

## Cabinet

Tuesday 2 December 2025

11.00 am

Ground floor meeting rooms, 160 Tooley Street, London SE1 2QH

### Membership

Councillor Sarah King (Chair)  
Councillor Jasmine Ali

Councillor Evelyn Akoto  
Councillor John Batteson

Councillor Stephanie Cryan

Councillor Ellie Cumbo  
Councillor Helen Dennis

Councillor Natasha Ennin

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 Parks and Culture  
Cabinet Member for New Homes and  
Sustainable Development  
Cabinet Member for Community Safety and  
Neighbourhoods  
Cabinet Member for Clean Air, Streets and  
Waste  
Cabinet Member for Council Homes

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### INFORMATION FOR MEMBERS OF THE PUBLIC

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#### Access to information

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#### Contact

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

Members of the committee are summoned to attend this meeting

#### Althea Loderick

Chief Executive

Date: 24 November 2025



## Cabinet

Tuesday 2 December 2025

11.00 am

Ground floor meeting rooms, 160 Tooley Street, London SE1 2QH

## Order of Business

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### **PART A - OPEN BUSINESS**

#### **MOBILE PHONES**

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

#### **1. APOLOGIES**

To receive any apologies for absence.

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

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

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

1 - 2

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 dispensation in respect of any item of business to be considered at this meeting.

#### **5. MINUTES**

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To approve as a correct record the minutes of the open section of the meeting held on 14 October 2025.

Item No.	Title	Page No.
<b>6.</b>	<b>PUBLIC QUESTION TIME (15 MINUTES)</b>	
	To receive any questions from members of the public which have been submitted in advance of the meeting in accordance with the cabinet procedure rules. The deadline for the receipt of public questions is midnight Wednesday 26 November 2025.	
<b>7.</b>	<b>DEPUTATION REQUESTS</b>	
	To consider any deputation requests. The deadline for the receipt of deputation requests is midnight Wednesday 26 November 2025.	
<b>8.</b>	<b>DEMOLITION OF MARIE CURIE</b>	9 - 27
	To consider the demolition of Marie Curie House.	
<b>9.</b>	<b>A GOOD START IN LIFE- SOUTHWARK SCHOOL STANDARDS REPORT 2024-25</b>	28 - 34
	To note the Southwark School Standards report for 2024-25.	
<b>10.</b>	<b>DISPOSAL OF LAND AT GREENDALE, EAST DULWICH</b>	To follow
	To agree the proposed land transfer arrangements for land at Greendale, East Dulwich.	
<b>11.</b>	<b>PHASE 2 OF THE TUSTIN ESTATE RENEWAL</b>	35 - 51
	To approve phase 2 of the Tustin Estate renewal.	
<b>12.</b>	<b>RESIDENT ENGAGEMENT STRATEGY</b>	52 - 66
	To approve the resident engagement strategy.	
<b>13.</b>	<b>POLICY AND RESOURCES: REVENUE MONITORING REPORT 2025-26</b>	67 - 96
	To note the forecast revenue out-turn position.	

Item No.	Title	Page No.
14.	<b>POLICY AND RESOURCES: CAPITAL MONITORING REPORT 2025-26 AND SOUTHWARK 2030 STRATEGIC ALIGNMENT</b>	97 - 137
	To note the forecast capital out-turn position and approve the virements and the variations to the general fund and housing investment capital programme. To also approve the demolition of the Marie Curie block on Sceaux Gardens Estate.	
15.	<b>POLICY AND RESOURCES: BUDGET SETTING UPDATE 2026-27</b>	To follow
	To note the medium-term financial strategy update.	
16.	<b>HOUSING REVENUE ACCOUNT (HRA) - INDICATIVE RENT AND CHARGES REPORT 2026-27</b>	To follow
	To consider the proposed housing revenue account rent (the indicative/draft rent) and charges for 2026-27.	
17.	<b>GATEWAY 1 PROCUREMENT STRATEGY APPROVAL REPORT: ALL-AGE INTEGRATED DRUG AND ALCOHOL TREATMENT AND RECOVERY SERVICES</b>	138 - 216
	To approve the procurement strategy for Southwark's substance misuse treatment services.	
18.	<b>ALLOCATIONS FOR STRATEGIC COMMUNITY INFRASTRUCTURE FUNDING</b>	217 - 228
	To agree the allocation of Strategic Community Infrastructure Levy funding of up to £3,500,000 as a grant to Veolia ES Southwark Limited towards the Southeast London Combined Heat and Power heat network extension.	
19.	<b>GATEWAY 3 – VARIATION DECISION: PHASE 2 OF EXTENSION TO THE SOUTH EAST LONDON COMBINED HEAT AND POWER PLANT (SELCHP) HEAT NETWORK</b>	229 - 278
	To approve the proposed variation to the council's heat supply agreement.	
20.	<b>APPROVAL TO PURCHASE: ROCKINGHAM STREET ARCHES NOS. 107, 106,105</b>	279 - 287
	To approve the acquisition.	



Item No.	Title	Page No.
21.	<b>RESPONSE TO THE HOUSING SCRUTINY COMMISSION: OUTCOME OF THE REVIEW OF THE CANADA ESTATE 2017/18, FAIR STREET / DEVON MANSIONS 2018/19 AND KIRBY ESTATE 2018/19 QHIP MAJOR WORKS PROJECTS</b>	288 - 298
	To consider the responses to the recommendations in respect of the scrutiny commission report.	
22.	<b>RESPONSE TO THE ENVIRONMENT SCRUTINY COMMISSION 2024-25: EXPLORING THE PHYSICAL AND MENTAL HEALTH WELLBEING IMPACTS OF ACTIVE TRAVEL AND ACCESS TO NATURE SCRUTINY REVIEW REPORT</b>	299 - 327
	To consider the responses to the recommendations in respect of the scrutiny commission report.	
23.	<b>REPORT FROM OVERVIEW AND SCRUTINY COMMITTEE: OUTCOME OF CALL-IN ASYLUM ROAD CARE HOME, DISPOSAL OF THE SITE BY WAY OF A LONG-LEASEHOLD INTEREST</b>	To follow
	To consider recommendations from the overview and scrutiny committee in respect of a call-in Asylum Road Care Home, disposal of the site by way of a long-leasehold interest.	
24.	<b>REPORT OF THE OVERVIEW AND SCRUTINY COMMITTEE: CHILTON GROVE ESTATE - INFILL AND MAJOR WORKS</b>	328 - 330
	To consider recommendations from the overview and scrutiny committee in respect of Chilton Grove Estate, infill and major works.	
25.	<b>REPORT OF THE OVERVIEW AND SCRUTINY COMMITTEE: SOUTHWARK COMMUNITY SAFETY PARTNERSHIP</b>	331 - 333
	To consider recommendations from the overview and scrutiny committee in respect of Southwark Community Partnership.	

**26. MOTIONS FROM COUNCIL ASSEMBLY**

334 - 351

To consider motions referred from council assembly 12 November 2025 as follows:

- Rights for Residents: Putting People First
- Demanding Real Fairer Funding for Southwark
- Action to divest the Southwark Pension Fund from conflict and genocide
- Southwark Council will not water down affordable housing requirements
- Make Peckham Rye Station safe and accessible
- Our water our way.

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

**EXCLUSION OF PRESS AND PUBLIC**

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

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

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

**PART B - CLOSED BUSINESS**

**27. MINUTES**

**28. PHASE 2 OF THE TUSTIN ESTATE RENEWAL**

**29. GATEWAY 3 - VARIATION DECISION: PHASE 2 OF EXTENSION TO THE SOUTH EAST LONDON COMBINED HEAT AND POWER (SELCHP) HEAT NETWORK**

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- 30. APPROVAL TO PURCHASE: ROCKINGHAM STREET ARCHES  
NOS. 107, 106,105**

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

Date: 24 November 2025



## **Notice of Intention to conduct business in a closed meeting, and any representations received**

### **Cabinet 2 December 2025**

The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 require that the council give a 28 notice period for items to be considered in private/closed session. This has been implemented through the publication of the council's forward plan.

The council is also required under these arrangements to give a further five days notice of its intention to hold the meeting or part of the meeting in private/closed session and give details of any representations received in respect of the private meeting.

This notice issued in accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 is to confirm that the cabinet meeting to be held on 2 December at the Council Offices, 160 Tooley Street, London SE1 2QH will be held partly in closed session for consideration of the following items listed on the agenda:

**Item 28:** Phase 2 of the Tustin Estate Renewal

**Item 30:** Approval to purchase: Rockingham Street Arches nos. 107, 106, 105

The proper officer has decided that the agenda papers should not be made available to the press and public on the grounds that they involve the likely disclosure of confidential or exempt information as specified in categories 1 - 7, of the Access to Information Procedure Rules of the Constitution. The reason for both reports is that they contain information falling within category 3: information relating to the financial affairs of any particular person (including the authority holding that information).

In most cases an open version of a closed report is produced and included on the agenda.

No representations have been received in respect of the items listed for consideration in closed session. Any representations received after the issuing of this notice will be reported at the meeting.

Paula Thornton  
For Proper Constitutional Officer

**Dated:** 24 November 2025



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

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

Note: This notice applies to meetings of the cabinet, cabinet committee or multi-ward area forums considering an executive function.

### DECISION MAKER

**Name of decision maker:** Cabinet

**Date of meeting:** 2 December 2025

### LEAD OFFICER DETAILS

**Name and contact details:** Tom Vosper, strategic project manager  
[tom.vosper@southwark.gov.uk](mailto:tom.vosper@southwark.gov.uk)

### DETAILS OF THE REPORT

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

#### **Gateway 3 - Variation Decision: Phase 2 of Extension to the South East London Combined Heat and Power (SELCHP) Heat Network**

To approve the proposed variation to the council's heat supply agreement with Veolia ES Southwark Limited (VESS).

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

The next forward plan to be published is the January 2026 forward plan. The decision cannot wait until then as there is an urgent requirement to have the decision taken before then to give time for contracts to be signed and the contractor to mobilise ready for a modelled contract start date of 1 April 2026. Missing this deadline could lead to contract cost increases.

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

The decision was listed on the forward plan for October 2025 but due to the time taken finalising the internal review process the decision was pushed back and subsequently missed inclusion on the December forward plan.



## Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 14 October 2025 at 2.00 pm at Ground floor meeting rooms, 160 Tooley Street, London SE1 2QH

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**PRESENT:** Councillor Sarah King (Chair)  
Councillor Evelyn Akoto  
Councillor John Batteson  
Councillor Stephanie Cryan  
Councillor Helen Dennis  
Councillor Portia Mwangangye  
Councillor Michael Situ

### 1. APOLOGIES

Apologies for absence have been received from Councillor Jasmine Ali (unavailable due to other council business), Councillor Natasha Ennin, and Councillor James McAsh.

Apologies for lateness have been received from Councillor Portia Mwangangye.

### 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

No representations were received.

### 4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

Councillor Stephanie Cryan declared a non-pecuniary interest in item 8: Age Friendly Borough Initiative, as she is a trustee of Rotherhithe Consolidated Charities, which were consulted on this item.

### 5. MINUTES

That the minutes of the meeting held on 16 September 2025 be approved as a correct

record and signed by the chair.

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

There were no public questions.

## **7. DEPUTATION REQUESTS**

There were no deputation requests.

## **8. AGE-FRIENDLY BOROUGH INITIATIVE**

### **RESOLVED:**

That cabinet:

1. Noted that this work is being led by the Cabinet Member for Health and Wellbeing with officer leadership from the Assistant Chief Executive, Strategy and Communities, supporting strategic alignment across the council.
2. Approved the establishment of a cross-council officer working group to coordinate internal delivery of the Age-Friendly Southwark initiative, align departmental activity, and monitor progress against an action plan. Representation from the voluntary and community sector and older residents will be integrated to support ongoing co-production.
3. Endorsed the continued role of the Older Persons Age-Friendly Forum as a standing advisory group of older residents and carers who will inform, shape and challenge the initiative over time. (Feedback from the first forum meeting can be found in Appendix 1 of the report).
4. Endorsed the five existing working groups and note the progress made over the last period on Housing, Transport, Community Support & Health Services, Outdoor Spaces and Buildings, and Respect & Inclusion, and note the early actions being progressed (See Appendix 2 of the report).
5. Approved and supported raising the profile of the programme to establish Age-Friendly approaches as a corporate priority which are routinely considered in work across the organisation.
6. Endorsed the establishment of a £50,000 budget for a communication and engagement campaign targeted and co-produced with the older community to link them with relevant services and support, and challenge age-related stigma. This will include the development of an Age friendly identity that can bring the work of the council and our partners together.
7. Endorsed the use of the Age-Friendly budget to support engagement activities and events that strengthen the Age-friendly initiative. This will include resourcing participation and delivering events and activities that connect older people to services and opportunities.

8. Endorsed the allocation of project management resource from the council's Change Team to help drive the work forward over the next 12 months.
9. Noted that all funding decisions are from current budgets within the Community Engagement and Change Business Units within the Strategy and Communities department.

**9. ASYLUM ROAD CARE HOME: DISPOSAL OF THE SITE BY WAY OF A LONG-LEASEHOLD INTEREST WITH A SELECTED PARTY TO DELIVER AND OPERATE A NEW CARE HOME AT ASYLUM ROAD SE15**

**RESOLVED:**

That Cabinet:

1. confirmed the disposal by way of a long lease to the prospective lessee, Andover Care Ltd. ('Andover'), who will subsequently build and deliver a care home, at site comprising 128-148 Asylum Road and 133 -137 Queens Road ('Asylum Road' site), shown edged red on the plan at Appendix 1
2. agreed the council entering into an agreement for lease ('AfL') and subsequent lease for a 999 year period with Andover, the principals being set out substantially in this open report and fully in the closed report
3. delegated authority to the Director of Planning and Growth, advised by the Assistant Director, Property, to finalise the terms of the AfL and lease grant, substantially as set out in paragraphs 25-30 of the report and as set out in the closed report
4. delegated authority to the Strategic Director of Children's Adults' Services, to finalise the terms of the supplementary agreement for the care service for an initial 10-year period (with an option to review and agree further thereafter), as set out in paragraph 30 of the report and in the closed report.

It was further resolved that the Cabinet:

- i) noted that further feedback from the Health and Social Care Scrutiny Commission meeting, scheduled for Thursday 16 October 2025, would be taken into account during the lease negotiation stage with Andover
- ii) noted that Planning and Growth would explore options for appointing the Dementia Services Development Centre (DSDC) at the University of Stirling, as sector specialists, to comment on the proposed design, at the appropriate time.
- iii) noted that, with reference to paragraph 23 of the open report, the Andover Nursing Home has now been rated 'Good' by the CQC (4 September 2025).



## **10. ADOPTION OF CLIMATE AND ENVIRONMENT SUPPLEMENTARY PLANNING DOCUMENT (SPD)**

### **RESOLVED:**

1. That cabinet agreed the Climate and Environment Supplementary Planning Document (SPD) for adoption.

## **11. COMMUNITY INFRASTRUCTURE LEVY (CIL) UPDATE - STUDENT HOUSING**

### **RESOLVED:**

1. That Cabinet approved the commencement of public consultation for a minimum of thirteen weeks (in accordance with Southwark Council's Statement of Community Involvement) on a proposed change to the CIL rate for direct-let Purpose-Built Student Housing (PBSH), set out in the council's Community Infrastructure Levy (CIL) Charging Schedule;
2. That if material modifications are required to the Charging Schedule following the consultation, these will be subject to a minimum 4-week consultation, in line with the CIL Regulations (2010, as amended).
3. That if no material modifications are required following consultation, the revised CIL Charging Schedule will be submitted for Examination.

## **12. WYNDHAM ROAD, CAMBERWELL, LONDON, SE5 0XD, LETTING OF UNDERGROUND FORMER GARAGE SPACE**

### **RESOLVED:**

That cabinet:

1. Authorised the Strategic Director of Resources, advised by the Director of Planning & Growth and in consultation with the Assistant Director of Property, to enter into the letting of the former garages to Southwark Smart Space Ltd, for a lease and other related issues on the terms set out in exempt Appendix 1 Closed.
2. Noted the circumstances leading to the proposed letting and due diligence being undertaken by officers and their advisors.
3. Noted the financial arrangements of the letting and the conditions of the lease in respect of capital works.
4. Delegated to the Strategic Director of Resources, advised by Director of Planning and Growth and in consultation with the Assistant Director of property, authority to:
  - Complete the letting of the former garages for self-storage purposes; and
  - Agree detailed transactional terms pursuant to the Heads of Terms (see Closed Appendix 1).

### **13. GATEWAY 2 INTEGRATED SEXUAL AND REPRODUCTIVE HEALTH SERVICES CONTRACT AWARD**

#### **RESOLVED:**

1. That Cabinet approved the contract award for the delivery of an integrated sexual and reproductive health service to Guy's and St Thomas' NHS Foundation Trust for a period of three years from 7 November 2025 at an estimated annual contract value of £4.1m and an estimated whole life contract value of £12.3m.
2. That Cabinet approved the change to the approved GW1 procurement strategy report, reduction in the duration of the contract, budget and that this will be a contract directly between Southwark Council and Guy's and St. Thomas' Foundation Trust for the reasons set out in paragraphs 11-14 of the report.

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

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

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

### **14. MINUTES**

The closed minutes of the cabinet meeting held on 16 September 2025 were approved as a correct record and signed by the chair.

### **15. ASYLUM ROAD CARE HOME: DISPOSAL OF THE SITE BY WAY OF A LONG-LEASEHOLD INTEREST WITH A SELECTED PARTY TO DELIVER AND OPERATE A NEW CARE HOME AT ASYLUM ROAD SE15**

The cabinet considered the closed information relating to this item. Please see item 9 for the decision.

### **16. WYNDHAM ROAD, CAMBERWELL, LONDON, SE5 0XD, LETTING OF UNDERGROUND FORMER GARAGE SPACE**

The cabinet considered the closed information relating to this item. Please see item 12 for the decision.

Meeting ended at 3.15 pm

**CHAIR:**

**DATED:**

**[CABINET ONLY]**

**DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 17 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 22 OCTOBER 2025.**

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

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Marie Curie Demolition
<b>Cabinet Member:</b>	Councillor Helen Dennis, New Homes and Sustainable Development
<b>Ward(s) or groups affected:</b>	St Giles Ward
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	Not applicable

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

Ensuring the safety and wellbeing of residents remains the council's highest priority. The decision to recommend the demolition of the Marie Curie block has not been taken lightly.

It follows detailed structural and fire safety assessments and a thorough review of all alternative options, including refurbishment and phased compliance works.

Recent surveys have confirmed that Marie Curie presents a high-risk profile, with significant structural degradation, compromised fire resistance, and risk of building failure in the event of a fire incident. Whilst remedial works were considered, these would only achieve the minimum compliance and require ongoing monitoring and maintenance, introducing long-term uncertainty and operational risk. In contrast, demolition (and re-build) offers a definitive solution that removes these risks, accelerates estate renewal, and supports the delivery of modern, safe, and sustainable homes.

This recommendation aligns with the council's Housing Strategy and commitment to improving the quality, safety, and affordability of homes across the borough. By incorporating Marie Curie into the Southwark Construction Development Agreement (DA, the most recent tranche of delivery), we can ensure continuity for residents and deliver new homes that meet the highest standards of design, energy efficiency, and sustainability.

I would like to thank residents for their engagement throughout this process and reaffirm our commitment to supporting them through rehousing and transition arrangements. Together, we are working towards a safer and stronger future for our communities.

### **RECOMMENDATIONS**

That the Cabinet:

1. Notes the recommendations in the report to Scrutiny Committee on 14 October (Appendix 1) including the recommendation to demolish the residential block

known as Marie Curie and the need to consider appropriate steps to address the findings of the recent Type 4 Fire Risk Assessment in 2025 (Appendix 2).

2. Notes the departure from the original approved 2022 Cabinet recommendation to undertake Phase 2 fire safety works and remediation. The recommendation not to proceed with the original approval reflects the impact of updated fire safety regulations, the recommendations from the recent structural engineering report, the introduction of a new compliance sign-off process for high-rise buildings, ongoing market volatility, inflationary pressures, and sustained financial strain on the Housing Revenue Account (HRA).
3. Notes that Marie Curie and Lakanal House are sister blocks situated within the Sceaux Gardens Estate. They exhibit comparable architectural characteristics, notably their duplex 'scissors flat' configuration and concrete frame construction. Nevertheless, the context surrounding decision-making and the implementation of safety measures for each block varies considerably as set out in this report.
4. Notes that the progress with the resident engagement and rehousing of residents and buy backs of leaseholder properties has progressed and that all tenants have been offered the Right to Return.
5. Notes the outcome of the independent structural engineering report on the Marie Curie block that identifies emerging issues ranging from structural degradation due to humidity, insufficient reinforcement bar cover and the building nearing or exceeding its original design life, highlighting the need for decisive intervention.
6. Notes that if a decision to approve demolition is agreed by Cabinet that the procurement of a demolition contractor for Marie Curie will be subject to a separate GW1 and GW2 process in line with the council's gateway process.
7. Notes that to maintain continuity for residents, estate and key stakeholders, the proposal is to include the Marie Curie scheme together with the Florian and Racine sites on the Sceaux Gardens Estate in the pipeline sites as part of the Southwark Construction Development Agreement (DA) Future Programme for new homes, subject to separate approval from the Cabinet Member for New Homes and Sustainable Development in consultation with Strategic Director of Housing, Strategic Director of Resources and Director of Planning and Growth.
8. Notes the demolition is subject to the council obtaining ballot exemption from the GLA as set out in paragraph 68 to 70.
9. Notes the estimated cost for the demolition works as set out in paragraph 13. This will be subject to additional approval to vary the Housing Investment Programme.
10. Subject to paragraphs 8 and 9, approves the demolition of the Marie Curie block, following its review by the Housing Scrutiny Committee, noting that all alternative options have been thoroughly assessed, with demolition identified as the most cost-effective and practicable solution as detailed in paragraphs 31 to 43.

## REASONS FOR RECOMMENDATIONS

### Demolition of Marie Curie Building

11. Ensuring the safety of residents within their homes is of paramount importance to the Council in its role as a landlord. In line with the findings of an independent fire risk assessment and fire stopping report received in February 2025 it has been confirmed that, although remedial works can be carried out on the Marie Curie block, the Council would still be required to undertake ongoing monitoring and maintenance to ensure the block does not fall into an 'intolerable' condition.
12. This status would necessitate ongoing monitoring and maintenance by the Council to manage residual risks and ensure continued compliance. Given the limitations of this approach and the long-term resource implications, the findings reinforce the need to explore alternative options, such as full demolition and redevelopment, to deliver a more robust, sustainable, and future-proof solution for resident safety.
13. Demolition of the block once fully vacant would immediately remove fire safety risks and eliminate costs associated with temporary mitigation measures such as security (waking watch). It would also help to accelerate estate renewal and rebuilding, aligning with Fire Risk Assessment recommendations. This option involves upfront costs, estimated at £3 million excluding strip-out and consultancy fees, and requires a full condition survey to confirm the scope of site clearance. The council is currently incurring monthly costs of circa £50,000 for a Waking Watch, which could be eliminated and redirected toward assisting funding the demolition works.
14. The introduction of the Building Safety Act 2022 has significantly raised the compliance threshold for high-rise buildings. The new legislation mandates stricter fire safety standards, ongoing monitoring, and a "Golden Thread" of documentation. These changes have materially impacted on the feasibility and cost of similar remediation at Marie Curie. The demolition provides a definitive and permanent solution to the building's safety and compliance challenges.
15. In 2022 the recommendation to Cabinet was to carry out Phase 2 works, outlined in paragraph 35 of this report, however changes required as a result of the Building Safety Act, in addition to significant changes to market conditions and a rise in inflation means that this option is no longer affordable neither does it provide a suitable solution.
16. Whilst Marie Curie and Lakanal House are sister blocks located on the Sceaux Gardens Estate and share similar architectural features the decision-making context and safety interventions for each block differ significantly due to the following factors:
  - Post-Incident Investment and Remediation at Lakanal: Notes in 2015/16 as part of the council's quality home improvement programme (QHIP) a contractor was appointed to carry internal, external and FRA works to

Lakanal. These works were compliant with Building Regulations 2010, and the Regulatory Reform (Fire Safety) Order 2005.

- Structural Integrity and fire incident Risk at Marie Curie: Unlike Lakanal, recent structural surveys at Marie Curie have identified additional critical risks including:
  - a. Structural degradation due to humidity
  - b. Insufficient reinforcement cover and carbonation
  - c. Presence of gas creating a fire incident hazards
  - d. The building nearing or exceeding its original design life.

17. Due to the level of uncertainty that remains in regard to the market, the low number of residents remaining in the block and to ensure resident's safety the recommendation supports demolition over refurbishment based on the available surveys, information and reports.

## **BACKGROUND INFORMATION**

18. Marie Curie is a 16-storey residential block of 98 2-bedroom apartments, each have two levels and are known as a duplex or 'scissors flat' located on the Sceaux Gardens Estate in Southwark. It is a sister block to Lakanal. The block is a concrete frame building constructed circa 1960 and is defined as a higher-risk building (HRB) under the Building Safety Act 2022 as it is over 18m. Of the 98 properties, 11 were owned by leaseholders.
19. Marie Curie was originally part of the wider Sceaux Gardens Estate 2019/21 major work programme, the Quality Housing Investment Programme (QHIP).
20. Following a report from a resident in November 2020 who was concerned about a potential breach in the compartmentation of Marie Curie as they reported smells from incense and scented candles in a neighbour's flat. Southwark Council carried out an intensive fire risk survey in an empty flat in the block and found that there was a possibility of a breach in fire safety compartmentation.
21. The findings and the recommendations of the survey, in conjunction with the Fire Risk Assessment strategy report for the block, were reviewed and incorporated into an overall feasibility report for works recommended to the building, which included the QHIP works.
22. The findings of the Fire Strategy report identified that extensive work was required to the properties which would be intrusive and very disruptive to residents and would need to be delivered in two phases to minimise as far as possible any disruption to residents.
23. In 2021, it was recommended that Phase 1 could be reasonably carried out with residents in occupation as is similar in nature to the type of work normally delivered through major works programmes. Phase 2 includes more intrusive works and cannot be reasonably delivered with residents in situ and vacant possession would be required to carry these works.
24. In September 2021, Cabinet approval was obtained for the council to

commence the rehousing of tenants in Marie Curie and to start the individual negotiations to acquire (buy backs) the leasehold properties. All tenants were given Band 1 priority on Choice Based Lettings and currently only three tenants remain in the building. The council have bought back eight leasehold properties with three remaining leaseholders in occupation.

25. All council tenants have been offered the option for the Right to Return.
26. In May 2021, the council completed the installation works of a communal fire alarm system (LD5) and upgraded internal smoke and heat detectors (LD1) to individual residential properties.
27. In October 2021, detailed design work was progressed through the council's partnering contractor, this included:
  - Smoke Modelling (used to provide fire strategy)
  - Fire Strategy report
  - Fire Risk Assessment report
  - Fire Stopping report.
28. Following updated fire safety legislation and the findings of a recent Type 4 Fire Risk Assessment and fire stopping report, the Council has reassessed its previous approach.
29. While Phase 2 refurbishment works would only achieve building status that could fall into an 'intolerable' safety status if Marie Curie is not carefully and regularly managed and controlled.
30. The options and rationale for the recommendations in this report were presented to Housing Scrutiny Committee on 14 October 2025. At present no recommendations have been received from the committee. Should that change, we will update relevant parties accordingly.

## **ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

### **Option 1: Retrofit and Refurbishment Works**

31. This option involved implementing the recommendations from the 2021 Fire Risk Assessment Report, including a combination of retrofit and refurbishment works. While these interventions would bring the building into alignment with minimum compliance standards, they would not eliminate the risk of the building falling into an intolerable fire safety status without ongoing and proactive monitoring. The full scope of maintenance requirements remains uncertain until detailed feasibility studies are completed, introducing long-term operational risk and complexity.
32. The estimated costs for the refurbishment work priced in 2024 is £22,354,097(excluding overhead & profit and contractor's on-cost). This was priced as part of the council's QHIP programme of works which included internal and external works such as windows replacement, roof repairs, communal decorations, scaffolding and other preparatory work with some internal compartmentation FRA works.



33. The FRA works and associated fire safety strategy excluded from the QHIP cost relate to the communal areas, means of escape, front entrance and communal fire doors, lift shaft etc. This can only be accurately defined once a full design of the remediation works has been completed. As such, these elements have not been included to date. Furthermore, committing additional expenditure at this stage would require investment into a route that will not remove all known risks.

### **Option 2: Strip Back to Superstructure**

34. This approach proposed stripping the building back to its structural frame and rebuilding to meet current fire safety regulations. Although retaining the frame could offer sustainability benefits, initial structural assessments identified significant concerns, including deterioration, corrosion risks, and compromised fire resistance. These issues raise doubts about the long-term integrity of the frame and could limit design flexibility, reduce housing capacity, and complicate compliance with modern building safety standards. Extensive caveats and potential programme delays further undermine the viability of this option.
35. During the evaluation of this potential option, it became clear that the uncertainty surrounding the building's structural status combined with previous cost estimates for less extensive works rendered this approach unviable and led to its dismissal.

### **Option 3: FRA and Firestopping Works**

36. This option focused on targeted fire safety improvements, including intrusive fire door surveys, remediation or replacement of doors, and firestopping works. While these measures would enhance compliance, they would not fully mitigate the risk of the building reverting to an intolerable safety condition without rigorous ongoing management. Certification challenges for remediated doors and uncertainties around access and scope introduce additional risks. The works would provide only incremental improvements rather than a long-term solution, making this option unsuitable for addressing the building's fundamental safety issues.
37. Initial estimates, as outlined in the table below, indicate that the minimum scope of firestopping works is likely to exceed £1.1 million. It is reasonable to expect that these costs will increase following more detailed surveys and intrusive investigations.

### **38. Fire Stopping Works – Cost Estimates**

Works	Locations	Costs
Fire stopping Compartmentation Works	98 flats plus 100% of communal areas.	£350,000.00
Communal Fire Door Replacement	8 double-glazed doors on each floor on 14 floors.	£450,000.00

Works	Locations	Costs
Front Entrance Replacements	98 front entrance doors.	£200,000.00
	Circa Total Works	£1,000,000.00
	Prelims Cost (10%)	<b>£1,100,000.00</b>

#### Option 4: Demolition

39. Demolition offers a definitive and cost-effective solution that removes immediate safety risks, eliminates ongoing mitigation costs, and enables the delivery of modern, sustainable housing aligned with the council's regeneration objectives.
40. The proposed demolition of the Marie Curie block provides a strategic response to the building's high-risk profile, addressing critical fire and structural safety concerns while supporting the Council's commitment to estate renewal and the provision of high-quality, energy-efficient homes.

#### Option 5: Do Nothing

41. Under this option, the council would take no further action beyond essential statutory compliance and reactive maintenance. The building would remain in its current condition, with no significant investment in refurbishment, fire safety improvements, or structural works. While this approach avoids immediate capital expenditure, it carries substantial risks. The building's existing fire safety deficiencies, as identified in the 2021 Fire Risk Assessment, would persist, leaving the property vulnerable to an intolerable safety status. This would require intensive ongoing monitoring and temporary mitigation measures, such as enhanced security and fire safety checks, to manage residual risks.
42. The building's condition would continue to deteriorate, leading to escalating maintenance costs and potential service failures. This option also delays estate renewal and fails to address long-term housing needs, resulting in continued disruption for residents and in reputational risk for the Council.
43. For these reasons, the "Do Nothing" option is not recommended as it does not provide a sustainable or safe solution for the building or its occupants.

#### POST DECISION IMPLEMENTATION

Key Activity	Target completion date
Demolition of Marie Curie Building in Q4 of 2026 following procurement of a demolition contractor	November 2026

## KEY ISSUES FOR CONSIDERATION

### STRUCTURAL SURVEY CARRIED OUT SEPTEMBER 2025 (Appendix 3)

44. A comprehensive structural survey was carried out at Marie Curie to assess its overall integrity and suitability for continued occupation or refurbishment. The outcome of the full Building Structural Safety Case Report identified several critical concerns that pose serious risks to life safety and the long-term stability of the structure. These emerging issues ranging from structural degradation due to humidity, insufficient reinforcement cover, and fire incident hazards, to the building nearing or exceeding its original design life highlights the urgent need for decisive intervention. The following summary outlines the key risks identified to date, which collectively reinforce the high-risk profile of the building and the need to consider alternative options, including full demolition.
45. The report concludes that full de-construction and redevelopment is the most appropriate long-term strategy to ensure resident and public safety.
46. **Structural Degradation from Humidity: Advanced material deterioration**
  - Prolonged exposure to elevated humidity levels and water leaks in some instances has caused deterioration in structural components including:
  - Internal staircases within flats
  - Spine blockwork walls separating flats from communal corridors.
  - The deterioration raises doubts about their continued structural reliability.
  - Carbonation has reached reinforcement depth in multiple areas, with low concrete cover and chloride contamination contributing to corrosion and reduced fire resistance.
  - The original design lacks redundancy and adequate tie detailing, making it vulnerable to progressive collapse under abnormal loads.
47. **Insufficient Reinforcement Cover & Carbonation Risk**
  - Survey data indicates inadequate concrete cover to reinforcement in slabs and walls across multiple areas resulting in.
  - This has led to extensive carbonation, increasing the risk of reinforcement corrosion.
  - Fire resistance being significantly compromised, increasing the likelihood of premature failure or localised collapse during a fire event.
48. **Presence of Gas and Fire Incident Risk**
  - The confirmed presence of gas within the building creates a serious fire incident hazard.
  - In combination with weakened structural elements, any ignition event, including the risk of combustion of lithium batteries, could lead to catastrophic structural failure, including progressive collapse.

#### 49. **Exceeded/Neared Design Life**

- The original structure was designed for a lifespan of approximately 50–60 years.
- The building has now exceeded or neared this intended design life, further compounding all other risks.

50. The above concerns reflect a critical combination of structural, and fire incident hazards. Their interaction increases the potential for minor incidents to escalate into major, life-threatening emergencies.

51. The Building Structural Survey Case Report provides detailed comments on these findings, including root causes and recommended mitigation measures. Based on this evidence, Marie Curie presents a high-risk profile that warrants urgent and comprehensive intervention to ensure resident safety, and the structural integrity is maintained.

52. The report recommends:

53. High Priority:

- Permanently disconnect and decommission all piped gas installations.
- Evaluate full demolition and redevelopment as the most viable long-term solution.

54. Medium Priority:

- Investigate and remediate cracks and defects identified during the survey.
- Address minor structural defects to maintain integrity under normal loading.

#### 55. **Structural Engineers Risk Register**

<b>Risk Description</b>	<b>Risk Category</b>	<b>Likelihood</b>	<b>Recommended Action</b>	<b>Priority Level</b>
Structural failure due to advanced material degradation, carbonation, and low concrete cover	High	High	Evaluate full demolition and redevelopment; decommission gas; repair corrosion; monitor durability	High
Fire Incident risk from active piped gas infrastructure	High	High	Disconnect and permanently decommission all piped gas installations	High
Fire safety risk due to insufficient concrete cover and compromised fire resistance	High	High	Assess fire resistance capability; consider fire-rated linings; consult fire engineer	High

<b>Risk Description</b>	<b>Risk Category</b>	<b>Likelihood</b>	<b>Recommended Action</b>	<b>Priority Level</b>
Structural robustness compromised due to lack of redundancy and inadequate tie detailing	High	High	Evaluate structural integrity; consider demolition	High
Façade panels at risk of detachment due to deteriorated concrete edges and uncertain fixings	Medium	Medium	Remove combustible and unsupported façade materials	Medium
Foundation deterioration due to age-related wear and moisture ingress	Medium	Medium	Monitor foundations; include in demolition strategy	Medium
Movement joints absent, leading to widespread cracking and corrosion	Medium	Medium	Include in demolition scope; not viable for repair	Medium
External pavements and boundary walls showing signs of deterioration	Low	Low	Include in site clearance scope	Low
Potential structural hazards from cracks and defects if left unaddressed	Medium	Medium	Investigate and remediate cracks; regular inspections	Medium

**56. Comparison Table of The Options & Costs Considered and Associated Risks**

<b>Option</b>	<b>Description</b>	<b>Estimated Cost</b>	<b>Key Risks / Challenges</b>	<b>Outcome / Implications</b>
Option 1: Retrofit & Refurbishment	Implement recommendations from 2021 Fire Risk Assessment, including internal/external upgrades and fire safety improvements.	£22,354,097 (excluding fire safety works)	High structural risk; complex compliance under new Building Safety legislation; ongoing monitoring required; procurement as standalone project.	Brings building to minimum compliance but residual risks remain; long-term uncertainty and operational complexity.

Option 2: Strip Back to Super-structure	Remove all elements down to structural frame and rebuild to meet current standards.	The current economic uncertainty makes accurate financial forecasting less certain.	Structural deterioration, corrosion, compromised fire resistance; feasibility uncertain; programme delays likely.	Sustainability benefits possible, but major integrity concerns and reduced housing capacity; significant exclusions and caveats.
Option 3: FRA & Fire-stopping Works	Targeted fire safety works including intrusive door surveys, remediation/ replacement, and passive fire protection.	£1,100,000 (including prelims) High-level estimates only (subject to survey)	Certification challenges for remediated doors; limited improvement; ongoing risk management required.	Provides incremental compliance improvements but not a long-term solution; does not eliminate the structural issues raised in the engineering report
Option 4: Demolition	Full demolition of block once vacant, followed by estate renewal and redevelopment.	Approx. £3m (excluding strip-out, consultancy, and management fees)	Upfront cost; requires full condition survey;	Immediate removal of fire safety risks and security costs (£51,935/month waking watch); accelerates redevelopment; definitive solution.
Option 5: Do Nothing	Maintain current condition with statutory compliance and reactive maintenance only.	Ongoing maintenance and mitigation costs (e.g., waking watch £51,935/month)	Persistent fire safety risks; escalating maintenance costs; reputational damage; delays estate renewal.	No sustainable solution; continued disruption for residents; high long-term financial and safety risk.

### Resident Engagement

57. During the preparation of the Housing Scrutiny report, a letter was issued to all past and present residents in Marie Curie, including the TRA Chair, advising them of the Council's intention to present the proposal for demolition to the Housing Scrutiny Committee in October 2025 and to Cabinet in December 2025 for formal approval.
58. The letters outlined the recommendations in the fire risk survey report, reiterate the importance of the remaining residents moving due to the health and safety issues identified with the building and requested they contact their Resident Service Officer (RSO) at the earliest opportunity.

59. The letters provided all residents with the opportunity to attend a Marie Curie drop-in event on Wednesday, 15 October 2025, which was supported by the TRA Chair, Southwark Construction Team, and Landlord Services. It should be noted that no residents attended the drop-in.
60. The Council will continue to assist the remaining tenants in the block with finding a new home that meets their needs, including arranging viewings on their behalf if needed.
61. Following the cabinet decision in December. Officers will undertake further consultation with the residents who opted to return to Marie Curie.
62. The existing housing allocations scheme takes into consideration the circumstances where residents were required to move to enable essential works to be completed within the property. This entitles tenants to the highest priority band 1 and has been applied to Marie Curie residents. Households would generally be rehoused into new properties based on their bed need.
63. To facilitate moves, it was agreed that households who are under occupying can bid for the same size property. Where a household decides to downsize, the council offer the incentive payment in addition to any other payment to residents set out in previous reports.
64. Following the letter notifying leaseholders of the Council's intention, two leaseholders have engaged with the Council to commence negotiations. It is anticipated that, once a formal decision on demolition is confirmed, the remaining leaseholder will be more amenable to meeting with the Council to discuss next steps.
65. In the event that cross council collaboration to obtain vacant possession is unsuccessful, the council will need to consider a CPO.

#### **Communication with Chair of the TRA & Hall Relocation**

66. Following a meeting with the TRA Chair the council has initiated discussions with the TRA regarding alternative arrangements during the demolition phase. The TRA has proposed a temporary location on the estate to accommodate the Community Bike Hub and Maker Space during this period. In response, the Council has instructed consultants to prepare a scope of services and provide a quotation for refurbishment works to create a purpose-built temporary facility.
67. The works would also support the TRA's ongoing activities prior to demolition, and potential funding options are being explored. Initial discussions indicate that the TRA is willing to use a local Centre for its three annual meetings, provided the Council commits to re-providing a dedicated space for the Community Bike Hub and Maker Space and secure storage for TRA equipment.

### **GLA Ballot Exemption**

68. It has been established that the Health and Safety exemption to the Estate Regeneration Ballots applies to Marie Curie due to the fire safety report recommendations.
69. The council will be required to submit evidence in accordance with the **GLA Exemption 2 guidelines (Appendix 4)** justifying why the current condition of the block represents an unacceptable risk to the safety of residents. The council will need to provide evidence to support the application this includes steps the council has explored other than demolition to address the safety concerns and justification as to why these options have been ruled out.
70. Initial conversation has commenced with the GLA on this process and the exemption will be submitted prior to Cabinet.

### **Block Security**

71. The security of Marie Curie is one of Southwark's highest priorities. With the occupancy level of the block being low level, an options review will need to be carried out to determine what methods of security needs to be in place, particularly given the proximity to the Aylesbury Estate which is experiencing a high degree of squatting and anti-social behavior. Steps to mitigate these actions will be taking place on the Aylesbury Estate in the coming months which may see those carrying out the activities looking for alternative places to occupy.
72. Demolition of the block will mitigate the risks associated with potential anti-social behavior and security costs.

### **Compulsory Purchase Order**

73. Implementing a CPO in the UK is a multi-stage process that typically takes 18 to 24 months, though it can vary depending on complexity, objections, and legal challenges. As this is such a lengthy process and most leaseholders have already vacated the building it would not be advisable for the council to take this route.
74. There is cross council collaboration to obtain vacant possession of the building prior to and after a formal Cabinet decision has been made, without a CPO.

### **Marie Curie Incorporated into Development Agreement**

75. If Marie Curie were to be demolished, there would be a clear succession plan for the scheme as it could be brought into the Southwark Construction Development Agreement along with the Florian and Racine sites on the Sceaux Gardens Estate which achieved planning approval for 79 homes in April 2022 but was paused along with a number of new homes sites.
76. Given the proximity of Marie Curie to the Florian and Racine sites, a high-level capacity study and financial appraisal assessment has been carried out to



determine whether Marie Curie as a standalone project or combined with the Florian and Racine sites development would be viable. The indicative appraisal outputs indicate that combining Marie Curie with these sites would create a larger number of homes and be a more sensible use of the combined sites.

77. Therefore, it is not the intention that the site would remain vacant for a long duration and the anticipated start on site could be as early as 2028, subject to viability and discussions with the GLA on grant levels the council's governance process, resident engagement and planning approvals.
78. The Development Agreement process was launched in February 2025 to appoint a developer for two Lots and pipeline sites. Marie Curie along with the Florian and Racine sites are part of the pipeline sites which are not committed but can be delivered if the developer comes back with options that meet the council's objectives.
79. The new homes being delivered through the Southwark Construction Programme are in line with the council's principles and vision for a new housing strategy which is aimed at increasing the availability, affordability, and quality of homes in the borough.

### **Financial implications**

80. As the building has been significantly below occupancy since 2021, there has been a large loss in rent and service charges for the HRA. However, the annual loss in rent and service charges based on 2021-2025 rent levels and service charge rates for Marie Curie is circa £489k.
81. To date we have paid home loss payment of £6,500 per tenant which has been capitalised, estimated to be £552k.
82. There are 11 properties owned by leaseholders and the council has purchased 8 at an estimated cost in the region of £2,247,000.

<b>Activity</b>	<b>Estimated cost</b>
Waking watch service from November 2020 to June 2025	£1,610,000
Appointment of two temporary resident services officers for six months and eighteen months respectively to provide the necessary intensive resident engagement and support.	£90,000
Disturbance costs and associated payments to 85 tenants requiring rehousing	£288,000
<b>Total estimated cost</b>	<b>£1,988,000</b>

## **Policy framework implications**

83. The overall objective of the proposal in accordance with the Housing Strategy is to improve the quality of affordable housing in the Borough with the constraints of the funding available.

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

### **Community impact statement**

84. In addition to the 98 homes at Marie Curie, the block accommodates two community projects, the Bike Hub and Maker Space including the Sceaux Gardens TRA hall.
85. As part of ongoing engagement with the TRA, Council officers have begun identifying alternative location on the estate for these valued community assets to ensure continuity during the demolition phase. A consultant has been instructed to inspect the proposed storage area adjacent to the existing garages to ascertain if it is fit for purpose and to prepare a specification of works.
86. Council Officers will meet with the TRA in November 2025. Initial discussions indicate that the TRA is amenable to using a local community centre for its annual meetings, provided arrangements for the relocation of the Bike Project and associated storage are secured.

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

87. Section 149 of the Equality Act 2010 lays out the Public Sector Equality Duty (PSED) which requires public bodies when taking decisions, to have due regard to the need to:
- a) Eliminate discrimination, harassment, victimisation or other prohibited conduct;
  - b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it; and
  - c) Foster good relations between those who share a relevant characteristic and those that do not share it.
88. As most of the residents have chosen to move, the main equalities issue centers around their rehousing opportunities. The council's allocations scheme was approved following detailed consideration of its impact on equalities, and all residents moving permanently will be rehoused through this scheme.
89. Through a process of regular review, the council has considered the impact on all protected groups throughout the development proposals for all regeneration projects within the borough. This has led to the council developing rehousing policies for leaseholders affected

90. These have identified that the council has a range of measures in place to mitigate any potential impacts, including:
- a) Rehousing policies through the council which provide a range of local re-housing opportunities that enable residents to move locally (if they choose to do so) to a new home that meets the needs of their family and financial position.
  - b) A dedicated team of officers which supports both tenants and leaseholders through the rehousing process.
  - c) Providing support and guidance about a range of routes to all residents affected but with particular focus on those that may be vulnerable or in need of additional support.
  - d) The development of new homes in the borough which will provide high quality homes built to modern standards, for residents in the borough to move to.
91. Therefore, the council considers that the potential impacts of the Scheme are fully addressed through the operation of its rehousing policies and provision of dedicated support and guidance available through council officers.
92. Through the consultation process, the council has also sought to update its understanding of the makeup of individuals affected by the rehousing and process. The council will continue to monitor any resulting impacts. The council will also seek to update and expand upon this information throughout the ongoing process as it continues to discharge its public sector equality duty.

### **Health impact statement**

93. The proposed works at Marie Curie are to address the health and safety issues identified by the fire risk assessment and structural report.
94. The opportunity to be rehoused on a permanent basis that the vast majority of Marie Curie residents have chosen, will enable those residents with health issues and those who are overcrowded to be rehoused in much more suitable homes. This will have a positive health impact on all these households.
95. For those residents who have opted to move on a temporary basis and return to a refurbished Marie Curie, they will benefit from homes with improved insulation, which will have a positive impact on health.

### **Climate change implications**

96. The demolition and redevelopment of the site will lead to the development of new homes which meet modern standards. The energy efficiency measures may include:
- Thermally efficient, well insulated building fabric meeting the London Plan's 'Be Lean' target.

- Communal Air Source Heat Pump provides low CO<sub>2</sub> emission heating and hot water source. With backup communal gas boiler providing for peak demand.
- PV panels to provide on-site green electricity generation.
- The risk of overheating is being minimised in anticipation of warm weather events.
- Large sustainable urban drainage (SUDs) features such as a rainwater attenuation basin reduces pressure on mains drains.
- The potential for existing site materials to be reused, and the potential to reduce embodied carbon emissions in new buildings is being reviewed as part of the GLA's Circular Economy and Whole Life Carbon assessment requirements.
- A net increase in the site's biodiversity is being targeted as part of the GLA's sustainability.

97. In accordance with GLA guidance, the planning application will assess the carbon impact of demolishing the existing buildings on the site taking into account the level of building materials that can be recycled.

### **Resource implications**

98. Two temporary Resident Services Officer posts were created for 6 months to provide the necessary intensive resident engagement and support. This was extended to 18 months for One Residents Services Officer. £90k was budgeted for this.
99. The demolition process resourcing will continue to be met within existing resources within the council, supplemented with external professional advice as required.

### **Legal**

100. Reported in the concurrent from the Assistant Chief Executive - Governance and Assurance below.

### **Financial implications**

101. Please see paragraph 80 -83

### **Consultation**

102. As set out in paragraphs 57 to 67 of this report, Officers are engaging with residents. Consultation is ongoing with all affected tenants and leaseholders. In addition, discussions continue with the wider estate TRA.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Assistant Chief Executive, Governance and Assurance**

103. This report asks the cabinet to note a number of recommendations in relation to Marie Curie following the recent report to Scrutiny Committee, and subject to paragraphs 8 and 9 to approve the demolition of the Marie Curie block.

104. There are no specific legal implications arising from the recommendations set out in this report. However, in considering these recommendations, the cabinet should have regard to the council's obligations to carry out its duties in accordance with the principles of best value, and to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This report outlines how approval of these recommendations will assist the council in meeting its Southwark 2030 Delivery Plan commitments, and particularly those relating to a Decent Home for All.
105. Paragraphs 6 and 7 ask the cabinet to note future proposals in respect of the demolition and future reconstruction, which will be subject to separate gateway approvals. The Assistant Chief Executive and her staff will continue to provide advice to officers on any legal and governance issues arising in relation to these procurements.

### **Strategic Director, Resources**

106. The cabinet's attention is drawn to the Public Sector Equality Duty (PSED General Duty) under the Equality Act 2010, which requires public bodies to have regard, when making decisions, to the need to eliminate discrimination, advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it. The cabinet is specifically referred to the community, equalities (including socio-economic) and health impacts statement at paragraphs 84-92, setting out the consideration that has been given to equalities issues, which the cabinet should carefully consider when approving the recommendations in this report. The PSED General duty is a continuing duty and will need to be further considered at later stages of this project.
107. Cabinet approval is sought to proceed with the demolition of the Marie Curie block, following its review by the Housing Scrutiny Committee and for the reasons set out in this report. The block is now largely vacant and continues to incur significant costs to the Housing Revenue Account (HRA) in its current state. Demolition of the block would generate annual savings for the HRA of approximately £980,000.
108. Indicative demolition costs are estimated at approximately £3 million. Inclusion of these works within the Housing Investment Programme will require separate approval. As outlined in the financial implications section of the report, funding would necessitate the disposal of Housing Revenue Account (HRA) assets to generate capital receipts sufficient to cover the cost of the works.

### **BACKGROUND DOCUMENTS**

Background Papers	Held At	Contact
None		

## APPENDICES

No.	Title
Appendix 1	Scrutiny Committee Report on 14 October
Appendix 2	Type 4 Fire Risk Assessment in 2025
Appendix 3	Building Structural Safety Case Report
Appendix 4	GLA Exemption 2 guidelines

## AUDIT TRAIL

Cabinet Member	Councillor Helen Dennis, Cabinet Member for New Homes & Sustainable Development		
Lead Officer	Stuart Davis, Director for Southwark Construction		
Report Author	Margaret Burrell, Strategic Lead, Southwark Construction		
Version	Final		
Dated	23 October 2025		
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		21 November 2025	

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2026
<b>Report title:</b>	A Good Start in Life: Southwark Schools Standards Report 2024-2025
<b>Cabinet Member:</b>	Councillor Jasmine Ali, Deputy Leader & Cabinet Member for Children, Education and Refugees
<b>Ward(s) or groups affected:</b>	All
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	Not applicable

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

It is my pleasure to bring the Southwark School Standards Report to Cabinet. This report remains a cornerstone of Southwark's commitment to transparency and excellence in education.

This year, I am delighted to share that 99% of our schools continue to be judged by Ofsted as providing a good or outstanding quality of education, with 100% of our nursery, primary and special schools achieving this benchmark. This is a testament to the dedication of our school leaders, teachers, and support staff, and to the resilience and ambition of our children and young people.

Over the past year, we and our children's services and education teams have worked tirelessly with schools to address the challenges of falling rolls, rising costs, and increasing complexity of needs.

Despite these pressures, Southwark schools have continued to deliver exceptional outcomes. Standards at Early Years, Key Stage 2, Key Stage 4 and Key Stage 5 remain above national averages, and in many cases gaps for disadvantaged pupils have narrowed significantly. At Key Stage 2, for example, the gap in reading, writing and maths combined reduced to -6.6%, compared with a national gap of -15.3%. This progress reflects our unwavering focus on equity and inclusion across our borough.

Our schools have embraced innovation, from enrichment programmes for disadvantaged pupils to targeted literacy and oracy projects such as *Talk Matters*. We have strengthened mental health provision, expanded SEND support through our specialist teaching team, and deepened collaboration between schools through the Southwark Partnership. These initiatives are not just about raising attainment - they are about improving life chances and ensuring every child has access to a rich, ambitious curriculum.

There is much to celebrate:

- Continued improvement in Key Stage 2 outcomes, with headline measures well above national averages.
- Strong performance at GCSE and A level, with Southwark pupils outperforming national results across all key measures.
- Exceptional achievements for children in care and pupils with SEND, whose outcomes remain significantly above national benchmarks.

We know there is more to do.

The way we have brought our children's services and education teams together under our Director of Children's Services and our fantastic frontline teams will enable us to succeed in our focus for the coming year – which will be to sustain these high standards while addressing persistent gaps, supporting schools through financial challenges, and delivering on our Southwark 2030 vision to revolutionise SEND provision and strengthen inclusion.

We must redouble our efforts across the council and with local business to strengthen our post 16 offer – so that our young people can continue to succeed in their next steps in education, apprenticeships and or employment. Thank you to our school leaders, teachers, governors, council teams, and partners for their tireless commitment.

Together, we will continue to work for every child and young person in Southwark to get the future they deserve.

## **RECOMMENDATIONS**

### **Recommendations for the Cabinet**

1. That Cabinet notes the Southwark Standards Report, 2024-25.

### **Recommendations for the Leader of the Council**

2. N/a

## **REASONS FOR RECOMMENDATIONS**

3. Not applicable.

## **ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

4. Not applicable.

## **POST DECISION IMPLEMENTATION**

5. The Southwark Standards Report is an annual report and any recommendations for content inclusion or improvement made by Cabinet will be considered for inclusion in the following year's report.



## **BACKGROUND INFORMATION**

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

## **KEY ISSUES FOR CONSIDERATION**

9. The proportion of schools whose quality of education is graded by Ofsted as good or outstanding is 99%. The quality of education is graded good or outstanding in 100% of nursery, primary and special schools.
10. Standards in key measures are above national averages in Early Years Foundation Stage Profile (EYFSP), Key Stage 2, Key Stage 4 and Key Stage 5.
11. The quality of education is judged as good or outstanding by Ofsted in 99% of school based early years provision, and the percentage of pupils achieving a Good Level of Development (GLD) has improved over the past three years from 68.3% to 70.0%.
12. Phonics screening check outcomes improved for pupils in year 2 compared to 2024 and are in line with national outcomes for pupils in year 1 and year 2.
13. Standards at the end of Key Stage 2 (KS2) remain above those nationally in all subjects. Many primary schools closed or even reversed the disadvantage gap in year 6 between 2024 and 2025. At KS2 for reading, writing and maths combined, the gap between pupils with disadvantage and all pupils reduced from -11.1% in 2022 to -8.2% in 2024 (compared with a national gap of -15.3%) and to -6.6% in 2025.
14. For Key Stage 4, English and maths results at GCSE at both standard (4-9) and strong (5-9) pass grades, as well as EBacc, are well above reported national averages.
15. At Key Stage 5, indicative results showed consistent improvement across the board and continued to exceed those reported nationally.
16. Primary pupils with special educational needs and/or disabilities (SEND) continue to perform in line with, or above, national outcomes for KS1 Phonics and KS2 measures.
17. For children in care, results show there was very good improvement in the percentage of pupils achieving both the strong and standard pass in English and in Maths at GCSE (grades 9 - 5 and grades 9 - 4).

## **Policy framework implications**

18. This report has been produced in the context of the Southwark 2030 Vision and Strategy and supports the council's aspirations to give its children and young people a good start in life.

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

### **Community impact statement**

19. Cabinet will note the references to the equalities impact statement below.

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

20. We know that Southwark has cohorts of pupils who may be at a disadvantage because of ethnicity, socio-economic disadvantage, English as an additional language, gender, and/ or Special Educational Needs or Disability (SEND).
21. This report provides specific attainment analysis of these cohorts at each key stage.
22. In addition, a detailed cohort analysis of the attainment of these groups can be found in Appendix 2: Attainment Cohort Analysis.
23. We are working hard to close the attainment gap between cohorts of disadvantaged pupils and their peers through a number of projects and interventions, described throughout the report, and in Appendix 3: Innovations.

### **Health impact statement**

24. There is no anticipated adverse impact on health as a result of this report. However, it should be noted that there has been an increase in the number of pupils receiving SEND support and/ or holding an Education and Health Care Plan (EHCP). It should also be noted that there is continuing support for mental health for children and young people in the borough, provided through innovative provision, such as the Nest (see appendix 3: Innovations).

## **Climate change implications**

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

## **Resource implications**

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

## **Consultation**

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

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Head of Procurement**

28. Not applicable

### **Assistant Chief Executive, Governance and Assurance (NBC 03112025)**

29. The purpose of this report is to provide the cabinet with information on Southwark school standards in 2024/25.
30. The council has a number of general duties in relation to the provision of education, including a duty to contribute towards the spiritual, moral, mental and physical development of the community by securing that efficient primary, secondary and further education is available to meet the needs of the population of the area. Cabinet will note that the council itself maintains a number of the schools discussed in the report; however, the council's ability to develop new schools is now significantly restricted, and legislation enables existing maintained schools to convert to academy status which are outside of the council's ownership and control.
31. In respect of young people aged under 20 (or over 20 if the council maintains an Education, Health and Care Plan for them), the council must make available support that will encourage, enable or assist them to participate in education or training.
32. Furthermore, in respect of the well-being of children, the council is under a duty to make arrangements to promote cooperation between the council and relevant statutory partners to improve the well-being of children in the council's area. "Well-being" in this context includes their education and training.
33. Besides these more general duties, the council has a number of more specific functions in relation to education. Of particular relevance to the subject matter of the report are: the duty to exercise council functions with a view to promoting the effective participation by young people aged 16 and 17 year olds in education or training; a duty to maintain a tracking system to identify any 16 and 17 year olds who are not participating in education and training; and a duty to promote the educational achievement of children looked after by the council.
34. As such, the preparation of a school standards report is something that is incidental to the council's functions in these areas in enabling the cabinet to see the extent to which aspects of these duties are being met. The various duties described relate to the council's executive functions and whilst provision of this report is not identified in the constitution as specifically delegated to the cabinet, it assists in the cabinet's overall general responsibility of oversight of

the authority's services in accordance with Part 3B of the constitution.

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

### **Strategic Director, Resources (CAS25/19)**

36. The Strategic Director of Resources notes the recommendations of this report which sets out information on school standards.
37. As noted in the report in order to continue to achieve high quality education it is important that schools have sufficient pupil numbers on roll as it is the key driver for their funding. Therefore, the efficient management and successful implementation of the current approach to future-proofing the quality and supply of school within Southwark's school system is crucial to achieve this goal.

### **Other officers**

38. Not applicable

### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Southwark 2030 Vision	<a href="https://moderngov.southwark.gov.uk/documents/s121640/Appendix%201%20-%20Southwark%202030%20strategy.pdf">https://moderngov.southwark.gov.uk/documents/s121640/Appendix%201%20-%20Southwark%202030%20strategy.pdf</a>	<a href="http://www.southwark.gov.uk">www.southwark.gov.uk</a>
The Southwark Scholarship Scheme	<a href="https://www.southwark.gov.uk/southwark-scholarship-scheme/">https://www.southwark.gov.uk/southwark-scholarship-scheme/</a>	<a href="mailto:Lulzim.osmani@southwark.gov.uk">Lulzim.osmani@southwark.gov.uk</a>
Keeping Education Strong- A strategy for future proofing primary schools and protecting the quality of education in Southwark	<a href="https://moderngov.southwark.gov.uk/documents/s113486/Report%20Keeping%20Education%20Strong%20-%20Strategy%20for%20future%20proofing%20primary%20schools%20and%20protecting%20the%20.pdf">https://moderngov.southwark.gov.uk/documents/s113486/Report%20Keeping%20Education%20Strong%20-%20Strategy%20for%20future%20proofing%20primary%20schools%20and%20protecting%20the%20.pdf</a>	<a href="mailto:Poppy.Charlton@southwark.gov.uk">Poppy.Charlton@southwark.gov.uk</a> 07712 545 090

## APPENDICES

No.	Title
Appendix 1	A Good Start in Life - Southwark School Standards Report 2024-25

## AUDIT TRAIL

<b>Cabinet Member</b>	Councillor Jasmine Ali, Deputy Leader & Cabinet Member for Children, Education and Refugees		
<b>Lead Officer</b>	David Quirke-Thornton, Strategic Director of Children’s and Adults’ Services		
<b>Report Author</b>	Nikki Tilson, Principal Advisor, Learning and Achievement, Children’s Services		
<b>Version</b>	Final		
<b>Dated</b>	17 November 2025		
<b>Key Decision?</b>	No		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>			
<b>Officer Title</b>		<b>Comments Sought</b>	<b>Comments Included</b>
Assistant Chief Executive, Governance and Assurance		Yes	Yes
Strategic Director of Resources		Yes	Yes
<b>Cabinet Member</b>		Yes	Yes
<b>Date final report sent to Constitutional Team</b>			17 November 2025

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Phase 2 of the Tustin Estate Renewal
<b>Cabinet Member:</b>	Councillor Helen Dennis, New Homes and Sustainable Development
<b>Ward(s) or groups affected:</b>	Old Kent Road
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/A

### **FOREWORD - COUNCILLOR HELEN DENNIS, CABINET MEMBER FOR NEW HOMES & SUSTAINABLE DEVELOPMENT**

It has been a privilege as Cabinet Member to see renewal of the Tustin Estate progress since the successful resident ballot in 2021, to the point where residents are now getting ready to move into the 167 new homes being delivered through Phase 1.

The overall plans for the Estate will deliver 690 new homes, including replacement and additional council homes, and wider estate improvements including additional greening, walking and cycling routes, connection to SELCHP and EV charging points, resulting in significant carbon reductions. It is an ambitious project requiring significant public investment, and one that we are hugely proud of and committed to.

However, the current financial challenges and regulatory changes affecting house-building have required us to look at the overall programme and to make a number of changes to ensure that it remains viable. Among other things, this means that we plan to accelerate and increase the council housing delivery in Phase 2, attracting additional grant from the GLA, and meeting the needs of residents on our housing waiting list.

In total on Phase 2, there will now be 279 council homes and 5 shared equity homes now planned across the 4 blocks. The report also sets out our intention to enter into an Early Works Contract, to move forward with the demolition of Heversham and Kentmere House, and to progress the Main Works Contract on a block by block basis, commencing with Block G2 which will essentially constitute Phase 2a.

This is a pragmatic plan to ensure that delivery on Tustin continues at a pace, and also delivers wider benefit to residents through the accelerated affordable housing delivery.

I want to thank everyone involved for enabling us to get to this point, including officers, the Tenants and Residents' Association (TRA) and ward councillors, and look forward to residents moving into the first wave of new homes on the Tustin over the coming months.

## **RECOMMENDATIONS**

### **Recommendations for the Cabinet**

1. The cabinet note that since the development agreement was signed in October 2022, the Tustin Estate Renewal has been progressing well on site, and that Phase 1 is about to complete and will deliver 167 new homes, including 157 council homes for social rent, and 10 homes for resident leaseholders.
2. The cabinet agree that the strategy for delivering Phase 2 should change to accelerate the delivery of affordable housing as set out in paragraphs 38-51.
3. The cabinet agree that 98 homes that were previously intended to be Key Worker homes for London Living Rent should be changed to deliver additional new council homes for social rent.
4. The cabinet note that the GLA have agreed to provide grant funding for these 98 additional council homes, if the tenure change is agreed.
5. The cabinet agree that to start Phase 2, the council will enter into an Early Works contract in the sum of £10,667,678 for a period of six months commencing December 2025 to finalise the detailed Phase 2 design work and to demolish Kentmere House and Heversham House, ahead of demolition starting in March 2026 (subject to vacant possession being achieved).
6. The cabinet note the main works contract will include the construction of all four blocks within Phase 2, but will include separate prices for the development of each of the four blocks within Phase 2, with Phase 2a including Block G2, and a break clause that can be exercised before the end of October 2026 to exclude Phase 2b which is made up of Blocks F1, F2 and H.
7. The cabinet note that a subsequent report will be presented to cabinet in early 2026 to confirm the final price for Phase 2a main works, and an updated estimate for Phase 2b main works, and to agree that Bouygues Development should enter into a construction contract to deliver them.
8. The cabinet note the updated total estimated cost to deliver Phase 2 of the Tustin Estate Renewal as set out in the closed version of this report.
9. The cabinet agree that a minor variation is made to the development agreement in line with the points set out in paragraphs 53 to accommodate the Building Safety Act changes.

## **REASONS FOR RECOMMENDATIONS**

10. As set out in this report it was no longer possible to deliver Phase 2 of the Tustin Estate as originally envisaged in October 2022, due to regulatory changes and cost increases. This report sets out an alternative approach that improves delivery for residents.
11. These recommendations are required to continue the delivery of the Tustin Estate Renewal including a change in approach for Phase 2 that would deliver affordable homes more quickly for residents on Southwark's housing waiting, which also means earlier collection of rent, and provides some cost certainty on the delivery of the affordable homes in the programme.
12. In total the changes set out in this report will mean that 191 additional new council homes are delivered in Phase 2 of the Tustin Estate Renewal. 164 of these are brought forward from Phases 3 and 4, meaning that they will be delivered between two to four years earlier than originally planned.
13. Delivering these homes early does increase the investment required by the council for Phase 2 but then reduces it for Phases 3 and 4. To mitigate against the impact of this change on the council's year on year cashflow, the overlap between Phases 2, 3, and 4 have been removed which lengthens the overall programme so that Phase 4 will now complete in 2033 instead of 2030.

## **ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

14. Over the last 18 months various options to address the issues set out in this report have been modelled, and this resulted in two reports that were considered by Housing Revenue Account Budget Recovery Board (HRA BRB) in September 2024 and in March 2025.
15. These options considered the best way to maintain the council's commitments to residents on the Tustin Estate while mitigating the additional financial impact of the constraints set out in paragraph 31.
16. The proposal set out in this report is based on that work, provides the best balance of competing factors and was, therefore, supported by HRA BRB.

## **POST DECISION IMPLEMENTATION**

17. The council entered into the overall development agreement with Bouygues Development to deliver all four phases of the Tustin Estate Renewal in October 2022. This report sets out some changes to Phase 2 to accelerate the delivery of affordable housing, and explains the changes required to the budgets agreed in 2022 to allow for that to be delivered.
18. The Early Works contract to carry out the design work and demolition required to deliver Phase 2 will be entered into in the sum of £10,667,678 commencing December 2025.
19. Vacant possession of Heversham House and Kentmere House will be achieved once the new homes in Phase 1 complete and residents move into



them. If efforts to reach a voluntary agreement with leaseholders are unsuccessful, the council will exercise its compulsory purchase powers as a last resort.

20. As soon as the council have vacant possession of Heversham House and Kentmere House, we will start the demolition of these blocks which will take place while the final technical design of Phase 2 concludes, and the Building Safety Gateway process continues into early 2026.
21. Once the demolition has started and the Building Safety Gateway submission has been made, the cost of the Phase 2 main works can be finalised, and the main works contract to deliver Phase 2 can be entered into.

Key Activity	Target completion date
Enter into Phase 2 early works contract	December 2025
Demolition of Heversham House and Kentmere House starts	March 2026
Enter into Phase 2 main works construction contract	April 2026

## BACKGROUND INFORMATION

22. The Tustin Estate Low Rise Renewal Programme is the outcome of a resident-led investment decision into low-rise homes on the Tustin Estate following a feasibility process from 2019-2021 and a resident ballot in March 2021.
23. The current programme, as agreed in the masterplan, comprises:
  - Demolition of 251 homes (200 council rented and 51 leasehold).
  - Construction of 690 new homes including 200 replacement council homes, 443 affordable homes (345 social rent homes and 98 key worker homes), 27 shared equity homes and 220 homes for private sale.
  - Refurbishment of council homes in Manor Grove.
  - Development of a new park in the centre of the estate.
  - Demolition and replacement of Pilgrims' Way School.
  - Demolition and replacement of commercial spaces along the Old Kent Road.
24. A development partnership with BYUK Development Ltd. (trading as Bouygues Development) to deliver the Estate Renewal, along with the required budgets to deliver the scheme, was agreed by cabinet in October 2022.
25. Phase 1 of the development, providing 157 council homes, and 10 homes for returning leaseholders and refurbishment of council homes in Manor Grove, started construction on site in October 2022. Construction is progressing well with the first homes scheduled for handover in November 2025.

26. Working with Tustin Estate residents, detailed design for Phase 2 started in Autumn 2023, with a planning application approved in April 2025.
27. The original unit mix in the agreed masterplan for the estate was:

Phase	Council homes	Keyworker	Shared equity	Private homes	Total
Phase 1	157	0	10	0	167
Phase 2	59	51	10	126	246
Phase 3	51	0	0	0	51
Phase 4	78	47	7	94	226
<b>Total</b>	<b>345</b>	<b>98</b>	<b>27</b>	<b>220</b>	<b>690</b>

28. As the design work has progressed there have been two changes to this unit mix:
- 10 of 27 shared equity homes have been converted into additional council homes based on a lower take up of returning leaseholders and additional GLA grant.
  - A change in building shapes planned for Phase 2, largely to address changes in building safety legislation, meant that additional homes could be delivered within the four buildings planned as part of the phase.
29. These changes have led to current tenure mix:

Phase	Council homes	Keyworker	Shared equity	Private homes	Total
Phase 1	157	0	10	0	167
Phase 2	88	58	5	144	295
Phase 3	51	0	0	0	51
Phase 4	59	40	2	76	177
<b>Total</b>	<b>355</b>	<b>98</b>	<b>17</b>	<b>220</b>	<b>690</b>

30. The current design that was submitted for planning approval for Phase 2 constitutes four new buildings:

Block	Storey height	Council homes	Keyworker	Shared equity	Private homes	Total homes
F1	5	19	0	0	0	19
F2	5	22	0	0	0	22
G2	11	47	58	5	0	110
H	20	0	0	0	144	144
<b>Total</b>		<b>88</b>	<b>58</b>	<b>5</b>	<b>144</b>	<b>295</b>

## KEY ISSUES FOR CONSIDERATION

31. Since the original masterplan, there have been several issues identified with the current Phase 2 strategy. These include:
  - Construction costs have significantly increased since 2022
  - Building safety standards and regulations have become more onerous
  - Sales prices have not risen as anticipated
  - Soft-market testing demonstrated that it would not be possible to have private and council homes sharing a block, which was previously planned for Block G2, resulting in 23 additional council homes and seven additional keyworker homes included in Phase 2.
32. Under the current Phase 2 model, in which 88 council homes are delivered, and Block H is all private, it is estimated that the council would contribute significantly more than the budget expectations agreed by cabinet in October 2022. In addition to this, current valuations project a £0 land value payment for the council for 144 private homes.
33. This would mean the council has to both invest more money into delivering the new homes, and would receive no additional funding to contribute towards the Tustin Estate Renewal for letting private homes be developed on council land, removing the rationale for doing so.
34. As a result of the above the council needed to review and reconsider the method of delivering Phase 2, as it would not have been possible to deliver in line with the current plan which was set three years ago. To account for this, a revised base position needs to be established for an accurate comparison.
35. It should also be noted that the Tustin Estate Renewal forms a key part of the council's housing delivery programme. If the development were not to proceed, these numbers, the remaining affordable homes which have not yet been built, would need to be delivered at an alternative time in the future, likely for significantly more cost.
36. Over the last 12 months various solutions to respond to the constraints set out above have been modelled including:
  - reducing the number of homes included in Phase 2
  - changing the tenure of homes within Phase 2 to different types of intermediate affordable housing
  - delaying parts of Phase 2
37. However, while different combinations of these options made Phase 2 more affordable in line with the original budgeted amount, they all either increased

the projected cost of delivering Phases 3 and 4 or meant that the commitments made to residents on the Tustin Estate in the Landlord Offer could not be maintained.

38. The approach that came closest to addressing the constraints set out in paragraph 31, and maintaining the commitments to Tustin Estate residents, and delivering the total Tustin Estate Renewal within the original budget envelope was to accelerate the delivery of affordable housing from Phases 3 and 4 into Phase 2 to make all four blocks included within it affordable housing.
39. Although this increases the council investment required for Phase 2, this is balanced by significant reductions in the investment required for Phase 3 and 4, and by building affordable homes earlier than expected, less construction inflation is included which means the total investment required for the Tustin Estate Renewal is also reduced.
40. To assist with this new approach which delivers much more affordable housing in Phase 2 of the Tustin Estate, additional funding sources were explored to reduce the impact of the increased spend. This included receiving safeguarding grant funding from the GLA and changing the tenure of the 98 key worker homes to be additional council homes to further increase the grant funding.
41. Changing the 98 London Living Rent homes to council homes for social rent both increases the affordable housing grant available to support the delivery of the scheme, thereby reducing the impact of the additional spend required for Phase 2, and increases the type of housing that is required by those in the most housing need. This in turn contributes to a reduction in temporary accommodation costs unless increases in demand exceed supply.
42. These changes mean that the homes delivered in Phase 2 will now be:

Type	Current Phase 2 Homes	Proposed Phase 2 Homes	Change
Council homes for social rent	88	279	+191
Key worker homes	58	0	-58
Homes for resident leaseholders	5	5	+0

43. Broken down by block this looks like:

Block	Storey height	Council homes	Keyworker	Shared equity	Private homes	Total homes
F1	5	19	0	0	0	19
F2	5	22	0	0	0	22
G2	11	105	0	5	0	110
H	20	133	0	0	0	133
<b>Total</b>		<b>279</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>284</b>

44. There is a slight reduction in the number of homes in block H, 144 down to 133 as internal layouts have been adjusted to increase the amount of family-sized homes that will be delivered.

45. As set out above this report proposes that the number of homes delivered in Phase 2 that will be in council ownership increases from 120 as envisaged in October 2022 up to 284. This increases the proportion of the total Tustin Estate Renewal budget that is spent in Phase 2.
46. To reduce the impact of spending this additional amount of money earlier than expected on the council's interest payments, the length of the Phase 2 construction period has been extended by 12 months, expecting to complete in mid-2029.
47. To build in some additional flexibility into this approach, the council has the opportunity to go ahead with each block within Phase 2 separately, starting with Block G2 initially, with the opportunity to decide the programme for the delivery of the other blocks within the phase as long as this decision is made before October 2026. The cost estimates for Phase 2 given in the closed version of this report are based on a draft delivery programme, and changes to this programme will mean variances in cost, with delayed delivery meaning increased costs.

