

Overview & Scrutiny Committee

MINUTES of the OPEN section of the Overview & Scrutiny Committee held on Wednesday 3 March 2021 at 6.30 pm (Online/Virtual)

PRESENT: Councillor Ian Wingfield (Chair)
Councillor Victor Chamberlain (Vice-Chair)
Councillor Humaira Ali
Councillor Peter Babudu
Councillor Jack Buck
Councillor Sarah King
Councillor Sunny Lambe (Reserve)
Councillor Jason Ochere
Councillor Jane Salmon
Councillor Leanne Werner
Martin Brecknell (Co-opted member)

OTHER MEMBERS PRESENT: Councillor Catherine Rose, Cabinet Member for Leisure, Environment and Roads

OFFICER SUPPORT: Norman Coombe, Head of Corporate Team, Legal
Everton Roberts, Head of Overview and Scrutiny (Acting)

1. APOLOGIES

Apologies for absence were received from Councillors Gavin Edwards and Victoria Olisa.

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

There were no additional late items.

That chair informed the meeting that Supplemental Agenda No. 1 contained the report in connection with item 7 - Gateway 0, Appraisal of Management Options for

Leisure Centres.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

Councillor Jack Buck declared that Notting Hill Genesis, RSL provider who were due to give a presentation to the committee, owned the lease for his property.

4. MINUTES

It was reported that the Minutes for the previous meeting had not yet been finalised, but would be available for the next meeting.

5. SCRUTINY REVIEW - REGENERATION (COMMUNITY REPRESENTATIVES)

The chair informed the meeting that the committee were due to hear from the Dulwich Society during this session. However, since the publication of the agenda the Chair of the Society had indicated that due to the limited amount of regeneration in the area, he did not feel the Society had anything to add to the scrutiny process and therefore felt best not to attend. There were therefore no community representatives in attendance.

6. SCRUTINY REVIEW - REGENERATION (DEVELOPER AND TRANSPORT REPRESENTATIVES)

The committee heard from the following developer and transport representatives in respect of regeneration in the borough:

- Emma Cariaga / Miles Price, British Land
- Kristy Lansdown, Lendlease
- Kelly Harris – Notting Hill Genesis
- Andrew Wood – Network Rail

Emma Cariaga, Project Lead and Miles Price, Planning Director for British Land gave a presentation to the committee, illustrating their perspective in terms of regeneration in the borough at Canada Water.

Ms Cariaga, provided some background to British Land. She informed the committee that British Land was a large listed business on the FTSE 100, and its purpose was to own and manage real estate, over the long term. They concentrated their investments into central London developments such as Canada Water, but also owned major pieces of property in the City and the West End. British Land also had a nationwide retail portfolio, which they owned and managed over the long term.

The Canada Water Master Plan area was displayed as part of the presentation.

Ms Cariaga explained that the area of land covered 53 acres, and that there were three principal segments to it, Surrey Quays shopping centre, Surrey Quays leisure centre and the Print works building, formerly home of the Daily Mail Group. These three assets went together in the local area action plan for Southwark, with a view to the delivery of a new town centre across those sites. It was also contained in the London Plan as an opportunity area, encouraging development, particularly those which create jobs and new homes. British Land's plans were for a mixed use town centre, which now had the benefit of planning permission. This was a partnership development between British Land and the council as landowner. The council was the freeholder of the land and had the capacity to co-invest in the development and could see and participate in some of the benefits of the regeneration that it will deliver over the next 10 to 15 years. This was distinct from the council's relationship and capacity as planning authority, where it had granted outline planning permission for the master plan.

