Open Agenda

Overview & Scrutiny Committee

Monday 23 November 2026
6.30 pm
Ground Floor Meeting Room G01A - 160 Tooley Street, London SE1 2QH

Membership

Councillor Richard Macmillan (Chair)
Councillor Victoria Mills (Vice-Chair)
Councillor Evelyn Akoto
Councillor Ryan Cox
Councillor Stephanie Cryan
Councillor Callum Fowler
Councillor Sarah King
Councillor Graham Neale
Councillor Rachael Penny
Councillor Dean Peters
Councillor Bill Williams
Martin Brecknell (Co-opted Member)
Mannah Kargbo (Co-opted Member)
Alie Kallon (Co-opted Member)
Claire Williams (Co-opted Member)

Reserves

Councillor Jasmine Ali
Councillor John Batteson
Councillor Hellen Benavides
Councillor Esmé Dobson
Councillor Adam Hood
Councillor Andy Higson
Councillor Felix Hamer
Councillor Richard Leeming
Councillor Jen Thornton
Councillor Kath Whittam
Councillor Janice White

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Contact
Amit Alva on e-mail: amit.alva@southwark.gov.uk

Southwark Council

Members of the committee are summoned to attend this meeting
Althea Loderick
Chief Executive
Date: 13 November 2026



Overview & Scrutiny Committee

Monday 23 November 2026
6.30 pm
Ground Floor Meeting Room G01A - 160 Tooley Street, London SE1 2QH

Order of Business

Item No.	Title	Page No.

PART A - OPEN BUSINESS

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. DISCLOSURE OF INTERESTS AND DISPENSATIONS

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

4. MINUTES 1 - 9

To approve as a correct record the Minutes of the meeting held on 5 October 2026 and 4 November 2026 *(To follow).*

5. BOROUGH ACTION PLAN IMPLEMENTATION - PERFORMANCE MANAGEMENT FRAMEWORK 10 - 15

To review and discuss the Borough Action Plan Implementation, and to receive a report on the Performance Management Framework.

Item No.	Title	Page No.

6. COUNCIL'S FINANCIAL UPDATE 16 - 43

To receive a presentation on the Council's Financial position.

7. WORK PROGRAMME 2026-27 44 - 48

To note the work programme as at 23 November 2026.

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

Date: 13 November 2026

Overview & Scrutiny Committee

MINUTES of the OPEN section of the Overview & Scrutiny Committee held on Monday 5 October 2026 at 6.30 pm at Ground Floor Meeting Room G01A - 160 Tooley Street, London SE1 2QH

PRESENT:
Councillor Richard Macmillan (Chair)
Councillor Victoria Mills (Vice-Chair)
Councillor Evelyn Akoto
Councillor Ryan Cox
Councillor Stephanie Cryan
Councillor Callum Fowler
Councillor Sarah King
Councillor Graham Neale
Councillor Rachael Penny
Councillor Dean Peters
Councillor Bill Williams

OTHER MEMBERS PRESENT:
Councillor Adam Hood
Councillor Kath Whittam
Councillor Reginald Popoola

OFFICER SUPPORT:
Amit Alva, Scrutiny Officer
Everton Roberts, Head of Scrutiny

1. APOLOGIES

Apologies for absence were received from Clare Williams, co-opted member representative for the Roman Catholic Archdiocese of Southwark, and Martin Brecknell, Church of England Diocese of Southwark representative.

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

The Chair informed the committee that Supplemental Agenda no.1 contained the report on the Lower Road Project.

The Chair also informed the committee that a late item of business relating to the scrutiny call-in of the executive decision of 15 September 2026 concerning the Housing Allocations Scheme Review had been circulated in Supplemental Agenda no.2.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were no disclosures of interests or dispensations.

4. MINUTES

The committee approved the minutes of the meetings held on 28 May 2026 and 22 June 2026 as correct records.

The Chair varied the order of business to take agenda item 7 first.

5. LOWER ROAD PROJECT

The committee considered a report on the Lower Road Project.

The committee first heard from ward councillors representing Rotherhithe and Surrey Docks wards. Councillors Adam Hood, Stephanie Cryan, Kath Whittam

The councillors highlighted concerns regarding:

- Long-standing congestion issues.
- Delays to implementation of wider improvements.
- Changes made to the original scheme design.
- Traffic flow and junction capacity.
- Bus journey times and accessibility.
- Consultation and engagement with ward councillors, residents and local businesses.
- Delivery of Phase Two of the project.

The committee then heard from officers Michael Benn, Director of Highways and Parking, Polyvios, Polyviou, Head of Highways and Sustainable Transport Policy and Clement, Agyei-Frempong, Principal Project Manager- Environment, Sustainability & Leisure

The committee was informed that:

- The scheme formed part of Cycleway 4 linking London Bridge and Greenwich.
- Cycling movements on Lower Road had increased significantly since implementation.
- Traffic volumes had reduced while heavy goods vehicle movements and collisions had also reduced.
- Congestion and bus journey time issues remained significant concerns.
- Officers were committed to developing Phase Two improvements alongside Transport for London.
- Additional measures were being introduced to improve co-ordination of roadworks and network management.

The committee then asked questions on the following themes:

- Consultation and engagement with ward councillors.
- Lessons learned from the scheme.
- Funding for Phase Two.
- Success criteria and project outcomes.
- Bus journey times and congestion.
- Equality impacts, particularly on older residents relying on public transport.
- Relationship with Transport for London.
- Future governance and reporting arrangements.

Officers advised that funding for Phase Two had not yet been secured and that discussions with Transport for London and other potential funding sources were ongoing. Officers also committed to improving engagement with ward councillors and providing regular project updates.

RESOLVED:

That the Executive be recommended to**:**

1. Develop a funded delivery plan for Phase Two of the Lower Road Project.
2. Carry out a review of the Equalities Impact Assessment, particularly in relation to older residents and public transport users.

3. Undertake regular formal engagement and progress updates with relevant ward councillors.

4. Introduce provision of an audit trail setting out key design and implementation changes, including reasons for those changes.

5. Monitor the impact of safety and junction improvements on traffic conditions and bus journey times.

6. WORK PROGRAMME 2026-27

The committee considered the proposed work programme for 2026-27.

