants, the cost of repairs and maintenance to the heating system is part of their basic rent.
26. For homeowners, the derivation of their charges is entirely different, as under the terms of the lease they are liable to pay a share of the actual cost of the energy consumed for the block/ estate in which they live. This is calculated on the basis of bedroom weighting to recoup block/ estate specific costs. They are also liable for a proportion of the actual cost of repairs and maintenance to the heating system, in the same way as they pay for a proportion of other communal services for their block/ estate, which can often lead to fluctuations in their service charges year to year.

Heat Network - Unmetered Charges

27. Global events over recent times have created unprecedented disruption in energy markets, leading to huge price rises for customers across the board. Residents on the heat network are not immune from these pressures, but still

benefit from lower rates than residents with individual heating systems, who purchase their energy from domestic suppliers, such as EDF or British Gas. Notwithstanding Government intervention with the introduction of the Energy Bills Discount Scheme (EBDS), which provided a subsidy to heat network providers for 2023-24, the speed and scale of the rise in energy costs were such that charge rates set for 2022-23 and 2023-24 were inadequate to match the full extent of the cost increase, leading to an operating deficit of c.£2.3m on the heating account at year-end (31 March 2024).

28. A key benefit of the heating account is the flexibility it provides to smooth the immediate effects of extreme spikes in energy prices over a longer timeframe. For the current year (2024-25), in an effort to avoid a further substantial increase in charges in order to recover the deficit in year, Cabinet agreed a phased recovery over two to three years and restricted the uplift to 10%. Fortunately, as some stability has returned to energy markets and prices have moved downwards from the high point, it means the deficit is forecast to reduce by c.£1m by the end of this fiscal year, assuming consumption over the winter period remains broadly stable.
29. Latest market intelligence from LASER for the coming period (2025-26) indicates that both gas and electricity prices are expected to be lower still, which is welcome news. Actual rates will be confirmed once LASER have completed the purchase of the council's energy requirements over the coming months. Given the expectation around lower energy prices, it is proposed to freeze unmetered charges for tenants for next year. This is estimated to be sufficient to bring the heating account back into balance by 31 March 2026. Furthermore, assuming energy markets continue their return to some semblance of normality and there are no further economic or political events to disrupt the downward price trajectory, there may be scope to lower charges in the future, albeit charges are unlikely to return to pre-pandemic levels. Appendix 1 Table 1 sets out the current unmetered charge rates.
30. Similarly, homeowner heating costs are projected to reduce compared to the current and recent past, as energy prices soften. Estimated service charges for 2025-26 are currently being prepared for issue in February 2025.

Heat Network - Metered Charges

31. The vast majority of properties on the heat network are charged at the pooled rates (for tenants), and bedroom-weighted annual service charges (for homeowners). However, all new build properties have individual heat meters installed at the point of construction, and a programme of retrofitting to older blocks is underway in accordance with government regulation. Accordingly, the council will have around two thousand heat meters operating by April 2025.
32. Heat metered properties pay for their individual heat consumption according to a heat tariff – a combination of a daily standing charge and a variable charge, so that what individual properties pay varies with how much heat they use. Heat tariffs applied to homeowners are unique to their blocks to ensure actual cost recovery for the scheme in question, in accordance with the terms of the

lease, while tenant tariffs are set in a borough-wide manner for simplicity and to mirror the non-metered pooled charges.

33. Given the significant differences between heat network arrangements and energy efficiency levels of newly built properties with heat meters versus older properties which have had heat meters retrofitted, separate borough-wide tariffs are applied for these two situations.
34. For new build properties, where heat consumption is normally very low, tariffs are set on a blended cost-recovery basis. For 2025-26, an overall reduction in the tariff is proposed, (including a small increase to standing charges but a larger reduction to the variable charge). The net effect of the proposed changes for an average user in a one-bedroom property will be an overall reduction of c.27%. The current and proposed tariffs are shown in Appendix 1 Table 2, along with the equivalent weekly cost for an average user in different property sizes.
35. For older properties, the approach taken previously has been to recover two-thirds of the unmetered charges via a standing charge and one third via a variable charge. This approach allows low heat users to pay less whilst high users are not overly penalised and pushed into fuel poverty. The split between standing charge and variable charge will be reviewed annually to ensure it is meeting the balance of policy objectives. In line with unmetered heat network charges, it is proposed to freeze the borough-wide tenant tariffs for retrofit heat meters in 2025-26 at the current rates. This is set out in Appendix 1 Table 3, along with equivalent weekly charges for low, average and high users.
36. Unmetered heat network charges (heat with rent) are not subject to VAT, but once heat is metered it is deemed to be a separate service to the rent and VAT is applicable at the reduced rate of 5%. For the avoidance of doubt the tariffs and charges shown in Tables 2 and 3 are inclusive of VAT, to reflect what residents will actually pay.
37. An average user with a heat meter is expected to pay roughly the same as the unmetered charge, whilst lower or higher volume users will pay less or more according to their individual consumption. Those properties with historical data recorded via an installed meter already will have a unique weekly charge applied to their account to reflect their individual consumption levelled out across the year. Those properties for which no historic consumption data is available will be placed on the 'average' charge level initially. This will then be adjusted to an individual charge once their consumption level is established.
38. Since heat tariffs applied to homeowners are unique to their blocks and must ensure actual cost recovery for the scheme in question, the tariffs applicable to homeowners will be calculated closer to the start of the fiscal year as part of the estimated service charge construction process. This will allow tariffs to take account of the latest energy cost information to avoid excessive changes between estimated and actual service charge bills.

Heat Network – Summary

39. To summarise the position, in essence there are now five main categories of heat charges - three for tenants and two for homeowners as follows:
 1. Non-metered tenants - borough-wide weekly pooled charge to balance heating account in the mid-term.
 2. Metered tenants (retrofitted older homes) - borough-wide tariff leading to specific consumption-based weekly charge. Tariff set to balance heating account in the mid-term.
 3. Metered tenants (new homes) - borough-wide tariff leading to specific consumption-based weekly charge. Tariff set to recover new homes heating costs.
 4. Non-metered homeowners - estimated and actual service charges based on bedroom weighting to recoup estate specific boiler costs within each financial year.
 5. Metered homeowners - estimated and actual service charges based on heat consumption via a tariff set to recoup estate specific boiler costs within each financial year.
40. Previously only #1 and #4 existed, but since the introduction of the Metering & Billing Regulations, it is necessary to have consumption based billing where heat meters are in situ, requiring the introduction of #2 and #3 to comply with new regulations and #5 to comply with both regulations and the requirement of the leases in relation to charges being estate specific.

Other HRA Income Streams

41. Tenant rents and service charges including pooled heat network charges currently constitute c.84% of the total HRA income; the remainder comprises: homeowner service charges, garage rents, commercial property rents, interest receivable, recharges and costs recovered and mandatory and discretionary fees and charges, totaling c.£345m for 2024-25, rising to c.£354m for 2025-26.
42. Homeowner service charges represent the second-largest income stream to the HRA (c.11%) and reflects the proportion of service costs attributable to homeowners that are recoverable under the terms of the lease. Revenue service charges cover a wide range of services, e.g. communal repairs and maintenance, estate management and upkeep, buildings insurance and heat network repairs and energy costs. Capital service charges (for major works) are determined by the scale and delivery of investment in the housing stock and the extent to which it pertains to homeowners' property (external and communal works only), and is subject to variation year on year. It remains imperative that costs attributable to homeowners are fully recovered to prevent cross-subsidy by tenants (and vice versa).

Consultation and Statutory Notification Requirements

43. Cabinet on 3 December considered indicative proposals for HRA rents and charges for 2025-26. Whilst not a statutory requirement, the council remains committed to consulting with residents under the terms of the Tenancy Agreement on such matters and a resident engagement event was held on 10 December 2024 to consider the proposals. The results and feedback from that meeting are contained in Appendix 2 of this report.
44. Homeowner representatives are unable to make recommendations in the matter of tenant rents, service charges and pooled heat network charges, but they may do so in respect of proposals regarding garages and expenditure pertinent to their variable service charges. Following approval of the recommendations as set out, or amended by Cabinet, the council will issue the statutory and contractual notification of variation in rents and other charges to all tenants, not less than 28 days prior to the commencement of the new rent year on 7 April 2025.

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

45. Pursuant to section 149 of the Equality Act 2010 the council has a duty to have due regard in its decision-making processes to eliminate discrimination, harassment, victimisation or other prohibited conduct by or under the Act and to advance equality of opportunity and foster good relations between those who share a relevant protected characteristic and those who do not.
46. Equality analysis and screening enables understanding of the potential effects that the proposals may have on distinct groups and whether there may be unintended consequences and, in the event, how such issues can be mitigated. It is recognised that increases in rents and charges may present particular difficulties for people on low incomes which could impact health and wellbeing. However, rents and tenant service charges crucially remain eligible for welfare benefits. In addition, the council has put in place financial support mechanisms to mitigate the wider cost of living crisis, along with resources to support tenancy sustainment. On this basis, none of the proposals included in this report are deemed to result in any adverse impacts on protected characteristic groups. Financial assistance is available through the Southwark Emergency Support Scheme (SESS), Rent Arrears Fund (Hardship Fund) and Discretionary Housing Payments (DHP). The link below refers: <https://www.southwark.gov.uk/benefits-and-support/cost-of-living-support>

Climate change implications

47. The council has committed to do everything it can to make Southwark carbon neutral by 2030 and is a major focus for the council, working in partnership with stakeholders, residents and staff to tackle the effects of global warming. How the council uses its resources can have an impact on the borough's carbon emissions and the climate action strategy sets out the council's plans and progress against the plan is monitored and published on the website. Specific areas relating to the decarbonisation programme for council housing are as follows:

- Raise the energy efficiency of council stock with an EPC rating of D or lower.
- Replace existing infrastructure with low-carbon heat generation technologies.
- Make all future council home projects low/net zero.
- Move council stock to metered energy provision to reduce gas consumption.
- Move to green gas and electricity provision.

Resource implications

48. This report sets out recommendations for increases in tenant rents and charges for 2025-26. Subject to approval by Cabinet, the additional income derived from these increases will be applied solely for the provision of landlord services to residents in the council's housing stock.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive, Governance and Assurance (17/12/2024)

49. This report sets out the Housing Revenue Account Rent and Charges recommendation for 2025-26.

Policy and Legislative Context

50. The Local Government and Housing Act 1989 ("the 1989 Act") sets out legal requirements in relation to housing finance, in particular a duty under Section 74 of the Act to maintain a Housing Revenue Account ("HRA"). Pursuant to Section 76 of the Act, the council is required to budget to prevent a debit balance on the HRA and to implement and review the budget.
51. Section 24 of the Housing Act 1985 ("the 1985 Act") gives the council power to "make such reasonable charges as [it] may determine for the tenancy or occupation of [its] houses". Section 24 additionally requires the council, from time to time, to review rents and make such changes as circumstances may require.
52. As referenced in this report, the discretion as to rents and charges in the Housing Act 1985 is subject to requirements, limitations and restrictions arising from legislation and government rent policy.
53. From 1 April 2020, the council must set rents in accordance with the Rent Standard April 2020 ("the 2020 Standard"). This is issued by the Regulator of Social Housing under direction (the Rent Standard Direction 2019) of the Secretary of State for Housing, Communities and Local Government pursuant to powers in section 197 of the Housing and Regeneration Act 2008. Government policy in this respect is set out in the "Policy Statement of Rents for Social Housing".
54. Under the Housing and Regeneration Act 2008 section 194(2A) the council must comply with the rules contained in the Rent Standard and with all the requirements and expectations in the Policy Statement on Rents for Social

Housing. Under the Rent Standard, the council may apply annual rent increases of up to 1% above the general index of consumer prices (CPI).

Consultation

55. Changes to rent and other charges is excluded from the statutory consultation requirements on matters of “housing management” in respect of which Local Authorities are required to consult their secure, introductory and demoted tenants pursuant to Section 105 of the Housing Act 1985 and Sections 137 and 143A of the Housing Act 1996.
56. The council however has undertaken in its tenancy conditions to consult with the Tenant representative body before seeking to change rent and other charges. The report confirms that consultation has taken place in order to comply with this term. The outcome, which must be taken into account by Cabinet Members when making a decision on the recommendations in this report, is set out in Appendix 2.

Statutory Notice of Variation

57. The council is required, by Section 103 of the Housing Act 1985 (relating to its secure tenancies), and by Section 111A of the Housing Act 1985 (relating to its introductory tenancies), and further to the council’s agreement with its tenants, to notify tenants of variations of rent and other charges. The council will need to serve a notice of variation, at least 28 days before the variation takes effect.

Equalities Impact

58. When considering the recommendations in this report the cabinet must give due regard to the council’s equalities duties set out in the Equalities Act 2010; specifically, the need to:
 - Eliminate discrimination, harassment, victimisation or other prohibited conduct;
 - Advance quality of opportunity between persons who share a relevant protected characteristic and those who do not; and
 - Foster good relationships between those who share relevant characteristics and those who do not.
59. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
60. The report includes a community impact statement that sets out the consideration given to the equality duties in the Equality Act to which members must have regard.

Strategic Director Resources (Ref: FC/24020)

61. This report sets out recommendations for increases in tenant rents and a range of service charges for the fiscal year commencing 7 April 2025. All pertinent information relating to the proposals are contained in the report. It is

important that the council's HRA expenditure is controlled to within the income limits that this report proposes in order to balance the 2025-26 HRA budget. It is also important that the council's collection methods are effective to ensure that the charges outlined within the report are received and made available to invest effectively in the council's housing stock. HRA reserves are lower than what optimal values would be and therefore this places the council's HRA finances at greater risk than previous years. The council has agreed a strategic recovery plan to build the HRA's financial resilience, but the success of this is dependent on operational elements of the HRA budget (such as rents and charges outlined within this report) being delivered as planned. Further detail on activity related to HRA financial resilience and budget plans for 2025-26 will be addressed as part of the February 2025 Policy and Resources Strategy Report to Cabinet and Council Assembly.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Consumer Price Index @ September 2024 (CPI @ September 2024 Hyperlink)	160 Tooley Street London SE1 2QH	Paula Thornton, Constitutional

APPENDICES

No.	Title
Appendix 1	Heat Network - Tariffs and Charges
Appendix 2	Results and Feedback from Resident Engagement Event 10 December 2024

AUDIT TRAIL

Cabinet Members	Councillor Stephanie Cryan, Equalities, Democracy and Finance Councillor Sarah King, Council Homes		
Lead Officers	Clive Palfreyman, Strategic Director Resources Hakeem Osinaike, Strategic Director Housing		
Report Author	Ian Young, Assistant Director Finance - Housing		
Version	Final		
Dated	18 December 2024		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments Sought	Comments Included	
Assistant Chief Executive, Governance and Assurance	Yes	Yes	
Strategic Director Resources	Yes	Yes	
Cabinet Member	Yes	Yes	
Date final report sent to Constitutional Team		18 December 2024	

Heat Network -Tariffs and Charges

APPENDIX 1

Table 1 – Current and proposed non-metered tenant charges

Heating Type	Number of Bedrooms	Proposed 2025-26 weekly charge (frozen from 2024-25) £ per week
Central Heating and Hot Water	0	16.76
	1	23.54
	2	29.14
	3	34.88
	4+	37.65
Weatherfoil Heating and Hot Water	0	14.11
	1	20.24
	2	25.29
	3	30.25
	4+	32.80
Weatherfoil Heating only	0	10.65
	1	13.20
	2	15.90
	3	18.56
	4+	21.20
Central Heating only	0	13.10
	1	16.47
	2	19.76
	4+	24.73
Hot Water only	1	4.48
	2	9.44
	3	11.68
LRB Heating	0	11.37
	1	16.95
	2	18.36
	3	19.82
Partial Heating	0	8.92
	1	10.95
Underfloor Heating	0	13.38
	1	14.84
	2	16.31
	3	18.26

Table 2 – Current and proposed borough-wide metered tenant heat tariffs for new homes (including VAT at 5%)

Number of bedrooms	Current tariffs (2024-25)		Proposed (2025-25)		Equivalent weekly charge for average user (£/week)	Change for average user (%)
	Standing charge (p/day)	Variable charge (p/kWh)	Standing charge (p/day)	Variable charge (p/kWh)		
0	44.04	17.72	47.59	9.67	5.78	-23%
1	46.55		51.69		7.41	-27%
2	49.07		55.80		9.04	-30%
3	51.58		59.90		12.32	-33%
4+	54.09		64.00		15.60	-35%

Table 3 – Current and proposed borough-wide metered tenant heat tariffs for older homes retrofitted with heat meters (including VAT at 5%)

Number of bedrooms	Proposed tariff for 2025-26 (frozen from 2024-25)		Equivalent weekly charge for different users		
	Standing charge £/day	Variable charge p/kWh	Low user £/week	Average user £/week	High user £/week
0	1.52	4.54	12.80	15.98	20.07
1	2.14		17.48	21.14	24.34
2	2.66		20.46	25.08	31.56
3	2.89		28.50	34.66	43.06
4+	3.02		30.52	37.52	47.06



Housing Revenue Account (HRA) 2025-26

Resident Engagement Event

Tuesday 10th December 2024

Meeting Attendance

Zoom Meeting Registrations

- A total of 376 users registered in advance for the meeting.
- A total of 157 users joined the Zoom call on the night.
- Notice of the meeting was sent via email to all council tenants and homeowners for whom a valid email address was held. The invitation was also sent to all 128 TRA's and advertised via the council website and the consultation hub.
- A link to the Indicative HRA Rent and Charges Report 2025-26 was sent with the meeting invite along with link to a form for residents to feedback, which was also posted in the chatroom, on the website and on the consultation hub.
- The HRA Rent and Charges Report 2025-26 and presentations are available on the website [Get involved | Southwark Council](#)

Zoom Meeting Administration

- The meeting was scheduled to start at 18:00 hrs but due to connectivity issues the meeting start was delayed and commenced around 18:20 hrs. Nat Stevens (Head of Governance and Tenant Management) and Chair, opened the meeting and posted an apology for the late start in the chatroom, and explained that the meeting was being recorded and how it would be conducted.
- The meeting commenced with a presentation by Hakeem Osinaike (Strategic Director of Housing), setting out the primary income/ expenditure elements of the HRA. That was followed by a presentation by Ian Young (Assistant Director of Resources) outlining the background and framework for the HRA and proposals for rents and charges for 2025-26.
- The Q&A session followed the presentations, and the chair directed the questions to the respective council officer best placed to respond. Officers introduced themselves and stated their respective job titles.
- Where residents had personal issues relating to their specific property, they were directed to an email address: resident.participation@southwark.gov.uk inbox.
- A form containing a summary of the HRA proposals was available for participants to indicate whether they agreed or disagreed and indicate why if they so chose to do so. This was posted in the chatroom, on the website and on the consultation hub.

Response to HRA Rent and Charges Proposals

Online Responses

- The report set out eight proposals in relation to tenants rent and service charges for 2025-26. Residents were given the option to agree or disagree with those recommendations as a whole.
- In total 238 residents responded online, comprising 147 tenants (62%), 83 homeowners (35%) and 8 (3%) who did not provide any details. Of the 147 tenants that responded, 25 agreed with the proposals (17%), 114 disagreed (78%) and 8 did not register a response (5%).
- Those that answered were asked to explain why in a free-text field. Summarising the 'Yes' responses, the reasons can be grouped as follows:

Reason for Agreement	Comments
Seems reasonable	9
For better services	7
To keep housing stock in good order	5
Increased Costs	1
Other	3
Blank	0
Total	25

- Summarising those that answered 'No', the reasons can be grouped as follows:

Reason for Disagreement	Comments
Cost impact/ cost of living	43
Service charge specific	21
Poor service/ repairs	18
Increase is too high	8
Insufficient explanation	7
Rent is already too high	7
Council should manage existing finances better	2
No 'don't know' option/ part agreement	2
Heating specific	1
Blank	5
Total	114

- 43 respondents (38%) disagreed with it on the basis that they would not be able to afford it or citing the cost-of-living crisis as a reason. 8 respondents (7%) stated the percentage increase was too high, with some suggesting a 1.5% or 2% rate may be more acceptable. A further 7 respondents (6%) considered existing rent levels were too high.
- 21 respondents (18%) raised generic/ specific issues with service charges levels in relation to performance/ quality of service.
- 18 respondents (16%) cited bad service, lack of repairs and decreasing housing quality as reasons they did not agree with an increase, with two people suggesting the council should be able to manage its finances better and do more with the money it already receives (2%).
- 7 respondents (6%) wanted greater explanation.
- One person selected disagree because there was no option for a 'don't know' stance and one because they agreed with some recommendations and not others (but were not specific about which).

A further question provided respondents the opportunity to raise any further comments on the proposals. For those who agreed with the proposals, 13 provided additional comments:

- Suggest costs are too high – 5
- An improvement in services is required – 4

- Not in agreement with all recommendations (unspecified) – 1
- Request reform of heating charges – 1
- Report specific issues in their property – 1
- Provide positive feedback on the Q&A responses – 1

Perhaps unsurprisingly, a greater proportion (108) of those who disagreed with the recommendations, provided additional comments:

- Value for money, poor service, not enough being done with existing funds – 24
- Request for rents and charges not to increase – 23
- Concerns around service charges – 14
- A requirement for more time to digest or for more information – 12
- For increases to be at a lower rate/ smaller percentage – 11
- Statements indicating that increases are unaffordable – 9
- Comments about heating costs and processes – 6
- Requests for more support for those struggling financially – 4
- Request for reduction in rents and charges instead of increases – 3
- Comments on the engagement methods used for information – 2

Issues Log

Zoom Meeting

- 63 questions or comments were made by residents who joined the meeting as an anonymous attendee. It is not possible to identify how many individuals this represents.
- 37 people provided a name. 14 individuals made only one entry on the issues log. The most comments or questions raised by an individual was 9.
- Only 27 attendees provided an email address, allowing a slow time response to their question to be provided. None of the attendees provided a telephone number.
- 7 people also submitted their vote/ feedback on the Microsoft Form using the same email address that they used to join the Zoom meeting.

By email

- 23 residents submitted questions or comments by email to the Resident Participation inbox, which either have already been responded to or are in the process of being responded to.
- Residents were more likely to raise more than one query or subject when responding by email.
- No residents were able to contact the council anonymously when responding by email.

Meeting Name:	Cabinet
Date:	7 January 2024
Report title:	The Council Tax Base for 2025-26
Cabinet Member:	Councillor Stephanie Cryan, Equalities, Democracy and Finance
Ward(s) or groups affected:	All wards
Classification:	Open
Reason for lateness (if applicable):	N/A

FOREWORD - COUNCILLOR STEPHANIE CRYAN CABINET, MEMBER FOR EQUALITIES, DEMOCRACY AND FINANCE

In this report cabinet is asked to agree the council tax base and assumed collection rate with which we will estimate our council tax income for next year's budget. We are recommending an increase of around 185 band D equivalent dwellings to use as the 2025-26 council tax base, an increase from 112,166 homes in 2024-25 to 112,357 for 2025-26. As a result of a comprehensive review of our recent collection rates and using other inner London boroughs to benchmark, we have reduced our estimated collection rate from 97.2% to 96.5%.

I am again pleased to confirm a continuation of the local discretionary increase in the council tax premium on long-term empty homes from 1 April 2021 into 2025-26. The premium remains at the maximum permitted 300% premium effective for dwellings empty for at least 10 years. However, following the passing of the Levelling Up and Regeneration Act 2023 (Royal Assent 26 October 2023) councils can charge a 100% premium on second homes from 2025-26 and the Council has agreed to charge this premium from 2025-26:

- 100% for second homes;
- 100% for those dwellings empty for 1 year and less than 5 years;
- 200% for dwellings empty for at least 5 years but less than 10 years; and
- 300% premium for dwellings empty for at least 10 years

Southwark will benefit from the raising of more income to support services and as a deterrent to homes being left empty for significant periods.

I am also pleased to announce no changes in the council tax reduction scheme for 2025-26 for our pension age or vulnerable and least well-off households. It is more important than ever that we continue to support residents in financial hardship against a background of the cost of living crisis, recessionary impacts and economic downturn highlighted elsewhere in this report.

Finally, I am delighted to announce the continuation of the exemption from council tax for young people leaving Southwark's care and for Southwark foster carers. Both of these exemptions have been successful in supporting our care leavers as they make the often challenging next move in life, and in recruiting and retaining vital local foster carers as well as recognising the hugely important commitment these individuals and families make to Southwark. We have a long-term commitment to supporting our Care Leavers but we are currently required to renew these commitments annually.

RECOMMENDATIONS

Recommendations for the Cabinet

1. Cabinet agree that the council tax base for 2025-26 is set at 112,357 (112,166 in 2024-25) band D equivalent dwellings (Appendix A).
2. Cabinet recommend to council assembly the schedule of discounts and exemptions in paragraph 12, including the premiums applicable for long-term empty dwellings.
3. Cabinet agree the assumed council tax collection level for 2025-26 should be changed to 96.50% (2024-25 97.20%).
4. Cabinet agree the 2025-26 council tax base for St. Mary Newington parish is set at 11,732 (12,881 in 2024-25) band D equivalent dwellings.
5. Cabinet agree the proposed continuation of the current council tax section 13A (1)(c) policy¹ covering discretionary relief terms (refer to paragraphs 17 to 18):
 - to continue council tax discretionary relief (0% to 100%) for young people leaving care aged 18 to 24 years for the period 1 April 2025 to 31 March 2026
 - to continue foster carers' discretionary relief (0% to 100%) for the period 1 April 2025 to 31 March 2026.
6. Cabinet to note concerning the council tax reduction scheme:
 - no changes to the council tax reduction scheme (CTRS) for 2025-26, as set out in paragraphs 19 to 23;

any minor and consequential amendments to the CTRS written policy are to remain delegated to the Strategic Director of Resources in consultation with the monitoring officer.

BACKGROUND INFORMATION

7. Regulations require the council to inform its preceptors of the council tax base by 31 January 2025.

¹ Southwark council tax section 13A (1)(c) policy

8. This report sets out the statutory information that is needed in order to set the council's council tax base for 2025-26. A further report will be presented to council assembly and council tax setting committee in February 2025 setting out the level of council tax needed to meet the council's net expenditure for the financial year 2025-26.

KEY ISSUES FOR CONSIDERATION

9. There are a number of factors which impact the council tax base calculation and these are discussed in the sections below:
- Council tax discounts, exemptions and premiums
 - Southwark council tax section 13A policy – discretionary relief
 - Council tax reduction scheme
 - Council tax collection rate
 - Calculation of the council tax base
 - Revenue budget implications 2025-26

Council tax discounts, exemptions and premiums

10. All council tax discounts, exemptions and premiums from 2024-25 remain unchanged for 2025-26, except for the following two changes:
- a new 100% premium on second homes for 2025-26.

These follow a change in definition in the Levelling Up and Regeneration Act 2023 whereby the long-term empty properties are defined as being unoccupied and substantially unfurnished for at least 1 year rather than 2 years; and the introduction of discretionary new powers for councils concerning premiums on second homes. As always, these remain subject to change in future years. The overall position effective from 1 April 2025 is shown below:

Type of Council Tax Discounts, Exemptions and Premiums	Para	Local / Statutory	Discount / Premium
Single person discount	13	Statutory	-25%
All except one person in household disregarded	13	Statutory	-25%
All persons in household disregarded	13	Statutory	-50%
Empty dwelling for greater than 1 year ² and less than 5 years - continuing premium ³	14	Local	+100%
Dwellings empty for at least 5 years but less than 10 years	14	Statutory	+200%
Dwellings empty for at least 10 years - continuing premium	14	Statutory	+300%
Second home discount	16	Local	-0%
Second home premium	16	Local	+100%

² Levelling Up and Regeneration Act 2023, section 79

³ Local Government Finance Act 2012, section 11B

11. Occupants may be disregarded for the purposes of establishing the billable amount. Qualifying students, for example, are disregarded, and households containing only students are fully exempt. If all but one of the occupants is disregarded, a 25% discount is awarded. If all occupants are disregarded, but no exemption is applicable, a 50% discount is awarded.
12. A higher council tax premium for long-term empty dwellings was introduced by the government⁴ in 2018.
 - Effective from 1 April 2021 onwards, the maximum percentage increase for long-term empty properties is a premium of 100% for empty dwellings greater than 1 year and less than 5 years
 - For dwellings empty for at least 5 years but less than 10 years, the premium is 200%
 - For dwellings empty for at least 10 years, the new premium is 300%.
13. The change stated in paragraph 14 has effect for financial years beginning on or after 1 April 2021, and it does not matter whether the “empty” period begins before the Council Tax (Empty Dwellings) Act 2018 came into force.

Second homes now will be considered for premiums as well as discounts. Discount schemes are left to local discretion, between a statutory minimum of 0% and statutory maximum of 50%. Following legislation that came into effect on 26 October 2023⁵ councils will also be able to charge a 100% premium on second homes.

Southwark council tax section 13A policy – discretionary relief

14. Southwark council's 2025-26 section 13A policy allows for local council tax discretionary relief to be awarded to council taxpayers falling into prescribed categories.
15. There is no change in 2025-26 to the council's section 13A policy, which continues with the initiative to include council tax discretionary relief for young people leaving Southwark council's care aged 18 to 24 years, who are liable for council tax. Foster carers are able to claim discretionary relief. The proposed extension of the current council tax section 13A policy covering discretionary relief is as follows:
 - to continue council tax discretionary relief (0% to 100%) for young people leaving Southwark council's care aged 18 to 24 years, for the period 1 April 2025 to 31 March 2026 (a seventh year for this scheme)
 - to continue foster carers discretionary relief (0% to 100%), for the period 1 April 2025 to 31 March 2026.

⁴ Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018

⁵ Levelling Up and Regeneration Act 2023

Council tax reduction scheme

16. There is no change in the council tax reduction scheme for 2025-26.
17. Since 2013-14 there has been a significant change in the calculation of the council tax base. The localisation of council tax support has resulted in a substantial reduction in the number of band D equivalent properties in the tax base. Instead of council tax benefit claimants having council tax paid for through council tax benefit, from 1 April 2013, through the council's localised council tax reduction scheme (CTRS) claimants receive a discount, up to a maximum 100% discount for pension age claimants, to a maximum 85% discount for working age claimants.
18. The actual amount of CTRS discount applied is monitored monthly and an adjustment has been made to forecast these figures to obtain a more representative estimate for 2025-26.
19. The CTRS caseload reduced gradually between 2013-14 and 2019-20, leading to an increase in the tax base. From April 2020 there was an increase in the caseload due to the number of residents that made claims for Universal Credit (UC) that then qualified for CTR during the period of the COVID-19 pandemic. However, as the economy recovered from the pandemic the number of residents qualifying for CTR has steadily fallen again with the caseload now starting to reduce beyond pre-pandemic levels. Nevertheless, as CTR caseloads correlate with wider economic trends, rising levels of inflation and the ongoing cost of living crisis mean that caseload trends will continue to be closely monitored. Due to the changes in winter fuel allowance, more pensioners will likely be encouraged to see if they are entitled to pension credit, which may then result in a claim for CTRS.
20. Current estimates show that for 2025-26 this will reduce the overall council tax base by 16,511 properties before adjustment for the collection rate (Appendix A).