In terms of local engagement, Ms Cariaga informed the committee that British Land had been involved in the Canada Water area for a long time, with involvement over 10 years ago, supporting officers in the regeneration department, with the library at Canada Water station and also the Maple Quays development around it. This was in the role as development manager (not the ultimate developer). The Master Plan engagement and the work that went into securing the planning permission had culminated over five years of very intensive local engagement with the local community. Through this process they had really listened to the community's hopes, and fears of what might come as part of the new master plan. Reflecting back on that process, Ms Cariaga felt that what they have the benefit of at Canada Water was scale, which was important for regeneration to be successful. With scale, British Land were able to listen, respond and do something about what they heard from local residents about parts of the master plan that weren't quite right, or didn't reflect what residents had hoped - they were able to adapt and evolve the plans. Ms Cariaga expressed that whilst it was not possible to get 100% of people supporting development, she felt that they could look back over the last five years and be confident of the process they had gone through and the areas where they were able to make real change. They had three members of their team who spent their entire time focused on local community engagement which was really important. They got to hear from residents who knew the local area much better than they did and the master plan benefited from that resident feedback.

Ms Cariaga further explained that the master plan had very flexible outline planning permission which post Covid would stand them in very good stead. They had worked very hard with officers in the planning and highways team to allow a lot of tolerance about the ultimate mix of uses, that the town centre will deliver. The planning permission allowed flexibility, particularly around the provision of how much or how little office space was provided, and some tolerance around how many homes are built. It was considered important to build in some resilience and flexibility to the master plan, particularly in light of Covid, due to an awareness that town centres were changing and the way people are working, living and shopping will change. The open space provision was fixed - British Land and council officers

were very clear from the start that this needed to be a healthy new Town Centre. Over a third of the master plan was dedicated to open space and those open spaces were defined and designated in the master plan.

It was highlighted that there was a functioning shopping centre currently on the master plan site. Parts of the centre and leisure park would be carefully demolished as new provisions and facilities and high street functions were built, so that the area was consistently able to rely on a level of support and services at any one time - it would be a phased approach.

A summary of the key areas and benefits was presented in one of the presentation slides. It summarised the key areas that British Land, and officers in regeneration and planning had focused on to determine whether or not the master plan was providing homes for local people, particularly affordable homes, as well as local amenities including education, health, leisure, police and transport facilities (full detail was contained on page 5 of the presentation slides).

In terms of the first phase, phase 1, which it was anticipated would be properly started in the early summer – this would deliver three new buildings, including 35% affordable housing, a new leisure centre, and also a raft of workspace, retail and leisure opportunities and through this a whole range of training and employment programmes which local residents would benefit from including construction jobs and also jobs in the completed phase one development.

Broader benefits that the council could seek to realise from the development, were business rates from the completed commercial space, CIL provision to be reinvested in the local area as well as S106 commitments.

Ms Cariaga informed the committee of the social regeneration charter for Canada Water, which was a joint pledge between British Land and the council to ensure that the performance in terms of social value during the lifetime of the development was measured and monitored. The benefit of a 10 to 15 year project was that it could be recalibrated if it was not delivering.

Ms Cariaga referenced a number of local projects that they had been heavily invested in for some time, including Global Generation, which was a social enterprise based in the Printworks building and had been working with a number of local schools. They ran a range of programmes, workshops and classes, particularly focused on young people. They had made a real difference in helping British Land understand some of the local issues and making sure that the master plan would work for young people. There was also Thrive, which provided affordable workspace that had benefited a number of local people looking to start their own business or required advice.

Ms Cariaga also touched upon engagement and partnership working with the council.

The committee then received a presentation from Ms Kristy Landsdown, Lend

Lease Project Lead for Elephant Park. Ms Landsdown informed the committee that Lendlease had been working in Southwark for over a decade and was halfway through its delivery programme at Elephant Park and that by 2025 they aimed to have delivered 3000 new homes for the borough, as well as space for over 50 retailers, new workspace and more than 11 acres of parks, streets and public spaces.

Ms Landsdown informed the committee that outline and planning consent had been granted in 2013, construction had started shortly thereafter and since that time a lot of progress had been made working in partnership with the council. They had completed almost 2000 homes in the past seven years, and had over 600 additional homes in construction. Their first new shopping street, at Sayer Street had opened to the public and the pub at the heart of the development had also recently re-opened. A low carbon energy centre was also not up and running, and they were on track to fully deliver their affordable housing targets. Elephant Park was committed to being a completely net zero carbon development in operation. Almost half the master plan had been set aside for green and public spaces and Lendlease had been working with the council to find locations for an additional 900 new trees to be planted within a one kilometre radius around the development.