The committee heard from officers regarding the work programme development process and future arrangements for scoping scrutiny reviews. The committee discussed:

- Capacity of scrutiny commissions to undertake reviews.
- Prioritisation of topics.
- Opportunities for obtaining evidence through briefings, visits and informal engagement.
- The timing of future scrutiny work.

The committee also discussed the timing of scrutiny of the Borough Action Plan and expressed that pre-decision scrutiny should take place before consideration by Council Assembly. Members requested that a draft version of the Borough Plan be brought to the 4 November 2026 meeting of the committee.

RESOLVED:

1. That the Overview and Scrutiny Committee and scrutiny commission work programme for 2026-27 as detailed below be approved.

Overview and Scrutiny Committee

Borough Action Plan

- Pre-scrutiny of the Council Delivery Plan and council priorities

Council finance and budget related issues

- Medium-Term Financial Strategy, budget gaps and financial risks
- Annual Budget Scrutiny
- Housing Revenue Account Recovery Plan
- Review of Procurement and Contract Management

- Financial pressures relating to Temporary Accommodation, SEND and Adult Social Care
- SEND Safety Valve Agreement

Engagement with residents

- Community Councils and their future development

Education and Local Economy

Education workstream

- Government SEND Reform and Support for Children with Special Educational Needs and Disabilities
- Annual Review of the Southwark Safeguarding Children Partnership
- Ofsted follow up - progress on areas identified for improvement

Local Economy workstream

Employment and Skills

- Employment Opportunities for Young People, including work experience, apprenticeships and internships for young people not in education, employment or training (NEET) and those with SEND
- Involving the Youth Parliament with regards to the borough priorities
- Review of the Southwark Works Initiative, including support for people facing barriers to employment and young people

Business engagement and support

- Thriving High Streets
- Supporting Businesses in Southwark
- East Street Market – Update
- Elephant and Castle Town Centre Development, including support for independent businesses and community benefit
- Tackling long-term vacant commercial units and exploring measures used elsewhere to bring premises back into use

Environment Scrutiny Commission

Waste, cleaner neighbourhoods and a circular Southwark

- Pre-scrutiny Veolia / Waste contract and future arrangements
- Waste Management – the effectiveness of Southwark's approach to street cleansing, waste management, fly-tipping and environmental enforcement

Balcony and plug in Solar

- Solar on council Buildings and Community Energy

Transport Safety and Infrastructure

- Transport Safety and Infrastructure, with a focus on accident investigation of cycle death and serious incidents
- Fairness and consistency in Southwark's Resident Parking Permit Charging Model

Keeping Southwark Cool - Heat Resilience, Cool spaces and Places

- Preparedness for Extreme Heat

Food Security

- Food Security and a Resilient, Sustainable Food System

Housing Scrutiny Commission

Good Landlord Plan

- One-year review of the Housing Regulator report and progress
- Good Landlord Plan - Staff Resources
- Resident Engagement and Governance

Repairs, maintenance and major works

- Repairs, Damp and Mould Review
- One-year Review of Plentific
- Major Works – Update
- Flowcrete

Housing Allocations

- Allocations Policy
- Empty Properties

Health, Adult Social Care and Community Safety

Health, Adult Social Care workstream

Mental Health

- Transition arrangements between CAMHS/Adolescent mental health Services and adult services

Integrated Care

- Neighbourhood Health Service – integrated neighbourhood teams

Sexual and reproductive health

- LSLBB Sexual and Reproductive Health and HIV Strategy 2025 – 2030
- Women's Reproductive Health Services

Community Safety workstream

- Complex Needs and Street based anti-social behaviour
- Community Safety Partnership – overview of strategy and scrutiny of annual plan
- Two wheeled enabled phone theft and robberies

2. That officers work with scrutiny chairs and vice-chairs to refine and scope the work programme.

3. That a draft version of the Borough Plan should be presented to OSC on **4 November 2026**, to allow adequate pre-decision scrutiny before consideration by Council Assembly.

7. SCRUTINY CALL-IN : HOUSING ALLOCATION SCHEME REVIEW

The committee considered the scrutiny call-in of the executive decision of 15 September 2026 concerning the Housing Allocations Scheme Review.

The committee first heard from Councillor Stephanie Cryan, who outlined the

grounds for the call-in. The concerns raised included:

- Consultation on increasing the age at which same-sex siblings are expected to share a bedroom from 16 to 21.
- The response rate to the consultation.
- Potential impacts on residents with disabilities, particularly those with learning disabilities.
- The Equalities Impact Assessment.
- Digital exclusion and the accessibility of the proposed choice-based lettings arrangements.
- Clarification regarding bidding arrangements for residents in Band D.

The committee then heard from Councillor Reginald Popoola, Executive Member for Council Homes, supported by officers from Housing Needs and Housing Solutions; Hakeem Osinaike, Strategic Director of Housing, Daniel Ferlance, Assistant Director for Housing Needs, Ricky Bellot, Housing Choice and Supply Manager and Candida Thompson, Director of Housing Needs and Support.

The committee was informed that:

- The current allocations scheme dated from 2014 and required updating due to legislative, regulatory and policy changes.
- The Regulator of Social Housing had identified the absence of an updated allocations policy as a concern.
- The consultation received over 1,000 responses and was undertaken over a 12-week period.
- Extensive engagement had been undertaken with residents, forums and organisations.
- The revised scheme retained priority provisions for residents with disabilities and learning disabilities.
- New measures had been introduced to support digitally excluded residents, including auto-bidding and expanded in-person support services.
- The new scheme would be reviewed after twelve months to assess impacts and outcomes.

The committee then asked questions on the following themes:

- Same-sex siblings and bedroom entitlement.
- Equality impacts on Black and minority ethnic communities.
- Numbers of households affected by the revised bedroom standards.
- Urgency of policy implementation.
- Digital exclusion and support arrangements.
- Consultation timescales and engagement.
- Review arrangements and monitoring of outcomes.

The committee heard that 128 households would have their banding reduced as a result of the revised bedroom standard and that the majority affected required four-

bedroom or larger homes. Officers advised that only a very limited number of such properties became available annually and that the revised arrangements should make better use of the council's housing stock.