Council tax collection rate

21. The council is also required to estimate its collection rate for 2025-26 at the same time as arriving at the estimated number of properties within the tax base. In arriving at a percentage collection rate for 2025-26, the council considers the likely sum to be collected, previous collection experience and any other relevant factors.
22. The actual sum to be collected from local council taxpayers cannot be finally determined until the preceptor's requirements are known and the council has approved its budget. The council therefore must make an estimate of the sums to be collected locally, making estimated allowances for sums from council tax support and write-offs/non-collection.
23. The Strategic Director of Resources recommends that a **96.5%** assumed collection rate in 2025-26 would give the best estimate of the likely value to be obtained from the council tax demands issued in April 2025. This is based on collection performance in previous years and to date in 2025-26. However,

there still remains considerable uncertainties arising from the current economic/financial situation.

24. The 2024-25 collection fund forecast surplus or deficit will be reported in the Policy and Resources Strategy 2025-26 balanced revenue budget report to cabinet in February 2025. Any collection fund estimated surplus or deficit must be accounted for in the council tax calculations for 2025-26 subject to regulations on the phasing of any previous actual in-year council tax deficits arising from 2024-25.

Calculation of the council tax base

25. Calculation of the council tax ("the tax") is governed by the Local Government Finance Act 1992 ('the Act') and various regulations thereunder. In particular, Section 31B of the Act requires the basic (band D) tax to be calculated by applying the formula: the council tax requirement divided by the council's tax base.
26. Although the council's net budget requirement for 2025-26 has not yet been determined, the tax base can be set and is subject to the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, made under section 33 of the Act and subsequent amendments. Regulation 8 of the 2012 Regulations requires the calculation for 2025-26 to be made between 1 December 2024 and 31 January 2025.
27. The proportions applicable to the various council tax bands (the "basic" band being D) are as follows:

Band	Proportion (ninths)
A	6/9
B	7/9
C	8/9
D	9/9
E	11/9
F	13/9
G	15/9
H	18/9

28. There is an additional band -A (5/9 of band D). This only arises where a person in a band A property receives a band reduction through disability related relief (Appendix A).
29. The council's basic tax is calculated in respect of band D. The bands are based on the above proportions, so band A properties pay 6/9 of the basic tax, band B pay 7/9 of the basic tax and so on, up to band H where the tax is 18/9, or twice the tax at band D.
30. The calculation of the tax base is summarised below (Appendix A(i)):

Total of the relevant amounts	116,432
Tax base collection rate	96.5%
2025-26 council tax base	112,357

31. Additional earmarked income may be available from trust funds, which can subsidise council tax in the former parish of St. Mary Newington. Separate calculations have to be made for this specific area, hence the division within Appendix A.

Revenue budget implications 2025-26

32. Subject to cabinet approval, the council tax bases recommended in this report and the projected surplus / deficit on the collection fund as at 31 March 2025 will be used in the calculation of the level of council tax that will be recommended to council assembly and the council tax setting committee in February 2025.

Climate change implications

33. There are no implications for climate change from the recommendations arising from this report.

Consultation

34. Calculation of the council tax base forms an integral part of the revenue budget setting process for 2025-26. The budget is supported by the council's medium term resource strategy as agreed by cabinet.

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

35. This report contains technical calculations relating to the council's tax base for 2025-26. There are no direct community, equalities (including socio-economic) and health impacts arising from this decision. As regards the continuing provision of the CTRS and the section 13A discretionary relief, there are positive impacts on individuals with protected characteristics including age and disability and a positive socio-economic impact given the assistance being provided to more vulnerable people.
36. The impact on the community of any potential change in service design, outcomes or access arising from recommendations relating to the 2025-26 revenue budget will need to be addressed and identified as part of the final budget submission to council assembly in February 2025.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive, Governance and Assurance [NBC 03.12.2024]

37. Decisions relating to the setting of the council tax base are reserved to cabinet under part 3B of the council's constitution.
38. The legal basis for the setting of the council tax base is found under section 31B of the Act which imposes a duty on a billing authority to calculate its council tax by applying a formula laid down in that section. This relies on calculating a figure for the council tax base for the year which is formulated with reference to The Local Authority (Calculation of Council Tax Base) (England) Regulations 2012. The report sets out this calculation for decision by cabinet.

39. As stated under the Levelling Up and Regeneration Act 2023, billing authorities were given the discretion to charge additional council tax of up to 100% on furnished homes not used as a sole or main residence. A billing authority's first determination under this section must be made at least one year before the beginning of the financial year to which it relates. In exercising this function, a billing authority must have regard to any guidance issued by the Secretary of State.
40. Where a billing authority decides under this section it must publish a notice of the determination in at least one newspaper circulating in the area. This notice must be published before the end of the period of 21 days beginning with the date of the determination; this has been done.
41. On 23 January 2013 council assembly adopted the CTRS written policy which had been developed by officers. At the same meeting the council also approved that decision-making on any minor and consequential amendments to the CTRS written policy be delegated to the Strategic Director of Finance and Corporate Services [now the Strategic Director of Resources] in consultation with the monitoring officer. The council is required to consider annually whether to amend the scheme. This report indicates that no such amendments are being recommended this year.
42. The council has the power under s13A(1)(c) of the Act to reduce council tax to such extent as it thinks fit, in addition to any CTRS. The power to do this is an executive function which the cabinet determines in accordance with its responsibilities for the council's financial management under Part 3B of the council's constitution. This report sets out the ongoing additional council tax reductions being agreed under these provisions.
43. A number of discounts and exemptions are identified in the report. Provision is made for these in sections 11- 11C of the Act. Some of these are statutorily imposed as indicated. Where there is local discretion in accordance with the table in paragraph 10 the approval has to be made by council assembly in accordance with section 67 of the Act. This report recommends the continuing application of the same discounts and exemptions as are currently applied.
44. Cabinet is reminded that the council is subject to the public sector equality duty in section 149 Equality Act 2010, and attention is drawn to the community impact section of the report in this regard.
45. 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. Consideration of the points made in the community impact section assists the cabinet and the council in complying with this duty.

46. Members are reminded that Section 106 of the Local Government Finance Act 1992 ("the Act") places restrictions on the ability of members in arrears of council tax to vote in meetings on certain financial matters.
47. Where a member has at least two months' arrears of council tax, and they are present at a meeting in which any of the following matters is being considered:
 - Any calculation relating to next year's council tax; or
 - Any recommendation, resolution or other decision which might affect the making at any such calculation [which includes the decisions being made by cabinet at this meeting] ; or
 - Decisions relating to the administration of council tax

the member affected must declare that section 106 of the Act applies and they shall not vote on any question relating to the matter. The member may remain in the meeting and may speak, but he or she may not vote on the matter. For executive functions, no member of the executive to whom this applies shall take any action or discharge any function with respect to the matter.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix A (i)	Council tax base for 2025-26 for London Borough of Southwark (all wards)
Appendix A (ii)	Council tax base for 2025-26 for the parish of St Mary Newington
Appendix A (iii)	Council tax base for 2025-26 for the London Borough of Southwark, excluding the parish of St Mary
Appendix B	Council Tax – Collection achieved and projected

AUDIT TRAIL

Lead Officer	Clive Palfreyman, Strategic Director of Resources	
Report Authors	Matthew Davies, Divisional Accountant, Resources	
Version	Final	
Dated	18 December 2024	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive, Governance and Assurance	Yes	Yes
Strategic Director of Resources	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		18 December 2024

APPENDIX A (i)

**COUNCIL TAX BASE 2025-26 FOR LONDON BOROUGH OF SOUTHWARK
ALL WARDS - FOR COUNCIL TAX SETTING**

London Borough of Southwark (All wards)		Council Tax Band									
		-A	A	B	C	D	E	F	G	H	Total
1	Number of Chargeable Dwellings	10	10,871	35,886	34,761	27,440	20,584	7,413	4,512	802	142,279
2	Adjustment for the number of dwellings subject to a discount	-2	-1,657	-4,197	-2,937	-2,094	-1,251	-393	-196	-33	-12,760
3	Adjustment for the number of dwellings subject to a premium	0	364	768	646	638	512	229	120	33	3,310
4	Adjustment for the localised council tax support scheme	0	0	0	0	589	0	0	0	0	589
5	Adjustment for forecast changes in the tax base	-6	-2,205	-6,148	-4,160	-2,385	-1,377	-206	-24	0	-16,511
6	Total in band (1+2+3+4+5)	2	7,373	26,309	28,310	24,188	18,468	7,043	4,412	802	116,907
7	Multiply by band factor	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
8	Number of Band D Equivalents	1	4,915	20,462	25,164	24,188	22,572	10,173	7,353	1,604	116,432
9	Estimated Collection Level										96.5%
10	Estimated 2025-26 Tax base (8 x 9)										112,357

APPENDIX A (ii)

COUNCIL TAX BASE 2025-26
ST.MARY NEWINGTON - FOR COUNCIL TAX SETTING

St. Mary Newington		Council Tax Band									
		-A	A	B	C	D	E	F	G	H	Total
1	Number of Chargeable Dwellings	1	2,369	6,500	4,983	1,957	1,462	362	73	23	17,730
2	Adjustment for the number of dwellings subject to a discount	0	-334	-711	-365	-147	-72	-17	-3	0	-1,649
3	Adjustment for the number of dwellings subject to a premium	0	183	186	59	19	13	1	0	0	461
4	Adjustment for forecast changes in the tax base	0	0	0	0	0	0	0	0	0	0
5	Adjustment for the localised council tax support scheme	-1	-474	-1,160	-693	-258	-174	-10	-7	0	-2,777
6	Total in band (1+2+3+4+5)	0	1,744	4,815	3,984	1,571	1,229	336	63	23	13,765
7	Multiply by band factor	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
8	Number of Band D Equivalents	0	1,163	3,745	3,541	1,571	1,502	485	105	46	12,158
9	Estimated Collection Level										96.5%
10	Estimated 2025-26 Tax base (8 x 9)										11,732

APPENDIX A (iii)

**COUNCIL TAX BASE 2025-26
LONDON BOROUGH OF SOUTHWARK EXCLUDING ST. MARY NEWINGTON and ST.SAVIOURS
FOR COUNCIL TAX SETTING**

London Borough of Southwark (excluding St.Mary Newington & St. Saviours)		Council Tax Band									
		-A	A	B	C	D	E	F	G	H	Total
1	Number of Chargeable Dwellings	9	8,409	29,113	29,474	25,291	18,886	6,902	4,300	729	123,113
2	Adjustment for the number of dwellings subject to a discount	-2	-1,295	-3,453	-2,538	-1,933	-1,157	-364	-183	-31	-10,956
3	Adjustment for the number of dwellings subject to a premium	0	181	582	587	617	498	228	120	29	2,841
4	Adjustment for forecast changes in the tax base	0	0	0	0	589	0	0	0	0	589
5	Adjustment for the localised council tax support scheme	-5	-1,717	-4,941	-3,404	-2,104	-1,182	-195	-16	0	-13,564
6	Total in band (1+2+3+4+5)	2	5,577	21,301	24,119	22,460	17,045	6,571	4,221	727	102,023
7	Multiply by band factor	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
8	Number of Band D Equivalent	1	3,717	16,567	21,439	22,460	20,833	9,492	7,035	1,454	102,998
9	Estimated Collection Level										96.5%
10	Estimated 2025-26 Tax base (8 x 9)										99,393

COUNCIL TAX - COLLECTION ACHIEVED & PROJECTED

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Total Debit	199,194	204,525	225,716	243,183	260,547
Exemptions	(9,081)	(10,158)	(12,229)	(13,814)	(13,042)
Disabled relief	(72)	(77)	(84)	(92)	(99)
Discounts	(14,855)	(16,221)	(17,154)	(18,424)	(17,781)
LDD Foster Care	(194)	(225)	(245)	(298)	(342)
Collectable debit	174,992	177,844	196,004	210,554	229,283
Council Tax collected to date	(143,573)	(156,194)	(165,004)	(174,699)	(122,264)
Less credit balances	(23)	(522)	(1,134)	(1,492)	(3,254)
CTax collection to date	(143,596)	(156,716)	(166,137)	(176,191)	(125,517)
Future collection adjustment	(1,225)	0	(1,764)	(4,001)	(71,536)
Total projected CTax collection	(144,821)	(156,716)	(167,902)	(180,192)	(197,054)
Benefits & CTR	(25,230)	(23,030)	(22,710)	(24,478)	(25,855)
Total projected income	(170,051)	(179,746)	(190,611)	(204,669)	(222,909)
Actual Collection to date (as at 31st October 2023)	96.5%	101.1%	96.3%	95.3%	66.0%
Projected final collection level	97.2%	101.1%	97.2%	97.2%	97.2%

Meeting Name:	Cabinet
Date:	7 January 2025
Report title:	Policy and Resources: Revenue Monitoring Report 2024-25
Cabinet Member:	Councillor Stephanie Cryan, Equalities, Democracy and Finance
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/a

FOREWORD – COUNCILLOR STEPHANIE CRYAN, CABINET MEMBER FOR EQUALITIES, DEMOCRACY AND FINANCE

This report sets out the month 8 forecast position for the General Fund, Housing Revenue Account and Dedicated Schools Grant for the 2024-2025 financial year.

Since the last monitoring report, the Chancellor of the Exchequer has delivered her Autumn Statement and it is encouraging to see a commitment to funding for areas of acute pressure such as homelessness services, adult social care and children's special educational needs and disabilities. At the time of writing, we await the Provisional Financial Settlement from the Government which will provide greater certainty on these commitments.

The General Fund has managed to withstand ongoing pressures due to sound financial management and remains robust, but we are seeing continued demand and costs pressures in homelessness services and for those who have no recourse to public funds. We are also seeing in year pressures within the council's contact centre, children's care placements driven by increased costs and an increase in demand for adult social care packages.

This means that at present we are seeing an adverse variance of £17.8m within the General Fund, however all departments are working with cabinet to look at mitigating actions and opportunities to ensure we deliver on a

balanced budget by the end of the financial year. This continues to be closely monitored with mitigation actions being explored.

The Housing Revenue Account (HRA) is showing an adverse variance of £8.1m, however given the adverse variance in the month 4 monitoring report was £10.1m it is encouraging to see that actions within the Housing Revenue Account Recovery Plan are starting to reduce the deficit. This does need to be taken with some degree of caution as this is the first monitoring report to show a reduction and the Recovery Plan continues to be the top priority for the council and for this administration.

At today's cabinet we will also be agreeing the HRA rent settlement for 2025/2026 and the recommended increase of 2.70%, whilst a moderate increase compared to previous years, along with the certainty of rent increases of CPI+1% over the next five years provides a degree of stability in respect of income into the HRA over the medium term. The overarching priority remains delivering on the actions agreed within the Recovery Plan and reducing the deficit within the HRA.

Whilst we are seeing continued demands on both the General Fund and the HRA, the commitment from the Government to provide more certainty in Local Government Funding through both a multiyear settlement from 2026/2027 and the certainty of the rent increase formula is welcomed, and this will be reported to cabinet at regular intervals during the next financial year.

RECOMMENDATIONS

Recommendations for the Cabinet to note

1. The Housing Revenue Account (HRA) forecast of an adverse variance of £8.2m
2. The adverse variance of £17.8m forecast for the General Fund (GF) in 2024-25
3. The key adverse variations and budget pressures and mitigating actions underlying the position:
 - Housing Revenue Account (paragraphs 13-27)
 - General Fund (paragraphs 28-80)
 - Demand pressures in temporary accommodation (TA) (Housing)
 - Increased costs for those who have 'No Recourse to Public Funds' (NRPF) (Environment, Sustainability and Leisure)
 - Increased demand for adult care packages and increased placement costs for children with complex needs and a shortage of available foster placements (Childrens and Adults)
 - Planning and Growth – less than expected income and cost of maintaining void properties in the general fund (Resources)
 - Customer services – Additional resources into the contact centre to address capacity issues (Resources).
4. The Dedicated Schools Grant (DSG) in-year pressure of £0.8m.

REASONS FOR RECOMMENDATIONS

5. N/a

ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

6. None considered as this is a revenue monitoring report for 2024-25.

POST DECISION IMPLEMENTATION

7. N/a

BACKGROUND INFORMATION

8. This report sets out the forecast position at month 8 for the Housing Revenue Account (HRA), General Fund (GF), and Dedicated Schools Grant (DSG) for the 2024-25 financial year.

9. The HRA position at 2023-24 outturn was an overspend of £16.4m. Mitigations were put in place to balance this in the short term. In the medium and long term, the council agreed a recovery plan for the HRA to ensure its long-term financial sustainability. The 2024-25 HRA balanced budget was agreed at cabinet on the 17 January 2024. Paragraphs 13-27 discuss the 2024-25 forecast position at month 8, together with the inherent risks in this forecast.
10. The council agreed a balanced general fund budget on 21 February 2024 including a 2.99% council tax increase and a contribution from earmarked reserves of £2.4m. The council also approved budget decisions which included efficiencies, savings and additional income generation of £20.8m within the general fund for 2024-25. Performance on achieving these savings, and significant variances are included in the departmental narratives.
11. In the Autumn Statement on 30 October 2024, the Chancellor, Rachel Reeves, set out the government's overall approach to public finances, ahead of the policy statement expected in late November and the provisional local government settlement expected in late December 2024. No additional resources were announced for local government in 2024-25. However, an extension to the Household Support Grant was announced for 6 months from September 2024- March 2025.
12. Consumer Price Index (CPI) inflation is 1.7% in September 2024, but CPI for services provision is higher, at 5.6%, which will continue to impact adversely on council services. The Bank of England base rate is 4.75%, which has reduced from that reported at month 4 (5%) but remains relatively high which continues to increase the cost of council borrowing. The cost of borrowing continues to pose a material risk to the sustainability of the Housing Revenue Account (HRA).

KEY ISSUES FOR CONSIDERATION

Housing Revenue Account (HRA)

13. The council manages its housing stock through its ring-fenced landlord account, the Housing Revenue Account (HRA). The final outturn position in 2023-24 was an adverse variance of £16.4m, before short term mitigations brought the HRA into a balanced position. The mitigations were:
 - Capital spend that would normally have been funded through revenue contributions via the Major Repairs Reserve will be funded through additional unplanned borrowing.
 - Overspends on the Asset Management programme will be financed from council borrowing (which was the first time the council had had

to do this) having previously earmarked all borrowing for the New Homes programme. External borrowing was £59m in 2023-24.

- Use of £2.5m of reserves.
14. A number of factors have contributed to this HRA financial position, some of which were outside the council's control, such as government policy and macro-economic events which include:

Macro-economic factors

15. The cumulative effect of a government imposed 1% rent reduction for four years for the period 2016-17 to 2019-20, running into hundreds of millions in income foregone.
16. A government imposed 7% cap on rents from 1st April 2023, when formula rent would have yielded 11.1%, an annual loss of £9m+ in 2023-24 and a reduced income base going forward.
17. Unfunded additional burdens arising from the Fire Safety and Building Safety Acts of 2020 and 2021.
18. Unprecedented construction industry inflationary pressure.

Internal Factors

19. The additional borrowing requirement for the new homes and asset management programmes compounded by the impact of a three-fold increase in interest rates since December 2021, has substantially increased the revenue impact of financing costs in the HRA.

2024-25 HRA forecast position at Month 8

20. It continues to be a strategic priority for the council to consider how the HRA can be managed to ensure financial sustainability, including:
 - Setting cash limits within which services are required to operate.
 - Maximising capital receipts through the sale of uneconomic assets and land to reduce the borrowing burden on the HRA.
 - Pausing a small number of new build schemes to limit the council's borrowing and ensure that interest repayments remain affordable.
 - Applying prudent viability criteria to all new build projects to minimise the need for borrowing.
 - Adhering to a plan to maintain HRA reserves to their current level and to increase to a more prudent level over the medium term.

- Limiting and ultimately repaying any borrowing for the asset management capital programme.
 - Improving procurement practices and continuing to embed more robust contract management to maximise outcomes and achieve value for money.
 - Taking all necessary steps to limit the impact of capital financing on the HRA to an affordable level, considering all other service demands and priorities.
21. The cash limited budgets for 2024-25 included approved service savings of £19.3m to deliver a neutral budget position to maintain HRA reserves at £15m. In addition, the council has put in place a series of medium term objectives to support the delivery of the HRA Recovery Plan, including:
- Disposing of surplus assets to support the AM capital programme. In 2024-25, it is expected that the sale of assets will achieve £25m and that the target of £50m will be met over two years subject to the release of further voids from the HRA and identifying other relevant disposal opportunities.
 - Ceasing or postponing non-committed new build schemes to reduce the borrowing requirement and revenue financing burden (until circumstances allow).
 - Temporary short-term borrowing to support the Asset Management (AM) capital programme and review and set future programme budgets within the available revenue funding envelope (c.£70m per annum).
22. It was assessed that savings of £19.3m would be required to achieve the estimated cash limits set within the HRA recovery plan. It should also be noted that the HRA cash limits have been set on the basis that maximises available HRA resources across front line / customer facing services. As such, the HRA is now much more sensitive to demand changes and new commitments. Whereas previously there was some capacity at the centre to dampen any one-off financial shocks, this flexibility is much reduced whilst the financial sustainability of the HRA is rebuilt.
23. In summary, (Table 1), the overall position is an adverse variance of £8.2m (net). This is a positive movement from month 4 which showed an adverse variance of £9.4m. The main changes are:
- Debt financing has increased by £0.7m following the increases in gilt rates

- Reduction in tenant facing service expenditure of £1.6m from that reported at month 4.
- Higher Homeowner income of c £10m+ which is a one off exceptional event representing prior year service charge billing actualisation for 2023-24

Table 1: 2024-25 Housing Revenue Account Forecast Month 8

	Outturn	Budget	Forecast	Variance
	23-24	24-25	24-25	24-25
Income	£000's	£000's	£000's	£000's
Tenant's Charges	-266,628	-297,660	-297,732	-72
Voids	9,443	6,482	8,963	2,481
Homeowner Charges	-38,440	-37,502	-48,125	-10,623
Other Income	-16,225	-16,795	-16,650	145
Total Income	-311,850	-345,475	-353,544	-8,069
Expenditure				
Tenant facing services	167,718	156,971	165,070	8,099
Other Services	71,523	76,617	74,740	-1,877
Capital and Financing	50,080	71,851	83,410	11,559
Debt Financing	25,066	40,036	38,477	-1,559
Total Expenditure	314,387	345,475	361,697	16,222
Total HRA	2,537	0	8,153	8,153

2024-25 Tenant Facing Services

24. For 2024-25, the budget for tenant facing services was set as a cash limit of £156.9m. The forecast spend is £165.1m a variance of £8.1m.
25. For resident services, the forecast is an overspend of £3.2m. This mainly relates to energy prices, estate cleaning cost pressures and private sector service charges. The service is continuing to work towards reducing expenditure elsewhere to help mitigate these pressures.
26. Asset management is forecasting an overspend of £3.5m for the repairs and maintenance to the housing stock. This projected overspend has reduced since month 4 by £2.6m. All saving targets are now incorporated into monthly monitoring reports with new Key Performance

Indicators (KPIs) produced as standard for the service monthly monitoring.

27. Customer services have a relatively small revenue budget by comparison to others within the HRA (£7.1m), which covers a significant proportion of the costs of the contact centre, customer complaints and other housing specific services. The forecast is currently £1.4m, a small increase from month 4 (£1.3m).

General Fund (GF)

28. The forecast outturn position for the general fund is an adverse variance of £17.8m, after the utilisation of reserves, as set out in Table 2. The table shows the projected departmental budget outturn variances, the estimated utilisation of reserves and the change from the month 4 forecast position for 2024-25.
29. The December policy and resources cabinet paper stated that those demand pressures that are not fully mitigated in 2024-25 posed a significant risk to the Medium Term Financial Strategy (MTFS), referencing the month 4 estimated variance of £12.9m. The deteriorating position is a significant risk to the council. The projected variance of £17.8m after the use of £7.2m will need urgent attention to ensure long term financial stability.

Table 2: 2024-25 General Fund Forecast Month 4

Department	Budget	Forecast Variance	Reserve Movement	Variance after reserves	Change from Month 4
	£000	£000	£000	£000	£000
Children and Adults Services	164,844	7,795	(5,809)	1,986	819
Integrated Health and Care	3,897	-	-	-	(64)
Resources	64,164	4,572	(426)	3,646	664
Environment Sustainability and Leisure	106,518	(5,800)	4,121	1,096	(1,431)
Housing	28,408	14,464	(4,000)	10,464	4,479
Governance and Assurance	25,329	1,856	(1,064)	792	507
Strategy and Communities	8,006	2,132	(2,132)	0	(86)
Support Costs Re-allocation	(43,370)	(0)	-	(0)	-
Contribution from reserves	(2,500)	-	-	-	-
Total	355,296	25,020	(7,231)	17,789	4,888
General Contingency	4,000	-	-	-	-
Outturn	359,296	25,020	(7,231)	17,789	4,888

30. The projected overspend is largely attributed to the following key variances:

- Demand pressures in temporary accommodation (TA) (Housing)
- Increased costs for those who have 'No Recourse to Public Funds' (NRPF) driven by increases in costs of adult care packages which are substantially in excess of inflation (Environment Sustainability and Leisure)
- Increased demand for adult care packages and increased placement costs for children with complex needs and a shortage of available foster placements (Childrens and Adults)
- Planning and Growth – less than expected income and cost of maintaining void properties (Resources)
- Customer services – Additional resources into the contact centre to address capacity issues (Resources).

31. The position has significantly worsened by £5m since the month 4 report

to cabinet in September 2024, to £17.8m. Chief Officers hold ultimate responsibility for budget overspends. It was reported at month 4 that officers were pursuing mitigations to minimise the impact of areas forecasting demand-led and inflationary pressures, which will impact on the 2024-25 position and also likely to continue to adversely impact future budgets if not contained. The impact of the month 4 actions and mitigations put in place is now being urgently assessed. Further actions may be required to ensure that the projected overspends are effectively brought back to approved 2024-25 budgets and to ensure the council's longer term financial sustainability.

GENERAL FUND DEPARTMENTAL NARRATIVES

The departmental narratives for month 8 2024-25 are as follows:

- Housing General Fund (paragraphs 32-40)
- Children and Adults Services (paragraphs 41-52)
- Integrated Health and Care (paragraphs 54-56)
- Environment, Sustainability and Leisure (paragraphs 57-64)
- Governance and Assurance (paragraphs 65-69)
- Resources (paragraphs 70-77)
- Strategy and Communities (paragraphs 78-79).

HOUSING – GENERAL FUND

Overview

32. The outturn forecast at month 8 shows an adverse variance of £14.5m (gross), offset by a planned use of £4m reserves to reduce the forecast to a net £10.5m. This is an increase of £4.5m from the month 4 position, primarily caused by the continuing budget pressure in homelessness.

Resident Services - Temporary Accommodation (TA) and Housing Solutions

33. Homeless approaches and acceptances have seen a steady rise of around 30 households per month since the start of the year. Supply-side scarcity and higher charge rates account for the increase in costs to £14.5m (gross), before the use of reserves to bring the net position down to £10.5m (net). There has been a noticeable rise in providers exiting the private rental market in response to declining financial returns and a shift towards more expensive nightly-paid agreements, over which the council has little control if it wishes to retain supply. No effective controls exist to regulate rents in the private sector and with long-standing historical

restrictions placed on Local Housing Allowance (LHA) rates, this inevitably increases demand for local authority provision. This is further exacerbated by Home Office asylum cases coming into the system, but on a positive note, the recent uplift in LHA rates from April 2024, should assist private sector discharge rates and help focus service activity on prevention.

34. Savings proposals to mitigate the budget pressure, for temporary accommodation (TA) usage are discussed at the TA Budget Recovery Board and consists of targeted action to reduce the average unit cost for nightly paid, focus on prevention activities and further conversion of stock for use of TA in the short term. The council is also looking to maximise rental income on council owned properties where appropriate.
35. The decision to vacate Ledbury Towers due to health and safety concerns, further reduced the scope for achievement of cost savings in 2024/25. There were around a hundred and thirty households (predominantly TA clients) placed into stock that would otherwise have been available for new TA cases, thereby avoiding the need for more expensive private sector accommodation.
36. Another factor that has arisen since M4, is the suspension of the annual lettings plan, which would have enabled a number of temporary accommodation households permanent moves, however, the council is now exploring converting a number of general needs properties to mitigate this. It is estimated due to Ledbury, the suspension of the annual lettings plan, as well as delays in new build and the rapid shift of providers moving to expensive nightly paid, the year end forecast for Temporary Accommodation has risen by £4.5m from M4.
37. Housing Solutions is also forecast to overspend by £1m before the use of £0.5m reserves to cover additional staffing resources required to address capacity issues and help reduce the backlog of determinations and the growing cost of incentives to maintain private sector provision.

Asset Management - Private Sector Building Safety

38. This programme was established to undertake safety inspections on high rise private sector residential blocks. Enforcement action taken against landlords for non-compliance is a function that sits separately within Environment, Sustainability and Leisure (ESL). Funding for the inspection regime is through a combination of base budget and grant, with any residual funding not spent in year carried forward as a reserve to meet future programme commitments.

Resident Services – Hostel Accommodation/ Support and Housing Strategy & Partnerships

39. During the last financial year, the council in-sourced three hostels previously run by external providers, with the resident services division assuming operational and management responsibility. Assuming full occupation, rents and service charge income would broadly cover the operational running costs, but under the inter-departmental agreement with Children's and Adult Services (CAS), any budget shortfall arising, such as through void loss is fully underwritten. Following the in-sourcing, a review of needs against existing provision and alignment of the staffing structure and operational processes is underway to improve service efficiency.

Resident Services – Travellers Sites

40. The council operates four traveller's sites, one of which (Springtide), is currently vacant pending refurbishment and fire safety improvement works funded through the capital programme. A long-term vacancy is contributing to the lower forecast this year.