Impact on Tustin Masterplan:

48. Phases 3 and 4 will now only start when the previous phase has finished; along with extending the length of Phase 2, this pushes the completion of the Tustin Estate Renewal back from 2030 into 2033. Although this will mean a longer overall programme, this reduces the cashflow peaks within the programme, and this delay is offset by the majority of the affordable housing being built earlier.
49. Accelerating the delivery of 191 additional council homes for social rent into Phase 2 means that Phases 3 and 4 are still required to deliver the number of homes shown below:

Type	Phases 3 & 4
Council homes for social rent	12
Homes for returning leaseholders	7
Private homes	220

50. How these are homes are split between phases 3 and 4, and their detailed design will be based on consultation and engagement with Tustin Estate residents as the scheme progresses.
51. This approach means that the private housing included to help fund the Tustin Estate Renewal will be completely delivered in Phases 3 and 4, towards the end of the programme. This is most likely to maximise the receipt to the council, as current forecasts from Bouygues Development are that values will rise more than costs over the next few years once the recent increases in costs associated with Building Regulations changes have been factored in.

### Early works contract

52. The Early Works contract is necessary to submit the Gateway 2 application as early as possible because approval timescales are lengthy and unpredictable, and to properly market test and firm up prices for the main works in Phase 2.
53. The changes in Building Safety legislation mean that some minor changes in terms of responsibility for designs are required to the development agreement between the council and Bouygues. This is to ensure that all regulatory requirements are properly met.
54. There are two main elements to the Early Works contract. Firstly, this needs to cover the detailed design work of Phase 2 required to achieve sign-off from the Building Safety Regulator (BSR), and secondly the demolition of Heversham House and Kentmere House and linked site preparation works.
55. These two elements can run concurrently so that there is no delay or demobilisation of the construction team required, which would allow the Phase 2 main works to start as soon as both the designs have been approved by the BSR and the demolition has completed.
56. During this period the detailed price for Phase 2 can also be set out by Bouygues Development which will then be scrutinised by the council's independent cost consultant before it is finalised.
57. The full scope of works included in the Early Works contract is as follows:
  - Design development up to stage 4 for blocks F1, F2, G2, and stage 3 for block H - including BSR Gateway 2 submission for block G2
  - Planning applications and payments – s73, reserved matters application (phase 2), s106 negotiation and payments – and discharge of planning conditions
  - Licenses, orders and documents needed to start the work (BAPA, stopping-up orders)
  - Surveys including ground investigation and dilapidations
  - Early construction works:
    - Enabling works incl. hoarding, services disconnections and diversions, temporary supplies and environmental monitoring
    - Site installation & mobilisation
    - Asbestos survey and removal
    - Tree removal and protection
    - Demolition
    - Piling mat

### Main works contract

58. The main works contract can be started as soon as both the demolition of Heversham House and Kentmere House and linked site preparation works finishes, which is anticipated to be in April 2026, and the detailed designs for Phase 2 are signed off by the BSR through their Gateway 2 process.
59. The main works contract will include the construction of all four blocks within Phase 2, but will include a separate prices for the development of each of the

four blocks within Phase 2, with Phase 2a including Block G2, and a break clause that can be exercised before the end of October 2026 to exclude Phase 2b which is made up of Blocks F1, F2 and H.

60. The current estimated costs for the main works contract are set out in the closed version of this report, along with a restructuring of the Tustin Estate Renewal budgets to accommodate this change.
61. The final cost for the main works contract is expected to be agreed in January 2026. Once this figure is confirmed by the council's independent cost consultants it will be presented back to cabinet for their agreement to proceed.

### **Policy framework implications**

62. The Old Kent Road Area Action Plan (OKR AAP) (dated 2024) provides the vision and policy for the growth and development of the area - new housing and employment uses, and anticipates the Bakerloo line extension.
63. Tustin Estate sits within the Core Area of the Opportunity Area, however, is not designated as a site within the OKR AAP. It is surrounded by sites OKR 16,17 and 18 which are grouped under Sub Area 4-Hatcham, Ilderton and Old Kent Road South.
64. Despite the OKR AAP not prescribing strategies and policies for the Estate, references to the site are made within the document. Thus, the site should respond to the guidelines for these surrounding sites and emerging context, as well as facilitate development of area-wide infrastructure and connections.
65. Proposals also seek to deliver physical properties which enable a safe and inclusive community to thrive and prosper and ensure, in accordance with Strategic Policy SP2 of the New Southwark Plan 'Regeneration that was for all' that 'we revitalise our places and neighbourhoods to create new opportunities for residents, promote well-being and reduce inequalities so that people have better lives in stronger communities'.
66. The Outline Planning Application for the wider masterplan set out a series of parameter plans and a design code which set the parameters for all subsequent phases to follow. Phase 2 is in accordance with these guidelines.

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

#### **Community impact statement**

67. The redevelopment brings about significant benefits which together contribute to a significant increase in the social, economic, and environmental wellbeing of the site itself, the wider estate, and the borough.
68. The scheme will address the poor quality of existing physical environment. Existing buildings are of poor quality, using poor quality building materials, employing outdated construction methods, severely in need of costly repair, and representing inefficient land use with a low density of residential accommodation.

69. The redevelopment of the site will bring about a significant improvement of the physical environment within the site. It will deliver a broad range of community facilities, replacing existing facilities with new purpose-built facilities, and extending these. The scheme will also provide new high quality homes, contributing towards an increase in both the quantum and quality of residential accommodation on the site and contributing to corresponding improvements in the wider area. The homes that will be built will be a significant improvement on the existing stock.

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

70. Section 149 of the Equality Act 2010 lays out the Public Sector Equality Duty (PSED) which requires public bodies when taking decisions, to have due regard to the need to:
- a) Eliminate discrimination, harassment, victimisation or other prohibited conduct;
  - b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it;
  - c) Foster good relations between those who share a relevant characteristic and those that do not share it.
71. The council through a process of regular review has been considering the impact on all protected groups throughout the development of the council's proposals for all regeneration projects within the borough. This has led to the council developing rehousing policies for tenants and leaseholders affected by regeneration proposals in the borough.
72. These have identified that the council has a range of measures in place to mitigate any potential impacts of regeneration proposals, including:
- Rehousing policies through the council which provide a range of local re-housing opportunities that enable residents to move locally (if they choose to do so) to a new home that meets the needs of their family and financial position.
  - A dedicated team of officers which supports both tenants and leaseholders through the rehousing process.
  - Providing support and guidance about a range of routes to all residents affected by regeneration but with particular focus on those that may be vulnerable or in need of additional support.
  - The development of new homes in the borough which will provide high quality homes to modern standards for residents in the borough to move to.
73. Therefore, the council considers that the potential impacts of the scheme are fully addressed through the operation of its rehousing policies and provision of dedicated support and guidance available through council officers and local independent organisations that provide support and guidance to Tustin Estate residents.
74. Through the consultation process, the council has also sought to update its understanding of the demographic of residents with protected characteristics



affected by the rehousing and process. The council will continue to monitor any resulting impacts. The council will also seek to update and expand upon this information throughout the ongoing process as it continues to discharge its public sector equality duty.

75. In addition, the Equality and Health Impact Assessment (EHIA) has been updated to ensure the impacts of the Phase 2 redevelopment and use of Compulsory Purchase Order (CPO) powers with regards to Tustin Estate have been independently assessed.
76. It identifies differential or disproportionate effects, both positive and negative, on those with protected characteristics from the development proposals and sets out mitigation or enhancement measures that the council can put in place. It looks at these factors ahead of confirming decisions and policy. Relevant mitigation measures are identified and are embedded into the redevelopment programme.
77. The equalities impact assessments were conducted in accordance with the Equality Act 2010 and the council's Public Sector Equality Duty.
78. The assessment will be shared with the consultants engaged to work on this programme to inform their resident engagement process alongside the council's.

### **Health impact statement**

79. The updated EHIA sets out the potential health impacts of the Phase 2 redevelopment and use of CPO powers with regards to Tustin Estate.

### **Climate change implications**

80. The redevelopment of the scheme would enable homes of the highest environmental standard to be developed. The current homes are inefficient in energy terms.
81. As part of the reserved matters application, the developer submitted an Energy Assessment Report which addressed the requirements of Southwark Plan Policy P70. Overall, the Phase 2 proposals will reduce carbon emissions by 85% beyond Part L 2021 Building Regulations.

### **Resource implications**

82. Sharpe Pritchard are providing legal advice and support in relation to the CPO.

### **Financial implications**

83. Detailed financial implications including the currently estimated costs for all phases of the Tustin Estate Renewal are set out in the closed version of this report.

84. Before the costs for Phase 2 are confirmed, Bouygues will conduct an open book tender process on all of the individual packages that make up Phase 2, and these costs will then be reviewed by the council's cost consultant to ensure they are accurate.
85. To support the acceleration of affordable housing into Phase 2 of the Tustin Estate Renewal officers have worked closely with the GLA to maximise the grant funding that is available to support the delivery of this scheme. This has resulted in the commitment to provide an additional £29.64m grant funding, on top of the £24.96m that was originally committed in October 2022.

	<b>Number of Homes</b>	<b>Oct 2022 Grant</b>	<b>Oct 2025 Grant</b>	<b>Difference</b>
Council Homes	169	£16.9m	£33.8m	<b>+£16.9m</b>
Former Key Worker Homes	98	£6.86m	£19.6m	<b>+£12.74m</b>
Other Council Homes	12	£1.2m	£1.2m	-
Leaseholder Homes	5	-	-	-
<b>Total</b>	<b>284</b>	<b>£24.96m</b>	<b>£54.6m</b>	<b>+£29.64m</b>

86. In total this means that these proposals to deliver Phase 2 of the Tustin Estate Renewal will receive £54.6m in grant funding from the GLA.
87. The total GLA grant allocated to support the delivery of affordable housing across all phases of the Tustin Estate Renewal is £73m.
88. The closed report notes the council costs to support the delivery of the project, including professional fees, planning contributions, resident re-housing costs and security.
89. For construction (works) contracts, the council is the end user in relation to Domestic Reverse Charge (DRC) and notification of this will be included in the letter of award to the successful contractor.
90. A General Fund bid and potentially an Educational Capital bid will be made for the school which is in Phase 3 and is subject to approval.

## Consultation

91. Consultation is taking place with all affected leaseholders and tenants. In addition, this issue has been discussed with the Residents Project Team and the Tustin Estate Community Association.

## SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

### Assistant Chief Executive – Governance and Assurance ( Ref: Con/CD/172025)

92. This report asks cabinet to approve a number of recommendations in relation to the Tustin Estate Renewal, including changes to the strategy for delivering Phase 2 to accelerate the delivery of affordable housing. In considering these recommendations, the cabinet should have regard to the council's obligations to carry out its duties in accordance with the principles of best value, and to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This report outlines how approval of these recommendations will assist the council in meeting its commitment of delivering 3,500 new council homes by 2026, and maintain the commitments to Tustin Estate residents.
93. As noted in paragraph 17, the council entered into the development agreement with Bouygues Development to deliver all four phases of the Tustin Estate Renewal in October 2022. The development agreement provides for the developer to deliver development of the later phases once the parties are satisfied that an acceptable and viable scheme can be delivered in respect of each later phase. The parties have reached this stage in respect of Phase 2 and are seeking to capture the relevant terms that are to apply in a supplemental agreement in accordance with the process provided for within the development agreement. In agreeing the particulars for phase 2, its proposed composition has been altered from what was originally envisaged to accelerate the delivery of affordable housing.
94. As Building Safety Act 2022 had not come into force at the point the development agreement was completed and so it does not currently cater for the requirements prescribed by that and its associated legislation, therefore parties will enter into a deed of variation to insert the relevant requirements into the development agreement application to all of the later phases. If the recommendations in this report are approved, the council will need to make changes to the development agreement to reflect the amendments to phases 2-4 of the development through a supplemental agreement and a deed of variation. External legal advisers are appointed and will continue to assist the council with these matters and entering into the early works and main works agreements.
95. The external lawyers' overall assessment of the procurement risk is that it is low as there are safe harbours under regulation 72 of the Public Contracts Regulations 2015 which would apply to the modifications to the development agreement through the supplemental agreement and the deed of variation, and the modification would not place Bouygues Development in a more favourable position. The modifications required constitute a resequencing of works already contemplated in each of the phases which are more for the council's benefit and the requirements imposed to the Building Safety legislation would apply to any contractor in the same position as Bouygues Development and including them does not make the position under the development agreement more favourable to Bouygues Development.

96. The cabinet's attention is drawn to the Public Sector Equality duty (PSED General Duty) under the Equality Act 2010, which requires public bodies to have regard, when making decisions, to the need to eliminate discrimination, advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it. The cabinet is specifically referred to the community, equalities (including socio-economic) and health impacts statement at paragraphs 67-79, and particularly the Equality and Health Impact Assessment, setting out the consideration on equalities issues which the cabinet should give careful consideration to when approving the recommendations in this report. The duty is a continuing one, and as highlighted in paragraph 76, the initial EHIA has been updated to take into account the phase 2 redevelopment, but should continue to be reviewed as the development progresses.

### **Strategic Director of Resources (PFS - Housing 25/080)**

97. This report seeks Cabinet approval to revise the strategy for delivering phase 2 of the Tustin Estate Renewal as outlined in the report. The proposed change is in response to regulatory changes and significant cost increases since October 2022 which have resulted in the original delivery model for Phase 2 being no longer viable.
98. The revised plan brings forward 140 homes from Phases 3 and 4 into Phase 2, resulting in 191 additional council homes delivered earlier than planned. Advancing these homes increases the upfront investment required for Phase 2 but reduces future costs for Phases 3 and 4. To manage the impact on annual cashflow, the programme schedule has been adjusted by removing phase overlaps, extending overall completion to 2033 (previously 2030). The financial impact on the Housing Revenue Account (HRA), particularly borrowing costs, is mitigated by additional grant income secured through changing the tenure of key worker homes to social rent.
99. Agreement to enter into the Phase 2 construction contract remains subject to confirmation of the contract sum with Bouygues Development and Cabinet approval, which will be sought in early 2026. Approval will depend on ensuring the proposal remains affordable within the HRA and that a robust funding strategy is in place.

### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Gateway 2 - Contract Award Approval - Partner & Financial Plan for redevelopment of Tustin Estate	Housing, Southwark Construction Directorate, Third Floor, Hub 2 160 Tooley Street, London, SE1 2QH	Cat Janman 020 7525 0659

Background Papers	Held At	Contact
<b>Link:</b> <a href="https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=7340">https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&amp;MId=7340</a>		

## APPENDICES

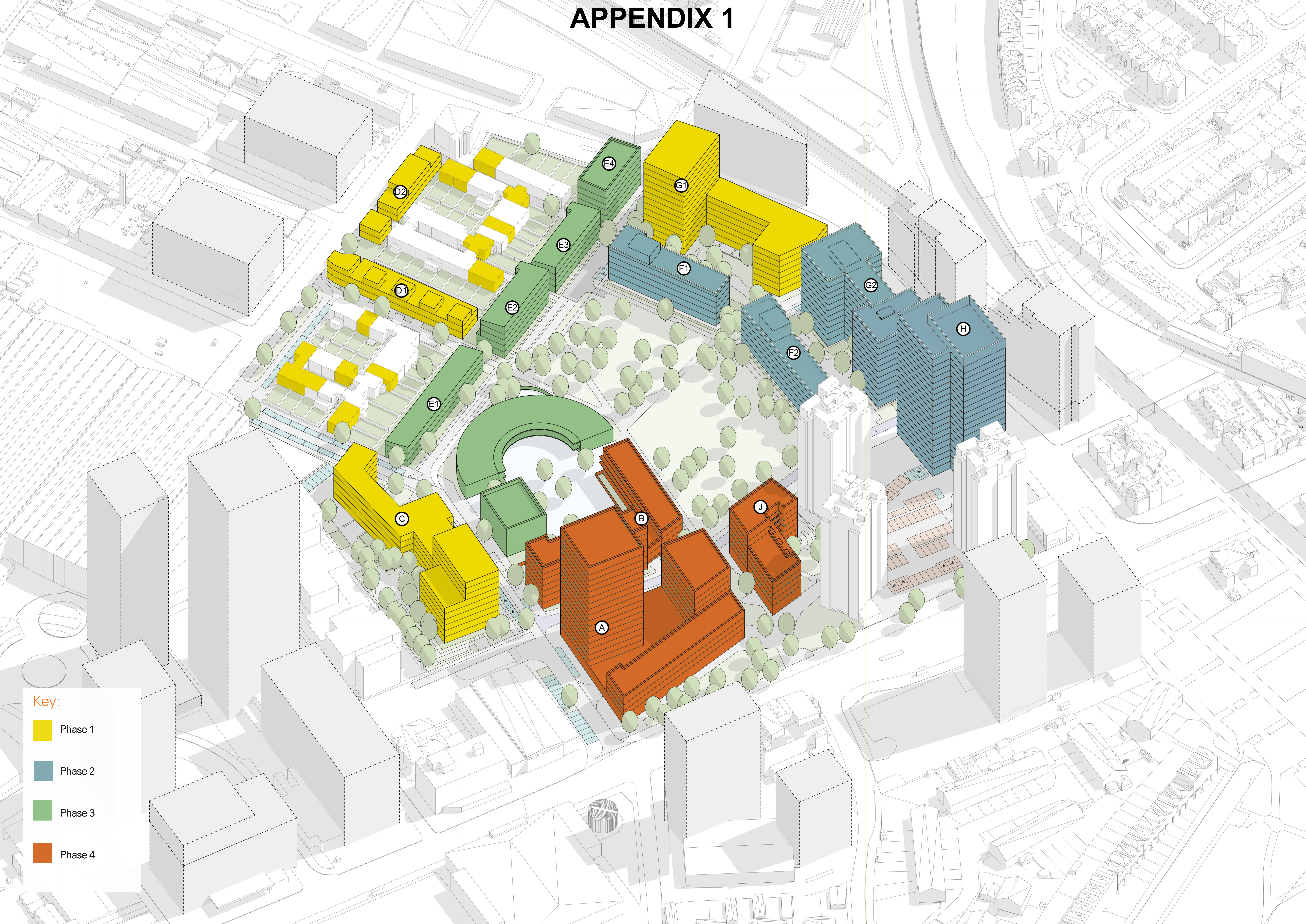
No.	Title
Appendix 1	Tustin Masterplan Image

## AUDIT TRAIL

Cabinet Member	Councillor Helen Dennis, New Homes and Sustainable Development		
Lead Officer	Hakeem Osinaike, Strategic Director of Housing		
Report Author	Osama Shoush, Strategic Lead and Cat Janman, Senior Project Manager		
Version	Final		
Dated	20 November 2025		
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		20 November 2025	



# APPENDIX 1



Key:

- Phase 1
- Phase 2
- Phase 3
- Phase 4

D2

D1

E1

E2

E3

E4

G1

F1

F2

G2

H

C

A

B

J



<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Resident Engagement Strategy
<b>Cabinet Member:</b>	Councillor Sarah King, Leader of the Council
<b>Ward(s) or groups affected:</b>	All
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/a

## FOREWORD – COUNCILLOR SARAH KING, LEADER OF THE COUNCIL

Southwark Council owns and manages more than 57,500 homes, providing housing for council tenants, leaseholders, and shared owners. We recognise that our residents are the biggest experts on their homes, their estates, and the neighbourhoods they help shape every day, and their voices must be at the heart of everything we do. My ambition is to deliver a good landlord service including putting power back into the hands of residents to make decisions on how to shape their estates and neighbourhoods, and to put the needs and aspirations of residents at the heart of delivering good quality homes and landlord services. This will contribute to meeting our Southwark 2030 goal on housing and the principles of reducing inequality, empowering people and investing in prevention.

Through our Good Landlord Plan, we made a clear promise: to place residents' needs and aspirations at the centre of everything we do. This means creating transparent systems that allow residents to hold us to account, challenge our performance, and help us improve. Whether through formal panels or feedback forums, we will ensure residents have the tools and access they need to evaluate how well we are delivering on our commitments.

Both the Council Plan and the Housing Strategy include a firm commitment to empower residents to make local decisions, reinforcing the importance of this strategy in achieving broader corporate objectives. This Resident Engagement Strategy builds on that commitment, setting out our vision for the next four years. It offers inclusive, flexible, and meaningful opportunities for residents to shape the services that matter most to them, whether through estate-based decision-making, digital engagement, or face-to-face conversations. Our goal is simple: every resident should feel empowered to contribute in ways that suit their lifestyle and availability. We are determined to ensure that our landlord service remains responsive, effective, and good value for money, now and into the future.

The importance of resident voice has never been clearer. The tragedy at Grenfell, the findings of the Hackitt Report have highlighted the need for strong community engagement and accountability. The Social Housing Regulation Act 2023 strengthens our responsibility to provide safe homes, quality services, and treat residents with

fairness and respect. We have responded by publishing performance data, resident perception surveys, and embedding feedback into service design

Trust and respect are earned by listening and acting on what residents tell us. This strategy reflects feedback from the Regulator of Social Housing and from our tenants and leaseholders. I am committed to working alongside officers and residents to ensure that this resident engagement strategy puts residents at the heart of the landlord service. A landlord service which continues to provide an effective service that returns power to local people to make local decisions about their estates and neighbourhoods.

## **RECOMMENDATIONS**

1. Cabinet approves the resident engagement strategy set out in Appendix 1.
2. Cabinet agrees to evaluate the impact of the strategy in January 2028 to monitor progress.

## **REASONS FOR RECOMMENDATIONS**

4. The revised Resident Engagement Strategy responds to the following
  - Recommendations from Housing Scrutiny commission reported in June 2025,
  - The report from Social Life consultants commissioned to carry out an independent review of the outcomes of the consultation.
5. The key feedback from the analysis of the engagement was that the key areas the housing needed to address in the strategy were accountability, trust, accessibility, basic services and care, communication and transparency
6. Social Life recommended the council needed to:
  - Signal that concerns about the landlord function are being taken seriously and that action is being taken to address this.
  - Action what is needed to underpin implementation of any strategy, including improvements to service responsiveness, changes to information provision, provision of financial and management information, improving feedback loops, supporting housing management staff to be more responsive and strengthening support for TRAs and other resident-led bodies.
  - Simplify and amend the new strategy to respond to residents' concerns.
7. The social life report is attached as Appendix 2
8. An early redraft of the strategy in response to the Social Life report was submitted to scrutiny and discussions held with members of Tenant and Homeowners forum. We have considered this additional feedback and adjusted the final version of the strategy in response.



## ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

9. None.

## POST DECISION IMPLEMENTATION

Key Activity	Target completion date
Launch the strategy	January 2026
Deliver core elements of the strategy	January 2026 to December 2030
Strategy monitored by Homeowner and Tenant Forum	6 monthly reporting on strategy
Review and evaluation of the strategy	January 2028

10. The council will measure the success of this four-year Resident Involvement Strategy by measuring its performance against the following outcomes:
- There will be a wider range of residents involved in a greater number of involvement activities through the life of this strategy.
  - There will be clear evidence that involvement has made a difference in terms of tangible service improvements.
  - Resident Involvement is embedded and forms part of the day job for all staff, and the evidence is collected through the tenant satisfaction measures and survey of homeowners.
  - Resident satisfaction with resident involvement has improved.
11. The council will measure and understand the impact of its investment in community building, helping residents build relationships, networks, and thriving communities and support our residents through our training and advice and mediation contracts.

## BACKGROUND INFORMATION

12. In November 2024 the Inspection report from the regulator of Social Housing stated when considering our performance on the Accountability, Transparency and Influence consumer standard:
- Our tenant engagement structure is good, and we invest significant resources to support resident involvement in a range of formal and informal resident involvement activities. However, there was no evidence to illustrate how the significant resources invested in resident involvement is supporting residents to influence and scrutinize housing management strategies, policies and the design and delivery of landlord services.
  - A lot more needs to be done to demonstrate how resident scrutiny and feedback is positively leading to the improvements in the standard and

quality of all landlord services and improving the satisfaction levels of all residents with the landlord and housing management service.

- The council as a landlord needs to demonstrate with a clear implementation plan how it is embedding the voice of tenants in the design and delivery of all landlord services and how residents hold the council as a landlord service to account. This includes empowerment and capacity building of residents through meaningful and relevant training, so residents have the tools to and knowledge to challenge the performance of the council meaningfully and robustly for the standard and quality of the landlord services.
  - The landlord service performance information is not easily accessible on the website. The website is not user friendly, and it is difficult to navigate to locate performance information about the council as a landlord. Tenants believe performance information is positively portrayed, and tenants have not been able to scrutinize the service and interrogate the performance data before it is published.
  - The performance information needs to be easily accessible by all tenants, so they can monitor the performance of the council as a landlord. The website needs to be equipped with interactive digital engagement tools and other online forms so residents can give feedback on the standard and quality of the housing management service.
  - The online presence and the interactive tools embedded in websites provide more flexible opportunities for residents to participate in the design and delivery of landlord services as well as a useful feedback tool for recording their experiences of the service.
13. Our most recent TSM findings on stronger voice indicate:
- 67% are satisfied they are kept informed
  - 51% are satisfied we listen to what they say.
  - 67% say they are treated fairly and with respect
14. As the inspection was taking place and in response to this feedback, the Council developed the draft Resident Engagement Strategy for how we will work with our tenants and leaseholders. It was reviewed by the Housing Scrutiny Commission in November 2024, and wider tenant and leaseholder engagement began in May 2025 and completed in July 2025. There were further discussions with tenant and homeowner forum members on 30 September and 9 of October and at Housing Scrutiny on 14 October.
15. The goal of the Resident Engagement Strategy is to put residents at the heart of everything we do as a landlord, empowering tenants, leaseholders and the people who live in council homes to shape the places they live in and make decisions about the issues that affect their lives.
16. The resident engagement strategy forms the key element in the delivery of the Good Landlord Plan and the 'Stronger Voice' commitment.

17. We sought both a breadth and depth of insight to shape this strategy. The draft strategy was informed by a literature review and insights gathered from over 500 council tenants and leaseholders regarding their appetite for engagement.
18. The revised version responds to the additional contributions made in the following ways:
  - Surveys on the engagement hub (328), and the tenant satisfaction measures survey of people in our homes (2,261).
  - Expert insight including the Regulator of Social Housing judgement, those who are active and have considerable experience of engagement with the council through our engagement with Southwark Group of Tenant Organisations, (SGTO) Tenant Forum (TF), Homeowner Forum (HOF), Southwark Tenant Management Organisations Committee (STMOC), Local Housing Forums (LHF) and Housing Scrutiny Commission.
  - Workshops on 5 different estates one in each of the LHF areas to do a deep dive with residents who are not most active in the tenant's movement to ensure a breadth of conversation is informing the final strategy alongside discussion at the disability forum and youth parliament adding new perspectives.
19. Social Life was appointed by a panel of residents to explore the underlying issues and themes influencing how residents respond to our engagement activities. It was important that there was an independent review of the data and insight we received so that residents could have confidence in the feedback.
20. As part of their work, they analysed responses to our online consultation survey on the draft engagement strategy, alongside other feedback received throughout the strategy development process. Social Life recommended that the strategy should:
  - Signal clearly that concerns about the landlord function are being taken seriously and that action is underway.
  - Support implementation through improvements in:
    - Service responsiveness
    - Information provision (including financial and management data)
    - Feedback loops
    - Staff support
    - Strengthening of TRAs and other resident-led bodies
  - Simplify and amend the strategy to better reflect residents' concerns.
21. The full Social Life report, which informed the development of the revised Resident Engagement Strategy, is attached as Appendix 2.
22. Feedback from the consultation highlighted six priority areas for improvement:
  - Accountability
  - Trust
  - Accessibility
  - Basic services and care

- Communication
- Transparency

## KEY ISSUES FOR CONSIDERATION

23. The council recognises that getting involved takes time and commitment. Our role is to make participation easy, flexible and accessible, offering a wide menu of options so that everyone has the opportunity to influence.
24. This proposal introduces a resident-led model of engagement that directly responds to the RSH's concerns:
  - Resident Influence at the Core
  - Clear feedback loops so that what is discussed has a clear pathway back to strategic officers and out to the wider tenant movement
  - Is resident-led
  - Creates an environment of transparency and accountability.
25. The new strategy represents a shift in approach from consultation to collaborative working, ensuring Southwark meets regulatory expectations while building trust and stronger partnerships with its residents. It embeds multiple pathways for involvement by a focus on topic, a focus on needs of communities based on tenure, and a focus on neighbourhoods. It enables both individual voices and representative groups, tapping into the talent, care, and commitment within our communities. It provides different types of scrutiny enabling the council to dig deep and connect widely. It supports broader participation and ensures a diversity of perspectives in shaping housing services by opening the opportunities for participation and involvement.
26. This strategy covers all parts of housing and all aspects of service delivery. It applies to both what the council does and how it does it.
  - How we prioritise our services and decide what we do
  - How we set service standards
  - How we monitor and evaluate services.
  - How we support those living on our estates and in our homes thrive.
27. We have developed the following principles to underpin all our engagement activities:
  - Building trust through every contact
  - Accountability and transparency
  - Flexibility and accessibility
  - Co-design and co-production
  - Communication that connects
  - Meaningful engagement with visible impact
28. Every engagement activity is an opportunity to build trust through providing leadership, listening, demonstrating care and empathy in the way we serve our residents, communicating regularly and clearly, providing the right information, feeding back to explain the impact of involvement, and showing

respect, commitment and good will.

29. The council will be open, honest and clear about its intentions and actions, we will be willing to be judged on performance and share information so it can be. The council will deliver on its promises and explain why when it doesn't. The council will continuously seek to learn from mistakes, adapt, and do better.
30. The council will adapt and be flexible in its approach to tenant and leaseholder involvement in response to the changing needs and complex work patterns and lifestyles of residents in our homes and the issues we are asking to resolve. The council will ensure accessibility to opportunities to have a voice and develop bespoke solutions, taking a test and lessons learnt approach to what we do.
31. Principles of co-design, co-creation and co-production of services, bringing professional and lived experience together as equally valued collaborators alongside data and insight will underpin our engagement practice.
32. The council will communicate regularly the outcome of any involvement and about its performance and will use a range of tools to keep people informed both in print and digitally as well as using different networks for better reach. Our communication will use plain language, be accessible, simple and timely.
33. When the council asks people to be involved, it will be clear to everyone who is taking part what is expected of them, that change will happen because of their engagement, and be able to demonstrate how that contribution has made a difference.
34. The core objectives of the strategy are:
  - Deliver our legal obligations on tenant voice with a focus on meeting the Regulator of Social Housing Customer Service Standards while addressing the shortfalls identified in the 2024 inspection report.
  - Ensure tenants and leaseholders shape, influence and direct the design and delivery of the council's housing service and our Good Landlord Plan commitment on Stronger Voice
  - Contribute to Southwark 2030 goals to: reduce inequality, empower people, and invest in prevention.
  - Foster safe, supportive communities where residents feel secure and connected.
35. Through engagement with residents, four priorities have been developed to underpin our commitment to the highest level of resident involvement. Each priority is supported by our engagement principles, ensuring that the way we work is as important as what we deliver. Together, these priorities form the framework for a landlord service that is accountable, inclusive and built-in partnership with residents.
36. The priorities over the next four years and lifetime of this strategy will be:

- Empowering tenants and leaseholders to shape, influence, and direct the design and delivery of landlord services.
- Working together to understand residents' needs, priorities, and aspirations for their neighbourhoods and communities and collaborating to find practical solutions.
- Making it easier to hold our services to account
- Supporting community building, helping residents build relationships, networks, and thriving communities.

### **How we will deliver the strategy**

37. We will continue to provide a budget for resident participation. This fund will support:
  - Core grants for our TRAs
  - GIG grants to support community activity for our tenants, leaseholders and people living in our homes
  - One Hundred Thousand Pounds (£100K) for remuneration to board members in line with current good practice for serving residents on social housing boards.
  - We will commission services of independent tenant, leaseholder and TRA adviser organisation, a leaseholder and homeowner advice service and leaseholder mediation service.
  - We will provide a package of training to support residents take part in the menu of opportunities on offer, run their TRA's effectively and manage the TRA halls and ensure that staff supporting the work of the involvement structure are also trained
38. The council will continue to support TRAs as the foundation of resident participation, connecting with the housing service on a regular basis resolving local issues. Our ambition is to have a TRA covering every council home and we will commission a training package to support this work.
39. The council will continue to support five local housing forums. These facilitate the council's engagement with residents regardless of whether they have TRAs or not and make it easier for those who can't attend lots of meetings to have a say and connect with others.
40. The council will continue to support Tenant and Homeowner Forums. These bodies have a vital role to play in holding us to account, reviewing our policies and procedures, sharing their insight and what matters to residents.
41. The council will continue to support STMOC. A significant proportion of Southwark homes are covered by a TMO. The nature of tenant management is that it brings its own unique issues and therefore it is important that the experience and perspective of TMOs is represented across the council's resident participation structures. Tenant management is one of the key building blocks of our approach to residents' participation
42. Tenant Forum, Homeowner Forum and STMOC will continue to have representatives on the Housing Scrutiny Commission. This aims to maintain

the link between this commission and residents, so residents are better able to scrutinise housing services.

43. The strategy seeks to establish five improvement boards as follows:
  - Tenant housing management Board: To increase the voice and influence of council tenants in shaping and improving housing management services.
  - Homeowner housing management Board: To increase the voice and influence of council leaseholders in shaping and improving housing management services.
  - Building Safety Residents' Board: To hold the council accountable for building safety and compliance, ensuring residents are safe in their homes.
  - Repairs Improvement Residents' Board: To oversee the council's repairs improvement programme and work collaboratively with officers to deliver better repairs and maintenance service.
  - Major Works Residents Board: (implementation post adoption of the new strategy in 2026) To oversee the implementation of the new Planned Maintenance strategy.
44. More detail about how this architecture will function is contained in appendix 3, which sets out the formal engagement structure.
45. The boards and HOF and TF form two separate parts of a wider system that together deliver stronger voice for tenants and leaseholders in the design and delivery of all housing services. They are linked through a shared representative, but the role they play is different. The resident-led boards focus on deep dives into specific service areas, while HOF TF and LHF provide broad engagement. This duality strengthens the resident voice in shaping housing services.
46. This proposal creates a range of pathways for people to get involved, enables the voice of individuals as well as representative groups, creates different types of scrutiny, and supports a greater number of people taking part.
47. In addition, we will bring people together to discuss specific issues and policy areas in workshops and focus groups and engage with our residents more formally on key policy areas and in line with our legal duties.
48. Once the strategy has been ratified by Cabinet, we will publish the strategy as a document that is user friendly, sets out the ways people can be involved and illustrates what the user journey would be like from a resident's perspective around questions such as how someone could engage.

### **Policy framework implications**

49. The strategy sits within a wider system of law and Southwark policy that also shapes and informs the content of the resident engagement strategy. The outcomes set out in the strategy support the council meet its legal and policy obligations. The key pieces of legislation that impact how we will deliver this

strategy and underpin its content are detailed below.

50. **The Consumer standards:** this states that the council must treat tenants and prospective tenants with fairness and respect and deliver fair and equitable outcomes for tenants and, where relevant, prospective tenants. The council must take tenants' views into account in their decision-making about how landlord services are delivered and communicate how tenants' views have been considered. The council must communicate with tenants and provide information so tenants can use landlord services, understand what to expect from their landlord, and hold their landlord to account. must collect and provide information to support effective scrutiny by tenants of their landlord's performance in delivering landlord services. These have been reflected in our Good Landlord Plan commitments.
51. **S105 Housing Act 1985** – This requires the council to maintain arrangements to enable our secure tenants to be informed of our proposals in respect of a housing management matter that affects them, and to make their views known to us and before making any decision on the matter, consider any representations made to us. The strategy will facilitate us meet this obligation.
52. **S 20 of the Landlord and Tenant Act 1985**(UK) requires landlords to consult with leaseholders before carrying out major works or entering into qualifying long-term agreements that will incur costs to be recovered through service charges. This consultation process, known as a Section 20 process, provides leaseholders with the opportunity to comment on the proposals, suggest contractors, and potentially limit their financial liability for the costs.
53. **Duty to Consult and the Gunning principles** There will be legal duty to consult where:
  - there is legislation which requires a consultation.
  - a government department or public body has promised to consult.
  - there is an established practice of consultation in similar cases.

The gunning principles require that a consultation:

- takes place when proposals are still at a formative stage,
  - provides sufficient information for intelligent consideration,
  - allows adequate time for response,
  - conscientiously considers the responses before a decision is made.
54. **Public Sector Equality Duty** requires us to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between people who share protected characteristics (like race, disability, or sex) and those who do not.
  55. The Resident Engagement Strategy directly supports the goal of giving tenants a stronger voice—one of the key pillars of the Good Landlord Plan, approved by Cabinet in July 2025. Successful delivery of this element will ensure that residents have a meaningful influence over what happens in their local areas. The good landlord plan also addresses how the council will improve service standards in repairs, on our estates and for our homes. It



sets out how, through the way we manage our housing stock, we will both meet our S2030 goal of decent home for all and how we will deliver the consumer standards set out by the Regulator of Social Housing and our other legal responsibilities.

56. The Good Landlord Plan is a key mechanism for delivering the Council's Southwark 2030 goals, providing a clear framework for improving the quality and standards of council homes.
57. Both the Council Plan and the Housing Strategy include a firm commitment to empowering residents to make local decisions, reinforcing the importance of this strategy in achieving broader corporate objectives.
58. In addition, the Strategy both supports and is supported by the council's approach to Community Engagement. This sets out the council's approach to all engagement, and the resident engagement strategy is aligned with its principles and objectives.
59. The council adopted a Customer Experience Plan in July 2025. It sets out eight standards for working with residents which both addresses the feedback received through our engagement and the principles in the engagement strategy.
60. We will evaluate the strategy midway through the strategy time frame to ensure we are on track and deliver its ambition.
61. The Resident Engagement Team (RET) will be accountable for the delivery of the strategy, although responsibility for delivery of it will be held across various teams and departments and will report to both the Tenant and Homeowner Forum on progress.

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

### **Community impact statement**

62. The delivery of the Resident Engagement Strategy will help bring communities together, advance equality of opportunity, and foster good relations between individuals who share protected characteristics. It will embed the principles of community cohesion throughout its implementation.
63. The strategy will empower communities by strengthening the meaningfulness of their engagement and enhancing the impact of their participation in shaping services and decision-making.
64. Empowered residents are the bedrock for the communities they serve, and the draft resident engagement strategy would help to amplify the accountable structures that give residents the opportunity to hold the council as a landlord to account for the standard and quality of all landlord services.

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

65. The council has a public sector equality duty under Section 149 of the

Equality Act 2010. In addition, Section 20 of the Act requires decision-makers to make reasonable adjustments to support disabled residents who may otherwise face substantial disadvantage in the decision-making process, particularly in matters affecting the design and delivery of landlord services. We are committed to embedding equality in all aspects of our work; this strategy prioritises that commitment. It also recognises that many of our residents are disadvantaged and aims to ensure their voices are heard and their needs reflected in service design and delivery.

### **Health impact statement**

66. The March 2021 Census highlighted multiple levels of deprivation across the borough, including issues related to housing conditions. The draft Resident Engagement Strategy is a key tool in addressing these challenges. By empowering local tenants and leaseholders and people living in council homes to influence spending priorities for the Housing Revenue Account (HRA), the strategy supports the delivery of a good landlord service and helps ensure that every council home is safe, secure, and well-maintained.
67. This strategy is designed to place residents at the heart of everything we do. When people feel they have genuine influence over the issues that affect their lives and when they feel respected, heard, and valued, it has a demonstrable positive impact on their overall wellbeing. By embedding this principle throughout our landlord services, we aim to build stronger, more empowered communities.

### **Climate change implications**

68. There are no adverse climate change implications associated with the draft Resident engagement Strategy.

### **Resource implications**

69. Any costs associated with the changes introduced by the implementation of the strategy will be met by the existing resident engagement budget.
70. The costs of servicing meetings and providing remuneration for resident participation will be funded through the annual Resident Participation Fund, which totals approximately £900,000. Both of which are funded within the Housing Revenue Account.

### **Consultation**

71. The strategy was shaped by both broad and deep engagement. The draft was informed by a literature review and insights from over 500 council tenants and leaseholders, exploring their appetite for involvement. In addition, the revised strategy incorporates additional input gathered through:
  - Surveys on the engagement hub (328), and the tenant satisfaction measures survey of people in our homes (2,261).
  - Expert insight including the Regulator of Social Housing judgement, those who are active and have considerable experience of engagement

with the council through our engagement with Southwark Group of Tenant Organisations, (SGTO) Tenant Forum (TF), Homeowner Forum (HOF), Southwark Tenant Management Organisations Committee (STMOC), Local Housing Forums (LHF) and Housing Scrutiny Commission.

- Workshops on 5 different estates one in each of the LHF areas to do a deep dive with residents who are not most active in the tenant's movement to ensure a breadth of conversation is informing the final strategy alongside discussion at the disability forum and youth parliament adding new perspectives.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Assistant Chief Executive, Governance and Assurance Ref:19.11.2025/DG)**

72. The resident engagement strategy aims to provide tenants and leaseholders with a structured and accountable framework to scrutinise landlord services performance, review and agree landlord service improvement action plans, and hold the council as a landlord to account for the standard and quality of its housing management services.
73. Paragraphs 49 to 54 of the report outline the council's statutory and regulatory obligations as a landlord to engage with residents and incorporate their views into housing strategy and key decision-making processes. Cabinet should note, however, that under the law, only the Council Assembly, the Cabinet, Individual Cabinet, Committees, or officers can make decisions, as set out in the Council's constitution.
74. The resident engagement strategy proposes a varied menu of engagement and makes remuneration arrangements for groups and/or individuals. In addition to any tax implications arising from such payments, officers must be mindful of and seek appropriate advice on the potential risk that some ongoing strategies may give rise to employment relationships between the Council and individuals.
75. When considering this report, Cabinet must have regard to the Public Sector Equality Duty under section 149 of the Equality Act 2010, which requires the council to consider the needs of those individuals and groups having a protected characteristic under the Act. Cabinet is referred to the community, equalities and health impact statements contained in paragraphs 63 to 68 of the report, as well as the appended Equality Impact Needs Assessment (EINA), and should actively consider this information when deciding on the recommendations in this report.
76. Cabinet must also consider the outcomes of the consultation carried out on the strategy's content to ensure compliance with the legal requirements of consultation outlined in paragraph 53. Attention is drawn to paragraphs 18 to 22, which detail the consultation and engagement undertaken on the draft scheme, as well as the further information provided in paragraph 72 under

the consultation section of this report.

### **Strategic Director, Resources (H&M 25/077)**

77. The Strategic Director, Resources notes the recommendation to approve the resident engagement strategy and any costs associated with implementing this strategy and the servicing of the meetings will be contained within existing resident engagement budgets as well as the Resident Participation Fund.

### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
<a href="https://moderngov.southwark.gov.uk/documents/s128798/Report%20Response%20to%20Housing%20Scrutiny%20Commission%20recommendations%20on%20the%20Draft%20Resident%20Engagement%20Str.pdf">https://moderngov.southwark.gov.uk/documents/s128798/Report%20Response%20to%20Housing%20Scrutiny%20Commission%20recommendations%20on%20the%20Draft%20Resident%20Engagement%20Str.pdf</a>	Landlord Services	Jessica Leech 020 7525 5853
<a href="#">Agenda for Housing Scrutiny Commission on Tuesday 14 October 2025, 7.00 pm - Southwark Council</a>	Landlord services	Jessica Leech 020 7525 5853

### **APPENDICES**

<b>No.</b>	<b>Title</b>
Appendix 1	Resident Engagement Strategy
Appendix 2	Social Life Report
Appendix 3	Formal Engagement structure
Appendix 4	Equalities Impact Needs Assessment

**AUDIT TRAIL**

Cabinet Member	Councillor Sarah King, Leader of the Council	
Lead Officer	Abi Oguntokun, Acting Director of Landlord Services	
Report Author	Jessica Leech Head of Resident Engagement	
Version	Final	
Dated	24 November 2025	
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		24 November 2025

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Policy and Resources: Revenue Monitoring Report 2025-26
<b>Cabinet Member:</b>	Councillor Stephanie Cryan, Equalities, Democracy and Finance
<b>Ward(s) or groups affected:</b>	All
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/a

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

This report sets out the month 6 financial position for the General Fund, Housing Revenue Account and the Dedicated Schools Grant for the 2025/2026 financial year.

We are predicting an overspend of £7.3m in the Housing Revenue Account, an improvement of £2.8m compared to month 4. These pressures are felt most acutely within housing repairs with a forecasted overspend of £5m, a £1.6m improvement on month 4.

The demand increase of maintaining an ageing housing stock and the new regulatory requirements for safety and compliance are the largest contributors to the overspend and there is rightly a focus on monitoring and reviewing spend to ensure agreed savings are delivered. As a result of the forecasted overspend we will be reviewing and refreshing the Housing Revenue Recovery Plan to ensure that we are correctly identifying any further cost reductions and savings to help reduce the gap and balance the budget by the end of this financial year.

The General Fund is forecast to have an overspend of £26.2m after the use of planned reserves. The pressures within the General Fund are mainly driven from the increasing costs and demands for temporary accommodation. We are though seeing new pressures within Children's and Adults social care as a result of rising costs across the sector. Spend within No Recourse to Public Funds is also contributing to the pressures as well as the need to provide additional resources to the contact centre.

All departments continue to work hard to reduce costs, without impacting on service, to reduce the deficit but it is probable that we will need to use some unplanned reserves to balance the budget at the end of the financial year if the demand and costs for temporary accommodation and social care continues to increase

## **RECOMMENDATIONS**

### **Recommendations for the Cabinet to note**

1. The Housing Revenue Account (HRA) forecast of an adverse variance of £7.3m
2. The adverse variance of £26.2m forecast for the General Fund (GF) in 2025-26.
3. The key adverse variations and budget pressures and mitigating actions underlying the position:
  - Housing Revenue Account (paragraphs 13-22)
  - General Fund (paragraphs 23-88)
  - Demand pressures in temporary accommodation (TA) (Housing)
  - Increased demand in adult's and children's social care (Children's and Adult's).
4. The update on the 2025-26 and 2026-27 departmental savings and transformational savings (paragraph 84-88)
5. The Dedicated Schools Grant (DSG) in-year balanced position (paragraphs 48-50).

## **REASONS FOR RECOMMENDATIONS**

6. N/a

## **ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

7. None considered as this is a revenue monitoring report for 2025-26.

## **POST DECISION IMPLEMENTATION**

8. N/a

## **BACKGROUND INFORMATION**

9. This report sets out the forecast position at month 6 for the Housing Revenue Account (HRA), General Fund (GF), Departmental and Transformation Savings and the Dedicated Schools Grant (DSG) for the

2025-26 financial year.

10. The council's general fund drew down £5.3m of reserves to balance the outturn in 2024-25. This was the first year in recent history that the council was unable to fully mitigate overspends by year end. The general fund forecast for 2025-26 at month 4 was an overspend position of £24.2m after the use of £6.2m of reserves. This report shows the forecast has deteriorated by £2m to £26.2m, after the use of £10.3m in reserves and including known mitigations.
11. The current Housing Revenue Account (HRA) forecast shows an adverse variance of £7.3m, an improvement of £2.8m compared to month 4, comprising a reduction in debt financing (£1.3m), as a direct result of substituting revenue funding for borrowing last year, and a reduction in tenant facing services (TFC) of (£1.7m), predominantly in repairs and maintenance, but offset by further negative movements of £0.2m in income.
12. The council agreed a balanced general fund budget on 25 February 2025 which included efficiencies, savings and additional income generation of £19m within the general fund for 2025-26. Performance on achieving these savings, and significant variances are included in the departmental narratives and in Appendix A.

## **KEY ISSUES FOR CONSIDERATION**

### **HOUSING REVENUE ACCOUNT (HRA)**

13. The council manages its housing stock through the statutory ring-fenced Housing Revenue Account. In 2024–25, the HRA achieved a £3.9m favourable outturn, driven by income windfalls, reduced debt financing and short-term cost reductions. This marked a significant improvement following the overspend incurred in 2023–24, which was the catalyst for the creation of the HRA Budget Recovery Board and the HRA Recovery Plan, to restore financial stability. Notwithstanding this achievement, the underlying financial position remains very challenging, requiring the delivery of savings to meet the agreed cash limits.
14. Key contributory factors include a four-year government-imposed rent reduction (2016-2020) and rent capping (2023-24), new unfunded regulatory and compliance burdens, macro-economic factors outside the council's control, i.e. rampant inflationary pressure and high interest rates. All of which have converged to create a perfect storm that materially undermines the financial stability of HRA's generally, and with the impact being particularly acute for Southwark given the scale, age and condition of its housing stock.



## HRA Recovery Plan

15. The Recovery Plan is critical to securing the short and longer-term viability of the HRA and the broad principles and strategic measures required are set out below:
- Enforcing cash limits for service operations.
  - Maximising capital receipts from asset and land sales to reduce borrowing.
  - Pausing select new build schemes to manage borrowing and interest costs.
  - Applying strict viability criteria to new developments.
  - Maintaining and gradually increasing HRA reserves.
  - Limiting and repaying borrowing for asset management programmes.
  - Enhancing procurement and contract management to improve value for money.
  - Containing capital financing costs within affordable levels, balancing service needs and priorities.

## Financial Overview 2025-26

16. In line with the approach set out in the Recovery Plan, cash limited-service budgets for 2025-26 were set at a level to maximise the resources for front-line tenant facing services (£163.2m) and other housing services (£74.4m). The corollary being that there is less capacity retained centrally to dampen one-off financial shocks e.g. demand, volume, policy changes and new commitments than existed previously, making strict adherence to cash limits essential. The current forecast shows an adverse variance of £7.3m, an improvement of £2.8m compared to month 4, comprising a reduction in debt financing (£1.3m), as a direct result of substituting revenue funding for borrowing last year, and a reduction in tenant facing services (TFC) of (£1.7m), predominantly in repairs and maintenance, but offset by further negative movements of £0.2m in income. Table 1 refers.

**Table 1 HRA position at Month 6**

HRA P6 Summary Forecast 2025-26	Outturn	Revised Cash limit	P6 Forecast	Variance to Budget	P4 Forecast	Change Since Last Forecast
	2024-25 £000	2025-26 £000	2025-26 £000	2025-26 £000	2025-26 £000	2025-26 £000
<b>INCOME</b>						
Tenant's Charges	-297,562	-303,191	-296,124	7,067	-295,439	-685
Voids	9,509	8,377	11,863	3,486	11,301	562
Homeowner Service Charges	-49,907	-42,894	-40,414	2,480	-40,736	322
Other Income	-18,671	-17,099	-17,521	-422	-17,505	-16
<b>Total Income</b>	<b>-356,631</b>	<b>-354,807</b>	<b>-342,196</b>	<b>12,611</b>	<b>-342,379</b>	<b>183</b>
<b>EXPENDITURE</b>						
Tenant Facing Services						
Repairs & Maintenance	80,819	79,851	84,911	5,060	86,480	-1,569
Landlord Services (Incl. TMO's)	58,213	59,456	59,073	-383	59,069	4
Housing Needs and Support	13,167	13,084	13,760	676	13,626	134
Customer Services	8,444	8,744	8,574	-170	8,737	-163
Southwark Construction Directorate	1,173	1,466	2,155	689	2,257	-102
	504	567	550	-17	569	-19
<b>Total Tenant Facing Services</b>	<b>162,320</b>	<b>163,168</b>	<b>169,023</b>	<b>5,855</b>	<b>170,738</b>	<b>-1,715</b>
Other Housing Services						
Exchequer Services	5,341	5,791	5,513	-278	6,032	-519
Home Ownership	15,267	15,896	15,894	-2	15,918	-24
Commercial Properties	2,620	2,246	2,239	-7	2,258	-19
Central Services	46,125	50,461	50,073	-388	49,448	625
<b>Total Other Housing Services</b>	<b>69,353</b>	<b>74,394</b>	<b>73,719</b>	<b>-675</b>	<b>73,656</b>	<b>63</b>
Financing						
Debt Financing	34,639	42,344	41,043	-1,301	42,344	-1,301
Capital Financing	86,425	72,203	65,701	-6,502	63,003	2,698
Contribution to Reserves	3,894	2,698	0	-2,698	2,698	-2,698
<b>Total Financing</b>	<b>124,958</b>	<b>117,245</b>	<b>106,744</b>	<b>-10,501</b>	<b>108,045</b>	<b>-1,301</b>
<b>Total HRA</b>	<b>0</b>	<b>0</b>	<b>7,290</b>	<b>7,290</b>	<b>10,060</b>	<b>-2,770</b>

17. Given the self-financing nature of the HRA, the maximisation of income is critical for the provision of services to tenants and homeowners. As

the table above indicates, the current forecast shows a material income shortfall against budget of £12.6m as follows:

- Application of formula rent to HRA void properties used for temporary accommodation in accordance with the 2020 Rent Standard (estimated adverse variance including routine stock movements c.£7m).
  - Voids (estimated loss £3.5m), due to extended turnaround times, higher volumes and delays in letting new build stock as programme.
  - Homeowner Major Works Service Charge (£2.5m), reflects a material slowdown in the major works programme impacting homeowner cost recovery. Completed schemes awaiting final approval and billing would broadly recover the budget shortfall if actioned before year-end.
  - Other income (garages and commercial property) increase of £0.4m.
18. Across the HRA and specifically within the Tenant Facing Services grouping, delivery against the cash limits and savings targets is mixed, with the greatest pressure and savings requirement being in Repairs and Maintenance; and to a lesser extent Housing Needs and Support and Southwark Construction, giving rise to a cumulative overspend of £5.9m.
  19. Repairs and Maintenance (including Southwark Repairs) is the area subject to the greatest financial pressure given the ever increasing maintenance needs of an ageing housing stock and the more onerous regulatory safety/compliance requirements introduced post Grenfell. Closer monitoring and review of programme spending is in place and a range of savings options have been identified and are being implemented. The latest forecast shows a £5m variance against the cash limit, £1.6m lower than previously reported. However, risks remain around the achievement of savings sufficient to deliver a neutral budget position by year-end and the position should be viewed with caution at this juncture.
  20. Housing Needs and Support is forecast to be £0.7m above the cash limit. Contributory factors include additional one-off costs arising from the implementation of the council's new housing allocations policy, which are unavoidable and cannot be mitigated within the service. Additionally, savings predicated on ceasing contracts for the provision of security and catering services at hostels have been delayed and there is a potential reduction in the level of funding anticipated from Adult Social Care (ASC), which remains to be fully determined at this point.
  21. Southwark Construction is forecast to be £0.7m above the cash limit. As the existing phases of the new homes programme draw to a conclusion, the scope to capitalise salary expenditure diminishes. Whilst the focus of work moves to the next stages of development, the forward pipeline and feasibility planning, these costs cannot be capitalised and fall to revenue.

Notwithstanding Government's recent announcements on funding for new housing provision and relaxation of funding restrictions, current economic conditions are not conducive to new development. It would therefore be prudent to review and align staffing requirements with expected programme activity going forward.

22. Financing and Reserves – current circumstances warrant some early strategic interventions which are incorporated at this juncture in mitigation of the budget pressures referenced above. The reduction in the planned revenue contribution to the capital programme (£6.5m) is achievable but not desirable, as it may result in additional borrowing unless programme spend reduces or other funding sources, i.e. receipts, can be generated to bridge the loss of revenue funding. Similarly, the planned deferral of the contribution to reserves (£2.7m) is not optimal and will delay progress toward rebuilding reserves to a more prudent level and ensuring greater financial resilience, which is a key objective of the HRA Recovery Plan. The reduction in debt financing costs (£1.3m) is to be welcomed and is as a direct result of substituting revenue funding in lieu of borrowing for the new homes programme in 2024-25.

### **GENERAL FUND (GF)**

23. The forecast outturn position for the general fund was an adverse variance of £24.2m at month 4, after the utilisation of reserves. This has deteriorated to 26.2m as set out in Table 2. The Table shows the projected departmental budget outturn variances and the estimated utilisation of £10.3m in reserves.
24. The outturn position for 2024-25 was an overspend of £17.4m before the use of planned reserves and use of the general contingency. After the use of the contingency and £8.1m of planned reserves, there was an overspend of £5.3m. This required an unplanned drawdown from council reserves as demand pressures were not fully mitigated by the end of the year.
25. The financial position has continued to deteriorate in 2025–26, with a projected variance of £26.2 m, after applying £10.3 m of reserves. This trajectory demands urgent intervention to safeguard the long-term stability of the General Fund. Chief Officers remain ultimately accountable for managing and preventing budget overspends.
26. Departmental narratives highlight the key demand-led and inflationary pressures contributing to this forecast, along with the mitigating actions being implemented to reduce their impact. These mitigations will be critical in shaping the final outturn for 2025–26 and ensuring financial resilience across services.

**Table 2: 2025-26 General Fund Forecast Month 6**

Department	(£000's) Net Budget 2025- 26	(£000's) Forecast 2025-26	(£000's) Forecast Variance 2025-26	(£000's) Reserve Movement	(£000's) Mitigating actions	(£000's) Variance Post Reserve and mitigations
Children and Adults Services	167,172	179,335	12,163	-4,763	-2,600	4,800
Integrated Health and Care	3,679	3,942	263	-250		13
Resources	63,994	65,035	1,041	0		1,041
Environment						
Sustainability & Leisure	110,302	111,069	767	-195	-150	422
Housing General Fund	31,287	49,669	18,382	-2,788		15,594
Governance and Assurance	31,067	32,569	1,501	-545		956
Strategy and Communities	5,561	10,632	5,071	-1,723		3,348
Support Costs Re-allocation	-43,370	-43,370	0	0	0	0
<b>Total</b>	<b>369,692</b>	<b>408,881</b>	<b>39,188</b>	<b>-10,264</b>	<b>-2,750</b>	<b>26,174</b>

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

- Demand pressures in temporary accommodation (TA) (Housing)
- Children's and Adults' Services experiencing significant financial pressures, as a result of rising costs across the sector, higher levels of need as residents await NHS treatment or procedures, some high-cost placements for children with very complex needs and demand for home to school transport for children with special needs.
- Delay in delivering the transformation savings due to a slow start to mobilisation of the implementation team in some programmes (Strategy and Communities).
- Overspends in 'No Recourse to Public Funds' (NRPF) budgets of £1.1m, as well as additional pressure resulting from increased activity in the community safety team £0.9m. (Environment, Sustainability and Leisure)
- Overspends in legal services of £1m (Governance and Assurance)
- Additional resources into the contact centre in Customer Exchequer to address capacity issues (Resources).

## **GENERAL FUND DEPARTMENTAL NARRATIVES**

28. The departmental narratives for month 6 2025-26 are as follows:

- Housing General Fund (paragraphs 29- 36)
- Children and Adults Services (paragraphs 37-54)
- Integrated Health and Care (paragraphs 55-58)
- Environment, Sustainability and Leisure (paragraphs 59-69)
- Governance and Assurance (paragraphs 70-74)
- Resources (paragraphs 75-80)
- Strategy and Communities (paragraphs 81-83)
- Departmental and Transformation Savings (paragraphs 84- 88).

## **HOUSING – GENERAL FUND**

### **Overview**

29. The outturn forecast at month 6 shows an adverse variance of £15.6m after the planned use of £2.8m of reserves, which is predominantly due to continuing budget pressures within the homelessness service.

### **Housing Needs and Support:**

#### **Temporary Accommodation (TA) and Housing Needs**

30. Since the beginning of the financial year, the number of homeless approaches and acceptances has remained steady and is at a lower rate than 2024-25, with the cost of accommodation showing similar stability. However, whilst this is encouraging, the situation remains fluid and subject to sudden fluctuations in key cost drivers. On the supply-side, there has been a significant rise in providers exiting the private rental market due to declining financial returns. This has led to a shift toward more expensive nightly-paid agreements, over which the council has little control if it wishes to retain supply. As a result, the service is starting the year from a much higher cost base.
31. The previous forecast (month 4) had assumed additional grant funding of £0.9m would become available to meet existing costs. However, the

grant conditions necessitate additional service provision to be put in place, which is currently being assessed. Consequently, the grant funding has been excluded from this forecast until the associated costs of provision have been fully quantified.

32. As previously reported the forecast includes an estimated £1.7m in respect of housing benefit subsidy loss arising from out of borough placements in areas where Local Housing Allowance (LHA) rates are lower than Southwark's. Given the scarcity of accommodation in borough, this is an unavoidable consequence of the subsidy regime. The impact of this has formerly been reflected within Exchequer Services division, but for improved transparency is now included within TA to illustrate the full cost of homelessness provision.
33. In mitigation of the budget position, the service is actively engaged in a widescale review of operations to strengthen early intervention and prevention measures, manage/ reduce demand, renegotiate provider agreements to obtain better charge rates and explore initiatives to increase local supply, all of which aimed at containing and reducing the cost of TA provision.

#### **Hostel Accommodation/ Support and Housing Strategy & Partnerships**

34. The council in-sourced three hostels previously run by external providers, with the housing needs and support division assuming operational and management responsibility. Assuming full occupation, rents and service charge income would broadly cover the operational running costs, however, void rates are running at a higher rate than budgeted, leading to the projected overspend. Adult Social Care (ASC) are primarily responsible for placing clients and have underwritten void losses in the past (with the exception of where properties are not available for letting), and are reviewing usage, which may potentially impact the inter-departmental funding arrangements going forward.

#### **Asset Management - Private Sector Building Safety**

35. This primary purpose of this programme is 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 to a reserve to meet future programme commitments.

#### **Central Functions**

36. This activity contains centrally held budgets that are not service specific, such as corporate overheads and support service recharges. It is currently forecast to be on budget.

## **CHILDREN'S AND ADULTS' SERVICES**

### **Children's and Adults' Services**

37. Children's and Adults' Services is experiencing significant financial pressure as a result of rising costs across the sector, higher levels of need as residents await NHS treatment or procedures, some high-cost placements for children with very complex needs and demand for home to school transport for children with special needs. This is compounded by grant funding not rising sufficiently to meet need, and some grants ceasing or being merged but without an increase in funding to reflect inflationary pressures. If left unchecked this could result in a c.£7m deficit that would become a structural deficit going forward so action is being taken in-year to address the pressures directly. Children's and Adults' Services have departmental resilience reserves but to use these (only) and not deal with the pressures would be to leave the risk unaddressed going forward so management action is being taken and the use of some reserves will mitigate impact and aid safe transition.
38. The line of sight is very clear thanks to comprehensive and well-developed budget monitoring, complemented by detailed concurrents from each service area. The Children's and Adults' Board (CAB) is driving forward management actions and this board includes Finance and HR senior officers. For transparency and accountability, the use of departmental reserves will be reported. Cabinet Members will be updated as management actions progress and will provide political oversight.
39. The Dedicated School Grant (DSG) also continues to experience increasing demand to meet the needs of children with special education needs. The Safety Valve Agreement with the Department of Education remains on track and investment in more provision (specialist and mainstream) in-borough is progressing at pace.

### **Adult Social Care**

40. The service is experiencing significant financial pressures in year-on-year costs especially in older people and physical disabilities services. The increased expenditure is driven by higher levels and complexity of client need, as well as higher than expected inflationary increases as a result of rising price and wage inflation (London Living Wage). The service is actively addressing these pressures through early help initiatives, reablement, maximising the use of block contracts, and regular reviews of care packages. The recent opening of the Harriet Hardy Flexicare housing provision has contributed to reducing demand for residential care placements, with a further scheme due to open at Tayo Situ Extra Care Housing. In addition, both the cost and demand for Learning Disability placements have decreased, supported by preventative services such as Positive Behavioural Support.



41. Adult Social Care has been working closely with NHS partners to deliver better health and social care outcomes for the residents of Southwark, as well as achieving better value for money through joint commissioning. Changes to the NHS in 2025 will have to be handled very carefully to ensure we can continue to work together effectively, efficiently and in the best interests of our residents.
42. Adult Social Care works very closely with Finance, HR and Integrated Commissioning colleagues and the strength and depth of these well-developed professional relationships is a key aspect of our success. We will navigate the road ahead with great care and attention, awaiting the Government's review of the sector and what a National Care Service will mean in practice.

### **Children's Services**

43. The key areas of pressure are placements costs for children in care and home to school transport for children with education, health and care plans (EHCPs).
44. In Children's Social Care the key risk area is residential care due to young people with very complex needs (including mental health needs), and the shortage of suitable placements. The service is working hard 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.
45. While a significant shortage in the supply of children's social workers is still a major challenge, across London and the country, our recruitment and retention initiatives have helped mitigate this position, to some extent. The Council's plans for key-worker housing will, we believe, have a very positive impact and we look forward to seeing that materialise.
46. In Education Services the area of concern is home to school transport, which has seen a year-on-year increase in spend related to the increasing number of children with EHCPs.
47. The service continues to implement initiatives such as increasing the use of personal budgets for both in-borough and out-of-borough placements, this led to reduced costs per child. Nevertheless, these measures have not fully offset the overall increase in out-of-borough placements, therefore further development of in-borough Special Education Needs and Disability (SEND) provision is needed and actively being commissioned, at pace.

### **Dedicated School Grant**

48. The ring-fenced Dedicated Schools Grant (DSG) is forecasting a near balanced position. The High Needs Block remains the main risk area for the DSG as this has seen average increased expenditure of 6% annually over the last 5 years mainly due to increased demand of EHCPs.
49. 2025-26 is the third year of the Council's Safety Valve Agreement with the Department of Education (DfE). The Council is expected to receive a total of £2.77m in additional contributions from the DfE upon successful achievement the agreed milestones/outcomes. The key aim of the agreement is to create a sustainable service with better outcomes for children as well as an in year balanced position for the DSG.
50. The borough is still affected by the falling school rolls. The scale has been dramatic across inner London with no sign of recovery. The Council is supporting schools as best we can and working with them to right size capacity with demand, sensitively and respectfully. Our focus is on ensuring all children in our borough have access to high quality education to enable them to achieve their full potential. In addition to the co-produced strategy there are clear protocols and procedures that we use to support schools in financial difficulty.

### **Public Health**

51. The Public Health grant is a ring-fenced grant paid to Local Authorities from the Department of Health and Social Care (DHSC). It is used to provide preventative public health services to improve health and wellbeing, and to reduce health inequalities, through evidence-based interventions.
52. 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 the NHS.
53. The grant also covers delivery of a policy portfolio, providing strategic advice and guidance on matters relating to health and wellbeing, from suicide prevention through to sexual & reproductive health, mental health and wellbeing, tobacco control, immunisation and screening, health protection and healthy places (regeneration, transport systems, urban planning, culture & leisure).

54. The on-going cost of living crisis is having wide-ranging negative impacts on mental and physical health, and Public Health plays a vital role in mitigating these effects. Initiatives include free targeted secondary school meals building on the very impactful free healthy primary school meal offer, and outreach health promotion activities including cancer screening and vaccinations. Targeted outreach to directly address health inequalities across some of our communities is also a key mission.

## **INTEGRATED HEALTH AND CARE**

55. Integrated Health and Care is forecasting a balanced financial position for 2025-26.
56. The department, the leadership of which is shared with Partnership Southwark and the South East London Integrated Care Board (ICB), commissions health and social care services for Southwark's population. The joint commissioning team is funded by both the council and the ICB and works across health and care enabling greater integration between NHS and local authority services to achieve better care outcomes as well as better value for money.
57. The Integrated commissioning unit works across the local authority and the ICB and it's organised around populations and pathways, with teams structured and commissioners holding portfolios aligned to these principles. These portfolios are as follows: Start Well, Live well, Age Well and Public Health.
58. The Quality, Performance and Transformation Unit encompasses contract monitoring, procurement, strategic programmes, and systems teams. It supports the monitoring of contracts for both children's and adults' social care providers and offers procurement guidance and assistance to commissioning teams across these services. Additionally, the unit includes systems teams responsible for managing various ICT applications used by the Children's and Adults Services department. This team is due to transfer to Technology and Digital Services during 2025-26.

## **ENVIRONMENT SUSTAINABILITY AND LEISURE**

### **Overview**

59. The forecast outturn for the Environment, Sustainability and Leisure (ESL) department as at month 6 is an adverse variance of £0.6m (after a net transfer from reserves of £0.2m). This is a £1.2m improvement in the month 4 position.
60. The overspend is due to the following:
- Various departmental underspends against operational budgets
  - Additional income from various services (mainly Leisure).

- These are offset by overspends in 'No Recourse to Public Funds' (NRPF) budgets of £1.1m, as well as additional pressure resulting from increased activity in the community safety team £0.9m. These are mitigated in part from grant funding, and drawdown from reserves. Further mitigation is expected between now and year end.

61. The departmental savings target for 2025-26 totalled £5.1m of which 78% are progressing towards delivery, and 22% is expected to be mitigated from additional income and/or other mitigation measures.

## **Environment**

62. The directorate is forecasting a favourable variance of £2.3m (£0.056m favourable variance after top-up of reserves) as at month 6 which is slightly down on month 4 position. This is due to additional income in some of its divisions, partially offset by additional costs. The directorate has additional one-off costs from ill-health retirement and will be using provisions to offset these. This position is after net transfers to reserves parking income (which has restrictions on spending).

## **Leisure**

63. The directorate is forecasting an adverse variance of £0.4m as at month 6 (£0.5m favourable variance after drawn down from reserves) an improvement of £0.450m from the month 4 position. This is due to delayed opening of the New Canada water centre and the associated costs of decommissioning Seven Islands, as well as shortfalls in Events & arts income.

## **Stronger Neighbourhoods**

64. The directorate is forecasting an adverse variance of £2.2m as at month 6 (down by £0.2m compared to month 4). This drops to £1.1m after applying various mitigating actions which include applying relevant grants, drawing down from reserves, and recharging relevant officer time.
65. The overspend is due to cost pressures in 'No Recourse to Public Funds' (NRPF) budgets of £1.1m, as well as additional pressures resulting from increased activity in the community safety team of £0.9m. While the NRPF overspend is a national trend, officers are working on additional mitigation to further reduce the pressure in 2025-26 and a focus on eliminating the pressure over a few years via an agreed action plan.

## **Climate Change & Sustainability**

66. The directorate is reporting a small underspend after a drawdown from reserves.

## **Planned movement in Reserves**

67. The main movements in reserves are drawdowns of £3.3m from reserves in 2025-26 to cover:
- Various Community Safety & Neighbourhood functions including the Women's Safety Centre
  - PRS music licensing revenue costs funding from income received in advance
  - Streets for People projects
  - Various Youth services costs/grant awards
  - Cycling initiative due to reduced TFL funding
  - Canada water delays in opening, and Seven island closedown
  - Climate change Fixed Term Contact staff funding
  - Public Realm reserve for relocation of CCTV control room to Tooley Street
  - Other smaller priority projects costs.
68. The department will also be topping up the 'Highways Transformation' reserve by £3.1m (resulting in a net drawdown position of £0.2m across the department) to ensure adequate provisions are built up to deliver the council's transport related strategies, including "streets for people".
69. A comprehensive schedule of qualifying spend is being developed for the dispersal grant and this will be applied to all future drawdowns – in line with the latest guidance provided within the 2025-26 grant details.

## **GOVERNANCE AND ASSURANCE**

### **Overview**

70. Governance and Assurance are showing an adverse variance of £1m (after planned £0.5m drawdown from the HR transformation reserve).
71. HR, OD and Health and Safety, are collectively forecasting a planned pressure of £0.5m, which will be met through reserves. While efforts are underway to align activities within the allocated ongoing budget, transitional employee costs and specific project-related expenditure continues to be funded from reserves. The forecast also anticipates that income targets for corporate training courses will be exceeded, contributing positively to the overall position.

72. CFM is responsible for ensuring that council buildings remain safe, compliant, and fit for purpose. The service is predominantly outsourced, except for cleaning operations at Tooley Street and Queen's Road offices, which are delivered in-house. These arrangements present operational challenges, particularly in managing the Facilities Management (FM) contract to maintain performance standards and balancing the use of directly employed staff with temporary cover for cleaning services.
73. The current projection for 2025–26 indicates an unfavourable variance of £0.2m, although there is potential for improvement. Financial pressures stem from building closures that are now expected to occur in the final quarter of the financial year, despite full-year savings having been assumed during budget setting. Additional pressures include property recharges and the costs associated with managing the in-house cleaning service. Fee income is currently on track with budget expectations; however, if project delivery plans are fully realised, additional income may help mitigate the forecast variance.
74. Law and Governance is currently forecasting an overspend of £0.9m for 2025-26. This is mainly driven by an overspend of £1m in legal services. Mitigating actions are being implemented, including reducing reliance on expensive external providers by maximising internal capacity and refining processes to ensure external legal advice is only sought when necessary.

## **RESOURCES**

### **Overview**

75. 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 £1m.
76. The main cost pressure in the Resources department is in the Customer and Exchequer services department (£0.8m). This is mainly due to a £1m unfavourable variance in Customer services due to staffing pressures and agency spend in the contact centre and complaints team.
77. There are high call volumes in the customer services department and additional resources have been put in place to address severe capacity shortfalls. This is being actively managed however there are dependencies on other directorates to help reduce demand for front facing services. Interim measures are being reviewed within the contact centre to help reduce expenditure. The resident services plan due to be launched will focus on reducing expenditure through digital transformation and agency staff have been transferred to fixed term contracts to ease cost pressures. The move to a new telephony platform

in April has already seen improvement in the workforce management and is expected to assist through peak pressures during winter months. There is also work underway to help offset overspends through income generation in other areas.

78. The Planning and Growth directorate is projected to breakeven over the financial year, with any underspend through the over achievement of income target to be transferred to a reserve to facilitate the smoothing of property and planning income from year to year.
79. Technology, Digital Services (TDS) is currently forecasting a balanced budget for 2025–26, following the allocation of centrally held funds for contract inflation. The service remains committed to closely monitoring its financial position and will continue to take proactive measures to manage emerging risks and ensure the effective deployment of resources.
80. PFS is currently forecasting a balanced position – an improvement from the month 4 position due to the reduction of agency costs. The Treasury team is currently forecast to overspend by £0.2m. This relates to agreed agency spend during the transition to the new treasury system and related training costs for the team.