The committee heard that the allocations scheme would be formally reviewed after twelve months and that a progress report would also be provided to the committee. Officers advised that operational monitoring would take place throughout implementation and that adjustments could be considered if adverse impacts were identified.

Officers agreed to provide members with the data and modelling information used during development of the allocations scheme, including information relating to affected households and bedroom entitlement modelling.

The committee discussed the options available following consideration of the call-in. Members expressed differing views on whether the decision should be referred back to the executive or implemented with further scrutiny and reporting arrangements.

The Committee decided to 'Not refer the matter back to the Executive but to undertake a subsequent scrutiny review.'

RESOLVED:

That the matter not be referred back to the Executive for reconsideration, but a subsequent review be undertaken. The Subsequent Review to be an Early Implementation Report to the Overview and Scrutiny Committee on the Housing Allocations Scheme Review at six months.

Meeting ended at 9:15 pm

CHAIR:

DATED:

Agenda Item 5

Meeting Name:	Overview and Scrutiny Committee
Date:	23 November 2026
Report title:	Borough Action Plan Performance Management Framework
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/A
From:	Rhona Cadenhead, Assistant Chief Executive – Strategy and Communities

RECOMMENDATION

Overview and Scrutiny Committee is asked to:

1. Review and note the proposed Performance Management Framework and approach to development of measures and milestones.

2. Decide how the Overview and Scrutiny Committee and its Commissions will use the Performance Management Framework to scrutinise delivery of the Borough Action Plan, including the allocation of scrutiny responsibilities.

BACKGROUND INFORMATION

3. The Borough Action Plan (BAP) sets out the council's ambition for a more affordable, safe and green borough, underpinned by equality, fairness and a new relationship with residents. The Plan is structured around 8 priorities, with 22 outcomes aligned to the priorities to ensure the plan remains strategic and trackable, and 102 deliverables aligned to the outcomes identifying the key actions the council will take across our services to deliver on the major change the Joint Administration wants to see.

4. The draft plan reflects recommendations received at the Overview and Scrutiny Committee on 4 November 2026 to strengthen some areas of focus such as support for small businesses, tackling violence against women and girls, work to counter serious youth violence, tackling homelessness and ensuring the plan is understandable to residents. The Borough Action Plan will be launched following Assembly's consideration on 18 November 2026.

KEY ISSUES FOR CONSIDERATION

5. The Borough Action Plan will be supported by a performance management framework (PMF). This PMF provides a consistent structure for monitoring, assuring and reporting against the plan. Central to the PMF is an annual BAP delivery plan, with clear milestones for each deliverable alongside a set of performance measures tracking progress against the plan's outcomes. This

approach will ensure the council is able to demonstrate the impact of the plan in a transparent way. The Borough Action Plan's delivery milestones and performance measures are scheduled for OSC consideration on 10 February 2027 ahead of Executive approval.

6. In addition, a public Borough Action Plan dashboard will be developed to help residents, partners and wider stakeholders understand how the council is delivering against its priorities.

7. It is proposed that OSC and its commissions use performance information from the Borough Action Plan Performance Management Framework to scrutinise delivery of the plan. This could include consideration of regular performance reports by OSC and more detailed examination of specific themes through the relevant scrutiny commissions.

Performance Management Framework guiding principles

8. The Framework is underpinned by a number of principles intended to support consistent, transparent and outcome-focused performance management:

- **Resident-Focused Delivery** – decisions and performance measures centre on the needs, experiences and outcomes for Southwark residents.
- **Transparency and Accountability** – data and information are accessible and meaningful to the wider organisation, partners and the public
- **Evidence-Based Decisions** – a commitment to business intelligence, data quality and analytical insight.
- **Learning and Improvement** – using performance data to reflect, learn and improve services.
- **Consistency and Alignment** – a unified approach across all directorates, linking corporate priorities to day-to-day work.
- **Collaboration** – cross council and partnership working for shared outcomes.

Learning from the Corporate Delivery Plan

9. Reporting arrangements for the previous Corporate Delivery Plan (CDP) were in place for 2025/26. Key learning from these arrangements were:

- Narrative updates on milestone progress were varied. This will need to be strengthened if the ambition is to more transparent performance reporting.
- RAG ratings of milestones were also inconsistent, so an agreed set of definitions and standards is required to ensure consistent position summaries across the entire plan.
- Many of the measures used did not have targets set against them, making it difficult to demonstrate performance was meeting expected standards.
- Public reporting and committee consideration was limited – there is scope for greater transparency of reporting and an opportunity for OSC and Scrutiny Commissions to play a greater role.

Measures and Milestones

10. Central to the PMF is an annual Borough Action Plan Deliver Plan, with clear milestones for each deliverable alongside a set of performance measures tracking progress against the plan's outcomes. Explanations outlined below for reference:

Milestones (the key progress points):	**Measures (how we will measure this outcome):**
The major stages or interim achievements that indicate delivery is on track, e.g. scheme approvals, construction completion, or the number of projects delivered by a specified date.	e.g. Percentage of journeys made by walking and cycling, measured through travel surveys and transport monitoring data.

11. It is expected that there will be approximately two or three indicators to measure progress for each outcome. Where appropriate, timely and relevant, existing national performance indicators (e.g. from statutory returns) will be the default measures for plan outcomes, with some flexibility for services to add their own indicators in exceptional cases where existing indicators are insufficient. There will also be an expectation on clear targets for performance measures.

Reporting

12. The reporting process will build on the previous CDP approach and incorporate best practice. An annual planning cycle will provide an opportunity to refresh the Borough Action Plan, review milestones, measures and targets, and ensure the framework remains responsive to changing circumstances. The annual review will also assess reporting arrangements to ensure continued alignment with the Joint Administration's priorities and the needs of residents. Any changes to targets will be managed through a robust change control process.

13. This PMF proposes regular reporting against each deliverable with a clear RAG rating alongside an update on each relevant milestone. There are 102 deliverables; the supporting milestones are in development and will be considered by OSC in February. There will also be reporting against each of the performance measures, which will have a clear numerical target attached. This information will form the basis of detailed six-monthly public reports to Overview and Scrutiny Committee as well as a public performance dashboard.