CHILDREN'S AND ADULTS' SERVICES

Overview

41. Children and Adults services is forecasting a £1.9m unfavourable variance in the general fund after drawdown of reserves, a £0.8m unfavourable variance in the ring-fenced dedicated school grant (DSG) and a balanced position after reserve movements in the ring-fenced public health grant.
42. The key areas of concern affecting the general fund include the continuing increased demand for care packages in Adult Social Care as well as the need to use high-cost placements within Children's Social Care due to the scarcity of alternatives and young people's more complex needs.
43. The Dedicated Schools Grant (DSG) continues to be under financial pressure from an increase in the number of special educational needs plans. The department has reserves built up over the last few financial years to withstand some of the challenges in a planned and purposeful way over the short to medium term, and Directors continue to practice strict financial management across all areas.

Adults Social Care

44. Adult social care is experiencing continued increase in year-on-year costs which is driven by the increased complexity of client need, as well as the higher than expected inflationary increases. The service is

actively seeking to manage demand despite the ongoing acuity of hospital discharges, the resultant increasing costs in homecare, nursing, and residential care. In addition, the service ensures that increases in ring fenced funding sources such as the Social Care grant, Adult Social Care precept, Market Sustainability Grant and the Discharge Fund, are used effectively to manage these pressures. This is achieved through good financial management in partnership with Finance, HR, Commissioning and Procurement colleagues and this will continue in order to ensure financial sustainability in the challenging years ahead.

Children's Services

45. Cost pressures in Childrens' Services is mainly driven by the increased demand on higher cost residential and semi- independent placements as well as staffing pressures. In Childrens' Social Care, the numbers of children in care continue to reduce, which is attributed to purposeful early help work to better support children and families. However, the financial effect of this has been offset by increased individual placement costs due to young people with more complex needs as well as the shortage of available foster placements resulting in the use of more costly provision.
46. The service is working hard with commissioning and corporate colleagues to address the lack of sufficient placements through opening two children's homes and increasing the capacity of commissioned semi-independent accommodation providers within the borough. Furthermore, the on-going cost pressures, due to the shortage of social workers, is being mitigated through new recruitment and retention initiatives.

Dedicated School Grant

47. The ring-fenced Dedicated Schools Grant (DSG) is forecasting an unfavourable variance of £0.8m. The High Needs Block remains the main risk area for the DSG as this area has seen an average increase in expenditure of 6% over the last 5 years. It is expected that the achievement of long-term sustainability will be affected by the fluctuations in demand for education, health and care plans (EHCP's) as this is a highly demand led service area.
48. This financial year is the second year of the council's Safety Valve agreement with Department of Education (DfE). As per the agreement the council will receive funding to offset the accumulated DSG deficit once key milestones have been achieved. The accumulated DSG deficit reduced to £9m at end of 2023-24 and the service is expecting a £1.77m contribution from the DfE once further required milestones are achieved as set out in the improvement plan. The key aim is to ensure a sustainable service with better outcomes for children and young people

as well as an in year balanced position for the DSG. The achievement of future key milestones will be very challenging and will mean all aspects of service provision need to be reviewed.

49. There is also a continuing concern about the financial position of the council's maintained schools. This is mainly due to the continued falling schools rolls which have been experienced across all London boroughs. Due to the close link between pupil numbers and the funding a school receives, a number of maintained schools are experiencing financial difficulties. The council's Keeping Education Strong strategy has been working towards right sizing the school estate. This strategy lead to PAN reductions, amalgamations, mergers and school closures to ensure provision better matches need, and a sustainable sector in borough.

Public Health

50. The Public Health ring fenced grant is forecasting a balanced position after reserve movements. The public health grant is a ring fenced grant paid to local authorities from the Department for Health and Social Care (DHSC). It is used to provide preventative and early help services aimed at improving health and wellbeing in the borough through evidence based interventions.
51. This includes commissioning drug and alcohol services, children's health services, sexual health services, smoking cessation, preventive cardiovascular health checks, exercise on referral and weight management services as well as gathering, analysing and interpreting information that influences the decisions made by public health, the wider council and NHS.
52. The grant also covers delivery of a large policy portfolio, providing strategic advice and guidance on matters relating to health and wellbeing, from suicide prevention through to sexual and reproductive health, mental health and wellbeing, tobacco control, immunisation and screening, health protection and healthy places (regeneration, transport systems, urban planning, culture & leisure).
53. The current cost of living crisis is having wide-ranging negative impacts on mental and physical health and well-being, and public health plays a vital role in mitigating these effects. Initiatives include introducing free targeted secondary school meals, building on the successful free healthy primary school meal offer, an extensive holiday activity and food programme and outreach health promotion activities including programmes to increase HIV diagnosis and take up of cancer screening and vaccinations.

INTEGRATED HEALTH AND CARE

Overview

54. Integrated Health and Care is forecasting a near balanced position for 2024-25 for the council's general fund budget lines.
55. The department was created in June 2024 with the joint appointment between the council and Southwark Integrated Care Board (ICB) of the Strategic Director for Integrated Health and Care (also known as the Place Executive Lead for Southwark). This is a positive step towards further integration between the council and the ICB. The expectation is that further integration will support both organisations in achieving better health and social care outcomes for the residents of Southwark as well as achieving better value for money through joint commissioning of services for budgets that are under pressure across both organisations.
56. The department continues to implement the Southwark Residential Care Charter and is using the Southwark Supplement to support payments for the workforce in relation to London Living Wage, Occupational Sick Pay, and other benefits. Implementation within the borough's care home sector means that already about 75% of our care home workforce are benefitting from this policy.

ENVIRONMENT SUSTAINABILITY AND LEISURE

Overview

57. The projected outturn for the Environment, Sustainability and Leisure Department is an adverse variance of £0.4m (after a proposed net transfer to reserves of £6.2m). This is an improvement of £1.4m from the month 4 forecast. Officers are exploring opportunities to mitigate this variance between now and year end and would expect this adverse variance position to continue to improve.
58. The overspend is due to an increase in 'No Recourse to Public Funds' (NRPF) costs (£0.9m), which has been partially offset by underspends in the environment and leisure departments.

Environment

59. The directorate is currently reporting an adverse variance of £0.03m (£0.3m improvement from Month 4), after net transfers to reserves of £7.1m which is income received in advance for private rented service licenses and transfers into the ring-fenced Highways Transformation reserve account (which has restrictions on spending), as well as a drawdown to fund allowable expenditure in Highways.

Leisure

60. The directorate is currently reporting an underspend of £0.36m (after drawdowns from reserves of £0.334m) mainly to cover dilapidation payments. The forecast position is an improvement on the Month 4 position which assumed break-even by year end. The in-sourced Leisure centres are within the stabilisation phase and activities are picking up as the council is investing in refurbishing centres and updating its equipment via capital expenditure. The position is improving as the year progresses.

Stronger Neighbourhoods

61. The directorate is currently reporting an adverse variance of £0.9m (£0.6m improvement on Month 4) mainly arising from the impact of support given to individuals and families with 'no recourse to public funds' which has increased demand for support. This supports the significant increases in client payments and accommodation costs. The service is actively seeking to manage demand and practice strict financial management.
62. Data from NRPf Connect indicates additional councils' costs this year, due to a 5% increase in the overall number of supported households, compounded by rising expenditure on existing cases. It is estimated that on average, annual household costs (particularly for those with care and support needs) rose by 37%. A recent review of the current arrangement and processes has made recommendations which are being pursued by officers and should see the overall cost pressure reducing over the medium to long term. These options are likely to require Cabinet approval but are in line with approaches taken by other authorities.

Climate Change & Sustainability

63. The directorate is currently reporting a favourable variance of £0.2m (after drawdowns from reserves of £0.24m to cover the additional staffing costs of dealing with the climate emergency).

Planned movement in Reserves

64. The department is planning to drawdown £1.8m from reserves in 2024-25 to cover dilapidation costs, planned climate change staffing costs, as well as reserve to support the VAWG transformation Programme. There are also planned top ups to the 'Private rented service reserves' from license fees income received in advance, which is to be drawn down over a 5-year period to cover costs of providing this service; as well as a top up of the 'Streets for People' reserve. These top ups are estimated to total £8m by year end.

GOVERNANCE AND ASSURANCE

Overview

65. Governance and Assurance are showing an adverse variance of £1.2m an increase of £0.9m from the month 4 forecast.
66. HR, OD and Health and Safety are showing a combined gross overspend of £1.4m before the planned application of reserves. The variance is largely constituted by employee costs, partially offset by the agency margin surplus. It should be noted that the employee's variance indicated above reflects transitional costs, including specific project related expenditure predicated against reserves. Progress remains on track toward implementing a fully funded structure later this year. Southwark Stands Together (SST) costs are included in the above figures.
67. Corporate Facilities Management (CFM) is responsible for ensuring that buildings that make up the council's operational estate are compliant with building standards, health & safety rules and regulations and are fit for purpose for both staff and service users alike. Other than cleaning services to Tooley Street and Queen's Road sites, facilities management (FM) services are delivered through an outsourced FM contract.
68. For 2024-25 the Council agreed to savings of £0.27m in anticipation of reduced facilities management costs arising from building closures. The delay in closing buildings has created a forecast pressure of £0.25m.
69. Law, governance, and assurance are showing a combined adverse variance of £0.58m, due to under-recovery of recharges and the use of agency staff where there are hard to fill vacancies. The service is proposing a change to the charging mechanism and to the organisational structure to address these overspends and reduce the need for agency staff.

RESOURCES

Overview

70. The resources department comprises of strategic and professional finance services, pensions and treasury, digital and technology services, planning and growth and customer and exchequer services. Overall, the department is projecting an adverse variance of £3.6m after an expected contribution of £0.4m from reserves.
71. The main cost pressures in the Resources department are in the customer and exchequer services department (£1.3m) and the planning and growth directorate (£2.5m)

72. The projected outturn for the planning and growth directorate is an adverse variance of £2.5m (after the proposed drawdown from reserves of £0.2m). Officers continue to explore opportunities to mitigate this variance between now and year end.
73. The net variance is mainly due to the following:
- Holding costs for void commercial properties up for disposal or relet. These costs include business rates, additional staffing costs, security costs and administration and professional fees.
 - Income producing assets have been delayed coming into the portfolio due to construction delays and commercial negotiations taking longer than anticipated.
 - Income reduction due to assets being redeveloped as part of the ongoing regeneration programmes.
74. Customer and Exchequer's Services overall overspend (£1.3m)
- A staff restructure in council tax and business rates division incurred severance costs.
 - There has been increased spending on software services of approximately £100k. Additional services that are not part of the annual contracts have been commissioned.
 - Transactional finance staff restructure which occurred in 2023-24 resulted in a leaner establishment leading to savings in the service in 2024-25. This has helped absorb overspends across Exchequers including the budget reductions from the 2023-24 budget challenge.
 - Smart Digital Transformation
 - There are high call volumes in the customer services department and additional resources have been put in place to address severe capacity shortfalls. A strategic plan to contain growing budget pressures has been agreed to bring the service back into alignment with the budget.
75. Finance, pensions and treasury are forecasting a balanced budget by the end of the year after a planned drawdown in reserves.
76. The Technology and Digital Service (TDS) delivers the essential tools, capabilities, and infrastructure to ensure that all residents can access digital technology and reap its numerous benefits and support the council in its use of technology to deliver the best possible services. The TDS forecast at month 8 remains a modest pressure of £0.1m. While the service will be looking to deliver a balanced budget by the end of the year.

77. Operational delivery of IT infrastructure and support services is managed through an agreement with the London Borough of Brent and Lewisham, forming the Shared Technology Service (STS). While there are several challenges across the technology landscape, a key priority is the mitigation of the risk of cyberattacks and data breaches, which can lead to financial and reputational harm.

STRATEGY AND COMMUNITIES

Overview

78. The projected outturn for the Strategy and Communities Department is a break-even position (after drawdown from reserves to cover planned work).
79. The anticipated net movement (drawdown) in reserves in 2024-25 currently stands at £2.1m and will be from the corporate capacity building reserve together with the modernisation, service, and operational improvement reserve to fund the Future Southwark initiative and increased staffing costs.

CONTINGENCY

80. The £4m contingency budget is assumed to be fully utilised to offset in-year budget pressures.

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

81. This report monitors expenditure on council services, compared to the planned general fund budget agreed in February 2024, and HRA budget agreed in January 2024. Although as a monitoring report, this report has been judged to have no direct impact on local people and communities, the expenditure it is reporting reflects plans designed to have an impact on local people and communities. Community impact was considered at the time the services and programmes were agreed. It is important that resources are efficiently and effectively utilised to support the council's policies and objectives.

Climate change implications

82. There are no climate change implications arising directly from this report, which provides an update on the revenue outturn for 2024-25.

Resource implications

83. This report is the revenue outturn report which details the budgetary outcomes in 2024-25.

Consultation

84. No consultation has taken place as this report details the 2024-25 revenue monitoring report for month 8.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None.		

APPENDICES

No.	Title
None.	

AUDIT TRAIL

Cabinet Member	Councillor Stephanie Cryan, Cabinet Member for Equalities Democracy and Finance		
Lead officer	Clive Palfreyman, Strategic Director of Resources		
Report author	Tim Jones, Director of Corporate Finance		
Version	Final		
Dated	17 December 2024		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments Sought	Comments included	
Assistant Chief Executive, Governance and Assurance	N/a	N/a	
Strategic Director for Resources	N/a	N/a	
Cabinet Member	Yes	Yes	
Date final report sent to Constitutional Team		17 December 2024	

Meeting Name:	Cabinet
Date:	7 January 2025
Report title:	Policy and Resources: Capital Monitoring Report 2024-25 and Southwark 2030 strategic alignment.
Cabinet Member:	Councillor Stephanie Cryan, Equalities, Democracy and Finance
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/a

FOREWORD – COUNCILLOR STEPHANIE CRYAN, CABINET MEMBER FOR EQUALITIES, DEMOCRACY AND FINANCE

Southwark 2030 has given us the opportunity to align our capital programme to deliver the things that our residents have told us are important to them. Our Capital Programme has always been rightly ambitious in delivering both large scale and smaller localised projects to benefit residents. From building new council homes and libraries, large scale infrastructure like the new Canada Water Leisure Centre to localised projects delivered through Cleaner, Greener, Safer funding, our residents are at the heart of our Capital Programme.

This report outlines the current borrowing requirements on the General Fund and the Housing Revenue Account to deliver on some of our key capital commitments, but it is also important to highlight that we are also delivering on our residents' priorities through the use of Section 106 and Community Infrastructure Levy as well as devolved funding from Central and Regional Government.

We have a number of capital bids to agree within this report which help to support our Southwark 2030 goals and our shared ambition, with residents, anchor organisations and key partners. These include funding to help deliver our Streets for People priorities, enabling us to deliver on ward based priorities following extensive consultation and collaboration with residents. Delivering on our goal for a Healthy Environment with funding to carry out much needed works to protect the biodiversity of the Albion Channel and outdoor electric BBQ equipment for Burgess Park as well as supporting our commitment to provide new parks within the Old Kent Road regeneration area. We are also committed to helping our residents feel safe and will be upgrading our CCTV fibre network.

As an administration we continue to share the ambitions of our residents and to deliver on these ambitions. Southwark 2030 provides the framework for this shared ambition of delivery

RECOMMENDATIONS

Recommendations for the Cabinet to note:

1. Notes the month 8 2024-25 forecast spend and resources and future years for both the general fund and housing investment programmes as detailed in Appendices A1 and C.
2. Notes the alignment of the general fund capital programme to the Southwark 2030 priorities at Appendix A2
3. Notes the significant borrowing requirement of £313m which needs to be identified for the general fund programme to be fully delivered over the remaining term of the programme, as detailed in Appendix A.
4. Notes the significant borrowing requirement of £426m for the housing investment programme to be fully delivered over the remaining term of the programme, as detailed in Appendix C.

Recommendation for the Cabinet to approve:

5. The virements and variations to the general fund and housing investment capital programme as detailed in Appendix D.
6. The new capital bids in Appendix E and F for inclusion into the capital programme.

REASONS FOR RECOMMENDATIONS

7. Cabinet is asked to note the capital programme forecast at month 8, 2024-25 for the general fund and the housing investment programme.
8. Cabinet to approve the virements and variations to the General Fund and Housing Investment Programme.

ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

9. None considered as this is a capital monitoring report for 2024-25.

POST DECISION IMPLEMENTATION

10. For the approved virements and variations to be included in the capital programme.

BACKGROUND INFORMATION

11. The projects contained within the council's capital programme endeavour to deliver the council's priorities in the medium and longer term. It looks forward to a vision of a Future Southwark that is a great place to live, learn, visit and do business in the borough. In July 2024, cabinet agreed the 'Southwark 2030' strategy which was jointly developed with residents, communities, businesses and stakeholders. Southwark 2030 sets out a vision to build a fair, green and safe Southwark in the longer term. It is supported by three principles:

- Reducing inequality,
- Empowering people, and
- Investing in prevention.

12. These principles have been translated into a focus on six goals to achieve this vision as follows:

- Decent homes for all
- A good start in life
- A safer Southwark
- A strong and fair economy
- Staying well
- A healthy environment

The delivery of these goals will be financed through day-to-day spending (revenue) and through longer term spending (capital).

13. The council monitors both capital and revenue spending and reports regularly throughout the year to cabinet. This report details the council's capital programme spend. This second capital monitoring report for 2024-25, follows a similar format to previous reports, detailing the individual projects by department for both the general fund and the housing investment programme.
14. In addition, the report again shows how the capital programmes align to the six goals set out in the Southwark 2030 Strategy. The month 8 capital monitoring report reviews the existing capital programme to ensure that resources remain targeted to key priorities and that the council's long term ambitions are able to be met within existing council resources.
15. Due to the size and scale of the programme and the number of projects involved, it is inevitable that unforeseeable delays can occur which led to some variations against planned spend. Actual resources may also vary to the plan, due to, for example, a delay in the sale of a property, or an external development with s106 or Community Infrastructure Levy (CIL) obligations not being brought forward as quickly as anticipated. This has historically resulted in the capital programme being over-programmed in year, whilst retaining a

balanced programme over the entire ten-year life of the programme. However, the council now faces a position where planned spend is considerably in excess of forecast resources over the life of the programme. A refreshed 10-year programme was approved in February 2024 and new capital programme bids are being scrutinised through a capital board to ensure that the council's capital plans remain affordable.

KEY ISSUES FOR CONSIDERATION

16. The capital programme forecast for month 8, 2024-25 is discussed within the report, structured as follows:
 - Housing Investment Programme (HIP)
 - General Fund (GF) capital programme
 - Southwark 2030 goals
 - New capital Bids.
17. The additional detail is contained within the appendices as follows:
 - Appendix A1 provides further detail on the general fund capital programme by department.
 - Appendix A2 details the current general fund capital programme by the goals of Southwark 2030.
 - Appendix B the accompanying departmental narratives.
 - Appendix C1 sets out the housing investment programme.
 - Appendix C2 New Homes programme
 - Appendix D sets out the capital programme budget virements and variations for approval.
 - Appendix E provides a summary of new capital bids.
 - Appendix F provides the narrative detail of the new capital bids.

HOUSING INVESTMENT PROGRAMME (HIP) Month 8 2024-25

18. The 'Housing Investment Programme' (HIP) is the capital programme for the Housing Revenue Account (HRA). Broadly, there are two major strands: the New Build programme and the Asset Management (AM) programme. The New Build programme is the commitment to new council homes delivery. The Asset Management programme arises from the council's social landlord function, with legal obligations to ensure the upkeep of its council homes, to ensure they are safe, healthy and free from things that can cause harm.
19. Table 1 summarises the forecast programme expenditure over the period 2024-25 to 2033-34. Forecast spend is £1.30bn, comprising of £558m for new homes, £735m for asset management and £6m for other programmes.

Table 1 Housing Investment Programme outturn 2024-25 to 2033-34

Programme	Forecast				2024/25-3033/34 Total Forecast
	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2029/30+ Forecast	
			£	£	£
Asset management	81,213,550	103,313,205	106,757,960	254,990,895	734,824,645
New Build and Acquisitions	168,136,723	91,821,411	74,482,309	97,383,064	558,079,803
Other programmes	5,549,267	-	-	-	5,549,267
TOTAL EXPENDITURE	254,899,540	195,134,616	181,240,269	352,373,959	1,298,453,715
FUNDED BY:					
Capital Receipts	20,722,243	38,112,966	16,824,309	-	79,689,519
Major Repairs allowance and revenue	82,630,890	74,188,205	78,647,905	254,990,895	649,512,623
Capital Grants and external contributions	14,473,926	12,574,740	2,638,215	3,796,500	73,623,166
Section 106 and CIL	11,092,212	10,000,000	10,000,000	18,323,995	69,416,207
Borrowing	125,950,269	60,258,705	73,129,840	75,262,569	426,212,200
TOTAL RESOURCES	254,869,540	195,134,616	181,240,269	352,373,959	1,298,453,715

20. The forecast spend for the Housing Investment Programme for 2024-25 is £255m. Of this, £168m relates to the new build programme, £81m is for asset management and £6m for other schemes.
21. A more detailed breakdown of the schemes and budgets within the housing investment programme is included in Appendix C.

Financing the Housing Investment programme

22. To help ensure the sustainability of the HRA, the aim is to finance the Asset Management (AM) programme through the Major Repairs Reserve and discretionary revenue contributions to capital, with the Major Repairs Reserve being funded from depreciation charges levied on the HRA. However, it has been necessary to fund part of the spend in 2023-24 from borrowing (£59m) and its forecast that an additional £58m of external borrowing will be needed in 2025-26 to 2027-28 with the financing cost of this adding to the burden on the HRA. This additional burden places a strain on service delivery and may result in the slowing of the overall Housing Investment Programme, including the New Build programme.

New Build Programme

23. Like the General Fund programme, the HIP underwent a detailed review to ensure that it continues to meet the strategic policy aims of the council whilst still being affordable and sustainable. As part of this review, the new homes programme has been separated into two categories; a 'committed' and an

‘uncommitted’ programme.

24. The committed programme comprises those projects for which a contractual commitment exists or where the council has demonstrated a deep commitment to continue with, such as by way of a resident ballot. However, these committed projects still need constant review to ensure their continuing affordability, particularly when both borrowing costs and construction costs are rising. So, completion of these ‘committed’ projects remains subject to the test of affordability, as they are affected by a range of factors, including inflation, interest rates and other pressures impacting the Housing Revenue Account (HRA). Phasing of some of the larger schemes in the programme provides a degree of flexibility to enable the council to respond to changing economic circumstances and emerging pressures.
25. The uncommitted programme comprises the pipeline of projects that the council would like to pursue, but for the time being cannot be contained within the affordability envelope. The council will endeavour to introduce these to the committed programme as and when funding and affordability allow.
26. The council’s New Build Programme is constrained primarily by the need to borrow and the impact of the cost of borrowing in the form of interest payable on the Housing Revenue Account (HRA). In recent years the HRA has faced other financial pressures arising from rent caps and high inflation, as well as the need to respond to new regulations for building and fire safety.
27. Given that interest rates remain high the council has reduced the pace of borrowing to prevent the cost of servicing the debt from exceeding available resources. This is being achieved in several ways, including by slowing down or pausing projects or by finding other sources of income including capital receipts from the sale of vacant or unproductive assets.
28. In July 2024, the Government announced increased flexibilities on the use of Right To Buy (RTB) for the two financial years 2024-25 and 2025-26, as follows:
 - The maximum permitted contribution from RTB receipts to replacement affordable housing has increased from 50% to 100%.
 - RTB receipts will be permitted to be used with section 106 contributions.
 - The cap on the percentage of replacements delivered as acquisitions each year (currently 50%) has been lifted.
 - These flexibilities are welcomed and will enable the council to use its RTB receipts to build or acquire new homes without recourse to borrowing, and work is underway to identify opportunities to best utilise these flexibilities to deliver new homes whilst ensuring value for money.
29. In the recent Autumn Budget, the Government announced that retention of 100% of Right to Buy receipts by councils for financial years 2022-23 and 2023-24 will now be extended indefinitely into future financial years. This will provide greater certainty to the council in planning how best to utilise RTB receipts over the longer term.

Asset Management (AM)

30. Recent changes in the legislative, regulatory and policy environment, have added significant costs to an already ambitious programme and without any additional funding from government. The HIP has an annual budget of £60m-£70m to undertake capital works to its stock but spend in 2023-24 was £108.7m, largely on works to ensure the stock is safe. This has left a funding gap of around £59m, which has been met from borrowing.
31. Officers have considered a range of options to reduce the gap in 2024-25 and beyond including:
 - Prioritising building and fire safety works,
 - Reducing or re-profiling the existing asset management programme to bring it closer to the £70m envelope,
 - Reviewing contracts and procurements to maximise value for money,
 - Selling surplus HRA assets (e.g., a small number of long-term voids that have proved uneconomical to repair, vacant land) to generate capital receipts.
32. All programmes will be based on sound information on the condition of the stock and its assets and to achieve this a desktop exercise and on-site surveys are underway to review the current condition of the stock. Following completion of the on-site surveys, the information will be cross-referenced with the current two-year proposed programme and fed into future investment planning. A 100% stock and engineering asset condition survey and report will be produced to inform our future investment programme. A forecast of an estimated £7m across four financial years has been allowed for this work.
33. Electrical safety work is in progress in high rise blocks and street property conversions, based on an assessment of risk. A significant data exercise is in progress to validate electrical certificates and reports carried out through all programmes. The testing of all remaining tenanted dwellings in the high-rise and street property conversions is due to complete by May 2025, and a programme is being planned and procured to deliver full compliance across the rest of the stock by March 2026. Completion by planned dates is dependent on gaining access to properties.

GENERAL FUND CAPITAL PROGRAMME

34. Table 2 shows that programmed expenditure over the period 2024-25 to 2033-34 is currently forecast at £435m and that approximately £313m will be funded by borrowing. Appendix A1 details the capital programmes by department and Appendix B provides the departmental narratives. Appendix D sets out the budget virements to be approved.

Table 2: General Fund Capital Programme - Month 8 2024-25 to 2033-34

Department	2024-25			2025-26			Total Programme to 2033-34	
	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variations	Revised Budget	Total Forecast
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Children's (incl SSF) and Adults' Services	63,587	62,410	(1,177)	11,005	12,182	1,177	83,016	83,017
Finance	10,215	10,003	(212)	10,727	10,489	(228)	37,933	37,933
Governance & Assurance	7,657	5,677	(1,980)	7,105	13,736	6,632	57,193	57,193
Environment, Neighbourhoods & Growth	45,939	42,423	(3,516)	44,920	46,467	1,547	153,189	153,189
Planning & Growth	29,269	28,985	(284)	33,840	31,661	(2,179)	77,547	77,547
Housing	3,433	2,994	(439)	2,879	2,879	-	26,464	26,464
TOTAL EXPENDITURE	160,100	152,492	(7,608)	110,476	117,423	6,947	435,343	435,343
FUNDED BY:								
Capital Receipts	5,901	5,901	-	10,000	10,000	-	35,901	35,901
Major Repairs allowance	-	-	-	-	-	-	-	-
Reserves	3,466	3,556	90	1,560	1,470	(90)	5,026	5,026
Revenue	-	-	-	-	-	-	-	-
Capital Grants	33,230	31,429	(1,801)	10,669	12,221	1,552	57,349	57,349
Section 106 and CIL	11,090	10,510	(580)	5,243	5,696	453	20,586	20,586
External Contributions	3,080	3,080	-	111	111	-	3,204	3,204
Borrowing	103,333	98,016	(5,317)	82,893	87,925	5,032	313,276	313,277
TOTAL RESOURCES	160,100	152,492	(7,608)	110,476	117,423	6,947	435,343	435,343

CAPITAL PROGRAMME SUPPORTING THE 'SOUTHWARK 2030 STRATEGY'

35. The projects within the current general fund capital programme and the housing investment programme have been assigned to the goals set out in the Southwark 2030 strategy. It is necessarily a broad approach to categorisation as some projects support more than one goal or have been included to fulfil health and safety concerns. There are other projects that are not outward facing but are corporate projects. Grouping by goal, does show the scale of the council's investment and ambitions for the long-term future of Southwark.
36. Overall, the council is investing £359m over 10 years, from the general fund to support the vision of Southwark 2030. The housing investment programme

which mainly comprises of the new build programme and asset management is an additional £1,298m over this same 10-year period. Table 3 allocates the forecast over the Southwark 2030 goals, together with the housing investment programme and the corporate projects. Appendix A2 shows more detail.

Table 3: Southwark 2030: Total forecast capital programme spend

Total Capital Programme 2024/25 - 2033/34	
Southwark 2030 Goals	Forecast
	£'000
Decent Homes for All	26,464
Good Start in Life	70,945
A Safer Southwark	39,268
A Strong & Fair Economy	108,493
Staying Well	27,520
Healthy Environment	86,749
Total Expenditure	359,438
Corporate Projects	75,904
Housing Investment Programme (HIP)	1,298,454
Total General Fund and HIP	1,733,796

37. Broadly, the types of projects within each category are as follows:

- **Decent homes for all.** (Building more homes, investing in maintaining and improving social housing, creating new affordable homes)
- **A good start in life.** (Youth services, school refurbishment, air quality improvements, building of children's homes)
- **A safer Southwark.** (Streetcare improvements, CCTV cameras, school streets)
- **A strong and fair economy.** (Regeneration projects, Peckham rye redevelopment, digital connectivity)
- **Staying well.** (Leisure centres, adult social care home improvements)
- **A healthy environment.** (Cleaner, Greener, Safer projects, investments in parks, air quality, climate emergency projects).

New Capital Bids

38. A new capital bid process was reported to the July 2024 cabinet. Any new bids would be formally reviewed by a Capital Board against the affordability criteria and in alignment with key council principles and brought to cabinet for approval. Affordability of the general fund capital programme is dependent on grant income, 'Section 106', and Community Infrastructure Levy (CIL) receipts and capital receipts. Any shortfall is met through prudential borrowing, which incurs

financing costs. Capital bids totaling £135m were submitted to the capital board in November 2024. As this total was over and above what is affordable the capital board agreed to submit to cabinet for approval those bids that are urgent for health and safety reasons or were key council priorities. The total new bids for these projects are £37m with details in Appendix E and F.

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

39. This report monitors expenditure relating to the council's capital programme. Although as an outturn report this report has been judged to have no direct impact on local people and communities, the expenditure it is reporting reflects plans designed to have an impact on local people and communities. Community impact was considered at the time the projects and programmes were agreed. It is important that resources are efficiently and effectively utilised to support the council's policies and objectives.