Lendlease were also seeking to ensure that the Elephant Park development supported and promoted the long term sustainability of the Elephant and Castle economy and provided opportunities for local people and businesses. Jobs had already been provided at the living wage to over 1500 local residents since construction began in 2013. Lendlease had also partnered with the council to deliver the Southwark Construction Skills Centre. Between 2016 to 2020 the skills centre had trained over 8000 people and secured work for over 1100 people. In the past 12 to 18 months Lendlease had begun to focus on the first phase of the retail for the project, in line with their affordable retail obligations which had been set by the council. Space was being prioritised for small Southwark based independent businesses. Out of fourteen retailers who had opened up to the public, nine of them were local businesses taking advantage of affordable rents.

Ms Landsdown also referenced the Southwark Heritage Centre and the Walworth Library, based on Walworth Road would be opening shortly.

Ms Landsdown acknowledged that it had been a difficult year for the high street and small businesses in particular. She informed the committee that Lendlease had been working with the council to put in place extra business mentoring support for retailers to access. They had also employed a full time member of staff who focused solely on supporting their retail community to help build their businesses.

Ms Landsdown recognised that there were significant challenges and complexity in bring forward large regeneration projects. Lendlease worked very hard with the community in terms of consultation and continuing to keep conversation going given that it was a 15 to 20 year programme.

The committee then heard from Ms Kelly Harris, Regeneration Director for Notting Hill Genesis.

Ms Harris informed the committee that Notting Hill Genesis had been chosen as the council's development partner for the regeneration of Aylesbury Estate in early 2014. Notting Hill Genesis was a housing association and registered provider of social housing. They currently had over 2500 homes in management across the borough, and there were one of the most active developing registered providers in Southwark. Notting Hill Genesis had been a number of new developments in Southwark over the last few years such as the Exchange and Abbey House in Bermondsey, Camberwell Fields, Peckham Place and Manor Place Depot in the Walworth area.

Notting Hill Genesis role in the Aylesbury regeneration development partnership was to lead on the management of the design and construction of the new buildings and surrounding public space. They would also lead on branding, marketing and sales of private and intermediate sale homes. They would be a landlord to residents on the estate and were committed to ensuring that residents enjoyed their new homes.

Notting Hill Genesis had also been working alongside local partners to create jobs and training opportunities for Aylesbury residents. Ms Harris stressed that the development journey was one of inclusion and constant consultation, where they continually seek to offer new ways for residents to be involved in all aspects of the regeneration.

Since being chosen as development partner Notting Hill Genesis received approval for a 3587 home master plan with over 50% affordable housing. They had begun the demolition of the buildings that formerly occupied the first development site in 2016, and the demolition of Plot 18, the new civic heart of the estate in 2019. Notting Hill Genesis currently had 351 homes, a new library, new health centre, extra care and learning difficulties accommodation, ac community centre, open space and pocket parks all under construction on the estate.

Their regeneration activities extended beyond the physical borders of the estates, particularly in respect of the extensive rehousing carried out over the last few years. Notting Hill Genesis had rehoused over 100 tenants and leaseholders into Notting Hill Genesis homes in Camberwell, Peckham, Walworth and Bermondsey.

Ms Harris explained that Notting Hill Genesis was a resident centric organisation and led on frontline engagement with TRAs and resident groups and also had tenant and leaseholder representation on their group board.

During the pandemic Notting Hill Genesis worked closely with local groups, service providers and the council in supporting some of the most vulnerable residents. They had provided bursaries for resident led online community events and projects, and were currently looking to bring forward a local food hub on the estate, where an existing building, no longer in use would be converted into a community

focused resource for residents.

Mr Andrew Wood, lead development manager for Network Rail, Southern Region, gave a presentation on two schemes Network Rail were currently working on in the borough, Denmark Hill and Peckham Rye train stations.