14. If considered helpful, a further informal session could be arranged for OSC Members in December to review illustrative examples of Borough Action Plan reporting and dashboard design. This would provide an opportunity for Members to discuss the clarity, accessibility and usability of the proposed reporting arrangements, and to provide feedback ahead of the introduction of formal reporting.

Scrutinising delivery of the Borough Action Plan

15. Effective scrutiny is a critical component of successful performance management. The Borough Action Plan Performance Management Framework has been designed to provide members with a clear line of sight from strategic priorities and outcomes through to individual deliverables, milestones and performance measures.

16. Overview and Scrutiny Committee has a central role in holding the council to account for delivery of the Borough Action Plan through consideration of six-monthly performance reports and the public dashboard. The Committee can identify emerging issues, challenge underperformance, consider whether intended benefits for residents are being realised and make recommendations where further action is required.

17. Given the breadth of the Borough Action Plan, scrutiny activity will need to draw on the expertise of the relevant scrutiny commissions and service departments. Regular Borough Action Plan reporting will focus on overall assurance regarding delivery of the plan, while more detailed examination of specific areas and service performance can continue to be undertaken through scrutiny commissions.

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

Community impact statement

18. Running through the eight priorities of the Borough Action Plan is an overarching commitment to improve quality of life across Southwark through creating a more affordable, safer and greener borough. Through the identified deliverables it seeks to reduce inequalities through supporting residents facing the greatest disadvantage and strengthen opportunities for people of all ages. The plan also provides commitments to give communities greater influence over local decisions and the services they use to improve outcomes. The PMF will help the council understand progress against achievement of these intended outcomes.

Equalities (including socio-economic) impact statement

19. An Equalities Impact and Needs Assessment (EINA) of the Borough Action Plan has been developed and identifies the plan supporting the council's commitment to fairness, inclusion and reducing inequalities. An EINA was shared with the Committee on 4 November 2026. ENIA considerations are continuous. The potential impacts outlined in the EINA will be considered further through the development of major programmes and projects arising from the plan, each of which will undergo an individual EINA. These assessments will consider appropriate mitigating actions where potential negative equality impacts are identified.

Health impact statement

20. The Borough Action Plan provides a key focus on health and wellbeing with deliverables identified with the intention of improving health inequalities,

maternity outcomes and expanding access to creative health activities.

21. Deliverables focused on strengthening local care provision, supporting carers, enabling older and disabled residents to live healthy, independent lives, as well as protecting vulnerable residents during heatwaves will all have a positive impact on the health of our residents. Delivery of these actions will require continued close working with health partners and the voluntary and community sector with a focus on residents experiencing the greatest health inequalities in order to shift the dial in the borough. Progress will be monitored through the PMF.

Climate change implications

22. Climate justice is a core cross-cutting principle of the Borough Action Plan with key commitments made to reduce council emissions, expand renewable energy, improve the energy efficiency of homes and support sustainable travel solutions across the borough.

23. These commitments mark a step change in the way the council tackles the climate crisis and will directly strengthen the borough's resilience to flooding, drought and extreme heat through greener spaces, climate-resilient development and better-prepared services. Further targeted measures, including cool spaces and heatwave support for schools and care homes aim to keep residents safe and prioritise those most vulnerable to climate impacts in Southwark. Progress on these actions and relevant outcomes will be monitored through the PMF.

Resource implications

24. The development of the milestones within the Borough Action Plan will require strategic directors to shape actions that are achievable within the financial constraints set out in the Medium-Term Financial Strategy (MTFS). The MTFS and annual budget setting process, starting with 2027/28, will inform the prioritisation, phasing and delivery of the plan. Annual milestones and performance monitoring arrangements will need to be developed alongside departmental budgets to ensure that commitments are deliverable within the resources available.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Resources

25. The council continues to face significant financial pressures, and the delivery of the Borough Action Plan must balance the ambition to improve outcomes for residents with the requirement to maintain an annual balanced budget.

26. Strategic directors will need to align the scope, phasing and annual milestones of their deliverables with the Medium-Term Financial Strategy (MTFS) and approved departmental budgets. Existing resources should be prioritised to support delivery wherever possible. Any proposals requiring additional growth or creating new financial commitments must be assessed and approved through the relevant budget-setting and decision-making arrangements, alongside

competing priorities and the council's overall financial position.

Director of Law and Governance

27. The Borough Action Plan is part of the council's policy framework document. Council Assembly decides the policy framework in accordance with Part 3Aof the constitution. It is not subject to call in.

28. The role of OSC and its commissions is set out in the OSC Procedure Rules. In summary, its role is to assist council assembly and the executive in the development of its policy framework by in-depth analysis of policy issues.

Lead Officer	Rhona Cadenhead, Assistant Chief Executive – Strategy and Communities	
Report Author	Efa Gough, Senior Strategy Lead	
Version	Final	
Dated	10/11/2026	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	**Comments Sought**	**Comments Included**
Director of Law and Governance	Yes	Yes
Strategic Director of Resources	Yes	Yes
List other officers here		
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		13 November 2026

Agenda Item 6

Meeting Name:	Overview and Scrutiny Committee
Date:	23 November 2026
Report title:	Finance Update
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/A
From:	Strategic Director of Resources

RECOMMENDATIONS

Overview and Scrutiny Committee is asked to:

1. Note the finance update at Appendix 1, including the funding outlook, progress with budget setting for 2027–28 and current-year financial pressures.

2. Consider the issues and risks highlighted and identify any matters for further scrutiny ahead of the final budget proposals.

BACKGROUND INFORMATION

3. The accompanying presentation provides an overview of the council's financial position and the development of the 2027–28 budget. It draws on the published July financial remit and 2026–27 Month 4 monitoring reports, alongside updates on funding and budget preparations.

KEY ISSUES FOR CONSIDERATION

4. The presentation covers Fair Funding reform, the implications of the Chancellor's Budget, the latest published Medium-Term Financial Strategy and the remaining budget-setting process. Funding assumptions remain subject to confirmation through the local government finance settlement.

5. It also outlines current-year pressures across temporary accommodation, social care, the Dedicated Schools Grant and the Housing Revenue Account, together with transformation savings delivery risks. The monitoring figures relate to Month 4; Month 6 monitoring is due to be reported to the December Executive.

6. The planned next stages include a December Executive update, January budget scrutiny and consideration of final proposals by the Executive and Council Assembly in February.

RESOURCE IMPLICATIONS

7. This report is for scrutiny and does not seek approval for additional expenditure or budget changes. The financial position and delivery risks are set out in the presentation. Budget proposals will be considered through the council's budget-setting and decision-making arrangements.

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

Community impact statement

8. This is a finance update report only. The budget with include information on the budget campaign.

Equalities (including socio-economic) impact statement

9. This is a finance update report only. The budget with have an Equalities Impact and Needs Assessment (EINA)

Health impact statement

10. This is a finance update report only

Climate change implications

11. This is a finance update report only. The budget with include climate change implications.

Resource implications

12. This is a finance update report only

APPENDIX

Appendix 1: Finance update presentation – Overview and Scrutiny Committee, 23 November 2026.

Lead Officer	Clive Palfreyman, Strategic Director of Resources
Report Author	Geraldine Chadwick. Ast Director of Finance
Version	Final
Dated	13/11/2026
Key Decision?	Yes

CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	**Comments Sought**	**Comments Included**
Director of Law and Governance	n/a	
Strategic Director of Resources	n/a	

List other officers here		
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		13 November 2026

SOUTHWARK COUNCIL

OSC
Finance update

Overview and Scrutiny Committee
23 November 2026

Agenda

01	Fair Funding settlement	03–08
02	Chancellor’s Budget and implications	09–10
03	Budget process so far	11–12, 14
04	Latest published MTFS	13
05	Remaining budget process	15–16
06	Current-year pressures and transformation	17–23
07	General Fund and HRA monitoring summaries	24–26

01

Fair Funding settlement – Recap local government funding

Funding reform and Southwark's position

What is Fair Funding?



The last full assessment of councils' relative needs dated from 2013. As populations and service pressures changed, funding no longer reliably followed current need. Fair Funding aims to redirect resources towards councils with the greatest assessed need.

1 Assess relative need	Updated population, deprivation and service-demand data estimate each council's relative spending need.
2 Assess local resources	The formula reflects councils' ability to raise revenue, using a notional Council Tax level and a reset of business rates growth.
3 Phase in redistribution	Funding floors and transitional grants limit immediate losses as allocations move to the new formula over 2026–27 to 2028–29.

The formula reallocates funding between councils. It does not reimburse each council's actual service costs.

Fair Funding: assumed headline growth and redistribution

Assumed headline growth

The February Council Assembly reported the government announcement of **£38m** growth in Core Spending Power from 2024–25 to 2028–29. However, **£25m** was already received in 2025–26. The remainder relies on assumed Council Tax growth.

Redistribution away from inner London

The formula shifts funding away from many inner London boroughs towards areas with higher assessed need elsewhere. It changes councils' funding shares while Southwark's service pressures remain.

£12m

less annual government grant

Lower annual government grant in 2028–29 than in 2025–26. Headline spending-power growth masks a reduction in central funding.

Council Tax income assumptions by 2028–29

By the end of the 3 year settlement, 2028–29, the government assumes £189m of Council Tax income, compared with the council's forecast of £181m.

Core Spending Power includes assumed local tax income. The council forecast reflects weaker taxbase and collection assumptions.

2027–28 is a difficult budget year for Southwark

Lower government grant

£12m

Reduction in Fair Funding Grant in 2027–28 compared with 2026–27

Assumed Council Tax growth

Maximum

Assumed Council Tax increases

Continuing service pressures

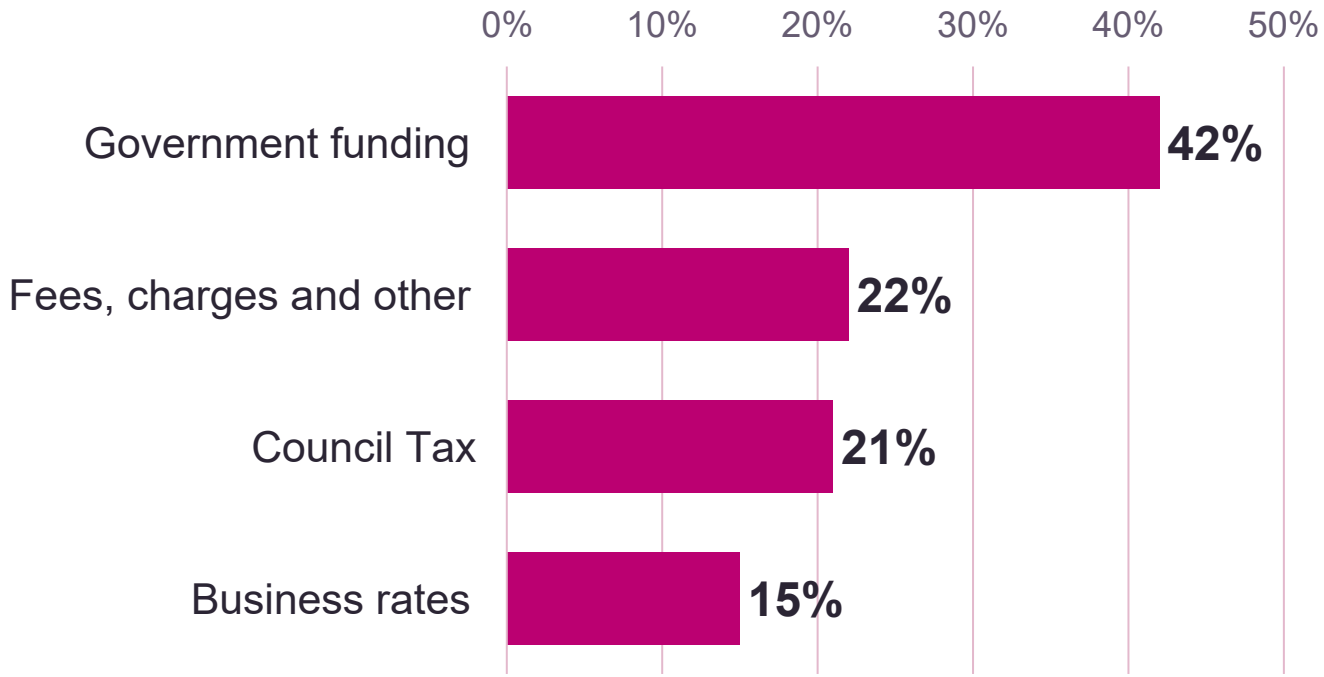
£30m

Approximate cost of inflation to the council

Sources: February 2026 Cabinet and Council Assembly settlement reports; July remit; published 2026–27 Month 4 monitoring

Government provides 42% of council funding

Council funding mix, 2026–27



58% from other funding routes

Council Tax and business rates account for 36%. Fees, charges and other income provide 22%.