Climate change implications

40. This report provides an update on the council's capital programme as a whole and includes climate change programme updates. The impact of individual projects and programmes will be considered in line with constitutional requirements as part of the specific decision making and procurement processes.

Resource implications

41. This report is the capital outturn report which details the budgetary outcomes in 2024-25.

Consultation

42. No consultation has taken place as this report details the 2024-25 capital monitoring report for month 8.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive (Governance and Assurance) [NBC 28.11.2024]

43. The council has a duty to maintain a balanced budget throughout the year and, accordingly, members are required to regularly monitor the council's financial position. Section 28 of the Local Government Act 2003 imposes a duty on the council to monitor its budgets throughout the financial year. The council must take necessary appropriate action to deal with any deterioration in the financial position revealed by the review. This report sets out the current situation regarding report sets out the forecast position at month 8 for the Housing Revenue Account (HRA), General Fund (GF), and Dedicated Schools Grant (DSG) for the 2024-25 financial year.

44. Decisions regarding the strategic aspects of the regulation and control of the council's finances are reserved to the cabinet in accordance with Part 3B of the constitution. This part refers to the cabinet having responsibility for the "council's revenue and capital budgets, including the housing revenue account, ensuring effective financial control and the achievement of value for money, within the provisions of financial standing orders.
45. The council is required under section 149 of the Equality Act 2010 to have due regard to the need to:
- Eliminate unlawful discrimination harassment and victimisation
 - Advance equality of opportunity between people who share protected characteristics and those who do not
 - Foster good relations between people who share protected characteristics and those who do not.
46. Cabinet needs to take account of this duty in considering this report.
47. The Community, equalities (including socio-economic) and health impacts section above indicates that whilst this report has been judged to have no direct impact on local people and communities, the expenditure it is reporting reflects plans designed to have an impact on local people and communities.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix A1	General Fund Capital Programme 2024-25 to 2033-34
Appendix A2	General Fund Capital Programme aligned to Southwark 2030
Appendix B	Departmental General Fund Narratives
Appendix C1	Housing Investment Programme
Appendix C2	New Homes Programme
Appendix D	Variations and Virements
Appendix E	New Capital Bids
Appendix F	New Capital Bids narrative

AUDIT TRAIL

Cabinet Member	Councillor Stephanie Cryan, Equalities, Democracy and Finance	
Lead Officer	Clive Palfreyman, Strategic Director of Resources	
Report Author	Tim Jones, Director of Corporate Finance	
Version	Final	
Dated	19 December 2024	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive, Governance and Assurance	Yes	Yes
Strategic Director, Resources	N/a	N/a
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		19 December 2024

Appendix A - General Fund Capital Programme 2024-25 to 2033-34 Month 7

Capital Programme 2024/25 - 2033/34	2024/25				2025/26			2026/27 - 2033/34			Total Programme 2024/25-2033/34		
Description of Programme / Project	Revised Budget	Spend to Date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Environment, Neighbourhoods and Growth													
CIL 2021- CGS	54	14	54	0	20	20	0	0	0	0	74	74	0
Cleaner Greener Safer	1,884	849	1,884	0	2,916	2,916	0	8,367	8,367	0	13,167	13,167	0
Cycle Superhighway 4 Project	0	0	0	0	150	150	0	2,748	2,748	0	2,898	2,898	0
Southwark School Streets	450	73	450	0	311	311	0	561	561	0	1,323	1,323	0
CIL 2021- Highways	441	74	288	(153)	172	325	153	0	0	0	613	613	0
LIP Programme	2,686	1,428	2,419	(267)	210	477	267	0	0	0	2,896	2,896	0
Other PR Projects	3,852	396	3,630	(221)	3,282	3,403	121	473	573	100	7,607	7,607	0
StreetCare	10,261	3,702	9,911	(350)	6,709	6,709	0	17,362	17,712	350	34,332	34,332	(0)
Street Lighting	2,079	0	1,879	(200)	700	700	0	700	900	200	3,479	3,479	0
Street Market	160	0	160	0	40	40	0	0	0	0	200	200	0
Air Quality	765	375	932	167	563	655	92	359	100	(259)	1,687	1,687	0
Air Quality Action Plan & Climate Emergency Delivery Projects	318	19	318	0	193	193	0	432	432	0	943	943	0
Climate Emergency	3,159	181	3,398	239	2,288	2,179	(109)	14,083	13,954	(130)	19,530	19,530	0
CCTV Cameras	1,000	113	1,000	0	1,250	1,250	0	750	750	0	3,000	3,000	0
Carbon Reduction Investment	0	0	0	0	1,331	1,331	0	0	0	0	1,331	1,331	0
Youth Services	891	49	591	(300)	550	850	300	0	0	0	1,441	1,441	0
Culture	118	14	224	107	127	127	0	267	160	(107)	512	512	0
Cemetery Burial Strategy	6	0	6	0	3	3	0	115	115	0	123	123	0
Drinking Water Fountains throughout Southwark	0	7	8	8	0	0	0	200	192	(8)	200	200	0
Food Waste Collection	1,316	0	1,316	0	0	0	0	0	0	0	1,316	1,316	0
Tree Planting	1,173	399	1,150	(23)	1,927	1,950	23	1,623	1,623	0	4,723	4,723	(0)
CIL 2021- Parks	150	12	100	(50)	750	750	0	246	296	50	1,146	1,146	0
Parks	8,495	2,296	7,170	(1,325)	11,762	11,314	(447)	8,468	10,240	1,772	28,725	28,725	0
South Dock Marina	1,400	260	1,099	(301)	6,365	6,666	301	575	575	0	8,341	8,341	0
Leisure	5,283	1,045	4,436	(847)	3,300	4,147	847	5,000	5,000	0	13,583	13,583	0
Environment, Neighbourhoods and Growth	45,939	11,305	42,423	(3,516)	44,920	46,467	1,547	62,330	64,299	1,969	153,189	153,189	(0)
Planning	1,500	465	1,444	(56)	1,454	1,509	56	0	0	0	2,953	2,953	0
Walworth Town Hall	1,058	0	1,058	0	0	0	0	0	0	0	1,058	1,058	0
Canada Water Leisure Centre	225	52	225	0	0	0	0	0	0	0	225	225	0
Revitalising the Blue	839	79	839	0	1,572	1,572	0	0	0	0	2,411	2,411	0
Riverside Walk	0	0	0	0	50	50	0	1,409	1,409	0	1,459	1,459	0
Regeneration North	2,595	743	2,285	(310)	4,592	4,903	310	379	379	0	7,567	7,567	0
Revitalising Camberwell	0	0	0	0	328	328	0	0	0	0	328	328	0
Peckham Rye Station Redevelopment	1,584	(792)	1,544	(40)	6,790	7,365	575	2,638	2,103	(535)	11,012	11,012	0
The Old Vic	1,500	1,754	1,500	0	2,236	2,236	0	0	0	0	3,736	3,736	0
Regeneration South	6,099	1,359	6,124	25	2,829	2,804	(25)	0	0	0	8,928	8,928	0
21-23 Parkhouse Street	0	0	0	0	670	670	0	2,291	2,291	0	2,961	2,961	0
Peckham Library Square	2,238	127	2,238	0	4,435	4,435	0	0	0	0	6,673	6,673	0
Regeneration Capital	559	130	654	95	4,838	1,743	(3,095)	112	3,112	3,000	5,510	5,510	0
Strategic Acquisitions	202	1	202	0	0	0	0	0	0	0	202	202	0
Property Services	6,071	345	6,071	0	2,037	2,037	0	3,600	3,600	0	11,709	11,709	0
Elephant & Castle Regeneration	4,800	0	4,800	0	2,008	2,008	0	4,008	4,008	0	10,816	10,816	0
Planning & Growth	29,270	4,262	28,985	(286)	33,840	31,661	(2,179)	14,437	16,902	2,465	77,547	77,547	0
Children's and Adults' Services													
Lifecycle Capital Prog- Anchor Homes	1,309	419	1,309	0	1,618	1,618	0	2,877	2,877	0	5,804	5,804	0
Lifecycle Capital Prog- ASC properties	1,000	57	1,000	0	1,158	1,158	0	3,005	3,005	0	5,164	5,164	0
Mosaic Management Information Development	286	154	286	0	305	305	0	0	0	0	591	591	0

Appendix A - General Fund Capital Programme 2024-25 to 2033-34 Month 7

Capital Programme 2024/25 - 2033/34	2024/25				2025/26			2026/27 - 2033/34			Total Programme 2024/25-2033/34		
Description of Programme / Project	Revised Budget	Spend to Date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Bed Based Care	1,000	24	1,000	0	894	894	0	0	0	0	1,894	1,894	0
Changing Places Toilet Programme	14	0	14	0	15	15	0	15	15	0	44	44	0
MH Supported Housing Insourc. Transition	17	0	17	0	0	0	0	0	0	0	17	17	0
Primary Schools Refurbishment Programme	0	0	0	0	2,609	2,609	0	0	0	0	2,609	2,609	0
Primary Schools Refurbishment Programme Pre 24/25	1,476	198	1,476	(0)	0	0	0	0	0	0	1,476	1,476	(0)
Primary Schools Refurbishment Programme Contingency Pre 24/25	844	0	844	0	0	0	0	0	0	0	844	844	0
Primary Schools Refurbishment Programme 24/25	4,815	731	3,638	(1,177)	0	1,177	1,177	0	0	0	4,815	4,815	0
Beormund Primary School Redevelopment	17,475	383	17,475	0	367	367	0	0	0	0	17,842	17,842	0
Ilderton Primary - Air Quality Improvements	1	0	1	0	0	0	0	0	0	(0)	1	1	(0)
Permanent Expansion	11,345	5,925	11,345	0	695	695	0	0	0	0	12,041	12,041	0
Riverside Primary School	6,213	1,894	6,213	(0)	154	154	0	28	28	0	6,394	6,394	(0)
Rotherhithe Primary School Expansion	640	220	640	0	0	0	0	0	0	0	640	640	0
SEND and Disabilities Development	11,172	75	11,172	(0)	3,159	3,159	0	2,500	2,500	0	16,832	16,832	(0)
Southwark Inclusive Learning Service KS4	3,200	0	3,200	0	0	0	0	0	0	0	3,200	3,200	0
Childrens Homes	2,238	196	2,238	(0)	30	30	0	0	0	0	2,268	2,268	(0)
School Retention	177	0	177	0	0	0	0	0	0	0	177	177	0
Southwark Schools for the Future	365	0	365	0	0	0	0	0	0	0	365	365	0
Children's and Adults' Services Total	63,587	10,275	62,410	(1,177)	11,005	12,182	1,177	8,425	8,425	0	83,017	83,017	0
Housing													
Gypsy and Travellers Site Fire Safety Reconfiguration	468	0	468	0	0	0	0	0	0	0	468	468	0
Housing Renewal	2,965	707	2,526	(439)	2,879	2,879	0	20,152	20,591	439	25,996	25,996	0
Housing Total	3,433	707	2,994	(439)	2,879	2,879	0	20,152	20,591	439	26,464	26,464	0
Finance													
Public Switched Telephone Network (PSTN) Digitalisation	253	268	253	0	969	969	0	0	0	0	1,222	1,222	0
Laptop Refresh	4,798	1,537	6,036	1,239	5,618	6,431	814	8,296	6,244	(2,052)	18,712	18,712	0
Digital Strategy	5,164	1,291	3,714	(1,450)	4,140	3,098	(1,042)	8,696	11,188	2,492	18,000	18,000	0
Finance Total	10,215	3,096	10,003	(211)	10,727	10,498	(228)	16,992	17,432	440	37,933	37,933	0
Governance & Assurance													
PPM & Compliance Programme (CRP)	400	255	400	0	400	400	0	16,093	16,093	0	16,893	16,893	0
Operational Buildings Life Cycle Investment	7,257	862	5,277	(1,981)	6,705	13,336	6,632	26,338	21,687	(4,651)	40,300	40,300	0
Governance & Assurance Total	7,657	1,116	5,677	(1,981)	7,105	13,736	6,632	42,431	37,780	(4,651)	57,193	57,193	0
Capital Programme 2024/25-2033/34													
Total General Fund Programme													
	2024/25				2025/26			2026/27 - 2033/34			Total Programme 2024/25-2033/34		
	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Expenditure	160,101	30,761	152,492	(7,609)	110,475	117,423	6,947	164,766	165,428	662	435,343	435,343	0
Total Resources	56,767	0	54,476	(2,291)	27,583	29,498	1,915	37,716	38,092	376	122,066	122,066	0
Forecast Variation (under)/over.	103,334	30,761	98,016	(5,318)	82,892	87,925	5,032	127,050	127,336	286	313,277	313,277	0
Cumulative position					186,227	185,941	(286)	313,277	313,277	(0)	313,277	313,277	0

Appendix A1 - General Fund Capital Programme 2024-25 to 2033-34 Month 7

Capital Programme 2024/25 - 2033/34	2024/25				2025/26			2026/27 - 2033/34			Total Programme 2024/25-2033/34		
Southwark 2030 Goals - Description of Programme / Project	Revised Budget	Spend to Date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Decent Homes for All													
Gypsy and Travellers Site Fire Safety Reconfiguration	468	0	468	0	0	0	0	0	0	0	468	468	0
Housing Renewal	2,965	707	2,526	(439)	2,879	2,879	0	20,152	20,591	439	25,996	25,996	0
Total Decent Homes for All	3,433	707	2,994	(439)	2,879	2,879	0	20,152	20,591	439	26,464	26,464	0
A Good Start in Life													
Youth Services	891	49	591	(300)	550	850	300	0	0	0	1,441	1,441	0
Primary Schools Refurbishment Programme	0	0	0	0	2,609	2,609	0	0	0	0	2,609	2,609	0
Primary Schools Refurbishment Programme Pre 24/25	1,476	198	1,476	(0)	0	0	0	0	0	0	1,476	1,476	(0)
Primary Schools Refurbishment Programme Contingency Pre 24/25	844	0	844	0	0	0	0	0	0	0	844	844	0
Primary Schools Refurbishment Programme 24/25	4,815	731	3,638	(1,177)	0	1,177	1,177	0	0	0	4,815	4,815	0
Beormund Primary School Redevelopment	17,475	383	17,475	0	367	367	0	0	0	0	17,842	17,842	0
Ilderton Primary - Air Quality Improvements	1	0	1	0	0	0	0	0	0	(0)	1	1	(0)
Permanent Expansion	11,345	5,925	11,345	0	695	695	0	0	0	0	12,041	12,041	0
Riverside Primary School	6,213	1,894	6,213	(0)	154	154	0	28	28	0	6,394	6,394	(0)
Rotherhithe Primary School Expansion	640	220	640	0	0	0	0	0	0	0	640	640	0
SEND and Disabilities Development	11,172	75	11,172	(0)	3,159	3,159	0	2,500	2,500	0	16,832	16,832	(0)
Southwark Inclusive Learning Service KS4	3,200	0	3,200	0	0	0	0	0	0	0	3,200	3,200	0
Childrens Homes	2,238	196	2,238	(0)	30	30	0	0	0	0	2,268	2,268	(0)
School Retention	177	0	177	0	0	0	0	0	0	0	177	177	0
Southwark Schools for the Future	365	0	365	0	0	0	0	0	0	0	365	365	0
Total A Good Start in Life	60,852	9,670	59,375	(1,477)	7,565	9,042	1,477	2,528	2,528	(0)	70,945	70,945	(0)
A Safer Southwark													
Southwark School Streets	450	73	450	0	311	311	0	561	561	0	1,323	1,323	0
CIL 2021- Highways	441	74	288	(153)	172	325	153	0	0	0	613	613	0
StreetCare	10,261	3,702	9,911	(350)	6,709	6,709	0	17,362	17,712	350	34,332	34,332	(0)
CCTV Cameras	1,000	113	1,000	0	1,250	1,250	0	750	750	0	3,000	3,000	0
Total A Safer Southwark	12,152	3,962	11,649	(503)	8,443	8,596	153	18,674	19,023	350	39,268	39,268	(0)
A Strong & Fair Economy													
LIP Programme	2,686	1,428	2,419	(267)	210	477	267	0	0	0	2,896	2,896	0
Street Market	160	0	160	0	40	40	0	0	0	0	200	200	0
Culture	118	14	224	107	127	127	0	267	160	(107)	512	512	0
South Dock Marina	1,400	260	1,099	(301)	6,365	6,666	301	575	575	0	8,341	8,341	0
Planning	1,500	465	1,444	(56)	1,454	1,509	56	0	0	0	2,953	2,953	0
Walworth Town Hall	1,058	0	1,058	0	0	0	0	0	0	0	1,058	1,058	0
Revitalising the Blue	839	79	839	0	1,572	1,572	0	0	0	0	2,411	2,411	0
Riverside Walk	0	0	0	0	50	50	0	1,409	1,409	0	1,459	1,459	0
Regeneration North	2,595	743	2,285	(310)	4,592	4,903	310	379	379	0	7,567	7,567	0
Revitalising Camberwell	0	0	0	0	328	328	0	0	0	0	328	328	0
Peckham Rye Station Redevelopment	1,584	(792)	1,544	(40)	6,790	7,365	575	2,638	2,103	(535)	11,012	11,012	0
The Old Vic	1,500	1,754	1,500	0	2,236	2,236	0	0	0	0	3,736	3,736	0
Regeneration South	6,099	1,359	6,124	25	2,829	2,804	(25)	0	0	0	8,928	8,928	0
21-23 Parkhouse Street	0	0	0	0	670	670	0	2,291	2,291	0	2,961	2,961	0
Peckham Library Square	2,238	127	2,238	0	4,435	4,435	0	0	0	0	6,673	6,673	0
Regeneration Capital	559	130	654	95	4,838	1,743	(3,095)	112	3,112	3,000	5,510	5,510	0
Strategic Acquisitions	202	1	202	0	0	0	0	0	0	0	202	202	0
Property Services	6,071	345	6,071	0	2,037	2,037	0	3,600	3,600	0	11,709	11,709	0

Elephant & Castle Regeneration	4,800	0	4,800	0	2,008	2,008	0	4,008	4,008	0	10,816	10,816	0
Public Switched Telephone Network (PSTN) Digitalisation	253	268	253	0	969	969	0	0	0	0	1,222	1,222	0
Digital Strategy	5,164	1,291	3,714	(1,450)	4,140	3,098	(1,042)	8,696	11,188	2,492	18,000	18,000	0
Total A Strong & Fair Economy	38,826	7,471	36,630	(2,197)	45,692	43,038	(2,654)	23,975	28,825	4,850	108,493	108,493	0
Staying Well													
Drinking Water Fountains throughout Southwark	0	7	8	8	0	0	0	200	192	(8)	200	200	0
Leisure	5,283	1,045	4,436	(847)	3,300	4,147	847	5,000	5,000	0	13,583	13,583	0
Canada Water Leisure Centre	225	52	225	0	0	0	0	0	0	0	225	225	0
Lifecycle Capital Prog- Anchor Homes	1,309	419	1,309	0	1,618	1,618	0	2,877	2,877	0	5,804	5,804	0
Lifecycle Capital Prog- ASC properties	1,000	57	1,000	0	1,158	1,158	0	3,005	3,005	0	5,164	5,164	0
Mosaic Management Information Development	286	154	286	0	305	305	0	0	0	0	591	591	0
Bed Based Care	1,000	24	1,000	0	894	894	0	0	0	0	1,894	1,894	0
Changing Places Toilet Programme	14	0	14	0	15	15	0	15	15	0	44	44	0
MH Supported Housing Insourc. Transition	17	0	17	0	0	0	0	0	0	0	17	17	0
Total Staying Well	9,134	1,757	8,294	(839)	7,290	8,137	847	11,097	11,089	(8)	27,520	27,520	0
A Healthy Environment													
CIL 2021- CGS	54	14	54	0	20	20	0	0	0	0	74	74	0
Cleaner Greener Safer	1,884	849	1,884	0	2,916	2,916	0	8,367	8,367	0	13,167	13,167	0
Cycle Superhighway 4 Project	0	0	0	0	150	150	0	2,748	2,748	0	2,898	2,898	0
Other PR Projects	3,852	396	3,630	(221)	3,282	3,403	121	473	573	100	7,607	7,607	0
Street Lighting	2,079	0	1,879	(200)	700	700	0	700	900	200	3,479	3,479	0
Air Quality	765	375	932	167	563	655	92	359	100	(259)	1,687	1,687	0
Air Quality Action Plan & Climate Emergency Delivery Projects	318	19	318	0	193	193	0	432	432	0	943	943	0
Climate Emergency	3,159	181	3,398	239	2,288	2,179	(109)	14,083	13,954	(130)	19,530	19,530	0
Carbon Reduction Investment	0	0	0	0	1,331	1,331	0	0	0	0	1,331	1,331	0
Cemetery Burial Strategy	6	0	6	0	3	3	0	115	115	0	123	123	0
Food Waste Collection	1,316	0	1,316	0	0	0	0	0	0	0	1,316	1,316	0
Tree Planting	1,173	399	1,150	(23)	1,927	1,950	23	1,623	1,623	0	4,723	4,723	(0)
CIL 2021- Parks	150	12	100	(50)	750	750	0	246	296	50	1,146	1,146	0
Parks	8,495	2,296	7,170	(1,325)	11,762	11,314	(447)	8,468	10,240	1,772	28,725	28,725	0
Total A Healthy Environment	23,250	4,541	21,837	(1,413)	25,884	25,563	(321)	37,615	39,348	1,734	86,749	86,749	(0)
Corporate Projects													
Laptop Refresh	4,798	1,537	6,036	1,239	5,618	6,431	814	8,296	6,244	(2,052)	18,712	18,712	0
PPM & Compliance Programme (CRP)	400	255	400	0	400	400	0	16,093	16,093	0	16,893	16,893	0
Operational Buildings Life Cycle Investment	7,257	862	5,277	(1,981)	6,705	13,336	6,632	26,338	21,687	(4,651)	40,300	40,300	0
Total Corporate Projects	12,455	2,653	11,713	(742)	12,722	20,168	7,445	50,727	44,024	(6,703)	75,904	75,904	0
Capital Programme 2024/25-2033/34	Total General Fund Programme												
	2024/25				2025/26			2026/27- 2033/34			Total Programme 2024/25-2033/34		
	Revised Budget	Spend to date	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance	Revised Budget	Forecast	Variance
	£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Total Expenditure	160,101	30,761	152,492	(7,609)	110,475	117,423	6,947	164,766	165,428	662	435,343	435,343	0
Total Resources	56,767	0	54,476	(2,291)	27,583	29,498	1,915	37,716	38,092	376	122,066	122,066	0
Forecast Variation (under)/over.	103,334	30,761	98,016	(5,318)	82,892	87,925	5,032	127,050	127,336	286	313,277	313,277	0
Cumulative position					186,227	185,941	(286)	313,277	313,277	0	313,277	313,277	0

DEPARTMENTAL NARRATIVES

APPENDIX B

ENVIRONMENT SUSTAINABILITY & LEISURE

1. The total value of the capital programme for the department is currently £153.2m for the 10-year programme. The projected 2024-25 outturn is £42.4m against the revised budget of £45.9m (after allowing for reprofiling of budgets due to slippage in this year's programme).
2. The Department has setup a capital programme review board to strengthen the focus on capital projects, their delivery and to help unblock any bottlenecks that may be preventing delivery to plan. The second meeting took place in October 2024 and focused on performance for the first half of the year to enable appropriate revisions for month 8 monitoring.
3. Table 1 below summaries the 2024-25 financial position by key schemes and responsible division:

Table 1

	2024/25						
	Agreed Budget	Budget Virements	Budget Variations	Revised Budget	Spend	Forecast	Variance
	£	£	£	£	£	£	£
Leisure	5,282,721	0	0	5,282,721	1,044,852	4,435,721	(847,000)
South Dock Marina	1,400,000	0	0	1,400,000	260,116	1,099,460	(300,540)
Parks - Programme and Projects	5,469,421	0	30,000	5,499,421	1,631,155	4,442,678	(1,056,743)
Parks - Others	4,314,471	0	10,000	4,324,471	1,093,927	3,991,162	(333,309)
Culture	878,471	0	130,000	1,008,471	62,469	814,971	(193,500)
TOTAL - Leisure & Culture	17,345,084	0	170,000	17,515,084	4,092,519	14,783,992	(2,731,092)
Climate Change and Sustainability	3,158,650	0	0	3,158,650	181,031	3,397,512	238,862
TOTAL - Climate Change and Susta	3,158,650	0	0	3,158,650	181,031	3,397,512	238,862
Street Lighting	2,079,100	0	0	2,079,100	0	1,879,100	(200,000)
Regulatory Services	1,082,979	0	0	1,082,979	416,362	1,250,299	167,320
StreetCare	7,584,429	0	2,676,195	10,260,624	3,701,904	9,910,829	(349,795)
Other PR Projects	4,681,630	0	61,101	4,742,731	547,508	4,368,357	(374,374)
LIP PROGRAMME	2,686,328	0	0	2,686,328	1,427,761	2,419,328	(267,000)
Cleaner Greener Safer	1,934,138	0	3,610	1,937,748	870,105	1,937,748	0
Street Market	60,000	0	100,000	160,000	0	160,000	0
Stronger Neighbourhoods	1,000,000	0	0	1,000,000	112,699	1,000,000	0
Waste & Cleaning	1,315,889	0	0	1,315,889	0	1,315,889	0
TOTAL - Environment	22,424,492	0	2,840,906	25,265,398	7,076,339	24,241,550	(1,023,849)
TOTAL	42,928,226	0	3,010,906	45,939,132	11,349,889	42,423,053	(3,516,079)

The financial overview and progress of some of the major programmes by Division are detailed below

Climate Change & Sustainability Division

4. The projected 2024-25 outturn is £3.2m against the revised budget of £3.1m mainly due to reprofiling existing budgets to ensure a realistic target is set for the year.
5. Cabinet agreed an additional £25m capital budget to enable the council to do more, faster, to reduce carbon emissions. £23m has been allocated to strategic

project areas that meet our carbon reduction ambition as set out in the council's climate action plan, with £5.65m spent as at the end of the last financial year. The remaining funding will be allocated to project areas by Councillor Batteson at Council Assembly in November 2024.

6. The following schemes are expected to be completed this year:

- Crampton school heat pump retrofit. £1m
- LED replacement – Street lighting & Parks. £0.9m
- Cycle Hanger programme. £0.5m
- Dulwich village junction. £0.25m
- Leisure centre retrofit. £0.35m
- Library site heat pump & LED lighting retrofit. £0.25m
- Social care centres window replacement programmes. £0.2m

Leisure Division

7. The projected 2024-25 outturn is £14.8m against the revised budget of £17.5m.

Parks, Leisure Centres. Youth and Play

8. The programme includes 34 individual projects. The most significant expenditure in the programme this year will be in respect of the following projects:

- South Dock Marina Boatyard Essential H&S works - construction works (£1.1m). Planning consent is now expected in January 2025, following delays associated with additional requirements linked to the planning application, so this will impact on the scale of what can be delivered this year.
- Burgess Park Sports Pavilion and Pitches - completion of pavilion construction, ancillary landscaping and basketball court (£1.8m)
- Borough wide tree planting programme - £1.15m (Nov 24 – Mar 25)
- Peter Hills Footbridge replacement - £650k
- Parks Footpaths repair & Replacement - £250k
- South Dock Marina Boatyard Crane – supply and installation - £300k
- Adventure Playgrounds – construction at 3 sites (£1.5m)
- Active Southwark Community Investment Fund – 3rd 4th and 5th round grants awarded and projects delivered (£755k)

9. There are also 11 individual projects, covering lifecycle maintenance and significant improvement works at various Leisure Centres. The programme includes roof repairs and glass replacement at Dulwich Leisure Centre, roof repairs at Camberwell Leisure Centre, replacement of training boats at Surrey Docks Fitness & Watersport Centre, structural repairs to Dulwich Leisure Centre Fitness Room and electrical works at Dulwich and Camberwell Leisure Centre. Each Leisure centre is receiving a major upgrade to the gym facilities, bringing

high-quality, modern equipment to all sites. Alongside these exciting refurbishment programmes, we have commenced the process of fitting out the brand-new Canada Water Leisure centre with state-of-the-art facilities and equipment, ahead of the opening of the new centre in 2025.

- Leisure centre lifecycle maintenance – £246k
- Camberwell Roof lantern – £150k
- Canada Water Leisure Centre – £1.04m
- Leisure Centre Gym replacements – £1.6m
- Leisure Centre remedial repairs and improvements – £500k
- Leisure Centres digital transformation – £200k

10. Included within the Youth and Play Service capital budget (Youth New Deal) is approximately £590k remaining for planned capital works, including significant improvements to the Brandon Youth Centre. Public consultation on the designs of a new entrance and significant improvements to the facilities is underway, with work commencing in the early new year.

Libraries and Culture

11. The libraries capital programme includes IT innovation projects, building improvements and costs associated with new library projects and library refurbishments. The budget for 2024/25 is being used to fund the Dulwich library refurbishment project. Project is due to start in Q4 of 2024-25.

Environment Division

12. The projected 2024-25 outturn is £24.2m against the revised and reprofiled budget of £25.2m.

Cleaner Greener Safer, (Including air quality projects)

13. The Cleaner Greener Safer 2024-25 programmes spend, and completion targets were agreed at the start of the year: 200 projects have been committed at an estimated cost of £1.94 million. These include the refurbishment of rotten planting beds at Cossal Estate, the removal of graffiti on a building on Alpha Street and protecting it with anti-graffiti coating, building a new playground for under 5s in Peckham Park Rye and installing secure bicycle parking at Rockingham estate. Progression against targets is going well. Targets will be reviewed in the autumn and revised if needed.

The Mayor's Air Quality Fund (MAQF)

14. A new project has commenced using money from MAQF working with schools to raising awareness of asthma, enhance the health and educational experience of students, particularly those with asthma, by monitoring air quality and promoting awareness and behavioural change. The project will monitor indoor air quality in classrooms and in pupil's homes by collecting real-time pollution data in these environments. Currently the council is completing the

necessary procurement to support the delivery of the project and undertaking various promotional activities to increase participation in the project. Signing up of participating schools and pupils will take place during the period September to November 2024.

15. Earlier projects funded through the MAQF have now been completed, including the Walworth Low Emission Neighbourhood (LEN). Bookable permit holder only loading bays are being trialled on Walworth Road to reduce parking stress for loading and unloading commercial vehicles and to improve air quality.