Mr Wood informed the committee that Network Rail were working very closely with the council, the train operation and the Department of Transport to deliver improvements to these two very busy stations. For Denmark Hill, a new station entrance was being built, which would feature a new gate line and provides ideal access onto the station from two adjacent hospitals, King's College and Maudsley hospitals. New canopies had been introduced on the platforms to encourage people to use the new entrance and to provide more dry waiting facilities. A new cycle hub would be provided next to the entrance with 85 spaces.

The aim of the project was to make the station fit for 2038. Currently it took 10 minutes to exit the station, so the aim was to improve that situation. This was the first carbon positive station development in the UK, the new PV film on top of the canopies would effectively power the new development at the station.

In respect of Peckham Rye station Mr Woods explained that the key proposal for the station was to provide access for all people, and to provide more platform space and to integrate the station with the surrounding public realm. A lot of work had been done over the last 6 months engaging with the local community and stakeholders. Network Rail were taking the community with them in terms of the design process and to work with them to choose which option to take forward. The intention was also to try and stimulate the local economy through the new station design and there was a wish to retain as many of the local businesses as possible.

The current state of the station was in a particular state of disrepair, so Network Rail were looking at the potential to do accelerated works this year to completely restore the station facade, ready for the new station square.

Following the various presentations, question and discussion took place around the following:

- Efforts being made to reduce/eliminate the negative impacts of development on the climate and natural environment.
- Developers' general assessment of the central London housing market over the next three to five years in terms of prices for houses, offices and land, and how Covid and Brexit have altered their development plans and impact of likely deterioration in house prices on genuinely affordable houses being built
- Build quality and the residual issues – lessons learnt and how things can be done differently going forward
- Affordability of space rented out to businesses in railway station arches – London Bridge Station given as an example
- How developers can course correct for issues that arise of long 10 – 15 year programmes – Cladding and changing environmental requirements given as

examples

- Embedding community ownership in large developments
- How master plans can adapt to future transport investment or lack thereof and how they will deal with thousands of new residents moving into Southwark
- Engagement with local communities for successful regeneration
- Feedback from developers working with Southwark as a local authority – taking into account the different stakeholders (cabinet members, planning officers, ward councillors etc.) and comparison with other local authorities.

In response to the question on negative impacts of development on the climate, Ms Cariaga expressed that this was at the forefront of their minds, particularly as they bring forward regeneration of this scale. Ms Cariaga explained that, in terms of environment and carbon commitment, British Land had fairly stringent sustainability policies that were set at a corporate level to ensure they were delivering net zero carbon developments by 2030. Canada Water would comply with their broader corporate objectives. Ms Cariaga further explained that project was being developed in phases – as the council’s environmental objectives and broader sentiment increases during the course of the development, British Land could be expected to be able to respond. There were three buildings in development and another thirty seven un-designed. As they came forward, they would meet both British Land’s corporate objectives and those agreed with the council’s planning officers.

Mr Wood confirmed that Network Rail had a sustainability policy and a set of environmental objectives, which had been translated into their approach within the Southern region, through their Sustainability Board.

In response to the question relating to house, office and land prices, Ms Harris, Notting Hill Genesis reported that they had seen an impact across their development portfolio, including sites in Southwark, impacted by recession and Covid. They did however have a commitment to deliver a minimum of 50% affordable housing on the Aylesbury site, and that commitment ran through their business plans and development programme. In terms of intermediate affordable housing, lower house prices did have an immediate impact on these tenures in particular, but the majority of the affordable housing that will be delivered on the Aylesbury will be social rent, so it was not anticipated that there would be an immediate impact as a result of house price deflation on the estate.