## **STRATEGY AND COMMUNITIES**

### **Overview**

81. The Strategy & Communities Department is currently forecasting an overspend of £0.6m against its 'Business as Usual' (BAU) activities (£0.2m adverse movement against month 4 position). In addition, there is a £2.8m adverse variance (after £1.7m planned reserve drawings towards one-off Future Southwark resourcing spend) against the transformation programme. The overall net position is an adverse variance of £3.4m.
82. The main reason for the position is the significant delay in delivering the transformation savings due to a slow start to mobilisation of the implementation team in some programmes. However, officers are now moving at pace to establish the scale of savings and delivery is expected to be shifted to 2026-27. The transformation section of this report provides more detail. The Assistant Chief Executive is also embarking on a restructure of existing resources which aims to ensure a balanced BAU budget for 2026-27.

### **Planned movement in Reserves**

83. The anticipated net movement in 2025-26 currently stands at £1.7m. The forecast reserves balance at the end of the year is nil. The forecast drawdowns are as follows:

- Drawdown of c£0.6m from the capacity building reserve to cover the Future Southwark activities
- Drawdown of £0.6m from the modernisation, services and operational improvement change reserve to cover the Future Southwark activities
- Drawdown of £0.5m from the Southwark 2030 Reserve to cover the Future Southwark activities.

## **COUNCIL SAVINGS 2025-26 and 2026-27**

### **Departmental Savings**

84. The July 2025 MTFS cabinet report, 'RAG rated' the departmental savings for 2025-26 and 2026-27. For those that were deemed at risk, commentary was given as to mitigating actions or replacement savings to ensure that agreed savings remained in place. Appendix A updates these RAG ratings.

### **Transformation Savings**

85. The 2025-26 budget was predicated on the ability to save £3m through cross council transformation programmes, together with a further £7m in 2026-27.
86. In the summer 2024, the council agreed a revised approach to closing the budget gap, one focused on taking an organisation wide approach to transformation, change and savings rather than a service / departmental led approach. As a result, the Future Southwark Transformation Programme widened its scope.
87. The table below outlines the programmes expected to make savings towards the current MTFS budget gap, progress being made in each work programme towards the overall savings target (£10m) and a current assessment of the expected delivery against the in-year £3m savings target.
88. The current forecast indicates that only £0.25 million in savings will be realised in 2025–26. Without the acceleration of additional savings, this will result in an outturn budget shortfall of £2.75 million, thereby intensifying the pressure to deliver further savings in 2026–27.



Table 3: Transformation Savings 2025-26 and 2026-27

Programme Area	Savings forecast to be achieved in 2025-26 £m	Savings forecast to be achieved in 2026-27 £m	Notes
Corporate Real Estate	£0.720M	£1.440M	<p>The delivery of savings related to CRE is rated as <b>RED</b> at this stage.</p> <p>A pipeline of opportunities has been identified which are presently being tested and developed into proposals. Examples include the review of advertising and storage, commercialisation of non-residential properties, a business rates review / reduction programme; the use of residential property to reduce service costs.</p>
Procurement and third Party spend	£1.100M	£3.900M	<p>The delivery of savings related to Procurement &amp; 3<sup>rd</sup> Party spend is rated as <b>RED</b> at this stage.</p> <p>The programme review has commenced with a delivery partner onboarded. Initial fieldwork is underway. By the end of Q3 2025/26 a long list of pipeline opportunities will have been identified and reviewed resulting in the development of ten delivery ready business cases for agreement and delivery ahead of the new financial year.</p>
Redesign of Business Resource, RBR (parts I & II)	£0.250M	£1.350M	<p>The delivery of savings for RBR (Part 1) is rated as <b>GREEN</b> for the current year.</p> <p>The RBR Part 1 Programme is currently reviewing the targeted / identified savings options for delivery next year, which will require</p>

			<p>agreement in quarter 3 of this year to realise ahead of 2026/27.</p> <p>RBR Phase II is due to start imminently, as originally planned.</p>
<b>Subtotal</b>	<b>£2.070M</b>	<b>£6.690M</b>	
Income Maximisation	TBC	TBC	<p>The delivery of savings related to Income Maximisation is rated as <b>RED</b> at this stage. There is no target for delivery in the current year but expected to deliver financial benefit in 2026/27.</p> <p>The programme review has commenced with a delivery partner onboarded. Initial fieldwork is underway and a longlist of pipeline opportunities is already under review. By the end of Q3 2025/26 ten income generation opportunities (prioritised from the longlist) will have been agreed for business case development and delivery in 2026/27.</p>
<b>Total Budgeted</b>	<b>£3.000M</b>	<b>£7.000M</b>	
<b>Total RAG rated Green</b>	<b>£0.250M</b>	<b>£1.350M</b>	

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

89. This report monitors expenditure on council services, compared to the planned general fund budget agreed in February 2025, and HRA budget agreed in January 2025. 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

90. There are no climate change implications arising directly from this report, which provides an update on the revenue outturn for 2025-26.

## **Resource implications**

91. This report is the revenue outturn report which details the budgetary outcomes in 2025-26.

## **Consultation**

92. No consultation has taken place as this report details the 2025-26 revenue monitoring report for month 6.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Assistant Chief Executive, Governance and Assurance (NBC 20251120)**

93. Section 151 of the Local Government Act 1972 requires the Council to make such arrangements for the proper administration of their financial affairs. In addition, Section 25 of the Local Government Act 2003 requires the chief finance officer to report on the robustness of the estimates made and the adequacy of the proposed financial reserves in the budget calculations.
94. 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 the general fund capital programme indicating that the costs can be contained within the current funding envelope. It also sets out the position regarding the housing investment programme.
95. Section 114 of the Local Government Finance Act 1988 requires the chief finance officer to report if there is or is likely to be unlawful expenditure or an unbalanced budget.
96. The keeping of the Housing Revenue Account (HRA) is governed by Schedule 4 of the Local Government and Housing Act 1989. On 10 November 2020, the Ministry of Housing, Communities and Local Government (MHCLG) published guidance on the operation of the ring-fenced HRA account. The guidance updated and replaced previous guidance and the Council should adhere to such guidance in relation to the HRA.
97. Section 76 of the Local Government and Housing Act 1989 requires the Council to prevent debit balances on the Housing Revenue Account. 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.
98. 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. The Financial Standing Orders require the chief finance officer to report on the overall financial position of the council and on capital expenditure incurred by the council to the cabinet on a regular basis.

99. 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.

100. Cabinet needs to take account of this duty in considering this report.

101. 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.

102. The public sector equality duty is a continuing duty and will need to be taken account of in any processes to mitigate budget pressures.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None.		

## APPENDICES

No.	Title
Appendix A	Departmental Savings

**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	20 November 2025		
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 for Resources		N/a	N/a
Cabinet Member		Yes	Yes
Date final report sent to Constitutional Team			20 November 2025

## Appendix A - M06 Departmental Savings 2025-26 and 2026-27

Lead Member	Saving Type	Department	Division	Ref.	Description	2025-26 £000	RAG rating	2026-27 £000	RAG rating	Total £000
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	ACE - Governance & Assurance	All	164	Rationalisation of staffing structures across Governance & Assurance.	(125)	Green	(125)	Green	(250)
Cllr. Stephanie Cryan	Efficiencies and Improved Use of Resources	ACE - Governance & Assurance	Corporate Facilities Management	131	Rationalisation of the corporate estate including Talfourd House, Curlew House, 47B East Dulwich Road and Sumner Road			(220)	Amber	(220)
Cllr. Stephanie Cryan	Efficiencies and Improved Use of Resources	ACE - Governance & Assurance	Corporate Facilities Management	160	More efficient use of resources for Helpdesk	(200)	Green			(200)
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	ACE - Governance & Assurance	Corporate Facilities Management	163	Development of a corporate landlord model, inc. standardised approach to facilities management and opportunities for further income generation	(350)	Green	(350)	Green	(700)
Cllr. Stephanie Cryan	Income	ACE - Governance & Assurance	Corporate Facilities Management	217	Rental Income generation from Tooley Street	(80)	Red	(1,000)	Amber	(1,080)
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	ACE - Governance & Assurance	HR & OD	165	Reduced spend on third party support following implementation of SAP replacement			(68)	Amber	(68)
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	ACE - Governance & Assurance	HR & OD	166	HR & OD staffing efficiencies resulting from the replacement of SAP			(100)	Amber	(100)

Lead Member	Saving Type	Department	Division	Ref.	Description	2025-26 £000	RAG rating	2026-27 £000	RAG rating	Total £000
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	ACE - Governance & Assurance	HR & OD	167	Reduction in need to pay overtime	(150)	Green	(150)	Green	(300)
Cllr. Stephanie Cryan	Efficiencies and Improved Use of Resources	ACE - Governance & Assurance	Law and Governance	169	Rationalisation and efficiencies in administration of meetings	(50)	Amber			(50)
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	ACE - Strategy and Communities	ACE-S&C	135	Rationalisation of the three year strategy for the Strategy and Communities team and activity to ensure the target operating model is contained within a fixed financial envelope.	(70)	Green	(94)	Green	(164)
Cllr. Evelyn Akoto	Efficiencies and Improved Use of Resources	Children and Adults	Adults' Social Care	101	Efficiencies through promoting greater independence for clients linked to ongoing recovery post discharge through early and regular reviews and interventions such as bed-based reablement, support from occupational therapists, aids and adaptations as well as greater use of universal services and the transitioning of clients into more	(1,500)	Green	(1,000)	Amber	(2,500)
Cllr. Evelyn Akoto	Efficiencies and Improved Use of Resources	Children and Adults	Adults' Social Care	102	Efficiencies though maximisation of extra care, night time provision and step down accommodation.	(500)	Amber			(500)
Cllr. Evelyn Akoto	Efficiencies and Improved Use of Resources	Children and Adults	Adults' Social Care	105	Telecare transformation	(250)	Amber			(250)
Cllr. Evelyn Akoto	Income	Children and Adults	Adults' Social Care	201	Telecare - Income Generation from Health related services and digital health provision	(250)	Red	(250)	Red	(500)
Cllr. Evelyn Akoto	Income	Children and Adults	Adults' Social Care	202	Fairer contributions to Adults Social Care	(1,000)	Green	(500)	Green	(1,500)

Lead Member	Saving Type	Department	Division	Ref.	Description	2025-26 £000	RAG rating	2026-27 £000	RAG rating	Total £000
Cllr. Evelyn Akoto	Income	Children and Adults	Adults' Social Care	219	Better Care Fund provides a stable contribution to Adult Social Care Hospital Discharge Teams and other related services. Additional BCF has been approved.	(500)	Green	(350)	Green	(850)
Cllr. Jasmine Ali	Efficiencies and Improved Use of Resources	Children and Adults	Children and Families	107	Modernisation of business management and administration capacity through digital transformation	(498)	Red	(498)	Amber	(996)
Cllr. Jasmine Ali	Efficiencies and Improved Use of Resources	Children and Adults	Children and Families	108	Reformed service delivery and development of an enhanced pathway to independence for Care Leavers	(400)	Amber	(402)	Amber	(802)
Cllr. Jasmine Ali	Efficiencies and Improved Use of Resources	Children and Adults	Children and Families	109	Continued reduction of numbers of children in care, and in high cost placements, through ongoing investment in effective services to support children and families.	(1,800)	Amber	(1,180)	Amber	(2,980)
Cllr. Jasmine Ali	Efficiencies and Improved Use of Resources	Children and Adults	Children and Families	110	Transformation of Children and Family Centres into Family Hubs, making most efficient and effective use of partnership early help resources and capacity to reduce higher end late intervention for supporting families. This efficiency also takes into account a 21% reduction in the number of 0-4 year olds in recent years.	(150)	Green	(100)	Green	(250)
Cllr. Jasmine Ali	Efficiencies and Improved Use of Resources	Children and Adults	Children and Families	111	Review staffing structure whilst protecting statutory functions within children's social care.	(312)	Amber	(206)	Amber	(518)
Cllr. Jasmine Ali	Efficiencies and Improved use of Resources	Children and Adults	Children and Families	170	Public Health investment in parenting programmes (see matching commitment, line 405)	(180)	Green			(180)
Cllr. Evelyn Akoto	Efficiencies and Improved use of Resources	Children and Adults	Commissioning	129	Rationalisation of use of ICT systems for record keeping into a single database	(150)	Amber	(150)	Amber	(300)



Lead Member	Saving Type	Department	Division	Ref.	Description	2025-26 £000	RAG rating	2026-27 £000	RAG rating	Total £000
Cllr. Evelyn Akoto	Income	Children and Adults	Commissioning	203	Introducing a flat two tier fee for (1) the equipment only and (2) equipment and response service in Telecare	(50)	Green			(50)
Cllr. Jasmine Ali	Efficiencies and Improved Use of Resources	Children and Adults	Education	120	Consolidation of council work relating to information advice and guidance, work placements and post-16 provision.	(9)	Green			(9)
Cllr. Jasmine Ali	Efficiencies and Improved Use of Resources	Children and Adults	Education	122	Prioritise delivery of Education Psychology Team to delivery of statutory duties and support to the most in need pupils	(140)	Red	(140)	Amber	(280)
Cllr. Jasmine Ali	Savings Impacting on Service	Children and Adults	Education	301	Undertake review of the Southwark Information and Advice Service (SIAS) team.	(47)	Green	(94)	Green	(141)
Cllr. James McAsh	Efficiencies and Improved use of Resources	Environment, Sustainability and Leisure	All	142	Conduct a review of expenditure and income in the light of regional and national benchmarks particularly where current financial performance indicates that Southwark is a high-spend council, and consider options for change.	(500)	Green	(500)	Green	(1,000)
Cllr. James McAsh	Income	Environment, Sustainability and Leisure	Environment Directorate	211	Additional Income from Increased Fees and Charges across Environment directorate services	(280)	Green	(290)	Green	(570)
Cllr. Portia Mwangangye	Income	Environment, Sustainability and Leisure	Leisure Services	215	Additional income as a result of revenue savings at leisure centres from climate work	(120)	Amber/Green	(75)	Amber/Green	(195)
Cllr. Portia Mwangangye	Income	Environment, Sustainability and Leisure	Leisure Services	216	Review of targeted leisure centre programmes, supported by Public Health.	(400)	Green			(400)
Cllr. Portia Mwangangye	Savings Impacting on Service	Environment, Sustainability and Leisure	Leisure Services	312	Closure of Seven Islands Leisure Centre, when Canada Water leisure Centre opens	(1,000)	Amber/Green			(1,000)

Lead Member	Saving Type	Department	Division	Ref.	Description	2025-26 £000	RAG rating	2026-27 £000	RAG rating	Total £000
Cllr. James McAsh	Income	Environment, Sustainability and Leisure	Parking, Network Management & Markets	208	Savings from investment in Active Travel	(620)	Green			(620)
Cllr. James McAsh	Income	Environment, Sustainability and Leisure	Parking, Network Management & Markets	209	Increase in Network Management income volumes	(100)	Green			(100)
Cllr. James McAsh	Income	Environment, Sustainability and Leisure	Parking, Network Management & Markets	210	Review of PCN charges set by London Councils (Southwark currently issues approx. 190,000).	(950)	Green			(950)
Cllr. Portia Mwangangye	Income	Environment, Sustainability and Leisure	Parks and Natural Environment	213	Additional Income from Increased Fees and Charges in Leisure Services	(484)	Green	(493)	Green	(977)
Cllr. Natasha Ennin	Savings Impacting on Service	Environment, Sustainability and Leisure	Regulatory	302	Review of Noise Nuisance service in order to ensure that the service continues to meet demand at the high volume times	(90)	Amber/Green			(90)
Cllr. James McAsh	Income	Environment, Sustainability and Leisure	Traded Services	207	Increased commercialisation opportunities	(100)	Green	(100)	Green	(200)
Cllr. James McAsh	Efficiencies and Improved use of Resources	Environment, Sustainability and Leisure	Waste & Cleansing	143	Reduction in property related costs (utilities/rent/service charges) by relocating Cleansing and Grounds maintenance services from Sandgate Industrial Estate	(450)	Green			(450)
Cllr. Evelyn Akoto	Efficiencies and Improved use of Resources	Public Health	Public Health	113	Free school meals - reduced numbers due to falling pupil numbers.	(180)	Green			(180)
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	Resources	All	152	Review and reduction of debt provision (cross cutting), in tandem with refresh of debt recovery approach and processes.	(350)	Green	(350)	Green	(700)
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	Resources	Corporate	146	Efficiencies through centralising of some departmental IT support teams into the Tech & Digital service.	(200)	Red			(200)

Lead Member	Saving Type	Department	Division	Ref.	Description	2025-26 £000	RAG rating	2026-27 £000	RAG rating	Total £000
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	Resources	Corporate	151	Finance system replacement			(600)	Amber	(600)
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	Resources	Exchequer Services	150	Increased collection of Council Tax through reducing debt arising through the Council Tax Reduction Scheme (CTRS) following migration to Universal Credit			(250)	Red	(250)
Cllr Helen Dennis	Efficiencies and Improved use of Resources	Resources	Planning & Growth	138	Reorganisation of Property and Sustainable Growth Division	(200)	Red			(200)
Cllr. Helen Dennis	Income	Resources	Planning & Growth	212	Increases in planning fees by CPI, mandatory planning fees and Community Infrastructure Levy (CIL) admin fees	(333)	Green	(379)	Green	(712)
Cllr. John Batteson	Income	Resources	Planning & Growth	220	Increases in Commercial property income from rent reviews and letting of void properties	(422)	Green	(129)	Green	(551)
Cllr. Stephanie Cryan	Efficiencies and Improved Use of Resources	Resources	Professional Finance Services	171	Insource some Internal Audit & Anti-Fraud Support	(94)	Green			(94)
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	Resources	Technology and Digital Services	145	O2 mobile phone Contract Renegotiation and allocation policy review	(75)	Green	(50)	Green	(125)
Cllr. Stephanie Cryan	Efficiencies and Improved use of Resources	Resources	Technology and Digital Services	147	Technology and Digital Service staffing review	(80)	Green			(80)

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Policy and Resources: Capital Monitoring Report 2025-26 and Southwark 2030 strategic alignment
<b>Cabinet Member:</b>	Councillor Stephanie Cryan, Equalities, Democracy and Finance
<b>ward(s) or groups affected:</b>	All
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/a

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

This report provides an update on the council's capital programme across the General Fund and the Housing Revenue Account.

Last year, we aligned the capital programme to our Southwark 2030 goals to ensure that we continue to meet the ambitions our residents rightly expect, to deliver on their priorities and to help tackle inequality and improve our neighbourhoods. As an authority we continue to deliver through the capital programme and are demonstrating the real and tangible benefits within the programme. From the newly opened Canada Water Leisure Centre, our commitment to building new children's homes and investing £270m in our existing housing stock over the next three years, the capital programme puts our residents at its heart. Due to the financial challenges within the programme where planned expenditure currently exceeds our forecasted resources, we do not anticipate any further requests for the current financial year, and any new initiatives need to be contained within existing budgets.

There are no new capital bids to agree within this report.

## **RECOMMENDATIONS**

### **Recommendations for the Cabinet to note:**

1. Notes the month 6 2025-26 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 £321m 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 £358m 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 demolition of the Marie Curie block on Sceaux Gardens Estate at an estimated cost of £3m to be funded from other HRA asset disposals (paragraph 44).

## **REASONS FOR RECOMMENDATIONS**

7. Cabinet is asked to note the capital programme forecast at month 6, 2025-26 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 (HIP).

## **ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

9. None considered as this is a capital monitoring report for 2025-26.

## **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 and forecast outturn for 2025-26.
14. In addition, this report shows how the capital programmes align to the six goals set out in the Southwark 2030 Strategy, ensuring 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. Given the scale and complexity of the programme, along with the volume of individual projects, unforeseen delays are inevitable and have led to some deviations from the planned expenditure. Variations in actual resources can also occur, for instance, delays in property sales or slower-than-expected progress on external developments with Section 106 or Community Infrastructure Levy (CIL) obligations. Historically, this has resulted in the capital programme being over-programmed within individual years, while maintaining an overall balance across the full ten-year span.
16. However, the council now faces a significant challenge: planned expenditure exceeds forecasted resources over the life of the programme. In response, a refreshed ten-year capital programme was approved in February 2024. All new capital bids are now subject to rigorous review by the Capital Board to ensure

affordability. Furthermore, for the 2025–26 financial year, no new financing requests for capital projects are anticipated; any new initiatives must be delivered within existing resource allocations. This report does not propose any new capital programmes for approval.

## **KEY ISSUES FOR CONSIDERATION**

17. The capital programme forecast for month 6, 2025-26 is discussed within the report, structured as follows:
  - Housing Investment Programme (HIP) (narrative in main report)
  - General Fund (GF) capital programme (narrative at appendix B)
  - Southwark 2030 goals
18. 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 C sets out the housing investment programme.
  - Appendix D sets out the capital programme budget virements and variations for approval.

## **HOUSING INVESTMENT PROGRAMME (HIP) Month 6 2025-26**

19. 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 Repairs and Maintenance programme. The New Build programme is the commitment to new council homes delivery. The Repairs and Maintenance 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.
20. Table 1 summarises the forecast programme expenditure over the period 2025-26 to 2034-35. Forecast spend is £1.17bn, comprising of £468m for new homes, £673m for asset management and £27m for other programmes.
21. The forecast spend for the Housing Investment Programme for 2025-26 is £230m. Of this, £123m relates to the new build programme, £102m is for asset management and £5m for other schemes.
22. A more detailed breakdown of the schemes and budgets within the housing investment programme is included in Appendix C.

**Table 1 Housing Investment Programme outturn 2025-26 to 2034-35**

Programme	Forecast				
	2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29+ Forecast	2025/26- 2034/35 Total Forecast
	£	£	£	£	£
Asset Management	102,448,919	102,456,240	59,408,512	408,477,204	672,790,875
New Build and Acquisitions	122,650,639	67,444,761	61,196,164	216,558,339	467,849,903
Other Programmes	4,674,327	2,500,000	2,500,000	17,500,000	27,174,327
<b>Total Expenditure</b>	<b>229,773,885</b>	<b>172,401,001</b>	<b>123,104,676</b>	<b>642,535,543</b>	<b>1,167,815,105</b>
<b>Funded By</b>					
Capital Receipt	35,610,547	15,500,000	-	5,552,324	56,662,871
Major Repairs Reserve	46,691,000	46,691,000	46,691,000	321,119,962	461,192,962
Revenue	18,812,000	33,265,000	15,217,512	87,030,415	154,324,927
Capital Grants and external contributions	26,685,945	23,070,649	21,302,620	15,202,002	86,261,216
S106 & Green Buildings Fund	10,623,795	10,107,785	10,000,000	20,760,384	51,491,964
Borrowing	91,350,599	43,766,567	29,893,545	192,870,454	357,881,165
<b>Total Resources</b>	<b>229,773,886</b>	<b>172,401,001</b>	<b>123,104,677</b>	<b>642,535,541</b>	<b>1,167,815,105</b>

## Repairs and Maintenance Programme

23. Over the next three years, the council plans to invest over £270m in making sure council homes are well-maintained, safe, and meet modern, green, and decent standards. This is one of the most significant investments it has made in its stock, and it plays a vital role in delivering the Good Landlord Plan.

### Stock Condition Survey

24. Concurrently, the Council is undertaking a major stock condition survey. A delivery partner has been appointed, and the detailed design phase of the survey project is in development. The council is working to finalise and agree on all the data that we will be collecting, how that data will come back into the council to be stored and analysed, and designing how it will communicate and engage with residents around this very significant piece of work.
25. A pilot will be undertaken at Wyndham and Comber estates, starting at the beginning of August. The council has sent letters to all residents on those estates informing them of the survey.



26. In addition, over the next few weeks, the council will be working with its delivery partner to set out which homes/blocks/estates will be visited first, over the first six months of the project, which will begin in full from September 2025. This first phase will be a representative sample of 20% of council homes across the borough, to ensure data is captured across the varied nature of homes and buildings. £4.2m has been allocated for this first year of the four-year programme.
27. The survey will help the council to understand the condition of its homes across the borough and to prioritise investment accordingly. The information received in the first six months of survey work will be crucial in developing our next investment timetable. The council will engage with residents on this early in the new year and then prepare a new 5-year investment plan to be ready by late summer 2026.
28. Further information about the survey will be sent to all residents in the next four weeks, using a variety of channels.

#### Estate-based Planned Maintenance

29. More than £40m will be spent on estate-based planned maintenance schemes, to address health and safety concerns, and improve the quality of our homes. This will include projects at Chilton Grove, Consort Estate, Honiton Gardens, Wyndham/Comber, Crane House, and Surrey Square. Around £12m will be spent in 2025-26. A major £14m refurbishment scheme is currently underway on the Consort Estate.

#### Building Safety/Fire Safety

30. The council has set aside c.£30m for fire safety and building safety work (c.£10m in 2025/26), including a programme of structural surveys and remedial works, works to deal with urgent items emerging from intrusive surveys, as well as the regulatory inspection and any subsequent renewals of non-compliant fire doors across the borough.
31. The council has identified thirty high-rise blocks as priorities for the 2025-26 financial year with officers exploring delivery routes to undertake c.£1m of work. For the wider programme, addressing the findings of the borough-wide Type 4 inspections, procurement of two specialist fire safety contractors is underway with the delivery partners expected to be in place for the start of the 2026-27 financial year.
32. The Council is also exploring central government funding streams to support key projects in this area of work.

#### Electrical Safety

33. The council remains committed to bringing all properties into a compliant position as soon as possible, as regards to an electrical safety certificate and fully functioning and compliant smoke alarms. This work, across c.25,000

homes, will cost more than £30m, with the majority to be spent in this financial year.

34. This programme is largely complete for properties in high-rise blocks and in street conversions, as well as in communal areas, with the focus now on the remaining properties.

#### Heat Networks

35. The council plans to spend c.£15m (c.£5m in 2025-26) to improve heating and hot water provision at Dighton Court, Gloucester Grove, Setchell and Wyndham Estates. The next tranche of schemes are being prepared to deliver further investment to improve the reliability of some of the least efficient heat networks, including extending the provision of low carbon heat from the South East London Combined Heat and Power plant (SELCHP), installing heat meters, improving controls and replacing end of life pipework. This will mean a more reliable service for residents and significant carbon savings.

#### Capital repairs

36. The Repairs Service will deliver £30m of investment (£10m in 2025-26) in the form of communal and roofing repairs, bringing empty properties back into use and ensuring the homes of vulnerable residents are adapted for their needs.

#### Other Compliance Work

37. The council will spend a further £10m (c.£3m in 2025-26) to ensure lift, water and asbestos safety is maintained. The council is working closely with the Regulator for Social Housing (RSH) to improve data quality and reporting.
38. The RSH has noted good progress regarding Southwark's compliance work since last year's inspection and this is being supported through the implementation of the True Compliance IT platform, which will be in place across all workstreams later in 2025.

#### Energy Efficiency

39. Alongside replacing more than 1,000 inefficient non-condensing boilers in 2025/26, the council is accessing external energy efficiency funding and has so far received a £1.3m grant through the Warm Homes: Social Housing Fund. Consultants have been appointed to undertake design work, which will be used to establish the best procurement route.
40. The council is also partnering with Eco Approach to undertake an 80-home pilot, using ECO funding. Contracts were signed in Q1, and the list of properties will be finalised in Q2, with resident engagement undertaken. The council expects it to be on site in Q3.

#### New Build Programme

41. The council's housing delivery programme continues to make considerable progress. As of March 2025, the council has completed a total of 1,444 new homes, with a further 62 completed in the first quarter of this financial year. A further 257 council homes are anticipated over the remainder of the year, along with 29 shared ownership homes and 24 homes for private sale. against the social rent target of 2,500 units. The tenure mix remains weighted towards council homes (82%), with intermediate, private, and temporary accommodation making up the remainder.
42. Key schemes currently on site include Ledbury Towers Phase 1, Tustin Phase 1, and Cator Street Extra Care Phase 2. Procurement for the 2022–2026 programme was launched in February, with updated budget forecasts and resourcing plans underway.
43. The programme remains on track to meet its long-term targets, with continued focus on delivery, risk management, and financial oversight. The next phase includes:
  - Advancing vacant possession actions.
  - Reviewing KM1/2 reports and HRA budget requests.
  - Ongoing dialogue with the GLA on grant rates and portfolio strategy.
  - Workforce development initiatives.
44. A separate report is presented at this meeting seeking approval to demolish the Marie Curie block on the Sceaux Gardens Estate at an estimated cost of £3 million. Subject to this being approved, approval is also sought to vary the Housing Investment Programme to include the estimated cost of these works. Given the financial constraints under which the HRA is operating, it will be necessary to dispose of other HRA assets to fund the cost of these works.

### **Financing the Housing Investment programme**

45. When financing the Housing Investment Programme, the overriding objective is to minimise the call on borrowing as far as is possible, with most of it reserved for the new build programme. Borrowing places an additional burden on the HRA through interest payable. 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.
46. The strain on HRAs has been recognised by the Government, with the Ministry of Housing Communities and Local Government recently announcing significant reforms to the rules governing the use of Right to Buy (RtB) receipts, effective from 1 April 2026, aimed at simplifying administration and enhancing flexibility for local authorities. The key changes are as follows:

### **Indefinite Extension of Flexibilities:**

- RtB receipts can continue to fund up to 100% of replacement affordable housing costs.
- The council may combine Receipts with Section 106 contributions.
- The cap on acquisitions as a proportion of replacements is permanently removed.

#### Combination with Grant:

- From 2026–27, the council may combine RtB receipts with grant funding, supporting greater take-up of the new Social and Affordable Homes Programme.
47. These changes provide greater flexibility and longer planning horizons, supporting the council's ability to deliver more complex and strategic housing projects. The ability to combine receipts with grant and extend expenditure deadlines will be particularly beneficial in managing delivery pipelines and financial planning.
  48. Further clarification is needed from the Government before the council can reflect these flexibilities in its financing assumptions.

### **GENERAL FUND CAPITAL PROGRAMME**

49. Table 2 shows that programmed expenditure over the period 2025-26 to 2034-35 is currently forecast at £440m and that approximately £ 321m 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 6 2025-26 to 2034-35**

Department	2025/26			Total Programme 2025/26-34/35		
	Revised Budget	Forecast	Variance	Revised Budget	Total Forecast	Total Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Children's (incl SSF) and Adults' Services	57,589	57,589	-	76,359	76,359	-
Resources	42,561	34,847	(7,714)	100,563	100,563	-
Governance & Assurance	9,173	8,638	(535)	52,982	52,982	-
Environment, Neighbourhoods & Growth	57,409	42,258	(15,151)	159,416	159,416	-
Housing	25,082	24,993	(89)	50,778	51,079	301
<b>TOTAL EXPENDITURE</b>	<b>191,814</b>	<b>168,325</b>	<b>(23,489)</b>	<b>440,098</b>	<b>440,399</b>	<b>301</b>
<b>FUNDED BY:</b>						
Capital Receipts	5,850	5,850	-	5,850	5,850	-
Major Repairs allowance	-	-	-	-	-	-
Reserves	6,891	6,402	(489)	15,653	15,653	-
Revenue	-	-	-	-	-	-
Capital Grants	44,178	43,698	(480)	68,649	68,649	-
Section 106 and CIL	16,255	13,692	(2,563)	25,522	25,522	-
External Contributions	3,251	1,313	(1,938)	3,432	3,432	-
<b>TOTAL RESOURCES</b>	<b>76,425</b>	<b>70,955</b>	<b>(5,470)</b>	<b>119,106</b>	<b>119,106</b>	<b>-</b>
<b>Prudential Borrowing</b>	<b>115,389</b>	<b>97,370</b>	<b>(18,019)</b>	<b>320,992</b>	<b>321,293</b>	<b>301</b>

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

50. 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**

51. 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**

52. This report is the capital outturn report which details the budgetary outcomes in 2025-26.

### **Consultation**

53. No consultation has taken place as this report details the 2025-26 capital monitoring report for month 7.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Assistant Chief Executive, Governance and Assurance (NBC 20251120)**

54. 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 the general fund capital programme indicating that the costs can be contained within the current funding envelope. It also sets out the position regarding the housing investment programme.
55. 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. The Financial Standing Orders require the chief finance officer to report on the overall financial position of the council

and on capital expenditure incurred by the authority to the cabinet on a regular basis.

56. Specific provisions for the approval of virements over £1,000,000 and up to £10,000,000 between capital projects or programme headings as set out in the overall programme approved by council assembly are reserved to cabinet in Part 3C.
57. The capital programme assists the council in complying with the duty under the Local Government Act 1999 which requires it to make arrangement to secure the continuous improvement in the way its functions are exercised, by having regards to the combination of economy, efficiency and effectiveness.
58. 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.
59. Cabinet needs to take account of this duty in considering this report.
60. 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.
61. The public sector equality duty is a continuing duty and will need to be taken account of in any processes to mitigate budget pressures.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

## APPENDICES

No.	Title
Appendix A1	General Fund Capital Programme 2025-26 to 2035-36
Appendix A2	General Fund Capital Programme – Southwark 2030
Appendix B	Departmental General Fund Narratives
Appendix C	Housing Investment Programme
Appendix D	Variations and Virements

**AUDIT TRAIL**

Cabinet Member	Councillor Stephanie Cryan, Equalities, Democracy and Finance		
Lead Officer	Clive Palfreyman, Strategic Director of Finance		
Report Author	Tim Jones, Director of Corporate Finance.		
Version	Final		
Dated	20 November 2025		
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, Finance		N/a	N/a
Cabinet Member		Yes	Yes
Date final report sent to Constitutional Team			20 November 2025



Appendix A1 - General Fund Capital Programme 2025-26 to 2034-35 Month 6

Capital Programme 2025/26 - 2034/35	2025/26				2026/27			2027/28 - 2034/35			Total Programme 2025/26-2034/35		
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
<b>Environment, Neighbourhoods and Growth</b>													
CIL 2021- CGS	20	0	0	(20)	40	60	20	0	0	0	60	60	0
Cleaner Greener Safer	1,846	813	1,846	0	2,520	2,520	0	7,312	7,312	0	11,678	11,678	0
Cycle Superhighway 4 Project	0	0	0	0	350	350	0	2,539	2,539	0	2,889	2,889	0
Southwark School Streets	311	67	311	0	260	260	0	533	533	0	1,104	1,104	0
CIL 2021- Highways	200	90	200	0	123	123	0	0	0	0	323	323	0
LIP Programme	2,435	653	1,885	(550)	0	550	550	0	0	0	2,435	2,435	0
Other PR Projects	2,143	1,058	1,874	(269)	3,726	4,054	328	159	100	(59)	6,028	6,028	0
StreetCare	24,206	2,839	11,810	(12,396)	15,925	14,721	(1,204)	12,978	26,578	13,600	53,109	53,109	0
Street Lighting	498	0	498	0	1,050	1,050	0	192	192	0	1,741	1,741	0
Street Market	105	5	105	0	0	0	0	0	0	0	105	105	0
Air Quality	537	110	537	0	192	192	0	0	0	0	728	728	0
Air Quality Action Plan & Climate Emergency Delivery Projects	154	1	130	(24)	435	459	24	300	300	0	889	889	0
Climate Emergency	1,383	151	1,429	46	2,682	2,636	(46)	182	182	0	4,247	4,247	0
CCTV Cameras	3,750	452	3,750	0	1,850	1,850	0	511	511	0	6,111	6,111	0
Carbon Reduction Investment	331	0	331	0	1,000	1,000	0	0	0	0	1,331	1,331	0
Climate Emergency	2,251	371	2,249	(2)	676	677	1	1,174	1,175	1	4,102	4,102	0
Street Metal Works	0	0	0	0	0	0	0	0	0	0	0	0	0
East Street market infrastructure improvements	0	0	0	0	0	0	0	0	0	0	0	0	0
New Burial at Ryedale & Scoping	0	0	0	0	0	0	0	0	0	0	0	0	0
Chattels Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0
Youth Services	1,010	57	160	(850)	350	1,200	850	39	39	0	1,399	1,399	0
Culture	318	16	318	0	133	133	0	78	78	0	528	528	0
Cemetery Burial Strategy	20	7	14	(6)	0	2	2	0	4	4	20	20	0
Drinking Water Fountains throughout Southwark	0	0	0	0	159	159	0	0	0	0	159	159	0
Food Waste Collection	800	0	450	(350)	580	930	350	0	0	0	1,380	1,380	0
Tree Planting	1,111	560	1,531	420	1,733	1,292	(441)	1,300	1,321	21	4,144	4,144	0
CIL 2021- Parks	5	0	5	0	296	296	0	631	631	0	932	932	0
Parks	6,246	1,617	5,831	(415)	9,678	10,484	807	5,175	4,783	(392)	21,099	21,099	0
South Dock Marina	2,444	430	1,988	(456)	8,558	8,014	(544)	0	1,000	1,000	11,002	11,002	0
Back Office System	115	0	115	0	430	430	0	30	30	0	575	575	0
Green Building Fund	102	5	102	0	2,550	2,550	0	5,518	5,518	0	8,170	8,170	0
Play Investment Programme	500	12	690	190	1,500	1,310	(190)	1,000	1,000	0	3,000	3,000	0
Leisure	4,568	1,835	4,098	(471)	2,359	2,830	471	3,200	3,200	0	10,128	10,128	0
<b>Total Environment, Neighbourhoods and Growth</b>	<b>57,409</b>	<b>11,148</b>	<b>42,258</b>	<b>(15,152)</b>	<b>59,155</b>	<b>60,132</b>	<b>977</b>	<b>42,851</b>	<b>57,026</b>	<b>14,175</b>	<b>159,416</b>	<b>159,416</b>	<b>0</b>
<b>Resources</b>													
<b>Planning &amp; Growth</b>													
Planning	4,664	1,058	4,158	(505)	938	1,444	505	237	237	0	5,839	5,839	0
Walworth Town Hall	56	0	15	(41)	0	41	41	0	0	0	56	56	0
Canada Water Leisure Centre	65	83	65	0	0	0	0	0	0	0	65	65	0
Revitalising the Blue	587	152	487	(100)	1,725	1,800	75	0	25	25	2,312	2,312	0
Riverside Walk	50	0	0	(50)	1,409	50	(1,359)	0	1,409	1,409	1,459	1,459	0
Regeneration North	5,652	1,265	2,816	(2,836)	3,052	5,789	2,737	69	168	98	8,773	8,773	0
Revitalising Camberwell	19	0	0	(19)	0	19	19	0	0	0	19	19	0
Peckham Rye Station Redevelopment	2,945	(635)	2,945	0	6,947	6,947	0	75	75	0	9,967	9,967	0
The Old Vic	0	3	0	0	3,736	3,736	0	0	0	0	3,736	3,736	0

Regeneration South	6,122	809	2,875	(3,247)	2,127	5,373	3,247	40	40	0	8,288	8,288	0
21-23 Parkhouse Street	0	0	0	0	670	0	(670)	2,291	2,961	670	2,961	2,961	0
Peckham Library Square	2,103	160	1,853	(250)	4,099	4,349	250	150	150	0	6,352	6,352	0
Regeneration Capital	1,536	357	787	(748)	3,817	4,566	748	125	125	0	5,478	5,478	0
Strategic Acquisitions	156	100	156	0	0	0	0	0	0	0	156	156	0
Property Services	2,748	274	2,748	0	4,227	4,227	0	3,209	3,209	0	10,184	10,184	0
Elephant & Castle Regeneration	2,008	0	2,008	(2,008)	2,008	2,008	0	2,000	2,000	0	6,016	6,016	0
<b>Total Planning &amp; Growth</b>	<b>28,709</b>	<b>3,626</b>	<b>20,913</b>	<b>(9,804)</b>	<b>34,756</b>	<b>40,349</b>	<b>5,593</b>	<b>8,196</b>	<b>10,399</b>	<b>2,203</b>	<b>71,661</b>	<b>71,661</b>	<b>0</b>
<b>Finance</b>													
Public Switched Telephone Network (PSTN) Digitalisation	400	0	200	(200)	0	0	0	569	769	200	969	969	0
Laptop Refresh	8,810	0	9,038	228	392	392	0	4,234	4,006	(228)	13,436	13,436	0
Digital Strategy	4,642	0	4,696	54	4,146	4,283	136	5,709	5,519	(190)	14,498	14,498	0
<b>Total Finance</b>	<b>13,852</b>	<b>0</b>	<b>13,934</b>	<b>82</b>	<b>4,538</b>	<b>4,675</b>	<b>136</b>	<b>10,511</b>	<b>10,294</b>	<b>(218)</b>	<b>28,902</b>	<b>28,902</b>	<b>0</b>
<b>Total Resources</b>	<b>42,561</b>	<b>3,626</b>	<b>34,847</b>	<b>(9,722)</b>	<b>39,294</b>	<b>45,024</b>	<b>5,730</b>	<b>18,708</b>	<b>20,692</b>	<b>1,985</b>	<b>100,563</b>	<b>100,563</b>	<b>0</b>
<b>Children's and Adults' Services</b>													
Lifecycle Capital Prog- Anchor Homes	1,618	61	1,618	0	1,393	1,393	0	2,744	2,744	0	5,755	5,755	0
Lifecycle Capital Prog- ASC properties	1,158	215	1,158	0	1,634	1,634	0	2,208	2,208	0	5,001	5,001	0
Mosaic Management Information Development	100	39	100	0	0	0	0	0	0	0	100	100	0
Bed Based Care	894	0	894	0	866	866	0	0	0	0	1,759	1,759	0
Changing Places Toilet Programme	15	0	15	0	15	15	0	14	14	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	2,111	0	2,111	0	0	0	0	0	0	0	2,111	2,111	0
Primary Schools Refurbishment Programme Pre 24/25	634	48	634	0	0	0	0	0	0	0	634	634	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	2,686	615	2,686	0	0	0	0	0	0	0	2,686	2,686	0
Primary Schools Refurbishment programme 2025/26	4,324	533	4,324	0	0	0	0	0	0	0	4,324	4,324	0
Childcare Expansion Grant	181	0	181	0	0	0	0	0	0	0	181	181	0
Beormund Primary School Redevelopment	11,849	2,086	11,849	0	5,432	5,432	0	346	346	0	17,626	17,626	0
Permanent Expansion	5,310	1,035	5,310	0	0	0	0	0	0	0	5,310	5,310	0
Riverside Primary School	1,516	1,131	1,516	0	28	28	0	0	0	0	1,543	1,543	0
Rotherhithe Primary School Expansion	328	0	328	0	0	0	0	0	0	0	328	328	0
Ivydale	4,149	0	4,149	0	1,591	1,591	0	0	0	0	5,740	5,740	0
SEND and Disabilities Development	15,726	498	15,726	0	2,500	2,500	0	0	0	0	18,226	18,226	0
Southwark Inclusive Learning Service KS4	1,700	0	1,700	0	0	0	0	0	0	0	1,700	1,700	0
Childrens Homes	1,920	390	1,920	0	0	0	0	0	0	0	1,920	1,920	0
School Retention	177	0	177	0	0	0	0	0	0	0	177	177	0
Southwark Schools for the Future	333	0	333	0	0	0	0	0	0	0	333	333	0
<b>Children's and Adults' Services Total</b>	<b>57,589</b>	<b>6,652</b>	<b>57,589</b>	<b>0</b>	<b>13,458</b>	<b>13,458</b>	<b>0</b>	<b>5,311</b>	<b>5,311</b>	<b>0</b>	<b>76,359</b>	<b>76,359</b>	<b>0</b>
<b>Housing</b>													
Gypsy and Travellers Site Fire Safety Reconfiguration	679	0	980	301	0	0	0	0	0	0	679	980	301
Housing Renewal	5,003	696	4,613	(390)	2,855	3,245	390	22,842	22,842	0	30,700	30,700	0
LAHF Buybacks 50 Programme	19,400	353	19,400	0	0	0	0	0	0	0	19,400	19,400	0
<b>Housing Total</b>	<b>25,082</b>	<b>1,049</b>	<b>24,993</b>	<b>(88)</b>	<b>2,855</b>	<b>3,245</b>	<b>390</b>	<b>22,842</b>	<b>22,842</b>	<b>0</b>	<b>50,779</b>	<b>51,080</b>	<b>301</b>
<b>Governance &amp; Assurance</b>													
PPM & Compliance Programme (CRP)	400	0	400	0	400	400	0	15,543	15,543	0	16,343	16,343	0
Operational Buildings Life Cycle Investment	8,773	0	8,238	(535)	4,376	5,141	765	23,490	23,259	(230)	36,638	36,638	0
<b>Total Governance &amp; Assurance</b>	<b>9,173</b>	<b>0</b>	<b>8,638</b>	<b>(535)</b>	<b>4,776</b>	<b>5,541</b>	<b>765</b>	<b>39,033</b>	<b>38,803</b>	<b>(230)</b>	<b>52,982</b>	<b>52,982</b>	<b>0</b>

Capital Programme 2025/26-2034/35	Total General Fund Programme												
Capital Programme 2025/26 - 2034/35	2025/26				2026/27			2027/28 - 2034/35			Total Programme 2025/26-2034/35		
	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	191,813	22,474	168,325	(25,497)	119,539	127,399	7,861	128,745	144,675	15,929	440,098	440,399	301
Total Resources	76,425	35,308	70,955	(5,470)	21,560	27,012	5,452	21,121	21,139	18	119,106	119,106	0
Forecast Variation (under)/over.	115,388	(12,834)	97,370	(20,027)	97,979	100,387	2,409	107,624	123,536	15,911	320,992	321,293	301
Cumulative position					213,367	197,757	(17,618)	320,992	321,293	301	320,992	321,293	301

# Appendix A2 - General Fund Capital Programme 2025-26 to 2034-35 Month 6

Capital Programme 2025/26 - 2034/35 Southwark 2030 Goals - Description of Programme / Project	2025/26				2026/27			2027/28 - 2034/35			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	£'000
<b>Decent Homes for All</b>													
Gypsy and Travellers Site Fire Safety Reconfiguration	679	0	980	301	0	0	0	0	0	0	679	980	301
LAHF Buybacks 50 Programme	19,400	353	19,400	0	0	0	0	0	0	0	19,400	19,400	0
Housing Renewal	5,003	696	4,613	(390)	2,855	3,245	390	22,842	22,842	0	30,700	30,700	0
<b>Total Decent Homes for All</b>	<b>25,082</b>	<b>1,049</b>	<b>24,993</b>	<b>(88)</b>	<b>2,855</b>	<b>3,245</b>	<b>390</b>	<b>22,842</b>	<b>22,842</b>	<b>0</b>	<b>50,779</b>	<b>51,080</b>	<b>301</b>
<b>A Good Start in Life</b>													
Youth Services	1,010	57	160	(850)	350	1,200	850	39	39	0	1,399	1,399	0
Primary Schools Refurbishment Programme	2,111	0	2,111	0	0	0	0	0	0	0	2,111	2,111	0
Primary Schools Refurbishment Programme Pre 24/25	634	48	634	0	0	0	0	0	0	0	634	634	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	2,686	615	2,686	0	0	0	0	0	0	0	2,686	2,686	0
Primary Schools Refurbishment Programme 2025/26	4,324	533	4,324	0	0	0	0	0	0	0	4,324	4,324	0
Childcare Expansion Grant	181	0	181	0	0	0	0	0	0	0	181	181	0
Beormund Primary School Redevelopment	11,849	2,086	11,849	0	5,432	5,432	0	346	346	0	17,626	17,626	0
Ilderton Primary - Air Quality Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Expansion	5,310	1,035	5,310	0	0	0	0	0	0	0	5,310	5,310	0
Riverside Primary School	1,516	1,131	1,516	0	28	28	0	0	0	0	1,543	1,543	0
Rotherhithe Primary School Expansion	328	0	328	0	0	0	0	0	0	0	328	328	0
Ivydale	4,149	0	4,149	0	1,591	1,591	0	0	0	0	5,740	5,740	0
SEND and Disabilities Development	15,726	498	15,726	0	2,500	2,500	0	0	0	0	18,226	18,226	0
Southwark Inclusive Learning Service KS4	1,700	0	1,700	0	0	0	0	0	0	0	1,700	1,700	0
Childrens Homes	1,920	390	1,920	0	0	0	0	0	0	0	1,920	1,920	0
School Retention	177	0	177	0	0	0	0	0	0	0	177	177	0
Southwark Schools for the Future	333	0	333	0	0	0	0	0	0	0	333	333	0
<b>Total A Good Start in Life</b>	<b>54,797</b>	<b>6,393</b>	<b>53,947</b>	<b>(850)</b>	<b>9,900</b>	<b>10,750</b>	<b>850</b>	<b>384</b>	<b>384</b>	<b>0</b>	<b>65,081</b>	<b>65,081</b>	<b>0</b>
<b>A Safer Southwark</b>													
Southwark School Streets	311	67	311	0	260	260	0	533	533	0	1,104	1,104	0
CIL 2021- Highways	200	90	200	0	123	123	0	0	0	0	323	323	0
StreetCare	24,206	2,839	11,810	(12,396)	15,925	14,721	(1,204)	12,978	26,578	13,600	53,109	53,109	0
CCTV Cameras	3,750	452	3,750	0	1,850	1,850	0	511	511	0	6,111	6,111	0
<b>Total A Safer Southwark</b>	<b>28,468</b>	<b>3,448</b>	<b>16,071</b>	<b>(12,396)</b>	<b>18,158</b>	<b>16,954</b>	<b>(1,204)</b>	<b>14,022</b>	<b>27,622</b>	<b>13,600</b>	<b>60,648</b>	<b>60,648</b>	<b>0</b>
<b>A Strong &amp; Fair Economy</b>													
LIP Programme	2,435	653	1,885	(550)	0	550	550	0	0	0	2,435	2,435	0
Street Market	105	5	105	0	0	0	0	0	0	0	105	105	0
Culture	318	16	318	0	133	133	0	78	78	0	528	528	0
South Dock Marina	2,444	430	1,988	(456)	8,558	8,014	(544)	0	1,000	1,000	11,002	11,002	0
Planning	4,664	1,058	4,158	(505)	938	1,444	505	237	237	0	5,839	5,839	0
Walworth Town Hall	56	0	15	(41)	0	41	41	0	0	0	56	56	0
Revitalising the Blue	587	152	487	(100)	1,725	1,800	75	0	25	25	2,312	2,312	0
Riverside Walk	50	0	0	(50)	1,409	50	(1,359)	0	1,409	1,409	1,459	1,459	0
Regeneration North	5,652	1,265	2,816	(2,836)	3,052	5,789	2,737	69	168	98	8,773	8,773	0
Revitalising Camberwell	19	0	0	(19)	0	19	19	0	0	0	19	19	0
Peckham Rye Station Redevelopment	2,945	(635)	2,945	0	6,947	6,947	0	75	75	0	9,967	9,967	0
The Old Vic	0	3	0	0	3,736	3,736	0	0	0	0	3,736	3,736	0

Regeneration South	6,122	809	2,875	(3,247)	2,127	5,373	3,247	40	40	0	8,288	8,288	0
21-23 Parkhouse Street	0	0	0	0	670	0	(670)	2,291	2,961	670	2,961	2,961	0
Peckham Library Square	2,103	160	1,853	(250)	4,099	4,349	250	150	150	0	6,352	6,352	0
Regeneration Capital	1,536	357	787	(748)	3,817	4,566	748	125	125	0	5,478	5,478	0
Strategic Acquisitions	156	100	156	0	0	0	0	0	0	0	156	156	0
Property Services	2,748	274	2,748	0	4,227	4,227	0	3,209	3,209	0	10,184	10,184	0
Elephant & Castle Regeneration	2,008	0	2,008	0	2,008	2,008	0	2,000	2,000	0	6,016	6,016	0
Public Switched Telephone Network (PSTN) Digitalisation	400	0	200	(200)	0	0	0	569	769	200	969	969	0
Digital Strategy	4,642	0	4,696	54	4,146	4,283	136	5,709	5,519	(190)	14,498	14,498	0
<b>Total A Strong &amp; Fair Economy</b>	<b>38,987</b>	<b>4,647</b>	<b>30,040</b>	<b>(8,947)</b>	<b>47,593</b>	<b>53,328</b>	<b>5,735</b>	<b>14,551</b>	<b>17,764</b>	<b>3,212</b>	<b>101,132</b>	<b>101,132</b>	<b>0</b>
<b>Staying Well</b>													
Drinking Water Fountains throughout Southwark	0	0	0	0	159	159	0	0	0	0	159	159	0
Leisure	4,568	1,835	4,098	(471)	2,359	2,830	471	3,200	3,200	0	10,128	10,128	0
Play Investment Programme	500	12	690	190	0	0	0	2,500	2,310	(190)	3,000	3,000	0
Canada Water Leisure Centre	65	83	65	0	0	0	0	0	0	0	65	65	0
Lifecycle Capital Prog- Anchor Homes	1,618	61	1,618	0	1,393	1,393	0	2,744	2,744	0	5,755	5,755	0
Lifecycle Capital Prog- ASC properties	1,158	215	1,158	0	1,634	1,634	0	2,208	2,208	0	5,001	5,001	0
Mosaic Management Information Development	100	39	100	0	0	0	0	0	0	0	100	100	0
Bed Based Care	894	0	894	0	866	866	0	0	0	0	1,759	1,759	0
Changing Places Toilet Programme	15	0	15	0	15	15	0	14	14	0	44	44	0
MH Supported Housing Insourc. Transition	17	0	17	0	0	0	0	0	0	0	17	17	0
<b>Total Staying Well</b>	<b>8,936</b>	<b>2,244</b>	<b>8,655</b>	<b>(281)</b>	<b>6,427</b>	<b>6,897</b>	<b>471</b>	<b>10,666</b>	<b>10,476</b>	<b>(190)</b>	<b>26,028</b>	<b>26,028</b>	<b>0</b>
<b>A Healthy Environment</b>													
CIL 2021- CGS	20	0	0	(20)	40	60	20	0	0	0	60	60	0
Cleaner Greener Safer	1,846	813	1,846	0	2,520	2,520	0	7,312	7,312	0	11,678	11,678	0
Cycle Superhighway 4 Project	0	0	0	0	350	350	0	2,539	2,539	0	2,889	2,889	0
Other PR Projects	2,143	1,058	1,874	(269)	3,726	4,054	328	159	100	(59)	6,028	6,028	0
Street Lighting	498	0	498	0	1,050	1,050	0	192	192	0	1,741	1,741	0
Air Quality	537	110	537	0	192	192	0	0	0	0	728	728	0
Air Quality Action Plan & Climate Emergency Delivery Projects	154	1	130	(24)	435	459	24	300	300	0	889	889	0
Climate Emergency	3,634	522	3,678	44	3,359	3,314	(45)	11,980	14,072	2,092	8,349	8,349	0
Carbon Reduction Investment	331	0	331	0	1,000	1,000	0	0	0	0	1,331	1,331	0
Green Building Fund	102	5	102	0	2,550	2,550	0	5,518	5,518	0	8,170	8,170	0
Cemetery Burial Strategy	20	7	14	(6)	0	2	2	0	4	4	20	20	0
Food Waste Collection	800	0	450	(350)	580	930	350	0	0	0	1,380	1,380	0
Tree Planting	1,111	560	1,531	420	1,733	1,292	(441)	1,300	1,321	21	4,144	4,144	0
CIL 2021- Parks	5	0	5	0	296	296	0	631	631	0	932	932	0
Parks	6,246	1,617	5,831	(415)	9,678	10,484	807	5,175	4,783	(392)	21,099	21,099	0
<b>Total A Healthy Environment</b>	<b>17,447</b>	<b>4,693</b>	<b>16,828</b>	<b>(619)</b>	<b>27,508</b>	<b>28,552</b>	<b>1,045</b>	<b>35,106</b>	<b>36,772</b>	<b>1,666</b>	<b>69,438</b>	<b>69,438</b>	<b>0</b>
<b>Corporate Projects</b>													
Laptop Refresh	8,810	0	9,038	228	392	392	0	4,234	4,006	(228)	13,436	13,436	0
PPM & Compliance Programme (CRP)	400	0	400	0	400	400	0	15,543	15,543	0	16,343	16,343	0
Operational Buildings Life Cycle Investment	8,773	0	8,238	(535)	4,376	5,141	765	23,490	23,259	(230)	36,638	36,638	0
Back Office System	115	0	115	0	430	430	0	30	30	0	575	575	0
<b>Total Corporate Projects</b>	<b>18,097</b>	<b>0</b>	<b>17,790</b>	<b>(307)</b>	<b>5,598</b>	<b>6,363</b>	<b>765</b>	<b>43,297</b>	<b>42,839</b>	<b>(458)</b>	<b>66,992</b>	<b>66,992</b>	<b>0</b>
<b>Total General Fund Programme</b>													
<b>Capital Programme 2025/26 - 2034/35</b>	<b>2025/26</b>				<b>2026/27</b>			<b>2027/28 - 2034/35</b>			<b>Total Programme 2024/25-2033/34</b>		
	<b>Revised Budget</b>	<b>Spend to Date</b>	<b>Forecast</b>	<b>Variance</b>	<b>Revised Budget</b>	<b>Forecast</b>	<b>Variance</b>	<b>Revised Budget</b>	<b>Forecast</b>	<b>Variance</b>	<b>Revised Budget</b>	<b>Forecast</b>	<b>Variance</b>
	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>

Total Expenditure	191,813	22,474	168,325	(23,489)	118,039	126,089	8,051	140,869	158,699	17,830	440,098	440,399	301
Total Resources	76,425	35,308	70,955	(5,470)	21,560	27,012	5,452	21,121	21,139	18	119,106	119,106	0
Forecast Variation (under)/over.	115,388	(12,834)	97,370	(18,019)	96,479	99,077	2,599	119,748	137,560	17,812	320,992	321,293	301
Cumulative position					211,867	196,447	(15,420)	331,615	334,008	2,392	320,992	321,293	301

## APPENDIX B DEPARTMENTAL NARRATIVES

### ENVIRONMENT SUSTAINABILITY & LEISURE

1. The total value of the capital programme for the department is currently £159.4m for the 10-year programme. The projected 2025-26 outturn is £42.3m against the revised budget of £57.4m. The revised budget includes new Strategic CIL (Community Infrastructure Levy) funding to cover the fit-out costs of the new Women safety Centre, Neighbourhood CiL funding for various parks projects, Streets for people funding from reserves, and additional grant fund for various projects.
2. The Department has set up a capital programme review board to strengthen the focus on capital projects. The second meeting will take place at the end of October 2025 and focused on performance to date as well as obtaining assurance of delivery by year end and unblocking barriers. One of the key challenges is that of capacity to deliver at pace and the board will be looking to enable more capacity to be brought on board in 2025-26. The board received reassurance that the current forecast will be achieved by year-end.
3. Table 1 below summarizes the 2025/26 financial position by key schemes and responsible division:

**Table 1**

	2025/26						
	Agreed Budget	Budget Virements	Budget Variations	Revised Budget	Actuals 30.09.25	Forecast	Variance (Revised budget V Forecast)
	£	£	£	£	£	£	£
Leisure	4,289,012	0	279,450	4,568,462	1,834,725	4,097,928	(470,534)
South Dock Marina	2,443,989	0	0	2,443,989	430,486	1,988,451	(455,538)
Parks - Programme and Projects	3,635,449	0	1,016,000	4,651,449	798,221	3,224,339	(1,427,110)
Parks - Others	3,121,058	0	109,771	3,230,829	1,397,426	4,847,288	1,616,459
Culture	1,327,868	0	0	1,327,868	72,589	477,868	(850,000)
<b>TOTAL - Leisure &amp; Culture</b>	<b>14,817,376</b>	<b>0</b>	<b>1,405,221</b>	<b>16,222,597</b>	<b>4,533,447</b>	<b>14,635,874</b>	<b>(1,586,723)</b>
Climate Change and Sustainability	2,838,626	1,175,959	52,140	4,066,725	526,676	4,110,982	44,257
<b>TOTAL - Climate Change and Sust:</b>	<b>2,838,626</b>	<b>1,175,959</b>	<b>52,140</b>	<b>4,066,725</b>	<b>526,676</b>	<b>4,110,982</b>	<b>44,257</b>
Street Lighting	498,402	0	0	498,402	0	498,402	0
Regulatory Services	805,571	0	0	805,571	111,043	781,671	(23,900)
StreetCare	18,665,615	0	5,540,567	24,206,182	2,838,913	11,810,076	(12,396,106)
Other PR Projects	2,515,844	0	138,962	2,654,806	1,214,611	2,385,642	(269,164)
LIP PROGRAMME	2,198,581	0	236,000	2,434,581	653,268	1,884,581	(550,000)
Cleaner Greener Safer	1,865,837	0	0	1,865,837	813,278	1,845,837	(20,000)
Street Market	104,515	0	0	104,515	4,515	104,515	0
Waste & Cleaning	800,000	0	0	800,000	0	450,000	(350,000)
<b>TOTAL - Environment</b>	<b>27,454,364</b>	<b>0</b>	<b>5,915,529</b>	<b>33,369,894</b>	<b>5,635,628</b>	<b>19,760,723</b>	<b>(13,609,170)</b>
Stronger Neighbourhoods	1,250,000	0	2,500,000	3,750,000	452,041	3,750,000	0
<b>TOTAL - Stronger Neighbourhoods</b>	<b>1,250,000</b>	<b>0</b>	<b>2,500,000</b>	<b>3,750,000</b>	<b>452,041</b>	<b>3,750,000</b>	<b>0</b>
<b>TOTAL</b>	<b>46,360,366</b>	<b>1,175,959</b>	<b>9,872,890</b>	<b>57,409,216</b>	<b>11,147,792</b>	<b>42,257,580</b>	<b>(15,151,636)</b>

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

### **Leisure Directorate**

4. The projected 2025-26 outturn is £14.6m against the revised budget of £16.2m (which includes additional Neighbourhood CiL funding).

#### *Parks, Leisure Centres, Youth and Play*

5. The Parks Programmes and Projects cluster includes 35 individual projects. Forecast expenditure in 25/26 includes spend on the following major projects:
  - South Dock Marina Greenland Dock (£1.3m)
  - Nunhead Cemetery East Lodge Restoration (£1.5m)
  - South Dock Marina H&S Works (£700k)
  - Playgrounds & Adventure Playgrounds (£2m)
  - Peckham Rye Adventure Playground (£0.5m)
  - Bethwin Road Adventure Playground (£0.4m)
  - Goose Green, Nursery Row, Little Dorritt, Cossall (0.9m)
  - Dulwich Park (£200k)
  - Burgess Park Giraffe House Demolition & Club house
  - Sports Pavilions and Pitches at Burgess & Brimington Parks
6. The forecast expenditure for South Dock Marina (SDM) Health and Safety (H&S) project this year has been reduced downward due to project delay. To achieve best value, a revised approach to procuring the main construction contract works is in place. This now means construction is anticipated to start in Q1 2026/27.
7. Work is nearing completion at Greenland Dock. The project includes new electrical supply and replacement pontoons and will complete in Q4 2025/26.
8. Construction of a new modular cabin building at Nunhead Cemetery as part of the East Lodge project completed in Q2 2025/26. The contract to rebuild the East Lodge building itself began in July and is on track to complete in April 2026.
9. Playground projects at Peckham Rye Park Adventure Playground and Goose Green start on site construction in Q3 2025-26. Upgrades to Bethwin Adventure Play and Dulwich Park Playgrounds will start in Q4.
10. Various lifecycle maintenance and improvement works are in progress across the Leisure Centres. These includes new e-gym at Camberwell and Peckham Pulse Leisure centres tailored to individual's health needs, solar photovoltaic (PV) panel installation and dry-side change room works at Dulwich Leisure centre, new CCTV across all the leisure sites, Heating, Ventilation, and Air Conditioning (HVAC) and pool plant works at Peckham Leisure Centre and digital transformation of the leisure booking and customer relationship



management (CRM) system. Alongside these improvement works, the fitting out of the brand new Canada Water Leisure centre is complete, with state-of-the-art facilities and equipment, which opened in September 2025.

The 2025-26 leisure service capital works budget includes:

- Leisure Centres improvement works - £0.2m
- Canada Water Leisure Centre fitout - £1.6m
- Leisure Centre Gym replacements - £0.1m
- Leisure Centre remedial repairs and improvements - £1.5m
- Decarbonisation of Leisure centres - £0.2m
- Leisure Centres digital transformation - £0.2m

11. Included within the Youth and Play Service capital budget (Youth New Deal) there is approximately £1m remaining, for planned capital works. Whilst most of the projects are small improvement works under £50k across youth centres and adventure playgrounds, it also includes a large project for significant improvements to the Brandon Youth Centre. The tender to appoint the contractor is now live with the contract award scheduled for December 2025 and a start on site in the January 2026; with planned completion in May 2026.
12. Included within the Culture budget for 2025-26 are fit out costs for libraries refurbishment projects at Dulwich and Brandon library. These projects entail revised layouts and designs to improve customer access, new shelving and desking for improved adult and childrens and teenage areas in the library, installation of a sensory areas for children, redesigned meeting rooms, new study spaces and meeting pods for customers to use. For 2025/26 there is a total of approximately £200k being used for the fit-out projects at both libraries. The contract has been awarded for Dulwich library fit out and layout plans are being finalised. The contract for Brandon fit out will be awarded in Nov/Dec 2025 and will cover both library and youth aspects of the project. Both fit out projects are currently due to be completed in 2026 with all funds committed and spent by end of financial year 2025/26. Any remaining capital funds will be used to replenish library furniture and shelving at libraries as required..
13. There are also capital funds of £108k allocated to deliver innovative services in libraries. In 2025/26 meeting pod booths are being implemented in 5-6 libraries. These are enclosed, self-contained spaces designed to provide privacy and quiet for focused work, individual tasks, or confidential conversations or meetings. Various designs and sizes have been scoped, to fit library spaces - from 1-2 person single-person phone booth-style pods to larger 4 person pods that can accommodate small teams for meetings, with an estimated cost of £75k - £90k. Having completed scoping and benchmarking the procurement is now underway for this with installation scheduled for early 2026. These meeting pods will be bookable for the local community for a small fee thus providing a small income stream for the library service.

## **Climate Change & Sustainability Directorate**

14. The projected 2025-26 outturn is £4.1m against the revised budget of £4.1m (which includes additional decarbonisation grant funding from central government).
15. Cabinet agreed an additional £25m capital budget to enable the council to do more, faster, to reduce carbon emissions and deliver the objectives of the council's Climate Change Strategy, and Climate Resilience and Adaptation Strategy. An additional £1.3m has also been added from the Sustainability Fund to increase the total funding allocation to £26.3m. As of the end of 2024-25, £8m had been spent.
16. The remaining funding was fully allocated to project areas by Council Assembly in November 2024. However, following successful bids to the Public Sector Decarbonisation Scheme (PSDS) on leisure and schools retrofit, an additional £2m has been freed up for allocation to new projects.
17. The following schemes will be delivered this year:
  - Minor retrofit work to crematorium and cemetery buildings (£0.1m).
  - Continued school retrofit work, focused on the Brunswick Park Primary School sports hall (£0.12m).
  - Contribution to retrofit of 160 Tooley Street and installation of new air source heat pump (£0.1m). An additional contribution of £1.65m will be committed this year with spend in 2026/27
  - Funding for the borough-wide Cycle Hanger programme (£0.45m).
  - Continued delivery of upgrades to more efficient LED lighting in parks. (£0.19m).
  - Improvement to walking facilities in the borough, through capital delivery in Walworth and continued roll-out borough wide of school walking maps. (£0.19m).
  - Leisure centre retrofit programme for five leisure centres is underway alongside reductions to energy use, including upgraded Building Management Systems, LED lighting and support for successful £9m PSDS bid (£0.17m). Solar PV project for Dulwich Leisure Centre underway.
  - 23 community energy projects funded across the borough through the Round 1 of the Southwark Community Energy Fund (£0.4m). Distribution of funds to the 24 successful projects of Round 2 has commenced (£0.42m).
  - Delivery of the community led Southwark Biodiversity Fund to create new and enhanced green spaces in the borough (£0.375m).
  - Delivery of several Sustainable Urban Drainage schemes, to reduce local surface water flood risk on highways, schools, parks and housing estates and improving greening (£0.23m).

## **Environment Directorate**

18. The projected 2025-26 outturn is £19.8m against the revised budget of £33.3m (which includes additional Neighbourhood CiL funding and Streets for People funding from reserves).

### *StreetCare*

19. The Non-Principal Road (NPR) programme, which delivers major resurfacing of footways and carriageways with eight completions in Q1, and programme delivery planned for the remainder of the year.
20. Repairs to Cox's Walk Footbridge due to storm damage has been completed, and the work won an award of the Institute of Civil Engineers' Best Infrastructure Project, Small (<£5m) at the start of this month.
21. The Flood Prevention programme continues to deliver a programme of works designed to alleviate flooding concerns before they become problems.

### *Local Implementation Plan and Streetspace Programme*

22. Local Implementation Plans (LIPs) set out how each London borough will meet the objectives of the Mayor's Transport Strategy. A total LIP budget of £ 2.1m has been allocated to develop and implement various corridor, bus priority and cycling improvement programmes. A full spend of the allocated budget is expected.
23. The following Streetspace and cycling schemes are to be completed or commence on site before the end of the 2025/26 financial year:
  - America Street Streetspace
  - Goose Green Pocket Park
  - Bermondsey Street footway improvements
  - Cooks Road planter replacement
  - Red Post Hill / Dulwich Village junction improvement
  - Cycle Future Route 12 (CFR 12), on Ilderton Road, Old Kent Road and Hornshay Street, Meeting House Lane and Goldsmith Road
24. The cycle hangar programme is currently delivering at pace, and this is due to continue throughout 2025/26 with 1000 expected to have been installed during this political term.

### *Other Public realm*

25. The Streets for People programme commenced in Q1 with significant delivery planned for later in the year. Design and engagement work ongoing.
26. The School Streets programme is due to deliver substantially in 2025-26 with improvements at all primary schools planned before April 2026.
27. Procurement and design are ongoing for the implementation of the street lighting central management system. Spend remains planned for Q4.

*Cleaner Greener Safer, (Including air quality projects)*

28. The Cleaner Greener Safer (CGS) programme for 2025/26 has over 200 live projects. All projects set up and are on target with spend and completions. Q1 and Q2 are on target and budget with 106 projects completed to date.

*The Mayor's Air Quality Fund (MAQF)*

29. This MAQF project involves working with schools to raise awareness of asthma and enhance the health and educational experience of students, particularly those with asthma. Contract awards have been approved, and the first study cohort is planned to start in November 2025. The project will be monitoring air quality in selected pupils' homes and their classrooms and promoting awareness and behavioural change that will ensure minimal impact on vulnerable pupils because of poor air quality.
30. The Environmental Protection team continues to promote the project and there are enough candidate participants to start the trial cohort. Work is taking place to recruit schools that will participate in the project, and the intention is to complete the school's onboarding fully before the end of the autumn term. The grant award has been now signed off.
31. The bookable permit holder only loading bays aspect of the completed Walworth Low Emission Neighbourhood (LEN) project (previously funded by the MAQF), won the British Parking 'Future Parking Awards' in the Technology and Digital Transformation award category.

**Stronger Neighbourhoods Directorate**

32. The projected 2025-26 outturn is £3.75m against the revised budget of £3.75m (which includes additional Strategic CiL funding for the Women's safety centre).
33. The council currently has 541 town centre, open space, housing estate and Southwark property cameras with 11 re-deployable cameras. Images return to a central CCTV control room based at Southwark Police Station. The control room is staffed by 11 operators 24/7 and is critical to community safety including to police operations, partnership priorities, crime reduction and protecting the public.
34. A key strand of the Southwark 2030 vision is safety. CCTV is a vital and important contributor to this vision.
35. CCTV is a critical service within the council and is a council plan commitment 2022-26, Safer streets and estates, with a specific commitment to:
  - Invest in CCTV network with improved camera network and upgrade of systems to High Definition.
36. The council has a statutory duty under S.17 of the Crime and Disorder Act 1998, to do all it reasonably can to prevent, crime and disorder in its area (including anti-social and other behaviour adversely affecting the local

environment). CCTV is an essential component supporting partners in the prevention and detection of Crime and Anti-social behaviour. In February 2023, a £3 million capital bid was approved to upgrade all of the CCTV cameras and transmission systems.

37. The following works are underway as part of the upgrade:
  - Upgrade the CCTV transmission system
  - Upgrade all town centre and public space CCTV cameras to High Definition (HD)
  - Relocation of the server room and central equipment to a Southwark owned building.

The works are due to complete in the winter of 2026.

38. A further capital allocation of £1million was made in January 2025 to move the council's system to our own duct and fibre from rented duct and fibre and these works are also now ongoing.
39. The Council Delivery Plan 2022-26 includes a commitment to establish a Women's Safety Centre to provide comprehensive support for women experiencing violence or abuse. This initiative aims to transform the way support and intervention are made available to victims/survivors of Violence Against Women and Girls (VAWG) crimes. A capital allocation of £2.5m CiL funding was approved at September 2025 Cabinet to meet the development costs for the building, including fittings and furnishings. The work is due to be completed by the end of February 2026.

## **CHILDREN AND ADULTS SERVICES**

40. The total value of the department capital programme for the 10-year period, 2025-26 to 2034-35 is £76m.

### **Adult Social Care**

41. The Adult Social Care (ASC) capital programme for the period 2025-2035 totals £12.7 million. Key investments include £5.8 million for essential lifecycle works across four residential care homes, £5 million for improvements to existing care settings and other ASC buildings as well £1.8 million to support the development of new bed-based care through a new nursing home within the borough.
42. The Adult Social Care capital programme is strongly aligned to Southwark 2030 and the ASC Capital Board has outlined a set of priorities for 2025-26 and beyond to meet the evolving needs of vulnerable adults. A primary focus is on improving accessibility, which is crucial for enhancing the lives of people with disabilities and their carers.
43. Continued investment in the Adult Social Care property portfolio ensures that buildings remain safe and secure for staff and service users. A proactive approach to asset replacement, coupled with investment in low-carbon,

sustainable technologies, is helping to reduce breakdowns and lower maintenance and operational costs. This work also supports carbon reduction commitments of the local authority.