Streets and Highways

16. The Non-Principal Road (NPR) programme, delivering major resurfacing of footways and carriageways is on target. November and December will see an increase in spend as the carriageway resurfacing programme will be underway, leading to faster expenditure, due to the nature of the work. Spend will then flatten off again towards the end of the year as the carriageway programme ends but work continues more steadily on the footway programme.
17. School Streets Programme - It is hoped that schemes will commence towards the end of the financial year but this will be dependent on legal issues concerning loading and unloading restrictions being addressed.
18. Cox's Walk footbridge major repair works commenced in February 2023 and is expected to be completed at the end of November 2024. The projected cost increased significantly due to inflation and the severe deterioration of the abutments and labour-intensive works to avoid the tree roots. An additional capital growth bid was agreed for the funding required to complete the works.
19. The cycle hangars programme has started well, with 25 delivered to date and a further 37 planned for installation during November / December. Informal consultation has been carried out on 41 more locations that will form many of the remaining installations for the year.

CHILDREN AND ADULTS SERVICES

1. The total value of the department capital programme for the 10-year period, 2024-25 to 2034-35 is £83m.

Adult Social Care

2. The capital programme value for the period 2024-25 to 2034-35 is £13.5m. The main projects are: £5.8m for an essential lifecycle capital programme for the four residential care homes; £5.2m in respect of a programme of improvements to existing care settings; and £1.9m allocated towards new bed-based care within the borough through the provision of a new nursing home.
3. The Adult Social Care Capital Board has identified a number of priorities for 2024-25 and beyond, in order to meet current and future needs of vulnerable adults in the borough. Accessibility is the key to improving the lives of those with disabilities and their carers. Projects such as the council's contribution to the provision of new Changing Places Toilets and the insourcing of three hostels have been undertaken to deliver improved services to all.
4. The Adult Social Care service continues to invest in its property portfolio to ensure buildings provide a safe and secure environment for staff and users. A proactive strategy of replacing building assets as they reach the end of their lifecycle and investing in low carbon/sustainable technology results in fewer breakdowns, lower maintenance and operating costs and helps the council meet its low carbon commitment.
5. The capital programme also includes an estimated £0.6m to enhance the council's social care IT systems to develop business intelligence that will drive savings, enhance management information and result in improved outcomes for our service users.
6. The council owns a range of properties that are used by Adult Social Care for residential and nursing care for older people and supported living accommodation for mental health and learning disabilities service users. The lifecycle work on these properties, including four residential/nursing homes for the elderly, consists of a five-year programme to March 2029 to upgrade and maintain the buildings fabric and the mechanical and electrical infrastructure. The work also includes a number of projects that will make the buildings more energy efficient and help the council meet its low carbon target. These projects include LED lighting, installing air source heat pumps (ASHP), new double glazed windows and solar panels.
7. The four residential/nursing homes programme reflects the responsibilities agreed with the new care provider Agincare who are taking over the redecoration of residents' en-suite rooms. The programme consists of various projects of life cycle works such as lifts, replacement lighting, fire alarms, window replacements and pipework. Connection of heating system to

the SELCHP district heating network at Bluegrove and Waterside is being investigated with a planned tender later in the year and completion by 2025.

8. The planned lifecycle work on ASC Supported Living accommodation is ongoing. Following refurbishment at Grosvenor Terrace, contractors have been instructed to proceed with windows replacement. Redecorations at Crebor Street have been carried out at one of the upstairs flat while assessing requirements for the rest of the property, and roof repairs at Southwark Resource Centre are in progress. Significant works to the heating and cooling system at Riverside/Cherry Garden have been put on hold due to the longer-term decisions that are to be made on the future of the building.
9. The Corporate Facilities Management team are in the process of carrying out condition surveys to identify the feasibility, cost/benefit return and prioritisation of further low carbon schemes. This will be done with a view to reviewing the projects included in the latter part of the five-year programme, producing an updated programme for 2026-30 and obtaining authorisation to proceed with the next tranche of works in 2026-28.

Children's Services and Southwark Schools Capital Programme

10. The Children's Services capital programme forecast for 2024-25 to 2034-35 is £69.5m. This consists of £9.7m for the schools refurbishment programme and £16.8m for special education needs and disabilities capital strategy. It also includes certain specific projects such as £12m for Charter School and other permanent expansion retention costs, £17.8m for Beormund Special School and £6.3m for Riverside Primary School, £0.6m for Rotherhithe Primary School, as well as £2.2m for the development of the two children's homes.
11. The overall programme is focussed on rightsizing provision, ensuring estate remains fit for purpose. In addition, a key priority is to ensure there is sufficient high needs provision in the borough to meet future need. Rising construction prices affect the capital programme by increasing demands on existing resources. Material costs are beginning to stabilise, but the shortage of labour is now the biggest concern for contractors with wage inflation outstripping the general marketplace.
12. There is some excess capacity in the primary sector (albeit spread unequally across the borough) because of falling rolls caused by a reduced birth rate and a change in the population demographics. The government has set an aspiration to see more of these spaces adapted to provide the expanded child care offer, and there is a dual pressure to increase the availability of targeted special educational needs spaces within our mainstream schools to increase inclusion of these children in mainstream settings, with lower pupil ratios and specialist resources. Opportunities are being explored to maximise the use of existing assets for these and other purposes to ensure the best outcomes for children, continued viability of schools and the efficient use of the council's resources. These proposals may be subject to future

capital bids. There is also pressure to develop more standalone special needs provision to ensure capacity meets the future need for our pupils, which is a national issue for all education authorities.

13. Furthermore, another key priority of the programme is to ensure that any new school buildings are energy efficient in line with the council's target to become carbon neutral by 2030. To address this, all current new school buildings have to meet a BREEAM 'excellent' standard, which means they are disconnected from the gas network. Changes in the Planning process also require higher levels of 'biodiversity' to be provided and this can be difficult in school environments on tight inner-city sites and may require more expensive systems (such as green roofs) to meet these target areas.
14. Projects are in process at present for the development of two new children's homes. The main construction works on the first home are complete, with the service organising for OFSTED approvals. For the second, the main contract is about to be awarded and start on site at the end of November 2024. Completion will be in June/July 2025 and will open as a care home for children in late Summer/Autumn 2025.

Primary Provision

15. The Primary School refurbishment programme delivers an annual programme of planned refurbishment works alongside emergency reactive works where necessary. Under this programme, the decarbonisation strategy for the school estate will be developed to plan for the move away from using fossil fuels in the heating of schools. This programme also includes work to improve the air quality around schools utilising GLA grant funding for this. This programme is funded from the School Condition Allocation grant, and it is calculated based on pupil numbers therefore the yearly allocation has been reducing in line with falling rolls. Funding of £1.115m has been secured from the Climate Capital Fund to fund works at two schools and £0.3m for Air Quality projects is being funded from the Environmental Protection Team. New funding bids are being submitted to the Public Sector Funding Scheme administered by Salix Finance to decarbonise three further schools.
16. At Riverside Primary School a defective early year's classrooms and a new dining space are being built alongside this a new safe entrance into the school is also being provided. Contractors are almost complete with phase 1 of the scheme, which includes the new classrooms and the dining hall. This contract commenced in the October 2023 half term. Expected completion date for phase 1 of this project is autumn 2024. Phase 2 will cover the new entrance works into the main school building and this contract has been awarded to the Phase 1 contractor. Work will start on this phase as soon the existing dining room is vacated into the new dining hall.

Secondary Provision

17. The Charter School East Dulwich is being expanded to address a shortfall in spaces in the local area. The project is in its second stage, with the

demolition of the former buildings already completed and construction of a new hall, renovation of the original 'Chateau' building and new play landscaping underway. This work also includes the additional resource base for 20 SEN pupils. The original completion date for the project has been delayed due to the main works contractor withdrawing from the contract. Therefore, new procurement arrangements had to be undertaken. Construction work commenced in December 2023 and the new facilities are expected to be available to the school in February /March 2025.

Special Education Needs provision

18. In order to address a growth in the number of pupils with Education Health and Care Plans (EHCPs), options are being explored to redefine the local offer of special education provision from the early years to post-19 in Southwark. This is being done to increase the cost effectiveness of provision and reduce the incidence of pupils being educated out of borough or in high cost independent schools, which do not necessarily provide the best outcomes.
19. Beormund School is being expanded and relocated to Peckham. The new site will provide a purpose-built facility and support modern teaching techniques and learning for the Beormund SEMH School. It will also increase the school capacity to 56 pupils. The contract for the Pre-Construction Services Agreement is still on going and won't compete until December 2024. The award of the main contract is after the PCSA is complete and this is currently December/January of this year with works starting in February/March 2025. The anticipated completion for the project is Autumn/Winter 2026.
20. All recently closed community maintained school sites are earmarked for redevelopment into special needs provision, including the expansion of existing special schools into new satellite sites. Capital plans are being developed to inform these proposals.

HOUSING – GENERAL FUND CAPITAL

1. The Housing General Fund capital programme is forecast to spend approximately £26.5m over the period to 2033-34, comprising housing renewal schemes (£26m) and residual works on travellers' sites (£0.5m).

Asset Management - Housing Renewal

2. The aim of the housing renewal programme is to support vulnerable people in living independently in private sector accommodation through assistance with repairs, improvements and adaptations to their homes. It also aims to provide support to private landlords and property owners in bringing empty properties back into use. This support is provided through the provision of grants and loans and is largely funded through the Disabled Facilities Grant (DFG) and the council's own resources. The DFG service has been successful in increasing the delivery of major adaptations. Demand remains high, averaging eight referrals per month.
3. The Empty Homes service was successful in bringing 43 empty homes back into use during 2023-24, with promotional campaigns continuing to run. Cabinet approved additional resources of £2m specifically for the compulsory purchase of empty homes, and to date, eight properties have been identified for acquisition. Officers are attempting to make contact with the property owners to bring the properties back into use.

Resident Services - Traveller Sites

4. A comprehensive programme of reconfiguration and improvement works to address health and safety and compliance issues (principally fire safety) has already been undertaken and further investment in sites is planned.

RESOURCES

1. The total value of the finance capital programme for the ten years to 2033-34 is £38m.

Technology and Digital Services (TDS)

2. TDS supports and manages investment in the Council's IT infrastructure to improve the online experiences of residents and enable them to access our services efficiently. This investment is crucial for enhancing public services across communities and helping the Council become one of the best-connected and digital boroughs in London.
3. The former IT Investment and Smart Working programmes have concluded, and two new programmes have been approved: the Laptop Refresh programme with a budget of £18.5m and the Digital Strategy with £18m allocated for future initiatives.
4. The Laptop Refresh programme will focus on replacing older devices for employees, ensuring they have the necessary tools to work effectively with investment of £5.6m planned equally across 2024-25 and 2025-26.
5. Investment in network and infrastructure will concentrate on upgrading networking technology across the wider operational estate and improving workplace collaboration through enhanced meeting spaces. The current overall programme spend is £3.1m with £1.4m of investment in this year.
6. The cloud migration programme includes the review and completion of the data centre migration, embracing cloud computing to support the Council in becoming a data-led organisation. Spend in 2024-25 is forecast at £1.2m
7. Additionally, the Microsoft 365 migrations at an estimated cost of £0.7m will involve moving data to OneDrive and SharePoint, enhancing collaboration and data accessibility for employees.
8. In addition to the specific schemes mentioned, there are a number of smaller projects which, together with the cost of resourcing delivery, make up the balance of this year's programme.

Public Switched Telephone Network (PSTN)

9. In November 2017, BT Openreach announced they would be switching off the Public Switched Telephone Network (PSTN) in December 2025. The PSTN allows the delivery of "analogue" telecommunications services via copper lines and is being switched off to be replaced with Voice over Internet Protocol (VoIP) services delivered over a fibre network. Switching off the PSTN and moving to VoIP is also called the digital switchover.

10. There are a number of technologies that are dependent on PSTN wiring and need to be upgraded to deal with this change. For the Council, this includes our lift infrastructure and SMART monitor systems. The initial general fund programme budget of £3.59m was approved to enable works relating to Telecare (SMART), Council offices, Schools & Nurseries and Highways and CCTV.
11. The aim of the programme was to manage all commercial and residential services that will be affected by the Public Switched Telephone Network (PSTN) switch off that is due to be completed by December 2025. This involves overseeing the migration, replacement and implementation of new technologies to limit the effect of this decision upon the residents, services provided and officers within Southwark.
12. The strategy to deliver the equipment upgrade necessary for residents who are receiving the Telecare (SMART) service has been revised. Further consideration of the options available mean that the initial upfront cost can now be spread across a number of years, alleviating the need to directly call on the PSTN capital programme budget. As such, Cabinet were asked to approve a variation to the overall PSTN budget to remove the £2m set aside for Telecare. This variation was approved at Month 4 by Cabinet in October 2024 reducing the programme budget to £1.59m.
13. Spend on PSTN for 2024-25 remains broadly on target to that previously reported to Cabinet at £257k, a figure that is now expected to conclude the programme. This will be monitored in 2025-26 and Cabinet asked to approve a variation to the programme budget as necessary.

Planning and Growth

14. The total value of the capital programme for the department is currently £77.5m for the 10-year programme. The projected 2024-25 outturn is £28.9m against the revised budget of £29.2m (after allowing for reprofiling of budgets due to slippage in this year's programme).
15. Table 1 below summaries the 2024/25 financial position by key schemes and responsible division:

Table 1

	2024/25						
Teams	Agreed Budget	Budget Virements	Budget Variations	Revised Budget	Spend	Forecast	Variance
	£	£	£	£	£	£	£
Planning	1,387,675	120,971	25,000	1,533,646	487,787	1,478,128	(55,518)
Sustainable Growth - North	4,353,094	0	330,000	4,683,094	859,715	4,373,000	(310,094)
Sustainable Growth - South	11,542,171	(120,971)	0	11,421,200	2,438,739	11,406,200	(15,000)
Sustainable Growth - Capital Projects	559,438	0	0	559,438	130,101	654,438	95,000
Property Services	6,272,785	0	0	6,272,785	346,009	6,272,785	0
E&C REFCUS(Regen North)	4,800,000	0	0	4,800,000	0	4,800,000	0
TOTAL - Planning & Growth	28,915,163	0	355,000	29,270,163	4,262,351	28,984,551	(285,612)

The progress of some of the major programmes by Division are detailed below: -

Peckham Rye Station development

16. Phase 2 tender documents are being finalised, for the works to demolish the buildings in front of the station to form the new civic square, with a start on site anticipated for Spring 2025. This scheme will be further complemented by a planned major upgrade to Peckham Rye station. This will deliver a fully accessible station, subject to Department for Transport (DfT) funding. As part of the Station scheme the council is investing £1m of Strategic Community Infrastructure Levy funding.

Aylesbury Plot 18

17. This council flagship scheme in Walworth, will provide new community facilities including a new library, a GP health centre including community health and early year's facilities surrounding a new public square. Una Marson Library completed in autumn 2023 and it is anticipated that the Harold Moody Health Centre will be completed by the end of the year.

GOVERNANCE AND ASSURANCE

Asset Management - Corporate Facilities Management (CFM)

1. The CFM capital programme continues to focus on Lifecycle works where the priorities are maintenance of the fabric of operational buildings, meeting sustainability targets through upgrading heating and lighting systems; including the installation of air sourced heat pumps and LED lights. However there has been a strategic shift in focus towards workplace projects. A number of these projects are currently in the planning and feasibility stage and mainly scheduled to be delivered in the next financial year. This shift is aimed at enhancing our workplace environment and improving overall operational efficiency.
2. There is also a separate Compliance programme where CFM supports the council in meeting its statutory responsibilities through a comprehensive inspection and assessment regime. The investment ensures operational buildings are compliant with building standards and health & safety rules and regulations and helps to provide environments that support the wellbeing of both staff and service users.
3. The 2024-25 forecast of £5.3m at Month 7 is reduced from the previous forecast of £7.3m. The mixture of planned investment, changing strategies and allowance for contingency for individual project spend variances and / or activity that is unknown going into the year, means that the actual spend in any one year does fluctuate.
4. The compliance forecast remains unchanged at £0.4m.
5. In addition to investment directly funded by CFM, the service continues to deliver a number of other projects on behalf of departments.

		Appendix C1 Housing Investment Programme											
Programme	Programme Area	Scheme	Previous Years Spend	Spend at Month 07	Forecast						2024/25-3033/34 Total Forecast		
					2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30+ Forecast			
Asset Management	Investment	Major works	305,130,187	7,540,496	24,427,725	14,056,270	30,068,694	51,355,294	40,571,533	142,695,459	303,174,976		
		District Heating	17,134,907	211,202	1,531,612	4,399,162	5,608,365	1,986,834	241,076	-	13,767,049		
		Fire/Building Safety	2,145,310	66,138	76,148	-	-	6,000,000	7,291,119	-	13,367,267		
		Security	832,243	87	87	-	-	-	-	-	87		
			325,242,647	7,817,923	26,035,572	18,455,432	35,677,059	59,342,128	48,103,728	142,695,459	330,309,379		
	Engineering	Adaptations	-	-	192,700	192,700	192,700	-	-	-	578,100		
		Asbestos	1,304,266	127,860	1,895,734	1,600,000	1,600,000	1,600,000	1,600,000	6,400,000	14,695,734		
		Boiler replacements	24,130,361	673,869	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	16,000,000	36,000,000		
		District Heating	30,953,148	1,968,968	4,296,072	11,275,177	12,348,651	15,742,428	1,600,000	6,400,000	51,662,328		
		Electrical	15,603,717	5,011,357	14,315,916	36,200,746	19,983,900	4,600,000	4,600,000	4,600,000	84,300,562		
		FRA Tasks	5,159,442	111,347	114,282	-	-	-	-	-	114,282		
		Fire Safety	-	95,607	2,000,000	3,000,000	3,000,000	3,000,000	3,000,000	12,000,000	26,000,000		
		Lifts	5,875,784	7,380	2,064,676	3,200,000	5,200,000	1,900,000	1,500,000	6,300,000	20,164,676		
		Ventilation	2,029,109	62,285	750,000	350,000	400,000	400,000	400,000	1,300,000	3,600,000		
		Water tanks	629,968	4,149	1,020,032	750,000	500,000	500,000	500,000	2,000,000	5,270,032		
		Data systems improvements	-	-	-	-	-	-	-	-	-		
		Security	267,094	-	328,822	500,000	500,000	500,000	500,000	2,000,000	4,328,822		
		Ladders	-	-	-	130,000	1,300,000	1,188,750	1,160,000	1,120,000	4,898,750		
					85,952,889	8,062,822	30,978,234	61,198,623	49,025,251	33,431,178	18,860,000	58,120,000	251,613,286
			Repairs	Adaptations	36,402,670	460,610	2,956,400	2,956,400	2,956,400	1,600,000	1,600,000	6,400,000	18,469,200
Communal	2,092,584			555,303	2,500,000	2,800,000	3,550,000	3,550,000	3,550,000	14,200,000	30,150,000		
Emergency structural	-			-	30,000	1,296,750	43,250	-	-	-	1,370,000		
FRA Tasks	8,577,053			5,789,590	9,186,491	4,156,000	1,456,000	1,456,000	1,456,000	5,824,000	23,534,490		
Health & Safety	3,498,039			-	-	-	-	-	-	5,751,436	5,751,436		
Major voids	194,597			-	434,000	100,000	-	-	-	-	534,000		
Major repairs	13,081,123			216,493	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	10,000,000		
Roofing	2,575,395			1,103,821	2,664,000	2,250,000	2,250,000	2,250,000	2,250,000	9,000,000	20,664,000		
Voids	8,922,060			172,547	1,893,063	2,000,000	2,000,000	2,000,000	2,000,000	8,000,000	17,893,063		
			75,343,521	8,298,364	20,663,954	16,559,150	13,255,650	11,856,000	11,856,000	54,175,436	128,366,189		
Building Safety	Fire/Building Safety	7,445,341	972,437	3,385,790	3,300,000	5,800,000	3,100,000	-	-	15,585,790			
	Stock Condition Survey	-	-	150,000	3,800,000	3,000,000	1,000,000	1,000,000	-	8,950,000			
		7,445,341	972,437	3,535,790	7,100,000	8,800,000	4,100,000	1,000,000	-	24,535,790			
			493,984,398	25,151,546	81,213,550	103,313,205	106,757,960	108,729,306	79,819,728	254,990,895	734,824,645		
	Financing												
	Major Repairs Reserve		-	44,464,929	46,278,205	47,882,905	46,691,000	46,461,728	75,266,895	307,045,662			
	CERA		-	36,719,000	27,910,000	30,765,000	32,544,000	33,358,000	179,724,000	341,020,000			
	Non RTB receipts		-	-	29,125,000	-	-	-	-	29,125,000			
	RTB receipts		-	-	-	-	-	-	-	-			
	Grants & external contributions		-	29,621	-	-	-	-	-	29,621			
	S106 receipts		-	-	-	-	-	-	-	-			
	Borrowing		-	-	-	28,110,055	29,494,306	-	-	57,604,361			
			-	-	81,213,550	103,313,205	106,757,960	108,729,306	79,819,728	254,990,895	734,824,645		
New Build & Acquisitions	Acquisitions	Acquired	148,843,430	-	-	-	-	-	-	-	-		
		Delivered	3,596,146	36,631	372,784.81	-	-	-	-	-	372,785		
		Delivered and in defects	19,460,340	107,953	107,953.00	1,239,999	-	-	-	-	1,347,952		

		Appendix C1 Housing Investment Programme									
Programme	Programme Area	Scheme	Previous Years Spend	Spend at Month 07	Forecast						2024/25-3033/34 Total Forecast
					2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30+ Forecast	
	Total Acquisitions		171,899,916	144,584	480,738	1,239,999	-	-	-	-	1,720,737
	New Build										
		Committed Schemes									
		Delivered	308,200,651	977,548	2,774,705	2,055,147	-	-	-	-	4,829,852
		Delivered and in defects	39,859,178	1,279,794	2,712,028	478,587	-	-	-	-	3,190,615
		On site, in progress and pre construction	498,200,453	71,895,324	159,471,038	87,929,110	74,457,358	62,758,941	63,447,417	97,308,175	545,372,039
			846,260,282	74,152,666	164,957,772	90,462,843	74,457,358	62,758,941	63,447,417	97,308,175	553,392,506
		Paused Schemes	51,189,843	795,417	2,698,214	118,569	24,952	24,986	24,951	74,889	2,966,560
	Total New Build		897,450,125	74,948,083	167,655,985	90,581,412	74,482,309	62,783,927	63,472,369	97,383,064	556,359,066
	Total New Build & Acquisitions		1,069,350,041	75,092,667	168,136,723	91,821,411	74,482,309	62,783,927	63,472,369	97,383,064	558,079,803
	Financing				-	-	-	-	-	-	-
	Major Repairs Reserve				-	-	-	-	-	-	-
	CERA				-	-	-	-	-	-	-
	Non RTB receipts				14,795,040	1,966,000	5,000,000	4,000,000	-	-	25,761,040
	RTB receipts				4,815,897	7,021,966	11,824,309	-	-	-	23,662,172
	Grants & external contributions				11,483,305	12,574,740	2,638,215	29,398,785	10,741,000	3,796,500	70,632,545
	S106 receipts				11,092,212	10,000,000	10,000,000	10,000,000	10,000,000	18,323,995	69,416,207
	Borrowing				125,950,269	60,258,705	45,019,785	19,385,142	42,731,369	75,262,569	368,607,839
	Total financing		-	-	168,136,723	91,821,411	74,482,309	62,783,927	63,472,369	97,383,064	558,079,803
Other Programmes											
	Home Purchase Scheme		6,032,398	371,343	862,000	-	-	-	-	-	862,000
	Regeneration		36,475,087	12,924	95,292	-	-	-	-	-	95,292
	T&RA Halls		-	-	-	-	-	-	-	-	-
	Marie Curie Acquisitions		2,641,025	310,593	1,630,975	-	-	-	-	-	1,630,975
	Leathermarket JMB consolidation		13,549,465	-	2,961,000	-	-	-	-	-	2,961,000
	Total Other		58,697,975	694,860	5,549,267	-	-	-	-	-	5,549,267
	Financing										
	Major Repairs Reserve		-	-	1,446,961	-	-	-	-	-	1,446,961
	CERA		-	-	-	-	-	-	-	-	-
	Non RTB receipts		-	-	-	-	-	-	-	-	-
	RTB receipts		-	-	1,141,306	-	-	-	-	-	1,141,306
	Grants & external contributions		-	-	2,961,000	-	-	-	-	-	2,961,000
	S106 receipts		-	-	-	-	-	-	-	-	-
	Borrowing		-	-	-	-	-	-	-	-	-
	Total financing		-	-	5,549,267	-	-	-	-	-	5,549,267
Total Housing Investment Programme			1,622,032,414	100,939,073	254,899,540	195,134,616	181,240,269	171,513,234	143,292,097	352,373,959	1,298,453,715
Financing-Total Housing	Major Repairs Reserve		-	-	45,911,890	46,278,205	47,882,905	46,691,000	46,461,728	75,266,895	308,492,623
	CERA		-	-	36,719,000	27,910,000	30,765,000	32,544,000	33,358,000	179,724,000	341,020,000
	Non RTB receipts		-	-	14,795,040	31,091,000	5,000,000	4,000,000	-	-	54,886,040
	RTB receipts		-	-	5,957,203	7,021,966	11,824,309	-	-	-	24,803,478
	Grants & external contributions		-	-	14,473,926	12,574,740	2,638,215	29,398,785	10,741,000	3,796,500	73,623,166
	S106 receipts		-	-	11,092,212	10,000,000	10,000,000	10,000,000	10,000,000	18,323,995	69,416,207
	Borrowing		-	-	125,950,269	60,258,705	73,129,840	48,879,448	42,731,369	75,262,569	426,212,200
	Total financing		-	-	254,899,540	195,134,616	181,240,269	171,513,233	143,292,097	352,373,959	1,298,453,715

Appendix C2 New Homes Programme Committed Schemes Forecast as at Month 07 2024-25

Project	Previous years spend	Agreed Budget 24/25 Programme	Virements	Variations	Revised Budget M07	Month 07 spend	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31+ Forecast	2024/25-2033/34 Total Forecast	Variance
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Delivered															
HH Marchwood/Redbridge Close & Bentley House	687,452	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Masterman House	6,390,214	-	-	-	-	87,197	-	-	-	-	-	-	-	-	-
Clifton Estate	3,746,322	-	-	-	-	50,269	-	-	-	-	-	-	-	-	-
Gatebeck	4,188,378	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Southdown house	4,656,049	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cator Street extra care	12,444,040	2,323	-	-	2,323	-	-	-	-	-	-	-	-	-	2,323
Nunhead Green B	2,857,578	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long lane	5,780,056	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sumner Road workshops (A)	25,318,817	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sumner Road - Site B Private Sales	12,399,221	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23a Bew Court	126,437	52,903	-	-	52,903	2,055	20,000	-	-	-	-	-	-	20,000	32,903
Pellicer Street	5,764,206	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Welsford Street Garages	3,571,737	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lakana (Sceaux Gardens Estate) Monet New Build	8,020,119	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Meeting House Lane	9,577,421	100,000	-	424,186	524,186	2,931	85,078	-	-	-	-	-	-	85,078	439,108
Repl of Comm facil in Meeting Hse Ln (DD	439,012	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leathermarket - Joseph Lancaster	17,048,065	226,408	-	-	226,408	-	226,408	-	-	-	-	-	-	226,408	-
Copeland Road (B)	18,090,344	502,508	-	-	502,508	32,905	165,980	-	-	-	-	-	-	165,980	336,528
Goschen Estate etc	8,711,107	-	-	-	-	-	23,436	-	-	-	-	-	-	23,436	-
Daniels Road Car Park	5,804,769	162,157	-	-	162,157	8,442	20,000	-	-	-	-	-	-	20,000	142,157
Whaddon House	203,591	77,575	-	61,947	15,628	1,876	4,593	9,000	-	-	-	-	-	13,593	2,035
Tustin Hidden Homes	3,076,031	6,581	-	-	6,581	2,447	2,447	-	-	-	-	-	-	2,447	4,134
Swth Park Road (A)	1,766,623	243,377	-	-	243,377	4,673	23,562	-	-	-	-	-	-	23,562	219,815
Ivy Church lane garages	7,574,580	-	-	-	-	1,730	7,760	-	-	-	-	-	-	7,760	7,760
Commercial way	33,541,543	2,581,784	-	-	2,581,784	201,802	1,081,179	1,292,650	-	-	-	-	-	2,373,830	207,954
Aylesbury FDS Pk A New Build	99,316,244	1,534,726	-	-	1,534,726	764,943	781,230	753,497	-	-	-	-	-	1,534,727	1
Fenham Road Garages	1,655,030	36,303	-	-	36,303	33,044	34,822	-	-	-	-	-	-	34,822	1,481
Bassano Street Garages	1,637,135	66,721	-	386	67,107	51,018	60,470	-	-	-	-	-	-	60,470	6,637
Braganza St (A)	2,065,069	131,640	-	-	131,640	10,491	139,590	-	-	-	-	-	-	139,590	7,950
HH Breamore House	252,564	44,727	-	30,115	74,842	2,631	64,735	-	-	-	-	-	-	64,735	10,108
Underhill Road Pre fabs 275 - 275a	1,490,897	-	-	82,742	82,742	2,514	33,415	-	-	-	-	-	-	33,415	49,327
Delivered Total	308,200,651	5,769,733	-	475,482	6,245,215	977,548	2,774,705	2,055,147	-	-	-	-	-	4,829,852	1,415,363
Delivered and in defects															
Haddonfield Estate	5,747,499	412,390	-	-	412,390	476,973	799,941	-	-	-	-	-	-	799,941	387,551
39-44 Rutley Close	6,919,208	657,694	-	-	657,694	30,565	379,764	-	-	-	-	-	-	379,764	277,930
87 Gosvenor Road	582,875	-	-	85,483	85,483	11,088	30,503	43,135	-	-	-	-	-	73,637	11,846
Henslowe Street Garages	1,662,608	-	-	66,389	66,389	8,533	17,085	53,916	-	-	-	-	-	71,001	4,612
Heaton House	2,767,467	159,906	-	-	159,906	9,652	159,906	-	-	-	-	-	-	159,906	0
17-19 Wood Vale Ph5	1,630,129	58,588	-	-	58,588	35,161	73,384	-	-	-	-	-	-	73,384	14,796
HH Regina and Columbia Point	291,154	108,846	-	-	108,846	-	-	-	-	-	-	-	-	-	108,846
Cherry Gardens (A)	4,208,115	975,327	-	-	975,327	14,208	72,267	16,524	-	-	-	-	-	88,791	886,536
TA refurb/conversion contract 1-TA1 combined	3,589,576	319,252	-	-	319,252	150,672	200,515	108,545	-	-	-	-	-	309,060	10,192
35-41 Nunhead lane	3,850,337	364,734	-	-	364,734	68,413	276,827	87,907	-	-	-	-	-	364,734	0
TAs refurb/conversion Contract 3	3,143,589	372,279	-	-	372,279	258,360	270,037	90,275	-	-	-	-	-	360,312	11,967
TA refurb/conversion contract 2-TA2 combined	3,573,959	371,242	-	-	371,242	163,168	313,390	41,539	-	-	-	-	-	354,928	16,314
2 Linden Grove (hostels)	1,892,662	112,554	-	-	112,554	53,001	118,410	36,747	-	-	-	-	-	155,156	42,602
Delivered and in defects Total	39,859,178	3,912,812	-	151,872	4,064,684	1,279,794	2,712,028	478,587	-	-	-	-	-	3,190,615	874,069
On site, in progress and pre construction															
Albion New Homes	24,514,048	11,126,097	-	3,393,773	14,519,870	3,799,433	8,509,059	610,909	1,794,500	-	-	-	-	10,914,468	3,605,402
Manor Place (A)	8,207,250	168,968	-	-	168,968	173,123	168,967	-	-	-	-	-	-	168,967	1
Flaxyard/Sumner (B)	46,310,929	9,633,120	-	882,658	10,515,778	5,054,664	7,924,624	1,608,562	-	-	-	-	-	9,533,186	982,592
Rye Hill Park	9,308,748	2,591,363	-	589,484	3,180,847	1,185,041	2,355,185	84,668	-	-	-	-	-	2,439,853	740,994
Tenda Road Car Park	5,832,825	656,371	-	-	656,371	154,440	438,490	145,605	-	-	-	-	-	584,095	72,276
2 Sedgemoor Place	5,595,563	231,812	-	177,395	409,207	116,579	16,939	244,814	-	-	-	-	-	261,753	147,454
Aylesbury FDS PK B New Build	91,058,625	23,635,187	-	-	23,635,187	12,056,255	16,206,888	5,425,476	419,700	-	-	-	-	22,052,064	1,583,123
Petrol Station OKR (B)	9,708,596	774,827	-	-	774,827	463,714	1,370,690	3,113,681	-	-	-	-	-	4,484,371	3,709,544
Cator Street 2	21,608,225	3,391,775	-	4,076,380	7,468,155	1,867,263	7,232,785	1,126,929	-	-	-	-	-	8,359,714	891,558
Tissington/Silverlock Estate	9,919,868	7,273,535	-	5,293,046	12,566,581	3,661,706	8,156,210	2,496,644	1,120,035	-	-	-	-	11,772,888	793,693
Rennie Estate	13,328,941	4,291,225	-	620,796	3,670,429	1,792,717	2,433,266	956,455	-	-	-	-	-	3,389,721	280,708
Fendall & Maltby	12,580,491	2,390,283	-	-	2,390,283	12,711	1,107,507	1,445,467	86,392	-	-	-	-	2,639,366	249,083
Salisbury Estate	8,466,023	1,163,833	-	-	1,163,833	123,478	739,801	221,787	-	-	-	-	-	961,588	202,245
61-91 Brisbane St, land to rear/Lomond Grove	7,405,254	3,689,269	-	-	3,689,269	1,826,281	2,491,402	133,815	-	-	-	-	-	2,625,217	1,064,052
61-91 Brisbane St, leasehold acq.	117,791	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Slippers Place Estate	3,168,203	7,407,879	-	-	7,407,879	2,420,143	5,593,738	385,015	285,772	-	-	-	-	6,264,525	1,143,354

