

Appendix 4: DEPARTMENTAL NARRATIVES

ENVIRONMENT NEIGHBOURHOODS AND GROWTH

1. The total value of the capital programme for the department is currently £218m for the 10 year programme. The projected 2023-24 outturn is £95.5m against the budget of £114.9m and the budgets for future years will be reprofiled accordingly to reflect slippage in this year's programme.
2. Divisions will be expected to review their spending plan ahead of the next report to Cabinet as current run rates suggest significantly less spend is possible by year end given only £11.8m has been spent as at Month 4 (excluding commitments). Table 1 below summaries the 23/24 financial position by key schemes and responsible division:

Table 1

	2023/24						
	Agreed Budget	Budget Virements	Budget Variations	Revised Budget	Spend	Forecast	Variance
	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Leisure	1.5	0.0	0.0	1.5	0.2	1.5	0.0
South Dock Marina	2.0	0.0	0.0	2.0	0.1	2.1	0.1
Parks	16.8	0.0	0.3	17.1	2.9	7.2	(9.9)
Culture	1.0	(0.1)	0.0	0.9	0.2	1.0	0.1
TOTAL - Leisure & Culture	21	(0)	0	22	3	12	(10)
Street Metal Works	0.8	0.0	0.0	0.8	0.0	0.8	0.0
Regulatory Services	2.7	0.0	0.1	2.8	0.0	2.4	(0.5)
StreetCare	6.6	0.0	0.1	6.7	1.6	6.5	(0.2)
Other PR Projects	4.0	0.0	0.0	4.0	0.4	2.4	(1.6)
LIP PROGRAMME	1.6	0.0	2.4	4.0	1.9	4.0	0.0
Cleaner Greener Safer	2.1	0.0	0.0	2.1	0.5	1.9	(0.2)
TOTAL - Environment	17.9	0.0	2.6	20.5	4.4	18.0	(2.5)
Climate Change and Sustainability	7.4	0.0	0.0	7.4	0.1	6.3	(1.2)
TOTAL - Climate Change and Sustainability	7.4	0.0	0.0	7.4	0.1	6.3	(1.2)
Planning	3.4	(1.3)	0.0	2.1	0.2	2.1	0.0
Sustainable Growth	50.1	2.4	0.0	52.5	(0.2)	46.5	(6.0)
Property Services	2.3	0.0	0.0	2.3	0.2	2.3	0.0
E&C REFCUS(Regen North)	8.6	0.0	0.0	8.6	3.8	8.6	0.0
TOTAL - Planning & Growth	64.3	1.1	0.0	65.4	3.9	59.4	(6.0)
TOTAL	111.0	1.1	2.9	114.9	11.8	95.5	(19.4)

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

Climate Change & Sustainability Division

3. The projected 2023-24 outturn is £6.3m against the revised budget of £7.4m. The budgets for future years will be reprofiled accordingly to reflect slippage in this year's programme, and the Month 8 report to Cabinet is expected to reflect a more realistic outturn forecast in line with spend to date.

Climate Change and Sustainability

4. Cabinet agreed an additional £25m capital budget to enable the council to do more, faster, to reduce carbon emissions. £21m of the £25m has been allocated to strategic projects that meet our carbon reduction ambition as set out in the council's climate action plan. Recent work undertaken includes the installation of the energy saving measures, including heat pumps, at the Burgess Park sports hub and the Peckham Library upgrade. The council has also opened its first Library of Things at Canada water Library, expanding the council's libraries offer through the provision of household items to rent. LED Street Lighting, cycle hanger and EV charging programmes have also seen their delivery rapidly increased through this funding, while the council also planted its first Tiny Forest at Peckham Rye.
5. The climate change capital budget is supporting programmes across the council, which are detailed elsewhere in this report and a summary of how this fund is being used is outlined below in Table 2 below:

Table 2

Project	£'m
Window replacement in tenanted street properties	1
Burgess Park - Sports Centre	0.5
Crematoriums / Cemetery Buildings	0.25
Decarbonise operation council buildings - Library Sites	3
	1.8
Education Building energy performance surveys	0.03
Crampton Primary School - remove gas boilers and install air source heat pumps	0.8
Brunswick Park School - install air source heat pumps in sports hall and further feasibility in dining block	0.3
Partnership with Veolia for the greening of our waste service focusing on transport and infrastructure	1
Library of Things - Walworth Library (complete)	0.05
LED Street Lighting - Speed up roll out	2.2
Expand cycle hanger programme	2.5
Expand EV charging programme (complete)	0.4
Funding to improve walking in Southwark	0.4
Walworth Walking Scheme	0.5
School Maps Scheme	0.1
Tiny Forest – Peckham Rye (complete)	0.02
Green Space Enhancements and Biodiversity Improvements	1
Southwark Community Energy Fund	0.4
Council's own emissions	4.4
BMX Floodlighting Improvement Project	0.05

Project	£'m
Park LED Lighting	0.6
Cargo Bike Expansion	0.1
Walworth Our Bike Scheme	0.01
Total	21.3

Leisure Division

6. The projected 2023-24 outturn is £11.8m against the revised budget of £21.5m. The budgets for future years will be reprofiled accordingly to reflect slippage in this year's programme, and the Month 8 report to Cabinet is expected to reflect a more realistic outturn forecast in line with spend to date.

Parks, Leisure Centres. Youth and Play

7. The programme includes 34 individual projects. The most significant expenditure in the programme this year will be in respect of the following projects:
- South Dock Marina Boatyard Essential H&S works - construction works - (£1.2m)
 - Burgess Park Sports Pavilion and Pitches - completion of pavilion construction and ancillary landscaping (£1.8m)
 - Borough wide tree planting programme – (£1m)
 - South Dock Marina Boatyard Crane – supply and installation - (£0.9m)
 - Adventure Playgrounds – construction at 3 sites (£0.7m)
 - Active Southwark Community Investment Fund – 2nd and 3rd round grants (£0.76m)
8. There are also 11 individual projects, primarily covering lifecycle maintenance and replacement works at various Leisure Centres. The programme included roof repairs and glass replacement at Dulwich Leisure Centre, roof repairs at Camberwell Leisure Centre, replacement of training boats at Surrey Docks Fitness & Watersport Centre, structural repairs to Dulwich Leisure Centre Fitness Room and electrical works at Dulwich and Camberwell Leisure Centre.
9. Also included within the Youth and Play Service Capital budget (Youth New Deal) is funding of £1m for planned capital works, these are outlined in Table 4 below:

Table 4

Project	Cost
IT requirements at youth centres for monitoring and data collection and onsite facilities for young people	£0.07m
DTC: replacement of the AstroTurf and sports equipment and tannoy system	£0.12m
One Hub	£0.1m
Brandon: building fit out and construction works to create new internal spaces, plus some external lighting agreed with Parks	£0.45m
Kingswood Estate: resources for youth work from Kingswood Library and Kingswood House	£0.01m
Success House: internal fit out: music studio, change of storage and entry changes	£0.08m
Adventure Playground capital projects	£0.09m

Libraries and Culture

10. The libraries capital programme includes IT innovation projects, building improvements and costs associated with new library projects and library refurbishments. The budget for 2023-24 has been used to fund the fit-out of the new Kingswood library on Seeley Drive and Peckham library refurbishment costs. These projects have now been completed.

Environment Division

11. The projected 2023-24 outturn is £17.8m against the revised budget of £20.5m. The budgets for future years will be reprofiled accordingly to reflect slippage in this year's programme, and the Month 8 report to Cabinet is expected to reflect a more realistic outturn forecast in line with spend to date.

Cleaner Greener Safer, (Including air quality projects)

12. The Cleaner Greener Safer 2023-24 programme is well under way with spend and completion targets agreed at £1.88m and 200 completions. Quarter 1 targets were exceeded but this is expected to level out over the summer. Targets will continue to monitor and amend targets if necessary. Rising costs remain a risk to delivery.

The Mayor's Air Quality Fund

13. The projects funded by this source have been completed including the Walworth Low Emission Neighbourhood (LEN). Building on this success, the council are now conducting further projects in the Walworth area to improve the market and shopping street, and to improve health outcomes, and further environmental improvements in LEN intervention areas e.g. Browning Street.

Streets and Highways

14. The Non Principal Road (NPR) programme, delivering major resurfacing of footways and carriageways, is on target to achieve the projected full annual spend. The carriageway resurfacing programme is just getting underway and this will see an accelerated rate of spend over the next few months due to the faster rate that carriageway surfacing is carried out by comparison to footway surfacing.
15. The School Streets programme is on target to achieve the revised forecast for end of year spend. There have been some minor issues with reaching an agreement with the schools concerned but these have been resolved for the most part.
16. Cox's Walk footbridge major repair works commenced in February 2023. Works were suspended to ensure there was no disruption to the bird nesting season but will recommence in October and be completed in the 23/24 financial year. The projected cost has increased significantly due to inflation and a capital growth bid will be submitted for the next round of bidding for the funding required to complete the Cox's Walk footbridge refurbishment works.
17. Cycle Superhighway 4 continues construction on site. There have been some delays due to Transport for London's contractors carrying out traffic signals and station refurbishment work. However, works are now expected to complete in December 2023 with full spend confidently expected. Work to design the longer term removal of the gyratory is progressing in line with expectations.
18. The cycle hangars programme is progressing well with 36 hangars having been installed this year, 29% of the year-end target of 125 hangars.

Planning & Growth Division

19. The projected 2023-24 outturn is £59.4m against the revised budget of £65.4m. The budgets for future years will be reprofiled accordingly to reflect slippage in this year's programme, and the Month 8 report to Cabinet is expected to reflect a more realistic outturn forecast in line with spend to date.

Peckham Rye Station development

20. The first phase of works to construct new commercial space on Blenheim Grove, has been completed in August 2023. The buildings are currently being fitted out.

In parallel, phase 2 tender documents are being finalised, for the works to demolish the buildings in front of the station to form the new civic square, with a start on site anticipated for summer 2024. This scheme will be further complemented by a planned major upgrade to Peckham Rye station, which is currently awaiting planning permission. This will deliver a fully accessible station, subject to Department for Transport (DfT) funding.

Aylesbury Plot 18

21. This council flagship scheme in Walworth, will provide new community facilities including a new library, a GP health centre including community health and early year's facilities surrounding a new public square. The new community facilities are expected to be completed by Q3 for Library and Q4 for Health Centre 23/24.

CHILDREN'S AND ADULTS' SERVICES

22. The total value of the department capital programme for the 10 year period, 2023-24 to 2033-34 is £103.6m.

Adult Social Care

23. The capital programme value for the period 2023-24 to 2033-34 is £29m. The main projects are; £6.6m for an essential lifecycle capital programme for the four residential care homes; £5.4m in respect of a programme of improvements to existing care settings; and £16m for the building of a new nursing home.
24. The Adult Social Care Capital Board has identified a number of priorities for 2023-24 and beyond in order to meet current and future needs of vulnerable adults in the borough. Accessibility is the key to improving the lives of those with disabilities and their carers. Projects such as contribution to the Changing Places Toilets and the insourcing of three hostels have been undertaken to deliver improved services to all, not just those with Care Act Eligible needs, thereby reducing the burden on Adult Social Care.
25. The Adult Social Care service invest in the property portfolio to ensure buildings provide safe and secure environments for staff and users. A proactive strategy of replacing building assets as they reach the end of their lifecycle and investing in low carbon/sustainable technology results in reduced breakdowns, lower maintenance and operating costs and helps the council meet its low carbon commitment.
26. The capital programme also includes an estimated £0.8m to enhance the council's social care IT systems to develop business intelligence that will drive

savings, enhance management information and result in improved outcomes for our service users.

27. Southwark Council owns a range of properties that are used by Adult Social Care (ASC) for residential and nursing care for older people and supported living accommodation for mental health and learning disabilities service users.
28. The lifecycle work on these properties, including four residential/nursing homes for the elderly, consists of a five year programme to 2026 to upgrade and maintain the buildings fabric and the mechanical and electrical infrastructure. The work also includes a number of projects that will make the buildings more energy efficient and help the council meet its low carbon target. These projects include LED lighting, installing air source heat pumps (ASHP), new double glazed windows and solar panels.
29. The four residential/nursing homes programmes reflect the responsibilities agreed with the new care provider Agincare who are taking over the redecoration of residents' en-suite rooms. The programme consists of various projects of life cycle works such as lifts, replacement lighting, fire alarms, window replacements and pipework. Completed projects include lifts replacement at Greenhive and Rose Court with Waterside and Bluegrove planned for 2023-24 and 2024-25. Previously approved projects that suffered delays or have not started are now included in the programme. These include window replacements at Rose Court which were postponed due to replacement cladding to the external staircase taking priority. Additionally, the replacement of heating and distribution pipework at Bluegrove was affected by delays due to Covid and the plan to include more climate friendly heating systems.
30. The activity on the planned life cycle work on ASC supported living accommodations is ongoing. Refurbishments have now restarted in Therapia Rd, Mount Adon Park. Grosvenor Terrace has been completed apart from windows where there is a planning delay as the building is in a conservation area. Significant works to the heating and cooling system at Riverside/Cherry Garden have been put on hold due to the longer term decisions that are to be made on the future of the building.
31. The Corporate Facilities Management team are in the process of carrying out condition surveys to identify the feasibility, cost/benefit return and prioritisation of further low carbon schemes with the scope to inform a new five-year plan for the property portfolio covering 2026-2030.
32. The ASC plan includes the build of a new nursing home to provide an additional bed-based care facility to meet the demand for placements of an increasingly

older-population. The revised programme cost of £16m takes account of construction inflation (20-25%) and demolition costs of £1m.

Children's Services and Southwark Schools Capital Programme

33. The Children's Services capital programme forecast for 2023-24 to 2033-34 is £74.6m. This consists of £11.1m for the schools refurbishment programme and £15.2m for Special Education Needs and Disabilities (SEND) capital strategy as well as certain specific projects such as £14.4m for Charter school; £15.2m for Beormund Special School; £6.1m for Riverside Primary school; and £3.8m for the development of the two children's homes.
34. The overall programme is focused on rightsizing provision, ensuring the estate remains fit for purpose. In addition to this, a key priority is to ensure there is sufficient high needs provision in the borough. Rising construction prices are affecting the capital programme by increasing demands on existing resources. Material costs are beginning to stabilise but the shortage of labour is now the biggest concern for contractors with wage inflation outstripping the general market place.
35. There is spare capacity in the primary sector (spread unequally across the borough) because of falling rolls relating to a reduced birth rate and a change in the population demographic. Additionally, there has been a reduction in pupil numbers in the earlier secondary year groups. Opportunities are being explored for rationalisation of buildings to make the best use of existing assets to reduce running costs for school. These proposals may be subject to future capital bids. There is also pressure to increase pupil places for children with special needs - a national issue for all education authorities.
36. A key priority of the programme is to ensure that any new school buildings are fuel-efficient and in line with the council's target to become carbon neutral by 2030. To address this, all current new school buildings are designed to a BREEAM 'very good' standard as a minimum.
37. The Children and Families division has two capital projects in operation at present, these being the two planned new children's homes. The first is 18 St Mary's Road where main works are ongoing. Practical completion is forecasted to occur by March 2024. The second children's home at 1 Colyton Road is at an early stage of development. The RIBA Stage 2 report which included designs and cost estimates was issued in August 2023.

Primary School Provision

38. The Primary School refurbishment programme delivers a yearly programme of planned refurbishment works alongside emergency reactive works where necessary. Under this programme, the decarbonisation strategy for the school estate will be developed to plan for the move away from the use of fossil fuels in the heating of schools. This programme is funded from the School Condition Allocation grant and calculations are based on pupil numbers. Therefore the yearly allocation has been reducing in line with falling rolls.
39. Riverside school is being redeveloped to re-provide defective early year's classrooms, dining space and safe access into the school. Design work is underway with tenders currently being reviewed with works being expected to start by October 2023. Expected completion date for this project is October 2024.
40. Rotherhithe Primary school expansion has now been completed and the school now occupy the whole site.

Secondary School provision

41. The Charter School, East Dulwich, is being expanded to address a shortfall in spaces in the local area. The project is in its second stage, which involves the demolition of the remaining buildings and construction of a new hall and three court multi-use games area. The completion date for the project has been delayed due to the main works contractor withdrawing from the contract and so new procurement arrangements are underway. Facilities are expected to be available to the school by Autumn 2024.

Special Education Needs provision (SEND)

42. In order to address a growth in the number of pupils with Education Health and Care Plans (EHCPs), options are being explored to expand SEND provision in Southwark to avoid placing pupils out of borough.
43. Additional capacity for SEND is being sought in new projects which are being proposed to address the issue. These include works at Highshore in order to accommodate an additional 40 places in a satellite site and at SPA Camberwell in order to provide 24 places in a 6th form provision also in a satellite site. The council has received £9.6m ESFA High Needs Capital funding to deliver this programme of works. In addition, Southwark has received £3m of Department for Education funding for capital projects to support the 'Safety Valve programme'.

44. Beormund School is being relocated as part of a wider redevelopment of the school area for residential use. The new site will provide a purpose built facility, supporting modern teaching techniques and learning for the Beormund SEMH School. It will also increase the school capacity to 56 pupils. The tender for the main contract has recently gone out with tenderers currently being reviewed. The aim is to start work in Autumn 2023. The anticipated completion for the project is Winter 2024.

HOUSING GENERAL FUND

General Fund

Overview

45. The forecast spend for the Housing and Modernisation general fund capital programme for the ten years to 2032-33 is circa £28.3m. Other than residual spend on Traveller Sites (£0.2m), the programme comprises Housing Renewal schemes (£28.1m). The projected spend for 2023-24 is £2.3m.

Asset Management - Housing Renewal

46. Housing Renewal comprises a range of initiatives primarily designed to support people to remain living independently in private sector accommodation through assistance. This is through repairs, improvements and adaptations to their homes. Support is also provided to landlords and property owners to bring their empty properties back into use. This support is provided through the provision of grants and loans and is largely funded through Disabled Facilities Grant (DFG) and the council's own resources. The forecast spend for 2023-24 is £2.1m
47. Most of the service spend is for the DFG with a forecast outturn for 2023-24 of £1.6m. There is a £2m forecast variation in the overall capital programme which is due to revisions to the assumed rate of grant funding, matching the amount due to the current year.
48. In February 2022, Cabinet approved £2m additional resources specifically for the compulsory purchase of empty homes. The council has now put in place resources to deliver these services, including employing an additional surveyor and project assistant who started in July 2023. The council continues to promote these additional services by the increase in the funding offer available to empty property owners through updating the council's empty homes web page and the borough wide newsletter. The forecast spend for 2023-24 is £0.3m. The remaining forecast spend for 2023-24 of £0.2m for Housing Renewal comprises funding for home repairs, small works and support for landlords.

Resident Services - Traveller Sites

49. A comprehensive programme of reconfiguration and improvement works to address health and safety and compliance issues (principally fire safety) at traveller sites has been undertaken. Further investment in sites continues. However, delays due to the pandemic have resulted in additional costs, namely prolonged temporary re-housing, storage of mobile homes and residents belongings, in addition to enhancements to the planned projects as the programme progresses. Fire Safety works at the Brideale and Burnhill sites are close to completion, with the remaining budget of £0.2m expected to be fully spent in 2023-24.

FINANCE

50. The total value of the finance capital programme for the ten years to 2023-24 is £11m, with a forecast spend in 2023-24 of £7.5m. A revised digital strategy will be subject to a further report to cabinet in February 2024.

Technology and Digital Services (TDS)

51. TDS supports and manages investment in the council's IT infrastructure. This is necessary to improve the on-line experiences of residents, enabling them to find the information and guidance they require and access our services. In addition, investment in technology will enable staff to deliver improved public services across communities and help the council to become one of the best-connected and digital boroughs in London. Use of emerging technology and data helps to enhance our communities and to ensure that residents are able to connect to fast accessible broadband.
52. The investment of £5.7m forecast for 2023-24 completes the current approved programme for IT investment and Cabinet are asked to approve a new bid to support future investment requirements over the full life of this 10 year programme. Key deliverables this year include the development of a new Customer Relationship Management (CRM) system to improve use of data, technology transformation following the "Future Gov" review and completion of the data centre migration and refresh of the network infrastructure. Other important projects include IT security compliance, website and intranet replacement, which together with a range of other smaller scale projects completed the focus for the year.

Smart Working Programme

53. The remainder of the 'modern ways of working' programme continues to focus on transforming the way the council operates, a key element of which is facilitating the ability for employees to work in more flexible and efficient ways as

supported by technology. The pandemic saw an acceleration of the programme with investment in remote working technology needed to ensure services were maintained. The remaining focus of the programme has included modernising the council's telephony and audio-visual capabilities that facilitate hybrid working and is a key element to modernising working practices. The forecast spend of £0.7m in 2023-24 completes the original programme with future projects to be incorporated into main IT investment programme.

Public Switched Telephone Network (PSTN)

54. In November 2017, BT Openreach announced they would be switching off the Public Switched Telephone Network (PSTN) in December 2025. The PSTN allows the delivery of "analogue" telecommunications services via copper lines and is being switched off to be replaced with Voice over Internet Protocol (VoIP) services delivered over a fibre network. Switching off the PSTN and moving to VoIP is also called the digital switchover.
55. A number of technologies are dependent on PSTN wiring and will need to be upgraded to deal with this change. For the council, this includes our lift infrastructure and SMART monitor systems. The General Fund programme budget of £4.59m is required at this stage to enable works relating to Telecare (SMART), Council offices, Schools & Nurseries and Highways and CCTV.
56. The programme goal is to manage all commercial and residential services that will be affected by the Public Switched Telephone Network (PSTN) switch off that is due to begin between summer 2023 through to summer 2025. This will involve overseeing the migration, replacement and implementation of new technologies to limit the effect of this decision upon the residents, services provided and officers within Southwark.
57. The Telecare (SMART) service is delivered to residents living in both Lambeth and Southwark. This means that the cost of the upgrades necessary for the service to continue will be shared proportionally across both authorities.
58. It must be noted that the national scale of responding to the decision to close down the Public Switched Telephone Network means that it is difficult to predict the profile of spend across 2023-26 as much will be dependent on availability of suitable resources and equipment that can be procured to deliver the required upgrades. However since the bid to add PSTN was approved in June 2023, further analysis has been undertaken which suggests that overall, spend could be up to £1.3m below what had been estimated. This is largely due to a re-assessment of the planned upgrades in terms of the funding apportionment between the general fund and housing revenue account (HRA).

GOVERNANCE AND ASSURANCE

Asset Management - Corporate Facilities Management (CFM)

59. The total value of the capital programme for the ten years to 2023-24 is £18.8m, with a forecast spend in 2023-24 of £5.8m. The spend forecast includes a number of schemes that have focused on refurbishment, including improving sustainability in terms of heating and lighting, investment in air-sourced heat pumps, LED lighting and buildings fabric.
60. The CFM programme enables the council to meet its statutory responsibilities for ensuring its operational buildings are compliant with health and safety regulations and ensure the wellbeing of its employees and service users. Delivery is through a comprehensive inspection and assessment regime and building a lifecycle maintenance programme designed to enhance their life and maintain asset value.
61. The continuous lifecycle nature of much of what CFM deliver means that the service will continue to draw on capital programme resources beyond what is currently approved by cabinet. As a result, cabinet are asked to approve a new bid for budget to meet future investment requirements.