4.99% Council Tax rise in 2026–27

2.99% for general services plus 2% for adult social care.

2026–27 funding mix and tax decision. The 2027–28 position requires separate confirmation.

Sources: Southwark Council, How we are funded, checked 11 November 2026

02

Chancellor’s Budget and implications

National announcements and local funding implications

Autumn Budget: implications for Southwark

Business rates and GLA powers

The roadmap proposes at least 70% retention. London's 2027–28 shares stay at 30% for boroughs and 37% for the GLA. Bespoke arrangements may follow from 2028–29. Mayoral income-tax shares and visitor-levy powers remain proposals.

Housing and temporary accommodation

£432m national rough-sleeping funding covers 2027–28 and 2028–29. Preferential council-housebuilding borrowing extends to 2027–28. London allocations remain unconfirmed..

One-off household support

A £100 energy payment is expected from January 2027 for eligible households in bands A–D.
A separate £100m national discretionary fund has no confirmed Southwark allocation.

Implications for the MTFS

The Budget provides no overall council allocation. Settlement details will follow.

No real change – need to wait for the local government settlement

03

Budget process so far

July remit, new commitments and budget challenge

The three-year requirement moved from £81m to £102m

Three-year planning requirement

£81m

Earlier MTFS

£102m

July remit

The July remit raised the three-year funding gap by around £21m.

Planning requirements. Savings proposals and delivery assurance form the next stage.

New commitments, 2027–28 to 2029–30

Commitment	Total, £m
Temporary Accommodation (TA) base budget	10.0
TA contingency	5.0
New BAP commitments	3.0
Strategy and Communications budget increase	0.7
Member support posts	0.2
Community safety statutory duties	0.2
Total new commitments	**19.1**
Matched funding of grants and previous commitments	1.9
All commitments	**21.0**

Revised planning schedule, not a reconciliation of the July increase. Annual phasing is not shown.

Sources: July 2026 remit; September and October MTFS updates; requester revisions for OSC, 11 November 2026.

Latest published MTFS: July table and update

£m	2027–28	2028–29	2029–30
Total resources	533.54	533.92	546.21
Budget before savings	561.70	566.49	566.42
Annual gap	28.16	32.57	20.21
Cumulative gap	**28.16**	**60.73**	**80.94**
July narrative update			**102.0**

The July narrative raises the requirement to £102m. The December report will set out progress in bridging the gap.

Source: July 2026 financial remit, Table 2 selected rows and narrative. Rounded figures.

Summer remit and budget challenge

Summer budget remit

The July remit established the £102m planning requirement and set the basis for the next budget round.

Budget challenge

The challenge stage tests the cost of proposals and impact of service savings on residents and service users.

Developing the response

Departments develop options alongside the existing transformation programme. New commitments need matching funding.

Next published update

The December report will set out progress towards bridging the gap. The November policy statement and provisional settlement will inform the funding position.

Source: July financial remit. Forward process follows the supplied running order.

05

Remaining budget process

December Executive to Council Assembly

Remaining budget process



01

December Executive

Progress report on savings and the route towards a balanced budget.

02

Provisional local government settlement

Government confirms provisional funding for the next budget year.

03

January scrutiny

OSC considers proposals, delivery risks and service impacts.

04

February Executive

The Executive considers the final proposals and recommends the budget.

05

Council Assembly

Assembly considers and agrees the annual budget.

Planned sequence. Exact meeting dates and the government timetable remain subject to confirmation.