Project	Previous years spend	Agreed Budget 24/25 Programme	Virements	Variations	Revised Budget M07	Month 07 spend	2024/25 Forecast	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30 Forecast	2030/31+ Forecast	2024/25-2033/34 Total Forecast	Variance
HH Comber House	2,184,316	-	-	-	-	7,903	-	-	-	-	-	-	-	-	-
38 Mary Datchelor Close Ph5	2,986,027	1,206,525	-	-	1,206,525	424,446	926,152	212,366	68,006	-	-	-	-	1,206,524	- 1
66 Linden Grove	2,149,207	13,729,848	-	-	13,729,848	1,679,822	3,344,383	7,707,248	1,822,329	225,809	-	-	-	13,099,769	- 630,079
66 Linden Grove Assistance with moving costs	17,102	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tustin Low Rise Redevelopment - Pre construction	8,521,877	21,680,799	-	-	21,680,799	1,421,411	14,324,989	7,363,501	-	-	-	-	-	21,688,490	- 7,691
Tustin Low Rise Redevelopment - Phase 1	55,382,796	70,647,662	-	-	70,647,662	23,838,356	42,556,032	10,995,772	1,450,000	-	-	-	-	55,001,804	- 15,645,858
Tustin Low Rise Redevelopment - Phase 2	102,771	62,445,309	-	-	62,445,309	118,196	257,713	16,220,649	34,195,162	1,891,785	-	-	-	52,565,309	- 9,880,000
Tustin Low Rise Redevelopment - Phase 3	-	40,200,000	-	-	40,200,000	-	-	-	2,583,000	25,995,000	4,922,000	-	-	33,500,000	- 6,700,000
Tustin Low Rise Redevelopment - Phase 4	-	72,841,200	-	-	72,841,200	-	-	-	-	-	18,400,610	32,867,395	9,432,995	60,701,000	- 12,140,200
Ledbury Towers-Approved Phase 1	9,209,175	70,863,713	-	-	70,863,713	6,770,040	19,263,235	15,913,540	9,084,445	636,348	224,807	143,579	9,461,720	54,727,675	- 16,136,038
Ledbury Towers-Approved Phase 2	-	131,927,112	-	-	131,927,112	813,201	1,285,560	701,879	9,690,000	34,010,000	39,900,000	43,415,000	1,987,485	130,989,925	- 937,187
Ledbury Acquisitions	5,571,018	5,153,981	-	-	5,153,981	5,948	1,500,000	1,000,000	2,653,981	-	-	-	-	5,153,981	-
Ledbury Tenants-Assistance with moving costs	1,171,891	-	-	-	-	10,154	10,154	-	-	-	-	-	-	10,154	- 10,154
Aylesbury Estate regeneration	127,870,067	25,205,567	-	-	25,205,567	2,514,768	8,736,107	8,332,966	9,170,328	-	-	-	-	26,239,401	- 1,033,834
Maydew Historic costs	5,667,789	-	-	-	-	316	316	-	-	-	-	-	-	316	- 316
Maydew Demolition Works	235,037	3,764,963	-	-	3,764,963	162,619	1,589,877	1,226,694	33,708	-	-	-	-	2,850,280	- 914,683
Bells & Lindley Playground	-	-	-	1,261,190	1,261,190	-	826,352	254,668	-	-	-	-	-	1,081,020	- 180,170
Aylesbury FDS A - Harriet Hardy Fit Out	-	-	-	-	-	-	104,615	-	-	-	-	-	-	104,615	- 104,615
On site, in progress and pre construction Total	498,200,453	598,092,223	-	15,053,130	613,145,353	71,895,324	159,471,038	87,929,110	74,457,358	62,758,941	63,447,417	76,425,975	20,882,200	545,372,039	- 67,773,314
Committed Schemes Total	846,260,282	607,774,768	-	15,680,484	623,455,252	74,152,666	164,957,772	90,462,843	74,457,358	62,758,941	63,447,417	76,425,975	20,882,200	553,392,506	- 70,062,746

Appendix D - Budget Virements and Variations										
Project Name	Project Code	Children's	Adult Social Care	Children's and Adults' Services	Finance and Corporate Services	Environment, Neighbourhoods & Growth	Housing	General Fund Programme Total	Housing Investment Programme	Total Programmed Expenditure
		£	£	£	£	£	£	£	£	£
AGREED PROGRAMME AT MONTH 7 2024/25		69,503,566	13,512,996	83,016,562	95,126,216	217,979,382	26,463,550	422,585,710		422,585,710
MONTH 7 VIREMENTS TO BE APPROVED										
Children's Services										
Primary Schools refurbishment programme 2024/25	E-0000-2024.99	(3,638,482.5)		(3,638,483)				(3,638,483)		(3,638,483)
P1 - Bessemer Grange - Roof & Windows	E-0000-2024.01	104,000.0		104,000				104,000		104,000
P2 - Rye Oak	E-0000-2024.02	269,409.5		269,410				269,410		269,410
P3 - Dulwich Wood	E-0000-2024.05	383,307.0		383,307				383,307		383,307
P4 - Hollydale	E-0000-2024.06	262,882.0		262,882				262,882		262,882
P5 - Oliver Goldsmiths	E-0000-2024.10	254,753.0		254,753				254,753		254,753
P6 - Phoenix	E-0000-2024.12	153,606.0		153,606				153,606		153,606
P7 - Heber	E-0000-2024.13	187,925.0		187,925				187,925		187,925
P8 - Goodrich	E-0000-2024.14	140,306.0		140,306				140,306		140,306
P9 - Hollydale	E-0000-2024.15	112,344.0		112,344				112,344		112,344
P10 - Keyworth	E-0000-2024.16	206,215.0		206,215				206,215		206,215
P11 - Dulwich Wood Nursery	E-0000-2024.17	73,620.0		73,620				73,620		73,620
P12 - Rye Oak	E-0000-2024.18	160,490.0		160,490				160,490		160,490
P14 - Brunswick	E-0000-2024.19	310,416.0		310,416				310,416		310,416
P13 - Robert Browning	E-0000-2024.20	196,209.0		196,209				196,209		196,209
Crampton Primary School	TBC	823,000.0		823,000				823,000		823,000
Cherry Garden Special School	E-1803-0310	370,000.0		370,000				370,000		370,000
Retention	Expansion retention	(313,061.5)		(313,062)				(313,062)		(313,062)
Riverside Primary School	E-1137-0320	411,000.0		411,000				411,000		411,000
Rotherhithe Primary School Expansion	E-1139-0310	(467,938.5)		(467,939)				(467,939)		(467,939)
				-				-		-
Environment, Neighbourhoods & Growth				-				-		-
P&G				-				-		-
Murdock Street	R-4020-0150.14			-		(180,000)		(180,000)		(180,000)
Old Kent Road Fringes	R-4020-0150.17			-		300,971		300,971		300,971
Peckham Rye Professional Fees	R-4020-0064.01			-		88,588		88,588		88,588
Peckham Rye Works	R-4020-0064.02			-		(88,588)		(88,588)		(88,588)
Livesey Exchange	R-4020-0063.01			-		(120,971)		(120,971)		(120,971)
										-
								-		-
TOTAL VIREMENTS TO BE APPROVED MONTH 7		-	-	-	-	-	-	-	-	-
MONTH 7 - VARIATIONS TO BE APPROVED										
				-				-		-
Environment, Neighbourhoods & Growth								-		-
Environment								-		-
Walworth CGS	L-2403-1800					3,610		3,610		3,610
Youth Services	L-1340-0050					680,000		680,000		680,000
S106 Harper Road Improvement	L-5110-0165					61,101		61,101		61,101
Active Southwark Community Investment Fund	L-2340-0424					350,000		350,000		350,000
East Lodge – Lottery	L-2340-0428					30,000		30,000		30,000
NPR Programme	L-5110-0040					31,795		31,795		31,795
Flood Prevention (Highways drainage gully replacement) Programme	L-5110-0080					1,730,000		1,730,000		1,730,000
Monument & Memorial	L-2340-0410					14,400		14,400		14,400
Cox's Walk bridge refurbishment	L-5110-0127					900,000		900,000		900,000
Dawes Street Depot - Perimeter Wall	TBC					100,000		100,000		100,000
Play Investment Programme	TBC					3,000,000		3,000,000		3,000,000
Additional Replacement Tree Planting	L-2340-0390					3,000,000		3,000,000		3,000,000
								-		-
Planning & Growth								-		-

Project Name	Project Code	Children's	Adult Social Care	Children's and Adults' Services	Finance and Corporate Services	Environment, Neighbourhoods & Growth	Housing	General Fund Programme Total	Housing Investment Programme	Total Programmed Expenditure
Bakerloo Line Extension	TBC					250,000		250,000		250,000
Canada Water Library	R-5040-0010.1					1,700,000		1,700,000		1,700,000
Kentish Drover Ceram	R-4020-0067					208,163		208,163		208,163
Brancote Park	R-4020-0073					697,981		697,981		697,981
								-		-
								-		-
HRA								-		-
Flaxyard/Sumner (B)	R-5014-0000.9							-	882,658	882,658
2 Sedgemoor Place	H-8888-9608							-	177,395	177,395
Rennie Estate	H-8888-9777							-	(620,796)	(620,796)
Bells & Lindley Playground	Bells & Lindley Playground							-	1,261,190	1,261,190
Tissington/Silverlock Estate	H-888-9494							-	5,293,046	5,293,046
Cator Street 2	H8888-0009							-	4,076,380	4,076,380
Rye Hill Park	H-8888-9496							-	589,484	589,484
HH Breamore House	H-8889-9704							-	30,115	30,115
87 Grosvenor Road	H-8889-9780							-	85,483	85,483
Whaddon House	H-8889-9781							-	(61,947)	(61,947)
Albion New Homes	R-5014-0000.3							-	3,393,773	3,393,773
Meeting House Lane	H-8888-9445							-	424,186	424,186
Bassano Street Garages	H-8888-9609							-	386	386
Underhill Road Pre fabs 275-275a	H-8888-9729							-	82,742	82,742
Henslowe Street Garages	H-8888-9610							-	66,389	66,389
								-		-
TOTAL VARIATIONS TO BE APPROVED AT MONTH 7		-	-	-	-	12,757,050	-	12,757,050	15,680,484	28,437,534
TOTAL PROGRAMME BUDGET VIREMENTS & VARIATIONS AT MONTH 7		-	-	-	-	12,757,050	-	12,757,050	15,680,484	28,437,534
REVISED BUDGETS		69,503,566	13,512,996	83,016,562	95,126,216	230,736,432	26,463,550	435,342,760	15,680,484	451,023,244
VIREMENTS & VARIATIONS REQUESTED TO BE APPROVED FINANCED BY:										
Corporate Resources / Capital Receipt		-			-	9,730,000		9,730,000		9,730,000
Major Repairs Allowance					-			-		-
Reserves					-			-		-
Revenue					-			-		-
Capital Grant		-			-	1,791,795.00		1,791,795		1,791,795
Section 106 and CIL					-	1,217,245		1,217,245		1,217,245
External Contribution					-	18,010		18,010		18,010
Supported Borrowing					-			-	15,680,484	15,680,484
TOTAL RESOURCES		-	-	-	-	12,757,050	-	12,757,050	15,680,484	28,437,534

Appendix E : New Capital Bids

Division	Programme	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34+	Total
Leisure	Albion Channel Clearance	425,000									425,000
	Libraries Innovation	108,000									108,000
	Burgess Park Outdoor Cooking	275,000	27,000								302,000
Environment	Streets for People (incl. Vision Zero)	13,900,000									13,900,000
	Place Management Programme	800,000	580,000								1,380,000
	Replace Back Office system & hand held devices - Civica App	415,000	130,000	130,000							675,000
Stonger Neighbourhoods	CCTV Fibre Network	750,000	250,000								1,000,000
Planning and Growth	Verney Road linear park	120,000									120,000
	Frensham Street Park	120,000									120,000
Housing	Buy back scheme - Local Authority housing fund	1,932,800	17,395,200								19,328,000
Total		18,845,800	18,382,200	130,000	-	-	-	-	-	-	37,358,000

Appendix F: Capital bids narrative

Leisure

1. Albion Channel Clearance (£425K)

Albion Channel is a water channel which is approximately 650m long connecting Canada Water to Surrey Water. The Channel runs through a residential area predominately surrounded by flats. The current overgrown state impacts on the ability of the water to flow along the Channel increasing the possible risk of localised flooding.

Albion Channel is referenced in the London Borough of Southwark draft Local Flood Risk Management Strategy 2023 – 2029. As an ordinary watercourse, Albion Channel is the responsibility of the Lead Local Flood Authority – Southwark council.

This project will improve the environment along Albion Channel and ensure that the channel can cope with flood water drainage. The location of the Channel means access is very restricted which makes carrying out maintenance and dredging difficult and time-consuming owing to constraints on plant equipment size/capacity and elongated distances to be covered for waste removal.

For the project to be carried out efficiently, the water level in the Channel will require lowering to allow for the easier removal of excess reeds and vegetation, including root mats and silt. Lowering the Channel water level has fewer hurdles whilst the water level in Canada Water is temporarily lowered as part of redevelopment works in the vicinity. This allows for draining the Channel without needing to consider inflow into the Channel from Canada Water. Officers will work to ensure minimum impact on ecology during the works, to ensure the completed project will deliver improved ecology outcomes in this area. Bringing the Channel back into a state of active ecological management provides opportunities to engage local community groups and environmental organisations with the stewardship and long-term future of this 'Site of Importance for Nature Conservation'.

The project duration is estimated at 3 months. However, once water levels in Canada Water are returned to normal levels, which is expected by the beginning of 2025, the complexity and therefore cost of the project will increase owing to the effect from higher water levels in the Channel or alternatively from pumping excess water direct from Canada Water to Surrey Water. In these circumstances the project duration is estimated to be extended by a month to four months.

There will be full communication with residents on the planned works and progress reports including letter drops, project boards and a webpage.

The estimated cost of this scheme is £425k of which £200k of Local CIL funding will be sought.

2. Libraries Innovation (£108k)

The Council Delivery Plan includes a specific commitment to expand our library service to increase the range of services accessible through our libraries. As part of the delivery of this priority, we propose to create a network of [work pods, phone charging bikes](#) and a laptop loans scheme across libraries.

The work pods will provide flexible and accessible workspaces for students, remote workers, freelancers, entrepreneurs, and small businesses. The work pods will be noise proof and equipped with high-speed internet, ergonomic furniture, power outlets and other amenities to facilitate productivity and comfort.

The phone charging bikes are static pedal-powered generators that produce electricity to charge the user's phone at the same time. This scheme will focus on energy awareness, education, and exercise/healthy lifestyles. It provides a novel and fun way for users to exercise while working, improving their physical and mental health and well-being. The phone charging bicycles are designed to be easy and comfortable to use, with adjustable seats and handlebars, and a digital display that shows the power output and phone battery level. The work pods and the bikes are expected to have a long lifespan and low maintenance costs.

The proposed laptops and tablets loan scheme in our libraries is aimed at our vulnerable and isolated residents. This would enable residents to borrow a device free of charge for a fixed period and contribute to digital literacy and social inclusion. The laptops will be sourced on the back of the council's laptop refresh programme so that these laptops can be repurposed for this project. They will be owned and maintained by the library service. Laptops would be wi-fi enabled with browser access and contain a basic Office software package licenced by the Council. They will also include basic security software.

The estimated cost of purchase and installation of these proposals is as follows:

6 work pods (purchase & installation): £90,000

4 phone charger exercise bikes (purchase & installation): £2,500

Software and security licences: £15,000

Total amount requested for capital bid: £107,500.

3. Burgess Park Outdoor Cooking (£310k)

The proposal is to create a new outdoor cooking area with electric hotplates at Burgess Park should the current pilot exercise be deemed successful.

As part of the first phase implementation of the Burgess Park Master Plan two barbecue areas was created at Burgess Park near the lake. Whilst very popular, the original BBQ area was removed in 2023 due to fire risk, air pollution and anti-social behaviour.

Following extensive public consultation, a proposal to install new electric hotplates at a different location in Burgess Park emerged. To test the viability of this option the council ran a pilot hotplate facility in summer / autumn 2024. The trial included the installation of 3 hotplates for a limited period.

The evaluation of the pilot has just concluded and recommends an extension of the provision. The evaluation found that the hotplates were well received and represented an improvement on the previous provision; that the pilot demonstrated the potential to broaden the diversity of those using the provision and generated considerable community interest and opportunities for further development. It additionally identified a number of areas for further development which we have built into the proposal for the next phase of development, including enhanced cleaning facilities, better litter collection, more 'single' hotplates as groups were unhappy or unwilling to share.

There was no significant increase in issues for the park's service although challenges around noise, litter and misuse of the park facilities continued as broader challenges in management of an urban park of this scale. Finally, the evaluation has demonstrated at this time there is no specific need for a booking system which had been originally envisaged.

Costings for the extension of the provision and extended facilities have now been secured and a capital bid for £302k is now being put forward for consideration to construct an extended, permanent facility for the community to use which would include an additional 6 single hot plates, as well as other energy saving facilities.

Environment

4. Streets for People (incl. Vision Zero) (£13.9 Phase 1 25/26)

The Streets for People strategy was approved in July 2023. The vision of the Streets for People Strategy is:

“Southwark will be a clean, green, and safe borough. We will reclaim space for our communities to connect and socialise; for safe and healthy journeys; a thriving local economy, and our natural world. Fewer cars, vans and lorries will lead to better air quality and a healthier environment.”

The council has made a number of commitments including:

- Your home will be within 200m of a safe and pleasant walking route
- Your home will be within 400m of a safe and pleasant cycling route
- Nine streetspace schemes
- Your street will have something new to make it cleaner, greener and safer, chosen by you
- Achieve Vision Zero (elimination of all deaths and serious injuries on Southwark's streets)

The council is now analysing the consultation data. Using this information, the council is developing a Delivery Plan which will set out how we plan to deliver ward and borough level improvements from now until 2030. A significant proportion of the funding required will be used to deliver the streetspace schemes; these schemes will incorporate a large number of the individual requests made (e.g., new trees, crossings, traffic calming measures). The funding will also be used to deliver smaller scale interventions, for example, cycle hangars and seating.

This capital bid will be used to deliver the following in four zones (£13.4million):

Zone A – delivering the quieter, safer and greener streets residents requested (cycle hangars, trees, benches, greenery, safe crossing, cycle stands, schools streets).

Zone B – Building on the work we have undertaken on Bermondsey Street we will look at the whole zone around this, we will look to undertake monitoring, modelling and design to deliver two-way cycling on Snowfields, improve pedestrian links from London Bridge station towards Bermondsey Street and provide a better cycle connection from London Bridge Station down to cycleway 14 and on towards cycleway 10 by improving the crossing of Long Lane by Weston Street. We will also deliver the quieter, safer and greener streets residents requested (cycle hangars, trees, benches, greenery, safe crossing, cycle stands, schools streets).

Zone F – delivering the quieter, safer and greener streets residents (cycle hangars, trees, benches, greenery, safe crossing, cycle stands, schools streets)

Zone I – delivering the quieter, safer and greener streets residents requested (cycle hangars, trees, benches, greenery, safe crossing, cycle stands, schools streets)

A further £500k is required to carry out detailed work on developing the delivery programme for vision zero, which will including looking at 16 roads and junctions.

Vision Zero for London aims to eliminate all deaths and serious injuries on London's transport system. The Mayor through Transport for London and working with the boroughs have adopted Vision Zero for road danger in London. The mayor's aim is for no one to be killed in or by a London bus by 2030 and for all deaths and serious injuries from road collisions to be eliminated from London's streets by 2041.

Southwark have adopted these principals and supports the Mayor's Transport Strategy, with Vision Zero, a commitment in the release of Streets for People in 2023, the council's new transport strategy.

Feasibility and design will be carried out in house with dedicated resource to be funded from the programme and delivery through the Council's Term Highway works contractors over an initial 5-year programme. This initial work will enable the submission of a robust bid to seek funding to implement the delivery plan. If the bid is not successful at that time, then the £500k spent on this phase of the work will prove abortive and will result in a charge to the services revenue expenditure account.

The total funding required for this capital bid is £13.9million.

5. *Place Management Programme (£1.380m)*

The Council has identified four priority place management issues – town centre cleanliness, graffiti, fly tipping and waste on estates – which it has committed to address through a programme of short, medium, and long-term collaborative action. Each of these action plans includes a combination of both capital and revenue investment need.

In the 2024/25 budget setting round, the Council approved a £600K revenue budget allocation in support of the place management programme over the period, 2024-27. To complement this revenue investment, the following capital programme is being proposed for investment over the period, 2025-27:

- a) Replace current single stream street waste bins with dual stream waste bins, allowing general and recyclable waste to be separated for collection. £165k
- b) Physical measures to 'design out' public realm place management issues, targeting 'hot spot' locations, such as town centres and estates; and issues, such as graffiti, fly posting and fly-tipping. £1.16m
- c) Provide stock of re-deployable CCTV cameras to support evidence gathering, deter criminal activity/ anti-social behaviour and help the public feel safe on the street. £55k

6. *Replace Back Office system & handheld devices - Civica App (£675k)*

Regulatory Services is responsible for carrying out the Council's statutory functions related to Building Safety for private sector high-rise buildings, noise and nuisance, enviro-crime, environmental protection, private sector housing licensing and enforcement, food safety, trading standards, and licensing. The back-office system, Civica App, is integrated into enforcement processes, officer case management and health and safety procedures. It is also used in Community Safety and Housing to manage Anti-Social Behaviour (ASB).

Civica App is no longer suitable for its intended purpose and is affecting the Council's ability to fulfil its statutory functions and provide satisfactory customer service. This need for replacement has been confirmed by several reviews over the past 18 months, including Civica time and motion review, Environmental Enforcement, and Budget Challenge -Noise.

The Services are seeking funding to replace the back-office system and project management support at a cost of £675k.

Stronger Neighbourhoods

7. *CCTV Fibre Network (£1m)*

To install Council owned duct and fibre to replace the current rented duct and fibre network at a cost of £1m.

The Council CCTV network was initially designed using fibre networks rented from third party providers (BT and Virgin Media) to transmit CCTV images from across the borough as standard across London at that time.

To expand on CCTV coverage to include some council housing estate cameras, the Council introduced a wireless radio network for the additional cameras. The Town Centre and Open Space cameras remained on rented fibre. A capital bid was approved in 2022 to upgrade the radio network capacity, Town Centre Cameras (HD) and CCTV Control room relocation.

Less than 20% of all cameras will still require fibre connectivity to the radio network, this was planned in as part of the upgrade by renewing small fibre connectivity with increased capacity by the existing providers.

In June 2023 BT advised they intended to change their products and services model. To date the commercial announcement has not been made. Our plan was to move existing fibre contracts from BT to Virgin Media.

In June 2024 Virgin Media advised they would not be renewing fibre circuit contracts and would only be offering new contracts at a significantly increased rate.

This bid would enable the Council to do the same as other boroughs as well as upgrade the fibre to a higher specification without the uncertainty of the future revenue burden and availability of rented circuits, which could potentially lead to a reduction in CCTV coverage, compromising public safety.

There will be the potential for Southwark IT to use the fibre infrastructure to improve connectivity to libraries, community centres and other council properties with ongoing reduction in revenue costs.

The revenue costs associated with this capital bid will be for repairs and maintenance only and can be met from existing budgets as this asset can be added into our existing repairs and maintenance contract at no extra cost.

The bid is split into £930k for the installation, and £70k for design and project management relating to this project.

Planning and Growth

8. Verney Road Linear Park (£120k)

This bid is to implement a school street outside John Keats primary school on Verney Road, with closures at drop off and collection time. The council has engaged with British Land and John Keats primary school on the way this could work, and the preferred option is to continue to allow vehicular access to the entrance to the future multi storey logistics hub and close Verney Road to the east of that, creating a new park outside the pedestrian entrances to the school. The school have said they would welcome this.

At this point, capital funds of £120,000 are sought to complete the design work in the next financial year. Once the design work is complete further funds will be sought through a mix of s106, local CIL or council capital funds. It is anticipated that the scheme would be delivered in 2026-27.

9. Frensham Street Park (£120k)

The proposal is to landscape Frensham Steet depot as part of the linear park, linking Burgess Park and Old Kent Road. This is a key component of the draft Old Kent Road area action plan and part of the Area Action Plan (AAP) improving green infrastructure in the Old Kent Road opportunity area to accommodate growth in homes and jobs. To date the council has granted planning consent for just under 9,500 homes in the opportunity and there are 3,300 homes, completed, under construction and in the pipeline. The majority are in the Old Kent Road ward.

Phase 1 of the linear park is already under construction along Bianca Road and being delivered by Southern Housing and Hollybrook/London School of Economics.

Phase 2 will be contained within the Berkely Homes redevelopment of the Malt Street site, within the first phase of the scheme. Berkeley Homes are due to re-start construction in Q1 2025 with completion in 2026. Phase 3 of the park will comprise subsequent phases of the Malt Street scheme, a redevelopment of the Civic building on the corner of Old Kent Road and Peckham Park Road, as well as the Frensham Street depot. Works would be expected to start in 2027 and complete in 2028.

The proposal to landscape the depot site and convert some of the existing buildings into a café and workspace use is identified in the draft Old Kent Road AAP. It ties in with a proposal to consolidate the council's depots, which will result in Frensham Street being surplus to requirements. Berkeley Homes and the developer of the Civic building to the east will be recommencing design work for their share of the linear park in 2025-26. Commencing the design work of the council owned land in 2025-26 will enable better design coordination of the park as a whole.

At this point, capital funds of £120,000 are sought to complete the design work in the next financial year. Once the design work is complete further funds will be sought through a mix of s106, local CIL or council capital funds. It is anticipated that the scheme would be delivered in 2027-28.

Housing

10. Buy back Scheme – Local Authority Housing Fund

The capital bid of £8.5m is to enable the council to benefit from a government grant of £11m which will be used towards the purchase and refurbishment of 50 ex-right-to-buy properties for use as temporary accommodation (45 properties) and resettlement homes for refugees (5 properties). Additionally, this effort aligns with and supports the key council aims outlined in Southwark 2030

This initiative will reduce the reliance on costly nightly paid private accommodation and allow more residents to be housed locally within the borough. Consequently, this will alleviate pressures on the Temporary Accommodation (TA) budget within the general fund. The current average gross cost of nightly paid TA is listed at approximately £90 per night (£32,850 pa).

Using government grant alongside borrowing of £8.5m for the acquisition of 45 temporary accommodation homes will see annual cost avoidance of approximately £1m. This factors in the payback of interest (4.5%) and capital (depending on the type and duration of borrowing).

From the £1m savings, the day to day management costs of maintaining the accommodation will be absorbed within current staffing resources however some minor costs will also be required for the repairs associated with the property.

The government guidance states that the funding needs to be spent within the next two years, ideally in year 1. This includes the ability to acquire street properties on the open market or former right to buy (RtB) sales. This will increase housing supply and will be consumed within the existing management and maintenance costs. The council has previously completed a buyback programme on ex RtB properties used for the acquisition of social housing for rough sleepers and continues to receive requests from leaseholders who wish to sell back to the council. This presents a realistic option to achieve the funding criteria within the allocated time frame. We would have an opportunity to target larger properties within our own stock, moving households from private owned TA to our council owned accommodation.