44. The council owns a variety of properties used for residential and nursing care for older adults and supported living for individuals with mental health needs and learning disabilities. A five-year programme, running through to March 2029, will focus on maintain and upgrading the building fabric, as well as mechanical and electrical infrastructure. Projects will also enhance energy efficiency, including the installation of LED lighting, air source heat pumps (ASHP), new double-glazed windows, and solar panels, aligning with the council's low-carbon goals.
45. The programme for the four residential and nursing homes aligns with responsibilities agreed with the new care provider, Agincare, which is now managing the redecoration of residents' en-suite rooms. Key lifecycle works include lift replacements, new lighting, upgraded fire alarms, window replacements, and pipework upgrades. The window replacement programme at Rose Court Care Home is also expected to commence in 2025-26 alongside other associated works.
46. Ongoing lifecycle works on Adult Social Care buildings and Supported Living accommodations continue to progress. Roof repairs have carried out at Southwark Resource Centre and internal refurbishment including a new reception area will begin in 2025-26. The Orient Street Adult Respite Unit is planned to be redecorated as part of the lifecycle programme as will the base for the Mental Health service at Castlemead. Refurbishment works is also expected to begin at two Supported Living properties.
47. The Corporate Facilities Management team is currently undertaking condition surveys to assess the feasibility, cost-benefit returns, and prioritisation of additional low-carbon initiatives. These findings will inform a review of projects planned for the later stages of the five-year programme and support the development of an updated capital plan for 2026–2030, leading to further approvals for work during 2026–2028.
48. In addition to this continued investment in the Adult Social Care property portfolio, investments are also being made under the Children's and Adults Information System Development programme to upgrade the database for Mosaic, the Children's and Adults' Services social care case management system. The upgraded database will support better functionality and enhanced reporting.

### **Children's Services and Southwark Schools Capital Programme**

49. The Children's Services capital programme forecast for 2025-26 to 2034-35 is £63.7m. This consists of £10.6m for the schools maintenance programme and £18.2m for special education needs and disabilities capital strategy. It also includes certain specific projects such as £5.7m for Ivydale Primary School, £17.6m for Beormund Special School, £1.5m for Riverside Primary School, as well as £1.9m for the development of the two children's homes.

50. The overall programme is focused 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. The rising cost of construction affects the capital programme by increasing demands on existing resources. The current challenges for the construction industry remains the availability of labour and skilled sub-contractors. Over the last few years there has been a large increase in costs for the new Building Control regime which has driven up costs for the insurance market for both consultants and contractors. Material costs are being affected by the world market and in particular tariffs and high transport costs. The shortage of labour is now the biggest concern for contractors with wage inflation continuing to outstrip the general marketplace.
51. 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 childcare 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. 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.
52. Projects are in progress at present for the development of two new children's homes. The main construction works on the first home are complete, and the home is now open with resident children. For the second, the main contractor is on site. Completion is expected in summer 2025 and will open as a care home for children in 2025-26.

### **Primary Provision**

53. The Primary School maintenance 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 delivered 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, 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 for works at two schools and £0.3m for Air Quality projects is being funded from the Environmental Protection Team. A successful funding bid was awarded by the Public Sector Funding Scheme administered by Salix Finance to

decarbonise schools. Crawford School was successful in receiving grant funding for a new Air Source Heat Pump system and additional funding was won from the GLA for energy saving improvements to primary schools.

54. At Riverside Primary School a new early year's classrooms and a new dining space have been built, alongside this a new safe, accessible entrance into the school is also being provided. These works are now completed and the new facilities are in use.
55. The children services capital programme also includes a new capital project for the consolidation of the Ivydale primary school onto a single site. This work is underway and has been delivered as a staggered programme of refurbishment which expected to see the school fully consolidated for in the 2026 – 27 school year.

### **Secondary Provision**

56. The Charter School East Dulwich is being expanded to address a shortfall in spaces in the local area. The project is in its final stage, with the demolition of the former hospital 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 was delayed due to the main works contractor withdrawing from the contract. The new facilities are complete, and the school opened the new school year in 2025 with all their new buildings in full operation.

### **Special Education Needs provision**

57. 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.
58. 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 works on site have started with the anticipated completion for the project in winter 2026.
59. Cabinet approval has been given on two projects to expand specialist provision. The first of these is the expansion of Highshore Special School into the closed Comber Grove Primary school site in line with the re-provision strategic approach. The second is the creation of a satellite site of Cherry Garden Special School in vacant classrooms within Bellenden Primary School.
60. Additional capital projects for the development of specialist provisions include capital investment into the former Riverside Day Centre to create additional post-16 SEND provision in the borough, this project is being jointly funded and



delivered in partnership with the Orchard Hill College, and additional capital investment into the development of the SEND Children & Family Hub at site of the former Ann Bernadt nursery, which in addition to providing a range of specialist multi-agency child and family support services, will also provide specialist early years and other education focused provisions such as short breaks, alternative provision and tutoring space for children facing difficulties accessing education.

61. In addition to repurposing closed maintained school sites for new specialist provision, the government is pressing for greater capital investment into adaptation of mainstream schools to increase their capacity to accommodate children with additional needs. This includes increasing the accessibility of schools, the additional needs specific spaces, and the overall school environments to make them more conducive to educating a diverse range of pupils. The developing capital plans will include arrangements to meet these governmental expectations.

## **HOUSING – GENERAL FUND CAPITAL**

### **Overview**

62. The Housing General Fund capital programme is projected to spend approximately £51m between 2025 and 2034. This consists of £30.7m allocated to housing renewal schemes, £1m for residual works on traveller sites and £19.4m for the Local Authority Housing Fund (LAHF) Buyback 50 Programme. The forecast expenditure for 2025–26 is £25m, which is £0.1m higher than the forecast of £24.9m reported to Cabinet in the 2025-26 month 4 monitoring report. This is due to an increase in forecast spend on the Housing Renewals.

### **Asset Management – Housing Renewal**

63. The Private Sector Housing and Adaptations programme delivers a range of targeted interventions to support residents in private sector housing to live independently. This includes financial and practical assistance for essential repairs, home improvements, and adaptations. The programme also supports the return of vacant properties to active use, contributing to housing supply and reducing homelessness pressures.

### **Disabled Facilities Grant (DFG) and Adaptations**

64. For the 2025-26 financial year, the Disabled Facilities Grant (DFG) budget is £2.1m. The actual expenditure, commitment and 55 current cases bring the expected spend to £2.1m, closely aligning to the available budget.
65. Although initial demand was low, recent collaboration with Adult Social Care department has led to an increase in referrals, allowing the team to make fuller use of the funding. To support this, we are in the process of recruiting an additional Occupational Therapist to assess DFG cases and help reduce waiting times.

66. To further optimise the use of the budget, we propose extending the grant to cover certain existing services that have previously been funded by clients aged 60 and over. Under current DFG guidance, funding can be used for handyperson services where adaptations support independent living and have a lasting impact, rather than simply addressing repairs.
67. DFG capital may also be used for preventative minor works, so have recommended the creation of two new categories:
- DFG Minor Works
  - DFG Handypersons
- These will be implemented in preparation for the next financial year.
68. No expenditure has yet been made on home repair grants and loans, as resources have been strategically focused on delivering major adaptations. This approach has led to shorter waiting times and better outcomes for vulnerable residents. However, rising costs of labour and materials have made current per-applicant funding levels unsustainable. A review and adjustment of funding allocations is recommended to ensure continued service delivery and full utilisation of the budget.

### **Empty Homes and Property Restoration**

69. Following Cabinet approval to overhaul the loans and grants framework, the Empty Homes Team has successfully utilised the 2025-26 budget to bring thirteen properties back into use. Several of these homes have been allocated to Housing Solutions to assist households experiencing homelessness. Over the next three years, this initiative is projected to deliver substantial cost avoidance for the Temporary Accommodation Team. The current pipeline of Empty Homes Loans is valued at £500,000, and landlord loans have been strategically realigned to support and sustain this pipeline moving forward.

### **Compulsory Purchase Order (CPO) Programme**

70. A budget of £2m has been allocated to support the Compulsory Purchase of long-term empty properties. Given the complexity and extended timescales associated with the CPO process, initial efforts have focused on pursuing voluntary acquisitions. Of the eight properties identified, two have been prioritised for intervention following detailed assessments. One CPO is expected to progress in the current financial year.

### **Resident Services – Traveller Sites**

71. A comprehensive programme of reconfiguration and improvement works has been initiated to address critical health, safety, and compliance issues—primarily fire safety—across Traveller sites. Further investment is planned to ensure continued progress and compliance.

72. The programme has experienced delays and setbacks, resulting in increased costs. Additionally, the contractor engaged for works at Ilderton Road was found to be operating outside the approved legal framework. Revised cost estimates provided by the Planned Maintenance Team have increased the total projected budget to £1m. Of this, £0.4m has been secured through safeguarding grant funding from the Greater London Authority (GLA), with 88% of the amount received to date.
73. A variation has been added to the capital programme for the additional grant secured. However, despite the grant, it is likely that there will be a shortfall of £0.3m remains in the overall programme.
74. The updated programme includes:
- Bringing Springtide Close back into use and occupation.
  - Delivering fire safety and modernisation works at Burnhill and Brideale Close.
- All planned works are scheduled for completion within the 2025-26 financial year.

### **The Local Authority Housing Fund (LAHF) Buyback 50 Programme**

75. The council has secured grant funding of £10.9m for this programme, which will support the purchase and refurbishment of former right-to-buy properties for use as temporary accommodation and resettlement homes for refugees. The estimated cost, which is expected to be spent fully in 2025-26, is £19.4m and the remaining balance of £8.5m will be funded from borrowing.
76. 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. Additionally, this effort aligns with and supports the key council aims outlined in Southwark 2030.

## **RESOURCES**

77. The total value of the finance capital programme for the ten years to 2034-35 is £100.6m.

### **Technology and Digital Services (TDS)**

78. Southwark remains committed to advancing its digital strategy, with a sharpened emphasis on upgrading foundational infrastructure, enhancing resident-facing services, and building long-term digital resilience.
79. A key investment this year is a £6 million programme to replace council laptops, equipping staff with modern, secure devices that support efficient working. This initiative aligns with the council's "Well-Run Council" objective, which aims to create a digitally enabled workplace through reliable and high-performing technology.

80. To improve digital accessibility and service delivery for residents, the council is prioritising transformation projects that enhance online engagement. Around £1.2m is being directed toward Microsoft 365 upgrades, boosting collaboration, security, and productivity across teams. A further £1.6m will support the migration to cloud infrastructure, allowing Southwark to move away from legacy on-premises systems in favour of scalable, flexible solutions. Connectivity and infrastructure improvements are also underway, backed by a £1.1m investment to ensure systems remain robust and future ready.
81. In parallel, the council is investing in smarter resident engagement and data management. £0.6m is allocated to integrated customer engagement platforms, enabling more personalised and consistent support across digital channels. An additional £1.5m will fund a suite of initiatives including automation, CRM (Dynamics) development, migration to Microsoft Fabric, and Power BI dashboarding—each designed to enhance operational insight, efficiency, and data-driven decision-making.
82. Together, these investments reflect Southwark’s ambition to become a digitally inclusive, agile, and forward-thinking local authority.

### **Public Switched Telephone Network (PSTN)**

83. BT Openreach’s announcement to retire the Public Switched Telephone Network (PSTN) by December 2025 marks a significant shift in telecommunications. The PSTN, which delivers analogue services via copper lines, is being replaced by fibre-based Voice over Internet Protocol (VoIP) systems—a transition known as the digital switchover.
84. Several council technologies reliant on PSTN wiring, such as lift systems and SMART monitors, have required upgrades to accommodate this change. The council’s programme is focused on managing the transition for all affected commercial and residential services. Although the formal shutdown of PSTN and ISDN is scheduled for January 2027, providers recommend completing the switchover by December 2025 to avoid service disruptions.
85. Southwark has continued to implement replacements and new technologies to minimise the impact on residents, services, and staff. Forecasted expenditure for this transition stands at £0.2 million for 2025–26.

### **Planning and Growth department**

86. The total value of the capital programme for the department over the 10 year period is £71.7m. The current projected outturn for 2025-26 is £20.9m compared to a current approved budget for 2025-26 of £28.7m. The remaining budgets for this and future years will be reprofiled accordingly.

### **Planning**

87. The Planning team has a budget of £4.6m for 2025–26, with current forecasts indicating an expected outturn for the year of £4.2m.

### **Bramcote Park**

88. This project focuses on enhancements to Bramcote Park North, located on Verney Road. The improvements are outlined in the Council Delivery plan following extensive public consultation that began in 2019. The contractor procurement process is currently underway, with appointment expected shortly. Completion of the improvement works is forecast for 2025–26, with a total budget of £0.864m. This budget figure also included approved funding for phase 2 – Bramcote Park South.

### **634– 636 Old Kent Road**

89. Approved by Cabinet in January 2025, this project involves a grant to Hexagon Housing Association to support the development of 634–636 Old Kent Road. These enabling works are part of the wider Bakerloo Line Extension initiative. The funding agreement is now in place, with forecasted expenditure of £2.1m in 2025–26 and a further £0.2m in 2027–28.

### **Old Kent Road Linear Park**

90. This project will deliver a new cycle crossing over Old Kent Road, facilitated through Transport for London (TfL). Construction is scheduled for completion in November/December 2025, with the forecast including a £1m payment to TfL.

### **Sustainable Growth**

91. The Sustainable Growth team has a combined current budget of £19.1m for 2025–26 and with a current forecasted expenditure of £11.8m for the year.

### **Elephant and Castle Open Spaces**

92. This project was initiated to upgrade eight individual parks within the Elephant & Castle core area. Six schemes have now been completed, with the seventh (Nursery Row) expected to finish in September 2025. The final scheme—Geraldine Mary Harmsworth playground and landscape—is currently underway and forecast to complete in 2026–27.

### **Southwark Pensioners**

93. The new Pensioners Centre in Camberwell is at RIBA Stage 4. A Pre-Contract Service Agreement has been in place since Q1 2025–26, with main contract works scheduled to commence in November 2025.

### **Aylesbury - Plot 18**

94. Following the completion of the Health Centre, Library, and Public Square, negotiations are ongoing with Notting Hill Housing Association regarding the final account. These are expected to conclude within 2025–26, including all associated financial settlements.

### **Holyrood Street**

95. This project involves improvements to the public realm on Holyrood Street. Design work is currently being undertaken by Highways, with construction scheduled to begin in late Q4 2025–26.

### **Revitalising the Blue**

96. This project will deliver a multi-arts space at 223 Southwark Park Road. The planning application was submitted on 15 August. Construction is forecast to begin in December 2025 or January 2026, with completion scheduled for August 2026.

### **Marlborough Sports Garden**

97. The current phase of refurbishment and enhancement at Marlborough Sports Garden has been successfully completed. The next phase of works is underway and commenced in Q2 of this financial year.

### **LGBTQ+ Cultural Centre**

98. This project relates to the provision of a Cultural Centre for the LGBTQ+ community. The scheme is being managed by The Trampery with a forecast start on site in March 2026 and with a 9 month construction period.

### **Leathermarket**

99. This park improvement project includes active community involvement and is has been completed.

### **Gateway to Peckham**

100. Following the Compulsory Purchase Order (CPO) issued in June 2020, substantial progress is anticipated in finalising compensation payments to former landowners, property owners, and tenants. These settlements have been ongoing across multiple financial years, with individual cases expected to conclude in late 2025–26 and early 2026–27.

### **Peckham Rye Station Square**

101. This project will convert two vacant Victorian houses into a new Cultural Centre for Peckham Platform and the surrounding area. Phase 2 (the Square) is currently under review and forecast to begin in mid-2026. A Pre-Contract Service Agreement (PCSA) was awarded at the start of 2025–26 to develop the detailed design, which is scheduled to complete by the end of November 2025. Contract works for the conversion are forecast to begin in January 2026.

### **Peckham Square**

102. This project will deliver a new civic square adjacent to Peckham Rye Station, along with five new business units within the railway viaduct. As with the Station Square project, a PCSA was awarded at the beginning of 2025–26. Main contract works are forecast to be awarded in November 2025, with completion expected by October 2026.

### **Elim House**

103. Refurbishment works to Elim House Day Centre are substantially complete and minor residual works forecast to finish within the current financial year.

### **Livesey Exchange**

104. This new community hub on the Old Kent Road, is scheduled for completion by January 2026.

### **Neighbourhood Community Infrastructure Levy**

105. For the 2025–26 financial year, £14.5m has been allocated to a range of individual projects across the council. The first tranche of projects has been registered within the capital programme. The remainder will be fully registered to coincide with the next capital monitor reporting cycle. To date expenditure of £0.8m has been incurred.

### **Property**

106. The Property team within Planning & Growth has a budget of £4.9m in 2025-26 and with a current forecast for the year of £4.9m for the financial year.

### **Elephant & Castle Regeneration**

107. This project represents Southwark's financial contribution to the Greater London Authority (GLA) for Transport for London-led works at the Northern Line Ticket Hall and Northern Roundabout at Elephant & Castle. Including the current financial year, five scheduled payments remain, with the final payment due in 2029–30.

### **Pullens Yard Improvements**

108. This is a rolling programme of fire safety compliance works at Pullens Yard. The current phase of works commenced in 2024-25 and will continue throughout the 2025-26 financial year.

### **Void Shops**

109. This project is a rolling programme of health and safety works, including related assessments, for Southwark-owned void shops and retail parades across the borough.

### **Commercial Property**

110. This is a 5 year rolling programme of required works to Southwark owned commercial properties and including planned works at 7 & 8 Holyrood Street, 14-20 Shand Street and Tower Workshops.

## **GOVERNANCE AND ASSURANCE**

### **Asset Management - Corporate Facilities Management (CFM)**

111. The Corporate Facilities Management (CFM) capital programme continues to deliver essential investment across operational buildings, focusing on both lifecycle maintenance and statutory compliance. Southwark remains committed to ensuring its estate is safe, energy-efficient, and aligned with modern working

practices. Lifecycle works support this ambition by upgrading core building systems—such as heating and lighting—with sustainable technologies including LED lighting and air source heat pumps.

112. In 2025–26, significant capital investment will be directed towards Tooley Street, the council's primary administrative centre. Approximately £1.2m will be allocated to enhance security and infrastructure, including the replacement of turnstiles and revolving doors, installation of fire-rated curtains and doors, and phased upgrades to the variable refrigerant flow (VRF) systems to boost energy performance. Additionally, new audio-visual systems will be introduced in key meeting spaces to support hybrid working and improve collaboration. These upgrades will collectively enhance the building's safety, efficiency, and usability.
113. Beyond Tooley Street, the CFM programme will fund a range of improvements across other council sites. This includes emergency repairs, heating system renewals, refurbishments, and tailored workplace adaptations. Notable investments include £1.7m at Bournemouth Road, £1.9m at Queens Road estate, £1.5m at Dulwich Library and £1.9m across various other locations. These works ensure that council buildings remain compliant, safe, and responsive to evolving service delivery needs—whether through structural interventions, front-of-house reconfigurations, or essential system upgrades.
114. The Compliance programme underpins the council's statutory obligations by maintaining a robust inspection and assessment framework. This ensures that operational buildings meet all relevant health and safety standards, creating environments that support both staff wellbeing and service user experience.
115. Overall, CFM's integrated approach to lifecycle, compliance, and workplace investment continues to safeguard the value and functionality of Southwark's operational estate.



HRA Capital Programme-2025/26 Month 06 Monitor- Appendix C

Programme	Programme Area	Scheme	2025/26 Month 06 Spend	2025/26-2034/35					2025/26-2034/35 Total Forecast
				2025/26 Forecast	2026/27 Forecast	2027/28 Forecast	2028/29 Forecast	2029/30+ Forecast	
Asset Management	Planned Maintenance	Major works	3,359,127	17,513,217	28,272,658	4,685,432	-	231,943,057	282,414,364
		District Heating	11,156	11,156	-	-	-	-	11,156
		Fire/Building Safety	116,994	1,000,000	6,500,000	5,800,000	2,100,000	13,291,119	28,691,119
		Security	-	-	-	-	-	-	-
		Stock Condition Survey	107,528	4,232,420	3,424,148	1,735,000	1,540,852	-	10,932,420
		Emergency structural	30,045	47,300	1,296,750	43,250	-	-	1,387,300
		Voids	-	4,200,000	-	-	-	-	4,200,000
			3,624,850	27,004,093	39,493,556	12,263,682	3,640,852	245,234,176	327,636,359
Adaptations	Engineering	Adaptations eng	-	192,700	192,700	192,700	-	-	578,100
Asbestos		Asbestos	229,769	1,600,000	1,600,000	1,600,000	1,600,000	6,400,000	12,800,000
Boiler replacements		Boiler replacements	1,346,332	4,000,000	4,000,000	4,000,000	4,000,000	16,000,000	32,000,000
Data systems improvements		District Heating eng	3,134,751	9,950,004	18,588,935	17,407,380	18,790,740	6,300,000	71,037,059
District Heating		Electrical	13,306,312	31,889,459	14,368,649	4,600,000	4,600,000	4,600,000	60,058,108
Electrical		Fire Safety	629,439	3,000,000	3,000,000	3,000,000	3,000,000	12,000,000	24,000,000
Fire Safety		Fire/Building Safety eng	83,289	1,325,904	-	-	-	-	1,325,904
Fire/Building Safety		FRA Tasks	58,525	-	-	-	-	-	-
FRA Tasks		Ladders	-	30,000	1,400,000	1,188,750	1,160,000	1,120,000	4,898,750
Ladders		Lifts	196,879	3,767,806	5,200,000	1,900,000	1,500,000	6,300,000	18,667,806
Lifts		Security eng	195,927	500,000	500,000	500,000	500,000	2,000,000	4,000,000
Security		Ventilation	17,368	500,000	400,000	400,000	400,000	1,300,000	3,000,000
Ventilation		Water tanks	3,128	750,000	500,000	500,000	500,000	2,000,000	4,250,000
Water tanks			19,201,717	57,505,873	49,750,284	35,288,830	36,050,740	58,020,000	236,615,727
	Repairs	Adaptations	795,317	2,956,400	2,956,400	1,600,000	1,600,000	6,400,000	15,512,800
		Communal	25,466	3,300,000	3,550,000	3,550,000	3,550,000	13,700,000	27,650,000
		FRA Tasks repairs	2,083,496	4,232,704	1,456,000	1,456,000	1,456,000	5,824,000	14,424,704
		Health & Safety	-	-	-	-	-	5,751,436	5,751,436
		Major voids	-	534,000	-	-	-	-	534,000
		Major repairs	416,771	2,000,000	1,000,000	1,000,000	1,000,000	5,000,000	10,000,000
		Roofing	1,262,836	2,250,000	2,250,000	2,250,000	2,250,000	9,000,000	18,000,000
		Voids	198,932	2,000,000	2,000,000	2,000,000	2,000,000	8,000,000	16,000,000
			4,782,818	17,273,104	13,212,400	11,856,000	11,856,000	53,675,436	107,872,940
	Building Safety	Fire & Building Safety	29,878	665,850	-	-	-	-	665,850
			29,878	665,850	-	-	-	-	665,850
	Total Asset Management		27,639,263	102,448,919	102,456,240	59,408,512	51,547,592	356,929,611	672,790,875
	Financing								
	Major Repairs Reserve		-	46,691,000	46,691,000	46,691,000	45,547,592	275,572,370	461,192,963
	CERA		-	16,312,000	30,765,000	12,717,512		69,530,415	129,324,927
	Non RTB receipts		-	18,015,056	15,000,000			5,552,324	38,567,380
	RTB receipts		-					-	-
	Grants & external contributions		-	187,873			6,000,000	6,274,502	12,462,375
	Green Buildings Fund		-					-	-
	Borrowing		-	21,242,990	10,000,240			-	31,243,230

	Total financing		-	102,448,919	102,456,240	59,408,512	51,547,592	356,929,611	672,790,875
New Build & Acquisitions	Acquisitions	Acquired	2,616	315,313	-	-	-	-	315,313
		Delivered and in defects	7,925	1,185,358	1,100,200	-	-	-	2,285,558
	Total Acquisitions		10,541	1,500,671	1,100,200	-	-	-	2,600,871
	New Build	Delivered	1,340,744	4,695,449	120,509	-	-	-	4,815,958
		Delivered and in defects	1,675,923	8,072,445	4,494,791	-	-	-	12,567,236
		On site - under construction	30,202,394	64,119,482	15,642,282	3,124,245	670,480	684,899	84,241,388
		Pre-construction	8,049,915	43,549,505	46,086,979	58,046,933	90,028,934	125,074,186	362,786,537
		Paused	197,196	713,087	-	24,986	24,951	74,889	837,914
	Total New Build		41,466,172	121,149,968	66,344,561	61,196,164	90,724,365	125,833,974	465,249,032
	Total New Build & Acquisitions		41,476,713	122,650,639	67,444,761	61,196,164	90,724,365	125,833,974	467,849,903
	Financing								
	CERA		-	-	-	-	-	-	-
	Non RTB receipts		-	14,743,125	-	-	-	-	14,743,125
	RTB receipts		-	2,000,000	500,000	-	-	-	2,500,000
	Grants & external contributions		-	26,498,071	23,070,649	21,302,620	240,000	2,687,500	73,798,841
	S106 receipts		-	10,623,795	10,107,785	10,000,000	10,000,000	10,760,384	51,491,963
	Borrowing		-	68,785,647	33,766,327	29,893,544	80,484,365	112,386,090	325,315,974
	Total financing		-	122,650,639	67,444,761	61,196,164	90,724,365	125,833,974	467,849,903
Other Programmes									
	Home Purchase Scheme		264,920	862,000	-	-	-	-	862,000
	Regeneration		-	-	-	-	-	-	-
	Marie Curie Acquisitions		3,200	1,312,327	- 0	-	-	-	1,312,327
	Leathermarket JMB consolidation		-	2,500,000	2,500,000	2,500,000	2,500,000	15,000,000	25,000,000
	Total Other		268,120	4,674,327	2,500,000	2,500,000	2,500,000	15,000,000	27,174,327
	Financing								
	CERA		-	2,500,000	2,500,000	2,500,000	2,500,000	15,000,000	25,000,000
	Non RTB receipts		-	-					-
	RTB receipts		-	852,366					852,366
	Grants & external contributions		-	-	-	-	-		-
	Borrowing		-	1,321,961	-	-	-	-	1,321,961
	Total financing		-	4,674,327	2,500,000	2,500,000	2,500,000	15,000,000	27,174,327
Total Housing Investment Programme			69,384,096	229,773,885	172,401,000	123,104,677	144,771,958	497,763,585	1,167,815,105
Financing	Major Repairs Reserve		-	46,691,000	46,691,000	46,691,000	45,547,592	275,572,370	461,192,963
	CERA		-	18,812,000	33,265,000	15,217,512	2,500,000	84,530,415	154,324,927
	Non RTB receipts		-	32,758,181	15,000,000	-	-	5,552,324	53,310,505
	RTB receipts		-	2,852,366	500,000	-	-	-	3,352,366
	Grants & external contributions		-	26,685,945	23,070,649	21,302,620	6,240,000	8,962,002	86,261,216
	S106 receipts		-	10,623,795	10,107,785	10,000,000	10,000,000	10,760,384	51,491,963
	Green Buildings Fund		-	-	-	-	-	-	-
	Borrowing		-	91,350,599	43,766,567	29,893,545	80,484,365	112,386,089	357,881,165
	Total financing		-	229,773,885	172,401,001	123,104,677	144,771,958	497,763,584	1,167,815,105

Appendix D - Budget Virements and Variations											
Project Name	Project Code	Children's	Adult Social Care	Children's and Adults' Services	Governance & Assurance	Resources (Finance & Planning & Growth)	Environment & Neighbourhoods	Housing	General Fund Programme Total	Housing Investment Programme	Total Programmed Expenditure
		£	£	£	£	£	£	£	£	£	£
AGREED PROGRAMME AT MONTH 6 2025/26		63,682,246	12,676,311	76,358,557	52,981,649	97,525,232	140,287,629	50,567,899	417,720,966		417,720,966
MONTH 4 VIREMENTS TO BE APPROVED											
<b>Children's Services</b>											
Primary Schools Refurbishment Programme		(8,793)		(8,793)					(8,793)		(8,793)
Cobourg - Heating distribution	E-0000-2020.5	1,647		1,647					1,647		1,647
Dulwich Wood - Asbestos removal	E-0000-2020.7	1,647		1,647					1,647		1,647
Lyndhurst - retaining wall repair/rebuild	E-0000-2020.15	1,647		1,647					1,647		1,647
Beormund, Ivydale, Phoenix	E-0000-2022.13	3,851		3,851					3,851		3,851
Primary Schools refurbishment programme 2023/24	E-0000-2023	(7,656)		(7,656)					(7,656)		(7,656)
Tuke School	E-0000-2023.01	3,775		3,775					3,775		3,775
Haymerle	E-0000-2023.11	3,881		3,881					3,881		3,881
Primary Schools refurbishment programme 2024/25.	E-0000-2024	(159,843)		(159,843)					(159,843)		(159,843)
P1 - Bessemer Grange - Roof & Windows	E-0000-2024.01	9,372		9,372					9,372		9,372
P3 - Dulwich Wood	E-0000-2024.05	78,434		78,434					78,434		78,434
P4 - Hollydale	E-0000-2024.06	8,796		8,796					8,796		8,796
P8 - Goodrich	E-0000-2024.14	12,176		12,176					12,176		12,176
P9 - Hollydale	E-0000-2024.15	18,707		18,707					18,707		18,707
P10 - Keyworth	E-0000-2024.16	13,621		13,621					13,621		13,621
P11 - Dulwich Wood Nursery	E-0000-2024.17	14,255		14,255					14,255		14,255
P12 - Rye Oak	E-0000-2024.18	4,483		4,483					4,483		4,483
Primary Schools refurbishment programme 2025/26.	E-0000-2025	(436,625)		(436,625)					(436,625)		(436,625)
C4 - Bird in Bush	E-0000-2025.07	281,252		281,252					281,252		281,252
C7 - Victory	E-0000-2025.11	155,373		155,373					155,373		155,373
The Riverside Adaptation	E-6300-0330.44	300,000		300,000					300,000		300,000
SEND Adaptations Programme	E-6300-0330.46	(300,000)		(300,000)					(300,000)		(300,000)
<b>Housing General Fund</b>									-		-
Empty Homes Loans	G-7791-0030							551,328	551,328		551,328
Landlord Loans	G-7791-2105							(551,328)	(551,328)		(551,328)
<b>Environment and Neighbourhoods</b>									-		-
Belair biodiversity	L-6200-0090.30						75,562		75,562		75,562
Climate Emergency Unallocated	L-6200-0090.99						(75,562)		(75,562)		(75,562)
Leisure Retrofit - Dulwich Solar PV project	L-6200-0090.20						20,450		20,450		20,450
Climate Emergency Unallocated	L-6200-0090.99						(20,450)		(20,450)		(20,450)
Capital LED replacement	L-6200-0090.10						(9)		(9)		(9)
Climate Emergency Unallocated	L-6200-0090.99						9		9		9
Leisure Public Sector Decarbonisation	L-6200-0090.31						2,575,809		2,575,809		2,575,809
Climate Emergency Unallocated	L-6200-0090.99						(2,575,809)		(2,575,809)		(2,575,809)
SDM Essential H & S Project	L-4530-0060						(43,413)		(43,413)		(43,413)
South Dock Marina Essential Works	R-4020-0356						43,413		43,413		43,413
South Dock Marina Essential Works	R-4020-0356						3,000,000.00		3,000,000		3,000,000
Ryedale (Burial & Scoping)	L-2340-0430						(3,000,000.00)		(3,000,000)		(3,000,000)
Goodrich Primary school - Solar PV	L-6200-0090.19						(18,060)		(18,060)		(18,060)
Southwark Community Energy Fund Round 2	L-6200-0090.28						18,060		18,060		18,060
Top Quality Playgrounds	L-2340-0570						132,616		132,616		132,616
Newington Gardens	L-2340-0416						(132,616)		(132,616)		(132,616)
<b>Planning &amp; Growth</b>				-					-		-
GMH Bldgs, Brook Drive	R-4020-0100.5			-		255,537			255,537		255,537
Dickens Square	R-4020-0100.4			-		(42,067)			(42,067)		(42,067)
Nursey Row	R-4020-0100.7			-		(213,470)			(213,470)		(213,470)
									-		-
<b>TOTAL VIREMENTS TO BE APPROVED MONTH 6</b>		-	-	-	-	-	-	-	-	-	-
MONTH 6 - VARIATIONS TO BE APPROVED											
<b>Housing General Fund</b>									-		-
Burnhill	G-1694-3000.02							71,100	71,100		71,100
Brideale	G-1694-3000.03							15,941	15,941		15,941
Springtide	G-1694-3000.05							123,822	123,822		123,822
									-		-

Project Name	Project Code	Children's	Adult Social Care	Children's and Adults' Services	Governance & Assurance	Resources (Finance & Planning & Growth)	Environment & Neighbourhoods	Housing	General Fund Programme Total	Housing Investment Programme	Total Programmed Expenditure
<b>Environment &amp; Neighbourhoods</b>									-		-
Ledbury Estate EV chargers	L-6200-0095.06						52,140.00		52,140		52,140
ILDERTON ROAD	L-2025-0060.03						75,000.00		75,000		75,000
CYCLE PARKING	L-2025-0080.07						98,000.00		98,000		98,000
MICROMOBILITY PARKING	L-2025-0080.08						63,000.00		63,000		63,000
Women's Safety Centre	L-6200-0081						2,500,000		2,500,000		2,500,000
Additional Replacement Tree Planting	L-2340-0390						519,467.90		519,468		519,468
LITTLE DORRIT PARK	L-2340-0510						150,000.00		150,000		150,000
Sports Pitch Provision - Parks	L-2340-0411						416,000.00		416,000		416,000
Newington Gardens	L-2340-0416						500,000.00		500,000		500,000
LEYTON SQUARE	L-2340-0570						728,000.00		728,000		728,000
NCIL Tranche 1-3	TBA						3,487,928		3,487,928		3,487,928
Leisure centre remedial and improvement works	L-1340-0023						279,450.00		279,450		279,450
LTN Camera	L-8000-2022.01						1,889.49		1,889		1,889
LTN Camera	L-8000-2022.01						137,072.79		137,073		137,073
									-		-
<b>Planning &amp; Growth</b>									-		-
Kentish Drover Ceram	R-4020-0067					446,236			446,236		446,236
Brancote Park	R-4020-0073					208,000			208,000		208,000
Verney Road Linear Park	R-4020-0408					120,000			120,000		120,000
Frensham Street Park	R-4020-0409					120,000			120,000		120,000
LGBTQ+ Cultural Centre	R-7000-2024.05					45,000			45,000		45,000
Triptych Bankside	R-7000-2025.01.01					250,000			250,000		250,000
Falcon Point	R-7000-2025.01.02					50,000			50,000		50,000
27 Blackfriars Road (Christ Church)	R-7000-2025.01.03					150,000			150,000		150,000
Blackfriars Settlement	R-7000-2025.01.04					200,000			200,000		200,000
Kirkaldy Testing Museum	R-7000-2025.01.05					20,558			20,558		20,558
Time & Talents	R-7000-2025.01.06					90,000			90,000		90,000
Bosco Centre	R-7000-2025.01.07					138,000			138,000		138,000
Bede Centre	R-7000-2025.01.08					200,000			200,000		200,000
Marlborough Sports Garden	R-7000-2021.07.01					1,000,000			1,000,000		1,000,000
									-		-
<b>TOTAL VARIATIONS TO BE APPROVED AT MONTH 6</b>		-	-	-	-	3,037,794	9,007,948	210,863	12,256,605	-	12,256,605
<b>TOTAL PROGRAMME BUDGET VIREMENTS &amp; VARIATIONS AT MONTH 6</b>		-	-	-	-	3,037,794	9,007,948	210,863	12,256,605	-	12,256,605
<b>REVISED BUDGETS</b>		63,682,246	12,676,311	76,358,557	52,981,649	100,563,026	149,295,577	50,778,762	429,977,571	-	429,977,571
<b>VIREMENTS &amp; VARIATIONS REQUESTED TO BE APPROVED FINANCED BY:</b>											
<b>Corporate Resources / Capital Receipt</b>				-		240,000			240,000		240,000
<b>Major Repairs Allowance</b>				-					-		-
<b>Reserves</b>				-					-		-
<b>Revenue</b>				-					-		-
<b>Capital Grant</b>		-		-			1,034,918.00	210,863	1,245,781		1,245,781
<b>Section 106 and CIL</b>				-		2,687,794	7,781,928		10,469,722		10,469,722
<b>External Contribution</b>				-		110,000	138,962		248,962		248,962
<b>Supported Borrowing</b>				-			52,140		52,140		52,140
<b>TOTAL RESOURCES</b>		-	-	-	-	3,037,794	9,007,948	210,863	12,256,605	-	12,256,605

<b>Meeting name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Gateway 1 - Procurement Strategy for All-Age Integrated Drug and Alcohol Treatment and Recovery Services
<b>Cabinet Member:</b>	Councillor Evelyn Akoto, Health and Wellbeing
<b>Ward(s) or groups affected:</b>	All
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	Not applicable
<b>From:</b>	Strategic Director of Children and Adult Services

## **FOREWORD – COUNCILLOR EVELYN AKOTO – CABINET MEMBER FOR HEALTH AND WELLBEING**

Delivering a world-class treatment and recovery system is a key strategic priority of the national drug strategy, with community drug and alcohol treatment and recovery services for people of all ages including those affected by the substance use of another person representing an essential part of the borough's health landscape and playing a pivotal role in fulfilling this ambition in Southwark.

The services currently support over 2,000 people with drug and / or alcohol support needs per year, with a further 1,200+ young people reached each year through early intervention and prevention delivery in schools. This represents the highest numbers of people of all ages in treatment since before the COVID-19 pandemic and provides a robust platform to build upon the effective arrangements that are already in place to support more people of all ages to access treatment, to make progress and to achieve recovery in future years.

The council is ambitious for realising the benefits and opportunities that engagement with effective, high-quality treatment and support provides for people with drug and / or alcohol support needs in the borough, their families and communities – improved health and wellbeing, reduced crime, better life chances for children and young people affected by a parent's substance use and less lives lost through drug and / or alcohol related death.

Too often, people with drug and / or alcohol support needs face barriers to health services and experience poorer outcomes. Community drug and alcohol services for people of all ages play a critical role in supporting people to engage with treatment to meet their substance use needs as well as helping them to engage with other services for support with their wider needs. In line with the voices of people with living / lived experience of substance use and the borough's treatment services, the services will be visibly located in the community as places of

aspiration and hope rather than stigma and shame and they will provide culturally competent, inclusive person-centred provision for all residents who need them.

These values are at the heart of Southwark Council's vision: a future where every person with drug and / or alcohol support needs including those affected by the substance use of another person is supported to live an empowered life as part of a strong community.

## **RECOMMENDATIONS**

1. That Cabinet approve the procurement strategy for the All-Age Integrated Drug and Alcohol Treatment and Recovery Services contract to be procured through a competitive process up to a maximum estimated annual contract value of £7,399,584 for a period of five years commencing on 1 April 2027, with an option to extend by a further period of up to five years (three years + two years), subject to satisfactory performance and with recourse to a contractual break clause, making a total maximum estimated contract value of £73,995,840.
2. That Cabinet delegate the Gateway 2 contract award approval for the All-Age Integrated Drug and Alcohol Treatment and Recovery Services contract to the Strategic Director of Children and Adult Services, in consultation with the Cabinet Member for Health and Wellbeing.

## **REASONS FOR RECOMMENDATIONS**

3. The reasons for the recommended procurement approach are detailed in paragraphs 16 - 18 of this report.

## **ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

4. The alternative options considered for this procurement are set out in paragraph 32 of this report.

## **POST DECISION IMPLEMENTATION**

5. Once the recommendation(s) within this report have been approved:
  - i. The anticipated timeline for implementation of the recommendations in this report is outlined in the procurement plan timetable in paragraph 44.
  - ii. The details of the planned contract management and monitoring regime is detailed in paragraphs 82-86 of this report.

## **BACKGROUND INFORMATION**

6. Community drug and alcohol treatment provision for people of all ages in Southwark is commissioned through the council's All-Age Integrated Drug and Alcohol Treatment System (AIDATS) service contract, which commenced on 4 January 2016. Change Grow Live Services Limited

(CGLSL) is the contracted provider of the service, which is due to expire on 31 March 2026. The core substantive contract is funded from the Public Health Grant (PHG).

7. The AIDATS contract comprises a range of evidence-based community drug and alcohol treatment interventions for people of all ages with drug and/or alcohol support needs in the borough. The offer also provides support for people affected by the substance use of another person, including children and young people (CYP), and is the entry point for access to Tier 4 residential drug and alcohol placements in Southwark.
8. Community-based drug and alcohol treatment and recovery services are regulated by the Care Quality Commission (CQC) to provide 'care, treatment and support in the community for people with substance misuse problems'<sup>1</sup>. Services are provided by a range of healthcare professionals working collaboratively as part of a multi-disciplinary team in a range of fixed site and other community locations. Treatment may include clinical interventions alongside psychosocial support delivered in one to one (1:1) and group settings.
9. The commissioning and provision of these services in the borough satisfies the mandatory condition of the PHG that 'a local authority must, in using the grant, have regard to the need to improve the take up of, and outcomes from, its drug and alcohol treatment services, based on an assessment of need and a plan which has been developed with local health and criminal justice partners'.
10. Community drug and alcohol treatment services for people of all ages provided structured care, treatment and recovery support to over 2,000 residents in the 12 months up to 31 March 2025. An additional 1,209 CYP were reached through early intervention and prevention service delivery in schools during the 12-month period.
11. In 2025-26, forecast expenditure is up to a maximum contract value of £6,599,583, which is comprised of a PHG core service contract (£3,999,583) and additional central government drug strategy investment of up to £2.6m arising from the Drug and Alcohol Treatment and Recovery Improvement Grant (DATRIG.) This includes a one-off uplift of £42,500 in the PHG core contract value for the 2025-26 delivery period, which represents the only increase in contract value since its award.
12. Award of the DATRIG in 2025-26 requires that existing treatment and recovery services' expenditure from the PHG is maintained throughout the grant period. At the time of writing, there is no additional grant funding commitment beyond 31 March 2026.

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<sup>1</sup> [Service inspections: independent substance misuse services - Care Quality Commission](#)

13. The ambition of the drug strategy<sup>2</sup> is to have accessible, effective, high quality, person-centred drug and alcohol treatment services in each local authority area that meet the needs of the resident population that they are commissioned to serve. The most recent data evidences the highest levels of performance in relation to the numbers of people of all ages engaged in treatment in Southwark since before the COVID-19 pandemic.
14. A Gateway (GW) 0 report was approved by the Cabinet Member for Health and Wellbeing in July 2025, which recommended the strategic delivery option to procure a new service contract through a competitive procurement process under the Health Care Services (Provider Selection Regime) Regulations 2023 (PSR). This GW1 report seeks procurement strategy approval to deliver the recommended strategic delivery option for the future arrangement of the services.
15. It should be noted that the anticipated timeline for this procurement process will require an extension of the existing AIDATS contract to ensure service continuity for vulnerable residents whilst future arrangements are enacted. Approval of a further contract variation will be the subject of separate GW3 variation decision reports in Quarter 4 2025-26 to account for core PHG and additional grant funded service delivery in 2026-27.

### **Summary of the business case/justification for the procurement**

16. Community drug and alcohol treatment and recovery services for people of all ages are a significant area of investment for the council and an essential part of Southwark's health landscape, with provision fulfilling the PHG condition (refer to paragraph 9) and contributing to the successful delivery of a range of policies and strategies (refer to paragraphs 40 to 43).
17. Illicit drug and alcohol related harm has high social and economic costs including those associated with death, the NHS, crime, lost productivity, and impact on local authority services. Investment in drug and alcohol treatment and recovery services represents good value for money as the services improve health and wellbeing, reduce crime, and offer essential support for individuals and families, including CYP affected by the substance use of a parent/carer.
18. The council is ambitious for realising the benefits and opportunities that engagement with effective, high-quality treatment and support provides for people with drug and / or alcohol support needs in the borough, their families and communities. The GW0 report outlines the key principles of the future service offer including the council's ambition for the services to be visible in the community representing a place of hope and aspiration rather than stigma and shame in line with the views of local people with lived / living experience of substance use.

### **Market considerations**

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<sup>2</sup> [From harm to hope: A 10-year drugs plan to cut crime and save lives - GOV.UK](#)



19. The substance misuse treatment and recovery sector in 2025 is well developed with a range of different providers of varying sizes (including NHS and voluntary sector organisations) currently delivering comparable services across London and England. A detailed analysis of in-house delivery options undertaken as part of the GW0 report failed to identify any local authorities delivering the scope of these services on an in-house basis. Market engagement in 2025 identified that the provider market would be able to deliver the overall service specification either via single provider or consortia arrangements.
20. Key insights from provider market engagement in February 2025 are outlined below.
  - Seven providers responded to the engagement opportunity and expressed an interest in the future provision of the services.
  - Providers expressed support for integrated delivery models of the services and outlined a range of benefits.
  - Providers stressed the importance of longer minimum service contract lengths for the purpose of promoting stability of treatment system delivery, the opportunity to embed innovation and the ability to distribute the recoupment of initial start up costs across a multi-year period to avoid detrimental impact at the start of a contract.
  - Providers identified the financial impact of a static budget envelope in multi-year contracts and the pressures of this on the core service offer. Inflationary increases as well as the impact of the HM Treasury employer National Insurance (NI) reforms were also referenced in this regard.
  - Different approaches to evaluating a tender in the context of assessment of core / additional grant funded delivery were outlined by providers along with the challenges associated with different approaches. The need for clarity within tender documents in relation to core/additional grant service elements as well as a preference for additional funding to be accounted for from the offset to avoid the administrative burden of annual contract modification processes was also cited.
  - Providers outlined a range of opportunities for innovation in both core and enhanced service delivery.
  - A range of risks were identified including additional grant funding uncertainty and evolving drug market impact on the demand for services.
  - There was a strong provider consensus for the importance of a collaborative approach between providers and commissioners in managing risk and working together to deliver shared outcomes.

## KEY ISSUES FOR CONSIDERATION

### Proposed future delivery model

21. The GW0 report outlined a commitment to testing potential delivery models to support identification of the most optimum model for the council. The preferred model must be fit for the future and able to meet the diverse challenges arising from a rapid evolution of drug markets in the UK in recent years, which has resulted in continued high levels of need arising from traditional substance use (opiates) in addition to emerging and new patterns of substance use with considerable associated harms .
22. As a result of the extensive consultation that has taken place in 2025 (refer to paragraph 101), there is widespread support for an integrated all-age delivery model with pathways segmented by age and need. The following diagrams summarise the proposed core service offer delivery strands, along with a more detailed segmentation of the adult offer.

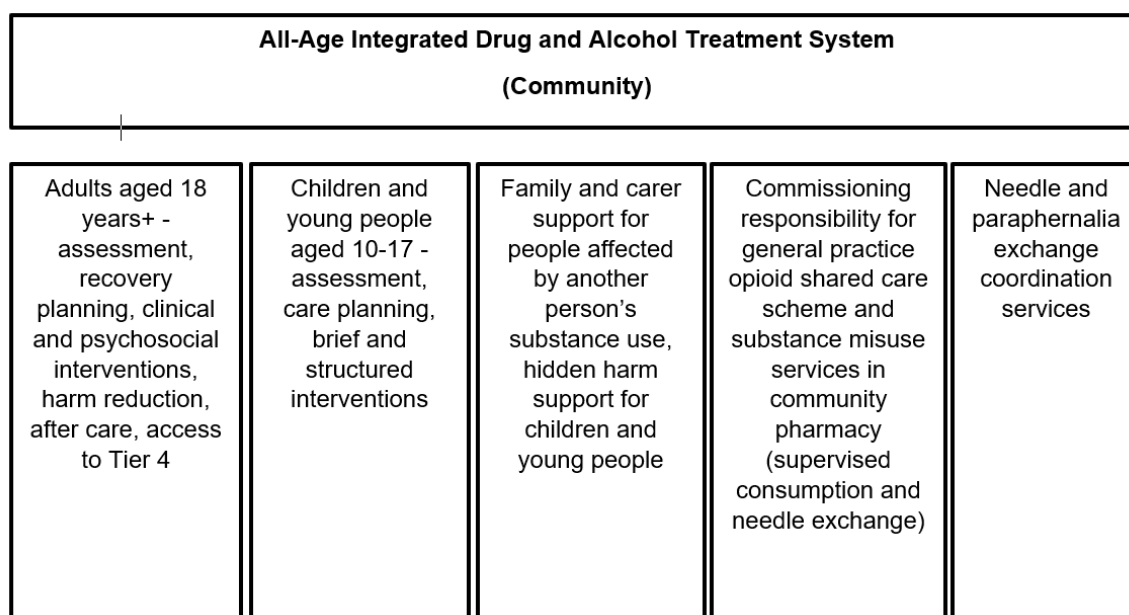


Diagram 1: Core Service Offer Delivery Strands

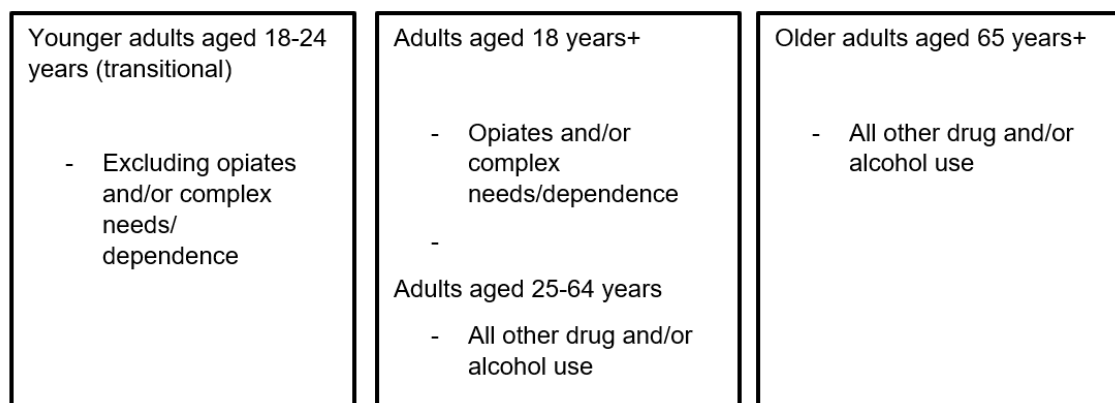


Diagram 2: Core Service Offer – Adult Treatment Pathway

23. In addition to CYP structured treatment delivery, the service will provide a comprehensive early intervention and prevention schools offer. It will also work closely with relevant services such as Children's Social Care (CSC), including the Youth Justice Service (YJS), to prioritise CYP with greater vulnerabilities and at higher risk. This will include special consideration of a robust support offer for children in care and care leavers and ensure integrated delivery as part of local children's support initiatives.
24. In line with the Office for Health Improvement and Disparities' (OHID) current position, the service will not be commissioned to provide an offer for treating dependence on prescribed medicines following prescription in primary or secondary care to treat a primary healthcare problem, but will provide an offer for people who are dependent on street medicines (illicit or diverted) in line with guidance.
25. An all-age delivery model provides a number of benefits including:
  - The provision of a seamless treatment journey facilitating movement through the system without fragmentation – this is particularly important for effectively managing transitional stages including the transfer from CYP to younger adult / adult pathways, for CYP where the complexity of their presentation requires senior clinician leadership from adult services, for people of all ages transferring between custodial and community services, and for people whose complexity and need evolves during their treatment journey.
  - A 'no wrong door' approach for people with drug and / or alcohol support needs – commissioning a provider or consortia with a lead provider under a single treatment and recovery system service contract facilitates easy access to the community service offer through a single point of access for all who need support and reduces the potential for people to experience challenges when trying to access support where multiple services are commissioned separately.
  - A 'whole family' and 'family minded' approach – where the service identifies that a parent / carer is engaged in treatment, this provides an opportunity for internal working across provider teams and with family services to deliver a family minded approach that considers the needs of the whole family, including CYP, and seeks to meet them through an appropriate support offer for each individual family member.
  - Maximised efficiencies through shared infrastructure, resources – commissioning a single service contract facilitates the deployment of the budget through the single lens of overall treatment and recovery system delivery and reduces the resourcing costs associated with separate service contracts.
  - One community treatment and recovery system voice – A single treatment and recovery system voice that represents community provision in the borough brings increased influence in service to service and partnership level discussions whilst also helping to facilitate partner engagement with the services through reduced complexity of the service provision landscape and points of contact. It will also facilitate

the provision of support across integrated neighbourhood team footprints as these are mobilised.

26. Officers have identified a number of areas for special consideration within the future service specification that arose during the consultation including:
  - Priority groups for treatment engagement such as women (focus on pregnancy and maternity and women with pre-school aged children), Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ+) with a particular focus on people engaged in chemsex, people using stimulants, CYP using cannabis, black males and inclusion health groups which may comprise people from the aforementioned priority groups. These groups need a bespoke offer for a range of reasons including under-representation, complex higher-risk presentations requiring multi-agency working, and identified barriers to accessing support including stigma, lack of childcare, and distrust of services.
  - Robust service delivery in locations away from fixed site premises including supported accommodation, with mental health services and in other community settings.
  - An appropriate, robust service offer to provide effective treatment engagement for people who use crack cocaine and who find engagement with services difficult due to chaotic presentations.
  - Visibility of the service in the community as a place to improve health and wellbeing.
  - The importance of cultural competency in the delivery of the services to meet the diverse needs of Southwark's communities.
  - Clarity of the overall treatment and recovery system offer at point of entry for people using the services and as a reference point for professionals.
  - An essential need for robust two-way communication pathways between the service, people who use the services and partner agencies.
27. With reference to priority groups and unmet need, the GW0 report provides a detailed summary of local need in relation to drugs and / or alcohol use as well as identifying a number of future priority areas of focus for service delivery. In addition to stakeholder consultation feedback, a range of qualitative and quantitative data underpins the identification of priority groups including formal needs assessment, contract monitoring reports, partnership discussions and national drug strategy drivers.
28. Whilst the areas in paragraph 26 are positioned within this GW1 report as ambitions for the new service contract, opportunities for development and improvement of the treatment system to better meet the needs of local communities will continue to be taken throughout the remainder of the existing contract's term in order to improve outcomes and reduce and prevent harm.
29. At the time of writing, a review of the Tier 4 residential pathway is underway. In Southwark, Tier 4 placements are currently commissioned through a bespoke Dynamic Purchasing System (DPS) following assessment by the community treatment provider (residential detoxification) or through a Care

Act assessment undertaken by the council's Adult Social Care Substance Misuse Rehab Team (ASC SMRT) following referral by the community treatment provider.

30. The commissioning of a new multi-year treatment and recovery system service provides an opportunity to consider a different model of Tier 4 assessment and placement arrangement in Southwark during the future contractual term. Therefore, it is proposed that the potential option of inclusion of the placement of the Tier 4 assessment and commissioning pathway either partially or wholly within the future service contract is accounted for at offset of contract whilst caveating this option is not a guaranteed feature within the future provision. Financial implications in this regard are detailed in paragraphs 89, 94-96).

### **Options for procurement route including procurement approach**

31. A strategic options appraisal was undertaken for all potential procurement routes within the GW0 report, which considered all options available to the council for arranging the services. Three potential external procurement options under the PSR were identified including a direct award, most suitable provider process, and competitive procurement process, with the recommended strategic delivery option of procuring a new service contract through a competitive procurement process as the most appropriate route.
32. The following section of this GW1 report briefly summarises all procurement options considered along with the recommended route, with detailed analysis in the GW0 report.

Procurement option	Description	Recommendation and rationale
External procurement – competitive process	The council procures the future services through a competitive procurement process	Recommended. A competitive procurement process provides an opportunity to secure a future provider of the services through a formal process that rigorously assesses the five key criteria of the PSR – a)quality and innovation, b)value, c)integration, collaboration and service sustainability, d)improving access, reducing health inequalities and facilitating choice and e)social value.
In-source	The council in-sources all or part of the in-scope services and	Not recommended. The council does not currently provide specialist drug and alcohol treatment and recovery services for people

Procurement option	Description	Recommendation and rationale
	delivers them on an in-house basis	of all ages and does not have the experience, expertise, governance and skills necessary to deliver the future provision.
Shared service delivery	The council jointly commissions the future services with one or more other local authorities	Not recommended. The council explored the option of co-commissioning these services with neighbouring boroughs with timings not aligning for this procurement.
Framework	The council commissions the services from an existing framework	Not recommended. There are no frameworks for these services.
Voluntary sector / not for profit provision only	The council commissions a voluntary sector / not for profit provider to deliver the provision	Not recommended. Officers will engage with the voluntary sector to promote their participation as part of the competitive procurement exercise along with NHS providers.
Decommissioning services	The council ceases to commission the in-scope services when the existing contract ends	Not recommended. Absence of the service provision would negatively impact on health and wellbeing and potentially pose a risk to the lives of many of the borough's most vulnerable residents.

Table 1: Procurement routes considered

### Proposed procurement route

33. In line with the recommended competitive process procurement route, a procurement will be undertaken whereby the opportunity will be advertised to any interested and qualified provider to submit their interest to deliver the services. A pre-qualification stage will be built into the process enabling the council to shortlist prospective providers with the pre-requisite experience and knowledge to invite to tender.
34. The nature of the services in providing essential treatment and support to many of the borough's most vulnerable residents requires the council to have assurance of the suitability of prospective providers in terms of financial stability and prior experience of the delivery of comparable services as a pre-

qualification to being invited to tender for the service contract, which is the rationale for opting for a closed rather than open tender process.

35. The procurement process will comprise the following successional stages, with more detail provided in the table at paragraph 56. It will be made explicit to providers that the council reserves the right to award a contract following the conclusion of the stage 2 tender evaluation without progressing to stages 3 or 4 should it opt to do so.
- Stage 1: Pre-Qualification
  - Stage 2: Tender
  - Stage 3: Post-Tender Clarification and Negotiation
  - Stage 4: Final Tender Submission
  - Stage 5: Overall Tender Evaluation
36. The opportunity will be advertised for providers with the pre-requisite experience, knowledge and skills to participate in a pre-qualification process. Following evaluation of this stage, up to six shortlisted providers will be invited to tender for the service, subject to meeting the council's minimum pre-qualification requirements (stage 1). Should the council opt to progress to stage 3 post-tender clarification and negotiation, the two highest-ranked providers at stage 2 will be eligible for participation in stage 3.
37. Following conclusion of all stages of the tender process at the council's discretion, a decision to recommend an award of contract will be made in accordance with the highest ranked provider across the quality / value / social value weighted evaluation methodology.

### **Identified risks for the procurement**

38. The following risks have been identified for this procurement.

Risk	Mitigation	Risk level
Risk of challenge regarding award decision	The procurement will be conducted in accordance with the council's rules and the PSR regulations to reduce the risk of challenge of the award decision.	Low
Lack of interest in the procurement opportunity	Whilst market engagement has identified some examples of failed procurements in other localities due to lack of interest, it also identified market interest in delivering the services in Southwark. The council will continue to take opportunities to engage with the market both prior to and during the procurement process. Officers have also considered market	Low

Risk	Mitigation	Risk level
	feedback in determining the proposed contract length and making non-guaranteed provision for price uplift during the term.	
The procurement may not be completed within the anticipated timelines	Robust project management is in place with a high priority focus on the successful delivery of this procurement. Proposed timelines are underpinned by a robust project plan which takes into consideration minimum time periods required for each stage.	Low
There are challenges in being able to determine the available funding for the overall term due to uncertainty about future funding streams, including risk of reduced funding allocations, which may impact on market interest in the procurement and contractual delivery	This GW1 report proposes a maximum estimated contract value for the service across the proposed ten-year term, which assumes, but does not guarantee, a continuation of existing funding. The tender will be evaluated based on different investment scenarios, none of which exceed the maximum estimated contract value. Funding uncertainty will be made explicit to providers within the tender documentation and is not specific to Southwark, with other areas receiving bids for comparable services. The contract will include break clauses at appropriate intervals to mitigate risk.	Low

Table 2: Procurement risks and mitigation

**Key / Non Key decisions**

39. This report deals with a key decision.

**Policy Framework Implications**

40. The proposed contract will offer a range of benefits and will impact on cross council priorities as well as playing a key role in the successful delivery of the Southwark Council Delivery Plan 2022-26 (and any future iterations of the same).
41. The GW0 report includes a detailed analysis of the proposed service's contribution to the council's delivery plan including reducing rough sleeping and homelessness, supporting families and improving outcomes for CYP, helping to make the borough safer through reducing drug-related crime and



violence against women and girls, supporting more people into employment, improving physical and mental health and wellbeing, and co-production with people with lived/living experience of substance use.

42. In delivering the proposed service contract, procurement activity will align to the council's Southwark 2030 Procurement Framework (S2030PF) requirement of meeting the highest ethical, responsible and sustainable standards within a robust and transparent governance framework.
43. The proposed service contract will:
- Contribute to delivering the Southwark 2030 vision 'Together, we will build a fair, green and safe Southwark where everyone can live a good life as part of a strong community' and investment in drug and alcohol treatment services is aligned to the principles of the Southwark 2030 vision to invest in prevention, empower people and reduce inequality.
  - Contribute to the delivery of the Southwark Joint Health and Wellbeing Strategy 2022-2027, with elements of service delivery spanning the five drive areas.
  - Be the council's primary delivery vehicle for delivering the treatment and recovery ambitions of the national drug strategy during its contractual term.
  - Play an integral role in contributing to the Combatting Drugs Partnership's (CDP) delivery throughout the life of the contract. The service will contribute to a safer Southwark in line with the Community Safety Partnership's<sup>3</sup> (CSP) strategic priority to reduce drug-related harm.
  - Contribute to the delivery of the council's Serious Violence Duty Strategy which requires partners to work together to tackle the causes of serious violence of which drugs is a driver.
  - Contribute to the delivery of the Preventing Suicides in Southwark Strategy 2023-28 in recognition of the suicide risk factors that many people with drug and / or alcohol support needs also experience.

### Procurement Project Plan (Key Decisions)

44. Table 3 outlines anticipated timescales for the delivery of the procurement project plan.

Activity	Complete by:
Enter Gateway 1 decision on the Forward Plan	31/07/2025
DCRB Review Gateway 1	10/09/2025
CCRB Review Gateway 1	25/09/2025
CMT Review Gateway 1	30/10/2025

<sup>3</sup> The CDP reports into the CSP and is responsible for delivering the strategic priority to reduce drug-related harm.

Brief relevant cabinet member (over £100k)	14/10/2025
Notification of forthcoming decision - Cabinet	01/11/2025
Approval of Gateway 1: Procurement strategy report - Cabinet	02/12/2025
Scrutiny Call-in period and notification of implementation of Gateway 1 decision	10/12/2025
Completion of tender documentation	20/12/2025
Publication of Find a Tender Service Notice for a competitive tender	05/01/2026
Publication of Opportunity on Contracts Finder	06/01/2026
Closing date for receipt of expressions of interest	06/02/2026
Completion of short-listing of applicants	31/03/2026
Invitation to participate in a Competitive Process Notice	01/04/2026
Closing date for return of tenders	15/05/2026
Completion of any clarification meetings/presentations/evaluation interviews	30/06/2026
Completion of evaluation of tenders	31/07/2026
Forward Plan (if Strategic Procurement) Gateway 2	01/08/2026
DCRB Review <b>Gateway 2:</b>	20/08/2026
CCRB Review <b>Gateway 2</b>	01/09/2026
Approval of Gateway 2: Contract Award Report	30/09/2026
End of scrutiny Call-in period and notification of implementation of Gateway 2 decision	08/10/2026
Notice of Intention to Award and 8 Working Day Standstill Period	09/10/2026
Contract award	22/10/2026
Contract Award Notice	23/10/2026
Add to Contract Register	24/10/2026
TUPE Consultation period (if applicable)	10/03/2027
Contract start	01/04/2027
Initial contract completion date	31/03/2032
Contract completion date – (if extension(s) exercised)	31/03/2037

Table 3: Anticipated procurement plan timeline

### **TUPE/Pensions implications**

45. It is anticipated that TUPE may apply if the current contracted provider does not participate, or is unsuccessful, in a competitive procurement exercise.
46. A number of the current provider's workforce hold NHS pensions, transferred from previous employment by an NHS provider. Within the tender documentation, a mandatory requirement of the successful supplier(s) will be made explicit (if they are not an NHS body or do not participate automatically in the NHS Pension Scheme) to secure a NHSPS Pension Direction/Determination and supply the council with a copy at least 28 days before the transfer date.
47. Due diligence will be undertaken, with staffing information provided by CGLSL in line with the council's requirements. On receipt of this, the full TUPE and pensions implications will be determinable, and this information, as appropriate, will be made available to prospective providers in the tender pack.
48. There are no direct TUPE implications for the council as the service contract will be delivered by an external provider or providers.
49. The draft procurement timetable has been developed with consideration given to TUPE and pensions timescale requirements.

### **Development of the tender documentation**

50. A project team has been convened to provide oversight of the development of the tender documentation and governance for the procurement. The work of this group will be guided by finance, legal and procurement officers to ensure compliance with the PSR regulations.
51. The development of tender documentation will be led by the Drug and Alcohol Action Team (DAAT) within the Public Health Commissioning Team of the council's Integrated Commissioning division. This process will include close engagement with council teams where there is an interface with drugs and alcohol including the Public Health division, Community Safety and Partnerships' (CS&P) service, and Adult and Children's Social Care.
52. All procurement documentation including the service specification, terms and conditions of contract, assessment criteria, method statements and evaluation methodologies will be developed with consideration given to current best practice guidance and policy, learning from the existing contract and consultation feedback from a range of stakeholders including professionals and people with lived / living experience of substance use. Officers will collaborate closely with key stakeholders including those referenced in paragraph 51 to define method statement questions and model answers to support the evaluation of bids in line with the requirements of a range of council service areas.

53. A technical service specification comprising the scope of future provision and the council's requirements will be developed, which shall explicitly account for the distinction between the core PHG funded service requirements and additional drug strategy funded provision. The service specification will recognise the balance between providing enough information for prospective providers to understand the council's requirements whilst being flexible enough to facilitate provider tender responses that demonstrate innovation, best value for money, alignment with the council's required outcomes and meet the needs of people who require the services.

### Advertising the contract

54. The tender will be conducted under the PSR regulations and will be advertised via the council's e-tendering system, ProContract, by way of an official noticed published on Find-A-Tender service.
55. An advert will be placed in the Drink and Drugs News (DDN) online UK publication for the drug and alcohol treatment sector and known providers of the services, including those that participated in market engagement, will be directly contacted to advise them of the opportunity.

### Evaluation

56. The tender will adopt a staged process, with a summary of the successional stages detailed in Table 4 below.

Stage	Description	
Pre-Qualification	The Procurement Specific Questionnaire (PSQ) will enable a supplier pre-qualification process for the tender.	
	There will be a number of pass/fail pre-qualifying questions as relevant to the service contract such as registration with the Care Quality Commission (CQC).	
	Four areas will be assessed including:	
	Confirmation of core provider information	Pass/Fail
	Additional exclusions information – mandatory and discretionary exclusion grounds	Pass/Fail
	Conditions of participation – legal and financial capacity and technical ability	Pass/Fail

Stage	Description		
	<table border="1" data-bbox="571 230 1390 454"> <tr> <td data-bbox="571 230 981 454">Project specific questions – experience, expertise and knowledge of the delivery of comparable services</td><td data-bbox="981 230 1390 454">Scored – minimum pass threshold Ranked provider shortlist list arising from scores</td></tr> </table> <p>Up to six providers will be shortlisted for invitation to tender. To be shortlisted, providers must meet the minimum score requirement and will be ranked in terms of maximum score achieved.</p> <p>An evaluation panel comprised of officers with the relevant experience, knowledge and expertise will be convened to deliver this stage of the process. This will include DAAT and finance officers as well as those from other service disciplines as relevant to the four areas of assessment.</p>	Project specific questions – experience, expertise and knowledge of the delivery of comparable services	Scored – minimum pass threshold Ranked provider shortlist list arising from scores
Project specific questions – experience, expertise and knowledge of the delivery of comparable services	Scored – minimum pass threshold Ranked provider shortlist list arising from scores		
Tender	<p>The tender process will be defined by an approach that seeks to understand the strategy underpinning provider proposals in the context of the PHG and additional drug strategy grant funded service offer, including the proposed service offer should there be cessation of additional funding during the contractual term.</p> <p>The tender stage will comprise a rigorous assessment of the five key criteria of the PSR with a focus on quality / value (robustness/sustainability) and social value. Method statement questions and model answers will be developed that assess the scope of the service specification as well as enhanced drug strategy delivery, which may include minimum scoring requirements for some questions to be eligible for award of contract. The robustness/sustainability of the contract value and its proposed deployment to meet the council's required outcomes will comprise the price evaluation and will be assessed through the completion of a pricing schedule that accounts for funding scenarios both with and without additional drug strategy investment.</p> <p>An overall tender weighting of 65% quality/25% value/10% social value will be used for the assessment of this procurement.</p> <p>A total of eight social value measures have been identified from the 'Southwark 2030 A Social Value</p>		

Stage	Description																								
	Framework for Southwark <sup>14</sup> as most applicable to the contract in line with service delivery and the community, which are outlined in the embedded table below.																								
	<table><tr><th>Southwark 2030 Goal</th><th>Measure Reference</th><th>Measure</th></tr><tr><td>Decent homes for all</td><td>SC1</td><td>Support for initiatives to tackle homelessness and rough sleeping</td></tr><tr><td>A good start in life</td><td>SC5</td><td>Support for children, young people and family-centred initiatives</td></tr><tr><td>A safer Southwark</td><td>SC6</td><td>Support for community initiatives to prevent and reduce crime and antisocial behaviour</td></tr><tr><td>A strong and fair economy</td><td>NT9</td><td>Accredited training for new employees</td></tr><tr><td>A strong and fair economy</td><td>SC9</td><td>Support for digital inclusion initiatives for priority cohorts</td></tr><tr><td>A strong and fair economy</td><td>SC11</td><td>Accredited London Living Wage employer</td></tr><tr><td>Staying well</td><td>SC12</td><td>Comprehensive physical and mental wellbeing programmes accessible for all staff</td></tr></table>	Southwark 2030 Goal	Measure Reference	Measure	Decent homes for all	SC1	Support for initiatives to tackle homelessness and rough sleeping	A good start in life	SC5	Support for children, young people and family-centred initiatives	A safer Southwark	SC6	Support for community initiatives to prevent and reduce crime and antisocial behaviour	A strong and fair economy	NT9	Accredited training for new employees	A strong and fair economy	SC9	Support for digital inclusion initiatives for priority cohorts	A strong and fair economy	SC11	Accredited London Living Wage employer	Staying well	SC12	Comprehensive physical and mental wellbeing programmes accessible for all staff
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<sup>4</sup> [A Social Value Framework for Southwark](#)

Stage	Description										
			working on the contract								
	Staying well	SC14	Support for initiatives which promote community health and wellbeing								
	The proposed social value measures will form a menu of options for providers to select from, with a requirement to provide both a quantitative (numerical) and qualitative (method statements and delivery plan including anticipated delivery timeline) response. The 10% overall social value tender weighting will be evaluated in accordance with the following weightings:										
	<table><tr><th>Social Value Evaluation</th><th>Weighting</th></tr><tr><td>Quantity of social value measures to be delivered</td><td>30% (3% of overall tender weighting)</td></tr><tr><td>Quality of method statement/deliver plan</td><td>70% (7% of overall tender weighting)</td></tr><tr><td>Overall Evaluation</td><td>100% (10% of overall tender weighting)</td></tr></table>			Social Value Evaluation	Weighting	Quantity of social value measures to be delivered	30% (3% of overall tender weighting)	Quality of method statement/deliver plan	70% (7% of overall tender weighting)	Overall Evaluation	100% (10% of overall tender weighting)
	Social Value Evaluation	Weighting									
Quantity of social value measures to be delivered	30% (3% of overall tender weighting)										
Quality of method statement/deliver plan	70% (7% of overall tender weighting)										
Overall Evaluation	100% (10% of overall tender weighting)										
A weighted score will be calculated for each tender, and this will be used to create a ranked provider list of which the top two highest scoring bids may be eligible to enter a provisional post tender clarification and negotiation process. At all times, it will be made explicit that the council reserves the right to award a contract based on the highest ranked score from initial tender submissions without progressing to a further stage.											
An evaluation panel comprised of officers with the relevant experience, knowledge and expertise to deliver this stage of the process will be convened including an offer of representation to the service areas outlined in paragraph 51. The evaluation panel may also include external stakeholders with a specialist interest in key areas of delivery as well as people with lived / living experience of substance use.											

Stage	Description
Post-Tender Clarification and Negotiation	<p>Should the procurement progress to this stage, the council will engage the top two highest ranked providers at tender stage in a further process of clarification and negotiation which may include:</p> <ul style="list-style-type: none"> <li>• Officer clarifications of tender proposals</li> <li>• Negotiation to support bid improvement</li> <li>• Presentation to key stakeholders including people with lived / living experience of substance use</li> </ul> <p>This stage may support a reduction in the number of providers invited to submit a final tender proposal. The council reserves the right to conclude the process at this stage without progressing to a further stage of final tender proposal(s).</p>
Final Tender Submission	<p>Should the procurement progress to this stage, remaining providers in the process will be invited to submit a final tender proposal. Revised proposals will be evaluated based on the scoring methodology applied to the tender.</p>
Overall Tender Evaluation	<p>The highest ranked provider tender will be eligible for award of contract. Should a tie break situation occur, the tender proposal with the highest ranked quality weighted score will be awarded the contract.</p>

Table 4: Procurement successional stages

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

### Community impact statement

57. Evidence-based, high-quality drug and / or alcohol treatment and recovery services benefit people of all ages in the borough in a range of ways including:
- Preventing drug and / or alcohol related death and ill-health – engagement in treatment is a protective factor for overdose and helps to reduce rates of blood-borne viruses.
  - Improving CYP life chances – engagement in treatment supports families with stability and helps to reduce some of the detrimental impact that CYP may experience because of a parent or carer's substance use.
  - Reducing crime – engagement in treatment reduces rates of acquisitive crime to fund substance use which not only benefits the individual but also carries a benefit for the local community through reduced offending behaviour and impact.
  - Supporting recovery – engagement in treatment helps people to address their substance use and empowers them to make choices to improve their life outcomes.
  - Preventing addiction spread – people who are engaged in treatment are less likely to be those who both use and supply drugs whereas people not in treatment who are actively using drugs are much more



likely to recruit new people to use substances.

58. The recommendation to procure a new community drug and alcohol treatment and recovery service for people of all ages in Southwark will ensure no gap in service provision for some of the borough's most vulnerable residents. A lack of this essential service provision within the Southwark health services' landscape would result in severe detrimental impact to people of all ages with drug and / or alcohol support needs and would contribute to a substantial increase in local rates of unmet need.

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

59. There are well established links between drug use and socio-economic factors including:
- a significantly positive correlation between rates of problematic drug and / or alcohol use and local authority deprivation levels.
  - a positive correlation between higher rates of drug misuse deaths and regions experiencing higher rates of deprivation.
  - higher rates of hospital admissions for drug and / or alcohol specific conditions in the most deprived areas.
60. An inter-related range of structural socio-economic factors, including poverty, inequality, insecure accommodation and / or employment, and unequal access to benefits are experienced by many people with drug and / or alcohol support needs including those affected by the substance use of another person. These factors can be both a cause and consequence of wider issues such as rough sleeping, where vulnerabilities are significantly increased due to a poor, unsafe living situation.
61. Pursuant to section 149 of the Equality Act 2010, due regard has been given to the council's decision-making processes to the need to:
- a) Eliminate discrimination, harassment, victimisation, or other prohibited conduct.
  - b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not.
  - c) Foster good relations between those who share a relevant characteristic and those that do not share it
62. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Sector Equality Duty also applies to marriage and civil partnership, but only in relation to (a) above.
63. A draft equality impact assessment (EqIA) has been completed (Appendix 1) and will be updated in line with the successful provider's tender proposal. At this stage, the EqIA considers the impact of the proposed service on a wide range of people of all ages with drug and / or alcohol support needs with particular attention paid to those groups with complex multiple vulnerabilities

such as people sleeping rough. The cause and consequence of drug and / or alcohol use for these groups differs, with substance use increasing vulnerability and harms.

64. The draft EqlA assumes that additional drug strategy funding will continue throughout the life of the proposed service contract. Should this reduce or end resulting in a core PHG funded service offer only, it is considered that the reduction in enhanced service offer will have a detrimental impact on equalities and a further EqlA developed in conjunction with the provider will be required to re-assess equalities impact.

### **Health impact statement**

65. The health impact statement of the GW0 report provides a detailed overview of the health implications of substance misuse for people of all ages which includes a range of physical and mental health impacts as well as heightened risk-taking behaviours associated with use of drugs and alcohol. These are summarised in this GW1 report as follows:

- Physical health – blood borne virus (BBV) infection, liver conditions, sexual health issues, injuries arising from injecting drug use, smoking related health conditions, overdose and death as well as the risks to unborn babies where the mother is using substances.
- Mental health – anxiety, depression, personality disorders, abuse, trauma self-harm.

66. Investment in the evidence-based, high-quality drug and / or alcohol treatment and recovery system services proposed in this GW1 report will have an overwhelmingly positive impact on health and wellbeing including:

- Reduced rates of drug use, injecting and death in people who use opioids who are engaged in opioid substitution treatment (OST)
- Reduced rates of opioid overdose in people engaged in treatment
- Reduced rates of BBV infections through the provision of needle and syringe exchange programmes
- Improved health and wellbeing in people affected by the substance use of another person including CYP and unborn babies.
- Improved physical and mental health and wellbeing for people engaged in treatment

67. The outcomes in paragraph 66 will be achieved through future requirements of service provision as follows:

- Provision of a comprehensive naloxone distribution and supply service working in partnership with the RSS to support peer-led naloxone delivery in the borough
- Inclusion of a robust service-led health assessment as part of the core offer to identify health needs and support people to access the care that they need to address them

- Robust health partnerships, joint working pathways and co-located delivery to support improvement and management of health outcomes.
- Provision of an effective treatment and recovery offer for parents / carers to promote positive outcomes for CYP as well as providing a support service specifically for CYP affected by another person's use
- Provision of an early intervention/prevention offer for CYP in a range of locations including schools to prevent and reduce onset of first use as well as reducing harm where use has commenced.

68. Additionally, the council will require the future provision to not only demonstrate a commitment to improving the health and wellbeing of vulnerable people with drug and / or alcohol support needs, but also to commit to work practices that improve staff wellbeing, reduce absenteeism due to ill health, and recognise mental health as an issue.

### **Climate change implications**

69. The nature of the services requires the use of physical premises, which invariably generate waste and use energy and consumables. The services will also be delivered through an outreach/in-reach model in a range of different locations in Southwark to facilitate engagement with people who find services difficult to access and CYP in places where they meet.

70. The provider will be expected to embed appropriate climate change mitigation considerations within their service delivery including:

- Prioritisation of service delivery transport options with a reduced carbon footprint including walking, cycling and use of public transport.
- Prioritisation of fixed site premises in close geographical proximity to communities served and with good public transport links.
- Use of digital technology to support service delivery such as online access to 1:1/groups where appropriate
- Promotion of energy-saving opportunities within fixed site premises including turning off electrical appliances when not in use (where appropriate) and staff education
- Service recycling to minimise rates of waste going to landfill and support renewable energy production
- Minimisation of use of single-use plastics where appropriate
- Prioritisation of environmentally friendly consumables such as recycled paper, cleaning materials etc

### **Social Value considerations**

71. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well-being of the local area can be secured. The details of how social value will be incorporated within the tender are set out in the following paragraphs.

72. Social value will be assessed as part of the tender through provider responses to a social value method statement, the details of which will be included within the tender pack.

### **Economic considerations**

73. The services are located and delivered within the geographical boundaries of the borough. This provides local economic benefits for residents employed as treatment and recovery system staff and people with lived/living experience who can be supported to contribute to the local economy through addressing their drug and/or alcohol support needs.
74. There will be a requirement of the provider to pay at least the London Living Wage (LLW) to all employees involved in the delivery of the future contract throughout its term. This will be explicitly confirmed within the tender process.
75. A range of additional economic benefits are anticipated from the delivery of the service contract including skills and training opportunities for peer mentors working for the recovery support service to facilitate treatment system integrated delivery, routes into volunteering and paid employment for people with lived / living experience of substance use, opportunities for health and social care apprenticeships and educational placements for students.

### **Social considerations**

76. The delivery of the service is about social value – high quality drug and alcohol treatment brings significant benefits to the local area in terms of improving the economy, health and wellbeing, and helps to create a fairer and more just borough.
77. The service will provide additional opportunities for individuals or groups facing greater social or economic barriers, with engagement in treatment helping to reduce social and economic costs. This will be achieved by helping people of all ages to navigate a wide range of services to meet their needs and improve their health, wellbeing, and social functioning.
78. These activities contribute to reducing the economic, human, and social costs associated with drug and alcohol misuse and dependence where there is no intervention. People with lived/living experience of substance use will be encouraged to engage with the local treatment recovery community to improve social connectedness and reduce loneliness and isolation.
79. The views and voices of people of all ages with lived / living experience of substance use are essential in helping to shape service design and delivery and providing a unique perspective of the local treatment and recovery experience. It is required that the provider will develop a robust, strong partnership working relationship with the recovery support service for

substance use and will identify opportunities for co-production where appropriate.

### **Environmental/Sustainability considerations**

80. The successful provider will be required to evidence their business-as-usual delivery supports environmental and sustainability objectives, with a range of potential considerations outlined in paragraph 70.
81. The service will be required to support and promote responsible behaviour initiatives such as encouraging people who inject drugs to not discard drug related litter and paraphernalia in public spaces and promote use of funded clinical waste provision.

### **Plans for the monitoring and management of the contract**

82. The council's contract register publishes the details of all contracts over £5,000 in value to meet the obligations of the Local Government Transparency Code. The Report Author must ensure that all appropriate details of this procurement are added to the contract register via the eProcurement System.
83. The contract will be managed and monitored by the council's DAAT within the Public Health Commissioning Team located within the council's Integrated Commissioning division. Governance arrangements for the existing AIDATS service were subject to audit in 2024-25 with high levels of control identified, which evidences the robust contract monitoring arrangements that are in place for these services and it is proposed that the same approach will apply to the monitoring and management of the proposed service contract.
84. Performance reporting will be in alignment with the council's contract standing orders and will include an annual review.
85. Key performance indicators (KPIs) will primarily be aligned to the ambitions of the drug strategy, which may evolve and change over time. It will be made explicit to providers in the tender documentation that the council reserves the right to revise and update the contractual KPIs at any time during the contractual term in alignment with key policy drivers, primarily the drug strategy. Current drug strategy ambitions as at 2025-26 are outlined in Appendix 2. A comprehensive suite of KPIs is being developed at the time of writing and will be included in the tender documents; this may include a requirement for providers to identify and commit to their own outcomes-focused KPIs as part of their proposals.
86. In addition to the KPIs, a detailed quarterly contract monitoring report will be deployed to effectively capture the breadth and coverage of the scope of the service specification and the council's requirements. A summary of the key areas for inclusion is included in Appendix 2.

### Staffing/procurement implications

87. The procurement will be delivered using existing staffing resources within the DAAT including the development of all tender documentation and oversight of the procurement process, which shall be supported by the project team with Public Health representation. Technical support (finance, legal and procurement) will be sourced from the council's existing resources along with representation on evaluation panels from key service delivery areas with an interface with the service.

### Financial implications

88. The maximum estimated contract value for the proposed ten-year term excluding VAT is outlined in Table 5 below.

	Public Health Grant (Fixed)	Additional grant funding investment (Variable)	Other non-guaranteed funding <sup>5</sup> (Variable)	Total
Estimated maximum annual cost	£3,999,584	Up to £2,600,000	Up to £800,000	Up to £7,399,584
Estimated maximum cost – initial term exclusive of extensions (five years)	£19,997,920	Up to £13,000,000	Up to £4,000,000	Up to £36,997,920
Estimated maximum cost – full term inclusive of extensions	£39,995,840	Up to £26,000,000	Up to £8,000,000	Up to £73,995,840

<sup>5</sup> (e.g. Tier 4 pathway, provision for non-guaranteed annual uplift, uplift in additional grant funding, other central government grants)

ons (ten years)				
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Table 5: Breakdown of maximum estimated contract value 2027 - 2037

89. The proposed core service will be funded from the PHG up to a maximum estimated annual value of £3,999,584, with additional grant funding of up to £2,600,000 per annum. The maximum estimated annual contract makes provision for a continuation of both funding streams at 2025-26 contract value level for the duration of the ten-year contract. However, at the time of writing, there is uncertainty in relation to future funding in terms of the PHG, additional grant funding and the ability to confirm annual uplifts to the PHG funded contract value.
90. PHG funding is not automatically uplifted, so it is not possible to provide a guarantee of automatic annual uplift for the service. It should be noted that provider market engagement stressed the impact of static contract values on core service delivery and provider ability to deliver high-quality, safe services over the duration of a contract's multi-year delivery. Paying a fair price for high-quality service provision is important, both in the context of maximising provider interest in the procurement opportunity whilst also supporting the sustainability of the drug and alcohol treatment sector.
91. The contract will specify the financial implications of funding uncertainty and will outline the council's position in relation to how this uncertainty shall be managed. Break clauses at appropriate intervals will be built into the contract to manage and mitigate financial risk in the event of funding reduction. It is also proposed that a mechanism will be included in the contract to discuss price changes with the provider at intervals over the ten-year term based on inflation and any available uplift guidance.
92. Additional grant funding allocations will be confirmed annually and will be underpinned by the borough's plan which is approved by the Combatting Drugs Partnership (CDP) and subsequently by the Office for Health Improvement and Disparities (OHID). Additional grant funding will only be paid to the provider for services delivered during the funding period.
93. In light of the potential Tier 4 pathway opportunity that may be deployed during the term (paragraph 30), as well as the non-guaranteed provision of annual uplift and the potential for other central government grants applicable to these services to be awarded during the term, it is considered prudent to propose an additional maximum estimated contract value of up to £8m across the ten-year term to account for the inclusion of these possible options for reasons of administrative expediency with no formal commitment of funding to the contract in this regard.
94. The provision within the contract for non-guaranteed investment during the contract period facilitates the council to identify funding up to the estimated maximum budget allocation of £8m at any point during the term and deploy this for the purpose of committing investment to support delivery without requiring a separate GW3 variation decision. This will be the case unless any

identified funding exceeds the maximum estimated budget values in this report, which would require a GW3 report.

95. Making this provision within the contract at its offset supports future contract modification decision-making should the council identify funding for commitment to expand and enhance service delivery or provide a price increase by way of managing inflationary pressures. It also ensures the provision for rapid deployment of any additional investment within the contract during the term to facilitate delivery, which is considered in the best interests of people who use the services.
96. Some providers opt to provide contracts through a company arrangement that enables Value Added Tax (VAT) to be recouped from the contract value, subject to receipt of VAT invoices, with some reinvestment of recouped VAT into service provision. Providers will have the opportunity to provide an overview of their proposed contracting arrangement and any VAT implications during the tender process.

### **Investment implications**

97. The proposed core service offer will be funded from the council's PHG, with additional drug strategy investment in accordance with central government grant arrangements throughout the contractual term. For 2025-26, the maximum DATRIG budget allocation awarded to the existing contract equates to 65% of the PHG core contract value<sup>6</sup>. This represents a significant contributory investment over and above the core budget available to enhance and expand the service offer and increase the numbers of people of all ages in treatment.
98. Should there be a significant reduction or cessation of additional drug strategy funding in the future, it is considered that the impact on community treatment service delivery in Southwark would be significant. The increase of numbers of people of all ages in treatment since 2022 would be exceptionally challenging to manage within the core PHG financial envelope against a backdrop of high levels of unmet need and increasingly complex substance use presentations in recent years, and a continued drug strategy drive to further increase treatment engagement.
99. The tender evaluation methodology will incorporate an assessment of investment scenarios to ensure that the procurement process robustly identifies provider strategies to manage a reduction or cessation of funding. Taking this approach provides the council with an opportunity to evaluate cost allocations as part of a formal tender clarification process and will support the council's assurance of the delivery of high-quality, safe services to vulnerable residents including in the event of reduced funding.

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<sup>6</sup> To note the maximum budget allocation is in the excess of the 2025-26 DATRIG plan which commits c£2.3m to the existing AIDATS contract.



## **Legal implications**

100. Please see concurrent from the Assistant Chief Executive – Governance and Assurance.

## **Consultation**

101. A significant consultation process has taken place in 2025 to inform the proposed procurement of the services including:

- Provider market sector engagement through a Prior Information Notice (PIN) in February 2025
- Benchmarking research
- Consultation with a range of stakeholders including internal and external services and people of all ages with lived / living experience of drug and / or alcohol use to inform and shape the delivery model and service specification. A list is provided in Appendix 3.
- Consultation with a range of internal stakeholders to inform the development of method statements and model answers
- Establishment of a project team to provide oversight of the procurement process with representation from key service areas as appropriate.

## **Other implications or issues**

102. Not applicable.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Resources (20AM202526)**

103. The Strategic Director of Resources notes the recommendations in this report approve the procurement strategy for the All-Age Substance Treatment and Recovery System Services contract to be procured through a competitive process up to a maximum estimated annual contract value of £7,399,584 for a period of five years commencing on 1 April 2027, with an option to extend by a further period of up to five years (three years + two years), subject to satisfactory performance and with recourse to a contractual break clause, making a total maximum estimated contract value of £73,995,840.

104. As stated in the financial implications section, the core service will be funded from the Public Health Grant, with an additional grant of £2.6 million per year. However, future funding remains uncertain, especially regarding PHG uplifts, which are not guaranteed. Provider feedback highlighted that static funding undermines service quality and sustainability, emphasising the need for fair pricing to attract providers and support the long-term viability of drug and alcohol treatment services.

## Head of Procurement

105. This report seeks approval of the procurement strategy for All-Age Substance Treatment and Recovery System Services to deliver a new service contract through a competitive procurement process at a maximum estimated annual contract value of £7,399,584 for a period of five years commencing on 1 April 2027, with an option to extend by a further period of up to five years (three years + two years), subject to satisfactory performance and with recourse to a contractual break clause, making a total maximum estimated contract value of £73,995,840. It is also noted that paragraph 2 requests delegation of subsequent award decision to the Strategic Director for Children and Adult Services in consultation with the Cabinet Member for Health and Wellbeing.
106. These services are covered by the NHS Provider Selection Regime Regulations 2023, (the PSR) and grounds for use of a competitive process are permitted by Regulation 6, (“Where the relevant authority cannot use any of the other processes or wishes to run a competitive exercise”) as consistent with rationale contained within this report and preceding Gateway 0. Notwithstanding, commissioners electing to use the competitive process must reference the key criteria mandated by the PSR, and adhere to associated governance, record-keeping and transparency requirements, as also set out within the PSR, which are otherwise aligned with the council’s Contract Standing Orders, (CSO) and which reserve decision to approve the recommendation to Cabinet following review at DCRB and CCRB.
107. Analysis and accompanying narrative associated with each of the proposed strategic options was also detailed in preceding Gateway 0 and is summarised here within table below paragraph 32.
108. Headline risks associated with the recommended strategic option are contained within table at the end of paragraph 38.
109. Intended alignment with the Southwark 2030 vision is explicitly referenced at paragraph 43. Evidence of same vis a vis Southwark’s 2030 Procurement Framework (S2030PF) is provided at paragraph 42.
110. Proposed methodology for monitoring and management of the project is detailed within paragraphs 82 – 86. The report also confirms that an annual performance review will be provided to the relevant DCRB and CCRB in alignment with council Contract Standing Orders.
111. The Community, Equalities and Health Impact Statements are set out in paragraphs 57 – 68.
112. The Climate Change, Social Value, Economic and Environmental Sustainability statements are contained within paragraphs 69 – 81.

## **Assistant Chief Executive – Governance and Assurance (SB230925)**

113. This report seeks approval of the procurement strategy for an All-Age Substance Treatment and Recovery System Services contract involving a competitive procurement process for an initial period of five years, with an option to extend for a further five years (3+2) making a potential contract term of ten years, commencing on 1 April 2027, at an estimated maximum annual value of £7,399,584 and an estimated total maximum value of £73,995,840. It also seeks approval to delegate the contract award decision to the Strategic Director of Children and Adult Services, in consultation with the Cabinet Member for Health and Wellbeing.
114. The services which comprise the proposed new contract are subject to the requirements of the Health Care Services (Provider Selection Regime) Regulations 2023. Regulation 6 provides for the use of a competitive process in cases where the relevant authority cannot use any of the other prescribed processes or wishes to run a competitive exercise. Following an analysis of the various procurement options available to the council a Gateway 0 report had recommended undertaking a publicly advertised competitive tendering exercise, and Regulation 11 sets out the various procedural steps that must be taken when doing so, which include determining key contract award criteria, assessing any offers received in accordance with those criteria and observing requirements around transparency and record-keeping, in particular the publication of relevant notices.
115. The recommended procurement strategy is also consistent with other relevant domestic legislation, with national and corporate policy and with the council's Contract Standing Orders, which reserve the approval decision to Cabinet, after consideration of the report by the Departmental and Corporate Contract Review Boards.
116. The Public Sector Equality Duty set out in section 149 of the Equality Act 2010 (EA) requires the council, when making procurement decisions to have due regard to the need to:
  - a. Eliminate discrimination, harassment, victimisation, or other prohibited conduct.
  - b. Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not.
  - c. Foster good relations between those who share a relevant characteristic and those that do not share it.

The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Sector Equalities Duty (PSED) also applies to marriage and civil partnership, but only in relation to (a) above.

Appendix 1 to this report contains a draft equality impact assessment which considers the likely impact of the proposed service on a wide range of people of all ages with drug and / or alcohol support needs with particular attention paid to those groups with complex multiple vulnerabilities. As noted within paragraph 64 this will be updated in line with the successful provider's tender proposal and refreshed as necessary in conjunction with the provider in response to any reduction or cessation of funding that will have a detrimental impact on service users.

117. In considering its decision Cabinet should also take account of paragraph 101 which notes the nature and extent of consultation undertaken to date for the purpose of informing the service model and the proposed procurement strategy.

#### **Director of Public Health**

118. The Director of Public Health has approved the content of this GW1 report.

#### **Chief Digital and Technology Officer (For all contracts involving IT)**

119. Not applicable.

#### **Director of Exchequer (For Housing contracts only)**

120. Not applicable.

### **BACKGROUND DOCUMENTS**

<b>Background Documents</b>	<b>Held At</b>	<b>Contact</b>
Gateway 0 Strategic Options Assessment: All-Age Substance Treatment and Recovery System Services	Integrated Health and Care / Drug and Alcohol Action Team 160 Tooley Street London, SE1 2QH	Donna Timms 0207 525 7497
<b>Link:</b> <a href="https://moderngov.southwark.gov.uk/mglIssueHistoryHome.aspx?IIId=50036938&amp;PIanId=888&amp;RPID=117633500">https://moderngov.southwark.gov.uk/mglIssueHistoryHome.aspx?IIId=50036938&amp;PIanId=888&amp;RPID=117633500</a>		

### **APPENDICES**

<b>No</b>	<b>Title</b>
Appendix 1	All-Age D&A Equality Impact Needs Assessment
Appendix 2	All-Age D&A Key Performance Indicators
Appendix 3	All-Age D&A Service Consultation Stakeholder List

**AUDIT TRAIL**

Cabinet Member	Councillor Evelyn Akoto, Health and Wellbeing		
Lead Officer	David Quirke-Thornton, Strategic Director of Children and Adult Services		
Report Author	Donna Timms, Unit Manager – Drug and Alcohol Action Team		
Version	Final		
Dated	20 November 2025		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title		Comments Sought	Comments included
Strategic Director of Resources		Yes	Yes
Head of Procurement		Yes	Yes
Assistant Chief Executive – Governance and Assurance		Yes	Yes
Director of Exchequer (For Housing contracts only)		No	No
Contract Review Boards			
Departmental Contract Review Board		Yes	Yes
Corporate Contract Review Board		Yes	Yes
Cabinet Member		Yes	Yes
Date final report sent to Constitutional Team			20 November 2025



# Equality Impact and Needs Analysis

## All-Age Substance Treatment and Recovery System Services



## Section 1: Equality impact and needs analysis details

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<b>Proposed policy/decision/business plan to which this equality analysis relates</b>		Future Commissioning of All-Age Substance Treatment and Recovery System Services			
<b>Equality analysis author</b>		Donna Timms			
<b>Strategic Director:</b>		Darren Summers			
<b>Department</b>		Integrated Health and Care	<b>Division</b>	Integrated Commissioning	
<b>Period analysis undertaken</b>		September 2025			
<b>Date of review (if applicable)</b>					
<b>Sign-off</b>	EDI Team	<b>Position</b>		<b>Date</b>	10 October 2025

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## Section 2: Brief description of policy/decision/business plan

### 1.1 Brief description of policy/decision/business plan

This equality and health analysis will inform the future commissioning of all-age substance treatment and recovery system services, with new arrangements to be in place by 1 April 2027. It is proposed that the new arrangement shall constitute a single contract delivered by a single provider, or group of providers in consortia with a lead named provider, inclusive of the full scope of the service specification and this shall be achieved through a competitive procurement process.

All-age substance treatment and recovery services are responsible for supporting people of all ages with drug and / or alcohol support needs including people affected by the substance use of another person. Adoption of an all-age delivery model with care pathways segmented by age and need to underpin the future provision of the services is considered to be the most optimal delivery model for arranging the future services and has received widespread partnership support. The diagram below sets out the proposed segmentation of care pathways within the all-age delivery model.

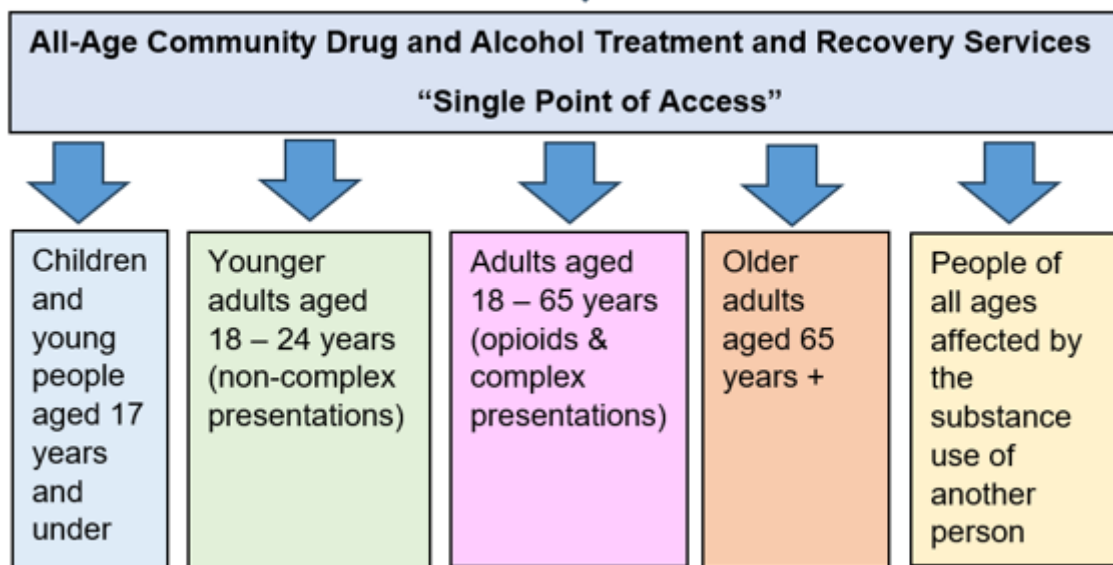


Diagram 1: Proposed All-Age Delivery Model Care Pathways

#### Children and young people (CYP) aged 17 years and under

- The core features of the proposed substance misuse offer for CYP aged 10 -17 years includes:
  - i. Universal offer – professionals training, website/digital offer, advice, guidance and information
  - ii. Enhanced offer – early intervention and prevention outreach delivery including schools, service drop in provision, assessment, brief interventions, evidence-based targeted prevention in

## 1:1/groups

- iii. Structured treatment offer (for CYP with an identified drug and / or alcohol support need) – comprehensive assessment and care planning, psychosocial interventions, complex presentation pathway (e.g. Class A drug use) for clinical assessment, prescribing, needle exchange and residential support, care coordination, integrated delivery with other services e.g. mental health
  - In 2024-25, 1,209 CYP were reached through early intervention and prevention delivery in schools with 72 CYP engaged in structured treatment<sup>1</sup>.
  - CYP engaged in structured treatment may have support needs in addition to their drug and / or alcohol use including, but not limited to, mental ill-health and trauma, involvement with the youth justice system / children's services, not in education, employment or training (NEET) and adverse childhood experiences.

Adults aged 18 years +

- Drug and alcohol treatment and recovery services for adults aged 18 years + comprises a range of evidence-based community drug and alcohol treatment interventions which support people to reduce or cease substance use alongside working with key partners to provide support for wider needs such as physical and mental ill-health, social care, criminal justice involvement and accommodation.
- Service provision is tailored to the individual and may include clinical interventions, psychosocial interventions in 1:1/group settings, harm reduction and access to the borough's Tier 4 residential treatment pathway when indicated.
- In 2024-25, around 1,800<sup>2</sup> adults were supported by the borough's treatment system of which 40% were older people aged 50 years +.

People of all ages affected by the substance use of another person

- Support for people affected by the substance use of another person recognises the support needs of the family member/carer as an individual in their own right and can be accessed whether the individual with drug and / or alcohol support needs is engaged in treatment or not. The service offer includes practical advice and support to overcome issues, engagement in 1:1/groups, and support to access local networks and communities.
- CYP affected by a loved one's substance use have distinct support needs that require intervention to reduce harm. The CYP service offer, often delivered in partnership with children's services, helps to support CYP to cope with difficult family situations and provides a safe space to work through emotions and feelings about the living situation.
- In 2024-25, 54<sup>3</sup> families received support from this pathway. Whilst a service offer is part of the future provision, there will be no analysis of this

<sup>1</sup> NDTMS ViewIt and local contract monitoring data

<sup>2</sup> NDTMS ViewIt

<sup>3</sup> Local contract monitoring data (non-NDTMS reportable)

group within this document due to significant data and reporting limitations.

## Section 3: Overview of service users and key stakeholders consulted

2. Service users and stakeholders	
Key users of the department or service	<p><u>Introduction</u></p> <p>The service will engage with people of all ages with drug and / or alcohol support needs in the London Borough of Southwark, regardless of protected characteristic or immigration status. This will include people who do not use substances themselves, but whom are affected by the substance use of another person.</p>
	<p><u>Prevalence estimates (adults aged 18 years+)</u></p> <p>Prevalence estimates of the number of opiate users, crack cocaine users, opiate and crack cocaine users and alcohol users in local areas published in 2016-17 (2019-20 for alcohol) estimates there are 9,836 people living in Southwark with treatment support needs for these substances, some of whom are engaged in treatment. Census data from 2021 indicates the adult population aged 20 years + was 242,966. Based on these figures, 4% of Southwark's adult population is estimated to have an opiate, crack cocaine, opiate and crack cocaine or alcohol treatment need.</p> <p>In 2023-24, 1,731 adults were engaged in treatment which, when considered against the adult population of 242,966 (Census 2021), indicates 0.7% of people living in Southwark were engaged in treatment. When compared with the 4% estimated treatment need for opiates, crack cocaine and alcohol, this can be considered to evidence high levels of unmet treatment need in the borough.</p> <p>People with drug and / or alcohol support needs experience some of the most severe health inequalities and evidence much poorer health than the general population. The extent of inequality is most profound in some sub-groups of people with drug and / or alcohol support needs including people who sleep rough and those engaged in sex work. Users of the proposed service may experience significant difficulties across multiple areas including:</p> <ul style="list-style-type: none"> <li>• Physical ill-health, including positive blood borne virus status and issues arising from exposure to poor living conditions</li> <li>• Difficulty in maintaining personal hygiene</li> <li>• Poor nutrition</li> <li>• Mental ill-health, including dual diagnosis (concurrent drug and / or alcohol use and mental ill-health),</li> </ul>

	<p>trauma and high levels of stress</p> <ul style="list-style-type: none"> <li>• Problematic drug and / or alcohol use</li> <li>• Insecure accommodation, or rough sleeping</li> <li>• Legal issues, including involvement with the Criminal Justice System</li> <li>• Limited literacy skills</li> <li>• Language barriers</li> <li>• No recourse to public funds</li> <li>• Stigmatisation and discrimination</li> <li>• Domestic abuse</li> <li>• Social exclusion</li> <li>• Safeguarding</li> <li>• Difficulties engaging with support services</li> <li>• Difficulties in retaining suitable accommodation</li> <li>• Lack of support network</li> <li>• Exploitation</li> <li>• Adverse childhood experiences</li> </ul>
<p><b>Key stakeholders were/are involved in this policy/decision/business plan</b></p>	<p>The re-commissioning of the services is being delivered in consultation with the following key partners:</p> <ul style="list-style-type: none"> <li>• Residents including people of all ages who use the services and those that do not.</li> <li>• The current provider and prospective providers</li> <li>• Internal colleagues: Adult and Children's Social Care, Public Health, Procurement, Legal, Finance, Community Safety, Integrated Commissioning</li> <li>• Partner organisations: South East London Integrated Care Board, Criminal Justice agencies, health services (hospitals, ambulance service, primary and secondary care), outreach providers, the Recovery Support Service for Substance Misuse</li> <li>• Other local authorities providing similar services</li> </ul>

## Section 4: Pre-implementation equality impact and needs analysis

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This section considers the potential impacts (positive and negative) on groups with 'protected characteristics', the equality information on which this analysis is based and any mitigating actions to be taken, including improvement actions to promote equality and tackle inequalities. An equality analysis also presents as an opportunity to improve services to meet diverse needs, promote equality, tackle inequalities and promote good community relations. It is not just about addressing negative impacts.

The columns include societal issues (discrimination, exclusion, needs etc.) and socio-economic issues (levels of poverty, employment, income). As the two aspects are heavily interrelated it may not be practical to fill out both columns on all protected characteristics. The aim is, however, to ensure that socio-economic issues are given special consideration, as it is the council's intention to reduce socio-economic inequalities in the borough. Key is also the link between protected characteristics and socio-economic disadvantage, including experiences of multiple disadvantage.

**Socio-economic disadvantage may arise from a range of factors, including:**

- poverty
- health
- education
- limited social mobility
- housing
- a lack of expectations
- discrimination
- multiple disadvantage

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

1. Eliminating discrimination, harassment and victimisation
2. Advancing equality of opportunity, including finding out about and meeting diverse needs of our local communities, addressing disadvantage and barriers to equal access; enabling all voices to be heard in our engagement and consultation undertaken; increasing the participation of underrepresented groups
3. Fostering good community relations; promoting good relations; to be a borough where all feel welcome, included, valued, safe and respected.

The PSED is now also further reinforced in the two additional Fairer Future For All values: that we will

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

**Age** - Where this is referred to, it refers to a person belonging to a particular age (e.g. 32 year olds) or range of ages (e.g. 18 - 30 year olds).

**Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.**

**Potential Socio-Economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)**

Census data from 2021 does not align to the same age categories as the NDTMS, therefore it is difficult to draw a robust comparison in relation to Southwark's population use of these services and the following analysis carries this caveat.

#### Adults aged 18 years +

National Drug Treatment Monitoring System (NDTMS) reported data from 2023-24 shows the majority (49%) of adults engaged in drug and alcohol treatment are in the 30-49 years category, followed by 40% in the 50+ category and 11% in the 18-29 category. The increasing numbers of people aged 50+ in treatment reflects the national trend of an ageing cohort of primarily opiate users with long-term health conditions who require ongoing treatment support throughout the life course.

Age groups (Adults)	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
18-29	365	315	290	300	275	255	240	190	170	200	185	145	165	195	200
30-49	1585	1505	1420	1325	1330	1240	1105	870	885	930	900	835	880	830	840
50+	355	370	380	400	455	545	565	500	570	630	605	580	670	665	690

Table 1: Age breakdown of adults in treatment in Southwark 2009-10 – 2023-24 (NDTMS ViewIt)

Census 2021 data estimates the 20 - 29 population to be 63,743, the 30-29 population to be 103,264 and the 50+ population to be 75,959. Based on these figures, approximately 0.3% of Southwark's 20 – 29 population, 0.8% of Southwark's 30 – 49 population and 0.9% of Southwark's 50+ population were engaged with the borough's drug and alcohol treatment services in 2023-24.

Older people with long term patterns of drug and / or alcohol use are more likely to present to treatment with complex comorbidities and health and social care needs. Many people with entrenched drug and / or alcohol use in mid-life present with the health and social care needs of older people in their sixties and seventies, but do not meet the threshold for support from older people's services due to their biological age. Additionally, many health needs experienced by older people in drug and alcohol treatment cannot be addressed by the service. Support needs include, but are not limited, to:

- Complex health needs – such as Chronic

Southwark is the 40<sup>th</sup> most deprived local authority area in England and approximately 21% of Southwark's population live in communities ranked within the most deprived nationally. Data from 2021 shows that 51% of all households in Southwark are disadvantaged in any one or more of the following dimensions: employment, education, health and disability, and housing. In Southwark, life expectancy is increasing, but this is not equal across the borough, with life expectancy lower in more deprived wards. Approximately 40% Southwark residents live in council housing.

There are well established links between drug use and socio-economic factors, with a significantly positive correlation between rates of problematic drug use (opiates and crack cocaine) and local authority deprivation levels, and similarly, higher rates

<p>Obstructive Pulmonary Disease (COPD)</p> <ul style="list-style-type: none"> <li>• Mobility issues – some requiring home visits, support picking up prescriptions or escorting to hospital and other appointments</li> <li>• Significant social care needs – such as difficulty managing toilet needs, keeping a habitable home environment, developing and maintaining personal relationships, managing nutrition and/or maintaining personal hygiene.</li> <li>• Grief management, loneliness support</li> </ul> <p>Locally, 40% of the adult caseload in 2023-24 were aged 50 years +, which requires robust multi-agency working to ensure that support is provided by relevant agencies to meet all presenting health support needs.</p> <p>In 2023, the highest rates of drug misuse deaths in England and Wales<sup>4</sup> were reflected in the 40 – 49 age bracket, and this warrants careful consideration in relation to appropriate risk management of opiate users in this age group, particularly those with heightened risk of overdose and death as a result of non-treatment engagement.</p> <p>Younger adults are more likely to present with use of other substances, such as cannabis, ketamine, novel psychoactive substances, club drugs and alcohol<sup>5</sup>. Patterns of use that become problematic, but not dependent, require a different approach. This poses challenges for the future service offer in terms of engaging younger people who use substances as well as the more traditional long-term opiate treatment population.</p> <p>This data demonstrates it will be key for the future services to provide a bespoke treatment offer which recognises the varying health support needs that affect people at different stages of their life course and ensures a range of robust partnership working arrangements are in place with services that people access at different times of their life.</p> <p>This service is therefore likely to have a positive social, economic and health impact on adults of all ages in</p>	<p>of alcohol dependency in local authority areas with higher levels of deprivation. The prevalence of alcohol specific deaths is over twice as high in the most deprived decile (16.7 per 100k) when compared to the least deprived decile (7.1 per 100k), with rates of drug misuse deaths also reflecting a positive correlation against regions with higher deprivation.</p> <p>Rates of hospital admissions for drug or alcohol specific conditions for males and females evidence a positive correlation with deprivation, with much higher incidences of conditions in the most deprived areas. In 2018, PHE<sup>6</sup> reported that around 20% of children in need are affected by drug misuse, and around 18% are affected by alcohol misuse. Parental drug and / or alcohol misuse is present in around 25% of cases on the child protection register. Drug misuse is a factor in 38% of serious case reviews, and alcohol misuse in 37% of</p>
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<sup>4</sup> ONS Drug Misuse Deaths 2023

<sup>5</sup> YP Substance Misuse Treatment statistics 2023-24, England & Wales, Table 1\_3

<sup>6</sup> PHE – Why invest? slideset



Southwark. This service is not expected to have any negative social, economic or health impacts on adults of any age groups.

### CYP aged 17 years and under

NDTMS reported data from 2023-24 shows the majority (50%) of CYP engaged in drug and alcohol treatment are in the 16 - 17 years category, followed by 40% in the 14 - 15 category and 5% in the under 14 category. Brief interventions delivered by the service are not reportable to NDTMS, therefore this data cannot be considered as indicative of CYP substance misuse need in the borough.

Age groups (Young people)	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Under 14	5	5	5	5	5	5	15	20	15	0	0	0	5	5	5
14-15	35	40	55	35	25	45	55	65	30	20	15	5	15	20	20
16-17	40	65	90	90	50	50	55	80	45	30	20	10	20	25	25

Table 2: Age breakdown of CYP in treatment in Southwark 2009-10 – 2023-24 (NDTMS ViewIt)

Census data estimated the 10 - 19 population to be 35,421. Whilst this will include people aged 18 – 19 years whereas the NDTMS CYP data-set does not, based on these figures, a crude estimate indicates that approximately 0.1% of Southwark's young person population were engaged with the borough's drug and alcohol treatment services in 2023-24. Based on early intervention and prevention delivery in schools of 1,209 CYP, 3.4% of Southwark's young person population were reached by the service.

Along with a structured treatment offer for CYP with identified drug and / or alcohol treatment needs, the service provides an early intervention and prevention offer for CYP through schools which helps to prevent and reduce onset of substance use and reduce harm where substance use takes place. The demarcation of CYP service delivery as an distinct care pathway within an all-age delivery model will ensure the provision of staff with specialist skills to support CYP of all ages through an age-appropriate evidence-based offer, including those without an identified support need through the early intervention and prevention offer in schools.

As such, this service is likely to have a positive social economic and health impact on CYP.

serious case reviews.

An inter-related range of structural socio-economic factors, including poverty, inequality, insecure accommodation and / or employment, and access to benefits are experienced by many people with drug and / or alcohol support needs. These factors can also be a cause and consequence of wider issues such as rough sleeping, where vulnerabilities are significantly increased due to a poor, unsafe living situation. Frequent use of opiates, previous treatment disengagement, injecting, living in the most deprived decile, having housing problems, and being of white ethnicity are all factors associated with a reduced likelihood of successful treatment completion.

Access to effective, high quality drug and alcohol treatment services plays an essential role in reducing health and wellbeing inequalities arising from unmet support needs for people of all ages and demographic backgrounds. Factors associated with successful completion of treatment include

	<p>being in work and education, as well as a younger age at treatment start and good physical health. This demonstrates an ongoing need for the service to work in partnership with other organisations that provide access to employment, training and education, and healthcare provision, as well as intervening as early as possible in a person's substance-using journey to achieve better outcomes.</p> <p>Access to high quality drug and alcohol treatment for people of all ages is considered to have a positive impact on those experiencing a wide range of socio-economic disadvantage.</p>
<b>Equality information on which above analysis is based</b>	<b>Socio-Economic data on which above analysis is based</b>
<ul style="list-style-type: none"> <li>• NDTMS data (public facing) in relation to existing services – ViewIt, YP Substance Misuse Treatment Statistics 2023-24</li> <li>• Office for National Statistics (ONS) – Deaths related to Drug Poisoning in England and Wales: 2023 registrations</li> <li>• ONS (2022) 2021 Census</li> </ul>	<ul style="list-style-type: none"> <li>• ONS (2022) 2021 Census</li> <li>• Southwark's JSNA Annual Report 2023</li> <li>• PHE (2018) – Why invest? slideset</li> </ul>
<b>Mitigating and/or improvement actions to be taken</b>	
<ul style="list-style-type: none"> <li>• Segmentation of the proposed delivery model into four age / need care pathways will ensure a priority focus</li> </ul>	<ul style="list-style-type: none"> <li>• The successful provider will be</li> </ul>

<p>on designing and delivering a bespoke age-appropriate service offer for each cohort in accordance with their engagement and other support needs.</p> <ul style="list-style-type: none"> <li>• Clear branding of pathways in the new service that delineates provision for CYP aged 17 years and under, young adults aged 18-24 with non-complex presentations, adults aged 18-64 years (including complex presentations in adults aged 18-24 years) and older adults aged 65 years+ will promote appropriate safeguarding and a bespoke service offer for each age cohort that is not lost within an all-age model with the majority of engagement within the adults aged 18 – 64 years cohort.</li> <li>• The availability of a comprehensive treatment offer for people of school / working age who cannot access the service in person at a fixed site or during normal working hours because of employment, training or education.</li> <li>• The successful provider will actively prioritise effective partnerships with organisations that cater for people in different age categories in the borough and across London to increase representation of people of all ages in treatment.</li> <li>• The provider and commissioners will work collaboratively throughout the life of the future contract to undertake qualitative analysis of substance groups and support needs, such as mental health and rough sleeping vulnerability, aligned with age to establish an improved understanding of the age demographics of people with drug and / or alcohol support needs in Southwark.</li> <li>• There will be a requirement for providers to detail how they will deploy the contract value in their tender proposals to meet the outcomes that the council requires (with and without additional investment scenarios) in order to provide the council with assurance as to the provider's strategy to reduce inequalities with consideration to age. It will also ensure that the council has an understanding prior to contract award of the provider's strategy in its delivery of the services in the event of funding reduction/cessation and the potential impact on people of all ages.</li> <li>• A continued drive to increase numbers of opiate users in treatment, particularly those in the highest risk age bracket for drug-related death (40 – 49 years) along with a focus on improving naloxone uptake rates in the borough, with all opiate users being offered naloxone at regular points of their treatment journey.</li> <li>• Working in partnership with other services including</li> </ul>	<p>expected to demonstrate partnership working with a range of services to support people using the services with meeting their accommodation, employment, healthcare and other needs arising from socioeconomic disadvantage.</p> <ul style="list-style-type: none"> <li>• The service offer will include early intervention and prevention delivery to reduce harm through intervening either prior to the onset of substance use or earlier in an individual's substance use journey.</li> </ul>
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<p>adult social care to plan for the care of people of middle age in treatment with health and care support needs of older people, but who are ineligible for care from older people's services due to their biological age.</p> <ul style="list-style-type: none"> <li>• The provider will be required to have an equality and diversity policy and training in place.</li> <li>• In its delivery of the service, the provider will consistently demonstrate meeting of diverse needs, providing equality of opportunity and access to appropriate services, which shall be continuously assessed through formal contract monitoring processes.</li> </ul>	
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<p><b>Disability</b> - A person has a disability if s/he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.</p> <p>Please note that under the PSED due regard includes:</p> <p>Giving due consideration in all relevant areas to "the steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities." This also includes the need to understand and focus on different needs/impacts arising from different disabilities.</p>	
<p><b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b></p>	<p><b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b></p>
<p>NDTMS reported data from 2023-24 shows 22% of adults that are engaged in structured treatment reported a disability to the service, with the majority reporting a behaviour/emotional disability (58% of all reported disability in 2023-24).</p>	<p>Please refer to age section for a detailed overview of potential socio-economic impacts which are relevant for all protected characteristics.</p> <p>Children and young people with learning disabilities are more likely than peers without learning disabilities to be exposed to range of environmental adversities arising from lower family</p>

Disability	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Behaviour and emotional	20	50	80	140	230	265	260	225
Any disability	55	120	195	245	340	410	390	385
Hearing	0	5	10	5	5	5	5	5
Learning disability	5	15	30	35	25	30	30	40
Manual dexterity	5	0	0	0	5	5	5	5
Mobility and gross motor	15	25	50	45	70	70	80	95
Not stated	5	25	120	25	20	5	15	20
Other	10	25	15	25	55	85	80	100
Personal, self-care and continence	0	0	0	5	5	5	5	5
Perception of physical danger	0	0	0	0	0	0	0	0
Progressive conditions and physical health	10	5	10	5	25	50	30	40
Sight	0	5	5	10	5	10	5	10
Speech	0	0	0	0	5	5	0	0

Table 3: Disability breakdown of adults in treatment in Southwark 2016-17 – 2023-24 (NDTMS ViewIt)

Census data from 2021 shows 8.2% Southwark's population has a disability, but for residents aged 65 and over, this percentage increases to 39%. This demonstrates that likelihood of having a disability increases with age. The projected increase in the older adults' population in the coming years along with the ageing cohort of people in drug and alcohol treatment throughout the life course is therefore likely to lead to an increase in the number of residents in the borough with drug and / or alcohol support needs also living with long-term illnesses and disability.

Mental ill-health can be both a cause and a consequence of drug and / or alcohol use. Use of drugs and / or alcohol can result in poorer mental health in relation to anxiety, depression, and episodes of drug-induced psychosis. Use of some drugs can result in the onset of a first episode of mental ill-health being experienced. People with pre-existing mental ill-health may use substances to self-medicate or for symptom management. For some sub-groups of drug and alcohol users, such as people sleeping rough, there is a higher prevalence of concurrent drug and alcohol use and mental ill-health, which has a profound impact on the person and can impede their ability to access care. Rates of mental ill-health need for adults in treatment are high<sup>7</sup>.

Evidence suggests that people with learning disabilities are less likely to misuse drugs and / or alcohol than the general population<sup>8</sup>. However, as more people with learning disabilities are supported with independent living in their community, access to substances

socioeconomic position, disability related discrimination and social exclusion.

The 'hidden majority' of people with learning disabilities in the community are more likely to be exposed to known social determinants of poorer health including material hardship, living in more deprived areas and reducing community and social engagement, all of which may impact on substance use.

There is limited research in relation to substance use in people with learning disabilities along with a lack of evidence-based guidance to support drug and alcohol services to provide an effective treatment offer to people with learning disabilities. This poses a risk that drug and alcohol services do not routinely adapt ways of working to support these groups in terms of cognitive, language, perception and memory support needs presented by their learning disabilities. As such, special consideration is needed to ensure that people with learning disabilities can access

<sup>7</sup> Local contract monitoring data

<sup>8</sup> Public Health England 2016

<p>increases, as does potential vulnerability to drug-related exploitation.</p> <p>Disability can increase the risk of drug and alcohol problems where inequality exacerbates use; for some people, services will be less accessible and their support needs will not be met. Whilst there is a lack of research in relation to levels and patterns of use in people with disabilities, as well as people with disabilities often being considered as a homogenous group, the service offer will be provided to people with a range of disabilities with the provider required to develop robust partnerships with other support services to be able to meet need.</p> <p>These services are therefore likely to have a positive social, economic and health impact on adults with disabilities in Southwark. The services are not expected to have any negative social, economic or health impacts on adults with a disability.</p> <p><u>CYP aged 17 years and under</u></p> <p>There are approximately 9,610 CYP with disabilities living in Southwark. NDTMS does not report on disability for CYP in treatment, therefore a comparison is unable to be made in terms of service usage. However, it is considered that CYP with drug and / or alcohol support needs will have other support needs which may include physical and mental ill-health. learning disability, or communication impairments.</p> <p>Desktop research evidences little reliable information on the prevalence of substance use in people with learning disabilities. The then Public Health England (PHE)<sup>9</sup> reported that people with learning disabilities are at increased risk of substance misuse if they have borderline/mild learning disabilities, are young and male, or have mental health issues. The consequences of substance misuse are not dissimilar to other groups, but with heightened risk of vulnerability to exploitation and potential life-threatening risks of cross-reaction with psychotropic medications.</p> <p>Provision of a service offer for all CYP including those with a disability will help to reduce the harmful impact of substance misuse and its associated issues. These services are therefore likely to have a positive social, economic and health impact on disabled CYP in Southwark. The services are not expected to have any negative social, economic or health impacts on residents with a disability.</p>	<p>the services in a way that is sensitive to their needs.</p> <p>People with unfavourable social circumstances are more vulnerable to mental ill-health which subsequently increases the risk of physical ill-health and reduced life expectancy when compared to the general population.</p> <p>Mental ill-health is associated with a number of inequalities which may relate to access, experience and quality of care and support and outcomes.</p> <p>Disadvantage can commence prior to birth including poverty, trauma, inappropriate housing as well as adverse childhood experiences, with children who experience multiple risk factors more likely to experience mental ill-health. Access to high-quality drug and alcohol treatment support, including for those affected by someone else' substance use can act as a protective factor to reduce the impact of disadvantage on mental ill health.</p> <p>People experiencing</p>
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<sup>9</sup> PHE – Health Inequalities – Substance Misuse Report

<p><u>Provider staff</u></p> <p>Data is not provided to the council in relation to the prevalence of disability in provider staffing resource. However, the future provider is required to ensure compliance with the Equality Act 2010 in relation to ensure no less favourable treatment for people with disabilities in relation to recruitment and retention practices including appropriate reasonable adjustments to accommodate staff members with disabilities.</p>	<p>mental ill-health and substance use can experience significant barriers to accessing support including healthcare, accommodation and employment due to service criteria, stigma, discrimination and poverty.</p> <p>Evidence indicates that young adults with severe mental illness are five times more likely to have three + physical health conditions than their peers and those living in deprived areas are likely to have an increased prevalence of physical health conditions.</p> <p>People from Black, Asian, and minority ethnic backgrounds experience further disadvantage , with Black people with serious mental illness more likely than other groups to come into contact with support services through no-health agencies such as the police and also experience adverse hospital mental health services leading to distrust of services and a reticence to seek support.</p>
<p><b>Equality information on which above analysis is based</b></p>	<p><b>Socio-economic data on which above analysis is based</b></p>

<ul style="list-style-type: none"> <li>• NDTMS ViewIt data (public facing) in relation to existing services</li> <li>• ONS (2022) 2021 Census</li> <li>• PHE (2016) – Health Inequalities – Substance Misuse report</li> <li>• PHE (2016) – Substance misuse in people with learning difficulties</li> </ul>	<ul style="list-style-type: none"> <li>• PHE (2016) – Substance misuse in people with learning difficulties</li> <li>• PHE (2016) – Health Inequalities – Substance Misuse report</li> <li>• PHE (2018) Health matters: reducing health inequalities in mental illness</li> </ul>
<b>Mitigating and/or improvement actions to be taken</b>	
<ul style="list-style-type: none"> <li>• The service will be required to respond to every person presenting to the service as an individual, particularly those with identified disabilities, and to provide an appropriate support offer to meet their needs. Fixed site hubs must be accessible to people with physical disabilities and disability friendly, with home visits and a digital offer provided to those that cannot access physical building spaces.</li> <li>• The service will be required to work in an integrated way with mental health services to meet the needs of people with substance use and mental ill-health which will, in turn, improve outcomes for people with these needs. This includes consideration of people of all ages.</li> <li>• The provider will actively prioritise effective partnerships with organisations that cater specifically for people with disabilities in the borough and across London to increase representation in treatment.</li> <li>• The provider will be required to complete a range of mandatory training to ensure that staff have the ability to work with people with a range of disabilities in a person-centred, empathetic way that meets their needs as well as having an equality and diversity policy in place.</li> <li>• In its delivery of the service, the provider will consistently demonstrate meeting of diverse needs, providing equality of opportunity and access to appropriate services, which shall be continuously assessed through formal contract monitoring processes. This will include meeting intersectional needs involving a range of protected characteristics.</li> <li>• The provider and commissioners will work collaboratively throughout the life of the future contract to undertake qualitative analysis of substance groups and support needs, such as</li> </ul>	<ul style="list-style-type: none"> <li>• The successful provider will be expected to demonstrate partnership working with a range of services to support people using the services with meeting their accommodation, employment, healthcare and other needs arising from socioeconomic disadvantage.</li> <li>• The successful provider will be required to demonstrate their consideration of meeting diverse needs associated with disability and making appropriate adaptations to support people with different disabilities to access and engage with treatment.</li> </ul>



mental health and rough sleeping vulnerability, aligned with disability to establish an improved understanding of the age demographics of people with drug and / or alcohol support needs in Southwark.	
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<b>Gender reassignment:</b> - The process of transitioning from one gender to another. <b>Gender Identity:</b> Gender identity is the personal sense of one's own gender. Gender identity can correlate with a person's assigned sex or can differ from it.	
Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.	Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)
<p><u>Adults aged 18 years +</u></p> <p>NDTMS does not report gender reassignment data. Local contract monitoring data indicates that zero people in treatment in 2024-25 identified as having a gender identity different from their sex registered at birth. Therefore, the proportion of residents engaged in structured treatment that report a gender identity that is different to that at birth is zero.</p> <p>Data from the 2021 Census shows that around 1 in 80 (1.2%) Southwark residents had a gender identity different from their sex registered at birth, equivalent to 3,200 people. It is estimated that 5.5% of Southwark trans/non-binary population (equivalent to 200 people) is aged 65+, and that at least 1 in 140 of all Southwark residents aged 65+ (0.7%; 200) are trans/non-binary.</p> <p>Census results for trans/non-binary and LGB+ identified people are likely to be under-estimates, with previous evidence showing survey respondents are reluctant to disclose these identities due to ongoing stigma and this may also be the case for self-reporting to the service.</p> <p>Common health issues for this community (of all ages) identified nationally include:</p> <ul style="list-style-type: none"> <li>• Anxiety, depression and suicide</li> <li>• Excessive alcohol consumption</li> <li>• Homelessness</li> <li>• Sexual violence</li> <li>• Obesity</li> <li>• Cervical and anal cancers</li> <li>• HIV/AIDS</li> </ul>	<p>Please refer to age section for a detailed overview of potential socio-economic impacts which are relevant for all protected characteristics.</p> <p>There is limited research in relation to gender reassignment and socioeconomic factors.</p>

<p>The provider will be required to have an understanding of the local service offer for the LGBTQ+ community and signposting residents where appropriate. The provider will also be expected to work in an anti-discriminatory way and work to build trust with people in this group to support their engagement with drug and alcohol treatment. The provider will be expected to provide a service which understands and meets the diverse needs of those from the LGBTQ+ community. The provider will also be expected to have an equality and diversity policy in place and training programme for all staff, which will include equality, diversity and inclusion.</p> <p>The services are expected to have a positive impact on trans/non-binary groups and are not expected to have any negative impacts on trans/non-binary groups.</p> <p><u>CYP aged 17 years and under</u></p> <p>NDTMS does not report this data and it is not proposed to collect it in the future contract. However, the same delivery principles as noted in the adult section of this characteristic are expected to appropriately support people of all ages.</p>	
<p><b>Equality information on which above analysis is based.</b></p>	<p><b>Socio-economic data on which above analysis is based</b></p>
<ul style="list-style-type: none"> <li>Contract monitoring data 2023-24</li> <li>ONS (2022) 2021 Census</li> </ul>	<p>Please refer to age / socioeconomic section.</p>
<p><b>Mitigating and/or improvement actions to be taken</b></p>	
<ul style="list-style-type: none"> <li>The provider will actively prioritise effective partnerships with organisations that cater specifically for trans / non-binary people in the borough and across London to increase representation in treatment.</li> <li>The provider will be required to complete a range of mandatory training to ensure that staff have the ability to work with trans / non-binary people in a person-centred, empathetic way that meets their needs as well as having an equality and diversity policy in place.</li> <li>In its delivery of the service, the provider will consistently demonstrate meeting of diverse needs,</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>

<p>providing equality of opportunity and access to appropriate services, which shall be continuously assessed through formal contract monitoring processes. This will include meeting intersectional needs involving a range of protected characteristics.</p> <ul style="list-style-type: none"> <li>• A continuation of local collation of gender identity outside of the NDTMS will be discussed with the provider along with their approach to building trust with people to support disclosure.</li> </ul>	
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<p><b>Marriage and civil partnership</b> – In England and Wales marriage is no longer restricted to a union between a man and a woman but now includes a marriage between a same-sex couples. Same-sex couples can also have their relationships legally recognised as 'civil partnerships'. Civil partners must not be treated less favourably than married couples and must be treated the same as married couples on a wide range of legal matters. <b>(Only to be considered in respect to the need to eliminate discrimination.)</b></p>	
Potential impacts (positive and negative) of proposed policy/decision/business plan	Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)
<p><u>Adults aged 18 years +</u></p> <p>NDTMS does not report on rates of marriage and civil partnership within the local treatment population.</p> <p>Data from the 2021 Census shows that 26% Southwark residents aged 16+ are in an opposite-sex marriage or civil partnership, and 1% (or 2,600 people) are in a same-sex marriage or civil partnership.</p> <p>No specific impacts have been identified or raised in relation to this characteristic.</p> <p><u>CYP aged 17 years and under</u></p> <p>This protected characteristic is not relevant to CYP substance misuse services.</p>	<p>Please refer to age section for a detailed overview of potential socio-economic impacts which are relevant for all protected characteristics.</p>
Equality information on which above analysis is based	Socio-economic data on which above analysis is based
<ul style="list-style-type: none"> <li>• ONS (2022) 2021 Census</li> </ul>	<p>Please refer to age socioeconomic section.</p>

Mitigating or improvement actions to be taken	
<ul style="list-style-type: none"> <li>The provider will be required to have an equalities and diversity policy and training in place.</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>

<b>Pregnancy and maternity</b> - Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.	
Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.	Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)
<p><u>Adults aged 18 years +</u></p> <p>Less than five pregnant adult women aged 18 years + presented to drug and alcohol treatment services in Southwark in 2024-25. The use of drugs and alcohol during pregnancy carries the risk of serious adverse effect on unborn children, including problems with the placenta, miscarriage and stillbirth, and pre-term labour as well as problems with fertility. Babies born to mothers using drugs and alcohol during pregnancy can experience low birth weight, birth and heart defects, blood borne virus infections and neonatal abstinence syndrome. Later in life, children may develop other problems including issues with behaviour and learning, slower than normal growth, and the effects of foetal alcohol syndrome. There is local evidence that some pregnant women with drug and / or alcohol support needs conceal their pregnancies and do not present to any support services for fear of their child being taken away following birth.</p> <p>Due to reporting restrictions for numbers less than five to prevent identification, the proportion of residents utilising the services who were pregnant in 2024-25 cannot be calculated. However, a crude estimate using five as the lowest denominator indicates that less than 0.3% of people in treatment were pregnant during the reporting period. This is likely to be an under-estimate of local need in relation to pregnant women with drug and / or alcohol use due to stigma, shame and distrust of local services.</p>	<p>Please refer to age section for a detailed overview of potential socio-economic impacts which are relevant for all protected characteristics.</p> <p>Women living in areas with higher levels of poverty are 50% more likely to experience a stillbirth or neonatal death along with increased rates of premature birth, low birthweight, caesarean birth and maternal death. Women of lower socioeconomic status are more likely to report a poorer maternity care experience. Lack of engagement with antenatal care / maternity services is directly linked to poorer maternal and neonatal outcomes, with the most deprived women</p>

<p>The provider will be expected to ensure an accessible and supportive service offer for residents or family members that are pregnant or have recently given birth. It is imperative that the service provides an appropriate support offer to assist with the early identification of pregnant service users, and works in partnership with a range of services to provide care and support throughout the pregnancy and maternity period.</p> <p>The services are expected to have a positive impact on pregnant women and are not expected to have any negative impacts on this group.</p> <p><u>CYP aged 17 years and under</u></p> <p>Zero pregnant CYP presented to drug and alcohol treatment services in Southwark in 2024-25.</p> <p>The provider will be expected to ensure an accessible and supportive service offer for residents or family members that are pregnant or have recently given birth. It is imperative that the service provides an appropriate support offer to assist with the early identification of pregnant service users, and works in partnership with a range of services to provide care and support throughout the pregnancy and maternity period.</p> <p>No specific impacts have been identified or raised in relation to this characteristic for CYP.</p> <p><u>Provider staff</u></p> <p>The provider will be expected to adhere to employment legislation around maternity leave for their staff across all care pathways.</p>	<p>60% less likely to receive antenatal care than the least deprived women. Women from deprived groups have a greater risk of experiencing perinatal mental health issues<sup>10</sup>.</p> <p>When considering women with drug and alcohol support needs, their neonates have higher risk of preterm birth and growth issues. The use of substances whilst pregnant poses significant risk to unborn babies. Women with drug and / or alcohol support needs evidence worse socioeconomic situations, poorer pregnancy care and worse neonatal outcomes than women without drug and / or alcohol support needs<sup>11</sup>.</p>
<p><b>Equality information on which above analysis is based</b></p>	<p><b>Socio-economic data on which above analysis is based</b></p>
<ul style="list-style-type: none"> <li>Contract monitoring data 2023-24</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Socioeconomic characteristics of women with substance use disorder during pregnancy and neonatal outcomes in their newborns: A national</a></li> </ul>

<sup>10</sup> Care associated with stillbirth for the most disadvantaged women: A multi-method study of care in England (2015)

<sup>11</sup>

	<a href="#">registry study from the Czech Republic - ScienceDirect</a> <ul style="list-style-type: none"> <li>National Library of Medicine - <a href="#">Care associated with stillbirth for the most disadvantaged women: A multi-method study of care in England - PMC</a></li> <li>Please refer to age socioeconomic section</li> </ul>
<b>Mitigating and/or improvement actions to be taken</b>	
<ul style="list-style-type: none"> <li>The provider will be required to have an equalities and diversity policy and training in place.</li> <li>The provider will be required to adhere to pregnancy and maternity leave employment law for their staff.</li> <li>The new service will be expected to develop and deliver a robust perinatal/maternity pathway in partnership with health, maternity and children's social care services.</li> <li>A commitment to assertive outreach provision and delivery of the service offer in non-substance misuse specific locations across the borough as well as a robust digital offer will support visibility of the service and increase opportunities for pregnant women or those with young babies to engage in treatment.</li> </ul>	<ul style="list-style-type: none"> <li>As outlined in adjacent equalities section.</li> </ul>

**Race** - Refers to the protected characteristic of Race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins. N.B. Gypsy, Roma and Traveller are recognised racial groups and their needs should be considered alongside all others

Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.	Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)
*To promote consistency, the term 'Black, Asian, and minority ethnic groups' will be used in this report in line with current council terminology, except where there is specific reference to NDTMS or Census categorisation.	Please refer to age section for a detailed overview of potential socio-economic

### Adults aged 18 years +

NDTMS reported data from 2023-24 shows that most adults aged 18 years+ in treatment in Southwark were White (70%), followed by people of Black / African / Caribbean / Black British ethnicity (17.58%), Mixed / Multiple ethnic groups (6.36%), Asian / Asian British (3.64%) and other ethnic groups (2.42%).

Ethnicity	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
White	1570	1475	1405	1350	1385	1355	1300	1070	1140	1275	1245	1130	1215	1175	1155
Black/African/Caribbean/Black British	265	225	230	250	250	225	230	185	205	270	245	250	270	260	290
Mixed/Multiple ethnic group	90	90	80	75	80	70	60	70	75	85	75	65	100	95	105
Asian/Asian British	40	45	45	40	40	40	35	35	45	50	40	45	50	65	60
Other ethnic group	70	45	45	45	45	50	35	10	15	30	35	25	25	40	40

Table 4: Ethnicity breakdown of adults in treatment in Southwark 2009-10 – 2023-24 (NDTMS ViewIt)

This compares to 51.5% of the Southwark population being white, 25.1% of the Southwark population being Black or Black British, 9.9% being Asian, 7.2% being mixed / multiple ethnic groups, and 6.3% being another ethnic group.

At a local level, this shows an over-representation of white people in treatment and under-representation of people from Black, Asian, and minority ethnic groups. Collective Voice, the alliance of voluntary sector drug and alcohol treatment and recovery providers in England, responded to a call for evidence in relation to drug use in Black, Asian, and minority ethnic groups with the following information<sup>12</sup>:

- Overall, white people are over-represented in treatment services in England forming 90% of the overall treatment accessing population in 2021-22, which compares to an 81.7% white population in England and Wales (Census 2021).
- In particular, women from Black, Asian, and minority ethnic groups constitute a tiny fraction of the overall treatment population.
- The limited representation of people from Black, Asian, and minority ethnic groups in treatment may be impacted by a range of barriers to accessing services including stigma, particularly within communities where there are religious / cultural prohibitions on drug and / or alcohol use, the stigma linked to the association between drugs and crime and non-engagement with services due to concerns that the service will not meet their needs nor provide a culturally

impacts which are relevant for all protected characteristics.

Race has a significant impact on socioeconomic status, with disparities in income, wealth, accommodation, education and resource access, with discrimination and disadvantage creating inequalities.

Black, Asian and minority ethnic groups may be at risk of drug use because they often live in deprived and disadvantaged areas where drug market activity is higher. A number of Black, Asian and minority ethnic groups face high levels of unemployment, social exclusion and isolation, which can result in frustration and boredom as factors increasing the likelihood of substance use<sup>13</sup>.

<sup>12</sup> Collective Voice (2023) – Drug use in ethnic minority groups

<sup>13</sup> [Policy report - Drugs and diversity ethnic minority groups \(policy briefing\).pdf](#)



<p>appropriate offer.</p> <p>The provider will be expected to work in an anti-discriminatory way with a robust equalities and diversity training and policy in place, and the service will adhere to the five anti-racist pledges set out by Southwark Stands Together and must demonstrate a commitment to tackle racism, discrimination, and racial inequalities in all aspects of service delivery.</p> <p>To reduce barriers to accessing care, a culturally competent approach and service offer is considered necessary to engage with people from Black, Asian, and minority ethnic groups e.g. using an assertive outreach model. This will be outlined in the service specification.</p> <p>The service will be expected to deliver outcomes for all residents, including that all residents feel treated with dignity and respect and receive care that makes them feel safe and comfortable, and to have mechanisms in place to capture service user views in this regard through different methodologies.</p> <p>The above actions are expected to have a positive impact on people from Black, Asian, and minority ethnic groups and the services are not expected to have any negative impacts on people from Black, Asian, and minority ethnic groups</p> <p><u>CYP aged 17 years and under</u></p> <p>Southwark's child population is very diverse with 58% of children aged 0-19 belonging to Black, Asian, and minority ethnic groups. The total 0-17 population from Black, Asian and minority ethnic backgrounds is 65% (JSNA 2024). Black African children form the largest single minority group and Black groups overall make up 43% of the child population. The diversity of Southwark is much greater among our children and young people, with roughly equal proportions of young people from white and black ethnic backgrounds.</p> <p>NDTMS does not report public facing data in relation to ethnicity and race of CYP using the services. Local contract monitoring data cannot be reported in terms of numbers for different groups due to less than five people in some categories. However, in Quarter 4 2024-25, it can be reported that the majority of CYP in treatment were from a Black British African / Caribbean or other Black group (62.5%) followed by CYP of white ethnicity (19%). No CYP from Asian groups were in treatment during 2024-25.</p> <p>According to the 2023 Southwark JSNA, residents from</p>	
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<p>a Black African and Black Caribbean background are more likely to live in communities with high levels of disadvantage including child poverty, which can lead to poorer health outcomes.</p> <p>CYP substance misuse services are aimed at improving health outcomes and tackling some of the causes of health inequalities linked to drug and alcohol misuse. CYP engaged in structured treatment will be supported to achieve goals and outcomes important to them. Additionally, delivery of the early intervention and prevention offer in schools will help to prevent and reduce onset of use and associated harms leading to improved health outcomes.</p> <p>The service is likely to have a positive social economic and health impact on CYP, both those with a drug and / or alcohol support need and through an early intervention and prevention offer to school aged children to reduce rates of onset of use and reduce harm.</p>	
Equality information on which above analysis is based	Socio-economic data on which above analysis is based
<ul style="list-style-type: none"> <li>• NDTMS data (public facing) in relation to existing services – ViewIt</li> <li>• Contract management data 2023-24</li> <li>• ONS (2022) 2021 Census</li> <li>• Southwark's JSNA Annual Report 2023</li> <li>• Collective Voice (2023) – Drug use in ethnic minority groups</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding Associations between Race, Socioeconomic Status and Health: Patterns and Prospects (2016)</li> <li>• UKDPC (2010) – Drugs and Diversity: Ethnic Minority Groups</li> <li>• Please refer to age socioeconomic section</li> </ul>
Mitigating and/or improvement actions to be taken	
<ul style="list-style-type: none"> <li>• The provider will be required to have an equalities and diversity policy and training in place.</li> <li>• The council will work with providers to ensure support for the key principles of Southwark Stands Together.</li> <li>• The provider will have mechanisms in place to capture service users views including assessment of whether people feel treated with dignity and respect and feel safe and comfortable with the care they are receiving.</li> </ul>	<ul style="list-style-type: none"> <li>• The successful provider will be expected to demonstrate partnership working with a range of services to support people using the services with meeting their</li> </ul>

<ul style="list-style-type: none"> <li>• A commitment to assertive outreach provision and delivery of the service offer in non-substance misuse specific locations across the borough as well as a robust digital offer will support visibility of the service and increase opportunities for people from Black, Asian, and minority ethnic groups to access treatment.</li> <li>• A requirement for providers to detail how they will deploy the contract value in their tender proposals to meet the outcomes that the council requires (with and without additional investment scenarios) will provide the council with assurance as to the provider's strategy to address inequalities including those that are race-related. It will also ensure that the council has an understanding prior to contract award of the provider's strategy in its delivery of the services in the event of funding reduction/cessation and the potential impact on Black, Asian, mixed / multiple ethnic groups and other ethnic groups.</li> <li>• A requirement within the service specification to engage with grassroot organisations, faith and other community groups to improve understanding of the drivers of non-treatment engagement and to make robust links so as to improve different communities' understanding of the treatment offer and seek opportunities to tailor this to their needs. This will include an expectation that the successful provider will actively prioritise effective partnerships with Black, Asian, and minority ethnic group-led organisations in the borough and across London to increase representation of these groups in treatment.</li> <li>• The provider and commissioners will work collaboratively throughout the life of the future contract to undertake qualitative analysis of substance groups and support needs, such as mental health and rough sleeping vulnerability, aligned with race to establish an improved understanding of the ethnicity demographics of people with drug and / or alcohol support needs in Southwark.</li> <li>• The provider will be expected to provide a service which understands and meets the diverse needs of those from Black, Asian and minority ethnic backgrounds.</li> <li>• In its delivery of the service, the provider will consistently demonstrate meeting of diverse needs, providing equality of opportunity and access to appropriate services, which shall be continuously assessed through formal contract monitoring processes. This will include meeting intersectional needs involving a range of protected characteristics,</li> </ul>	<p>accommodation, employment, healthcare and other needs arising from socioeconomic disadvantage.</p>
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for example race, disability, age and sex - a young black adult with mental health needs and health conditions.

**Religion and belief** - Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.

**Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.**

**Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)**

#### Adults aged 18 years +

Census data from 2021 shows that over 40 distinct religions were identified amongst Southwark residents. This diversity isn't specifically reflected in NDTMS data for 2023-24, with significant under-reporting when compared to the overall numbers of people in treatment.

Religion	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
None	295	285	455	440	410	510	435	490
Christian	200	255	255	205	170	210	245	225
Unknown	10	30	50	40	75	65	45	85
Muslim	25	35	25	25	30	30	35	30
Other	25	20	30	20	15	30	20	30
Decline	5	20	30	30	20	20	35	25
Buddhist	0	5	5	5	5	10	10	5
Jewish	5	0	5	5	0	0	0	5
Pagan	0	0	5	5	0	0	0	0
Hindu	0	0	0	0	0	5	0	0
Sikh	0	5	0	0	0	0	0	0
Bahai	0	0	0	0	0	0	0	0
Jain	0	0	0	0	0	0	0	0
Zoroastrian	0	0	0	0	0	0	0	0

Table 5: Religion/Belief breakdown of adults in treatment in Southwark 2016-17 – 2023-24 (NDTMS ViewIt)

The provider will be expected to ensure that diverse needs are understood and met in relation to religion and belief, particularly for people and communities where religion and belief is particularly important.

#### CYP aged 17 years and under

Neither NDTMS nor local data is reported which identifies the religion or belief status of CYP in treatment.

Please refer to age section for a detailed overview of potential socio-economic impacts which are relevant for all protected characteristics.

No specific impact identified in relation to religion.

Whilst the provider will be expected to ensure that care is delivered in a way that respects religious or non-religious backgrounds, there are no specific impacts identified in relation to this characteristic.	
<b>Equality information on which above analysis is based</b>	<b>Socio-economic data on which above analysis is based</b>
<ul style="list-style-type: none"> <li>• NDTMS data (public facing) in relation to existing services – ViewIt</li> <li>• ONS (2022) 2021 Census</li> </ul>	<ul style="list-style-type: none"> <li>• Please refer to age socioeconomic section</li> </ul>
<b>Mitigating and/or improvement actions to be taken</b>	
<ul style="list-style-type: none"> <li>• The provider will be required to have an equalities and diversity policy and training in place.</li> </ul>	<ul style="list-style-type: none"> <li>• As outlined in adjacent equalities section</li> </ul>

<b>Sex</b> - A man or a woman.															
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.</b>													<b>Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)</b>		
<p><u>Adults aged 18 years +</u></p> <p>In 2023-24, NDTMS data shows 69.9% of adults in treatment were male compared with 30.1% females. Mirroring the national trend, a much higher proportion of adult males accessed treatment services in the borough throughout the last 15 years, reflecting the disproportionality of drug and/or alcohol use and dependence for this sex. This is not reflective of Southwark-wide population data, which shows 51.6% are female and 48.4% male (Census 2021).</p>													<p>Please refer to age section for a detailed overview of potential socio-economic impacts which are relevant for all protected characteristics.</p> <p>The commencement of some women’s substance use has been found to bring perceived benefits in relation to improved economic independence and social status within the community linked to drugs providing</p>		
Gender	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Male	1590	1530	1475	1425	1445	1445	1330	1075	1140	1245	1220	1065	1200	1100	1050
Female	715	660	610	605	615	595	580	485	480	515	470	495	510	480	520
<p>Table 6: Gender breakdown of adults in treatment in Southwark 2009-10 – 2023-24 (NDTMS ViewIt)</p> <p>This disproportionality may be reflective of evidence that females are less likely to use or have a problematic</p>															

<p>relationship with drugs and/or alcohol. However, there is considerable evidence, including learning from local service delivery, that indicates that women need a bespoke service support offer approach and offer to reduce barriers to care. Many women with children fear that treatment engagement may lead to their children being removed from their care, and this acts as a significant deterrent to accessing support. Females are particularly vulnerable in relation to gender-based violence, and those in particularly vulnerable groups (e.g. rough sleepers), experience heightened risks to personal safety or having their needs met.</p> <p>There is a disproportionate sex effect in relation to drug poisoning deaths nationally, with men dying at much higher rates than women (3645 vs 1803 in 2023). This was also mirrored within the proportion of drug poisoning deaths that relate to drug misuse (the underlying cause is drug abuse or dependence, or any of the substances are controlled under the Misuse of Drugs Act 1971) where 2586 deaths were of male and 1032 deaths were of female. The gender disparity may reflect a higher prevalence of male substance use in England. Just under half of all drug poisonings involve an opiate, and men are more likely to use opiates than women. The rates of cocaine related deaths continued to rise for the twelfth year running in 2023, with a particularly high increase in women.</p> <p>The provider is expected to have an equality and diversity policy and training in place and mechanisms to capture service users' views including assessment of whether people feel treated with dignity and respect and feel safe and comfortable with the care they are receiving. Additionally, priority groups have been identified including women and will receive special consideration in relation to the future service offer as well as a continued drive to increase the rates of opiate users in treatment, who are predominantly male and at heightened risk of overdose and drug related death.</p> <p>The service is expected to have a positive impact on both males and females with no identified negative impacts.</p> <p><u>CYP aged 17 years and under</u></p> <p>NDTMS reporting shows that the split of males and</p>	<p>money-raising opportunities (eg. dealing, selling of stolen goods). However, the drawbacks of substance use was considered to soon outweigh the benefits for these women.<sup>14</sup></p> <p>Illicit drug use has been evidenced to be spreading across a range of people from different social groups resulting in 'normalisation' of drug use in society. The context of drug use becoming mainstream and part of some people's recreational lifestyles is considered to be clearly linked to socioeconomic changes for women in the 1990s into the 2000s. However, the impact of socioeconomic changes on different groups means that choice in relation to drug use is unequal across different groups, with women largely reflected at the bottom of drug supply hierarchies.<sup>15</sup></p> <p>A study in 2000 of 66 female opiate users with children, which included consideration of socioeconomic circumstances, found</p>
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<sup>14</sup> Taylor, A. (1998) 'Needlework: the lifestyle of female drug injectors' Journal of Drug Issues Vol. 28, No.1, 77 - 90

<sup>15</sup> Measham, F. (2002) "Doing gender" – "doing drugs": Conceptualizing the gendering of drugs cultures' Contemporary Drug Problems Vol. 29, 335 - 373

females in CYP services aged 17 years and under was balanced at 50% in 2023-24.

Gender (Young people)	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Male	50	75	105	100	75	85	105	125	65	40	25	10	20	25	25
Female	25	35	40	30	5	15	20	35	20	10	5	5	10	10	10

Table 7: Gender breakdown of CYP in treatment in Southwark 2009-10 – 2023-24 (NDTMS ViewIt)

In Southwark, there are currently more males under the age of 18 than females. Males under 18 make up 52% of the under 18's population, with females making up 48% of the under 18 population. When compared to NDTMS data, there is a fairly balanced representation of male and female CYP engaged in treatment in line with overall CYP population.

As there are more males than females under 18 in Southwark, and on the basis of higher rates of substance use in males than females, it could be considered that we would expect a higher proportion of male residents to be engaged in treatment.

No specific impacts have been identified or raised in relation to this characteristic. This service is likely to have a positive social economic and health impact on CYP.

that the majority of the women were living in poverty with only 6% in paid employment, 1/3<sup>rd</sup> reporting violence in the home and nearly half with mental ill-health conditions. Many women who use drugs do not have access to economic and social resources to help them to leave their present situation and improve their lives.<sup>16</sup>

#### Equality information on which above analysis is based

- NDTMS data (public facing) in relation to existing services – ViewIt
- ONS (2022) 2021 Census

#### Socio-economic data on which above analysis is based

- Cited references from Scottish Drugs Forum (2007) – Drugs and Poverty – A Literature Review [Microsoft Word - Literature Review 06.03.07 Final.doc](#)
- Please refer to age socioeconomic section

#### Mitigating and/or improvement actions to be taken

<sup>16</sup> Powis, B., Gossop, M., Bury, C., Payne, K. & Griffiths, P. (2000) 'Drug Using Mothers: social, psychological and substance use problems of women opiate users with children' Drug and Alcohol Review Vol. 19, 171 - 180

<ul style="list-style-type: none"> <li>• The provider will actively prioritise effective partnerships with organisations that cater specifically for males and females in the borough and across London to increase representation in treatment, with a particular focus on women.</li> <li>• The provider and commissioners will work collaboratively throughout the life of the future contract to undertake qualitative analysis of substance groups and support needs, such as mental health and rough sleeping vulnerability, aligned with sex to establish an improved understanding of the sex demographics of people with drug and / or alcohol support needs in Southwark.</li> <li>• Providers required to detail how they will deploy the contract value in their tender proposals to meet the outcomes that the council requires (with and without additional investment scenarios) will provide the council with assurance as to the provider's strategy to manage inequalities linked to males and females. It will also ensure that the council has an understanding prior to contract award of the provider's strategy in its delivery of the services in the event of funding reduction/cessation and the potential impact on males and females.</li> <li>• Women have been identified as a priority group requiring a bespoke, gender-sensitive offer in the future provision, particularly in relation to maternity and the perinatal pathway and women with pre-school aged children as well as women from inclusion health groups such as rough sleepers and sex workers.</li> <li>• A continued drive to increase numbers of opiate users in treatment, particularly those in the highest risk age bracket for drug-related death (males aged 40 – 49 years) along with a focus on improving naloxone uptake rates in the borough, with all opiate users being offered naloxone at regular points of their treatment journey.</li> <li>• The provider will be required to have an equality and diversity policy and training in place and be able to demonstrate an understanding of diverse needs in relation males and females, with appropriate access and service provision considerations.</li> </ul>	<ul style="list-style-type: none"> <li>• The successful provider will be expected to demonstrate partnership working with a range of services to support people using the services with meeting their accommodation, employment, healthcare and other needs arising from socioeconomic disadvantage.</li> </ul>
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**Sexual orientation** - Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes

Potential impacts (positive and negative) of proposed policy/decision/business plan; this also includes needs in relation to each part of the duty.	Potential socio-economic impacts/ needs/issues arising from socio-economic disadvantage (positive and negative)																																																															
<p><u>Adults aged 18 years +</u></p> <p>NDTMS reporting in 2023-24 shows that the majority of adults in treatment self-reported as heterosexual (82%), with 9% self-reporting as gay / lesbian and 4% as bisexual. 5% of people did not disclose their sexual orientation to the service.</p> <table><tr><th>Sexual orientation</th><th>2016-17</th><th>2017-18</th><th>2018-19</th><th>2019-20</th><th>2020-21</th><th>2021-22</th><th>2022-23</th><th>2023-24</th></tr><tr><td>Heterosexual</td><td>1030</td><td>1155</td><td>1520</td><td>1340</td><td>1200</td><td>1390</td><td>1350</td><td>1400</td></tr><tr><td>Gay/Lesbian</td><td>60</td><td>85</td><td>100</td><td>90</td><td>80</td><td>120</td><td>125</td><td>145</td></tr><tr><td>Sexual orientation not stated</td><td>30</td><td>45</td><td>35</td><td>30</td><td>40</td><td>80</td><td>60</td><td>90</td></tr><tr><td>Bisexual</td><td>15</td><td>30</td><td>30</td><td>40</td><td>40</td><td>50</td><td>40</td><td>60</td></tr><tr><td>Client asked and does not know or is not sure</td><td>0</td><td>10</td><td>0</td><td>10</td><td>0</td><td>15</td><td>0</td><td>0</td></tr><tr><td>Other sexual orientation</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>20</td><td>5</td></tr></table> <p>Table 8: Sexual orientation of adults in treatment in Southwark 2016-17 – 2023-24 (NDTMS ViewIt)</p> <p>Census data from the 2021 shows 8.1% of all residents in Southwark had a non-heterosexual identity. Whilst this figure is likely to be an under-estimate, it suggests that people with non-heterosexual identities are over-represented in drug and alcohol treatment in Southwark.</p> <p>Data from the Crime Survey in England and Wales (2023-24) identified the following trends in relation to the use of any drug and the use of Class A drugs amongst people of different sexual orientations:</p> <ul style="list-style-type: none"><li>For all adults aged 16-59 years, reported use of any drug was 8.85%, with heterosexual people reporting any drug use at 8.07%, gay/lesbian people at 15.8%, bisexual people at 24.99% and other people at 14.02%.</li><li>For all adults aged 16-59 years, reported use of Class A drugs was 3.05%, with heterosexual people reporting any drug use at 2.63%, gay/lesbian people at</li></ul>	Sexual orientation	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Heterosexual	1030	1155	1520	1340	1200	1390	1350	1400	Gay/Lesbian	60	85	100	90	80	120	125	145	Sexual orientation not stated	30	45	35	30	40	80	60	90	Bisexual	15	30	30	40	40	50	40	60	Client asked and does not know or is not sure	0	10	0	10	0	15	0	0	Other sexual orientation	0	0	0	0	0	0	20	5	<p>Please refer to age section for a detailed overview of potential socio-economic impacts which are relevant for all protected characteristics.</p> <p>Socioeconomic status varies by sexual orientation, with people in non-heterosexual groups, having lower socioeconomic status than heterosexual groups.</p> <p>A study in 2015 found that gay and bisexual men experience greater material disadvantage than their heterosexual peers whilst bisexual women experience greater material disadvantage than heterosexual women. There was limited evidence of lesbians being materially disadvantaged when compared to heterosexual women, although females as a group experience disadvantage<sup>17</sup>.</p>
Sexual orientation	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24																																																								
Heterosexual	1030	1155	1520	1340	1200	1390	1350	1400																																																								
Gay/Lesbian	60	85	100	90	80	120	125	145																																																								
Sexual orientation not stated	30	45	35	30	40	80	60	90																																																								
Bisexual	15	30	30	40	40	50	40	60																																																								
Client asked and does not know or is not sure	0	10	0	10	0	15	0	0																																																								
Other sexual orientation	0	0	0	0	0	0	20	5																																																								

<sup>17</sup> Sexual orientation and poverty in the UK: a review and top-line findings from the UK Household Longitudinal Study



<p>16.17%, bisexual people at 11.74% and other people at 4.44%%.</p> <ul style="list-style-type: none"> <li>Where people had the same gender identity, use of any drug was 8.92% with Class A drug use at 3.06% whilst people who had a different gender identity reported use of any drug at 20.98% with Class A drug use at 9.92%.</li> </ul> <p>These data indicate much higher rates of drug use amongst people with non-heterosexual identities, which is particularly important for Southwark which has higher numbers of people from LGBTQIA+ communities resident in the borough when compared to other areas.</p> <p>People identifying with non-heterosexual identities face discrimination and stigma that is not experienced by heterosexual people, as well as increased vulnerability to abuse and violence due to their sexuality. Barriers to accessing support for drug and / or alcohol use for females identifying as lesbian can also arise from a disproportionate focus on men who have sex with men. Additionally, a lack of access to mainstream services and LGBTQ+ specific services can also affect engagement rates.</p> <p>Chemsex (use of drugs as part of sexual experience) is most common to gay and bisexual men, and presents additional risks to those that partake in this practice, including risks associated with injecting drugs, unsafe sex, and risks from mixing a range of substances. There are particular concerns about people engaged in chemsex in Southwark.</p> <p>The provider will be required to have a current understanding of the local service offer for the LGBTQ+ community and signposting residents where appropriate. The provider will be expected to work in an anti-discriminatory way and to ensure robust partnership working with a range of services that support people from non-heterosexual groups.</p> <p>The service is expected to have a positive impact on non-heterosexual groups and is not expected to have any negative impacts on non-heterosexual groups.</p> <p><u>CYP aged 17 years and under</u></p> <p>NDTMS and local data is not currently collected and will not be collected in the future contract. The provider will be expected to work in an anti-discriminatory way and will have appropriate diversity policies and training in place.</p>	
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<b>Equality information on which above analysis is based</b>	<b>Socio-economic data on which above analysis is based</b>
<ul style="list-style-type: none"> <li>• NDTMS data (public facing) in relation to existing services – ViewIt</li> <li>• ONS (2022) 2021 Census</li> </ul>	Sexual orientation and poverty in the UK: a review and top-line findings from the UK Household Longitudinal Study – Uhrig (2015)
<b>Mitigating and/or improvement actions to be taken</b>	
<ul style="list-style-type: none"> <li>• The provider will be required to have a Equality and Diversity Policy and training in place.</li> <li>• A commitment to assertive outreach provision and delivery of the service offer in non-substance misuse specific locations across the borough as well as a robust digital offer will support visibility of the service and increase opportunities for people identifying as a range of sexual orientations to engage in treatment.</li> <li>• Providers will be required to detail how they will deploy the contract value in their tender proposals to meet the outcomes that the council requires (with and without additional investment scenarios) will provide the council with assurance as to the provider's strategy to reduce inequalities where this relates to sexual orientation. It will also ensure that the council has an understanding prior to contract award of the provider's strategy in its delivery of the services in the event of funding reduction/cessation and the potential impact on these groups.</li> <li>• A need to engage with grassroot organisations, faith and other community groups to improve understanding of the drivers of non-treatment engagement and to make robust links so as to improve different communities' understanding of the treatment offer and seek opportunities to tailor this to their needs.</li> <li>• The provider will actively prioritise effective partnerships with organisations that cater specifically for people of different sexual orientations in the borough and across London to increase representation in treatment. This will also consider lesbians in the context of women as a priority group.</li> <li>• The availability of a comprehensive treatment offer for people who cannot access the service in person at a fixed site or during normal working hours because of employment, training or education.</li> <li>• The provider and commissioners will work collaboratively throughout the life of the future contract to undertake qualitative analysis of substance groups and support needs, such as mental health and rough sleeping vulnerability, aligned with sexual orientation to establish an improved understanding of the sexual orientation demographics of people with drug and / or alcohol support needs in Southwark.</li> <li>• Stimulant users have been identified as a priority group for a bespoke service offer, which includes those engaged in chemsex.</li> </ul>	

### Human Rights

There are 16 rights in the Human Rights Act. Each one is called an Article. They are all taken from the European Convention on Human Rights. The Articles are The right to life, Freedom from torture, inhuman and degrading treatment, Freedom from forced labour, Right to Liberty, Fair trial, Retrospective penalties, Privacy, Freedom of conscience, Freedom of expression, Freedom of assembly, Marriage and family, Freedom from discrimination and the First Protocol

#### Potential impacts (positive and negative) of proposed policy/decision/business plan

The provider will be expected to uphold the rights of residents and their families under the Human Rights Act. The service will have robust safeguarding protocols in place, and contract management processes will ensure that employment rights are upheld. The service will also have a complaints process in place and this must be made available to residents and families upon request, in an accessible format.

The provider must ensure that residents feel treated with dignity and respect and receive care that makes them feel safe and comfortable and have an established mechanism in place to assess this through collation of service users' views.

#### Information on which above analysis is based

- Human Rights Act 1998

#### Mitigating and/or improvement actions to be taken

- The providers will adhere to safeguarding policies and protocols as set out in the service specification.
- The provider will ensure the complaints process is made available to residents and families upon request, in an accessible format.

### Conclusions

**Summarise main findings and conclusions of the overall equality impact and needs analysis for this area:**

This initial EINA comprises an analysis of the perceived equality and socio-economic impacts arising from the proposed future provision of community drug and alcohol treatment and recovery services for people of all ages in Southwark. Whilst the key areas of mitigating action will be embedded within the service specification and tender evaluation process, it is considered that conclusions, actions and objectives in relation to the provision of the services cannot be drawn until such time as provider tender proposals have been evaluated and a successful provider identified for award of contract. This EINA will be revisited at point of contract award and reviewed in relation to identifying additional actions that will underpin positive equalities impact from the delivery of the services.

People with drug and / or alcohol support needs experience some of the most severe health inequalities and evidence much poorer health than the general population. The extent of inequality is most profound in some sub-groups of people with drug and / or alcohol support needs including people who sleep rough and those engaged in sex work. Some groups of people with drug and / or alcohol support needs also experience a range of different socioeconomic disadvantage, which can increase the likelihood of substance use and its associated harms on individuals, families and communities and impact on a person's ability to access and engage with support services and make progress in addressing their substance use.

By way of summary, the following initial conclusions can be drawn:

- Establishing provider strategies for the management of inequalities across the protected characteristic groups aligned to different funding scenarios as part of the tender process is critical to ensuring that the council's decision to award a contract for the future provision of the services is underpinned by a clear understanding of the equalities impact should funding be reduced or cease.
- The service specification for the future provision of the services shall be explicit in its requirements for the future provider to develop and maintain robust partnership working with a range of services, including grassroots organisations, in order to demonstrate their ability to meet the needs of a wide range of people across the different protected characteristic groups.
- In its delivery of the services, the provider will be required to consistently demonstrate meeting of diverse needs, providing equality of opportunity and access to appropriate services, which shall be continuously assessed through formal contract monitoring processes. This will include meeting intersectional needs involving a range of protected characteristics, for example race, disability, age and sex - a young black adult with mental health needs and health conditions.

## Section 5: Further equality actions and objectives

### 5. Further actions

Based on the initial analysis above, please detail the key mitigating and/or improvement actions to promote equality and tackle inequalities; and any areas identified as requiring more detailed analysis.

Number	Description of issue	Action	Timeframe
1	<p>Understanding of provider strategies to meet the outcomes that the council requires (with and without additional investment scenarios) in order to provide the council with assurance as to how service delivery will reduce inequalities across the protected characteristics, including tackling barriers to equality of access and meeting diverse needs.</p> <p>In its delivery of the service, the provider will consistently demonstrate meeting of diverse needs, providing equality of opportunity and access to appropriate services, which shall be continuously assessed through formal contract monitoring processes. This will include meeting intersectional needs involving a range of protected characteristics, for example race, disability, age and sex - a young black adult with mental health needs and health conditions.</p>	<p>Tender quality and price assessment to include evaluation of provider strategy when delivering the services in the event of additional funding reduction/cessation and the impact on inequalities</p>	<p>Quarters 3 – 4 2025-26 and Quarter 1 2026-27</p>
2	Meeting the wider	Service specification	Quarters 3 – 4 2025-

	support needs of people of all ages engaged in structured treatment	to outline key partnerships with other services in the borough  Tender quality assessment to evaluate provider partnership working arrangements	26 and Quarter 1 2026-27
3	People using the services feel treated with dignity and respect and feel safe and comfortable with the care they are receiving	Service specification clearly specifies that the service must achieve this outcome  The provider will mechanisms in place to assess service users' views and these shall be discussed within contract monitoring.	Quarter 3 2025-26  At least annual

#### 5. Equality and socio-economic objectives (for business plans)

Based on the initial analysis above, please detail any of the equality objectives outlined above that you will set for your division/department/service. Under the objective and measure column please state whether this objective is an existing objective or a suggested addition to the Council Plan.

Objective and measure	Lead officer	Current performance (baseline)	Targets	
			Year 1	Year 2

\*To be completed on conclusion of tender.

#### 6. Review of implementation of the equality objectives and actions


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**Implementation Equality Impact and Needs Analysis**

## Key Performance Indicators (aligned to drug strategy ambitions) **APPENDIX 2**

### Adult

KPI Indicator	Substance Group	Reference	KPI indicator definitions
Numbers engaging in treatment	Total adults in treatment	NDTMS Local Outcomes Framework (LOF)	The number of adult individuals (18+, including those in YP services) who accessed structured treatment at any point during the period; this is determined by a journey start date before the end of the period and journey end date after the start of the period or an ongoing journey.
	Opiates		
	Non-opiates		
	Alcohol		
Continuity of Care	CoC (Rolling 12m)	Community Adult Partnership Activity	The percentage of prison leavers with a continued treatment need picked up in the community within three weeks.
Treatment Progress	Opiates		The proportion of those in treatment who completed successfully (excluding who have acute housing problems) are drug free in treatment or have sustained reduction in drug use.
	Non-opiates		
	Alcohol		
Retention in treatment (New presentations)	Opiates	Community Adult Partnership Activity	The proportion of new presentations that have retained in (or successfully completed) treatment for a minimum of 12 weeks.
	Non-opiates		
	Alcohol		

### Rough Sleeping Drug and Alcohol Treatment Cohort

KPI Indicator	Substance Group	Reference	KPI indicator definitions
Numbers engaging in treatment	Total adults in treatment	NDTMS Local Outcomes Framework (LOF)	The number of adult individuals (18+, including those in YP services) who accessed structured treatment at any point during the period; this is determined by a journey start date before the end of the period and journey end date after the start of the period or an ongoing journey.
	Opiates		
	Non-opiates		
	Alcohol		
Treatment Progress	Opiates	Community Adult Partnership Activity	The proportion of those in treatment who completed successfully (excluding who have acute housing problems) are drug free in treatment or have sustained reduction in drug use.
	Non-opiates		
	Alcohol		
Retention in treatment (New presentations)	Opiates	Community Adult Partnership Activity	The proportion of new presentations that have retained in (or successfully completed) treatment for a minimum of 12 weeks.
	Non-opiates		
	Alcohol		



## Young People

KPI Indicator	Reference	KPI indicator definitions
YP's engaging in treatment	Local Outcomes Framework (LOF)	The number of young people under 18 in contact with treatment services.

### **Contract monitoring report – areas for inclusion**

- Referrals into and out of the service
- Waiting times and assessments (including conversion rates)
- New presentations
- Demographics of people presenting to treatment
- Caseloads
- Care plans and healthcare assessments
- Medically assisted treatment and alcohol community detoxes
- Mental health
- Outreach
- Interventions
- Inreach/liaison services
- Harm reduction
- Criminal Justice pathway
- Children and families including parental use
- Exits
- Service updates including staffing resource
- Finance

END.

List of stakeholders engaged in consultation**APPENDIX 3**

Internal	Adult Social Care
	Children's Social Care - Family Early Help
	Children's Social Care - Safeguarding and Care
	Public Health
	Community Safety & Partnerships
	Community Safety Partnership
	Housing
External	CJS - Police
	CJS - Probation
	CJS - Prisons
	Primary Care - ICB
	Primary Care - Senior leadership
	Primary Care - practices
	Community pharmacy
	Alcohol Care Teams
	Mental Health
	Street Outreach
	Peer Delivery
	Health Inclusion Team
Lived / living experience	CYP
	Adults in treatment
	CYP parents/professionals
	Adults not in treatment
	General public

	People affected by the substance use of another person
Provider staff	CGL frontline staff

END.

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Allocations for Strategic Community Infrastructure Levy funding
<b>Cabinet Member:</b>	Councillor Helen Dennis, New Homes and Sustainable Development
<b>Ward(s) or groups affected:</b>	Rotherhithe, North Bermondsey, South Bermondsey, Old Kent Road, Nunhead & Queen's Road, Peckham, Rye Lane, St Giles
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/A

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

I'm delighted to be bringing forward a further allocation from Strategic CIL to support the development of vital infrastructure in Southwark. Community Infrastructure Levy (CIL) is charged by Southwark on large-scale schemes in our borough, ensuring that local residents benefit from development in tangible ways. Since we agreed our SCIL framework, we have been able to fund a whole range of boroughwide projects, from the fit-out of a new Health Centre to bus improvements and work to deliver accessibility at train stations.

This paper proposes the allocation of £3.5m to enable SELCHP to be extended, bringing low-carbon energy to many more of our council estates around Peckham and the Old Kent Road. As set out in this paper, this investment, also supported by the Green Buildings Fund, will help the SELCHP heat network to reach up to 4,400 additional homes, improving reliability and bringing down costs at the same time as achieving substantial carbon savings. This is a win-win for the council and our residents, funded as a result of our ambitious planning policies.

### **RECOMMENDATION**

1. To agree the allocation of Strategic Community Infrastructure Levy funding of up to £3,500,000 as a grant to Veolia ES Southwark Limited towards the South East London Combined Heat and Power heat network extension.

### **REASONS FOR RECOMMENDATIONS**

2. To approve the use of Strategic Community Infrastructure Levy funding to meet the funding gap for the South East London Combined Heat and Power heat network extension in order to enable delivery of this key infrastructure project.

### **ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

3. If a decision was made not to award this funding in the way set out in this report, the project would not proceed as there are no further funding sources

available. The non delivery of the project will reduce the council's ability to decarbonize the Borough.

## POST DECISION IMPLEMENTATION

4.

Key Activity	Target completion date
Decision of First Tier Property Tribunal	January 2026

## 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 23/24 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
12. 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. In January 2025 Cabinet agreed funding towards the LGTBQ+ centre, 634-636 Old Kent Road, the Bakerloo Line Extension Funding Study and Nunhead Station. In June 2025 Cabinet agreed funding towards the Pensioners Centre, Harold Moody Health Centre and Bus Priority works. In September 2025 Cabinet agreed funding for the Women's Safety Centre.
13. Since the criteria were agreed in March 2024 the Strategic CIL allocations have been as follows

<b>Scheme</b>	<b>Amount £ (non BLE)</b>	<b>Amount £ (BLE)</b>
Elephant and Castle Overground Station	350,000	
Bakerloo Line Extension Stations design work		250,000
Peckham Rye Station	1,000,000	
LGTBQ+ Centre	1,500,000	
634-636 Old Kent Road		2,373,563
Bakerloo Line Extension Funding Study		30,000
Nunhead Station	50,000	
Pensioners Centre	500,000	
Harold Moody Health Centre	1,250,000	
Bus Priority	1,000,000	
Women's Safety Centre	2,500,000	
<b>Total</b>	<b>8,150,000</b>	<b>2,653,563</b>

14. On 14 June 2013 the council entered into a Heat Supply Agreement with Veolia ES Southwark Limited (VESS) requiring them to build, own and operate a heat network to supply low carbon heat from the South East London Combined Heat and Power (SELCHP) Facility to four council boiler houses. Under this agreement, VESS also operate the boiler houses and provide any necessary back-up heat to ensure a fully reliable heat supply. The estates already served by heat from SELCHP are: Rouel Road, Keetons, Four Squares, Arica House, Pedworth, Abbeyfield (Thaxted & Damory only), Tissington and Westlake. Residents and the council have benefitted from much smoother heating costs. During the recent global energy price spike, the cost of heat supplied through the SELCHP Heat Supply Agreement only rose by around 10% compared to 250% for our gas-led systems. The SELCHP Heat Network offers low-carbon heat, not just to council housing estates, but also to the wider community and has the benefit of air quality improvements for all. In 2017 the network started supplying low-carbon heat to an office block in Bermondsey and in 2023 it started supplying the Compass School. Over the next few years, it is hoped that The Bermondsey Project, on the site of the old Biscuit Factory, will also connect, as well as the New Bermondsey development close to Millwall football ground and many other sites.
15. Due to the success of the 2013 Heat Supply Agreement, the council and VESS have been working on a project to expand the SELCHP Heat Network to several housing estates across the centre of the borough and to provide access for more schools, businesses and private residential developments to connect. At the meeting in September 2021, cabinet approved the ongoing work to expand the SELCHP Heat which included next steps of commercialisation activities, grant applications, resident consultation and contract variation. This is a key strand of the council's Heat Networks Strategy and effort to reach net zero carbon by 2030 and is also in accordance with government policy on establishing Heat Network Zones where district heating is the lowest cost way of decarbonising heat. In October 2021 the then Cabinet Member for Council Homes and Homelessness and the then Cabinet Member for the Climate Emergency and Sustainable Development wrote a joint letter of support to the Department for Business, Energy and Industrial Strategy (BEIS) (now the Department for Energy Security and Net Zero, (DESNZ)) in support of VESS's capital grant application to central government. That grant application was successful and VESS was awarded a combination of commercialisation grant and construction grant for the expansion of the SELCHP heat network in Southwark.
16. In Spring 2024 VESS received approval from the grant funder, DESNZ, to commence a package of 'Early Works' to lay pipes through Brimington Park and across the Old Kent Road. This was requested by the council due to a planned resurfacing project at Brimington Park and a planned closure of the Old Kent Road for railway bridge works. In June 2024 the council agreed to partially underwrite these works up to £450,000. These Early Works are now complete and ready to connect to the 'Tustin Stretch'. In November 2024 the Strategic Director of Resources approved an interim variation to the Heat Supply Agreement permitting a first phase of the network extension to serve the Tustin Estate. This interim variation was necessary to bring heat from

SELCHP to Tustin sooner than the other proposed connections and also to dovetail with other infrastructure projects (e.g. Ilderton Road cycle path). The construction works associated with bringing low-carbon heat to Tustin are now over 80% complete and should be completed by January 2026.

17. The newly proposed variation to the Heat Supply Agreement contains several elements of works and services as follows:
  - Work to install district heating pipework from the end of the Tustin Estate and Early Works pipework to several additional council housing estates in the centre of the borough
  - Work to carry out boiler house interface work to connect the new district heating pipework to the boiler houses and transfer heat
  - Services to carry out operation, maintenance, lifecycle repair and replacement and heat supply to all the newly connected boiler houses through to 2050
  - Continuation of Services (operation, maintenance, lifecycle repair & replacement and heat supply) to all boiler houses already connected and served since 2013 through to 2050 (an extension to the current planned expiry date of 2033).
18. The housing estates proposed for connection as part of this Phase 2 network extension are as follows:
  - Acorn
  - Bells Gardens
  - Brimington & Pomeroy
  - Cossall
  - Hoyland
  - Ledbury redevelopment
  - North Peckham & Gloucester Grove
  - Sceaux Gardens
  - Tustin redevelopment

Including the new homes within the Tustin and Ledbury Estates, there could be up to 4,400 additional homes supplied by the network.

19. The Heat Supply Agreement is a type of Private Finance Initiative (PFI) meaning that VESS will invest a significant amount of their own capital to design and construct the heat network. Their capital investment is paid off by the council over the course of the agreement. These charges are part of the overall heat price. The greater the capital investment, the higher the cost of heat. Heat needs to be cheaper than the gas counterfactual to save money for the council and residents. VESS's capital investment is reduced because they have received a central government grant from the Heat Network Investment Programme (HNIP). It is also proposed that the council will make a capital contribution towards the scheme (estimated at £5.5m) as it did towards the Tustin Phase 1 extension. This can be justified because of the very high carbon savings achieved by the project. The network expansion also creates a substantial zonal scale heat network that can offer decarbonisation to the wider area, and income to the council from royalty fees associated with private connections. Heat supplied by VESS via the Heat Supply Agreement has



been consistently cheaper than heat from gas-led systems and VESS has provided superior levels of reliability. The council has only had one service interruption recorded since 2013 and this was during a heat-wave when circulation pumps overheated. Over the first ten years of the contract, around 461 GWh of gas consumption has been offset, saving a net 75,000 tonnes CO<sub>2</sub>.

20. Residents and the council have benefitted from much smoother heating costs. During the recent global energy price spike, the cost of heat supplied through the SELCHP Heat Supply Agreement only rose by around 10% compared to 250% for our gas-led systems
21. As noted above, it is likely that commercial connections will be made over the coming years which would create additional income for the council in the form of royalty fees. There is also the potential for other housing estates, schools and even the Denmark Hill hospital cluster to connect in due course.
22. Beyond the contract extension period, i.e. beyond 2050, the council would have paid off all capital costs associated with the network and would own the primary network asset. The council could then manage the continuation of heat supply via the network itself, or contract with a third party (which may or may not be VESS) to run the network.
23. The balance of the council contribution (£2m) would be funded from the Green Buildings Fund subject to a separate approval. The wider project has to date attracted £30.3m of central government grant.

## **KEY ISSUES FOR CONSIDERATION**

24. In accordance with the agreed framework, it is proposed to allocate up to £3.5m towards the SELCHP heat network extension as set out above. This proposal meets the agreed funding criteria as it is part of infrastructure being implemented to meet the Council Delivery Plan's Healthy Environment theme which includes making council homes greener.
25. A running total of Strategic CIL allocations will be maintained within Planning and Growth in order to ensure the 50% limits are not exceeded. The current running total is set out in paragraph 7 and 8 above. The Annual Infrastructure Funding Statement will set out any allocations proposed and those made.

## **Policy framework implications**

26. The allocation of Strategic CIL as proposed will support the delivery of key strategic projects which are focused on decarbonizing the Borough and providing a high quality, affordable and reliable energy source to residents.

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

### **Community impact statement**

27. Residents and communities are expected to benefit from less disruption and more efficient services if the contract variation goes ahead. This is because the

Heat Supply Agreement includes reliable heat provision from the SELCHP Facility, a fall-back plan of utilising local gas boilers on the primary network and a failsafe plan of being able to mobilise temporary boilers quickly, all of which are at VESS's cost and risk. Experience over the first 10 years of the contract has been of extremely high reliability.

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

28. 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.
29. 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.
30. With the cost-of-living crisis and the spikes in energy costs in recent years, having lower and more stable heating costs will be a benefit to all. Lower bills will especially benefit economically disadvantaged households with key protected characteristics in areas benefitting from the district heating extension proposals.

### **Health impact statement**

31. Cheaper and more reliable heat will especially benefit households with vulnerable residents including the elderly, very young, people with reduced mobility and those with asthma and/or COPD illnesses. The improvement in local air quality will also have a positive effect on residents living on relevant Southwark estates, especially for those with asthma and other pulmonary conditions. Lower cost and reliable heat also has a reducing effect on damp and mould, and all of the associated health impacts. Analysis undertaken during the development of the council's Heat Network Strategy found that the council's estates with district heating had half the reported issues and complaints related to damp and mould compared to individually heated estates.

### **Climate change implications**

32. As per the Southwark Climate Action Plan, action E.2 commits the council to

replacing gas heat sources with low-carbon heat technologies. This proposed contract variation will enable SELCHP Phase 2 to support the delivery of this climate action. This phase 2 of the SELCHP heat network expansion is believed to be the single biggest carbon-saving investment that the council can make, offering circa 13,500 tonnes of CO<sub>2</sub> reduction annually or 300,000 tonnes CO<sub>2</sub> over 22 years.

### **Resource implications**

33. The allocation of Strategic CIL is managed by resources in Planning and Growth.
34. The proposal is to allocate up to £3.5m of Strategic CIL to SELCHiP. Once approved the budget will be allocated to capital project on code in Environment, Sustainability and Leisure capital programme.
35. This proposal can be accommodated from existing Strategic CIL balances as indicated above.
36. 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.
37. With its origins in EU law, the Subsidy Control Act 2022 (“2022 Act”) came into force in January 2023. This 2022 Act governs how public sector organisations (like the council) can provide financial assistance to ‘enterprises’. For the purposes of the rules, financial assistance can be provided in several different ways, including direct financial awards. However, these rules do not apply to all types of financial assistance given by public sector organisations. For the rules to apply, the financial assistance must fall under the definition of a ‘subsidy’ under the Act.
38. These rules have been designed to ensure that the ‘subsidies’ awarded by UK’s public sector organisations are fairly and proportionately awarded. Thus, even where applicable there are certain rules that public sector organisations must follow to lawfully award the subsidy.
39. Officers have assessed the proposals set out in this report to ensure compliance with the subsidy control regime. Following specialist legal advice officers have concluded that the allocation of funding in the way set out in paragraph 1 of this report is in accordance with the regulations as there is no subsidy and it falls within the commercial market operator principle.

### **Legal Implications**

40. See comments from the Assistant Chief Executive Governance and Assurance.

### **Consultation**

41. The project has been subject to a proper consultation with relevant Cabinet Members, ward members and residents’ groups in the affected areas. The

consultation has been ongoing from the outset of the project to the present time and the allocation represents the funding required for project delivery. Consultation has included letters, posters, online meetings and face to face meetings with residents over the course of around 3 years as the project has developed to this point. The council has sent Section 20 notices to all homeowners affected by the proposals and submitted a dispensation application to the First Tier Property Tribunal (seeking dispensation from some elements of Section 20 as they cannot be carried out). The project will not proceed and the funding will not be needed unless the dispensation application is deemed reasonable by the tribunal (expected decision in January 2026).

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Assistant Chief Executive, Governance and Assurance SS/211125**

42. Cabinet is asked to approve the recommendation set out on paragraph 1 of this report. This recommendation falls within the powers of Cabinet for determination in accordance with Part 3B of the council's constitution.
43. The council has a statutory duty to get 'best value' under s 3(1) of the Local Government Act 1999 and must make arrangements to secure continuous improvement in the way in which its functions are exercised.
44. 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.
45. Regulation 59(1) 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 2008 Act: "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. This is a broad definition as it is an inclusive list, and not exclusive.
46. 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.
47. 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. Though CIL may not be used to fund affordable housing.

48. Under s 216A (1) of the 2008 Act, 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.
49. Under s 216A (2) of the 2008 Act, CIL regulations must contain provision to secure that money passed to a person in discharge of a duty under ss (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.
50. Under s 216A (3) of the 2008 Act, a duty under ss (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,
  - (b) or (b) part only of such an area or combined area.
51. Under 216A (4) of the 2008 Act, 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 ss (1).
52. Under s 216A (5) of the 2008 Act, a duty under ss (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.
53. The PSED was introduced by the Equality Act 2010. This merged existing race, sex and disability equality duties, and extended them to include other protected characteristics; namely age, gender reassignment, pregnancy and maternity, religion and belief, sex and sexual orientation, including marriage and civil partnership.
54. In summary, those subject to the PSED, which includes the council, must, in the exercise of their functions, (i) have due regard to the need to eliminate unlawful discrimination, harassment and victimisation and (ii) foster good relations between people who share a protected characteristic and those who do not.
55. Paragraph 25 – 27 of this report contains the PSED considerations in light of the recommendation set out in paragraph 1 of this report.
56. The 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 disadvantages and health inequality) consequences of taking that decision. These implications are considered and discussed within this report.
57. The 2022 Act, where applicable, contains a set of rules, procedures and processes that allow public sector organisations like the council to award

‘subsidies’ to achieve public policy objectives.

58. The implications of the 2022 Act as it pertains to the recommendation set out in paragraph 1 of this report are considered in paragraphs 34 – 36 above.

### **Strategic Director, Resources CAP25/067**

59. This report seeks approval to release £3.5m from the Strategic CIL reserve to deliver the project outlined above in this report.
60. The £3.5m SCIL contribution to VESS will contribute towards the heat network extension’s additional pipework costs. It will be paid in stages to be agreed, over several years. Under CIL regulations, the pipework could be considered infrastructure costs and is therefore eligible expenditure. The contribution will need to be disclosed in Southwark’s 2025-26 Infrastructure Funding Statement (IFS).

### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Cabinet Report on Framework for Strategic Community Infrastructure Levy funding 6 March 2024	Sustainable Growth	Neil Kirby 07984 269 587
<a href="https://moderngov.southwark.gov.uk/documents/s119055/Report%20Strategic%20CIL.pdf">https://moderngov.southwark.gov.uk/documents/s119055/Report%20Strategic%20CIL.pdf</a>		
Cabinet Report on Peckham Rye Station	Sustainable Growth	Neil Kirby 07984 269 587
<a href="https://moderngov.southwark.gov.uk/documents/s121514/Report%20Peckham%20Rye%20station%20upgrade%20-%20CIL%20contribution%20to%20Dovedale%20Court%20entrance.pdf">https://moderngov.southwark.gov.uk/documents/s121514/Report%20Peckham%20Rye%20station%20upgrade%20-%20CIL%20contribution%20to%20Dovedale%20Court%20entrance.pdf</a>		
Cabinet Report on Women’s Safety Centre	Sustainable Growth	Neil Kirby 07984 269 587
<a href="https://moderngov.southwark.gov.uk/documents/s127766/Report%20GW2%20VAGW%20Support%20Service.pdf">https://moderngov.southwark.gov.uk/documents/s127766/Report%20GW2%20VAGW%20Support%20Service.pdf</a>		
Southwark Council Delivery Plan 2022-2026	Sustainable Growth	Neil Kirby 07984 269 587
Fairer, greener, safer – Southwark Council Delivery Plan 2022 – 2026		
Cabinet Report on Strategic CIL allocation January 2025	Sustainable Growth	Neil Kirby 07984 269 587
<a href="https://moderngov.southwark.gov.uk/documents/s124111/Report%20Allocation%20for%20Strategic%20Community%20Infrastructure%20Levy%20Funding.pdf">https://moderngov.southwark.gov.uk/documents/s124111/Report%20Allocation%20for%20Strategic%20Community%20Infrastructure%20Levy%20Funding.pdf</a>		

Background Papers	Held At	Contact
Cabinet Report on Strategic CIL allocation June 2025	Address Sustainable Growth	Neil Kirby 07984 269 587
<a href="https://moderngov.southwark.gov.uk/documents/s127331/Report%20Allocation%20for%20Strategic%20Community%20Infrastructure%20Levy%20Funding%20June%20Cabinet.pdf">https://moderngov.southwark.gov.uk/documents/s127331/Report%20Allocation%20for%20Strategic%20Community%20Infrastructure%20Levy%20Funding%20June%20Cabinet.pdf</a>		

## APPENDICES

No.	Title
Appendix 1: Infrastructure Funding Statement 23/24	<a href="https://www.southwark.gov.uk/sites/default/files/2024-12/IFS_Report_LondonBoroughofSouthwark_31_03_2023_to_31_03_2024%20%28Final%29.pdf">https://www.southwark.gov.uk/sites/default/files/2024-12/IFS_Report_LondonBoroughofSouthwark_31_03_2023_to_31_03_2024%20%28Final%29.pdf</a>

## 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	21 November 2025		
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			21 November 2025

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Gateway 3 – Variation Decision: Phase 2 of Extension to the South East London Combined Heat and Power (SELCHP) Heat Network
<b>Cabinet Member:</b>	Councillor John Batteson, Climate Emergency, Jobs & Business
<b>Wards or Groups Affected:</b>	Rotherhithe, North Bermondsey, South Bermondsey, Old Kent Road, Nunhead & Queen's Road, Peckham, Rye Lane, St Giles
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/A
<b>From:</b>	Strategic Director of Housing

#### **FOREWORD – COUNCILLOR JOHN BATTESON, CABINET MEMBER FOR CLIMATE EMERGENCY, JOBS & BUSINESS**

The South East London Combined Heat and Power (SELCHP) facility has successfully provided more reliable, cheaper and less carbon intensive heat to homes in Southwark since the council signed a Heat Supply Agreement with Veolia ES Southwark Limited (VESS) in 2013. This report outlines the further expansion to supply several additional housing estates in the centre of the borough.

The waste incinerator and energy recovery facility has a dual purpose to divert non-recyclable waste from landfill and produce energy. Over the last 12 years enough heat has been extracted from the plant for 2,600 council homes in Bermondsey – saving thousands of tonnes of carbon dioxide emissions, through avoided gas combustion, as well as improving local air quality. SELCHP has the potential to produce and make available much more heat and the council have been working with VESS to expand the heat network so the facility reaches its full potential.

This expansion will support the borough tackle the climate emergency. 78% of Southwark carbon emissions come from our buildings and delivering low carbon heat is a vital part of our recently updated Climate Action Plan.

This variation of the Heat Supply Agreement will extend the heat network into Peckham and connect a further 4,400 homes – most of which are on existing housing estates. It will enhance reliable heat supply to connected households,



reduce gas use by over 90% across the network and save money from resident bills. It will also save around 13,500 tonnes of carbon dioxide per year – over 300,000 tonnes over the life of the contract – which will be one of the biggest single carbon saving projects in the borough.

## **RECOMMENDATIONS**

That the Cabinet, subject to receipt of First Tier Property Tribunal dispensation (see paragraph 2), and approval of the Community Infrastructure Levy funding and Green Building Fund funding (see paragraph 3)

1. Approves the proposed variation to the council's Heat Supply Agreement with Veolia ES Southwark Limited (VESS) involving works which requires capital expenditure from the council of £5,500,000 and the supply of low carbon heat to 31 March 2050 at an estimated cost of £208,761,745 (precise value will depend on inflation) making a total estimated variation value of £214,261,745 and a total estimated contract value of £267,873,179.

That the Cabinet:

2. Notes the contents of the report, that the Council aims to extend its Heat Supply Agreement with VESS to supply low carbon heat to several additional housing estates and to continue doing so through to 31 March 2050. In this regard the council is seeking dispensation from the First Tier Property Tribunal from the requirement to run a standard Section 20 consultation process (see paragraph 76).
3. Notes the requirement for the council's £5,500,000 capital contribution to receive separate approval (£2,000,000 from the Green Buildings Fund, £1,000,000 of which is subject to a drawdown request to the Planning Committee, and £3,500,000 from the Strategic Community Infrastructure Levy requiring approval by the Cabinet, also at December 2025 cabinet meeting but falling within a separate report).

## **REASONS FOR RECOMMENDATIONS**

4. The reason for the proposed recommendation and variation in this report is detailed in paragraphs 27-28.

## **ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED**

5. The alternative options considered to the proposed variation are set out in the section entitled Alternative Options considered within this report at paragraphs 31-35.

## **POST DECISION IMPLEMENTATION**

6. Once the proposed variation to the Heat Supply Agreement has been approved by cabinet (paragraph 1), the council intends to issue a

Voluntary Ex-Ante Transparency notice (paragraph 36) to mitigate procurement risk. Following this and receipt of dispensation from the First Tier Property Tribunal (paragraph 2), the proposed variation will be implemented by the signing of a Deed of Variation.

7. The timeline following the Deed of Variation is that VESS will adopt the boiler houses serving the estates named in paragraph 22 on 1 April 2026 at which point the services commence and the council and residents will start accruing savings while the construction phase continues through to August 2027 by which point low carbon heat will be being supplied to all boiler houses.
8. The details of the planned contract management and monitoring regime is set out in paragraph 42 of this report.
9. There are no immediate next steps regarding the Future Proposals for this Service which are set out in paragraphs 29-30 of the report.

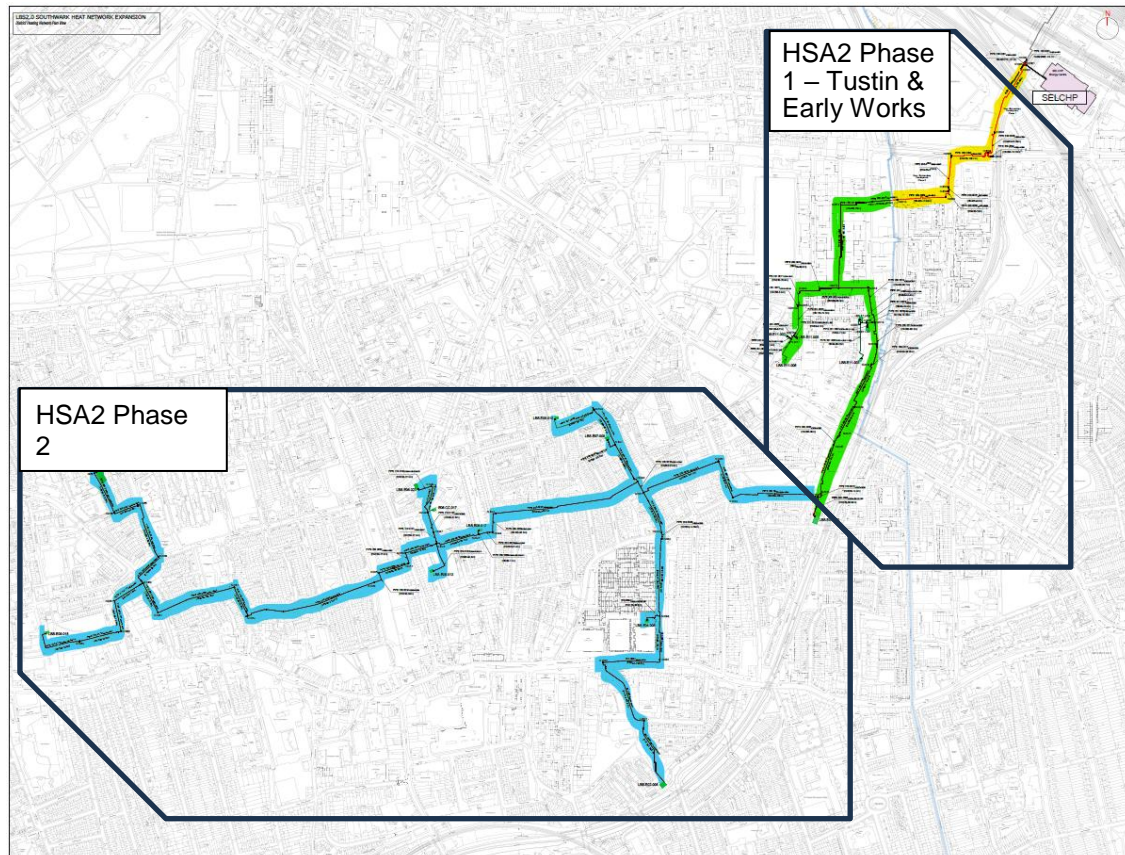
## **BACKGROUND INFORMATION**

10. On 14 June 2013 the council entered into a Heat Supply Agreement (HSA) with Veolia ES Southwark Limited (VESS) requiring them to build, own and operate a heat network to supply low carbon heat from the South East London Combined Heat and Power (SELCHP) Facility to four council boiler houses. Under this agreement, VESS also operate the boiler houses and provide any necessary back-up heat to ensure a fully reliable heat supply. The estates already served by heat from SELCHP are: Rouel Road, Keetons, Four Squares, Arica House, Pedworth, Abbeyfield (Thaxted & Damory only), Tissington and Westlake. The original network built in 2013 is often referred to as "HSA1".
11. Heat supplied by VESS via the Heat Supply Agreement has been consistently cheaper than heat from gas-led systems and VESS has provided superior levels of reliability. The council has only had one service interruption recorded since 2013 and this was during a heat-wave when circulation pumps overheated. Over the first ten years of the contract, around 461 GWh of gas consumption has been offset, saving a net 75,000 tonnes CO<sub>2</sub>.
12. Residents and the council have benefitted from less volatile heating costs. During the recent global energy price spike, the cost of heat supplied through the SELCHP Heat Supply Agreement only rose by around 10% compared to 250% for our gas-led systems.
13. The SELCHP Heat Network offers low-carbon heat, not just to council housing estates, but also to the wider community and has the benefit of air quality improvements for all. In 2017 the network started supplying low-carbon heat to an office block in Bermondsey and in 2023 it started supplying the Compass School. Over the next few years, it is hoped that The Bermondsey Project, on the site of the old Biscuit Factory, will also

connect, as well as the New Bermondsey development close to Millwall football ground and many other sites.

14. Due to the success of the HSA1 network, the council and VESS have been working on a project to vary the Heat Supply Agreement to expand the SELCHP heat network to several housing estates across the centre of the borough and to provide access for more schools, businesses and private residential developments to connect. This proposed geographical extension is often referred to as "HSA2".
15. At the meeting in September 2021, cabinet approved the ongoing work to expand the SELCHP Heat Network (see paragraph 30 of the Heat Networks Strategy paper (link in background papers section) which included next steps of commercialisation activities, grant applications, resident consultation and contract variation via a Gateway 3 report). This is a key strand of the council's Heat Networks Strategy and effort to reach net zero carbon by 2030 and is also in accordance with government policy on establishing Heat Network Zones where district heating is the lowest cost way of decarbonising heat.
16. In October 2021 the then Cabinet Member for Council Homes and Homelessness and the then Cabinet Member for the Climate Emergency and Sustainable Development wrote a joint letter of support to the Department for Business, Energy and Industrial Strategy (BEIS) (now the Department for Energy Security and Net Zero, (DESNZ)) in support of VESS's capital grant application to central government. That grant application was successful and VESS was awarded a combination of commercialisation grant and construction grant for the expansion of the SELCHP heat network in Southwark.
17. In Spring 2024 VESS received approval from the grant funder, DESNZ, to commence a package of 'Early Works' to lay pipes through Brimington Park and across the Old Kent Road. This was requested by the council due to a planned resurfacing project at Brimington Park and a planned closure of the Old Kent Road for railway bridge works. In June 2024 the council agreed to partially underwrite these works up to £450,000. These Early Works are now complete and ready to connect to the 'Tustin Stretch' (see below).
18. In November 2024 the Strategic Director of Resources approved an interim variation to the Heat Supply Agreement permitting a first phase of the network extension to serve the Tustin Estate redevelopment site. This interim variation was necessary to bring heat from SELCHP to Tustin sooner than the other proposed connections and also to dovetail with other infrastructure projects (e.g. Ilderton Road cycle path). The construction works associated with bringing low-carbon heat to Tustin are now over 80% complete and should be completed by January 2026.
19. Both the Tustin and Early Work packages are shown highlighted green in Figure 1 below. The yellow highlighting shows pipework on the Lewisham

side of the border. This constitutes “Phase 1” of the HSA2 network. The proposed HSA2 Phase 2 is shown in blue.



*Figure 1 – Current and planned extension to the SELCHP network*

20. Regarding Phase 2 of the extension, the council agreed to share a limited amount of risk with VESS until the full project was approved. This allowed VESS to commence the RIBA 4 designs and submit an application to the Building Safety Regulator relating to works within a Higher Risk Building, to ensure timely delivery of the main programme. This risk share was achieved through a Deed of Intent agreed between the parties in November 2025 and commits the council to up to £975,000 expenditure if the full project does not progress.

## KEY ISSUES FOR CONSIDERATION

### Key Aspects of Proposed Variation

21. The newly proposed variation to the Heat Supply Agreement contains several elements of works and services as follows:
  - Work to install district heating pipework from the end of the Tustin Estate and Early Works pipework to several additional council housing estates in the centre of the borough (shown highlighted blue in Figure 1)
  - Work to carry out boiler house interface work to connect the new district heating pipework to the boiler houses and transfer heat

- Services to carry out operation, maintenance, lifecycle repair and replacement and heat supply to all the newly connected boiler houses through to 31 March 2050
  - Continuation of Services (operation, maintenance, lifecycle repair & replacement and heat supply) to all boiler houses already connected and served since 2013 through to 31 March 2050 (an extension to the current planned expiry date of 10 February 2033)
22. The housing estates proposed for connection as part of the HSA2 heat network extension are as follows:
- Acorn
  - Bells Gardens
  - Brimington & Pomeroy
  - Cossall
  - Hoyland
  - Ledbury redevelopment
  - North Peckham & Gloucester Grove
  - Sceaux Gardens
  - Tustin redevelopment (included in Phase 1)
23. Previous iterations of plans for this Phase 2 extension also included Clifton Estate and Pelican Estate. The Clifton Estate connection comprised only a single block (4-64 Consort Road) of 31 small homes. This block has now been removed from the scope due to not being cost effective (high capital cost for relatively low heat demand being decarbonised). The Pelican estate proposed connection (Heron & Crane Houses only) have also been removed from the current proposal as they are on a spur from the main spine which could be uprated in a future scheme to carry additional loads. This will hopefully form a part of a further network expansion in the future.
24. Including the new homes within the Tustin and Ledbury redevelopments, there could be up to 4,400 additional homes supplied by the network.
25. The Heat Supply Agreement is a type of Private Finance Initiative (PFI) meaning that VESS will invest a significant amount of their own capital to design and construct the heat network. Their capital investment is paid off by the council over the course of the agreement. These charges are part of the overall heat price. The greater the capital investment, the higher the cost of heat. Heat needs to be cheaper than the gas counterfactual to save money for the council and residents.
26. VESS's capital investment is reduced because they have received a central government grant from the Heat Network Investment Programme (HNIP). As laid out in Financial Implications paragraphs 60-61, it is also proposed that the council will make a capital contribution towards the scheme, as it did towards the Tustin Phase 1 extension. This is justified because of the very high carbon savings achieved by the project.

## Reasons for Variation

27. The original SELCHP heat network performance from 2013 to date has been extremely good with exceptionally high levels of heat reliability achieved. Alongside this are the significant carbon savings noted in paragraph 10, the financial savings available over the duration of the contract, the improved stability in energy and heating costs, and improved air quality through minimising local gas boiler usage.
28. The network expansion also creates a substantial zonal scale heat network that can offer decarbonisation to the wider area, and income to the council from royalty fees associated with private connections. The proposed expiry date is being extended significantly from 10 February 2033 to 31 March 2050 in order to give time for VESS' capital investment to be recouped through heat sales while achieving lower heating costs for the council and residents.

## Future Proposals for this Service

29. As noted above, it is likely that commercial connections will be made over the coming years which would create additional income for the council in the form of royalty fees. There is also the potential to connect other housing estates (such as those mentioned in paragraph 23, and others), schools and even the Denmark Hill hospital cluster in due course.
30. Beyond the contract extension period, i.e. beyond 31 March 2050, the council would have paid off all capital costs associated with the network and would own the primary network asset. The council could then manage the continuation of heat supply via the network itself, or contract with a third party (which may or may not be VESS) to run the network.

## Alternative Options Considered

31. **Do nothing:** There is no legal obligation upon the council to develop heat networks or reduce carbon emissions. It could continue burning natural gas in estate boiler houses to provide the district and communal heating. However, as discussed in the policy implications section of this report, it is in line with national, regional and local policy to develop heat networks, reduce carbon emissions and improve local air quality. In March 2019 the council made a Climate Emergency Declaration and committed to do all it could to make the borough carbon neutral by 2030.
32. The 'do nothing' option is also projected to be more expensive in both the short and long term than pursuing a SELCHP heat network extension. Detailed modelling exercises have been carried out based upon high, central and low energy-use forecasts produced by the independent experts Cornwall Insight (see Appendix 1). This modelling confirms the value for money of the proposed contract variation which is explained further in the Financial Implications section (paragraphs 59-71).

33. Finally, the ‘do nothing’ option will leave the Ledbury redevelopment project without a low-carbon district-heating supply, causing significant additional development and running costs. The Southwark Construction team have looked at alternative heat strategies, but as well as cost impacts there are significant space constraints for new heating infrastructure at the site.
34. **Pursue an alternative carbon saving strategy:** The only viable alternative to a SELCHP powered low-carbon heat network is to utilise heat pump technology to provide low-carbon heat from the local environment – air, ground or water. Heat pumps are a proven technology using electricity to capture local, ambient heat and raise it to usable temperatures. As the carbon content of grid electricity has come down and continues to decrease, heat pumps are a true low-carbon option. However, they are also expensive to install and to operate. Independent consultants have reviewed this alternative approach and found it to be around 50% more expensive on an all-inclusive basis, even with capital grant support from government.
35. The ‘alternative carbon saving’ is effectively the same as the ‘do nothing’ approach from a Ledbury redevelopment project perspective, in that it leaves the project facing significant additional capital and operational costs, and spatial challenges.

#### Identified risks for the Variation

36. Details of the risks and how they were/will be managed are outlined in the table below.

Risk	Risk Likelihood	Mitigation
1. SELCHP Facility ceases operation	Low	The Deed of Variation, drafted by the council’s external legal advisors, places a substantial financial penalty on VESS should this happen. This ensures VESS will do everything possible to prevent such an occurrence and also protects the council in this eventuality by providing cash for an alternative energy centre or different strategy.  Also in this eventuality the council will have the option to pay the unamortised asset value on the network and take ownership of it, or pay nothing and not take ownership, at its own discretion.
2. Procurement challenge	Low	The council has taken dedicated external legal advice which concluded that the proposed

Risk	Risk Likelihood	Mitigation
		contract variation is permitted under the procurement regulations. To further mitigate risk of procurement challenge, the specialist advisors recommended publishing a Voluntary Ex-Ante Transparency notice prior to signing the proposed Deed of Variation.
3. Heat metering and demand reduction	Medium	With upcoming heat network regulation and an increase in metering, our networks will need to become more efficient. With a higher proportion of costs being fixed (as opposed to the variable element) demand reduction could reduce the value for money of the contract. This can be mitigated by connecting additional heat loads to the network if and when the demand from the initial loads reduces. The council identified three other housing estates that could connect which would provide more than enough heat load to replace the demand reduction likely to result from metering. There is also the potential to connect non-housing loads e.g. schools to achieve the same effect.
4. Subsidy control	Low	The council has taken dedicated external legal advice which concluded that no subsidy is being given as long as works are delivered under Commercial Market Operator principles. This has been checked through cost benchmarking undertaken by an independent cost consultant, and this will be saved on file to provide an audit trail.
5. Poor performances or poor quality workmanship	Low	VESS is a proven expert in district heating, installed and operates the original heat network. They require their sub-contractors to work to a high technical



Risk	Risk Likelihood	Mitigation
		<p>specification that includes radar surveys on 100% of pipe welds. Good VESS management is in place and has been tested through Phase 1.</p> <p>Good council management is in place with a dedicated Project Manager, also tested through Phase 1.</p>
6. Financial – cost overrun	Low	Once finalised the project financial model will ensure quoted fixed and variable charges will be applied with the relevant indexation. Any cost overrun will sit with VESS.
7. Financial – compensation events	Medium	<p>A small number of events including the discovery of fossils and antiquities could lead to additional council payments if they delay the works by more than 7 days and are successfully claimed as compensation events by VESS. The council has sought to minimise impact by putting processes in place to deal with this quickly.</p>
8. Financial / reputational – higher cost compared to gas	Low	<p>If gas prices plummet the council and residents could be stuck in a long term agreement costing more for heat. The council commissioned industry experts Cornall Insight to produce a bespoke energy forecast to use in comparative modelling on the project. The result was that savings are expected under all scenarios modelled, with significant savings expected under the “central” scenario. These are outlined in paragraphs 65-71. Despite this there is always the possibility that energy prices could fall to unexpectedly low levels. A further form of mitigation in this scenario would be to connect additional heat loads (as outlined for Risk #3).</p>

Risk	Risk Likelihood	Mitigation
9. VESS goes into liquidation, administration or ceases trading.	Low	A Parent Company Guarantee (PCG) is in place through the original Heat Supply Agreement. The PCG is being re-confirmed as part of this contract variation. Further mitigation is in place through correct contract monitoring and up to date credit checks. The council also has step-in rights for the direct purchase of steam from SELCHP Limited.

37. The above table presents risks involved with undertaking the contract variation. There is also a risk of *not undertaking* the contract variation. While all of the existing estates on Phase 2 have existing gas boilers providing heat, the Ledbury Estate redevelopment, as a new build, is relying on heat arriving from SELCHP. Without this happening the development will need to use temporary oil boilers in the short term and develop an alternative (heat pump) solution in the longer term. Consultants employed to investigate alternative energy strategies concluded that it would be extremely challenging due to space constraints and noise impacts. For the Ledbury Old Kent Road site, in particular, the development would need to be partially re-designed and then go back for planning approval causing significant additional contractor and delay costs.
38. To mitigate this, if the proposed contract variation is not progressed in a timely manner the council and Veolia could negotiate a smaller network extension just to supply the Ledbury Estate. This was undertaken for the Tustin newbuild project giving rise to the Phase 1 works (see paragraph 18-19 and Figure 1). This could be done in the form of a 'Council Notice of Change Deed' under the current Heat Supply Agreement terms.
39. A further risk of not undertaking the contract variation if the Deed of Intent referred to in paragraph 20 has been signed is the council being liable for up to £975,000. As well as the financial risk this could bring reputational damage.

### Procurement project plan (Key Decision)

40.

Activity	Completed by/Complete by:
Forward Plan	01/06/2025
Brief relevant cabinet member (over £100k)	11/08/2025

DCRB Review Gateway 3:	29/09/2025
CCRB Review Gateway 3:	23/10/2025
CMT Review Gateway 3:	04/11/2025
Notification of forthcoming decision – despatch of Cabinet agenda papers	20/11/2025
Approval of Gateway 3 Report	02/12/2025
End of Scrutiny Call-in period and notification of implementation of Gateway 3 decision	10/12/2025
Contract Variation Enacted*	27/01/2026
Amend Contract Register	28/01/2026
Contract Variation start	28/01/2026
Publication of variation notice on Find a Tender Service	29/01/2026
Contract completion date	31/03/2050

\* contingent on First Tier Property Tribunal approval

### **Policy implications**

41. The project aligns with the council's Heat Networks Strategy, the Southwark 2030 Delivery Plan, Southwark's Climate Change Strategy, the London Plan and national policies which encourage low-carbon heat networks. In recent years the council has participated in the national Advanced Zoning Programme, supported by the Department for Energy Security and Net Zero (DESNZ). The proposed expansion of the SELCHP heat network will help facilitate further zonal scale expansion in the future providing heat network potential across the borough and beyond.

### **Contract management and monitoring**

42. VESS performance is monitored and managed by a dedicated council project manager. Activities include regular site visits, monthly contract meetings and monthly operational meetings. Other management activity includes liaison with other council departments, maintaining photo logs, meeting minutes and a risks and issues tracker. Further performance monitoring and management is carried out through monthly and annual service reports from VESS which are reviewed by the council. As part of proposed contract variation, the reporting functionality and Key Performance Indicators have been improved and strengthened.
43. The council's contract register publishes the details of all contracts over £5,000 in value to meet the obligations of the Local Government Transparency Code. The Report Author must ensure that all appropriate details of this procurement are added to the contract register via the eProcurement System.

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

### **Community impact statement**

44. Residents and communities are expected to benefit from less disruption to heating and more efficient services if the contract variation goes ahead. This is because the Heat Supply Agreement includes reliable heat provision from the SELCHP Facility, a fall-back plan of utilising local gas boilers on the primary network and a failsafe plan of being able to mobilise temporary boilers quickly, all of which are at VESS's cost and risk. Experience over the first 10 years of the contract has been of extremely high reliability. Conversely there will unavoidably be some short-term disruption to the road and pavement network during the installation phase. Careful planning and project management, on the part of both council and contractor, along with close liaison with the council's highways department and clear communication with the community will seek to minimise any disruption caused.

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

45. With the cost-of-living crisis and the spikes in energy costs in recent years, having lower and more stable heating costs, along with increased heating reliability, will be a benefit to all. Lower bills will especially benefit economically disadvantaged households in areas benefitting from the district heating extension proposals. An Equalities Impact and Needs Assessment can be found in Appendix 2.

### **Health impact statement**

46. Cheaper and more reliable heat will especially benefit households with vulnerable residents including the elderly, very young, people with reduced mobility and those with asthma and/or COPD illnesses. The improvement in local air quality will also have a positive effect on residents living on relevant Southwark estates, especially for those with asthma and other pulmonary conditions. Lower cost and reliable heat also has a reducing effect on damp and mould, and all of the associated health impacts. Analysis undertaken during the development of the council's Heat Network Strategy found that the council's estates with district heating had half the reported issues and complaints related to damp and mould compared to individually heated estates.

### **Climate change implications**

47. Nearly 80% of Southwark's carbon emissions are related to heat demand in buildings (residential, industrial and commercial). Decarbonising heat is essential to achieving the council's climate objectives and commitment to doing all it can to become a carbon-neutral borough by 2030.
48. As per the Southwark Climate Action Plan (see background papers), Action 1 commits the council to transition homes away from gas and

Action 6 commits the council to delivering resilient low-carbon heat networks, including by increasing the number of homes connected to the SELCHP network. This proposed contract variation supports the delivery of these climate actions.

49. The Southwark Plan 2022, action P70 requires all major developments to connect or future-proof for heat networks. The establishment of the SELCHP District Heat Network Local Development Order exemplifies the importance of the expansion of the SELCHP district, heat network to support this policy requirement enabling sustainable growth.
50. This phase 2 of the SELCHP heat network expansion is believed to be the single biggest carbon-saving investment that the council can make, offering circa 13,500 tonnes of CO<sub>2</sub> reduction annually or 300,000 tonnes CO<sub>2</sub> over 22 years.
51. The recommendations included in this report support a just transition to a low carbon economy, allowing Southwark residents to benefit from low carbon heat, which is reliable and offers more stable pricing, creating a more energy resilient borough.
52. The strong decarbonisation benefits of the expansion of the SELCHP heat network and its co-benefits strongly align with the objectives of the Green Buildings Fund. £3 million of Green Buildings Funding has been provided to support the Phase 1 expansion of the SELCHP heat network to the Tustin Estate and a further £2 million has been allocated to support the Phase 2 expansion. Of the additional £2 million, £1 million has already been drawn down from Planning into the Green Building Fund with the remaining £1 million due to be drawn down in January 2026 following approval by the Planning Committee.

### **Social Value considerations**

53. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well-being of the local area can be secured. The Gateway 1 report for the Heat Supply Agreement was taken to cabinet in February 2011, before the Public Services (Social Value) Act 2012 came into force. Nevertheless, it set out social, economic and environmental benefits, as outlined below, all of which are increased through this variation.

### **Economic considerations**

54. This variation will replicate the original contract objectives in having a positive economic impact on Southwark for the council, its tenants and its homeowners, primarily through cheaper and more stable price heat provision.

55. VESS has confirmed that it continues to exceed the council's London Living Wage (LLW) requirements for payment of LLW to relevant staff.

### **Social considerations**

56. The variation will contribute to a reduction in fuel poverty through the provision of lower-cost heat to tenants and homeowners. VESS have also made specific commitments including the creation of at least two local apprenticeship opportunities in construction or construction project management within the borough and organising at least six school visits to heat network sites around the borough to support interest in science and technology subjects.

### **Environmental/Sustainability considerations**

57. As well as the significant carbon savings of the wider expansion mentioned above (see paragraph 50), the project will result in less natural gas being combusted on each of our housing estates, meaning less NOx emissions and improved local air quality.
58. The project also contributes to the 'circular economy'. The council, through the Waste PFI contract with VESS, sends some 28,000 tonnes of household waste to the SELCHP plant every year. Heat energy that is currently wasted at the plant will be captured and sent back into Southwark properties to provide heat and hot water in its homes.

### **Financial Implications**

59. The value of the original contract approval and proposed variation are summarised in the table below. Revenue charges are best estimates and can vary with inflation:

	Capital charges (up front contribution)	Revenue charges	Total contract value
Original total cost	£0	£47,080,813	£47,080,813
Total value of any previous variations	£5,050,259	£1,480,362	£6,530,621
Value of proposed variation	£5,500,000	£208,761,745	£214,261,745
Revised total cost	£10,550,259	£257,322,920	£267,873,179

60. The annual profile of expenditure resulting from the variation is projected to be as follows. HSA1 is the original network where the duration is being extended from 2033 to 2050. HSA2 is the geographical extension towards Peckham.

	CAPEX (£)	“HSA2” revenue expenditure (£)	“HSA1” revenue expenditure (£)	Total forecast expenditure (£)
2026-27	£5,500,000	£4,176,747		£9,676,747
2027-28		£4,255,898		£4,255,898
2028-29		£4,732,505		£4,732,505
2029-30		£4,805,896		£4,805,896
2030-31		£5,044,887		£5,044,887
2031-32		£5,216,967		£5,216,967
2032-33		£5,330,346		£5,330,346
2033-34		£5,496,063	£2,604,410	£8,100,473
2034-35		£5,658,935	£2,681,221	£8,340,156
2035-36		£5,857,103	£2,780,346	£8,637,449
2036-37		£6,054,960	£2,878,330	£8,933,290
2037-38		£6,231,235	£2,961,145	£9,192,380
2038-39		£6,393,450	£3,033,711	£9,427,161
2039-40		£6,594,450	£3,130,775	£9,725,225
2040-41		£6,835,267	£3,252,985	£10,088,251
2041-42		£7,006,868	£3,328,559	£10,335,427
2042-43		£7,250,148	£3,450,181	£10,700,329
2043-44		£7,442,972	£3,537,447	£10,980,419
2044-45		£7,683,861	£3,655,153	£11,339,013
2045-46		£7,712,512	£3,631,972	£11,344,484
2046-47		£7,861,676	£3,686,832	£11,548,508
2047-48		£8,057,304	£3,770,970	£11,828,274
2048-49		£8,290,656	£3,878,595	£12,169,251
2049-50		£8,523,743	£3,984,666	£12,508,409
Total	£5,500,000	£152,514,446	£56,247,299	£214,261,745
		£208,761,745		

61. The council's £5,500,000 capital contribution is anticipated to be £3,500,000 from the Strategic Community Infrastructure Levy requiring approval by the Cabinet, but under separate report and £2,000,000 from the Green Buildings Fund. Of the Green Building Fund money the Cabinet Member for Climate Emergency, Jobs & Business has already been briefed and approved the allocation, though £1,000,000 of the allocation is pending drawdown approval from the Planning Committee in January 2026.

62. The heat supplied to the proposed estates to 2050 (as per the revenue expenditure forecast in the table above) is expected to cost £208.8 million. This includes the heat supplied to the newbuild homes, the newly connected existing homes, and the already connected homes (only from 2033 onwards) as well as all operation, maintenance and lifecycle replacement costs within the boiler houses for the duration of the contract.
63. All of the revenue expenditure included in the tables above is either rechargeable to homeowners (see Consultation section below from paragraph 74 onwards) or would be offset (and more) by savings to the Heating Account coming from the council no longer needing to supply gas, electricity, water, telecoms, operation & maintenance, and plant replacements to the relevant boiler houses.
64. Under the Heat Supply Agreement, changes to the Works or Services to be agreed by the parties require that the contract 'Financial Base Case' be updated in line with Schedule 8 of the contract (Financial Adjustments). This activity will be completed and reviewed by council officers and the council's financial advisors upon agreement of the final Financial Model (the commercial offer from VESS to the council).
65. The annual savings to the council and residents in heating bills by adopting this project throughout its entire duration are summarised in the following table for three scenarios reflecting the impact of the on-going heat metering program:
- The first scenario is where no heat meters are installed
  - The second scenario is where heat meters are installed to all properties served by the district heating network and result in a 10% heat demand reduction (council's own estimate)
  - The third scenario is where heat meters are installed to all properties served by the district heating network and result in a 20% heat demand reduction (Government estimate)

	Project saving under the no heat meter scenario (£)	Project saving under the heat meter 10% scenario (£)	Project saving under the heat meter 20% scenario (£)
2026-27	£812,938	£812,938	£812,938
2027-28	£777,166	£758,242	£739,317
2028-29	£768,404	£727,770	£687,136
2029-30	£600,097	£543,103	£486,108
2030-31	£652,508	£570,627	£488,747
2031-32	£614,687	£511,742	£408,797
2032-33	£624,668	£496,381	£368,093
2033-34	£1,437,654	£1,136,730	£835,807
2034-35	£1,443,843	£1,115,065	£786,288
2035-36	£1,389,674	£1,036,777	£683,880



	Project saving under the no heat meter scenario (£)	Project saving under the heat meter 10% scenario (£)	Project saving under the heat meter 20% scenario (£)
2036-37	£1,350,547	£992,574	£636,662
2037-38	£1,352,820	£986,662	£622,644
2038-39	£1,404,411	£1,025,741	£649,281
2039-40	£1,412,329	£1,025,690	£641,329
2040-41	£1,376,084	£986,566	£599,382
2041-42	£1,457,338	£1,051,644	£648,360
2042-43	£1,438,444	£1,026,789	£617,619
2043-44	£1,511,994	£1,084,417	£659,406
2044-45	£1,522,070	£1,085,136	£650,845
2045-46	£1,877,749	£1,394,557	£914,117
2046-47	£2,062,733	£1,551,409	£1,042,931
2047-48	£2,189,585	£1,656,079	£1,125,509
2048-49	£2,267,441	£1,716,620	£1,168,824
2049-50	£2,346,604	£1,777,612	£1,211,742
Total	£32,691,787	£25,070,872	£17,485,762

66. To be clear most savings achieved by the contract extension will be passed on to residents and not retained by the council. However, the following savings would be retainable:
- Non-homeowner share of boiler house maintenance costs
  - Non-homeowner share of boiler house repair costs
  - Non-homeowner share of boiler house lifecycle replacement costs
67. These elements combined represent around one third of the total project contract savings. Under the baseline 10% demand reduction scenario, council expenditure would reduce by around £25 million, but council income from homeowner service charges and tenant heating charges would reduce by around two-thirds of that value, leaving around £8.4m as the retained saving.
68. In addition to the retained savings, the council stands to benefit from reduced spikes in capital expenditure – mainly from lifecycle replacement costs within the transferred boiler houses, and avoided costs of not needing to invest in alternative low carbon heating systems (projected to cost around £89m more than the SELCHP heat network option over the term to 2050).
69. Finally, there is the potential for income to the council in the form of royalty payments through the contract. As the council is effectively financing the construction of the primary heat network, the contract gives the right for the council to receive royalty payments from VESS for any heat sold to commercial customers through the primary network. VESS

have to seek and receive council approval before connecting commercial customers, but once approved the council receive payments from VESS for the duration of the contract. While not 100% certain, the council is projected to receive somewhere in the region of £100,000 p.a. in royalty payments.

### Resident bill saving implications

70. The average percentage annual savings to residents' heating bills by adopting this project throughout its entire duration are summarised in the following table for the three heat metering scenarios described in the previous paragraph:

	Residents' bills saving under the no heat meter scenario (%)	Residents' bills saving under the heat meter 10% scenario (%)	Residents' bills saving under the heat meter 20% scenario (%)
2026-27	8.8%	8.8%	8.8%
2027-28	8.2%	8.0%	7.9%
2028-29	7.6%	7.2%	6.9%
2029-30	5.9%	5.4%	4.9%
2030-31	6.1%	5.4%	4.7%
2031-32	5.6%	4.8%	3.9%
2032-33	5.6%	4.5%	3.4%
2033-34	12.7%	10.4%	8.0%
2034-35	12.4%	10.0%	7.4%
2035-36	11.6%	9.1%	6.3%
2036-37	11.0%	8.5%	5.7%
2037-38	10.8%	8.2%	5.5%
2038-39	10.9%	8.3%	5.5%
2039-40	10.6%	8.1%	5.3%
2040-41	10.1%	7.6%	4.8%
2041-42	10.4%	7.8%	5.1%
2042-43	9.9%	7.4%	4.7%
2043-44	10.1%	7.6%	4.9%
2044-45	9.9%	7.4%	4.7%
2045-46	11.9%	9.3%	6.4%
2046-47	12.7%	10.0%	7.1%
2047-48	13.1%	10.4%	7.4%
2048-49	13.2%	10.4%	7.5%
2049-50	13.2%	10.5%	7.5%

71. This project confers additional financial benefits to residents:

- A long-term tariff which is primarily driven by RPI inflation, therefore residents benefit from greater price certainty in addition to lower outright service charge levels.
- Residents get protection from future gas market volatility.
- Further cost avoidance benefit will accrue to residents as no additional charges will arise relating to boilers lifetime replacement or maintenance. The nature of these (boiler replacement or maintenance) charges is such that large one-off costs usually lead to sudden spikes in levels of service charge.
- The council and residents are protected from service failures by VESS with financial deductions applicable of up to 5% of the annual contract value.

### **Investment Implications (Housing Contracts only)**

72. Covered in Financial Implications, above (paragraphs 59 - 69).

### **Legal Implications**

73. Please refer to the concurrent of the Assistant Chief Executive – Governance and Assurance.

### **Consultation**

74. The council sent letters and attended meetings with residents in 2022 to introduce the concept of an expansion to the SELCHP heat network. Residents were either inquisitive or positive – no negative feedback was received.
75. The council sent further letters and attended further meetings in 2024 as part of the Phase 1 project and then again in early 2025 to start giving residents more detail about how a broader (Phase 2) network expansion could affect them. Both online and in-person meetings were held. Information was presented on the carbon savings and other benefits, the energy price comparisons, and the technical aspects of the project. Residents are generally positive towards the scheme as they have heard from residents in the Bermondsey area who are already benefiting from the existing project.
76. Typically, a Section 20 consultation would be run for homeowners, but as this is a single supplier negotiation the usual process cannot be followed in full. The council has sent notices to homeowners advising them of the proposed contract variation and advising them that the full Section 20 process cannot be followed. Having sent the notices, the council is applying to the First Tier Property Tribunal (FTPT) to seek dispensation from running the usual process and providing the FTPT with a 'Statement of Case' which will also be provided to homeowners to give them sufficient information on how the contract variation could affect them financially. The Statement of Case has been developed with colleagues in Homeownership Services who are managing the FTPT application.

## **Other implications or issues**

77. As part of the variation to the proposed Heat Supply Agreement, the council will be agreeing an extension to its current Deed of Easement with VESS, granting VESS rights of access to the easement strip along the route of the heat network for maintenance and repair purposes. The council's property and legal teams have advised on the details of the required easement.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Strategic Director of Resources (PFS - Housing 25/066)**

78. This report seeks Cabinet approval for a significant variation to the council's Heat Supply Agreement with Veolia ES Southwark Limited (VESS), extending the supply of low-carbon heat to additional housing estates and prolonging the contract term to 31 March 2050. The proposed variation entails a capital contribution of £5.5 million plus contingency and projected revenue expenditure of £208.8 million, resulting in a total variation value of £214.3 million and a revised total contract value of £267.9 million.
79. Cabinet approval is also subject to the approval of associated funding and the outcome of the First Tier Property Tribunal application regarding Section 20 consultation requirements.
80. The financial structure of the agreement has been reviewed and is considered sound. The capital contribution is proposed to be funded through two sources: £2 million from the Green Buildings Fund (subject to approval by the Cabinet Member for Climate Emergency, Jobs & Business) and £3.5 million from the Strategic Community Infrastructure Levy (subject to separate Cabinet approval). This approach aligns with the council's strategic objectives and climate commitments.
81. The projected revenue expenditure over the contract term will be recovered through resident heating charges. It is anticipated that residents will benefit from cost savings as a result of this variation.
82. Importantly, the agreement includes mechanisms to mitigate financial risk, including:
- Fixed and indexed pricing structures;
  - Compensation event controls;
  - Step-in rights and a Parent Company Guarantee to protect against contractor insolvency.
83. The council's retained savings are estimated at approximately £8.4 million over the contract term, primarily from reduced expenditure on boiler house maintenance and lifecycle costs. Additional financial benefits may

accrue through royalty payments from commercial connections to the network, projected at £100,000 per annum.

84. The proposed variation also supports broader strategic goals, including carbon reduction, improved air quality, and enhanced energy resilience. It is expected to deliver up to 300,000 tonnes of CO<sub>2</sub> savings over 22 years, making it one of the council's most impactful climate investments.

## **Head of Procurement**

85. This report requests that the following recommendations are noted and/or approved, as set out in paragraphs 2 – 1, namely that the council aims to extend its Heat Supply Agreement with Veolia ES Southwark Limited (VESS) to carry heat to several additional housing estates and to continue doing so through to 2049. In this regard, the council is seeking dispensation from the First Tier Property Tribunal from the requirement to run a standard Section 20 consultation process (see paragraph 76). Moreover, that the requirement for the council's £5,500,000 capital contribution necessitates separate approval (£2,000,000 from the Green Buildings Fund, requiring approval by the Cabinet Member for Climate Emergency, Jobs & Business, and £3,500,000 from the Strategic Community Infrastructure Levy, requiring approval by the Cabinet, (but under a separate report) and, subject to receipt of dispensation from the First Tier Property Tribunal, cabinet approves the proposed variation to the council's Heat Supply Agreement with VESS for Works, which requires capital expenditure from the council of £5,500,000, and the purchase of heat from VESS to 2050 at a cost of £208,761,745 making a total variation value of £214,261,745 making a total contract value of £267,873,179.
86. The original contract award to VESS contained provisions and a mechanism (via use of a contract change control procedure) permitting variations in alignment with the requested changes as outlined and is, therefore, consistent with council Contract Standing Orders (CSO). Notwithstanding, it is acknowledged that the council's external legal counsel has also provided separate commentary vis á vis risks and potential mitigations associated with progression, and it is recommended that corresponding actions are reviewed and approved prior to Cabinet submission, where decision is reserved following review at DCRB and CCRB.
87. Headline risks associated are contained within the table at paragraph 36.
88. Summary detail of the approach and methodology to contract and performance management is contained at paragraph 42.
89. The Community, Equalities and Health Impact Statements are set out in paragraphs 44 to 46.

90. The Climate Change, Social Value, Economic and Environmental / Sustainability statements are set out in paragraphs 47 to 58.

**Assistant Chief Executive – Governance and Assurance (Ref: Con/CD/29202025)**

91. Subject to the receipt of dispensation from the First Tier Property Tribunal and the approval of the Community Infrastructure Levy funding, the Cabinet approval is sought for the variation of the Heat Supply Agreement with VESS involving works which requires a capital expenditure from the council of £5,500,000 and the supply of low carbon heat to 31 March 2050 at an estimated cost of £208,761,745 making a total contract value of £267,873,179. Approval is also sought for a contingency budget of £500,000 as detailed in the recommendation.
92. The Cabinet is requested to note that the council aims to extend the supply of low carbon heat to several additional housing estates through to 31 March 2050 and as such the council is seeking a dispensation from the First Tier Property Tribunal from the requirement to run a standard Section 20 consultation process, see paragraph 76 of this report for further detail. In addition, the Cabinet is requested to note that the council's capital contribution of £5,500,000 will be subject to separate approval reports, as highlighted in paragraphs 3 and 61 of this report.
93. The key aspects of the variation are outlined in paragraphs 21 to 26 of this report and the reasons for the variation can be found in paragraphs 27 and 28.
94. The council's external lawyers advised that the Heat Supply Agreement is a utility contract and should have been originally procured under the Utilities Contracts Regulations 2006 and not under the Public Contracts Regulations 2006. As such, any modifications to the Heat Supply Agreement should have been subject to the Utilities Contracts Regulations 2016 (UCR16) and not the Public Contracts Regulations 2015. (PCR15) Regulation 88 UCR16 provides the grounds for modifying a contract without needing a new procurement procedure, provided certain conditions are met and the overall nature of the contract is not changed. This is similar to the safe harbour under regulation 72(1)(b) PCR15, but it does not contain a value limitation equivalent to that in reg. 72(1)(b) PCR15 whereby the value of any modification cannot exceed 50% of the value of the original contract. To mitigate risk of a procurement challenge, the external advisors have recommended publishing a Voluntary Ex-Ante Transparency notice and wait for the 30 day's time limit for challenging in reg. 107(2) UCR16 to expire before proceeding to sign the proposed Deed of Variation.
95. Under CSO 2.3.1 contracts may only be awarded or a variation decision made if the expenditure has been included in approved revenue or capital estimates or has been otherwise approved by, or on behalf of the council.

Paragraphs 59 to 70 of this report confirms how the proposed contract will be financed.

### **Director of Exchequer (for housing contracts only)**

96. This is a qualifying long term agreement under the terms of the Commonhold and Leasehold Reform Act 2022, and is subject to consultation with leaseholders under Section 20 of the Landlord and tenant Act 1085 (as amended). As the report sets out, the agreement is through a single supplier, and doesn't meet the requirements of Section 20 to identify competitive quotes.
97. Under these circumstances the legislation makes provision for an application to the First Tier Property Tribunal which can dispense, where it is reasonable to do so, with those aspects of the consultation that cannot be complied with. The Litigation Team in Homeownership Services are in the process of engaging Counsel and will take direction from them on the application and the conduct of the case, both for the extension of time for properties on the existing network and the physical extension to properties in the expansion area.
98. The initial implementation of the Heat Supply Agreement was subject to a similar application in 2012, to the then Leasehold Valuation Tribunal, which was successful. It has delivered recognised reductions to heating bills to leaseholders on these heat networks, compared to those on heat networks served by traditional boilers. It is expected that the proposed contract variation will extend savings in the service charges to a wider number of homeowners.
99. There has been considerable general consultation by Engineering Services with homeowners on the proposals. Subject to Counsel's advice, Homeownership Services intend to serve a statutory Notice under Section 20 on the affected leaseholders, containing what prescribed information is available. Notice will be served either before the Tribunal hearing or after, depending on Counsel's advice.

### **BACKGROUND PAPERS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
<b>Gateway 2 – Contract Award Approval</b> Southwark Heat Network from South East London Combined Heat and Power plant (SELCHP) Additional Services Contract Cabinet 15 May 2012	Southwark Council, 160 Tooley Street, London, SE1 2QH	Paula Thornton 020 7525 4395
Link: <a href="https://moderngov.southwark.gov.uk/documents/s28770/Report%20Gateway%202%20Contract%20Award%20Approval%20-">https://moderngov.southwark.gov.uk/documents/s28770/Report%20Gateway%202%20Contract%20Award%20Approval%20-</a>		

Background Papers	Held At	Contact
<a href="#">%20Southwark%20Heat%20Network%20from%20South%20East%20London%20Combined%20H.pdf</a>		
<b>Gateway 1 - Procurement Strategy Approval</b> Southwark Combined Heat & Power from SELCHP: Additional Services Contract Cabinet 25 January 2011	Southwark Council, 160 Tooley Street, London, SE1 2QH	Paula Thornton 020 7525 4395
Link: <a href="https://moderngov.southwark.gov.uk/documents/s15753/Report%20Gateway%201%20-%20Procurement%20Strategy%20Approval%20-%20Southwark%20Combined%20Heat%20and%20Power.pdf">https://moderngov.southwark.gov.uk/documents/s15753/Report%20Gateway%201%20-%20Procurement%20Strategy%20Approval%20-%20Southwark%20Combined%20Heat%20and%20Power.pdf</a>		
<b>Heat Networks Strategy</b> Cabinet 14 September 2021	Southwark Council, 160 Tooley Street, London, SE1 2QH	Paula Thornton 020 7525 4395
Link: <a href="https://moderngov.southwark.gov.uk/documents/s101251/Report%20Heat%20networks%20strategy.pdf">https://moderngov.southwark.gov.uk/documents/s101251/Report%20Heat%20networks%20strategy.pdf</a>		
<b>Gateway 3 – Tustin (phase 1) contract variation to the Heat Supply Agreement</b> Strategic Director of Resources – Nov 2024	Southwark Council, 160 Tooley Street, London, SE1 2QH	Paula Thornton 020 7525 4395
Link: <a href="https://moderngov.southwark.gov.uk/documents/s123589/Report.pdf">https://moderngov.southwark.gov.uk/documents/s123589/Report.pdf</a>		
<b>Southwark Climate Action Plan</b>	Southwark Council, 160 Tooley Street, London, SE1 2QH	Tom Sharland
Link: <a href="https://www.southwark.gov.uk/sites/default/files/2025-09/Climate%20Action%20Plan%202025.pdf">https://www.southwark.gov.uk/sites/default/files/2025-09/Climate%20Action%20Plan%202025.pdf</a>		

## APPENDICES

No	Title
Appendix 1	Cornwall Insight Summary Note FINAL - 2025_09
Appendix 2	Equalities Impact and Needs Assessment



**AUDIT TRAIL**

Lead Officer	Hakeem Osinaike, Strategic Director of Housing		
Report Author	Tom Vosper, Strategic Project Manager		
Version	Final		
Dated	20 November 2025		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments Sought	Comments included	
Strategic Director of Resources	Yes	Yes	
Head of Procurement	Yes	Yes	
Assistant Chief Executive – Governance and Assurance	Yes	Yes	
Director of Exchequer (for housing contracts only)	Yes	Yes	
Cabinet Member	Yes	Yes	
Contract Review Boards			
Departmental Contract Review Board	Yes	Yes	
Corporate Contract Review Board	Yes	Yes	
Cabinet Member	Yes	Yes	
Date final report sent to Constitutional Team		21 November 2025	



CORNWALL INSIGHT

CREATING CLARITY

# Southwark Council: Electricity & Gas Cost Forecast - Summary

September 2025

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# About Cornwall Insight

Getting to grips with the intricacies embedded in the energy market can be a daunting task. There is a wealth of information online to help you keep up to date with the latest developments, but finding what you are looking for and understanding the impact to your business can be tough. That's where Cornwall Insight can help, by providing independent and trusted expertise.

We offer a range of services to suit your business' needs, including:



## Analysis

Our market insight reports cover the full breadth of the energy industry to help you keep pace in a fast moving and complex market. Our experts collate all the “must-know” developments and break-down complex topics, in a way that is easy to understand.



## Consultancy

We provide a range of advisory, research and bespoke consulting services to support organisations through their business and financial planning, strategy development, investment due diligence, policy design, risk management and regulatory assessments.



## Training

Cornwall Insight's training courses are delivered by industry experts and range from an introduction to the sector through to advanced-level learning. Our trainers make the courses fun and engaging by using practical examples and interactive tasks.

For more information about us and our services contact us on [enquiries@cornwall-insight.com](mailto:enquiries@cornwall-insight.com) or contact us on 01603 604400.

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# 1 About Cornwall Insight

## 1.1 Industry-leading Independent Support

Cornwall Insight was established in 2005 and is a trusted independent voice in the energy sector. We are an award-winning industry leader in helping parties understand the implications (the “So what?”) of policy and commercial change across the energy sector, with our forecasts used by energy suppliers, the public and private sectors and investors for long-term budgeting and business case modelling.

Our forecasts are also trusted beyond the energy sector, with our industry-leading Default Tariff Cap modelling service being used by industry and [mainstream](#) media, as well as the [government](#) in support of policy measures. Our market intelligence and research in the field of [renewable generation](#), [the role of low carbon levies on bills](#), [social tariffs](#) and the [household energy bills](#) (among others) is frequently quoted in Parliament and government documentation.

## 1.2 Our Work with Southwark Council

We were commissioned by Southwark Council to provide an independent long-term (to 2052-53) forecast of wholesale and retail electricity and gas cost forecasts in support of the planned extension of its SELCHP district heating project. This report provides a focused assessment of our forecast methodology and the outputs, with the full report and analysis having been provided to Southwark Council.

# 2 Electricity and Gas Forecasting

## 2.1 Our Approach

GB electricity bills for non-domestic customers comprise a combination of the wholesale cost of the energy itself, network charges associated with the delivery of the electricity across the high and low voltage networks, policy levies reflecting costs to support investment in renewable and low carbon generation, and to maintain security of supply, supplier charges such as the cost to serve and taxes including VAT.

Gas bills share largely the same elements, with the exception of low carbon levies, with these being recovered almost exclusively through electricity bills.

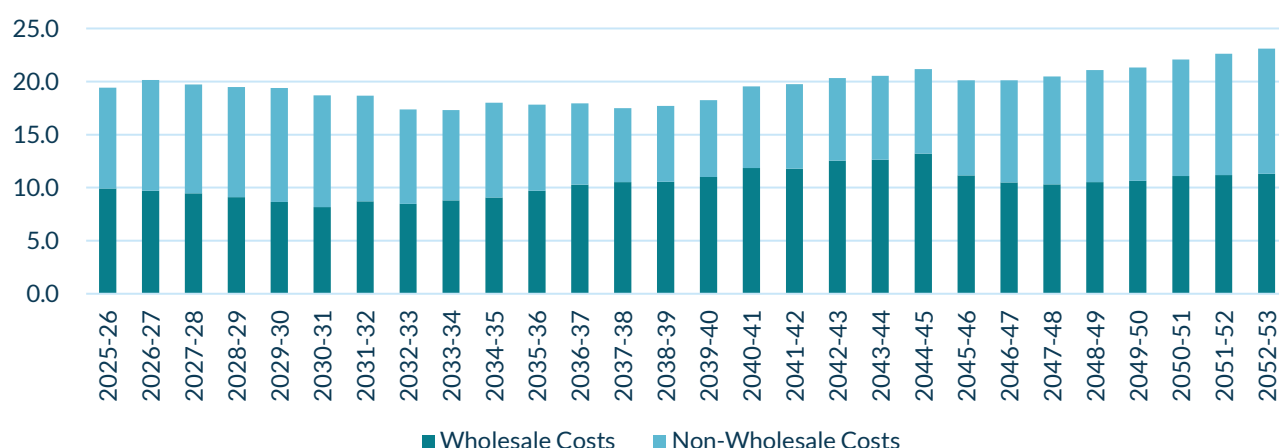
Here, we refer to these relevant elements collectively as “non-wholesale costs”. In modelling the wholesale cost, we use a scenario-based approach for gas and electricity, calculating Central, High and Low case scenarios. For the purpose of this report, we have applied the **Central** case for both gas and electricity as this reflects our best view of prices at this time.

## 2.2 Our Findings

On a per unit basis over the forecast period to 2050-51, the largest single component of the GB **electricity** bill is the cost of the energy itself as purchased on the wholesale market. However, non-wholesale costs (which include network charges, low carbon levies etc.) constitute an equally significant part of the bill. The wholesale element of the **gas** bill, by contrast, consistently forms the major component of the overall cost. This is due to the lower magnitude of policy measures (i.e. low carbon levies) within the total cost.

As the largest single part of the typical energy bill, movements in wholesale markets provide the direction for – and volatility in – household and business energy costs. Given that the British market is an importer of electricity and natural gas, this means that global market trends are reflected in GB bills – both in terms of energy supplies and the wider economic outlook, such as fears over the escalating global trade war.

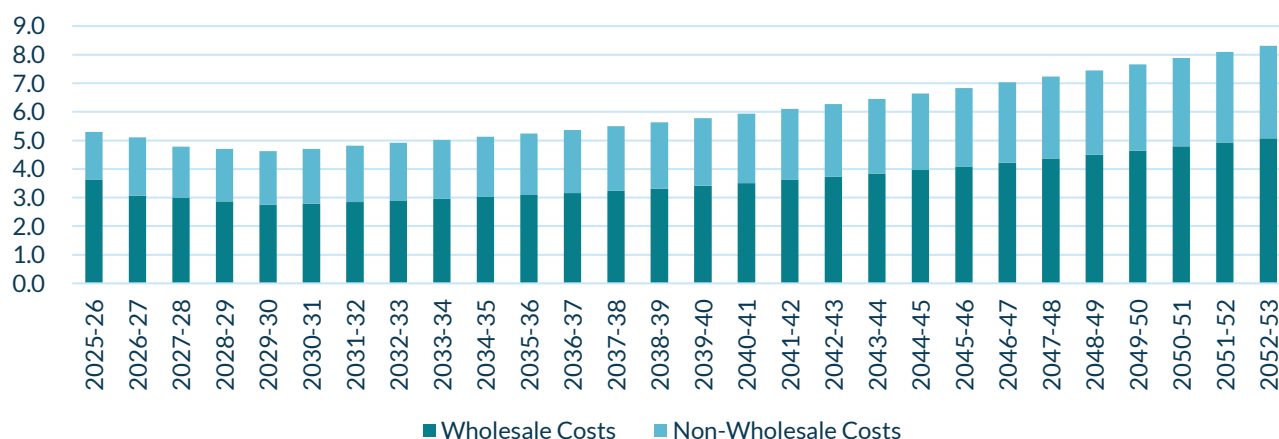
**Figure 1: Implied Delivered Electricity Price – Indicative All-inclusive Per Unit Rate for a SME Customer, p/kWh Nominal Exclusive of VAT and Metering Charges**



Source: Cornwall Insight

Note: London Distribution Network Operator (DNO) region, Nominal p/kWh at Meter Supply Point (MSP), SME archetype, Cornwall Insight Benchmark Power Curve (BPC) Central Case Scenario, Climate Change Levy (CCL) not applied

**Figure 2: Implied Delivered Gas Price – Indicative All-inclusive Per Unit Rate for a SME Customer, p/kWh Nominal Exclusive of VAT and Metering Charges**



Source: Cornwall Insight

Note: London Local Distribution Zone (LDZ) region, Nominal p/kWh, SME archetype, Cornwall Insight Benchmark Power Curve (BPC) Central Case Scenario, Climate Change Levy (CCL) not applied

We note that:

- In **nominal** (money of the day) terms, delivered electricity prices show a general upward trend over the forecast period, with this being predominantly driven by wholesale prices
- In **nominal** terms, delivered gas prices show an upward trend over the forecast period, with this reflecting the general movement in all component cost elements
- Based on the above outcomes, the ratio of electricity to gas implied delivered prices is on average just over 3:1 over the forecast period
- Delivered electricity prices show greater year-on-year volatility than gas, with this largely due to the relative use of renewable/low-carbon generation and gas-fired generation plants to meet demand

## 2.3 Political, Regulatory and Other Risks

Our forecasts are based on our expert understanding of the current state of energy market, however there are a number of potential changes on the horizon that will impact our forecasts. In particular, there is considerable legislative and regulatory uncertainty that will impact our forecasts.

Uncertainty over the timing and impact of these measures – not to mention the measures themselves – means that they are also not included in our forecasts, with an assessment of the impact (where possible) presented in our report to Southwark Council.

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# SELCHP Heat Network – Phase 2 Extension

## Equality Impact and Needs Analysis

## Section 1: Equality Analysis Details

<b>Proposed policy/decision/business plan to which this equality analysis relates</b>	Cabinet gateway 3 – Variation Decision: Phase 2 of Extension to the South East London Combined Heat and Power (SELCHP) Heat Network
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<b>Equality analysis author</b>		Tom Vosper			
<b>Strategic Director:</b>		Hakeem Osinaike			
<b>Department</b>		Housing	<b>Division</b>	Repairs and Maintenance	
<b>Period analysis undertaken</b>		October 2025			
<b>Date of review (if applicable)</b>		N/A			
<b>Sign- off</b>	Ryan Collymore	<b>Position</b>	Director of Repairs and Maintenance	<b>Date</b>	28/10/2025

## Section 2: Brief description of decision

### 1.1 Brief description of decision

The proposed cabinet decision to vary the council's Heat Supply Agreement with Veolia ES Southwark Ltd (VESS) to extend it to 2050 and expand the network geographically to serve many additional housing estates. The project will play a key role in delivering carbon savings in the borough and stabilizing heating costs away from fluctuating fossil fuels.

## Section 3: Overview of service users and key stakeholders consulted

### 2. Service users and stakeholders

<b>Key users of the service</b>	<ul style="list-style-type: none"> <li>• Tenants</li> <li>• Homeowners (leaseholders and freeholders)</li> <li>• Other heat users (business, developers, community groups)</li> <li>• Council officers</li> <li>• Councillors</li> </ul>
<b>Key stakeholders involved in the decision</b>	<ul style="list-style-type: none"> <li>• Tenants</li> <li>• Homeowners (leaseholders and freeholders)</li> <li>• Other heat users (business, developers, community groups)</li> <li>• Council officers</li> <li>• Councillors</li> </ul>

## Section 4: Pre-implementation equality analysis

This section considers the potential impacts (positive and negative) on groups with ‘protected characteristics’, the equality information on which this analysis is based and any mitigating actions to be taken.

<b>Age</b> - Where this is referred to, it refers to a person belonging to a particular age (e.g. 32 year olds) or range of ages (e.g. 18 - 30 year olds).	
Potential impacts (positive and negative) of the proposed policy/decision/business plan	Potential Socio-Economic impacts (positive and negative)
<p>The proposed decision to extend the SELCHP heat network is expected to have an overall positive impact on the protected characteristic of age due to improved reliability of heat provision, improved air quality and the expected reduction in heating costs. Reliability is treated as a potential impact (this column) while heating cost is treated as a socio-economic impact. However the works involved in installing the heat network could cause short-term disruption.</p> <p><b>Reliable heat</b> It is well known that cold indoor temperatures can lead to respiratory problems, as well as other illnesses. Older people and the very young are particularly vulnerable to such issues. Unreliable or inadequate heating can also cause or exacerbate damp and mold with associated health and lifestyle impacts. Ensuring the heat supply to dwellings is as reliable as possible will reduce health inequality for both older and younger people. The SELCHP heat network has had high reliability standards through the existing contract and carries several layers of redundancy and backup heat provision.</p> <p><b>Air Quality</b> The whole of the borough is now an Air Quality Management Area, and certain areas, especially along busier roads have been designated Air Quality Focus Areas. The reduction of combustion of methane (natural gas) in housing estate boiler houses, by around 95%, will lead to lower local</p>	<p><b>Heating Costs</b> As outlined in the main report, the decision is expected to reduce heating costs by around 10% over the long-term. As the council has an obligation to install heat meters over the coming years (and has already installed them in many cases) along with an ensuing obligation to bill residents according to heat consumption, it will become increasingly rare for residents (both tenants and homeowners) to pay a flat share. Higher heat users will pay more while lower users pay less. The council already has a heat metering policy that seeks to minimize inequality in the way metering is implemented, but the reduction of heating costs across the board will benefit all heat users. It will especially benefit those who naturally need more heat to stay comfortable, including older and younger people.</p> <p>Age here is identified as a characteristic which would lead to unequal impact due to older and very young people needing, in general, more warmth in their homes to remain comfortable. Any change in the cost of heating (both positive and negative) would have an accentuated effect on older people and families with young children.</p>

<p>nitrogen dioxide emissions. As NO<sub>2</sub> is a known irritant, its reduction should improve health. Young children are especially vulnerable to poor air quality so any improvement will be especially beneficial to them.</p> <p><b>Disruption from physical works</b> Works to install the heat network can cause temporary reduced access along certain roads and pavements. This may disproportionately affect young families/children with pushchairs and older people with mobility issues, who need more space or who already experience more limited mobility.</p>	
<p><b>Equality information on which above analysis is based</b></p>	<p><b>Socio-Economic data on which above analysis is based</b></p>
<p>8.3% of residents in Southwark are 65+. This is lower than the London average of 12%. 5.3% of residents in Southwark are 4 years old or under. Census, 2021</p>	<p>Census, 2021</p>
<p><b>Mitigating actions to be taken</b></p>	
<p>None required for the expected positive impacts of improved heat reliability, though rigorous contract management principles must always be applied to achieve the best service delivery for residents and other heat customers.</p> <p>In terms of physical works impact, these can be minimized through ensuring the contractor plans well and communicates effectively with the community. Residents, businesses, community groups and ward councillors will all be kept informed of upcoming disruption.</p>	<p>None required for the expected positive impacts of reduced heat cost, though rigorous contract management principles must always be applied to achieve the best service delivery for residents and other heat customers.</p>

<p><b>Disability</b> - A person has a disability if s/he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.</p>	
Potential impacts (positive and negative) of proposed policy/decision/business plan	Potential socio-economic impacts (positive and negative)
<p>The proposed decision to extend the SELCHP heat network is expected to have an overall positive impact on the protected characteristic of disability due to improved reliability of heat provision and the expected reduction in heating costs. Reliability is treated as a potential impact (this column) while heating cost is treated as a socio-economic impact. However, the works involved in installing the heat network could cause short-term disruption.</p> <p><b>Reliable heat</b> People with certain disabilities can need reliable and warmer indoor temperatures to stay comfortable and healthy. This can include people with cardiorespiratory diseases, hypothyroidism, autism spectrum disorder, or simply those with limited mobility. Unreliable or inadequate heating can also cause or exacerbate damp and mold with associated health and lifestyle impacts. Ensuring the heat supply to dwellings is as reliable as possible will reduce health inequality for people with disabilities. The SELCHP heat network has had high reliability standards through the existing contract and carries several layers of redundancy and backup heat provision.</p> <p><b>Air Quality</b> The whole of the borough is now an Air Quality Management Area, and certain areas, especially along busier roads have been designated Air Quality Focus Areas. The reduction of combustion of methane (natural gas) in housing estate boiler houses, by around 95%, will lead to lower local nitrogen dioxide emissions. As NO<sub>2</sub> is a known irritant, its reduction should improve health. Some people with disabilities are especially effected by poor air quality, such as those with pulmonary conditions, and these</p>	<p><b>Heating Costs</b> As outlined in the main report, the decision is expected to reduce heating costs by around 10% over the long-term. As the council has an obligation to install heat meters over the coming years (and has already installed them in many cases) along with an ensuing obligation to bill residents according to heat consumption, it will become increasingly rare for residents (both tenants and homeowners) to pay a flat share. Higher heat users will pay more while lower users pay less. The council already has a heat metering policy that seeks to minimize inequality in the way metering is implemented, but the reduction of heating costs across the board will benefit all heat users. It will especially benefit those who naturally need more heat to stay comfortable, including some people with disabilities</p> <p>Disability is identified as a characteristic which would lead to unequal impact due to some disabled people needing more warmth in their homes. Any change in the cost of heating (both positive and negative) would have an accentuated effect on people with some disabilities.</p>

<p>groups would be especially benefited by air quality improvements.</p> <p><b>Disruption from physical works</b> Works to install the heat network can cause temporary reduced access along certain roads and pavements. This may disproportionately affect people who use wheelchairs, mobility scooters or who are more reliant upon one form of transport, or those who need to have carers visit their homes regularly.</p>	
<b>Equality information on which above analysis is based</b>	<b>Socio-economic data on which above analysis is based</b>
<p>8.2% of residents in Southwark are registered disabled. This is lower than the London average of 15.7%.</p> <p>Census, 2021</p>	<p>Census, 2021</p>
<b>Mitigating actions to be taken</b>	
<p>None required for the expected positive impacts of improved heat reliability, though rigorous contract management principles must always be applied to achieve the best service delivery for residents and other heat customers.</p> <p>In terms of physical works impact, these can be minimized through ensuring the contractor plans well and communicates effectively with the community. Residents, businesses, community groups and ward councillors will all be kept informed of upcoming disruption.</p>	<p>None required for the expected positive impacts of reduced heat cost, though rigorous contract management principles must always be applied to achieve the best service delivery for residents and other heat customers.</p>

<b>Gender reassignment</b> - The process of transitioning from one gender to another.	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan</b>	<b>Potential socio-economic impacts (positive and negative)</b>
No potential impacts of proposed decision on this protected characteristic group.	N/A
<b>Equality information on which above analysis is based.</b>	<b>Socio-economic data on which above analysis is based</b>
N/A	N/A
<b>Mitigating actions to be taken</b>	
N/A	N/A



<b>Marriage and civil partnership</b> – In England and Wales marriage is no longer restricted to a union between a man and a woman but now includes a marriage between a same-sex couples. Same-sex couples can also have their relationships legally recognised as 'civil partnerships'. Civil partners must not be treated less favourably than married couples and must be treated the same as married couples on a wide range of legal matters. <b>(Only to be considered in respect to the need to eliminate discrimination.)</b>	
Potential impacts (positive and negative) of proposed policy/decision/business plan	Potential socio-economic impacts (positive and negative)
No expected impacts of proposed decision on this protected characteristic group.	N/A
Equality information on which above analysis is based.	Socio-economic data on which above analysis is based
N/A	N/A
<b>Mitigating actions to be taken</b>	
N/A	N/A

<b>Pregnancy and maternity</b> - Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.	
Potential impacts (positive and negative) of proposed policy/decision/business plan	Potential socio-economic impacts (positive and negative)
No expected impacts of proposed decision on this protected characteristic group.	N/A
Equality information on which above analysis is based.	Socio-economic data on which above analysis is based
N/A	N/A
<b>Mitigating actions to be taken</b>	
N/A	N/A

<b>Race</b> - Refers to the protected characteristic of Race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins. N.B. Gypsy, Roma and Traveller are recognised racial groups and their needs should be considered alongside all others.	
Potential impacts (positive and negative) of proposed policy/decision/business plan	Potential socio-economic impacts (positive and negative)
No expected impacts of proposed decision on this protected characteristic group.	N/A
Equality information on which above analysis is based.	Socio-economic data on which above analysis is based
N/A	N/A
<b>Mitigating actions to be taken</b>	
N/A	N/A

<b>Religion and belief</b> - Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.	
Potential impacts (positive and negative) of proposed policy/decision/business plan	Potential socio-economic impacts (positive and negative)
No expected impacts of proposed decision on this protected characteristic group.	N/A
Equality information on which above analysis is based.	Socio-economic data on which above analysis is based
N/A	N/A
<b>Mitigating actions to be taken</b>	
N/A	N/A

<b>Sex</b> - A man or a woman.	
Potential impacts (positive and negative) of proposed policy/decision/business plan	Potential socio-economic impacts (positive and negative)
No expected impacts of proposed decision on this protected characteristic group.	N/A
Equality information on which above analysis is based.	Socio-economic data on which above analysis is based
N/A	N/A
<b>Mitigating actions to be taken</b>	
N/A	N/A

<b>Sexual orientation</b> - Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan</b>	<b>Potential socio-economic impacts (positive and negative)</b>
No expected impacts of proposed decision on this protected characteristic group.	N/A
<b>Equality information on which above analysis is based.</b>	<b>Socio-economic data on which above analysis is based</b>
N/A	N/A
<b>Mitigating actions to be taken</b>	
N/A	N/A

<b>Climate Change</b> – Southwark Council recognises that climate change is an issue that affects everyone but affects certain communities more than others. The Council has a duty to ensure that its policies and practices help to mitigate the impact of climate change on all residents in the borough, by reducing carbon emissions and protecting our biodiversity. You can find further information on this in our climate change strategy.	
<b>Potential impacts (positive and negative) of proposed policy/decision/business plan</b>	<b>Potential socio-economic impacts (positive and negative)</b>
<p>The proposed decision to extend the SELCHP heat network is expected to have an overall positive impact on Climate Change and the environment broadly due to reduced carbon emissions and reduced local pollutant emission from the reduction of gas combustion in heating systems.</p> <p>As laid out in the main report, the proposed SELCHP heat network extension is expected to save around 300,000 tonnes of carbon dioxide emission by 2050 and will help the council to meet its net zero carbon targets.</p> <p>The project would also reduce, by around 95%, the combustion of methane, with associated Nox emissions, in the council's boiler houses located on housing estates across the centre of the borough.</p>	<p>Climate action, while requiring ongoing capital investment, offers significant positive socio-economic benefits. It can lead to cleaner air and improved public health and increasing productivity. The transition to a green economy fosters innovation in our green economy, creates new jobs in retrofitting and</p>
<b>Equality information on which above analysis is based.</b>	<b>Socio-economic data on which above analysis is based</b>
N/A	N/A
<b>Mitigating actions to be taken</b>	
N/A	N/A

## Human Rights

There are 16 rights in the Human Rights Act. Each one is called an Article. They are all taken from the European Convention on Human Rights. The Articles are The right to life, Freedom from torture, inhuman and degrading treatment, Freedom from forced labour, Right to Liberty, Fair trial, Retrospective penalties, Privacy, Freedom of conscience, Freedom of expression, Freedom of assembly, Marriage and family, Freedom from discrimination and the First Protocol

### Potential impacts (positive and negative) of proposed policy/decision/business plan

No expected impacts of proposed decision on Human Rights.

### Information on which above analysis is based

N/A

### Mitigating actions to be taken

N/A



## Section 5: Further actions

5. Further actions			
Based on the initial analysis above, please detail the key mitigating actions or the areas identified as requiring more detailed analysis.			
Number	Description of issue	Action	Timeframe
1	The impact of physical works associated with the installation of the heat network could unequally affect older people who are less mobile, young families reliant upon push chairs and people with certain disabilities who may rely upon wheelchairs, mobility scooters, other forms of transport, or be reliant upon having regular visits from carers.	Impacts can be minimized through ensuring the contractor plans well and communicates effectively with the community. Residents, businesses, community groups and ward councillors will all be kept informed of upcoming disruption.	Throughout the installation phase of the project (expected April 2026 – July 2027).

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Approval to purchase: Rockingham Street Arches nos. 107, 106,105
<b>Cabinet Member:</b>	Councillor Stephanie Cryan, Equalities, Democracy and Finance
<b>Ward(s) or groups affected:</b>	Chaucer Ward
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/A
<b>From:</b>	Mark Grant, Assistant Director of Property

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

The Elephant and Castle town centre area is one of the council's priority opportunity areas. Development over recent years has seen delivery of Elephant Park and the emerging new Elephant and Castle town centre development, due to complete in 2026, which includes 485 new homes, a retail offer of high street and independent outlets, a cinema, workspace, new premises for London College of Communication and a major new ticket hall for the underground station and future expansion for the Bakerloo Line.

The purchase of these three arches from an existing budget represents a strategic investment which will provide long term income streams to the council to support the delivery of frontline services. The purchase meets the criteria set out in the adopted Strategic Asset management plan (2021).

Following the completion the council will own a run of eight arches along Rockingham Street, enabling an active asset management strategy to be delivered and improving the low line spaces running adjacent to the railway line, which is a key objective. In improving these spaces, removing poor and inactive uses along with investment the area will increase with more activation economic activity, improve public safety and provide new and vibrant spaces for the community.

### **RECOMMENDATION(S)**

#### **Recommendation(s) for the Cabinet**

1. That cabinet authorises the Strategic Director of Resources, advised by the Director of Planning & Growth and in consultation with the Assistant Director of Property, to purchase the property. Note the circumstances leading to the purchase and due diligence being undertaken by officers and their advisors.
2. Note the legal and financial arrangements and the conditions of the purchase.

3. Delegate to the Strategic Director of Resources, advised by Director of Planning and Growth and in consultation with the Assistant Director of property, authority to:
  - Complete the acquisition; and
  - Agree detailed transactional terms pursuant to the Heads of Terms (see Closed Appendix 1 to 4).

## **REASONS FOR RECOMMENDATIONS**

4. This is a proposed purchase of a very long leasehold interest of three railway arches at Metro Central, Rockingham Street.
5. The purchase will, following reletting, provide a revenue stream for the General Fund as set out in Closed Appendix 1 to 4. Additionally, also set out are the potential alternative options of securing revenue savings from using the space for the council's own purposes.
6. The space is to be acquired in its current condition, which is sound being used as a dry secure archive store by the vendor, the Salvation Army.
7. Held in the General Fund and given financial pressures at present, the income and savings will support the delivery of council services. The lease arrangement reflects that, with the tenant committing to carry out what would normally be significant landlords work to bring the space to the required market standards, that the tenant will receive rent free periods instead.
8. The council is being advised by independent Chartered Surveyors Union Street Partners.

## **POST DECISION IMPLEMENTATION**

9. The purchase will be entered into on the terms set out in Closed Appendix 1 to 4 subject to amendment in accordance with the delegation to the Strategic Director of Resources.

## **BACKGROUND INFORMATION**

10. The property comprises of three vacant railway arches held on a 1000-year lease. The entrance to the arches open onto Metro Central in Elephant and Castle. The rear of the arches open onto Rockingham Street.
11. Following acquisition, it is intended to reverse the entrances to open up onto Rockingham Street and amend a lease user clause, permission for which we understand will be forthcoming.
12. The Council will then own five railway arches on Rockingham Street, and this purchase would create almost a continuous stretch of arches under our control. It is intended that all the arches will have a retail focused offering.
13. The Elephant and Castle town centre area is one of the council's priority

opportunity areas. Development over recent years has seen delivery of Elephant Park and the emerging new Elephant and Castle town centre development, due to complete in 2026, which includes 485 new homes, a retail offer of high street and independent outlets, a cinema, workspace, new premises for London College of Communication and a major new ticket hall for the underground station and future expansion for the Bakerloo Line.

14. The vision is to consolidate the small businesses along Elephant Road to form a spine north-south stretching from Rockingham Street all the way to Moldonado Walk.
15. This spine, which was formerly at the back of the town centre is now in the centre of the redevelopment area, with the Elephant Park to the East and new east-west Park Route pedestrian through-route at street level.
16. The purchase by the council of the three arches is anchored in the wider vision, consolidating the existing arches the council already owns to form a continuous run all the way to Rockingham Street.

### **KEY ISSUES FOR CONSIDERATION**

17. The council intend to purchase the arches on terms as set out in the Closed Appendix 1 to 4.
18. The purchase of the property will support the generation of an investment rental income to the council.
19. This largely pedestrian route would see an increase in footfall due to an increase in business activity.
20. Once acquired, the additional arches form an almost continuous run all the way to Rockingham Street, it is anticipated that all the then council owned arches would increase in capital value and generate greater rental income.

### **Policy framework implications**

21. The purchase of the arches, contributing to the delivery of the vision, is in line with the council's corporate policy Southwark 2030, addressing in particular the goal of 'A strong and fair economy' and, with activation of the arches facing onto the pedestrian public thoroughfare, also addressing 'A safer Southwark'.
22. Similarly, this would address Southwark economic Strategy 2023-2030 theme objectives for 'an economy with opportunity for all' and 'inclusive neighbourhoods'.

### **Securing economic and infrastructure investment**

23. The Strategic Asset Management Plan adopted in 2021 sets out a number of key considerations.
24. Whilst there is an ambitious housing delivery programme, the council may

wish to acquire properties that have high economic value in terms of a return-on-investment over a long period of time.

25. Equally, the council may consider strategically important investments, which help to secure the achievement of Council objectives.
26. Consideration may also be given to investment in income-generating assets to fund council services, and reinvesting in existing assets where there is a compelling business case as part of effective asset management planning.
27. The council may consider investing prudently on a commercial basis and to take advantage of opportunities as they present themselves. At no stage is the objective to support values in weakening markets, through bad investment decisions, selling for too little or paying too much to acquire assets.
28. Securing sustainable, high-quality employment opportunities, and industrial policy as part of the Green new deal. Additionally, the council may support investments in new enabling infrastructure and property that can stimulate new sector and place-specific economic activity.

### **Assessing investment opportunities**

29. In assessing an investment opportunity, the council ensures that a considered, strategic and measured approach is taken to acquisition. Whilst the underlying principles are unlikely to change, the detailed criteria and weight attached to them will reflect the nature of the investment proposition under consideration.
30. There are four key stages.

#### **Strategic fit/focus**

31. Does the proposed investment align with Council Plan commitments or Council strategic priorities? This includes delivering new homes, securing economic and infrastructure investment, securing sustainable, high-quality employment opportunities or delivering a sustainable response to the climate emergency.
32. The proposed purchase satisfies this stage. The long-term strategy of improving the low line spaces running adjacent to the railway line is a key objective. In improving these spaces, removing poor and inactive uses along with investment the area will increase with more activation economic activity, improve public safety and provide new and vibrant spaces for the community. The Elephant Lane reorientation and activation is already identified as a priority with NCIL allocation.

#### **Feasibility**

33. Is the proposed investment acquisition and plans for it realistic, including due diligence and funding considerations (utilising a mix of funding sources – reserves, disposal revenues, Public Loan Works Board, etc.).
34. As set out in the Closed Appendices 1 to 4 the funds for the purchase are held

within an existing budget. Additionally, whilst specific external funding sources have not been identified we will keep looking for additional external funding, such as the prosperity fund, to undertake improvement works to fit out, improve and re-orientate the spaces.

35. Landlords consent for the works including a deed of variation on use will be required which we understand will be forthcoming. Planning consent for any scheme will also be required.

#### Value for money/risk

36. Does the proposed acquisition provide value for money? Subject to careful due diligence (valuation, compatibility, capacity to deliver the scheme and reputational, based on an informed view of property specific and site risks) the council may decide to consider a moderately higher level of risk for strategic initiatives, where there is a direct gain to the council's revenues or the ability to deliver its statutory duties more effectively and efficiently. Investment in purely speculative development is excluded.
37. Closed Appendix 1 sets out the business case supporting the purchase. The council have been advised by independent Chartered Surveyors, Union Street Partners, in the purchase.
38. The potential rental income once let, based on current market levels, demonstrates a reasonable rate of return for space of this nature. In undertaking additional work this could be further enhanced.
39. The purchase furthermore will reduce capital costs on an existing adjacent arch project by spurring utilities off of existing connections.

#### Maximisation of opportunity

40. Does the proposed acquisition have planning consent for redevelopment? No planning consent maximises opportunities to build new homes, schools etc. and social infrastructure, and to achieve Council House Design Standards over and above planning policy requirements. Sites with existing consents are considered only where there is an overarching service requirement that cannot otherwise be fulfilled. For the same reason the appraisal process is strongly weighted in favour of freehold ownership, with full flexibility for future asset management and decision making.
41. The acquisition of this space brings together into council ownership a significant run of arches enabling a more cohesive and active asset management plan to be developed and implemented improving both the social impact on the area and improving financial returns.
42. Additionally to enable the refurbishment of an existing council owned adjacent arch the ability to use existing utility connections creates a significant saving to the cost of that project which is currently in feasibility stage.

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

### **Community impact statement**

43. The purchase of this property will create a long term revenue stream for the council, support local business, grow economic development and support urban renewal. It will also bring an existing council owned vacant property back to beneficial use.

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

44. In formulating the recommendations of this report, the potential impact on the Community has been taken into account, including people identified as having protected characteristics. No specific equality implications have been identified in relation to this report.
45. The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010).
46. The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.
47. An Equalities Impact Assessment is not required in relation to this report, because this matter relates to a commercial investment transaction. There are no Human Resources or equality implications in respect of this proposal.
48. There are no environmental or net zero implications associated with the purchase. The uses would continue without significant change.

### **Health impact statement**

49. There are no health impacts regarding this purchase.

### **Climate change implications**

50. There are no climate change implications save as to the works that will likely be taken by the Council to make the property fit for purpose in accordance with building regulations.

### **Resource implications**

51. The purchase of this property will initially have an initial outlay but will provide the Council with a long-term commercial investment providing a revenue stream and income diversification.

### **Legal implications**

52. There are no significant implications that will not be dealt with in the required documentation.

### **Financial implications**

53. The property will incur void and agency costs prior to letting.
54. The financial implications are set out in Closed Appendix 1 to 4. In letting the space post-acquisition, rent is received and holding costs removed.
55. The rent received will support the General Fund. An alternative may also be an option to use the space for an interim meanwhile council storage solution generating savings whilst longer storage solutions are developed for a variety of the council's own needs.

### **Consultation**

56. There has been no specific consultation required.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Head of Procurement**

57. There are no procurement issues in respect of this purchase.

### **Assistant Chief Executive, Governance and Assurance**

58. The council are acquiring at market value. Cabinet is advised that section 120(1) of the Local Government Act 1972 authorises the council to acquire any land by agreement for the purposes of (a) any of its statutory functions or (b) for the benefit, improvement or development of its area. The proposed acquisition of the arches at market value is therefore within the council's statutory powers. The property will be held in the General Fund.
59. Cabinet is referred to section 12 of the Local Government Act 2003. The council may invest, "(a) for any purpose relevant to its functions under any enactment" or "for the purposes of the prudent management of its financial affairs". The acquisition forms part of the council's income-generating strategy and is consistent with prudent financial management.
60. There is of course, the general power of competence in section 1 of the Localism Act 2011. This enables the council to do anything that an individual may do, subject to statutory limitations, so in relation to fit-out and future management to support regeneration.
61. Cabinet is advised this transaction relates to the assignment of an underlease from the Salvation Army. In the lease structure, St George West London Ltd ("St Georges") sit above this underlease and CDR Nomineeco 1 Limited and CDR Nominee 2 Limited sit above them.



62. Cabinet is advised that the planning permission and proposed variations to the underlease will be dealt with following completion of the assignment. In short it would require variation of the permitted use, consent for alterations (including repositing of the doors and windows), and variation of the alienation provisions to allow subletting. Finally, the superior lease dated 29 April 1869, held by St Georges is currently missing. If this cannot be located, the council should obtain title indemnity insurance.
63. Cabinet must have due regard to its obligations under Section 149 of the Equality Act 2010 (Public Sector Equality Duty). This has been considered in above.

#### **Strategic Director of Resources (FIN25 – 24)**

64. This report seeks cabinet approval to the acquisition of 3 arches in Rockingham Street, to create a long-term investment income (GF) and to support the refurbishment of existing arches in a cost-effective manner.
65. This acquisition will be funded from existing approved capital budgets within the Planning & Growth Capital monitor.
66. Staffing costs associated with this project will be contained within existing approved revenue budgets and capitalised where appropriate.

#### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
None		

#### **APPENDICES**

<b>No.</b>	<b>Title</b>
None	

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor Stephanie Cryan, Equalities, Democracy and Finance		
<b>Lead Officer</b>	Clive Palfreyman, Strategic Director of Resources		
<b>Report Author</b>	Mark Grant, Assistant Director of Property		
<b>Version</b>	Final		
<b>Dated</b>	20 November 2025		
<b>Key Decision?</b>	Yes		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>			
<b>Officer Title</b>		<b>Comments Sought</b>	<b>Comments Included</b>
Assistant Chief Executive, Governance and Assurance		Yes	Yes
Strategic Director of Resources		Yes	Yes
<b>Cabinet Member</b>		Yes	Yes
<b>Date final report sent to Constitutional Team</b>			21 November 2025

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Response to Housing Scrutiny Commission recommendations on QHIP Projects (Canada Estate, Devon Mansions, Kirby Estate)
<b>Cabinet Member:</b>	Councillor Sarah King, Leader of the Council
<b>Ward(s) or groups affected:</b>	Rotherhithe and Bermondsey
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	Not applicable

## **FOREWORD – COUNCILLOR SARAH KING, LEADER OF THE COUNCIL,**

We recognise that our residents are true experts on their homes, their estates, and the neighbourhoods they help shape every day. We are committed to creating transparent systems that allow residents to hold us to account, challenge our performance, and help us improve. Whether through formal panels, feedback forums, or open data, we will ensure residents have the tools and access they need to evaluate how well we are delivering on our promises.

The Management Action Plan sets out how the Council will manage major works projects going forward. As part of the plan there will be more consultation with residents and improved communication with our residents. We are determined to ensure that we provide a very good service to our residents

## **RECOMMENDATIONS**

### **Recommendations for the Cabinet**

1. Accept all recommendations made by Housing Scrutiny as set out in the report.

## **REASONS FOR RECOMMENDATIONS**

2. Scrutiny Recommendations: The reasons for the recommendations are to ensure that the outstanding issues with three major works projects as set out in this report are dealt with in a timely manner and the contracts can be brought to a close.
3. This will ensure that cabinet has oversight and responsibility to see that the recommendations proposed by the Housing Scrutiny Commission are seen through.

4. This will also ensure issues raised by residents and local councilors are addressed.

## ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

5. None.

## POST DECISION IMPLEMENTATION

6. N/A

## BACKGROUND INFORMATION

7. On 28 July 2025, the Strategic Director of Housing and the Director of Repairs and Maintenance attended the Housing Scrutiny Commission to present three reports and a management action plan following an audit of three completed projects under the Quality Home Investment Programme (QHIP).
8. The Council committed to reviewing how major works projects are managed. The management action plan shows areas the Council will focus on improving the service.

## KEY ISSUES FOR CONSIDERATION

COMMISSION'S RECOMMENDATION 1 TO CABINET	
1.	That Cabinet consider and agree the recommendations set out in: <ul style="list-style-type: none"> <li>- the Council's Task and Finishing Team's (TFT) <i>Internal Review of the Canada Estate (Phase 2) 2017/18 QHIP Major Works Project, Fair Street/Devon Mansions 2018/19 QHIP Major Works Project and the Kirby Estate 2018/19 QHIP Major Works Project</i></li> <li>- Pellings' <i>Review of Works Project for the Quality Homes Investment Programme - Canada Estate</i></li> <li>- Pellings' <i>Review of Works Project for the Quality Homes Investment Programme - Fair Street / Devon Mansions</i></li> </ul>
RESPONSE TO RECOMMENDATION 1	
1.	The Council's management response plan sets out how the Council intends to carry out the recommendations within the reports of which the Council has already started implementing some of the recommendations.
RECOMMENDATION 1: ACCEPTED	
COMMISSION'S RECOMMENDATION 2 TO CABINET	
2.	That Cabinet ensure more information on works and their costings is shared with residents before and during the works taking place.
RESPONSE TO RECOMMENDATION 2	
2.	Consultation with our residents is key to running a successful project.

	<p>We have recently introduced a new approach to consulting and engaging with residents for the Fire Safety and Refurbishment Major Works Project on the Consort Estate. This seems to have been very well received by residents (especially leaseholders) and we will be using this approach for future planned maintenance projects.</p> <p>In addition to the above, as part of the Council's new Residents Engagement Strategy, we are proposing to set up a Residents Major Works Board, supported by Council officers, that will, once the new Housing Asset Management Strategy is implemented, oversee the delivery of the strategy and scrutinise the performance of major works projects across the Borough. This will run in parallel to work of the Resident Project Groups that are set up for each major works project to work with the Council's Project Team to assist in the delivery of the projects.</p>
<b>RECOMMENDATION 2: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 3 TO CABINET</b>	
3.	That Cabinet assess whether there are sufficient Council skills and workforce expertise needed for effective oversight of major works and build skills and capacity in these areas.
<b>RESPONSE TO RECOMMENDATION 3</b>	
3.	The Council is currently undertaking a skills gap analysis with a view to identifying any gaps there might be and put in plans to plug them.
<b>RECOMMENDATION 3: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 4 TO CABINET</b>	
4.	That in connection with recommendation 11 of the action plan (breakdown in communications between residents and LBS Project Team) a clear escalation process is established for where there are disputes between residents and officers, so that both parties know how to raise disputes and how they will be resolved.
<b>RESPONSE TO RECOMMENDATION 4</b>	
4.	<p>The Resident Engagement Team is working on the development of processes and procedures relating to the relationship between the Council and its residents, including clear processes for raising disputes and dispute resolution. (Target Date: June 2026)</p> <p>We will review Putting Residents First to ensure that the process we use to engage with residents on site specific projects aligns with the lessons learnt and the new Resident Engagement Strategy. We will work with residents and Resident Engagement Team on this refresh of our comms and engagement plan for major works programmes.</p>
<b>RECOMMENDATION 4: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 5 TO CABINET</b>	
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5.	That Cabinet ensure that automatic payments to contractors do not happen without a Contract and without Gateway 3 reports being approved. automatic payments to contractors should not happen.
<b>RESPONSE TO RECOMMENDATION 5</b>	
5.	Although not formalised, legally binding contracts were in place for these projects. For all future projects, contracts will be formalised before work commences on site. Payments to contractors were not made automatically (Director approval was obtained in advance) but, Contract Standing Orders (CSO's) were not followed. The Variation process has been reviewed and, officers have been instructed of their responsibilities under the CSO's. The previous practice of seeking the Director's prior approval has been scrapped.
<b>Recommendation 5: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 6 TO CABINET</b>	
6.	That Members have training or updates on the revised processes around Statutory Disclosure.
<b>RESPONSE TO RECOMMENDATION 6</b>	
6.	Section 20 statutory processes regarding major works' will be embedded as part of the Member Development training post-election from May 2026.
<b>Recommendation 6: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 7 TO CABINET</b>	
7.	That residents be required to pay only for works completed and to a high standard.
<b>RESPONSE TO RECOMMENDATION 7</b>	
7.	<p>The Council will ensure that all completed work complies with relevant building regulations and the standards set out in the Council's contract documents.</p> <p>For future projects, the proposed new Residents Major Works Board, as outlined in the Response to Recommendation 2 above, will play a significant role in scrutinising the performance of major works projects across the Borough.</p> <p>We will agree a local sign off process as part of the review of Putting Residents First process and joint feedback from the RPG and the Major works team will be reported to the Major Works Board to ensure they have oversight of the implementation of the overall programme and are able to identify risks and issues at a systemic level.</p>
<b>Recommendation 7: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 8 TO CABINET</b>	
8.	That information on the quality of work completed at LBS or other councils by contractors bidding in new tender processes has greater weight in contract-awarding decisions.

<b>RESPONSE TO RECOMMENDATION 8</b>	
8.	Future contracts will be awarded on a combination of quality, price and social value in line with the Council's procurement policies. This will include an assessment of the quality of work carried out contractors for LBS and other local authorities.
<b>Recommendation 8: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 9 TO CABINET</b>	
9.	That the management response to Recommendation 21 of the TFT review not be limited to developing a Code of Conduct for TRAs but also undertake the 'deep dive' audit into the relationships between, and conduct of, residents and officers as per the TFT recommendations.
<b>RESPONSE TO RECOMMENDATION 9</b>	
9.	The Resident Engagement Team is working on the development of processes and procedures relating to the relationship between the Council and its residents, including clear processes for raising disputes and dispute resolution. (Target Date: June 2026).
<b>Recommendation 9: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 10 TO CABINET</b>	
10	That Cabinet eliminates the possibility that fraud occurred in the interests of transparency
<b>RESPONSE TO RECOMMENDATION 10</b>	
10	An investigation by an external and independent agency will be commissioned to determine whether there is any evidence to suggest that fraud was committed in the management and delivery of these major works projects.
<b>Recommendation 10: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 11 TO CABINET</b>	
11	That a Ward Councillor forum be created to share learning and/or concerns about works, which is facilitated by Senior Housing Officers and Housing Cabinet Member. .
<b>RESPONSE TO RECOMMENDATION 11</b>	
11	<p>We support this proposal and will establish a quarterly forum for council members in wards where major works projects are taking place. This will be facilitated by the Resident Engagement Team and Head of Investment and will serve as a space to raise concerns and troubleshooting issues with residents. Feed back from these sessions will also be shared with the Major works board to connect insight and problem solving.</p> <p>This will be in conjunction with the proposal in the new Residents Engagement Strategy to set up a Residents Major Works Board, as</p>

	outlined in the Response to Recommendation 2 above.
<b>Recommendation 11: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 12 TO CABINET</b>	
12	That quarterly Residents' Panel Meetings be established.
<b>RESPONSE TO RECOMMENDATION 12</b>	
12	<p>We have started resident consultation meetings following the Housing Scrutiny Commission on 28 July 2025 with meetings held in October for residents of Canada Estate and Fair Street/Devon Mansions. These meetings will continue until such time as the outstanding contractual matters are resolved and the remedial works completed.</p> <p>As part of the consultation process with residents on the Canada Estate and Fair Street/Devon Mansions, a Resident Panel is being set up to work alongside officers to ensure all the remedial actions identified are done to the required standard and in a timely manner.</p> <p>For future projects, as part of the new Residents Engagement Strategy, it is proposed to set up a Residents Major Works Board, as outlined in the Response to Recommendation 2 above.</p>
<b>Recommendation 12: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 13 TO CABINET</b>	
13	That the learnings from Canada Estate be applied to the upcoming major works at Chilton Grove to ensure high standards of contract management and that value for money is achieved
<b>RESPONSE TO RECOMMENDATION 13</b>	
13	Learnings from previous projects have already started to be implemented in the Chilton Grove project. Some of the learnings implemented are the monthly resident engagement meetings which will continue for the duration of the project. Residents are better informed of the various pre-construction stages. A resident representative from Chilton Grove has been identified to join the procurement panel to appoint a contractor.
<b>Recommendation 13: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 14 TO CABINET</b>	
14	That Cabinet ensures residents have clear, easy ways to report any remaining defects from the major works, and that these defects are resolved as soon as possible.
<b>RESPONSE TO RECOMMENDATION 14</b>	
14	For the Canada Estate and Fair Street/Devon Mansions specifically, resident meetings took place during October, and newsletters are also being distributed. The meetings and newsletters provide residents with information on how to report any remaining defects from the major works projects including a dedicated email address for their particular estate. In addition, our



	<p>own Clerk of Works and Surveyors will be inspecting all properties on the two estates to identify any outstanding remedial works. Once all the defects have been identified, these will be served on the respective contractors and a timescale agreed for their completion. We will be carrying out further inspections during and after the remedial works to ensure that these are completed to the required standard.</p> <p>For future major works projects, we will implement robust inspection processes of all homes, during and after the completion of the major works to ensure that the works are carried out to the required standard. In addition to our own inspections, after works are complete, we will write to all residents asking them to notify us of any issues or defects with the completed works. After the 12-month Defects Liability Period has expired, we will write to all residents again to see if any further defects have developed since the works were completed.</p>
<b>Recommendation 14: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 15 TO CABINET</b>	
15	That Cabinet ensure residents have a clear, named contact point at the council, who they can go to with any questions, issues or 5 concerns about the major works, and expect to receive a prompt response.
<b>RESPONSE TO RECOMMENDATION 15</b>	
15	This response is in connection with the response in Recommendation 14. above. Residents will be advised who the dedicated person or persons are to report defects to. Timelines would be given to remediate the defects reported.
<b>Recommendation 15: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 16 TO CABINET</b>	
16	<p>That Cabinet ensure the point about improving communications with residents in future major works programmes, which is included in the action plan, is fully fleshed out. Ward councillor suggestions include:</p> <ul style="list-style-type: none"> <li>- Communication and involvement of residents from the start, including working with residents to devise a resident involvement plan for each major works.</li> <li>- Resident involvement in the appointment of the contractor and arrangement of the major works, for example which hours they works are to be done.</li> <li>- Appointment of a Resident Panel at the start of each major works programme, to oversee works and hold the council and contractor to account.</li> <li>- Regular meetings for a wider pool of residents so they can ask questions and raise points relating to the works, which would be attended by officers and councillors.</li> <li>- Producing a high-quality newsletter and have a clear, named point of contact at the council, who will respond promptly to any questions or issues raised.</li> </ul>
<b>RESPONSE TO RECOMMENDATION 16</b>	
16	This response is in connection with the responses in Recommendations 12, 13 & 14 above. The Council is committed to improving communication and

	resident engagement across all major works projects. The implementation has started with recent projects on-site and projects still in the pre-construction stages.
<b>Recommendation 16: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 17 TO CABINET</b>	
17	Going forward the Council must always be aware that it distinguishes between council tenants and leaseholders to avoid confusion, delay, or wrong payment
<b>RESPONSE TO RECOMMENDATION 17</b>	
17	This has always been in place. At final account stage before the final bills are sent to homeowners, the Homeownership team reviews service charges against S20 bills to ensure homeowners are not charged for works still under the defects period or still under warranty.
<b>Recommendation 17: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 18 TO CABINET</b>	
18	There should be an audit or evaluation of the processes followed during Gateway decisions to ensure that what is written on paper is followed strictly by officers and that no steps are skipped.
<b>RESPONSE TO RECOMMENDATION 18</b>	
18	This response is in connection with the response in Recommendations 5 above. The Variation process has been reviewed and, officers have been instructed of their responsibilities under the CSOs. The previous practice of seeking the Director's prior approval has been scrapped.
<b>Recommendation 18: ACCEPTED</b>	

## **Policy framework implications**

9. The management response plan sets out how the Council intends to carry out the recommendations within the reports.
10. The recommendation to review the communication and code of conduct of the TRA and officers might have an impact on existing policy if it is deemed necessary to change after the review. If policy change or amendment of the existing is required, Cabinet would be informed.

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

### **Community impact statement**

11. The Public Sector Equality Duty requires public bodies to consider all individuals when carrying out their day-to-day work, in shaping policy, in delivering services and in relation to their own employees. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities.
12. Better communication and resident involvement will empower communities by strengthening the meaningfulness of their engagement and enhancing the impact of their participation in shaping services and decision-making.

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

13. The council has a public sector equality duty under Section 149 of the Equality Act 2010. In addition, the Council also recognises that many of our residents are disadvantaged and aims to ensure their voices are heard and their needs reflected in service design and delivery.

### **Health impact statement**

14. Placing residents at the heart of everything we do is key. Engaging and empowering local residents to be part of the decision making in relation to their homes supports the delivery of a good landlord service the Council is promoting.

## **Climate change implications**

15. There are no adverse climate change implications associated with the draft Resident engagement Strategy.

## **Resource implications**

16. The recommendations in the draft QHIP projects review will be serviced by the council's teams.

## **Note: Legal/Financial implications**

17. Any costs associated with the changes introduced by the implementation of the

strategy will be met by the existing Repairs and Maintenance budget.

### **Consultation**

18. Resident consultation is ongoing.

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

19. None

### **Head of Procurement**

20. Not applicable

### **Assistant Chief Executive, Governance and Assurance**

21. This report seeks Cabinet's approval of the council's response to the Housing Scrutiny Commission's recommendations on the review of three QHIP projects (Canada estate, Devon Mansions and Kirby Estate). This report is being considered by Cabinet in line with the requirement contained in paragraph 15.3 of the Overview and Scrutiny Procedure Rules in the council's Constitution.
22. There are no significant legal implications arising from the recommendations in this report.

### **Strategic Director, Resources (H&M 25/042)**

23. The Strategic Director, Resources, notes the Housing Scrutiny Commission's recommendations and any costs associated with implementing these recommendations and the servicing of the meetings will be contained within existing Repairs and Maintenance budgets within the Housing Revenue Account.

### **BACKGROUND DOCUMENTS**

<b>Background Papers</b>	<b>Held At</b>	<b>Contact</b>
Minutes of the Housing Scrutiny Commission on 28 July 2025:	Scrutiny Team   Governance and Assurance 160 Tooley Street	Adam.Wood@southwark.gov.uk 0207 525 0265
<a href="#">Agenda for Housing Scrutiny Commission on Monday 28 July 2025, 7.00 pm - Southwark Council</a>		

**APPENDICES**

<b>No.</b>	<b>Title</b>
None	

**AUDIT TRAIL**

Cabinet Member	Councillor Sarah King, Leader of the Council		
Lead Officer	Ryan Collymore Director of Repairs & Maintenance		
Report Author	Richard Ndudi, Head of Investment		
Version	Final		
Dated	24 November 2025		
Key Decision?	Non-key		
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			24 November 2025

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Response to the recommendations of the Environment Scrutiny Commission Report 'Exploring the Physical and Mental Health and Wellbeing Impacts of Active Travel and Access to Nature'
<b>Cabinet Member:</b>	Councillor James McAsh, Clean Air, Streets and Waste
<b>Ward(s) or groups affected:</b>	All
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/a

#### **FOREWORD - COUNCILLOR JAMES McASH – CABINET MEMBER FOR CLEAN AIR, STREETS AND WASTE**

As Cabinet Member for Clean Air, Streets and Waste, I welcome the Environment Scrutiny Commission's thoughtful review into the physical and mental health benefits of active travel and access to nature. Its central message is clear: when we make it easier and safer to walk, wheel and cycle – and when we weave nature into our streets and neighbourhoods – we improve health, narrow inequalities and strengthen our resilience to the climate emergency.

This report sets out the Council's response. Our focus is practical delivery: joining up Highways, Public Health, Parks, Ecology and Planning through a dedicated working group; accelerating "Streets for Nature" and Greenways so that everyday journeys pass through greener, healthier places; and partnering with community organisations to reach those who face the greatest barriers, including disabled residents, women, people on low incomes and Black communities.

We will continue to expand inclusive cycle training and storage, improve the public realm with high-quality, durable and reusable materials, and support community and wildlife gardening as a proven route to wellbeing, skills and connection. Throughout, we will prioritise areas with the highest health needs and design with residents, not just for them.

I am grateful to the Commission and to the many local partners who contributed to this work. By acting on these recommendations we can deliver cleaner air, safer streets, richer biodiversity and better health for everyone in Southwark.

## RECOMMENDATIONS

### Recommendations for the Cabinet

1. Approve this report as the Council's response to the 34 recommendations put forward by the Environment Scrutiny Commission's Report 'Exploring the Physical and Mental Health and Wellbeing Impacts of Active Travel and Access to Nature' as set out in the Overview and Scrutiny Procedure rule 15.3.
2. To accept 28 recommendations and partially accept 6 recommendations for reasons outlined in this report.

### Recommendation(s) for the Leader of the Council

3. N/a

## REASONS FOR RECOMMENDATIONS

4. To agree to accept or partially accept the recommendations of the Environment Scrutiny Commissions report as officers believe that they are justified in their professional opinion.

## ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

5. None - The council's constitution requires that a response to scrutiny recommendations is made to cabinet.

## POST DECISION IMPLEMENTATION

6. A working group will be set up to bring together Highways, Public Health, Parks, Ecology and Planning officers to deliver a strand of Streets for Nature that includes a more prominent focus on integrating the wider health benefits of active travel and access to nature into the Council's public health function.

Key Activity	Target completion date
Identify Key Officers across directorates and set up new working group setting out TOR and timetables for delivery of recommendations made in the Environment Scrutiny Commissions report.	March 2026

## BACKGROUND INFORMATION

7. Increasing Active Travel by walking, cycling and wheeling is at the heart of the Council's Streets for People Strategy. The review sets out what more can be done to decrease rates amongst people experiencing health inequalities. At the same time the Commission also considered the additional benefits of moving through green space and spending time in nature, and how community and wildlife gardening can improve residents' physical and mental health. The

council welcomes the recommendations arising from the Environment Scrutiny review and report.

8. The 34 recommendations of the ESC's report 'Exploring the Physical and Mental Health and Wellbeing Impacts of Active Travel and Access to Nature' were approved for consideration by Cabinet on 16 September 2025 (see Background Documents). Overview and Scrutiny Procedure [rule 15.3](#) requires Cabinet to consider and provide a written response to the report within two months, which this report constitutes.

## KEY ISSUES FOR CONSIDERATION

### Green Active Travel

COMMISSION'S RECOMMENDATION 1 TO CABINET	
1.	<p>A working group is recommended to bring together Highways, Public Health, Parks, Ecology and Planning officers to deliver a strand of Streets for Nature that includes a more prominent focus on integrating the wider health benefits of active travel and access to nature into the Council's public health function. This ought to include a particular focus on the health benefits of increasing Greenways for people and nature and the link with Nature Corridors, as well as enhancing the Streets for Nature theme. This is in recognition of the wide-ranging health benefits of physical exercise in nature. As part of this:</p> <ol style="list-style-type: none"> <li>i. Landscape Architects /public realm designers and ecology officers should be empowered to take a more proactive role in delivering the Streets for Nature strand of the Streets for People Strategy to ensure maximum incorporation of nature for health.</li> <li>ii. Streets for Nature and the provision of more Greenways requires oversight beyond the Highways division if it is to be optimised. Creating separate Greenways and enhancing Streets for Nature needs to be recognised as a distinct discipline within highways engineering if it is to achieve its potential to bring the benefits of nature to people and enhance biodiversity connectivity. Ecology officers and Landscape Architects / Public realm designers should be fully empowered to provide specialised input to maximise greenery, help select the right species palette, enhance connectivity and oversee the installation of Suds.</li> <li>iii. Ecology officers, Public Health and Planning should also be empowered to provide specialised input to help determine routes for Greenways, including along our rivers, to ensure that the Streets for Nature theme is integrated with the emerging Nature Corridors, Ecological Network and Green Infrastructure strategy. This will help to deliver nature enhanced Active Travel and recreation opportunities to the most disadvantaged communities.</li> </ol>
RESPONSE TO RECOMMENDATION 1	
1.	As the report notes, the benefit to residents is not just from the benefits of physical exercise. The mental health and wellbeing benefits should be explicitly referenced in the recommendations. Streets for Nature improvements should be pursued even if they don't directly benefit or relate



to physical activity.

Given this, the design of Streets for Nature needs to factor in the needs of all animals, not just humans. For example, locating patches of forage in a way that creates a continuous environment for insects. Residents and visitors might not notice a direct benefit, but they will notice a benefit from a healthier overall ecosystem.

Recognising Streets for Nature as a 'distinct discipline' should be including it as an input to all projects, rather than as a distinct subset of projects. As an example, considering the needs of biodiversity, maintenance and sustainable transport goals holistically as part of a project could help us design schemes where the benefits of leaf litter and dead wood could be delivered without impacting on accessibility and ongoing maintenance.

The delivery of new long-distance pedestrian routes and cycle greenways, as well as new green space opportunities in general, will need to be linked to the development of the traffic circulation plan and delivery of Streets for People zones. It might make sense to include an explicit reference to this.

Ecology and Tree Planting Officers have already met with Highways to agree greater involvement with the design and implementation of Streets for Nature greening schemes. An officer from Parks and Natural Environment (PNE) will attend Streets for People design board meetings to advise on tree and plant species selection, effective maintenance, and other ecological considerations, for all schemes involving an element of greening. The Ecology service will consult with Highways on future biodiversity strategies and projects involving public highways to ensure that strategic biodiversity connectivity is considered within the Streets for People scheme. Ecology Officers also attend Local Flood Risk Management meeting to advise on Sustainable Urban Drainage Systems (SUDS) and flood alleviation projects within green space or involving green infrastructure.

The Transport Policy and Urban Forestry officer/s in Planning and Growth can participate in this working group and inform how S106 contributions can help deliver agreed Greenways and other active travel improvements. The Urban Forester can contribute to species choice and project delivery.

To build on the joint work being done this recommendation is accepted to further develop and expand the working group to bring together Highways, Public Health, Parks, Ecology and Planning officers to deliver a strand of Streets for Nature that includes a more prominent focus on integrating the wider health benefits of active travel and access to nature into the Council's public health function.

#### **RECOMMENDATION 1: ACCEPTED**

#### **Inclusive Active Travel**

These interventions are aimed at increasing active travel by cohorts with protected characteristics who are typically less likely to take exercise and/or more likely to experience most health inequalities (e.g. disabled people, people of colour, women, people experiencing socio- economic deprivation, older people)

**COMMISSION'S RECOMMENDATION 2 TO CABINET**

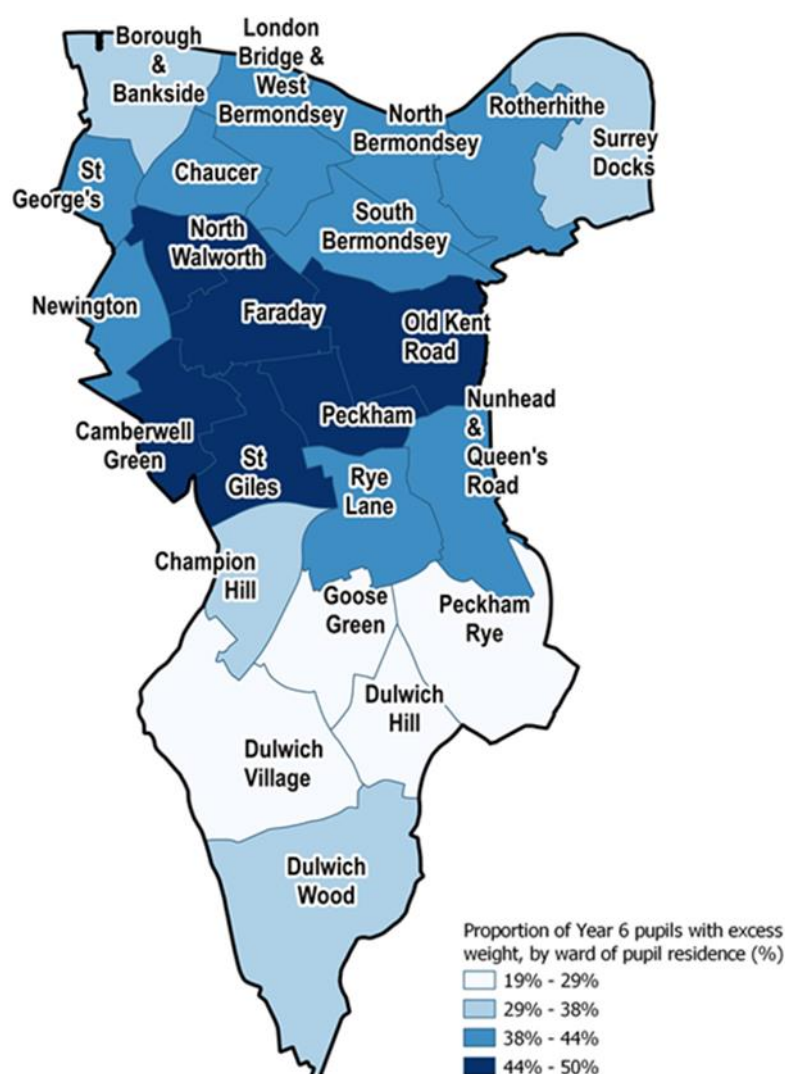
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| 2. | <p>Amplify and build the capacity of local community and voluntary groups working to make active travel more inclusive in Southwark:</p> <ul style="list-style-type: none"> <li>i. Continue to invest in and explore further ways of building relationships and unlocking funding for local groups who are already working with disadvantaged cohorts in Southwark to improve access to active travel (e.g. Wheels for Well-being, Joy Riders). This should include exploring/promoting possible funding opportunities through social prescribing.</li> <li>ii. Identify other local groups that are delivering or could deliver similar benefits in order to further expand access to active travel and nature for these cohorts</li> </ul> |
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**RESPONSE TO RECOMMENDATION 2**

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| 2. | <p>Our cycling training provider offers special sessions for women only, religious groups, people with disabilities and families. We currently work closely with Wheels for Well-being, the Black Parents Forum, Mums for Lungs and London Cycling Campaign</p> <p>The Parks team strive to support initiatives that support active travel being delivered by Highways colleagues within parks and open spaces, including new walking routes such as the Green Chain Link, and pathway improvements, such as recently delivered in Burgess Park and Sydenham Hill and Dulwich Woods.</p> <p>We ensure that health considerations are integrated into the pre-application and post application submissions through the Developer Consultation Charter (DCC). This includes details of Health Ambassadors which can be contacted by developers as part of the consultation process to advise on local health issues and how a scheme could help address these.</p> <p>Encourage 'Active Design' as well as 'accessible design' in new developments. New standards will be developed as part of the Local Plan review process</p> |
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**RECOMMENDATION 2: ACCEPTED****COMMISSION'S RECOMMENDATION 3 TO CABINET**

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| 3. | <p>Given the mapping of health inequalities across the borough, higher priority should be given to facilitating access to active travel and nature in areas of higher deprivation:</p> |
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### RESPONSE TO RECOMMENDATION 3

3. There should be a general caveat to allow for delivery of schemes in other areas where there is an opportunity, for example a significant ecological benefit from a minor project, or some geographically-ring-fenced funding.

PNE support and work with third-sector organisations wherever possible to increase access to nature, including the London Wildlife Trust, Bankside Open Spaces Trust, The Conservation Volunteers, Surrey Dock Farm and Walworth Garden.

The recent Southwark Biodiversity Fund provided £550k worth of capital grants to constituted not-for-profit organisations for local biodiversity and greening enhancement projects. Funding allocation considered spatial inequality in climate risk, access to nature and other socioeconomic factors.

The council's tree planting programme uses Treeconomics Tree Planting Opportunity Map (2020) and the Tree equity map, to target areas of low canopy, high deprivation, flooding risk, and heat zones to maximize

	<p>ecological and social impact.</p> <p>Planting trees with pollution tolerance and species with known pollution capturing abilities is paramount to successful planting program</p> <p>Joint working with the Highways team could enable the Greenways initiative to be shaped by the mapping of health inequalities undertaken by public health which can help set the priority for works that should be progressed first.</p>
<b>RECOMMENDATION 3: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 4 TO CABINET</b>	
4.	<p>Conduct research by working closely with and listening to groups experiencing the most health inequalities to better understand the practical and cultural barriers to increasing active travel and recreational time in nature, in order to remove this over time. Sustrans could be a good partner in this task.</p> <p>Sustrans told the commission that their approach it to:</p> <ul style="list-style-type: none"> <li>i. Identify which groups aren't walking, wheeling and cycling</li> <li>ii. Engage these groups to understand their barriers and motivation to walking, wheeling and cycling</li> <li>iii. Design interventions that are tailored to their needs</li> <li>iv. Allow for continuous feedback and programme redesign</li> <li>v. Measure impact</li> <li>vi. Accept that behaviour change takes time and requires ongoing support</li> </ul>
<b>RESPONSE TO RECOMMENDATION 4</b>	
4.	<p>Through our cycling partners like JoyRiders, Peddle my Wheels and Community Cycleworks we regularly ask the community what they perceive as barriers to walking or cycling more. The partners provide quarterly feedback. We also have public representation on the Active Travel Panel to bring ideas and issues to officers.</p> <p>PNE supports and works with third-sector organisations wherever possible to increase access to nature, including the London Wildlife Trust, Bankside Open Spaces Trust, The Conservation Volunteers, Surrey Dock Farm and Walworth Garden. The London Wildlife Trust's 'Reuniting the woods' project, in partnership with Southwark Council, conducted accessibility audits and consulted the group 'Black Girls</p>

	<p>Hike' on how to improve walking access within Dulwich Woods</p> <p>Planning are currently completing a wide-ranging Cycle Study into the provision of cycle storage and usage in commercial, residential and PBSA developments over the last 10 years or so.</p> <p>This will help to shape our policy in the Southwark Plan review. Development Management is currently reporting a push-back from developers on the amount of cycle storage required by the council. Southwark has adopted cycle standards in the Southwark Plan (2022) that exceed the GLAs standards, which are currently under review as part of the London Plan consultation.</p>
<b>RECOMMENDATION 4: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 5 TO CABINET</b>	
5.	<p>Consider designing and expanding bespoke activities/events/walks aimed at particular groups in tandem with addressing structural disadvantages such as a lack of cycle parking, inaccessible infrastructure for cycling, wheeling and walking, and transforming wider social and cultural attitudes to support active travel.</p> <p>Pay specific attention to:</p> <ul style="list-style-type: none"> <li>i. People who are not active at all</li> <li>ii. People with health conditions often associated with inactivity such as obesity, hypertension, diabetes and poor mental health</li> <li>iii. People in multiple and/or low paid jobs (including cleaning/ caring construction and service industries)</li> </ul>
<b>RESPONSE TO RECOMMENDATION 5</b>	
5.	<p>The Greenways initiative could be shaped by the mapping of health inequalities undertaken by public health which can help set the priority for works that should be progressed first.</p>
<b>RECOMMENDATION 5: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 6 TO CABINET</b>	
6.	<p>Ensure that walking, wheeling and cycling infrastructure is fully accessible through a process of engagement and codesign. In particular, the cycle network must not only be for the very able bodied, so not just Cycle superhighways. Infrastructure must also include separate Greenways, wider connectivity to the train network and other open spaces and be suitable for a range of mobilities. Ensure that routes are designed for recreation, as well as getting from A to B, and include circular routes. Undertake a process of ongoing redesign with more engagement with different groups to adapt and readapt, to understand how people walk, wheel and cycle around an area.</p>
<b>RESPONSE TO RECOMMENDATION 6</b>	
6.	<p>Usability is not just a matter of infrastructure to design. Networks must also be easy for everyone to use and understand, regardless of intellectual disability or ability to use technology.</p> <p>The planning policy, transport policy and Highways team will be working together to develop the spatial development framework for the borough. This will include the movement framework and current and proposed Street for People interventions. All of these factors will be considered alongside the green infrastructure framework for the borough.</p> <p>The Greenways initiative could be shaped by the mapping of health inequalities undertaken by public health which can help set the priority for works that should be progressed first. The design process should include co-design and an opportunity for residents to provide on-going feedback.</p>
<b>RECOMMENDATION 6: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 7 TO CABINET</b>	
7.	<p>Increase availability of cycle training for children and adults, especially promoting these amongst cohorts we know are less likely to try cycling. Whilst working through schools is useful, engagement and training must be aimed at families too.</p>
<b>RESPONSE TO RECOMMENDATION 7</b>	
7.	<p>JoyRiders are offering family cycle training sessions in Burgess Park. We regularly attend events in Southwark where we offer cycle training for beginners, families or those who just want to try cycling for the first time. We also promote our Try Before You Bike Scheme to make owning a bicycle more affordable.</p>
<b>RECOMMENDATION 7: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 8 TO CABINET</b>	
8.	<p>Explore ways to link active travel and working in nature to social recognition, career pathways, professional success and financial prosperity in all cohorts with a protected characteristic – paying particular attention to ethnic minorities and disabled people.</p> <ul style="list-style-type: none"> <li>i. For example, demonstrate a link between active travel and enjoying nature and study and careers in sports science, physiotherapy, coaching, ecology, horticulture, arboriculture and management of green spaces, raising the status of these pursuits and widening participation.</li> <li>ii. Proactively seek cycling ambassadors with influence in diverse communities.</li> </ul>
<b>RESPONSE TO RECOMMENDATION 8</b>	
8.	<p>Worth including as part of community-based behaviour-change work.</p> <p>It is important to not neglect the message that improving nature is good in itself and for the way it makes people feel, not just for its financial benefits.</p> <p>PNE support and work with several third-sector organisations that provide career support opportunities through training schemes, work placements, or volunteering. For example, BOST's Future Gardeners course, Surrey Dock Farm's Greenagers programme, and Walworth Garden's horticultural courses. The park's grounds maintenance contractor Idverde also offer work placements in Southwark to gain skills in green space management.</p> <p>The Greenways initiative could be shaped by the mapping of health inequalities undertaken by public health which can help set the priority for works that should be progressed first.</p>
<b>RECOMMENDATION 8: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 9 TO CABINET</b>	
9.	Explore grant funding to lower the cost to disabled people of owning an adapted/accessible cycle and ensure that the Try Before You Bike scheme includes accessible bikes.
<b>RESPONSE TO RECOMMENDATION 9</b>	
9.	<p>Try Before You Bike scheme offer a wide variety of bikes for all, this includes adapted bikes tailored to specific needs, electric bikes and cargo bikes to name a few. We are also working with Wheels4Me London. Wheels4Me London is a ground-breaking inclusive cycle loan scheme offering free cycle loans for Londoners whose needs aren't met by most standard bicycle hire schemes. This scheme is run in collaboration with <u>Peddle My Wheels</u> and <u>Sustrans</u> and funded by the <u>Motability Foundation</u> which we actively promote.</p> <p>The Greenways initiative could be shaped by the mapping of health inequalities undertaken by public health which can help set the priority for works that should be progressed first.</p>
<b>RECOMMENDATION 9: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 10 TO CABINET</b>	
10	Join with Wheels for Wellbeing to lobby the government to a) have bikes recognised as mobility aids and, b) recognise the importance of e-assisted bikes for disabled people and ensure proportionate actions regarding battery safety
<b>RESPONSE TO RECOMMENDATION 10</b>	
10	<p>Using and getting support for cycle-based mobility aids should at least be as easy and generous as getting cars.</p> <p>This is not just limited to lobbying the government, however. There is more Southwark can do to support adapted cycles, for example by supporting secure on-street storage.</p>
<b>RECOMMENDATION 10: ACCEPTED</b>	



## Improving cycle storage

### COMMISSION'S RECOMMENDATION 11 TO CABINET

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| 11 | <p>Target cycle storage and hangers where they are most needed by:</p> <ul style="list-style-type: none"> <li>i. Providing funding to increase secure cycle storage capacity, especially focusing on areas around homes without private storage space – e.g. flats on older estates and HMOs.</li> <li>ii. Work with residents and tenants' organisations to actively build demand.</li> <li>iii. Where possible work proactively with housing associations and private landlords to encourage delivery of sufficient cycle storage for tenants and residents. This is particularly necessary on some older estates where there is currently almost no provision.</li> </ul> |
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### RESPONSE TO RECOMMENDATION 11

11	<p>We know what areas of Southwark are most likely to need cycle hangers based on building type. Is it worth exploring whether there are time/cost/admin efficiencies in including cycle hangers as standard in other minor work projects in these areas. We have an active ongoing programme to deliver Cycle Hangars in the borough supporting Streets for People Delivery Strategy.</p>
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We encourage stand-alone cycle storage solutions in housing estates. Where they are in Conservation Areas or where a property is Listed these may require Planning Permission and/or Listed Building Consent and a more bespoke solution.

### RECOMMENDATION 11: ACCEPTED

### COMMISSION'S RECOMMENDATION 12 TO CABINET

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| 12 | <p>Storage should be made available for non-standard bikes such as cargo bikes, larger accessible cycles and child carriers.</p> |
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### RESPONSE TO RECOMMENDATION 12

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| 12 | <p>It is important to include two things as part of this and for a working group to explore:</p> <p>Firstly, there is also a bureaucratic aspect to this: getting space in one of the stores should be as easy as getting a parking permit or disabled parking space.</p> |
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	<p>Secondly, we also need to deliver short-term parking alongside long-term storage to support the use of larger bikes as a general mode of transport, not just a leisure activity.</p> <p>We encourage stand-alone cycle storage solutions in housing estates. Where they are in Conservation Areas or where a property is Listed these may require Planning Permission and/or Listed Building Consent and a more bespoke solution may be required.</p> <p>New developments are required to include a minimum provision for storage for larger/accessible cycles within cycle stores.</p>
<b>RECOMMENDATION 12: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 13 TO CABINET</b>	
13	<p>Roll out residents' parking permits on estates on the same basis as on-street parking. Parking revenue can be used in part to significantly subsidise the fees charged to users of secure cycle storage space.</p>
<b>RESPONSE TO RECOMMENDATION 13</b>	
13	<p>The controlled parking team are already working on this measure and reviewing housing parking policies including fees and charges.</p> <p>The review is underway, and proposals will be going to the Cabinet members for Housing and Environment for consideration.</p> <p>We would not implement housing parking permits to subsidise cycle parking on the basis that parking cannot generate revenue to subsidise budgets.</p> <p>However, the proposal is deemed positive to align on and off-street parking ensuring all our residents and businesses are treated fairly.</p>
<b>RECOMMENDATION 13: PARTIALLY ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 14 TO CABINET</b>	
14	<p>Ensure that cycle storage facilities are located in areas which are well lit and over-looked so users feel safe when securing their bikes.</p>
<b>RESPONSE TO RECOMMENDATION 14</b>	
14	<p>We encourage stand-alone cycle storage solutions in housing estates. Where they are in Conservation Areas or where a property is Listed these may require Planning Permission and/or Listed Building Consent and a more bespoke solution may be required.</p> <p>Transport Policy officers urge developers to include high quality access and design to cycle stores.</p>
<b>RECOMMENDATION 14: ACCEPTED</b>	

**E bikes and scooters**

<b>COMMISSION'S RECOMMENDATION 15 TO CABINET</b>	
15	<p>Work with e-conveyance providers to improve parking by:</p> <ul style="list-style-type: none"> <li>i. Accelerating rollout of dedicated bays for e-bikes and e-scooters on carriageways across the borough. Funding ought to be provided by conveyance operators to deliver this.</li> <li>ii. Work with operators to ensure that e-conveyances are parked either in dedicated bays or in regular parking spaces on the carriageway after use. Where possible, pavement parking of e-conveyances should be discouraged and eliminated over time. This will rely on operators maximising enforcement against poor parking to ensure that users are aware of obligations to park conveyances considerately in accordance with the Council's commitment to Transport for All's Equal Pavements Pledge.</li> </ul>
<b>RESPONSE TO RECOMMENDATION 15</b>	
15	<ul style="list-style-type: none"> <li>i. Approval was granted by the Cabinet Member Clean Air, Streets and Waste to implement a further 110 bays on the carriageway, all bays will be installed by Spring 2026. The cost of the bays is funded from the fees paid by the operators attached to the memorandum of understandings (MOU).</li> <li>ii. We will review the MOUs with the operators annually and will look to include a clause whereby a penalty is applied to e-bikes/e-scooters parked on the footway except in the few footway bays we have in situ.</li> </ul>
<b>RECOMMENDATION 15: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 16 TO CABINET</b>	
16	Work with providers to explore options for less able riders, e.g. e-trikes
<b>RESPONSE TO RECOMMENDATION 16</b>	
16	This is not something within our remit as vehicles need to be approved by the Department for Transport, this is something that will naturally occur when new legislation comes into force. We will of course advocate operators to make new vehicles available, but it is an unlikely outcome in the current market

We encourage developers to provide cycle-hire memberships for residents of new developments.  
Issues of equity and access could be strengthened in the next Southwark Plan. Storage for larger/accessible cycles must be provided within all new major developments.

**RECOMMENDATION 16: PARTIALLY ACCEPTED**

**COMMISSION'S RECOMMENDATION 17 TO CABINET**

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| 17 | Reduce maximum speeds of e-conveyances through geo-fencing at locations where riders share space with pedestrians, e.g. in parks. |
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**RESPONSE TO RECOMMENDATION 17**

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| 17 | Investigate potential opportunity of go-slow zones for e-bikes with operators. This may be prevented by current hardware limitations of vehicles in which case we will raise the concept for future development with both operators and TfL. Consideration should be given to the safety of users. |
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**RECOMMENDATION 17: PARTIALLY ACCEPTED**

**COMMISSION'S RECOMMENDATION 18 TO CABINET**

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| 18 | Explore partnerships with operators to improve access amongst lower income groups who are less likely to cycle. |
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**RESPONSE TO RECOMMENDATION 18**

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| 18 | <p>All operators have existing schemes to provide for this. We will benchmark with other local authorities with a view to aligning charges for lower income groups where it is possible subject to agreement from the operators</p> <p>We encourage developers to provide cycle-hire memberships for residents of new developments.<br/>Issues of equity and access could be strengthened in the next Southwark Plan.</p> |
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**RECOMMENDATION 18: ACCEPTED**

## Wildlife Gardens and Community Gardening

Community gardens (wildlife, horticultural, community)

<b>COMMISSION'S RECOMMENDATION 19 TO CABINET</b>	
19	<p>Whilst acknowledging existing work in this area, ensure greater emphasis on inclusion and well-being in nature-based activities. Specific provisions should be made to fund projects enabling resident participation in nature-based fun, arts, craft and health pursuits, as well as encouraging use of produce to promote healthy eating and developing healthy cooking skills for children and families.</p> <p>There is particular value in investing time and resources in community building to sustain social relationships, especially in marginalised communities.</p>
<b>RESPONSE TO RECOMMENDATION 19</b>	
19	<p>PNE support and work with several third-sector organisations that support inclusion and wellbeing through nature-based activities. This includes social prescribing, therapeutic, and art outdoor sessions, including for homeless and neurodiverse people and children, from BOST and TCV at their green space sites managed on behalf of the council. Opportunities for children to engage with nature and participate in environmental education through art and crafts are provided by Global Generation at the Paper Garden, and at the 12 Forest Schools currently operating in Southwark's parks.</p> <p>As part of the East Lodge restoration project in Nunhead Cemetery, a Volunteer Outreach and Development Manager post has been created to increase participation with nature at this site, including running mindfulness wellbeing sessions and art programmes in partnership with a variety of groups.</p> <p>The Community Gardening team run regular Community Organising training and Communications training to upskill and empower people to step forward in their community.</p> <p>Standards for communal space and play space are included in the current Southwark Plan (2022) and GLA standards.</p> <p>Issues of access to open space will be examined as part of the Southwark Plan review. How these spaces are used in terms of projects within these spaces is not within the remit of planning policy.</p> <p>There are no landscape architect officers within LBS, although the function is accommodated to varying degrees by other teams eg Design &amp; Conservation, Community Garden Coordinator, Ecology, Highway Engineer, Projects, Transport, Arboricultural and Urban Forester roles.</p>
<b>RECOMMENDATION 19: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 20 TO CABINET</b>	
20	Whilst acknowledging existing work in this area, focus on ensuring that people from marginalised communities have access to community gardens, particularly Black African and Caribbean residents who are most underrepresented.
<b>RESPONSE TO RECOMMENDATION 20</b>	
20	<p>All borough community gardening projects such as the Burgess Park Community Plant Nursery remove financial and other barriers to growing food by providing free seedlings, workshops and training. The project will continue to expand and build on this with other offers such as growing cultural foods, subject to funding. We support and highlight the work of black led organisations delivering food growing, such as Earth Tenders.</p> <p>Standards for accessible communal amenity space and dedicated play space are included in our current and GLA housing standards – Southwark Plan (2022).</p> <p>Issues of access to open space will be examined as part of the Southwark Plan review and through the procurement of an Open Space Needs Assessment. Equalities will be examined as part of the policy development process for the Southwark plan review.</p> <p>How communal amenity space is used (whether for food growing or other purposes) is not within the remit of Planning policy team. This would be picked up by developers at planning application stage, if a need for food growing is identified through the application consultation stage, or by the Parks and Leisure team if it is council-owned land.</p>
<b>RECOMMENDATION 20: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 21 TO CABINET</b>	
21	The education service should actively promote the Centre for Wildlife Gardening's offer to local schools to maximise take-up and work with the Centre to further explore ways to incorporate gardening, including food growing into school life across the borough.
<b>RESPONSE TO RECOMMENDATION 21</b>	
21	The Centre for Wildlife Gardening is supported by the council's Common Purpose Grant. The activities put on by the Centre for Wildlife Gardening are advertised through the Southwark Life magazine, Southwark Libraries event programme, the Community Gardening newsletter and other council communications channels. The Centre for Wildlife Gardening is a member of the Southwark

	<p>Biodiversity Partnership, which is administered and promoted by the council, providing opportunities for the Centre to network with other third-sector environmental organisations in the borough. The Centre has participated in the workshops and training delivered by the Community Plant Nursery.</p> <p>Additional promotion of this offer can be carried out/supported through the Climate Action School Network.</p> <p>Developers are expected to deliver open space and amenity space in line with the Southwark Plan policy and GLA targets. Best practice for the provision of food growing space is included in the Climate and Environment SPD (2025). However, it is not within the remit of planning policy to consider food growing space within schools.</p>
<b>RECOMMENDATION 21: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 22 TO CABINET</b>	
22	Commission a mental health programme that links children and young people to nature in recognition of its therapeutic benefits, particularly for people with autism (see 'Nature in Mind', a collaboration between the London Wildlife Trust and East London NHS Foundation Trust).
<b>RESPONSE TO RECOMMENDATION 22</b>	
22	<p>PNE already strive to support third-sector organisations and other schemes to aim to provide mental health support programmes through access to nature. This includes social prescribing, therapeutic, and art outdoor sessions, including for homeless and neurodiverse people and children, from BOST and TCV at their green space sites managed on behalf of the council.</p> <p>PNE have been working with Public Health already to direct residents to a variety of offers available across the borough for children and adults to get involved with nature through the Five Ways to Wellbeing programme.</p> <p>Because these activities are already underway, we do not feel that a new programme needs to be commissioned.</p> <p>We encourage developers to provide accessible landscapes for residents of new developments.</p> <p>Design for mental health is not specifically included in the current design standards, although best practice on a range of open space issues is included in the adopted Climate and Environment SPD (2025). Issues of equity and access will be examined as part of the Southwark Plan review.</p>
<b>RECOMMENDATION 22: PARTIALLY ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 23 TO CABINET</b>	
23	Expand the community gardening team to help build capacity across the borough in recognition of the significant health, environmental and social value and demonstrable multiplier effect of investment in this activity. Develop schemes through TRAs, parks and other volunteer groups.
<b>RESPONSE TO RECOMMENDATION 23</b>	
23	<p>This is a powerful way to demonstrate our commitment to delivering these goals would be to deliver community gardening schemes on the highway itself.</p> <p>PNE has developed a business case to deliver 'Right To Grow' which outlines the need for extra capacity in the community gardening team. This is being explored. Delivery is subject to funding.</p> <p>Community Food initiatives could be shaped by the mapping of health inequalities. However, the delivery of community gardening schemes and community food initiatives is not within the remit of planning policy.</p>
<b>RECOMMENDATION 23: ACCEPTED</b>	

### **Parks and Green Space**

<b>COMMISSION'S RECOMMENDATION 24 TO CABINET</b>	
24	Recognise and publicise the significant public health benefits of green space and, accordingly, the value of investing in green space, both with regard to existing spaces and through ensuring adequate provision in new development.
<b>RESPONSE TO RECOMMENDATION 24</b>	
24	<p>PNE have been working with Public Health to direct residents to a variety of offers available across the borough for children and adults to get involved with nature through the Five Ways to Wellbeing programme.</p> <p>Links on the council's ecology and community gardening web pages also direct residents to opportunities to get involved with nature.</p> <p>The next council's next biodiversity strategy (to replace the Southwark Nature Action Plan) will recognise the benefits of biodiversity and green space for residents' health and wellbeing.</p> <p>Standards for accessible communal gardens and dedicated play space are included in our current and GLA housing standards – Southwark Plan (2022) and apply to all new developments</p> <p>Issues of equity and access to open space will be examined as part of the Southwark Plan review.</p>
<b>RECOMMENDATION 24: ACCEPTED</b>	



<b>COMMISSION'S RECOMMENDATION 25 TO CABINET</b>	
25	Ensure that new green space is proactively designed with input from ecology officers and landscape designers to maximise public health and biodiversity value.
<b>RESPONSE TO RECOMMENDATION 25</b>	
25	<p>The ecology team work closely with colleagues from the Leisure policy and programmes team, the flood risk management team and the highways teams who deliver capital projects within parks, green spaces and the public realm, providing advice on plant species selection, habitat features, access to nature, and sound ecological maintenance, to maximise biodiversity, particularly in Sites of Importance for Nature Conservation (SINCs).</p> <p>New developments are required to achieve Urban Greening and Biodiversity Net Gain standards.</p> <p>We encourage developers to provide accessible landscapes for residents of new developments.</p> <p>Landscape Design guidance is not included in the current design standards. Standards for the provision of open space will be examined as part of the Southwark Plan review</p>
<b>RECOMMENDATION 25: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 26 TO CABINET</b>	
26	Include community food growing within non-mandatory planning advice i.e. proactively explore with planning applicants the possibility of integrating community food growing spaces and edible landscapes in developments involving communal spaces within flats, student halls of residence and public spaces. Examples may include community orchards and gardens.
<b>RESPONSE TO RECOMMENDATION 26</b>	
26	<p>The Community Gardening team submitted a response to the Environment Planning SPD consultation in 2025 which now includes a section on food growing and edible landscapes for new developments.</p> <p>We encourage developers to provide community food grow-space for residents of new developments.</p> <p>This is currently not a mandatory requirement.</p> <p>Issues of equity and access could be strengthened in the next Southwark Plan</p>
<b>RECOMMENDATION 26: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 27 TO CABINET</b>	
27	Identify other potential spaces that could be used for community gardening, including for allotments and orchards. Ensure there is a dedicated and adequate resource to bring forward land (cf. Southwark Sustainable Food Strategy 2023-2026 aim re Good to Grow map). This ought to be complementary to the role of community gardening coordinators, whose focus is on working with residents on land they have identified.
<b>RESPONSE TO RECOMMENDATION 27</b>	
27	<p>This requires increased capacity in the Community Gardening team and is part of the business case for Right to Grow which is subject to consideration.</p> <p>S106 funds could be better 'pooled' and directed to areas identified as experiencing health inequalities</p> <p>Community Food initiatives could be shaped by the mapping of health inequalities which can help set the priority for works that should be progressed first.</p>
<b>RECOMMENDATION 27: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 28 TO CABINET</b>	
28	Take steps to publicise, mitigate and reduce the harm of pet insecticide treatments. This includes public education on the damage caused by contaminated dogs entering water courses and contaminated dog and cat fur being discarded where it can be picked up by birds during nesting.
<b>RESPONSE TO RECOMMENDATION 28</b>	
28	The Ecology team acknowledge the threats posed by pet insecticide treatment to our freshwater habitats. We aim to publicise this in areas where dogs frequently enter waterways. We do not encourage dogs to enter waterways as a general rule, to protect wildfowl from disturbance and pet dogs from risks associated with toxic algae exposure and implement measures such as fencing to support this. However, the use of pet insecticides generally is a national and industry issue that is outside of the remit of the council.
<b>RECOMMENDATION 28: PARTIALLY ACCEPTED</b>	

## Highways Reinstatement

<b>COMMISSION'S RECOMMENDATION 29 TO CABINET</b>	
29	Design public space to maximise safety, durability, permeability, aesthetics, and wherever possible, ease of disassembly and re-use. Where possible, consideration should be given to suitable "soft" settings and permeability, for example using sand-based settings for paving units, with suitable underlay materials and subsurface preparation, in place of rigid and impermeable surfaces, which require breaking to be removed.
<b>RESPONSE TO RECOMMENDATION 29</b>	
29	<p>There is an additional aspect to these which is that designing for disassembly and re-use allows us to be more flexible with our designs which can help with co-creation and building sense of community connection to a space. This aligns well with the report's points (and Southwark's existing work) on community gardening and inclusion.</p> <p>Works to Southwark Highways are managed by way of a S278 agreement. These are typically an obligation of the Planning Permission and ensures that the council's Highways Specifications in the adopted Southwark Streetscapes Design Manual (SSDM) are followed. Developers are urged to identify local improvements to public space.</p>
<b>RECOMMENDATION 29: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 30 TO CABINET</b>	
30	Southwark Highways should continue to ensure that the materials it uses in public realm improvements are of high quality, safety, durability and aesthetic value.
<b>RESPONSE TO RECOMMENDATION 30</b>	
30	<p>Our Southwark Streetscapes Design Manual (SSDM) Material Pallet is limited and specifies high quality materials such as granite slabs in Town Centres and quality sandstone flags in Heritage areas.</p> <p>Works to Southwark Highways are managed by way of a S278 agreement. These are typically an obligation of the Planning Permission and ensure that the council's Highways Specifications in the adopted SSDM are followed. Developers are urged to identify local improvements to public space.</p>
<b>RECOMMENDATION 30: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 31 TO CABINET</b>	
31	Utilities companies must be made aware that the council is increasingly moving away from the use of tarmac in enhanced public spaces delivered under its Streets for People strategy. As such, employees and contractors engaged in excavation of the highway and other public space must be made fully aware of the need to ensure prompt and like for like reinstatement.
<b>RESPONSE TO RECOMMENDATION 31</b>	
31	We note the council's move away from the use of tarmac in enhanced public spaces under the Streets for People Strategy. While we will make every effort to ensure reinstatements are carried out on a like-for-like basis, it should be recognised that utility companies retain the statutory right to use a temporary reinstatement where immediate like-for-like reinstatement is not practicable. In such cases, a permanent reinstatement will be completed as soon as reasonably possible in line with the relevant regulations and standards.
<b>RECOMMENDATION 31: PARTIALLY ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 32 TO CABINET</b>	
32	Where the surfaces excavated are not of tarmac, employees and contractors must be mindful of the need, wherever possible, to preserve and reuse excavated surface materials during reinstatement.
<b>RESPONSE TO RECOMMENDATION 32</b>	
32	<p>We can confirm that as part of our capital renewal programme we look to retain and reuse precast concrete flags and blocks as well as natural stone paving wherever possible. It should be noted that modular paving materials do have a life expectancy as the polished stone value can deteriorate over time which can result in materials no longer meeting our required design requirements.</p> <p>As part of highway improvement works within the Borough, it is our default position to reuse all natural stone kerbs unless they damaged beyond repair and no longer fit for purpose.</p>
<b>RECOMMENDATION 32: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 33 TO CABINET</b>	
33	Where surface materials displaced during excavation cannot be reused during reinstatement, utilities companies shall be obliged to purchase like materials to ensure full reinstatement within due time (6 months).

<b>RESPONSE TO RECOMMENDATION 33</b>	
33	Through legislation Utilities have 6 months to reinstate and carry out permanent repairs using the like for like material specification. This is monitored by Highways Network Management.
<b>RECOMMENDATION 33: ACCEPTED</b>	

<b>COMMISSION'S RECOMMENDATION 34 TO CABINET</b>	
34	Highways should consider limiting the palette of surface paving materials deployed in the public realm and explore the possibility of retaining small stocks of these materials to ensure availability of supply to utilities companies where required following excavation. This would be conditional on utilities companies covering the storage and financing costs. (These could be less onerous than the costs of shipping in new materials combined with the costs of fines levied in respect of delayed reinstatement and, as such, fulfilment of this recommendation may be contingent on an agreement with utilities companies on this basis.)
<b>RESPONSE TO RECOMMENDATION 34</b>	
34	<p>The material palette in our SSDM is relatively limited. It could be further reduced if we were to cut down on the differences between the areas, maybe consider using block paving (currently used in Docklands) in Dulwich Village (currently asphalt). But we ought to keep ourselves open to innovative materials.</p> <p>With the exception of granite slabs, much of our pallet is available from large suppliers like Marshals and Tobermore, so we can reduce storage. Design Standard DS601 does have a preference for an unbound base for modular slabs. It is only where there is excessive vehicle overrun or high traffic volumes that bound construction is required.</p> <p>We need to be robust when schemes like the Pekham Rye railway station (and other special placemaking) propose a high-quality material that is not in our pallet as we simply don't have the space. They have to be readily available from suppliers.</p> <p>The new contract could specify larger storage space, but we must be cautious to avoid the utility companies regarding us as a supplier rather than Marshals! We don't employ a yard's man that controls and takes payment for slabs being taken from our store for the utility company. The contractor will want to be paid if he does this on our behalf and we have to have an audit trail.</p> <p>You have to be reasonable to secure the cooperation of the utility companies. They will accept replacing standard highway materials at their own cost, but if we specify high value materials that are not readily available, they can rightly refuse to pay the extra cost. They have a right to maintain their apparatus in the highway, and they work across the boundaries of many various highway authorities. Therefore they argue that it is unreasonable to expect them to stock every material. Rather they will set budgets to afford the general</p>

	<p>highway materials reinstatement costs. If we design a high-quality material, we have to accept they will not have the extra budget for it and they will expect us to supply it to them for reinstatement.</p> <p>In summary, try to keep the material pallet limited to those items readily available with national suppliers and start using General or Docklands specification in the Village.</p> <p>Works by developers to Southwark Highways are managed by way of a S278 agreement. These are typically an obligation of the Planning Permission and ensures that the council's Highways Specifications in the adopted Southwark Streetscapes Design Manual (SSDM) are followed</p>
<b>RECOMMENDATION 34: ACCEPTED</b>	

### **Policy framework implications**

9. Meeting the recommendations accepted or partially accepted by this report directly contributes to the Southwark 2030 commitment to a “Healthy Environment”, the Climate Change Strategy (2025) and Action Plan (updated annually) commitments for the “Natural Environment”, the Streets for People 2023-2030 ‘Streets for Nature’ theme, and the Southwark Plan 2019-2036 (2022) policies: P57 Open Space, P58 Open water space, P59 Green Infrastructure, P60 Biodiversity and P61 Trees. Action taken for biodiversity additionally contributes to other key council plans and strategies, including the Cultural strategy (2017), Local Flood Risk Management Strategy (2024), Air Quality Strategy and Action Plan (2017), Tree Management Policy (2020), Southwark Land Commission (2023) and Southwark Food Security Action Plan (2019),

### **Community, equalities (including socio-economic) and health impact statement:**

10. Accepting or partially accepting the recommendations as per this report will have a positive impact on communities in Southwark. Actions for the promotion of Active Travel and access to nature promote community cohesion by connecting people with nature and improving the health of the community. Much of the wildlife assets of Southwark are in parks and public spaces, free to all users, and accessible year-round.
11. Section 149 of the Equality Act 2010 sets out the Public Sector Equality Duty (PSED). This requires public bodies to give due regard to the duty and consider all individuals with protected characteristics when carrying out their day-to-day work – in shaping policy, in delivering services and in relation to their own employees.
12. It requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out their activities.
13. Accepting or partially accepting the recommendations as per this report will have no detrimental impact to any group or protected characteristic as outlined

in the Equalities Act 2010 or the Public Sector Equality duty (PSED) and align with a just transition for our residents in tackling the climate emergency.

14. Many activities to conserve and enhance active travel and access to nature provide opportunities for participation with physical activity for members of the public, increasing representation in outdoor activities and promoting resident health and wellbeing. Access to nature is well documented as beneficial to both mental and physical health.
15. Active travel and access to nature directly benefits the health of residents through improving air quality, reducing urban temperatures, reducing noise and calming traffic, managing flood risks, and providing amenity value, recreation space and cultural services.

### **Climate change implications**

16. The recommendations in this report directly support the council's Climate Change Strategy and Action Plan (2025), which aims to make the borough carbon neutral by 2030 through a just and inclusive transition. By promoting active travel, equitable access to nature, and inclusive infrastructure, the proposals support key strategic themes, particularly "Streets and Transport" and "Natural Environment", by promoting low-carbon mobility, enhancing biodiversity, and strengthening climate resilience.
17. Delivering on the recommendations in this report will contribute to reducing emissions from road transport, which accounts for 22% of Southwark's total carbon emissions. These actions also improve air quality, mitigate urban heat, and support sustainable drainage systems, contributing to flood risk management and healthier urban environments.
18. Accepting or partially accepting the recommendations will not only reduce boroughwide carbon emissions but also promote climate justice by prioritising health equity and community engagement. Vulnerable groups, including low-income households, older residents, and people from underrepresented ethnic backgrounds, stand to benefit most from improved access to nature and green infrastructure, which in addition to lowering carbon emissions, enhance wellbeing and build resilience to climate-related risks such as heatwaves and flooding.

### **Financial and resource implications**

19. The costs connected with meeting the recommendations accepted within this report will be contained within existing revenue and capital budgets relating to existing Active Travel and Access to Nature actions and management within the council.
20. Should the implementation of any activities or recommendations outlined in this report require additional funds in future, these will be subject to further decision reports setting out the cost and funding mechanisms.

### **Legal implications**

21. The report is being brought before the Cabinet under Part 4 Rules, Overview

and Scrutiny Precured Rules. Rule 15.3. states that the Cabinet shall consider and provide a written response to a scrutiny committee's/commission report within two months.

## **Consultation**

22. Should the implementation of any activities or recommendations outlined in this report require consultation in future these will be subject to further decision making.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Assistant Chief Executive, Governance and Assurance (KD – 27/10/2025)**

23. This report seeks Cabinet's approval of the council's response to the 34 recommendations put forward by the Environment Scrutiny Commission's Report 'Exploring the Physical and Mental Health and Wellbeing Impacts of Active Travel and Access to Nature' including acceptance of 28 recommendations and partial acceptance of 6 recommendations.
24. There are no significant legal implications arising from the recommendations in this report and the proposal to approve the Commission's recommendations is consistent with the council's statutory duty to protect and enhance biodiversity for both nature and the residents of the borough.
25. When considering this report, Cabinet must take account of the Public Sector Equality Duty imposed by section 149 of the Equality Act 2010 which requires the council to have due regard to the needs of those individuals and groups having a protected characteristic under the Act. As noted in the community, equalities and health impact statements the recommendations of this report will have a positive impact on communities and no adverse effects on those with a protected characteristic are anticipated.
26. 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 that could be engaged for purposes of the recommendation proposed in this report are Article 8 (respect for homes), Article 6 (natural justice) and Article 1 of the First Protocol (peaceful enjoyment of property). Officers consider that the implementation of the proposals contained in this report will not result in the council acting in the way that is incompatible with the European Convention.
27. 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. These implications are considered as part of this report at paragraphs 10-18.
28. This report is being considered by Cabinet in line with the requirement contained in paragraph 15.3 of the Overview and Scrutiny Procedure Rules contained within the council's Constitution.



## Strategic Director, Resources (FC25/004)

29. This report seeks Cabinet approval to implement a series of recommendations arising from the Environment Scrutiny Commission's review of Active Travel and Access to Nature, as detailed in the Key Issues for Consideration in this report.
30. The Strategic Director of Resources notes that the financial implications of the accepted and partially accepted recommendations can be met from within existing revenue and capital budgets allocated to Active Travel and Access to Nature, as stated in paragraphs 10 and 11 above.
31. Any additional funding requirements, such as those related to the expansion of community gardening or future biodiversity projects, will be subject to separate decision reports and business case approvals.
32. Staffing and other associated costs are to be contained within existing departmental revenue budgets.

### Other officers

33. Advice and contribution from officers in Highways, Public Health, Parks, Ecology and Planning has been used in formulating the responses to each of the recommendations.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet Paper 16 September 2025 - Report of the Environment Scrutiny Commission 2024/25: Exploring the Physical and Mental Health and Wellbeing impacts of Active Travel and Access to Nature Scrutiny Review Report.	Scrutiny Team 160 Tooley Street London SE1 2QH	<a href="mailto:Julie.timbrell@southwark.gov.uk">Julie.timbrell@so uthwark.gov.uk</a>
<b>Link:</b> <a href="#">Appendix A Exploring the Physical and Mental Health and Wellbeing Impacts of Active Travel and Acce.pdf</a>		

## APPENDICES

No.	Title
Appendix A	Exploring the Physical and Mental Health and Wellbeing impacts of Active Travel and Access to Nature Scrutiny Review Report.

**AUDIT TRAIL**

<b>Cabinet Member</b>	Councillor James McAsh, Clean Air, Streets and Waste		
<b>Lead Officer</b>	Aled Richards, Strategic Director Environment, Sustainability and Leisure		
<b>Report Author</b>	Steven Grayer, Head of Highways		
<b>Version</b>	Final		
<b>Dated</b>	20 November 2025		
<b>Key Decision?</b>	No		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>			
<b>Officer Title</b>		<b>Comments Sought</b>	<b>Comments Included</b>
Assistant Chief Executive, Governance and Assurance		Yes	Yes
Strategic Director, Resources		Yes	Yes
<b>Cabinet Member</b>		Yes	Yes
<b>Date final report sent to Constitutional Team</b>			20 November 2025

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Report of the Overview and Scrutiny Committee: Chilton Grove Estate - Infill and Major Works
<b>Lead Member:</b>	Councillor Ian Wingfield, Chair, Overview and Scrutiny Committee
<b>Ward(s) or groups affected:</b>	Rotherhithe
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/A

## RECOMMENDATIONS

1. That cabinet note the recommendations from the overview and scrutiny committee arising from the Internal Review of the Chilton Grove Estate Rooftop Homes and 2018-19 QHIP Major Works Project.
2. That cabinet considers the recommendations from the committee and requests that the relevant cabinet member report back to cabinet on the recommendations within eight weeks.

## BACKGROUND INFORMATION

3. At its meeting held on 8 October 2025, the overview and scrutiny committee considered the report on Internal Review of the Chilton Grove Estate Rooftop Homes and 2018-19 QHIP Major Works Project
4. The committee heard from Councillor Stephanie Cryan in her capacity as ward Councillor, Councillor Michael Situ, Cabinet Member for Council Homes, Hakeem Osiniake, Strategic Director of Housing, Ryan Collymore, Director of Repairs and Maintenance, Richard Ndudi, Head of Investment and Paul Merter, Interim Design and Delivery Manager
5. The committee made several recommendations to cabinet, having regard to the evidence heard at the meeting. The recommendations are set out at paragraph 6 of the report.

## KEY ISSUES FOR CONSIDERATION

Recommendations from the committee

6. Recommendation 1. That the Cabinet ensure that resident communications to Southwark tenants and leaseholders cover all age groups and that all different

types of media communications are utilised such as text messaging, emails, e-newsletters, postal and online. Furthermore, engage with tenants and leaseholders on estate walks, repair action days and in-person and hybrid meetings.

Recommendation 2. That the Cabinet establish processes within the council to maintain full and complete transparency when issuing bills for leaseholder charges.

Recommendation 3. The committee ask that the Cabinet Member for Council homes gather all the different lessons learnt from Chilton Grove, Canada Estate, Kirby Estate, Devon Mansions, Arica Estate and Consort Estate into a comprehensive document to ensure best practices in the future.

### Resource implications

7. There are no specific resource implications arising from this report.

### Legal implications

8. It is for cabinet to decide whether to accept the committee's recommendations.
9. Overview and Scrutiny Procedure Rule 15.3 requires the cabinet to consider and provide a written response to the report within two months.

### BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Chilton Grove Estate - Infill and Major Works	Council Website	Amit Alva 020 7525 0496
Link: <a href="https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=308&amp;MId=8231&amp;Ver=4">https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=308&amp;MId=8231&amp;Ver=4</a> (see item 6)		

### APPENDICES

No.	Title
None	

**AUDIT TRAIL**

<b>Lead Member</b>	Councillor Ian Wingfield, Chair of Overview and Scrutiny Committee		
<b>Lead Officer</b>	Everton Roberts, Head of Scrutiny		
<b>Report Author</b>	Amit Alva, Scrutiny Officer		
<b>Version</b>	Final		
<b>Dated</b>	24 November 2025		
<b>Key Decision?</b>	No		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>			
<b>Officer Title</b>		<b>Comments Sought</b>	<b>Comments Included</b>
Assistant Chief Executive, Governance and Assurance		No	No
Strategic Director of Resources		No	No
<b>Cabinet Member</b>		No	No
<b>Date final report sent to Constitutional Team</b>			24 November 2025

<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Report of the Overview and Scrutiny Committee: Southwark Community Safety Partnership
<b>Lead Member:</b>	Councillor Ian Wingfield, Chair, Overview and Scrutiny Committee
<b>Ward(s) or groups affected:</b>	All
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	N/A

### RECOMMENDATIONS

1. That cabinet note the recommendations from the overview and scrutiny committee arising from the Review of Southwark Community Safety – Working Together for a Safer Southwark
2. That cabinet considers the recommendations from the committee and request that the relevant cabinet member report back to cabinet on the recommendations within eight weeks.

### BACKGROUND INFORMATION

3. At its meeting held on 8 October 2025, the overview and scrutiny committee received a presentation on Southwark Community Safety – Working Together for a Safer Southwark
4. The committee heard from Councillor Natasha Enin, Cabinet Member for Community Safety and Neighbourhoods, Stephen Douglass, Director of Stronger Neighbourhoods, Darren Summers, Integrated Care Board (ICB) (Health), Fire Borough Commander, Daniel Capon and Station Fire Commander for Dockhead, Tom Sharp (London Fire Brigade), Supt. Jim Brockway (Met Police), Emma Bond, Borough Commander Southwark (BCU Commander) Emma Connor (Head of Southwark Probation Delivery Unit) and Aled Richards, Strategic Director, Environment, Sustainability and Leisure (Southwark Council).
5. The committee made several recommendations to cabinet, having regard to the evidence heard at the meeting. The recommendations are set out at paragraph 6 of the report.

## KEY ISSUES FOR CONSIDERATION

### Recommendations from the committee

6. Recommendation 1. That the Cabinet and Police utilise all available media and reporting channels to help facilitate the reporting of 'actual' crime, i.e. crimes that go unreported.

Recommendation 2. That the Cabinet investigates the need for improved communal lighting on housing estates and draws up a plan of instalments across the borough.

Recommendation 3. That the Cabinet investigates the extended use of CCTV and the interconnectivity between different owned systems across the borough to assist in the detection of crime and suspects, and to improve residents' safety.

Recommendation 4. That the Cabinet encourages the Police to retain a front counter facility at the Walworth Road Police station so residents can report their concerns and acts of crime.

Recommendation 5. That the Cabinet provides resources for further specialised training given to housing officers, estate cleaners and Tenants & Residents Association (T&RA) representatives on the early identification of the signs of Anti-Social Behaviour (ASB), domestic violence and substance abuse in particular.

Recommendation 6. That the Cabinet directs its Licensing enforcement team to help prevent the sale of illegal chargers and batteries for electric bikes within the borough as a safety measure.

Recommendation 7. That the Cabinet gives greater publicity through the Council's own publications and media channels to the online fire safety checker to allow businesses and residents to ascertain if they need a fire safety check from the London Fire brigade.

Recommendation 8. That the Cabinet devote sufficient resources to the training of Customer Service Officers in the correct signposting of ASB and crime when contacted by residents.

Recommendation 9. That the Cabinet adopts all forms of participation and engagement with residents and businesses on a neighbourhood level allied to the Town Action Plans to assist in the reporting of crime and residents' safety.

Recommendation 10. That the Cabinet instructs a further analysis and breakdown of ASB and crime data to ascertain the full scope of gender-based violence e.g. Violence against Women and Girls (VAWG)

### Resource implications

7. There are no specific resource implications arising from this report.

## Legal implications

8. It is for cabinet to decide whether to accept the committee's recommendations.
9. Overview and Scrutiny Procedure Rule 15.3 requires the cabinet to consider and provide a written response to the report within two months.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Southwark Community Safety Partnership	Council Website	Amit Alva 020 7525 0496
Link: <a href="https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=308&amp;MId=8231&amp;Ver=4">https://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=308&amp;MId=8231&amp;Ver=4</a> (see item 5)		

## APPENDICES

No.	Title
None	

## AUDIT TRAIL

<b>Lead Member</b>	Councillor Ian Wingfield, Chair of Overview and Scrutiny Committee		
<b>Lead Officer</b>	Everton Roberts, Head of Scrutiny		
<b>Report Author</b>	Amit Alva, Scrutiny Officer		
<b>Version</b>	Final		
<b>Dated</b>	24 November 2025		
<b>Key Decision?</b>	No		
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>			
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>	
Assistant Chief Executive, Governance and Assurance	No	No	
Strategic Director of Resources	No	No	
<b>Cabinet Member</b>	No	No	
<b>Date final report sent to Constitutional Team</b>		24 November 2025	



<b>Meeting Name:</b>	Cabinet
<b>Date:</b>	2 December 2025
<b>Report title:</b>	Motions Referred from Council Assembly
<b>Cabinet Member:</b>	Not applicable
<b>Ward(s) or groups affected:</b>	All
<b>Classification:</b>	Open
<b>Reason for lateness (if applicable):</b>	Not applicable
<b>From:</b>	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 12 December 2025 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
<b>Link:</b> <a href="#">Agenda for Council Assembly on Wednesday 12 November 2025, 7.00 pm - Southwark Council</a>		

## APPENDICES

Number	Title
Appendix 1	Rights for Residents: Putting People First
Appendix 2	Demanding Real Fairer Funding for Southwark
Appendix 3	Action to divest the Southwark Pension Fund from conflict and genocide
Appendix 4	Southwark Council will not water down affordable housing requirements
Appendix 5	Make Peckham Rye Station safe and accessible
Appendix 6	Our water our way

## AUDIT TRAIL

Lead Officer	Chidilim Agada, Head of Constitutional and Member Services		
Report Author	Virginia Wynn-Jones, Principal Constitutional Officer		
Version	Final		
Dated	20 November 2025		
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		20 November 2025	

**APPENDIX 1****Rights for Residents: Putting People First**

1. Council Assembly believes:
  - a. That a core goal of local and national government is to improve people's lives by guaranteeing rights for residents.
  - b. That rights empower people against more powerful organisations and individuals.
  - c. That every worker has the right to join a Trade Union.
  - d. That under fourteen years of Conservative government, the balance of power shifted away from working people and toward more powerful individuals and organisations.
  - e. That amidst the cost of living crisis, rights at work and for renters are especially vital and in need of reform.
2. Council Assembly notes:
  - a. That the Conservative and Liberal Democrat coalition oversaw an end to real terms wage rises for the first time in 50 years.
  - b. That this end to real terms wage rises is a core driver of the cost of living crisis today, with rising prices and bills outstripping wages leaving thousands of Southwark residents struggling to make ends meet.
  - c. That this year the Liberal Democrats once again sided with the Conservatives and Reform to try to block improved rights for working families.
  - d. That private rents are rising at unacceptable levels in central London boroughs such as Southwark, also driving the cost of living crisis.
  - e. That this is partly caused by the Conservative and Liberal Democrat coalition's cut to investment in genuinely affordable housing, with a 60% cut in capital investment for new affordable homes from 2010.
  - f. That the Labour Party has a proud history of enshrining rights in law, from the Minimum Wage to maternity leave, and continues to lead on expanding rights for workers and renters.
  - g. That the balance of power in both the workplace and the rental market is tilted against individuals, and this must change.
3. Council Assembly welcomes:

- a. This Labour administration's continued adherence to Labour values, supporting the rights of our residents and backing working families.
  - b. The council's new Know Your Worth, Know Your Rights campaign, showcasing the rights our residents have at work and how to access the right guidance and advice to better understand them.
  - c. The council's work to partner with organisations like Citizens Advice Southwark and the Southwark Law Centre in the campaign, to promote information about our residents rights in the workplace, such as entitlement to sick leave and paid holidays.
  - d. The work of the Southwark Living Wage Unit, Southwark Works, and Connect to Work in supporting fair pay and employment access.
  - e. The council's support for local businesses, including through Business Improvement Districts (BIDs) and business forums, and efforts to double the number of Living Wage employers.
  - f. The largest landlord licensing scheme in the country, successful prosecutions of rogue landlords, and the Gold Standards Charter for responsible landlords.
4. Council Assembly also welcomes:
- a. Labour's Employment Rights Bill, which will deliver day-one rights, ban fire-and-rehire, and improve job security and workplace protections.
  - b. Labour's Renters' Rights Bill, which will abolish Section 21 evictions, end rental bidding wars, and introduce a new landlord ombudsman and database.
5. This Council resolves to:
- a. Ask Cabinet to continue to adhere to Labour values in decisions they take and support and empower working families at every opportunity.
  - b. Support the full implementation of both the Employment Rights Bill and the Renters' Rights Bill.
  - c. Work with employers to become early adopters of the Employment Rights Bill.
  - d. Work with employers and landlords to raise awareness of new rights and responsibilities.
  - e. Collaborate with trade unions, advice services, and community organisations to support residents in exercising their rights.

- f. Promote the London Living Wage and positive employment practices across the borough.
- g. Train enforcement teams and amplify communications to tenants about their rights.
- h. Work with the Greater London Authority and the Ministry of Housing, Communities and Local Government to boost enforcement and share best practices across London.

**APPENDIX 2****Demanding Real Fairer Funding for Southwark****1. Council Assembly notes:**

- a. In November 2022, Council Assembly passed a motion rightly condemning the assault on local government funding by Conservative and Liberal Democrat governments, which threatened the ability of Southwark Council to continue to deliver vital services for residents.
- b. The brutal cuts to local council spending undertaken by the Liberal Democrats in coalition with the Conservatives from 2010.
- c. That local government spending will not reach 2010 levels until the 2030s, due to the severity of cuts by undertaken by the Liberal Democrats in coalition with the Conservatives from 2010.
- d. That despite this assault from the Conservatives and Liberal Democrats, Southwark Labour have protected our libraries, in-sourced our leisure centres and continued to invest in local services – presenting balanced budgets every year.
- e. The Liberal Democrats' failure to present balanced 'alternative' budgets.
- f. The Section 151 Officer's response to the Liberal Democrats' 2023 'alternative' budget put forward, which stated:
  - i. "Collectively, these proposals create significant risk to the 2023-24 budget and are not in line with the recommendations of the s151 officer as set out to Council Assembly, especially with regard to collection rates, one off contributions from reserves and income targets."
- g. This Labour administration's three-year budget, which has kept the council's finances stable during a turbulent economic period following Liz Truss's mini-budget and Russia's invasion of Ukraine.

**2. Council Assembly recognises:**

- a. The impact of Conservative and Liberal Democrat austerity on local authorities across the country, which hollowed out many councils outside of London
- b. The need for wealth to be redistributed around the country.
- c. The long-overdue need for local government funding reform, which is being undertaken by the Labour government.

3. Council Assembly welcomes:
  - a. This council's engagement with the Secretary of State for Housing, Communities and Local Government, as well as other government ministers, which is ensuring a fair settlement for Southwark.
  - b. This council's role in leading inner-London boroughs' campaign for fairer funding in meetings with the Ministry for Housing, Communities and Local Government and, alongside local Labour MPs, in Parliament.
  - c. The leading role this council is playing alongside London Councils and Central London Forward to ensure a fair settlement for Southwark.
4. Council Assembly resolves to:
  - a. Ask that the council continues to engage with the government to ensure a fair outcome for Southwark.
  - b. Ask that the council continues to work with local MPs, London Councils, Central London Forward and others in ensuring a fair outcome for inner London boroughs.

## APPENDIX 3

**Action to divest the Southwark Pension Fund from conflict and genocide**

1. Council Assembly notes:
  - a. The devastating humanitarian crisis in Gaza, including the suffering, death, and famine that have followed Israel's military actions in response to the appalling attacks by Hamas in 2023.
  - b. That Israeli forces have killed more than 65,000 Palestinians in Gaza since 2023, including more than 20,000 children.
  - c. The UN estimates that approximately 92% of all residential buildings in Gaza – around 436,000 homes – have been damaged or destroyed since the start of the conflict, causing the displacement of 1.9 million Palestinians. Many have been displaced several times.
  - d. That in April 2025, Save the Children reported that all schools in Gaza had been closed for 625,000 students for 6 months and that 88% of all school buildings in Gaza had been damaged or destroyed. In May 2025 WHO reported that Israeli forces had destroyed or damaged 94% of all hospitals in Gaza.
  - e. That UN reports confirm the escalating crisis in the West Bank, including mass displacement on a scale not seen since 1967, with more than 40,000 Palestinians uprooted and neighbourhoods destroyed.
  - f. That on 16 September 2025, the United Nations Independent Commission of Inquiry found a risk of genocide against Palestinians in Gaza and called on all Member States, including the UK, to “employ all means reasonably available to them to prevent the commission of genocide in the Gaza Strip”.
  - g. That this position is representative of the growing international consensus shared by Amnesty International, Oxfam, leading Israeli human rights organisations B'tselem and Physicians for Human Rights Israel, the International Association of Genocide Scholars, and leading Israeli scholars of genocide such as Raz Segal and Omer Bartov that Israel is committing genocide.
  - h. The deep concern and distress felt by many Southwark residents, particularly those with personal or familial ties to the region, and the calls from across our borough for action.
  - i. Southwark Council has a proud record of ethical investment and is one of only four UK local government pension funds with an ambitious 2030 net zero target, showing our commitment to placing our values at the heart of our investment policy.



- j. That since December 2023, the Southwark Local Government Pension Scheme has been monitoring its exposure to companies listed by the United Nations Office of the High Commissioner for Human Rights (OHCHR) as being linked to the occupation of Palestine. The Southwark Local Government Pension Scheme has no direct investments in the companies listed by the United Nations but has £4.9m invested through managed funds.
- k. That the council has already begun engaging with fund managers to stress the importance of human rights as a key criterion in responsible investment.

2. Council Assembly welcomes:

- a. The tentative ceasefire in Gaza which - at the time of writing - is resulting in the exchange of prisoners and hostages, both living and dead, between Israel and Palestine.
- b. The Labour Government's recognition of the state of Palestine on 21 September 2025, as a significant and historic step in British foreign policy on the path to a two-state solution.
- c. The council's announcement that Southwark will become the first local authority to incorporate the United Nations Genocide Convention into its investment framework, enabling the exclusion of investments in any state found by the International Court of Justice to be in breach of the Convention.

3. Council Assembly resolves to ask that:

- a. The Pensions Advisory Panel continues to work with fund managers to disclose and divest pension fund investments in companies listed by the United Nations OHCHR as being linked to the illegal occupation of Palestine, regularly reporting on progress made.
- b. The council also recognises that the OHCHR list is not fully comprehensive, including for arms companies supplying countries in breach of international law. Therefore, Council Assembly also calls on the London Collective Investment Vehicle (LCIV) to develop a more robust framework that enables the exclusion of investments linked to conflict, military occupation, or genocide, including the creation of a new fund that allows greater flexibility to divest from specific asset classes within pooled funds.
- c. The council use the pension fund's recently adopted "pass-through voting" mechanism to influence decisions on investments linked to human rights concerns, conflict, or military occupation.

- d. The council complete the necessary steps to become the first local authority to incorporate the United Nations Genocide Convention into its investment framework.
- e. The council reaffirm Southwark Council's commitment to ethical investment, transparency, and the protection of human rights, ensuring that our pension fund reflects the values of our diverse and compassionate community.

## APPENDIX 4

**Southwark Council will not water down affordable housing requirements**

## 1. Council assembly notes:

- a. That the prioritisation of genuinely affordable housing, and social rent housing in particular, is a central commitment of this administration
- b. That since the establishment of Southwark's council house-building programme, 3,000 new council homes have either been built or are on site
- c. That since January 2025, there have been new council homes completed on the Rennie Estate (South Bermondsey), Salisbury Estate (North Walworth), Sedgmoor Place (St Giles) and Linden Grove (Peckham Rye), with 581 new council homes also now delivered on the Aylesbury Estate (Faraday), and residents on the Tustin Estate (Old Kent Road) about to move into new homes
- d. That the council has recently announced the next phase of new council homes delivery
- e. That this Labour administration has a strong track record of securing additional homes at social rent from developers, with Southwark responsible for the highest number of GLA-funded social rent completions in London last year
- f. That Liberal Democrat controlled councils in London (Sutton, Richmond and Kingston) started a combined total of 0 (zero) social rent homes last year
- g. That in Labour-run Southwark there were more social rent homes build last year (581) than in Liberal Democrat controlled councils (Sutton, Richmond and Kingston) over the past 10 years combined
- h. The Green Party's continued and consistent campaigning against new homes in any form, including 100% affordable schemes such as Flaxyards in Peckham
- i. That our planning policies have secured over 50% affordable housing delivery in the Old Kent Road Opportunity Area, and 35% affordable housing at the Biscuit Factory – which will on its own deliver 338 new social rent homes for Southwark residents on the waiting list
- j. That this Labour administration has a unique policy requiring affordable housing from student accommodation and co-living developers which over the last year has contributed to 892

affordable homes, of which 695 are at social rent, being consented by the Main Planning Committee. The Committee has also secured an additional £22.49m in potential contributions to our New Homes programme

- k. That Southwark's Labour Cabinet have also proposed increasing the CIL rate on speculative student accommodation to generate additional investment for our neighbourhoods, building on the £20m currently being distributed as a result of our planning policies
- l. That Southwark council is robustly defending its planning policies at the current Aylesham Centre appeal and inquiry
- m. That Southwark remains London's biggest social landlord, and that across Southwark, approximately 40% of households are socially renting
- n. That as Private Rented Sector (PRS) rents continue to escalate, demand for socially rented housing also continues to increase, with over 20,000 households now on the Southwark waiting list
- o. That eviction from the PRS is the second highest reason given for homelessness applications in Southwark
- p. That demand for new housing in Southwark is overwhelmingly for homes that are genuinely affordable for Southwark residents – for social rent homes, and homes that will enable families to remain the borough.

2. Council Assembly welcomes:

- a. The government's stated commitment to deliver the biggest boost in affordable and social housing in a generation
- b. The allocation of £39bn over 10 years to deliver the next Affordable Homes Programme with a greater emphasis on social rent homes
- c. The reform of Right to Buy including the reduction in discount, to prevent the loss of council homes
- d. The Renters' Rights Act, including the end to S21 evictions and the introduction of more secure, periodic tenancies
- e. The new City Hall Developer Investment Fund to enable the Mayor to unlock and accelerate housing delivery
- f. The exclusion of student accommodation and co-living schemes from the measures outlined in the proposed Emergency Package for London.

3. Council Assembly resolves:

- a. To continue leading the national campaign on behalf of our residents to save council housing for future generations
- b. To work with the government and GLA to focus efforts on scaling up the delivery of social rent homes in London, and especially council homes, as the top priority
- c. To join with the Chair of the Housing, Communities and Local Government Select Committee, in calling for a clear numerical target for the delivery of social rent homes nationally and across London
- d. To continue defending Southwark's planning policies and ensure we maximise long-term community benefit from new developments.

## **Make Peckham Rye Station safe and accessible**

### **1. Council Assembly notes:**

- a. That Peckham Rye Station is the busiest interchange in the country without step-free access, with more than 6 million passengers using the station in 2024.
- b. That the lack of step-free access currently excludes many disabled residents, wheelchair users, parents with buggies, and older people from using the station, forcing them onto longer or less convenient routes.
- c. That the Treasury has paused funding for the station upgrade, which would have eased overcrowding and installed lift access to all platforms.
- d. That the upgrade is shovel-ready, with Network Rail having secured planning permission.
- e. That this Council has committed £1 million to supporting this project.
- f. That the station upgrade would not only improve accessibility for all but also increase the station's capacity, removing the risk of dangerous overcrowding at peak times, and unlock economic growth, supporting local housing delivery and high street renewal.
- g. That Labour's plans to create a public square in front of the station on Rye Lane are progressing, with demolition of vacant buildings on the new forecourt set to begin shortly.
- h. That Southwark Labour Leader, Councillor Sarah King, has written to the Transport Secretary urging a rethink of the decision to pause the upgrade.
- i. That under the Equality Act 2010, public authorities have a duty to remove barriers and advance equality of opportunity. Upgrading Peckham Rye Station is a clear example of that duty in practice.
- j. That Rye Lane's Labour councillors have launched a petition to ensure local voices are heard and to call on the Government to deliver this vital investment.
- k. That Nunhead, North Dulwich, South Bermondsey and Elephant & Castle stations also need investment to make them fit for the future.

### **2. Council Assembly welcomes:**

- a. The campaign and petition led by Labour councillors in Rye Lane ward.
- b. Network Rail's continued commitment to the upgrade of Peckham Rye Station.

3. This Council resolves to:

- a. Support the campaign led by Rye Lane's Labour councillors to secure full Government funding for the Peckham Rye Station upgrade.
- b. Continue to work with Network Rail to progress immediate health and safety improvements at the station.
- c. Call on the Treasury to reverse its decision to pause funding and commit to delivering the full upgrade, including lift access to all platforms.
- d. Highlight the economic, social, and accessibility benefits of the station upgrade for Peckham, Southwark, and wider south-east London.
- e. Ensure that the station upgrade is delivered in tandem with the redevelopment of the station square and public realm improvements along Rye Lane.
- f. Reaffirm the Council's commitment to inclusive transport infrastructure that meets the needs of all residents, including those with disabilities, parents with buggies, and older people.
- g. Reaffirm the Council's commitment to inclusive transport infrastructure that is designed and tested with disabled residents, setting a borough-wide benchmark for equality of access.

## Our water our way

1. This council notes:
  - a. Serious flooding on Gallery Road, Dulwich, in October 2025, resulting in road closures.
  - b. Serious flooding in Ilderton Road, Bermondsey, in July 2025, caused by a burst water main which flooded 27 homes.
  - c. A serious burst water main in Dulwich in February 2025 which affected 5,000 households in South London.
  - d. Repeated failures from Thames Water to communicate with residents about works and fixes taking place, including road closures.
  - e. Decades of underinvestment from Thames Water alongside huge dividend payouts to shareholders and mounting debt, resulting in crumbling local infrastructure.
  - f. Ofwat's findings in 2024 that Thames Water broke dividend payment rules, resulting in an £18 million fine.
2. This council also notes:
  - a. Thames Water, the UK's largest water company and provider to thousands of households in Southwark, is on the brink of collapse - saddled with billions in debt, facing unprecedented public outcry over pollution and chronic underinvestment.
  - b. The consequences of any new ownership or restructure at Thames Water will impact millions of people's bills (including thousands across Southwark), our environment, and our ability to prepare for the tremendous strain our water system is set to face due to climate change.
  - c. That the Conservatives' obsession with privatisation prioritises shareholders over people, resulting in little or no investment in services. Our residents are paying the price for this ideology.
  - d. The model of privatisation is not the norm - 90% of the world runs water in public ownership, with clear benefits for customers, staff and environment.
  - e. Many experts believe that Thames Water could be nationalised at minimal cost.



- f. The Water Special Measures Act 2025 has attempted to rescue the water sector through measures such as blocking bonuses for executives who are polluting waterways.
- g. Executives have circumnavigated this ban by renaming executive payouts. Regulation is failing. We must change the ownership model of Thames Water.
- h. The Water Industry Act 1991 grants the government authority to place water companies into Special Administration when they face financial distress or significantly breach their licence or statutory duties, rendering their continued operation inappropriate.
- i. Both of these conditions have been met by Thames Water, which should be put into special administration with immediate effect.
- j. Special Administration is a form of temporary public ownership. It presents the government with a choice. If they choose to re-privatise, taxpayers will bear the financial burden of Thames Water's reckless financial decision making, while private, international shareholders reap the profits. Alternatively, they can choose to keep Thames Water in permanent public ownership, and provide billpayers with a water service that prioritises people and the environment.
- k. Any decisions made about the future of Thames Water should be conducted with full public scrutiny and democratic involvement. Protections for the workers, our environment and for residents' bills must be honoured.

3. This council resolves to:

- a. Write to Emma Reynolds as Secretary of State for Environment, Food, and Rural Affairs, and Rachel Reeves, Chancellor of the Exchequer, urging government to:
  - i. Use its powers under the Water Industry Act 1991 to place Thames Water into Special Administration, ensuring that workers' current terms and conditions on pay and pensions are honoured and public interests are protected.
  - ii. Use the provisions of Special Administration to end the failed experiment of privatisation and bring Thames Water back into permanent public ownership.
  - iii. Enable accountability and transparency under a publicly owned Thames Water by changing its governance model so that local councils, workers and households are all represented on the Board.
- b. Ask that Cabinet communicate the text of this motion to:

- i. Southwark Members of Parliament
- ii. Secretary of State for Environment Food and Rural Affairs,  
Emma Reynolds
- iii. Rachel Reeves, Chancellor of the Exchequer
- iv. CEO of Thames Water, Chris Weston.

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