Ms Landsdown highlighted that with the impact of Covid, people in inner city and urban areas were seeking out places to live that have outside open space. With central London there was a lot of high density living, so the more outdoor space and balconies that are provided are a huge benefit. This was something that Lendlease were very focused on at the Elephant Park with the open space and public realm areas. In terms of house prices, Ms Landsdown explained that with the housing market dynamics and pricing, there was a general lack of supply and as demand increased moving forward, this would not give the pricing outcomes that they were hoping for. In terms of what they were delivering, as well the affordable housing offer, they were very focussed on the sensitivity around pricing

and would be keeping a watch on where the housing market is going, along with alternative tenures that offer rental opportunities.

Ms Cariaga confirmed that British Land had a commitment to deliver 35% affordable housing and that was secured as part of the planning permission. Ms Cariaga explained that as part of their relationship with the council as landowner, that the council had the option to acquire all of the social rent that is delivered as part of the planning permission. There was also a land opportunity there as well, which had been exercised recently with the council's decision to purchase K One.

In relation to affordability of space in stations Mr Wood informed the committee, that in terms of Peckham Rye station it was a principal objective of Network Rail to work with the local community and to retain as many local businesses as possible.

In relation to the question raised around build quality Ms Landsdown informed the committee that Lendlease were focused on high quality standards, and if there were areas of poor quality workmanship identified, that these would be rectified at no cost to the resident. They had also enhanced their quality assurance systems and also with their customer care team in case of any resident concerns or queries.

Ms Cariaga, informed the committee that British Land had done a thorough review on the materials being proposed for the buildings at Canada Water and were satisfied that they don't fall into the categories of those impacting on the live debate around cladding.

In terms of lessons learnt, Ms Harris advised that one of the benefits of being a registered provider was that they had a long term interest in all of their properties. Notting Hill Genesis were keen to ensure a continuous improvement. Issues experienced were fed back into the design, construction, building contracts and architectural briefs etc. This all impacted on how developments were designed going forward. On developments where they had latent defects or long term issues, they had dedicated officers who can engage with residents on those developments. They also held dedicated property management related meetings with tenants, leaseholders and councillors to ensure that issues can be rectified. They also had dedicated defects teams dealing with issues that arise after the construction build/defects period to ensure that they can maintain the quality of their buildings.

Ms Cariaga informed the committee of British Land's approach to the high street, in response to the question around high streets and community ownership. Ms Cariaga acknowledge that there needed to be a very different approach to the high street going forward. It was hoped that the work they had already been doing with groups, local businesses and social enterprises (examples given, Thrive, Global Generation, Time and Talents, Margot Poetry Schools, Three Shepherds) were initiatives that would sit alongside the normal high street functions that were being provided in a shopping centre today. Ms Cariaga explained that even with retail going through a major structural change that people would still need shops such as

hairdressers, nail bars and banks, but to make the maths work, they would have to operate the high streets, much more dynamically than before. This is where Ms Cariaga felt that the long term developer partnership with the local authority, as is for Canada Water had real opportunity. Ms Cariaga put forward the proposal of a 24 hour high street which provides different functions at different times of the day, it could be curated that way as part of a programme that was attractive to the tenants, as if they were only operating in a unit for part of the day, it could keep operating costs for them much lower than if they were have exclusive use of that unit. As the asset manager they could have different tenants in the same space at different times of the day resulting in a much more intensive use of the high street, which would lower the barriers to entry for tenant and keep their operating costs low and also sustained interest which would encourage footfall which is what was needed to make high streets functioning and hives of activity.

Mr Price reported that British Land were committed in the planning consent to provide 500 sq. metres of community use space and that the draft lease set out in the S106 agreement that specifies that there will be peppercorn rent to make it affordable for charities or social enterprises to take up space. There was also an affordable resale commitment of circa 5000 sq. metres at a 20% discount to the market and 7000 sq. metres of affordable workspace at a 25% discount to market.

Ms Landsdown echoed that similar to British Land, Lendlease were a long term landlord, investing in the long term and would retain ownership of retail spaces to help support and curate the retail. They had been very focused on Southwark local businesses. The early meanwhile use which they had undertaken, 'The Art Core Artworks' consisted of circa 60 shipping containers that were turned into low cost spaces for entrepreneurs from different parts of the local area. They had seen some great success over the five years that the Artworks was open and they used that as a platform for people to try their hand at business ideas at a lower rent. Quite a few had scaled up their business and have become successful and had moved on to take up permanent space as an affordable retailer and taking benefit of the affordable rents that are available at Elephant Park.