Meeting Name:	Cabinet
Date:	7 January 2025
Report title:	Streets for People Delivery Plan
Cabinet Member:	Councillor James McAsh, Clean Air, Streets and Waste
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/A

FOREWORD - COUNCILLOR JAMES MCASH, CABINET MEMBER FOR CLEAN AIR, STREETS AND WASTE

Our Streets for People strategy, launched in July 2023, sets out to make our streets cleaner, greener and safer for everyone. This delivery plan follows on from that strategy and outlines what we will do over the next five years to bring these changes to life.

It's based on the largest consultation the council has ever run. We had over 9,000 responses from residents sharing their views and ideas. We want to thank everyone who took part, helping to shape the future of our borough.

Your top priorities were: more trees and green space; more accessible pavements, less traffic; better lighting; traffic calming; segregated cycling; cycle hangars and pedestrian crossings. We've considered all the improvements that you, our residents, want to see, and this plan sets out what we plan to deliver both across the borough and in your local area by 2030.

One of the key components of this plan are nine new Streetspace schemes, which will transform communities across Southwark. These schemes will discourage through-traffic from using residential streets and put in improvements such as wider pavements to improve accessibility for all ages and abilities; bike lanes separating cyclists from walkers, and more green space for communities to enjoy.

They will make our streets safer for people walking and cycling, as well as quieter and more attractive for local residents. They will help improve air quality and create a healthier and cleaner environment.

This supports our goal of reducing car journeys from 21% to 13% by 2030, which also aligns with the Mayor of London's target to cut overall traffic by 27%

and reduce car ownership by 10% by 2030. All these improvements support our commitment to Vision Zero, making our streets safer for everyone.

When we launched the Streets for People strategy in 2023, we made a number of pledges to improve our streets, and we're already making great progress on these. But this plan is about looking ahead to what we can achieve by 2030. To help you understand how these changes could impact your area, we've created maps showing what we'll be doing both across Southwark and in local wards, showcasing proposed improvements.

This delivery plan is also directly linked to our Southwark 2030 strategy, which is a long-term vision for the future of the borough based on what residents, workers, students, and visitors have told us they want to see. Together, we are creating a healthier environment, and a cleaner, greener, and safer Southwark for everyone.

RECOMMENDATIONS

Recommendations for the Cabinet

1. To note the outcome of the borough-wide engagement exercise undertaken between September 2023 and March 2024.
2. To note the improvements and schemes delivered to date.
3. To approve the Streets for People Overall Vision and 2025/26 Delivery Plan as attached at Appendix 1 and note the funding secured to date for 2025/26.
4. Approve the implementation of interventions in the first five zones.
5. To note that further annual reports will be brought to Cabinet outlining future year Delivery Plans and associated funding.

Recommendation for the Leader of the Council

6. That the Leader delegates to the Cabinet Member for Clean Air, Streets and Waste authority to approve revisions to the borough's traffic circulation plan.

BACKGROUND INFORMATION

Streets for People Strategy

7. The Streets for People Strategy was adopted in July 2023 and included pledges and objectives setting out to improve people's experience of travelling to and around the borough.
8. The strategy noted that most households in Southwark do not own a car and relied on walking, cycling and public transport. As a result, the strategy promoted a more holistic approach to the use of the public realm where

space on the highway would be reallocated away from motor vehicles use towards active travel, community use and improving the natural environment.

9. The Vision adopted was that:

“Southwark will be a clean, green and safe borough. We will reclaim space for our communities to connect and socialise; for safe and healthy journeys; a thriving local economy, and our natural world. Fewer cars will lead to better air quality and a healthier environment.”

10. The strategy contained several pledges. These were as follows:

“By 2030, we promise:

- Your home will be within 200m of a safe and pleasant walking route.
- Your local school will have a ‘School Street’ or other new safety measures.
- Your bike will have a place in a cycle hangar within six months of applying.
- Your neighbourhood will have parking spaces for cycles, e-bikes, e-scooters, hire cars and electric vehicles.
- Your street will have something new to make it cleaner, greener and safer, chosen by you.”

11. The Strategy was constructed around four themes each with supporting objectives:

Streets for Communities: Reclaiming accessible space for our communities to connect, socialise and play, in a safe and pleasant environment.

Streets for Journeys: Making healthy and sustainable travel the safest, easiest, quickest and most convenient choice.

Streets for the Economy: Supporting our town centre economies to run efficiently and sustainably, reclaiming space to create high quality environments where people want to spend time.

Streets for Nature: Cleaning our air and reducing the impact of climate change by increasing biodiversity, making our streets greener and more resilient to extreme weather.

12. Following its adoption, officers were asked to develop a plan to deliver the strategy’s pledges and objectives. This would incorporate the results of a borough-wide engagement exercise, encouraging residents to contribute proposals for their area.
13. At the same time the council was developing other supporting strategies in relation to walking, cycling and electric vehicle (EV) charging. These were also consulted on with the results presented as part of a separate

report. This was approved by the Individual Decision Maker (IDM) on 31st May 2024.

14. While undertaking the engagement exercises, work has continued to deliver improvements:
 - 165 new pedestrian crossings installed over the last six years to make walking safer;
 - 29 School Streets schemes are in place – these timed closures reduce congestion, and therefore air pollution, outside schools, encouraging parents and pupils to walk, cycle, scooter or use other greener ways to get to school
 - Free cycle training has been delivered to over 10,000 adults and children
 - Over 760 cycle hangars have already been installed with over 4,500 bike spaces;
 - 259 e-bike/e-scooter parking bays installed
 - 1816 electric vehicle charge points installed.

KEY ISSUES FOR CONSIDERATION

Delivery Plan development

15. The Delivery Plan (Appendix 1) has been developed to:
 - Approve and prioritise work
 - Co-ordinate the different programmes of work (to ensure synergy and avoid clashes between different workstreams)
 - Ensure delivery of the work
 - Report on progress at a zone level.

Consultation and engagement

16. A borough-wide engagement exercise was undertaken during September 2023 and March 2024 to seek residents' views on what they would like to see happen in their area.
17. Officers wanted to engage residents, communities and stakeholders in a clear and consistent way. Officers also wanted to increase overall participation and ensure that responses were representative of the borough's population.
18. The specific objectives of the engagement exercise were to:
 - Increase people's understanding of what Streets for People means.
 - Ask residents for their views on what should be implemented in their neighbourhoods.

- Gain a greater understanding of the specific needs of people with protected characteristics – especially disabled people and families of young people with SEND.
 - Support behaviour change interventions to enable healthier ways of travelling, especially for younger people, families and businesses.
19. The engagement exercise comprised the following elements:
- Online survey publicised through email and social media campaigns.
 - Streets for People survey questions included in other Highways surveys throughout 2023.
 - Door-knocking – we visited c.20,000 addresses providing leaflets, focussing on areas of low engagement.
 - Attendance at community events.
 - Focus meetings covering Walking, Cycling, Parents and Carers, and Disabled People.
 - Online youth survey.
 - Programme of classroom workshops in primary schools.
20. Over 9000 responses were received as a result of this exercise.
21. The key responses received were:
- 73% of respondents are concerned about the effects of climate change, and 72% worry about the impact of poor air quality on children.
 - Around 45% of all respondents were keen to see new trees or green spaces on their streets.
 - Over 40% of respondents would like to try cycling or to cycle more – but cited dangerous driving, the volume of motor cars and lack of protected cycle lanes as barriers.
 - 21% of young people surveyed would like to cycle to school – but traffic on their main routes is a major barrier.
 - Over 44% of respondents would walk more if their streets were quieter or less polluted, with many asking for pavement improvements, widening and decluttering, and a reduction in traffic.
 - Less than 30% of respondents used their car once a week or more – walking and public transport were far more important ways of getting around.
22. A full summary of the process and its findings is detailed in Appendix 2 and Appendix 2a.
23. Results of the public engagement were shared with officers responsible for delivering the different workstreams. They ensured residents' requests were considered in a consistent way alongside the council's wider responsibilities and aspirations, with a process adopted to ensure the two supported each other (Appendix 2b).

Mapping

24. A borough-wide map (traffic circulation plan) has been produced to illustrate strategic corridors. These have been developed on current traffic data and may be subject to change once further feasibility work and consultation has been undertaken.
25. Further maps are included to illustrate the proposed travel routes for walking, cycling and public transport.
26. To illustrate improvements at a more local level, ward maps have been produced showing planned walking and cycling routes as well as planned school streets.

Approach to delivery

27. The Delivery Plan outlines the proposed approach for implementation using a zone-by-zone approach over a five-year period.
28. In Year 1, work will start on the following five zones which have been prioritised because work has already begun to develop proposals in these zones:
 - Zone A – deliver a number of the interventions requested by residents in the area around Great Suffolk Street, Union Street, Webber Street, Lovington Street and Pocock Street. This will also incorporate roads around Borough Market such as Bedale Street and Stoney Street.
 - Zone B – building on the work we have undertaken on Bermondsey Street we will look at the whole zone around this. We will look to provide two-way cycling on Snowfields, improve pedestrian links from London Bridge station towards Bermondsey Street and provide a better cycle connection from London Bridge Station down to cycleway 14 and on towards Cycleway 10 by improving the crossing of Long Lane by Weston Street.
 - Zone F – we want to link Cycleway 4 at Tanner Street through the Bermondsey Spa area to C10 at Willow Walk; in parallel with this we will look at the whole of zone F to implement complimentary measures.
 - Zone I – we have consulted residents in the North Camberwell area around Wyndham Road who have told us they want to see reductions in the amount of through-traffic. We will work with the community to make this a reality and will engage with the residents on how they would rather see this space being used.
 - Zone J – is a large area that we will need to deliver in sections. We have already completed some elements of this as a part of our work in the Brunswick Park and Goldsmiths Road areas, working with Impact on Urban Health. We are reviewing East Street and nearby roads to address any remaining traffic issues and to improve the public realm

for local residents and market users. We've also submitted a funding bid to support with design and implementation of Cycle Future Route 12 which connects from Queens Road station to Surrey Quays station.

29. We are also seeking funding and/or have submitted external funding bids to develop schemes in the following zones:
 - Zone C – implementation of the cycle lane on Harper Rd
 - Zone O – design of cycleway 35
 - Zone L – Camberwell Grove cycleway
30. During Year 1 we will review the remaining zones and set a programme for delivery seeking funding for the remaining four years.

Application of Streets for People to the Council's housing estates

31. Given that many Southwark residents live in council-owned housing officers developing the Streets for People strategy and Delivery Plan have worked closely with those in the Housing department.
32. Council residents were also included within the borough-wide consultation and engagement exercise.
33. This has resulted in co-ordinated approaches to matters such as the walking network and the cycling network.

Policy implications

34. Feedback from the engagement exercise highlighted bins on pavements as something that adversely impacted on peoples' ability to get around safely. Bins may be being placed on the pavement because residents do not have sufficient storage space, or they do have space but choose not to use it. As a result, an exercise is being undertaken to determine the scale of the problem and the potential responses.

Southwark 2030

35. The Streets for People Delivery Plan is instrumental in delivering the Southwark 2030 'Goal 6 – A healthy environment'. The Streets for People Delivery Plan will lead to the creation of more green space and biodiversity for our community to enjoy. This will be delivered through the addition of pocket parks, new trees and green spaces.
36. The Streets for People Delivery Plan will also help people and businesses switch to healthy, clean and green transport which is central to the Southwark 2030 strategy. This will take place via the roll out of additional EV charging points, but most importantly, through encouraging people to walk and cycle across the borough.

37. The nine streetspace schemes will also provide additional opportunities for converting spaces previously used by traffic into green areas and better walking and cycling routes which all contribute to the Southwark 2030 'healthy environment' goal.

Mayor of London

38. The Mayor's Transport Plan was refreshed in 2022 with a stated aspiration that "80% of all trips in London to be made on foot, by cycle or using public transport by 2041". The Plan includes action plans for bus travel, walking, cycling and freight. The Mayor of London's 'Healthy Streets for London' strategy also includes the ambition that all Londoners walk or cycle for 20 minutes every day.
39. Officers will work with Transport for London to ensure that the Council maximises the benefits of public transport within Southwark as well as ensuring that the Council's plans for walking, cycling and freight take account of the Mayor's aspirations in these areas.
40. Officers have incorporated the Mayor's plans into the Council's own plans to provide a more holistic approach.

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

Community Impact Statement

41. From September 2023 – March 2024 the council undertook the largest engagement exercise it has ever run. Residents were asked what they would like to see on their street and in their neighbourhood. This gave residents the opportunity to suggest walking and cycling improvements alongside where they would like new EV charging points. The majority of respondents to the consultation were from a white ethnic background; however the large scale programme of door knocking / surveying did succeed in increasing engagement with those from other ethnic backgrounds. A separate survey was also carried out for young people which received 252 responses. In-person engagement sessions with primary school classes also took place, reaching 606 children.

Equalities (including socio-economic) impact statement

42. The Public Sector Equality Duty ("PSED") is set out in section 149 of the Equality Act 2010 which requires the council, in the exercise of its functions, to have due regard to the need to:
- eliminate discrimination, harassment and victimisation;
 - advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it;
 - foster good relations between persons who share a relevant protected

characteristic and those who do not share it.

43. An Equalities Impact and Needs Analysis has been undertaken in light of the council's PSED to assess the impacts of the Delivery Plan on groups with protected characteristics and to assess whether any mitigating actions could be taken to promote equality and tackle inequalities (see Appendix 3).
44. The Streets for People Delivery Plan is expected to have a positive impact on children and young people, who are often underrepresented in engagement processes. By actively involving them, the plan aims to ensure that changes are tailored to meet their needs. Additionally, air pollution poses a significant threat to public health, contributing to chronic illnesses and even premature death, particularly affecting young people, the elderly, and those with existing health conditions. The plan's objectives are designed to address this issue, promoting better health outcomes for these vulnerable groups.
45. The plan is expected to benefit individuals with disabilities, as they are less likely to own or drive cars. By reducing the reliance on private vehicles within the borough, funds previously allocated to road maintenance can be redirected to support more widely used forms of transportation. Improvements such as making pavements wider and flatter will enhance accessibility for those with mobility challenges, as well as for people using prams, the elderly and young people.
46. The Streets for People Delivery Plan aims to reduce traffic, which will positively impact individuals from Black, Asian, and Ethnic Minority communities who are more likely to live in areas with high levels of air pollution and consequently face greater health risks.
47. The plan aims to positively impact the LGBTQ+ community and women by prioritising safer streets, encouraging greater use of public spaces by these groups, who have been shown to be particularly vulnerable. The objectives in the plan will aim to work with these groups to understand what improvements are needed to improve their experiences.
48. The Streets for People Delivery Plan is expected to benefit lower-income groups, who are more likely to depend on public transport, by focusing on improving these networks. Additionally, individuals from lower-income backgrounds often have limited access to green spaces, which has been associated with mental health challenges. The plan aims to address this by enhancing green areas, thereby improving the quality of life for these communities.

Health impact statement

49. The aims of Streets for People - to boost active travel, to reclaim space for communities to connect, and to clean our air and reduce the impact of climate change - offer numerous health benefits. Green spaces are

associated with improved mental health and can protect against overheating and flooding. Active travel can boost physical and mental wellbeing, reduce road collisions, and contribute to better social cohesion and quality of life. There is strong evidence supporting more active travel as an effective way of sustaining an increase in physical activity levels for inactive people. A shift towards these forms of transport could also benefit air quality, the health effects of which are well documented, from respiratory and cardiovascular illnesses to cancer. Further information about these health effects are available in the [air quality](#) Joint Strategic Needs Assessment, the climate change and air quality Annual Public Health [reports](#), and the childhood obesity and active travel Health Needs [Assessments](#) produced by Southwark's Public Health team.

50. People have differing capacities to engage with health promoting behaviours like active travel, and the health effects of air pollution, climate change, obesity, and other related health harms are experienced unequally. The strategy, engagement, and emerging delivery plan take into account these inequalities and varying vulnerabilities in the borough. For example, door-knocking focused on areas of low engagement, and the engagement research as a whole aimed to gain a better understanding of people based on protected characteristics. Throughout the Delivery Plan, objectives consider accessibility requirements, as well as differences related to other demographic and geographic information.

Climate change implications

51. The Streets for People Strategy has been developed to closely align with the council's Climate Change Strategy and Action Plan. As shown in the Strategic Framework at paragraph 23 above, the council's published climate ambitions have shaped the drafting of the overall Streets for People Strategy. One of the five key themes contained within the Climate Change Strategy and Action plan focuses on Sustainable and Active Travel. This includes actions to reduce carbon emissions and improve air quality by meeting the goals of reduced car ownership and use, alongside safer, greener streets that promote walking, cycling and public transport use. The Streets for People Strategy and emerging Delivery Plan will be the primary mechanism by which the Council delivers its transport programme against our ambitious 2030 net zero target. A second theme in the Climate Change Strategy and Action Plan seeks to ensure a thriving natural environment in the borough. The Streets for People Delivery Plan will take an important role in meeting this objective.
52. The Streets for Nature section of the Delivery Plan aligns with the Council's ambition for a resilient network of streets that responds to the worsening effects of a changing climate. This includes excessive heat events that effect the most vulnerable people in our borough, and surface water flooding that can impact homes, businesses and journeys. The Council's Climate Resilience and Adaptation Strategy was adopted in February 2024. It draws together different climate adaptation workstreams with the strategic objective to improve the ability of our communities,

services and infrastructure to withstand and bounce back from extreme weather events. The strategy's accompanying action plan defines a series of action points by thematic hazard, including heat and flooding.

53. The delivery of the Streets for Nature theme, specifically Objective 12: Make streets greener and more resilient to extreme weather will further secure the adaptive change that the Climate Resilience and Adaptation Strategy seeks to achieve. For example, Action Point B2 in the strategy requires all new highway and public realm projects to ensure that at least 10% of its footprint is blue-green infrastructure. This requirement will continue the creation of an interconnected network of natural and designed landscape features through the borough, and improve surface water runoff in highways schemes, but enhances local biodiversity and improves air quality.

Resource implications

54. Additional staff have been appointed to deliver actions contained in the delivery plan which will be funded from a combination of existing resources and parking revenue account.

Legal implications

55. The Delivery Plan is in compliance with and captures the strategies and objectives of the Mayor of London's Transport Plan.
56. The Delivery Plan is a non-statutory document that sets out the Council's policy and plan to increase walking and cycling in the borough in line with adopted strategies. It is not a policy framework development plan document and so the approval of the Plan is a decision that can be taken by Cabinet in accordance with the Council's Constitution.
57. The Streets for Nature section of the Delivery Plan aligns with the Council's Climate Change Strategy and Action Plan to meet the targets set in the Climate Change Act 2021 to for reducing carbon emissions and increasing air quality.
58. A borough-wide engagement exercise and an Equality Impact and Needs Assessment has been completed in compliance with the Council's Public Sector Equality Duty (PSED) where local authorities are required to have due regard to the aims of the general equality duty when making decisions and when setting policies.

Financial implications

59. This report is recommending approval to deliver interventions in five zones as set out in the Delivery Plan.
60. The Table below outlines the high-level breakdown of the key line items:

Cost Item	Estimated Cost
	£'000
Delivery of five zones	
Cycling and walking networks	10,000
Crossings, cycle parking, benches, tree pits etc.	15,000
Monitoring/modelling/design of one street space scheme	1,000
Project Management costs	400
Total Phase 1 Costs	26,400

61. The estimated revenue costs associated with implementing the interventions in year 1 is 5% of the total capital costs, £1,250,000 per annum, this will be funded from the parking revenue account.

Consultation

62. Details on the consultation are contained within paragraphs 16-23 of this report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive – Governance and Assurance (RJ/AGG 20/11/24)

63. The approval of the Streets for People Delivery Plan which is an active travel policy is an executive function of the Council which can be considered by Cabinet in accordance with Part 3B of the Council's Constitution.
64. The Leader's delegation of his authority to approve revisions to the borough's traffic circulation plan to the Cabinet Member for Clean Air, Streets and Waste is also in accordance with Part 3B of the Council's Constitution.
65. Cabinet will need to 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 in accordance with the PSED and section 149 of the Equality Act 2010. Officers have carried out an equalities impact and needs analysis (see Appendix 3 and paragraphs 41 to 48) which the Cabinet should take account of in its considerations.
66. 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 that is incompatible with these rights.

The most important rights for highway purposes are Article 8 (respect for homes), Article 6 (natural justice) and Article 1 of the First Protocol (peaceful enjoyment of property).

67. Council Assembly on 14 July 2021 approved a change to the council's constitution to confirm that all decisions made by the council will consider the climate and equality (including socio- economic disadvantage and health inequality) consequences of taking that decision. The climate implications of the Delivery Plan are considered as part of this report.
68. The Cabinet will note the consultation that has been carried out in connection with the Delivery Plan. It is necessary as a matter of law and in accordance with the principles of fair consultation for the Cabinet to carefully take account of the outcome of this consultation as set out in the report in reaching a conclusion on the Delivery Plan.

Strategic Director of Resources (ESL24/102)

69. This report is requesting the cabinet to note the outcome of the borough-wide engagement exercise undertaken between September 2023 and March 2024; the improvements and schemes delivered to date and to approve the Streets for People Delivery Plan which is underpinned by the goals and principles of the Southwark 2030 strategy.
70. The SDR also notes the financial implications, and that this first phase of the delivery plan will be funded from a combination of earmarked reserves, as well as borrowing. Future phase delivery will be subject to future funding decision making.
71. Officers' time and any other costs associated with this recommendation will be contained within existing departmental revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Streets For People strategy Appendix 1 Streets for People Strategy 2023-2030.pdf	Environment, Sustainability and Leisure	John Wade, 0207 525 0141

APPENDICES

No.	Title
Appendix 1	Delivery Plan
Appendix 2	Consultation Report
Appendix 2a	Consultation Report Background Information
Appendix 2b	Resident feedback by ward
Appendix 3	Equalities Impact and Needs Analysis

AUDIT TRAIL

Cabinet Member	Councillor James McAsh, Clean Air, Streets & Waste		
Lead Officer	Matt Clubb, Director of Environment		
Report Author	John Wade, Head of Parking Services and Network Management		
Version	Final		
Dated	18 December 2024		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments Sought	Comments Included	
Assistant Chief Executive – Governance and Assurance	Yes	Yes	
Strategic Director of Resources	Yes	Yes	
Climate Change	Yes	Yes	
Public Health	Yes	Yes	
Cabinet Member	Yes	Yes	
Date final report sent to Constitutional Team		18 December 2024	

Meeting Name:	Cabinet
Date:	7 January 2025
Report title:	Allocations for Strategic Community Infrastructure Levy funding
Cabinet Member:	Councillor Helen Dennis, New Homes and Sustainable Development
Ward(s) or groups affected:	Borough and Bankside, Old Kent Road and Nunhead and Queens Road
Classification:	Open
Reason for lateness (if applicable):	N/A

FOREWORD - COUNCILLOR HELEN DENNIS, CABINET MEMBER FOR NEW HOMES AND SUSTAINABLE DEVELOPMENT

I'm delighted to be in the position to move forward a number of key infrastructure projects in the borough, using Strategic Community Infrastructure Levy (SCIL), money that has been generated from development taking place across Southwark. In accordance with our policy on SCIL, agreed earlier in 2024, we are using 50% of funds to enable the Bakerloo Line Upgrade and Extension to be delivered, and the remaining 50% to deliver key transport and community infrastructure projects, including key initiatives set out in our Council Delivery Plan. Included for funding in this Cabinet report are:

- The LGBTQ+ Cultural Centre at Bankside Yards, with up to £1.5m being allocated to support the fit-out of this exciting new space, complementing what has already been invested by Native Land, and enabling a partner to develop and deliver this new offer for the community;
- Feasibility plans which will set out and explore options for making Nunhead Station fully accessible;
- A funding options study, part-funded by Southwark in partnership with Lewisham, TfL and Central London Forward, for the Bakerloo Line Extension; and
- Sub-terranean work relating to the Bakerloo Line Extension, which will enable a 100% affordable housing development to proceed on the Old Kent Road.

These are all projects with boroughwide significance, where capital investment is being enabled by growth and development in the borough, and I look forward to the delivery of these projects, as well as continuing to make the case for accessible stations in Southwark, and for the Bakerloo Line Extension over the coming months.

RECOMMENDATIONS

Recommendations for the Cabinet

1. To agree the allocation of Strategic Community Infrastructure Levy funding of up to £1,500,000 towards the fit out of the LGBTQ+ space at Bankside Yards.
2. To agree the allocation of Strategic Community Infrastructure Levy funding of £2,373,563 towards the development of 634-636 Old Kent Road.
3. To agree the allocation of Strategic Community Infrastructure Levy funding of £30,000 towards the Bakerloo Line Extension Funding Study.
4. To agree the allocation of Strategic Community Infrastructure Levy funding of £50,000 towards design work to improve accessibility at Nunhead Station.

BACKGROUND INFORMATION

5. Community Infrastructure Levy (CIL) is the sum of funding collected from major development sites across the Borough to pay for the implementation of new infrastructure to support the growth of communities. CIL is split into strategic CIL (70% of receipts) which is spent on Borough-wide infrastructure projects such as the construction of new tube stations. The remainder is made up of neighbourhood CIL (25% of receipts) and administration CIL (5% of receipts).
6. CIL is used to mitigate the impact of new development, and is a key tool to manage growth arising from increased population on a local area. CIL can be used to fund a wide range of infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities as set out in section 216(2) of the Planning Act 2008, and regulation 59 Community Infrastructure Levy Regulations 2010 (as amended) ("CIL Regulations"). This definition allows the levy to be used to fund a very broad range of facilities such as play areas, parks and green spaces, cultural and sports facilities, academies and free schools, district heating schemes and police stations and other community safety facilities. This flexibility gives councils the opportunity to choose what infrastructure is needed to deliver their local plan. It should be noted that charging authorities may not use the levy to fund affordable housing.
7. Local authorities must spend the levy on infrastructure needed to support the development of their area. The levy is intended to focus on the provision of new infrastructure and should not be used to remedy pre-existing deficiencies in infrastructure provision unless those deficiencies will be made more severe by new development. CIL is for capital expenditure rather than revenue expenditure and any revenue requirements from delivering capital projects must be met from existing budgets.
8. To date the council has opted to use Strategic CIL to support the funding of major transport infrastructure, which is needed to support the targets for new homes and employment in the recently adopted Southwark Plan. The principle investment to date has been a total of £71.5m to provide a new step

free tube station at the Elephant & Castle which will integrate the Northern Line with the Bakerloo Line extension. Work on this project is now underway.

9. The council has now received sufficient CIL receipts to meet the costs of its full commitment to the new tube station at Elephant and Castle. Strategic CIL is continuing to be generated from developments across the Borough and a small surplus is now available to support projects. The amounts received are likely to grow significantly over the next few years allowing the council to invest further in transport infrastructure to support growth, including the Bakerloo Line Extension. On an annual basis, the council produces an Annual Infrastructure Funding Statement showing how it is proposed to spend CIL and how CIL has been spent (see Appendix 1 for 22/23 report).
10. In July 2023 Cabinet agreed to allocate £1m of Strategic CIL to the Southwark Pensioners Centre for refurbishment of the property at 201-203 Camberwell Road which includes design, construction and fit-out, with match funding expected from Southwark Pensioners fund raising events.
11. In March 2024, Cabinet agreed a framework for allocating Strategic CIL as follows:
 - 50% of the fund to be allocated for investment in the Bakerloo Line Extension
 - Match funding of investment by bodies such as Network Rail and TfL in key transport projects such as Peckham Rye Station and Elephant and Castle overground station
 - Match funding of investment by bodies such as TfL in active travel routes
 - Infrastructure as identified in the Council Delivery Plan that meets the legal definition of infrastructure and benefits the community.

In addition, the report agreed funding for the Elephant and Castle Overground Station and the Bakerloo Line Extension Stations design work. In July 2024 Cabinet agreed funding towards the Peckham Rye Station improvement works.

KEY ISSUES FOR CONSIDERATION

12. The current balance of Strategic CIL funds available for allocation is £30.86m.
13. In accordance with the agreed framework, it is proposed to allocate up to £1,500,000 of Strategic CIL as a grant to the operator to invest in fit out work for the new LGBTQ+ centre at Bankside Yards. The LGBTQ+ space is a corporate priority included in the Council Delivery Plan. Native Land, the developer, has already invested over £2m in refurbishing the space. The fit out will include a theatre, workspace and catering facilities. It is anticipated that the centre will open in early 2026. The grant funding will be subject to a legal agreement with the operator and will be paid on the basis of invoiced spend. The revenue costs of the centre will be met by the external operator.
14. In accordance with the agreed framework, it is proposed to allocate £2,373,563 of Strategic CIL as a grant to Hexagon Housing Association to invest in the development of 634-636 Old Kent Road as enabling works for the Bakerloo Line Extension. 634-636 Old Kent Road is allocated in the

Southwark Plan and emerging Old Kent Road Area Action Plan for 46 homes. Planning permission was granted in 2017 and in 2018 the land was acquired by Hexagon Housing who propose to deliver a 100% affordable housing scheme (social rent and shared ownership housing) on the site. The site is located directly above the future BLE tunnel on land safeguarded by the Secretary of State for Transport in 2021. Below ground mitigation to future proof the site is required, ensuring that the foundations of development attenuate acoustic and vibration impacts from the tunnel and remove any risk associated with the impact of pressure on the tunnel from the building above. The cost of the infrastructure required is £2,373,563. This has been confirmed by a QS appointed by the council. The council has also commissioned specialist financial advice which has likewise confirmed that the abnormal cost relating to a BLE compliant design cannot be viably borne by the development. As infrastructure which directly relates to the BLE running tunnel, investment in the foundation design and construction is compliant with CIL Regulation 59 and paragraph 144 of the Planning Practice Guidance which allow CIL spending on a broad range of infrastructure which supports the growth of the borough. The council would propose to make the funds available to Hexagon Housing through a grant agreement, with a clawback mechanism should the development not go ahead.