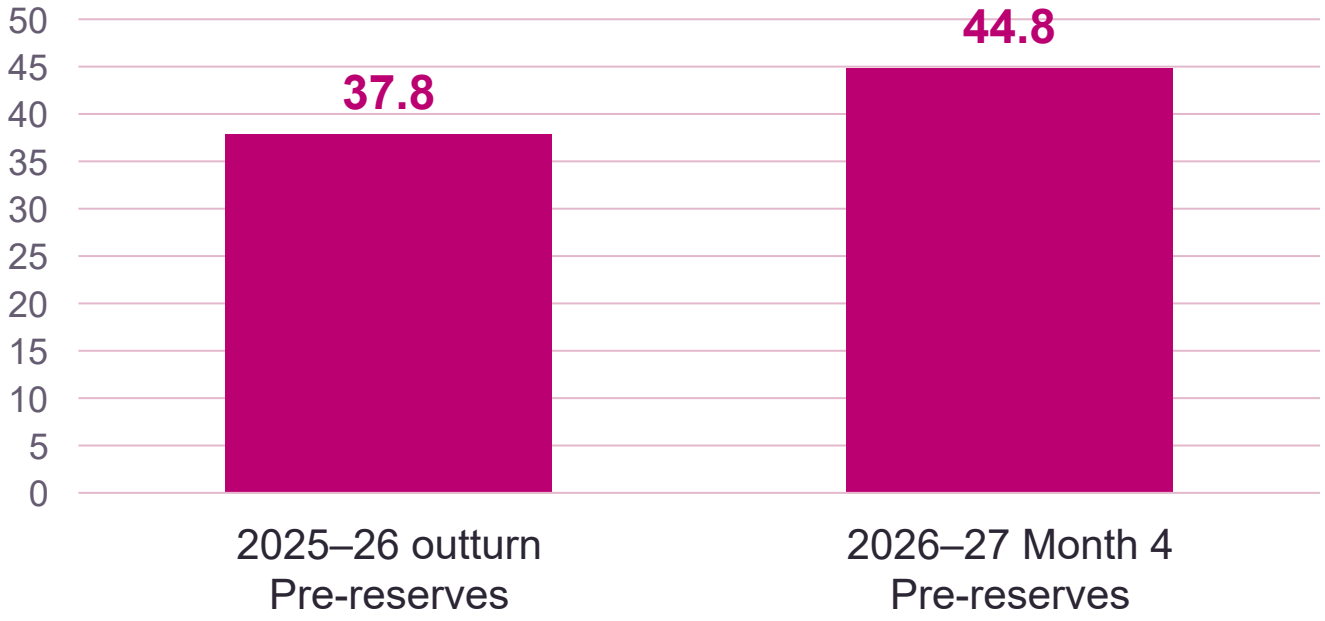
06

Current-year pressures and transformation programme

Temporary accommodation, transformation, social care, DSG and HRA

General Fund service overspends: outturn to Month 4

Service adverse variance before reserves, £m



Both figures before reserves

The pre-reserves service overspend is £37.8m at 2025–26 outturn, compared with the £44.8m Month 4 forecast for 2026–27.

Month 6 reporting

Month 6 monitoring will be reported to the December Executive.

Service overspends only, excluding technical budgets and contingency. Outturn is actual. Month 4 is a full-year forecast.

Sources: 2025–26 revenue outturn, July 2026; 2026–27 Month 4 monitoring, September 2026

Temporary accommodation remains the largest pressure

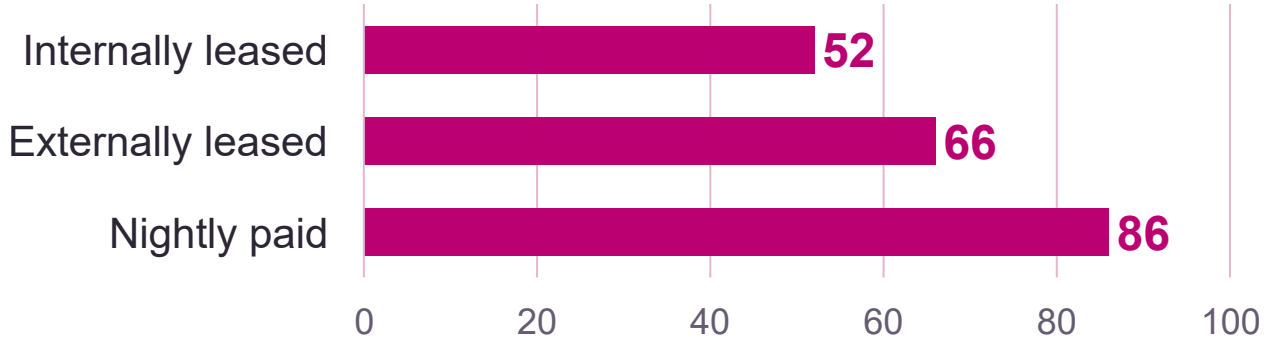
£16.1m

TA overspend: £45.6m forecast against £29.5m budget

4,354

Households at Month 4, 89 more than at March

Average accommodation cost per night, £



Mitigation focus

Lower-cost placements, prevention and move-on. Provider negotiations and faster void turnaround.

498 TA voids. The report estimates c.£3m annual savings from a 5% monthly reduction in voids.

Source: published Month 4 monitoring, September 2026

Transformation: £9m savings shortfall at Month 4

Programme	Month 4 delivery position
Corporate real estate	Advertising later in 2026–27. Other opportunities for 2027–28.
Procurement and third-party spend	First wave: utilities, Temporary Accomodation and care placements. Benefits under assessment.
Income maximisation	Plans being finalised. Benefits late 2026–27 into early 2027–28.
Business resource redesign	Some cashable savings in 2026–27, the remainder in 2027–28.
ERP	c.£0.6m savings on track in 2026–27. Wider benefits in 2027–28.
Technology and digital	Benefits being quantified, mainly from 2027–28.

2026–27 savings target

The portfolio seeks approximately £10m. The £9m adverse forecast reflects planned savings not yet achieved.

Delivery risk

Several opportunities remain in development, with benefits expected later in 2026–27 or during 2027–28.

Month 4 position. Programme opportunities are not secured cashable savings. Month 6 will be reported to the December Executive.

Source: published Month 4 monitoring, September 2026, transformation savings section and Table 2

Social care pressures require sustained management

Adult Social Care



£8.1m

Adult Social Care adverse variance

Provider fees, increasing complexity of needs, high-cost mental health and learning disability placements, and hospital discharge pressures drive costs.

Controls focus on care-package review, step-down pathways, flexi-care and contract value.

Children's Services



£2.7m

Children's Services adverse variance

High-cost care placements and home-to-school transport face demand and supply pressures.

The combined department reports £10.8m adverse variance. Local provision and personal budgets form part of the response.

Source: published Month 4 monitoring, September 2026

Dedicated Schools Grant: High Needs pressure

£5.9m

2026–27 adverse variance, all in High Needs

SEND

Reform plan approval is a condition of stability support

Demand and cost pressures



More education, health and care plans (EHCPs) and higher specialist placement costs meet a High Needs allocation with no inflationary uplift in 2026–27.

Recovery and reform

Government approved £5.53m High Needs Stability grant in 2026-27 towards the accumulated DSG deficits as result of the DfE approval of the local SEND reform plan.

The 2026–27 High Needs pressure remains a separate funding challenge. The published report does not confirm local approval or a grant award.

Sources: published Month 4 monitoring, September 2026; DfE, 29 October 2026

Housing Revenue Account: pressures and offsets

Month 4 variance, £m	Adverse / (favourable)
Income shortfall	2.711
Tenant-facing services	5.734
Other housing services	(3.855)
Financing	(4.119)
Net HRA adverse variance	**0.472**



Underlying pressures

Repairs and maintenance show £4.8m adverse variance. Voids account for £2.7m of lost rental income.

Recovery priorities

Cash limits, savings delivery, affordable capital investment and faster letting of empty homes.

The £0.472m forecast rounds to £0.5m. Components differ by £0.001m because of rounding. HRA remains ring-fenced.