Lendlease had also provided a huge amount of mentoring support. A lot of the retail businesses that had been working with were very small business and need support and guidance, particularly through the first few years of operation. Lendlease had a dedicated team working with their retail community at Elephant Park, which had helped businesses flourish.

In relation to the question around future transport investment, Mr Price agreed that local people need a reliable local transport system, this was also important for British Land in order to attract businesses and residents to come and live in the new town centre. Mr Price reassured the committee that Covid had not changed their plans around funding commitments, the £33m committed to in the Section 106 agreements still stood. He reported that British Land had been liaising with TfL throughout the Covid period and that TfL had recently submitted a planning application for Surrey Quays Station second entrance and other improvements to the station.

Mr Price informed the committee of capacity related issues in connection with to the Jubilee Line. He advised that TfL had confirmed that the Jubilee Line was busy but was not at fully capacity. There would also be 32 trains an hour by December 2021 – that would give an additional 12,000 capacity on that line.

Cross Rail helped to alieve the Jubilee Line, the opening date was still be announced, however once opened that would provide an additional 8,000 space for people on the Jubilee Line because of displacement to the Cross Rail. The Overground rail network would be receiving longer trains and would run at a higher frequency. This was all part of the housing infrastructure funding that had been announce a couple of years ago – this would see capacity for an extra 15,000 people during the AM peak hours. Overall this would total around 35,000 extra capacity in the Jubilee Line and Overground. In addition to this British Land and TfL were investing heavily in Surrey Quays and Canada Water Stations including physical improvements and funding additional staff as demand changes. There would also be two new bus routes and the investment of £7m in the local road network. There were also cycle network commitments, funding of the cycle hire scheme and the inclusion of six docking stations in the master plan. There would also be the introductions of car parking charges for spaces provided within the Town Centre to discourage people from driving to the site.

In respect of the question around consultation, Mr Price highlighted the importance of being available, visible, transparent and open and honest with the community. Mr Price explained that British Land had tried various techniques to reach some of the hard to reach groups and were continuing to explore options. He advised that it had been more challenging over the last year due to Covid, with a need to use virtual exhibitions. Physical exhibitions combined with some online experience would take place once Covid restrictions had been lifted.

Social media was used extensively as a method of communication. There were also newsletter drops to residents on the peninsula recognising that there is digital exclusion.

Once they move from planning permission to deliver stage (reserved matters applications) they would be capacity building in the local community to explain what the reserved matters application is so that they can have meaningful conversations when it is time to bring forward engagement on reserved matters applications. A similar exercise had been undertaken where they explained to the community what a hybrid application was. There were a number of sessions which were very well attended.

Other issues highlighted by the developers in response to questions:

- Developing a master plan that looked to improve cycling infrastructure
- Engaging with residents on a one to one basis
- Increased engagement with tenants and residents through online platforms (zoom, MS Teams etc) enabled connecting with residents who had not been

reached previously

- Initiatives to introduce new residents moving into an area
- Planning obligations to give affordable retail spaces to local businesses – resulting in businesses being representative of the community

In terms of feedback from developers on working with Southwark the following issues/examples were highlighted.