15. In accordance with the agreed framework, it is proposed to allocate £30,000 towards the Bakerloo Line Extension Funding Study. Southwark, together with TfL, Lewisham and Central London Forward are commissioning a funding study to assess potential sources of local (London) funding to contribute towards the capital costs required for the construction of the Bakerloo Line Extension. In devising a funding package, it is likely that government would expect London to make a contribution to costs, following the precedents of the Northern Line extension and Crossrail. The study will assess the scale of funds that could be generated and potential sources including CIL, s106 contributions, Mayoral CIL, the net operating surplus on the line, over-station development and retention of business rates. The study will inform discussions with Treasury and DfT and the approach to preparing a Transport and Works Act order. The cost of the study will be shared between the organisations involved (Southwark's share being £30,000).
16. In accordance with the framework, it is proposed to allocate £50,000 in grant to Network Rail towards design works to improve accessibility at Nunhead Station. This design work will lead to an Access For All bid. Without this funding, the project would not be a priority for Network Rail funding. The grant funding will be subject to a legal agreement with the operator and will be paid on the basis of invoiced spend.
17. A running total of Strategic CIL allocations will be maintained within Planning and Growth in order to ensure the 50% limits (as referred to in paragraph 11) are not exceeded. The Annual Infrastructure Funding Statement will set out any allocations proposed and those made.

Policy framework implications

18. The allocation of Strategic CIL as proposed will support the delivery of key strategic projects.

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

Community impact statement

19. By their very nature, the projects supported by Strategic CIL such as investment in transport interchanges have a major positive impact on the community in a wide geographical area.

Equalities (including socio-economic) impact statement

20. Section 149 of The Equality Act 2010 imposes a general equality duty on public authorities (the Public Sector Equality Duty)(“PSED”) in the exercise of their functions, to have due regard to the need to:
 - Eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Equality Act 2010
 - Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it
 - Foster good relations between people who share a relevant protected characteristic and people who do not share it.
21. For the purposes of the PSED the following are “protected characteristic” considerations:
 - Age
 - Marriage and civil partnership
 - Disability
 - Gender reassignment
 - Pregnancy and maternity
 - Race
 - Religion or belief
 - Sex
 - Sexual orientation.
22. The PSED duty and implications for groups with protected characteristics will be considered further as the projects are developed and delivered.
23. The investment of Strategic CIL in the manner set out above will not have an adverse impact on those with protected characteristics.

Health impact statement

24. The investment of Strategic CIL is likely to have a positive impact on health through improvements in air quality as a result of the reduction in vehicular traffic by expansion and improvement of public transport.

Climate change implications

25. The proposed allocation of Strategic CIL will contribute towards the response to the climate emergency through for example the introduction of sustainable energy solutions as part of the any new public transport infrastructure.

Resource implications

26. The allocation of Strategic CIL is managed by resources in Planning and Growth.
27. The proposal is to allocate up to £1.5m of Strategic CIL as a grant to the operator of the LGBTQ+ space at Bankside Yards. This funding is matched by £2m of funding for the project. The revenue costs will be met by the operator.
28. The proposal is to allocate £2,373,563 of Strategic CIL as a grant to Hexagon Housing Association to develop 634-636 Old Kent Road. It is anticipated that match funding of £25m will be generated towards the development.
29. The proposal is to allocate £30,000 of Strategic CIL towards the costs of the Bakerloo Line Extension funding study. The balance of the funding for the study of £60,000 will come from LB Lewisham and Transport for London.
30. The proposal is to allocate £50,000 of Strategic CIL as a grant to Network Rail to invest in design work for Nunhead Station.
31. These proposals can be accommodated from existing Strategic CIL balances as indicated above. Future reports will need to be brought to Cabinet to cover any further costs for later stages of the major projects.
32. Detailed work and reconciliation will be carried on an on-going basis to ensure that there are sufficient CIL finance available to fund the project against the latest expenditure projections.
33. The revenue costs of the LGTBQ+ centre will be met by the external operator. Any other staffing and other costs connected with this report will be contained within existing revenue budgets.

Legal Implications

34. The Council has a statutory duty to get 'best value' under section 3(1) of the Local Government Act 1972 and must make arrangements to secure continuous improvement in the way in which its functions are exercised.
35. The council has the legal power to decide what infrastructure is needed. The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development.
36. Regulation 59 (1) of the CIL Regulations 2010 (as amended) a charging authority must apply CIL to funding infrastructure to support the development of its area.
37. Regulation 59(1), Community Infrastructure Regulations 2010 provides that: "A charging authority must apply CIL to funding the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of its area." The relevant definition of infrastructure is at s.216(2) of the Planning Act 2008: "infrastructure" includes: (a) roads and other transport facilities (b) flood defences (c) schools and other educational

facilities (d) medical facilities (e) sporting and recreational facilities, and (f) open spaces 35. This is a broad definition as it is an inclusive list, and not exclusive.

38. Under Regulation 59(4), any reference to applying CIL includes a reference to causing it to be applied, and includes passing CIL to another person for that person to apply to funding infrastructure.
39. The Planning Practice Guidance provides that the levy can be used to fund a wide range of infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities. The definition of infrastructure allows CIL to be used to fund a very broad range of facilities such as play areas, open spaces, parks and green spaces, cultural and sports facilities, healthcare facilities, academies and free schools, district heating schemes and police stations and other community safety facilities. This flexibility gives Southwark the opportunity to choose what infrastructure is needed to deliver the Southwark Plan 2022 and the London Plan 2021 i.e. the development plan. CIL may not be used to fund affordable housing.
40. Under 216 (1) of the Planning Act 2008, CIL regulations may require that CIL received in respect of development of land in an area is to be passed by the charging authority that charged the CIL to a person other than that authority.
41. Under 216 (2) of the Planning Act 2008, CIL regulations must contain provision to secure that money passed to a person in discharge of a duty under subsection (1) is used to support the development of the area to which the duty relates, or of any part of that area, by funding:
 - a) the provision, improvement, replacement, operation or maintenance of infrastructure, or
 - b) anything else that is concerned with addressing demands that development places on an area.
42. Under 216 (3) of the Planning Act 2008 a duty under subsection (1) may relate to:
 - a) the whole of a charging authority's area or the whole of the combined area of two or more charging authorities, or
 - b) part only of such an area or combined area.
43. Under 216(4) of the Planning Act 2008, CIL regulations may make provision about the persons to whom CIL may or must, or may not, be passed in discharge of a duty under subsection (1).
44. Under 216(5) of the Planning Act 2008 a duty under subsection (1) may relate:
 - a) to all CIL (if any) received in respect of the area to which the duty relates, or
 - b) such part of that CIL as is specified in, or determined under or in accordance with, CIL regulations.
45. The Subsidy Control Act 2022 contains set rules, procedures and processes

that allow local authorities to award subsidies to achieve public policy objectives.

46. Under Section 52 of the Subsidy Control Act 2022, local authorities planning to establish certain types of subsidy schemes or to award large individual subsidies are obliged to refer their proposals in advance to the Competition and Markets Authority (CMA), which is then tasked with reviewing how the Subsidy Control.
47. Under section 12 of the Subsidy Control Act 2022, the Council
 - a) must consider the subsidy control principles before deciding to give a subsidy, and
 - b) must not give the subsidy unless it is of the view that the subsidy is consistent with those principles.

Consultation

48. The individual allocations will be subject to consultation with relevant parties.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Assistant Chief Executive, Governance and Assurance

49. The approval of the allocation of the CIL funding is an executive function of the Council which can be considered by Cabinet in accordance with Part 3B of the Council's Constitution.
50. Cabinet will need to 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 in accordance with the PSED and section 149 of the Equality Act 2010. Officers have carried out an equalities impact and needs analysis (see paragraphs 20 to 23) which the Cabinet should take account of in its considerations.
51. 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 that is incompatible with these rights. The most important rights for highway purposes are Article 8 (respect for homes), Article 6 (natural justice) and Article 1 of the First Protocol (peaceful enjoyment of property).
52. Council Assembly on 14 July 2021 approved a change to the council's constitution to confirm that all decisions made by the council will consider the climate and equality (including socio- economic disadvantage and health inequality) consequences of taking that decision. The climate implications of the Delivery Plan are considered as part of this report.

Strategic Director, Resources (FIN24/53)

53. The report requests the approval of the allocation of Strategic CIL. The Strategic Director of Resources notes the resource implications of this in paragraphs 26-33, and confirms that the council has the funds available.

54. The resultant revenue costs of the LGBTQ+ centre will be met by the external operator. Any other costs connected with this report will be contained within existing revenue budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet Report on Framework for Strategic Community Infrastructure Levy funding 6 th March 2024	Sustainable Growth	Neil Kirby 07984 269 587
https://moderngov.southwark.gov.uk/documents/s119055/Report%20Strategic%20CIL.pdf		
Cabinet Report on Peckham Rye Station	Sustainable Growth	Neil Kirby 07984 269 587
https://moderngov.southwark.gov.uk/documents/s121514/Report%20Peckham%20Rye%20station%20upgrade%20-%20CIL%20contribution%20to%20Dovedale%20Court%20entrance.pdf		

APPENDICES

No.	Title
None	

AUDIT TRAIL

Cabinet Member	Councillor Helen Dennis, New Homes and Sustainable Development		
Lead Officer	Clive Palfreyman, Strategic Director of Resources		
Report Author	Neil Kirby, Assistant Director Sustainable Growth		
Version	Final		
Dated	18 December 2024		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title		Comments Sought	Comments Included
Assistant Chief Executive (Governance and Assurance)		Yes	Yes
Strategic Director of Resources		Yes	Yes
Cabinet Member		Yes	Yes
Date final report sent to Constitutional Team			18 December 2024

Meeting Name:	Cabinet
Date:	7 January 2025
Report title:	Motions Referred from Council Assembly
Cabinet Member:	Not applicable
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	Not applicable
From:	Proper Constitutional Officer

RECOMMENDATION

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

BACKGROUND INFORMATION

2. Council assembly at its meeting on 20 November 2024 agreed several motions and these stand referred to the cabinet for consideration.
3. The cabinet is requested to consider the motions referred to it. Any proposals in a motion are treated as a recommendation only. When considering a motion, cabinet can decide to:
 - Note the motion; *or*
 - Agree the motion in its entirety, *or*
 - Amend the motion; *or*
 - Reject the motion.

KEY ISSUES FOR CONSIDERATION

4. In accordance with council assembly procedure rule 2.10.6, the attached motions were referred to the cabinet.
5. The constitution allocates responsibility for particular functions to council assembly, including approving the budget and policy framework, and to the cabinet for developing and implementing the budget and policy framework and overseeing the running of council services on a day-to-day basis.
6. Any key issues, such as policy, community impact or funding implications are included in the advice from the relevant chief officer.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Council agenda	Report on the council's website	Virginia Wynn-Jones Constitutional Team 020 7525 7055
Link: Agenda for Council Assembly on Wednesday 20 November 2024, 7.00 pm - Southwark Council		

APPENDICES

Number	Title
Appendix 1	The climate emergency in Southwark: a fair transition to net zero
Appendix 2	Supporting Older People this Winter
Appendix 3	Rethinking Winter Fuel Payment Cuts
Appendix 4	Right to Grow
Appendix 5	Supporting the Climate and Nature Bill
Appendix 6	Support Renters in Southwark

AUDIT TRAIL

Lead Officer	Chidilim Agada, Head of Constitutional and Member Services		
Report Author	Virginia Wynn-Jones, Principal Constitutional Officer		
Version	Final		
Dated	2 December 2024		
Key Decision?	No		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments sought	Comments included	
Strategic Director of Resources	No	No	
Assistant Chief Executive – Governance and Assurance	No	No	
Cabinet Member	No	No	
Date final report sent to Constitutional Team		2 December 2024	

APPENDIX 1**The climate emergency in Southwark: a fair transition to net zero**

1. Council Assembly Notes:
 - a. That the climate emergency requires continued action to keep global warming below 1.5 degrees and that the UK, along with other wealthier nations, holds greater responsibility for reducing emissions given larger current and historic contributions.
 - b. The UK's legally binding target to reduce emissions by 78% by 2035 compared to 1990 levels, and to be Net Zero by 2050.
 - c. Southwark Council's declaration of a climate emergency in 2019 and our ambitious target of being carbon neutral by 2030.
 - d. That as an urban borough bordering the Thames, Southwark is particularly vulnerable to the effects of climate change such as flooding, and that hotter summers in an urban environment will greatly impact our vulnerable residents.
 - e. The need for the transition to net zero to be fair to all residents and businesses and the importance of a collective effort from central government, local government, community groups, voluntary organisations and the private sector to work together to meet this goal.
2. Council Assembly welcomes:
 - a. The new government's commitment to tackling the climate emergency.
 - b. The establishment of Great British Energy and a change in policy allowing new onshore windfarms to clean our energy supply along with further commitments in the government's mission to make Britain a clean energy superpower, including a new warm homes plan.
 - c. The new government's commitment to work with businesses and investors to ensure we have a fair and just transition to net zero.
3. Council Assembly further notes:
 - a. That despite a lack of leadership and funding from the previous government, Southwark Council and the local community have brought forward action to tackle the climate emergency.
 - b. The council has seen year on year emission reductions since launching our Climate Action Plan in 2021.

- c. That £25m in the Climate Capital Fund has now been fully assigned to specific projects or project areas which will be delivered over the next 12 months.
- d. That buildings account for 79% of emissions in the borough and the council has made great progress in reducing these emissions by:
 - i. Remaining on track to halve emissions in council-operated buildings by 2026.
 - ii. Moving over 2,000 council homes onto clean, water-source heat pumps on the Consort, Newington, and Wyndham estates.
 - iii. Launching the Schools Climate Action Guide to help schools reach net zero.
 - iv. Adopting ambitious planning policies which go further than the London Plan and require new developments in Southwark to achieve higher green standards and more operational carbon reductions.
 - v. Encouraging private sector competition in the north of the borough for building low-carbon office space.
 - vi. Introducing a green buildings fund, using developer contributions to subsidise the decarbonization of buildings in the borough.
- e. That transport contributes significant carbon and other toxic emissions which Southwark has made progress on by:
 - i. Reducing the need to own a car through the streets through the Streets for People campaign, which also includes cleaning air by reducing traffic around schools and in Low Traffic Neighbourhoods.
 - ii. Encouraging uptake of active travel, particularly in cycling with £2.5m committed to install 3,000 new cycle hangars, and the opening of new cycle routes.
 - iii. Making it easier for people to walk and wheel in Southwark, with a target of 87% of journeys being made by walking, cycling or wheeling by 2030.
 - iv. Campaigning for an extension of the Bakerloo Line and improving all forms of public transport.
 - v. Where driving remains a necessity, encouraging the uptake of EV cars by rolling out over a 1,000 new EV charging points by

2026.

- f. That the natural environment needs to be preserved and expanded in order to combat the climate emergency, which Southwark is achieving by:
 - i. Making Southwark the first inner London borough to have over 100,000 trees on council land, providing greater shade for residents and cooling the borough during hot weather, with 13,000 trees planted since 2022.
 - ii. Having some of the best parks in London, with 30 parks maintaining their green flag status.
 - iii. Rolling out the Biodiversity Fund, which will provide £500,000-worth of grants to projects which will increase biodiversity and resilience to climate change.
 - iv. Establishing a new park in Canada Water as part of the area's development, designed in consultation with residents and creating new green space in the north of the borough.
- g. That for the climate emergency to be tackled, the economy must be cleaner and greener, and that the council is leading the way in this area by:
 - i. Launching the Southwark Green Finance Initiative, with £1m raised for green projects in the borough in round one, and the second round currently open.
 - ii. Creating 1,817 green jobs since 2022 and on track to surpass our target of 2,000 by 2026.
 - iii. Establishing a Green Skills Hub at London South Bank University, so local residents can enter rewarding careers in the green sector.
 - iv. Focusing the Southwark Construction Skills Centre on developing skills for retrofitting homes and buildings, ensuring the workforce has the capacity to decarbonise the borough.
 - v. Increasing recycling rates across the borough and rolling out food waste recycling on estates.
 - vi. Cutting the council's own emissions, including reducing the carbon footprint of the pension fund by 83%.
- h. The renewable and sustainable energy are essential for the borough's future, which is being addressed by:

- i. The Southwark Community Energy Fund, providing £400,000 to 22 projects schools and faith groups to make green improvements to their buildings and make them more efficient.
 - ii. Exploring renewable energy options within the LASER Energy contract including a potential Green Power Purchase Agreement with other councils.
 - iii. Improving infrastructure across the borough to more efficient systems, such as upgrading all of our streetlights to LEDs by 2026.
- 4. Council Assembly recognises, celebrates and thanks:
 - a. The commitment of the community, residents and organisations to reducing emissions in Southwark, including the Community Stakeholder Panel, Citizens' Jury on Climate Change, Southwark Climate Action Schools, Southwark Climate Collective, the Southwark Biodiversity Partnership and others who have played their part in tackling the climate emergency.
 - b. Participants in Southwark's annual Climate Day, with residents and organisations showcasing their fantastic work to combat the climate emergency in Southwark and over 350 people who live, work and spend time in the borough coming together to learn how they can play their part.
- 5. Council Assembly therefore resolves to call upon Cabinet to:
 - a. Continue its nationally leading campaign on *Securing the Future of Council Housing*, working with the new Labour government and Southwark's coalition of over 100 councils to establish a new 'Green and Decent Homes Programme' for councils and housing associations to decarbonise our country's social homes.
 - b. Help establish 'Retrofit London' – a hub of retrofit expertise to help decarbonise the city.
 - c. Update the hugely successful climate strategy and climate action plan, utilising the opportunity of working with a new government to ensure the council has a big an impact as possible in helping the country reach net zero.
 - d. Bring forward its early climate review of the Southwark Plan in 2025 to ensure that policies on energy and sustainability represent current best practice.
 - e. Continue its work on Streets for People, bringing forward an ambitious new action plan.

- f. Bring forward a new plan for enhancing and expanding green spaces across the borough.
- g. Ensure that the climate emergency plays a central role in Southwark 2030, applying to each goal and seeking opportunities to make even greater progress toward net zero.
- h. Continue to campaign for the upgrade and extension of the Bakerloo line, which would take 20,800 cars off our roads every day.
- i. Continue and strengthen the council's partnerships with neighbouring boroughs, Greater London Authority, the Local Government Association and the new government in order to ensure Southwark has the resources it needs to be a net zero borough.
- j. Work with and support residents, organisations and businesses toward a collective goal of a fair transition to net zero.

APPENDIX 2**Supporting older people this winter****1. Council Assembly notes:**

- a. The difficult position that many residents – especially pensioners – find themselves in when paying bills in the winter months.
- b. Since 2010, the impact of Conservative and Liberal Democrat cruel and misguided austerity measures have left many of our older residents having to make the real and very difficult decision as to whether to heat their homes or eat.
- c. The new Labour Government has inherited a £22 billion black hole in the nation's finances from the previous Government.
- d. Since the start of the Cost of Living crisis in 2021, this Labour council has distributed financial help worth more than £53 million to Southwark residents. That support has reached more than one hundred thousand residents – with more support going to those on lowest incomes and those who are most vulnerable to the impacts of rising food and fuel costs.
- e. That since the summer of 2022, with the support of our Consortium of Older People's Services in Southwark (COPSINS) organisations, the council ran a campaign to increase both awareness of and the take up of Pension Credit which resulted in an additional 900 pension aged households being added to the Pension Credit roll in Southwark.
- f. That according to the most recent official statistics for February 2024, which were published in August, Southwark had the largest Pension Credit claimant count of all of the South London Boroughs, despite it having one of the smallest pension age populations.
- g. That the Southwark Energy Savers Scheme has helped support 560 residents with advice on their fuel bills this year and has generated income maximisation of over £660,000.

2. Council Assembly therefore:

- a. Welcomes the introduction of the government's £150 Warm Home Discount for low-income households from October, the extension of the Household Support Fund of £1 billion and the maintenance of the Winter Fuel Allowance for 1.3 million households in England and Wales.
- b. Acknowledges this Labour administration's proactive response in ringfencing £380,000 of Household Support Fund for the purpose of supporting pensioners who fall just outside of Pension Credit eligibility. This will support around 1,200 pension age households not in receipt of Pension Credit, and who are on low incomes, with a one-off payment of £150. Other pensioners not in receipt of any means-tested benefits, who are struggling, at risk, or in crisis, will be

supported with a £200 payment through a community referral scheme (Pensioners Referral Pathway) via our voluntary and community sector partners.

- c. Recognises and supports an additional one-off payment of £100 to residents receiving domiciliary care.
- d. Welcomes the Chancellor of the Exchequer's announcement in the Autumn Statement to an above inflation increase of 4.1% to the State Pension which gives over 12 million pensioners an additional £470 from next April.
- e. Welcomes the Pension Credit Standard minimum guarantee increase from £11,499 per year to £11,850 per year for a single pensioner.
- f. Asks Cabinet to ensure that the Pension Credit Campaign is advertised as widely as possible to encourage further take up this winter.
- g. Resolves to work with our voluntary partners to open up our warm hubs this winter, where elderly and vulnerable residents can come for a warm meal, a chat, and to receive free advice and sign-posting.
- h. Remains committed to supporting our older people and vulnerable residents as these changes take effect. The exchequer department are working closely with colleagues in Adult Services on the distribution of Cost of Living Support, including by identifying residents who are housebound or suffering from dementia or similar conditions to ensure tailored plans are in place as needed.

Rethinking Winter Fuel Payment Cuts

1. Council Assembly notes:
 - a. The £22bn black hole in the UK's finances caused by reckless decisions of previous Governments.
 - b. That Winter Fuel Payments should be means tested, to ensure that those most in need are supported.
 - c. According to Policy in Practice, there are around 4,400 households in Southwark who are eligible to claim Pension Credit, and thus the Winter Fuel Payment, who do not currently claim it.
 - d. That the deadline for claiming Pension Credit to be eligible for the 2024/2025 Winter Fuel Payment is fast approaching on 21 December 2024.
 - e. Existing work the council is doing to encourage uptake of pension credit for those who are eligible, but have not claimed it.
 - f. That the Household Support Fund (HSF), which funds Southwark's Cost of Living Fund, has been extended by the Chancellor in her Autumn Budget.
 - g. That the council fund an energy support scheme to help residents impacted by the rise in energy costs.
 - h. The support being provided by the council to pensioners this winter including:
 - i. A one-off payment of £150 to low income pensioners not eligible for pension credit.
 - ii. A one-off payment of £100 to residents receiving domiciliary care.
 - iii. A one-off payment of £150 to residents living in a property rated EPC D or lower.
 - i. That the Energy Price Cap rose by 10% in October, which combined with the removal of Winter Fuel Payments will push thousands of local pensioners into fuel poverty.
 - j. Additional barriers to claiming pension credit – such as rules around pensioner couples (if only one is of pensionable age) and the fact that the threshold is nationwide, despite higher living costs in areas like London
 - k. Recent polling that shows 6 in 10 people think that this change is wrong.

2. Council Assembly believes that:
 - a. The Labour Government's commitment to protect the State Pension Triple Lock, increasing the State Pension by an above inflation rate of 4.1% will benefit low income pensioners across Southwark by an additional £470 a year.
 - b. The Labour Government's commitment to increase the Pension Credit Standard minimum guarantee by 4.1% will support many low income pensioners in Southwark.
3. Council Assembly resolves to:
 - a. Ask Cabinet to look at how the extension of the Household Support Fund can be used to continue to support pensioners on low income.
 - b. Continue to work with our voluntary and community sector partners to sign up those who are eligible for pension credit to claim their Winter Fuel Payment before 21 December 2024 deadline.

Right to Grow

1. Southwark Council notes:
 - a. The Cost of Living crisis and the continued impact on Southwark residents.
 - b. Recovery from the pandemic brings a new focus on ensuring that residents have access to enough fresh food for day to day living.
 - c. The increasing need to put the health and well-being of residents at the heart of council policy.
 - d. The powerful evidence which demonstrates the link between people's health and wellbeing and the availability of fresh locally produced food.
 - e. That the cost-of-living crisis is creating real hunger, reinforcing the need for healthy fresh food at an affordable price.
 - f. That communities coming together to grow food and carry out wildlife gardening can radically reduce costs to NHS and social care budgets by reducing loneliness, improving access to nature and providing healthy food.
 - g. That there is under-used publicly owned land in the borough which could be used for community food growing and/or wildlife planting, while also improving the public realm.
2. Southwark Council agrees to, where possible, take a Right to Grow approach on council owned land which is suitable, or which could be de-paved and made suitable, or which could accommodate planters, for cultivation.
3. As a result, Council Assembly asks Cabinet to consider:
 - a. Identifying and producing a map of council owned land suitable for community cultivation, including spaces that are currently covered by hard standing that could be de-paved and/or accommodate planters.
 - b. Exploring where land can be made available for cultivation by a simple license to community organisations at no cost, building upon the council's existing growing scheme.
 - c. Promoting the use of structurally suitable and accessible rooftops for growing.
 - d. Considering community food growing and wildlife gardening on sites awaiting development for other uses on a fixed term basis.

- e. Working with Southwark's MPs in supporting Southwark's community gardeners, the Incredible Edible campaign and national 'right to grow' campaign.
- f. Working with partners and stakeholders and encouraging anchor institutions and civil society to join it in the above endeavour.

Supporting the Climate and Nature Bill

1. Council Assembly notes

- a. This summer, the world has witnessed the highest temperatures on record, with hundreds of excess deaths attributed to heat waves estimated in London alone in 2023, which was the second warmest summer on record in the UK.
- b. Alongside this, there is the looming danger of the cost of living crisis due to fuel price shocks following the pandemic and Russia's invasion of Ukraine, which could be mitigated in the long-term by increases in zero-carbon energy sources.
- c. Our over-reliance on fossil fuels and the need for a transition to renewable energy has never been so clear.
- d. Humans have already caused irreversible climate change, the impacts of which are being felt in the UK and around the world. The global temperature has already increased by 1.3°C above pre-industrial levels, and the natural world has reached crisis point, with 28% of plants and animals threatened with extinction.
- e. A recent UN Environment report found that there is currently no credible pathway to 1.5°C in place. In tandem with this, there is a severe biodiversity crisis.
- f. The UK is one of the most nature-depleted countries in the world. More than one in seven of our plants and animals face extinction, and more than 40% are in decline.
- g. If we fail to halt and, crucially, reverse biodiversity loss by 2030, we increase the risk of further pandemics, rising global temperatures and loss of species. The UK needs a legally enforceable nature target so that, by 2030, nature is visibly and measurably on the path to recovery, in line with the Global Goal for Nature.

2. Council assembly further notes

- a. That the Climate and Nature Bill brings forward the development of an integrated strategy to ensure that the UK's climate and environmental response is in line with the latest science.
- b. The Bill was proposed in previous forms across Parliament which received support from a cross-party coalition of politicians and organisations, including the London Assembly, London Councils and Mayor Sadiq Khan.
- c. That Private Member's Bills are the prerogative of Members of Parliament to debate in the House of Commons.

d. The Bill aims to ensure that:

- i. The intertwined climate and nature crises is tackled in a joined-up way;
- ii. The Paris Agreement aim is enshrined into law to ensure that the UK does its full and fair share to limit the global temperature rise to 1.5°C;
- iii. The UK halts and reverses biodiversity loss by 2030 to ensure that the UK's ecosystems are protected and restored;
- iv. The UK takes responsibility for its greenhouse gas footprint, including international aviation and shipping, and by accounting for consumption emissions related to the goods and services that are imported and consumed in the UK;
- v. The UK takes responsibility for its ecological footprint in order to better protect the health and resilience of ecosystems, including along domestic and global supply chains; and
- vi. No-one and no community is left behind in the just transition by providing retraining for those currently working in fossil fuel industries; and
- vii. An independent, temporary Climate and Nature Assembly is set-up, representative of the UK population, to engage with the UK Parliament and UK Government to help develop the strategy. This would be setup on broadly similar lines to the Climate Assembly 2020 which was very successful and very well received on all sides of the political divide.

3. Council Assembly further recognises:

- a. Existing work Southwark Council has embarked on to play its role in tackling the climate and nature crises since declaring a climate emergency in 2019 – reducing emissions year on year.
- b. This administration's success in restoring nature by expanding the borough's green spaces, including 30 parks which have been awarded Green Flag status for the 5th year running, planting thousands of trees to reach 100,000 trees on council land, and encouraging greater biodiversity through initiatives such as the biodiversity fund.

4. Therefore, Council Assembly asks Cabinet to:

- a. Continue the hard work in combatting the climate emergency in Southwark and reversing the depletion of the natural environment, including reducing emissions year on year and expanding the borough's green spaces – plantings tens of thousands of new trees and increasing biodiversity across Southwark.
- b. Support the new Labour government in its record-breaking ambitions to tackle the climate and nature crisis, reducing the country's carbon

emissions by 81% by 2035 based on 1990 levels, and working with our communities to restore the natural world.

Support Renters in Southwark

1. Council Assembly notes:
 - a. Private rents in Southwark are amongst the highest in the country increasing by 8.2% over the past year with the average rent now being £2,274 per month.
 - b. Spiralling private sector rents are one of the leading causes of homelessness in our borough and city, with 1 in 21 children in London now homeless, the equivalent of more than one in every classroom.
 - c. Some lettings agents in the borough have been engaging in unethical sales practices known as bidding wars, where they pit prospective tenants against each other, pressuring them to bid above the asking price.
 - d. We welcome the inclusion of a ban on bidding wars in the new government's Renters Rights Bill, and commend the work of ACORN, the community union, for their campaigns on this issue.
 - e. We also welcome the inclusion of proposed bans on huge above market rate rent hikes during tenancies, no fault evictions, and discriminating against tenants in receipt of benefits or with children in the new government's bill. These are changes that the council has long campaigned for alongside ACORN, Generation Rent, Shelter and many others.
 - f. We further note and welcome the council's work rolling out more protections for private renters through a selective private rented licencing scheme, which now covers the majority of Southwark
 - g. However, we recognise that more work needs to be done to address private renting affordability and quality in the borough, and that until this bill is passed, predatory letting agents will continue to increase rents as much as possible, pricing more people out of their homes.
2. Council Assembly resolves to ask Cabinet to:
 - a. Support ACORN Southwark's campaign to 'Ban the Bids' in the borough, and the call for an end to letting agents and landlords asking for, encouraging, or accepting bids above the advertised price for a private rented home.
 - b. Contact lettings agents in Southwark that have not pledged to stop using bidding wars practices, as highlighted in ACORN's campaign, asking them to stop.
 - c. Write to the Minister for Housing and all Southwark MPs setting out the council's support for the Renters Rights Bill.

- d. Extend the council's successful selective private rented licencing scheme to cover the whole borough.
- e. Review the council's support for private renters to ensure it is easy to access and effective and that the council is ready to start using the new powers in the Renters Rights Bill for local authorities to enforce higher standards in the private rented sector as soon they are enacted.

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