Source: published Month 4 monitoring, September 2026

07

General Fund and HRA monitoring summaries

Published Month 4 tables for the General Fund and Housing Revenue Account

General Fund: published Month 4 summary

£000	Budget	Forecast	Variance
Housing GF	38,217	54,419	16,202
Children and Adults	228,864	239,648	10,784
Integrated Health and Care	3,909	3,909	0
Environment, Sustainability and Leisure	107,161	109,387	2,227
Resources	16,882	20,215	3,333
HR and CFM	3,302	5,238	1,936
Strategy and Communities	8,287	9,587	1,300
Corporate Transformation	(9,915)	(915)	9,000
Service budgets	**396,706**	**441,488**	**44,782**
General contingency	4,000	0	(4,000)
Technical budgets	24,152	24,152	0
General Fund outturn	**424,858**	**465,640**	**40,782**

Published values retained. Minor differences in displayed arithmetic reflect £000 rounding.

Source: published Month 4 monitoring, September 2026

HRA: published Month 4 summary

£000	2025–26 outturn	2026–27 budget	Month 4 forecast	Variance
Total income	(344,169)	(365,796)	(363,085)	2,711
Tenant-facing services	128,498	128,095	133,829	5,734
Other housing services	97,295	116,896	113,041	(3,855)
Financing	119,807	120,806	116,687	(4,119)
Total HRA	**1,431**	**0**	**472**	**472**

The budget includes a £4.0m contribution to reserves. The £0.472m overspend reduces the net contribution to c.£3.5m. Components differ by £1k because of rounding.

Source: published Month 4 monitoring, September 2026

Agenda Item 7

Meeting Name:	Overview and Scrutiny Committee
Date:	23 November 2026
Report title:	Overview and Scrutiny Committee Work Programme Covering Report 2026/27
Ward(s) or groups affected:	All
Classification:	Open
Reason for lateness (if applicable):	N/a
From:	Head of Scrutiny

RECOMMENDATIONS

1. That the Overview and Scrutiny Committee note the work programme as at 23 November 2026 attached as Appendix 1.

2. That the Overview and Scrutiny Committee notes that the work programme will remain standing items on the agendas of the committee and may be amended in response to emerging priorities, available capacity or urgent matters.

BACKGROUND INFORMATION

Overview and Scrutiny function – role and remits

3. The council's overview and scrutiny function has a broad remit. It can:

- review council policies, services, performance and executive decisions;
- contribute to the development of the budget and policy framework
- examine any matter affecting the borough or its residents
- scrutinise relevant public bodies and engage external organisations
- undertake health scrutiny and participate in joint scrutiny arrangements
- call in eligible executive decisions before implementation
- gather evidence from councillors, officers, residents, partners and other witnesses
- report and make recommendations to Executive or Council Assembly.

4. The full scope of the overview and scrutiny function is set out in the council constitution – Overview and Scrutiny Procedure Rules

5. Specific to the Overview and Scrutiny Committee is the responsibility to scrutinise matters in respect of:

- the council's policy and budget framework
- regeneration
- human resources and the council's role as an employer and corporate practice generally
- customer access issues, including digital strategy, information technology and communications
- the council's equalities and diversity programmes.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Section 9 - Overview and Scrutiny Procedure Rules	Southwark Council Website	Everton Roberts 020 7525 7221
Link: Council Constitution		

APPENDICES

No.	Title
Appendix 1	Overview and Scrutiny Committee Work Programme 2026/27

AUDIT TRAIL

Lead Officer	Everton Roberts, Head of Scrutiny
Report Author	Amit Alva, Scrutiny Officer
Version	Final
Dated	13 November 2026
Key Decision?	No

CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER		
Officer Title	**Comments Sought**	**Comments Included**
Director of Law and Governance	No	No
Strategic Director, Resources	No	No
Executive Member	No	No
Date final report sent to Scrutiny Team		13 November 2026

Overview and Scrutiny Committee Work Programme – 2026-27

Meeting	Agenda items	Comment
22 June 2026	• Committee / Commission Membership	Lead officer – Vishal Seegoolam (Everton Roberts)
	• Care Quality Commission (CQC) inspection reports - South London and Maudsley NHS Foundation Trust (SLAM)	Lead officer - Professor Derek Tracy, Chief Medical Officer (SLAM)
	• Scrutiny arrangements for 2026-27 - Appointment of Chair and Vice-Chair, Housing Scrutiny Commission	Lead officer – Vishal Seegoolam (Everton Roberts)
	• Overview and Scrutiny Committee and Commission Work Programmes 2026-27	Lead officer – Vishal Seegoolam (Everton Roberts)
5 October 2026	• Lower Road Project	Lead officer – Aled Richards (Polyvios Polyviou)
	• Scrutiny Call-in report: Housing Allocation Scheme Review	Lead officer – Everton Roberts
	• Work Programme 2026-27	Lead officer – Vishal Seegoolam (Everton Roberts)
4 November 2026	• Borough Action Plan	Lead member – Cllr Eloise Waldon-Day Lead Officer – Rhona Cadenhead

Meeting	Agenda items	Comment
23 November 2026	• Borough Action Plan Implementation – Performance Management Framework	Lead member – Cllr Eloise Waldon-Day Lead Officer – Rhona Cadenhead
	• Finance update on: ▪ The headline MTFS position; ▪ government funding; ▪ the Government Budget; and ▪ key financial pressures facing the council	Lead member – Cllr Sam Foster Lead officer – Clive Palfreyman (Timothy Jones)
18 January 2027	• Daytime annual budget scrutiny	TBC
19 January 2027	• Formulation of recommendations to executive on proposed budget	TBC

Agenda items to be scheduled

Meetings	Agenda items	Comment
10 February 2027 **12 April 2027**	• Housing Revenue Account Recovery Plan • Review of Procurement and Contract Management • Financial pressures relating to Temporary Accommodation, SEND and Adult Social Care	To be determined (as and when appropriate).

	• SEND Safety Valve Agreement • Engagement with residents ▪ Community Councils and their future development	

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OVERVIEW AND SCRUTINY COMMITTEE

MUNICIPAL YEAR 26/27

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