- The provision of local intelligence being vital to successfully managing and progressing projects.
- Council's ability to identify sources of funding - restoration of grade II listed Peckham Rye station façade given as an example
- The securing and partnering of local contributions from a variety of sources, including local authorities, helping to persuade the government to release the majority of funding for projects (rail schemes used as the example)
- It was expressed that there were sections of the council that could be improved where difficulty had been experienced
- The commending of Southwark in terms of pace and delivery of schemes across the borough and helpfulness in unblocking issues where they arise

A number of suggestions/observations were made as part of the developer feedback as detailed below:

- In some cases the need to try and energise and increase the pace of the planning process
- The need to increase the number of planning lawyers and highways staff – can become quite stretched due to volume of work
- For major schemes, the setting up of dedicated taskforce for a project where a number of officers from each department (e.g. transport, highways, legal, environment, planning teams) are tasked and dedicated for certain period of the week to progress a particular project – increasing the speed of delivery.
- Changed landscape in light of Covid - Need for less policy rigidity and more flexibility over next couple of years when officers negotiate deals and planning consent, due to viability now being extremely challenging (leisure, retail and office markets given as examples)
- Reviewing the cost of conducting planning in Southwark

Further questions and discussion were held around the following areas:

- Impact of Covid on London rental market and resulting medium to long term impact on house prices. Assurance sought from developers that they would not seek to use viability retrospectively in relation to their affordable housing commitments
- £1.5 billion sell off of railway arches by Network Rail - impact on SMEs in Southwark (pricing many businesses out of the area) and how the sale of these assets are benefited Southwark residents from a regeneration

perspective.

- How high rise developments can be made carbon neutral
- Future models of affordable housing, beyond social housing (shared ownership etc.)
- How long standing established business in an area will be able to maintain a presence in regeneration developments
- Make up of developer boards and what is being done to diversify them where that is needed to reflect the areas the developers are working in (London).

Following the question and discussion, the chair thanked the invited guests and invited them to write in with any further comments, suggestions or recommendations.

7. GATEWAY 0 - APPRAISAL OF MANAGEMENT OPTIONS FOR LEISURE CENTRES

The committee received an update from Councillor Catherine Rose, Cabinet Member for Leisure, Environment and Roads on the Gateway 0 report on Appraisal of Management Options for Leisure Centres due to be considered by Cabinet on 9 March 2021. The committee also heard from Rebecca Towers, Director of Leisure and Tara Quinn, Head of Parks and Leisure.

Councillor Rose highlighted the commitment given at the October Overview and Scrutiny Committee to come back with a Gateway 0 report that would set out more clearly the strategic direction and method for delivering the future Southwark Leisure Service. Councillor Rose highlighted issues and actions taken since the October meeting as detailed below:

- Full consideration had been given to the points raised at the previous meeting.
- The further lockdown, resulting in the closure of leisure centres - due to re-open on or around the 12 April 2021.
- The protection of the current provision for Free Swim and Gym until March 2023 through the annual budget setting process – this would be set out more fully in the Gateway 3 report

Rebecca Towers highlighted issues set out in the Gateway 0 report which was as a result of a culmination of a robust strategic options appraisal. Rebecca highlighted the following:

- The criteria for assessment showed that three out of four options assessed were viable for the delivery of the leisure offer in the future
- The preference for insourcing was based on flexibility, connectivity and fits with the council's values
- It would deliver the best possible outcomes for residents and for the workforce
- The process would not be without risk

- A further more detailed report would be brought in the autumn setting out the costs of bringing the service in-house
- The option of working with other boroughs still existed and this was actively being pursued as a sub option.

Questions and discussion were held around the following:

- Evolving health policy and ability to course correct an in-house model if necessary
- Preference of in-house model compared with local authority controlled company (LACC)
- Facilities to be managed outside of leisure centres (paragraph 21 of the report)
- Emphasis of climate change emergency objectives as part of the modelling of the four options (impact of swimming pools given as example).
- Historical income levels and impact of budget gyms and free swim and gyms
- Reasons for insourcing when all other London local authorities are outsourcing this provision
- Reviewing complaints raised by local residents around issues such as cleaning and cleanliness and potential impact correcting issues raised will have on the cost of running in house
- Timeline for an initial evaluation and review following in-sourcing
- Estimate of interim costs
- Building up in-house expertise

8. WORK PROGRAMME

The Chair invited committee members to come to the next meetings with potential topics for the 2021-22 municipal year.

RESOLVED:

That the work programme as at 3 March 2021 be noted.

The meeting ended at 10.07pm

CHAIR:

DATED: