

DEPARTMENTAL NARRATIVES

Environment Neighbourhoods and Growth

1. The total value of the capital programme for the department is currently £159.7m for the 10 year programme (after allowing for cabinet approved budget increases and the movement to and from the department). The actual 2023-24 outturn position is £26.7m (86%) against the revised budget of £31.1m. This represents a £4.4m (14%) slippage across the department. See more details in the directorate sections below.
2. A new capital programme review board is being established in the department and this will ensure any projects delivery bottlenecks are tackled and progress monitored closely. The progress of some of the major programmes by division are detailed below:-

Climate Change & Sustainability Division

3. The actual 2023-24 outturn is £3.6m against the revised budget of £3.7m.
4. Cabinet agreed an additional £25m capital budget to enable the council to do more, faster, to reduce carbon emissions. £23m 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. £1m of this funding has also been allocated to ensure the borough becomes more resilient to the impacts of a changing climate, following the adoption of the council's first Climate Resilience & Adaptation Strategy. Recent work undertaken also includes the launch of the Southwark Community Energy Fund, which will seek to invest £400k in energy efficiency and renewable energy generation in community buildings across the borough. The council has also commenced investment in decarbonisation of its leisure centres, with funding allocated to install pool covers and building management systems, to ensure lower and more efficient energy use across the leisure portfolio.
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 the table below:

| Project | £000 |
|--|---------------|
| Window replacement in tenanted street properties | 1,000 |
| Burgess Park - Sports Centre | 508 |
| Crematoriums / Cemetery Buildings | 250 |
| Decarbonise operation council buildings - Library Sites | 3,025 |
| Decarbonise operational council buildings – Childrens/Youth/Adult Centres | 1,791 |
| Education Building energy performance surveys | 25 |
| Crampton Primary School - remove gas boilers and install air source heat pumps | 795 |
| Brunswick Park School - install air source heat pumps and further feasibility in dining block | 295 |
| Partnership with Veolia, greening of our waste service focusing on transport and infrastructure | 1,000 |
| Library of Things - Walworth Library (complete) | 48 |
| LED Street Lighting - Speed up roll out | 2,180 |
| Expand cycle hanger programme | 2,500 |
| Expand EV charging programme (complete) | 400 |
| Funding to improve walking in Southwark | 510 |
| Walworth Walking Scheme | 480 |
| School Maps Scheme | 110 |
| Tiny Forest – Peckham Rye (complete) | 20 |
| Green Space Enhancements and Biodiversity Improvements | 880 |
| Southwark Community Energy Fund | 400 |
| Council's own emissions | 4,699 |
| St Paul's Sport Ground | 45 |
| Leisure Retrofit | 96 |
| Upgrade to the Building Management System (BMS) at six council operated leisure centres | 114 |
| BMX Floodlighting Improvement Project | 46 |
| Park LED Lighting | 604 |
| Cargo Bike Expansion | 94 |
| Projects for 5 resilience themes (Overheating, Flood, Water use, Supply chains, pests and diseases) and data and tools (tbc) | 961 |
| North Peckham and Camberwell rain gardens | 39 |
| Walworth Our Bike Scheme | 6 |
| Total | 22,921 |

Leisure Division

6. The actual 2023-24 outturn is £7.7m against the revised budget of £10.1m. This is a £2.4m (24%) slippage against the revised budget. A new capital programme review board is being setup in the department and this will ensure any projects delivery bottlenecks are tackled and progress monitored more closely.

Environment Division

7. The actual 2023-24 outturn is £15.4m against the revised budget of £17.3m. This is a £1.9m (11%) slippage against the revised budget. A new capital programme review board is being setup in the department and this will ensure any projects delivery bottlenecks are tackled and progress monitored more closely.

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

8. The Cleaner Greener Safer 2023-24 programme met completion targets, both to time and budget. The CGS 2024-25 application round decisions were made in March 2024 with applicants being notified of their results and projects are being appropriately allocated. The CGS programme remains very popular with residents. A total of 60 compliments, across 31 wards, were received for the Cleaner Greener Safer scheme in 2023-24.

The Mayor's Air Quality Fund

9. The projects funded by this source have 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

10. The Non-Principal Road (NPR) programme, delivering major resurfacing of footways and carriageways, were close to the targeted number of completions for the year and within budget. The slight shortfall will be included in the 2024-25 programme.
11. The School Streets programme has successfully completed the scheduled six sites in 2023-24, with only minor items outstanding, which will be completed in 2024-25, together with any new schemes in 2024-25.
12. 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 recommenced in October 2023 and is now to be completed in May 2024. The projected cost has increased significantly due to inflation. A capital growth bid has secured additional funding of £800k, however, the project is likely to cost £1.5m to complete in total. The detailed costing will be included in the next update to cabinet.

13. Cycle Superhighway 4 has been completed. There were some delays due to Transport for London's contractors carrying out traffic signals and station refurbishment work. However, it opened officially on 4th March 2024. Work to design the longer-term removal of the gyratory is progressing in line with expectations.
14. The cycle hangars programme is progressing well with 734 hangars having been installed this year achieving 98% of our target.

PLANNING AND GROWTH

15. The total value of the capital programme for the department is currently £102m for the 10-year programme (after allowing for cabinet approved budget increases, as well as movement to and from the directorate). The actual 2023-24 outturn position is £27.4m (82%) against the revised budget of £33.3m. The variance is due to slippage in a few projects across the directorate. The progress of some of the major programmes by Division are detailed below:-

Planning

16. The actual 2023-24 outturn is £0.5m against the revised budget of £1.2m. This is a £0.7m (61%) slippage against the revised budget. Two projects affected are the Kentish Drover Ceram and the Walworth Partnership Schemes in Conservation Areas (i.e., Walworth PSICA). The Kentish Drivers project involves the renewal of a Grade II Listed Mural. The appointed design team have needed to revise the approach to the project following further discussion with specialist conservationists and Historic England, which has resulted in a delay.

Sustainable Growth South

17. The actual 2023-24 outturn is £3.3m against the revised budget of £6.8m. This is a £3.5m (51%) slippage against the revised budget. As set out below, this slippage is primarily a result of the delay in completion of the Harold Moody Health Centre on Aylesbury Plot 18. Further slippages are due to delays in construction works starting on site on Peckham Rye Station, Livesey Exchange, Peckham Square and Elim House.

Peckham Rye Station development

18. 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

19. This council flagship scheme in Aylesbury, 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 Una Marson Library was completed and opened in November 2023. The Harold Moody Health Centre completion has been delayed to the second quarter of the 2024-25 year, (July-September 2024) due to infrastructure works which need to take place before the building is completed and occupied. This delay has resulted in a slippage of £2.9m.

Property Services

20. The actual 2023-24 outturn is £0.5m against the revised budget of £2.2m. The slippage is the result of delayed spend on void shops as well as the Pullen Yard improvement programme being behind schedule.

CHILDREN'S AND ADULTS' SERVICES

21. The total value of the department capital programme for the 10-year period, 2023-24 to 2032-33 is £106m.

Adult Social Care

22. The capital programme value for the period 2023-24 to 2032-33 is £29m. The main projects are; £5.4m for an essential lifecycle capital programme for the four residential care homes; £6.6m in respect of a programme of improvements to existing care settings; and £16m initially allocated for bed based care within the borough of which the majority was spent in 2023-24 for the acquisition of Tower Bridge Care Centre nursing home.
23. The Adult Social Care Capital Board has identified a number of priorities for 2023-24 and beyond, in order to meet the current and future needs of vulnerable adults in the borough. Accessibility is the key to improving the lives of those with disabilities and their carers. Projects such as the council's contribution to the provision of new Changing Places Toilets and the insourcing of three hostels have been undertaken to deliver improved services to all.
24. The Adult Social Care service invests in its 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.
25. The capital programme also includes an estimated £800k 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.
26. Southwark Council owns a range of properties that are used by Adult Social Care for residential and nursing care for older people and supported living accommodation for mental health and learning disabilities service users. The lifecycle work on these properties, including four residential/nursing homes for the elderly, consists of a five-year programme to March 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.

27. The four residential/nursing homes programme reflects the responsibilities agreed with the new care provider Agincare who are taking over the redecoration of residents' en-suite rooms. The programme consists of various projects of life cycle works such as lifts, replacement lighting, fire alarms, window replacements and pipework. Completed projects include lifts replacement at Greenhive and Rose Court with Waterside and Bluegrove currently being scoped. A feasibility study to replace hot and cold services pipework at Bluegrove with an ASHP system has been carried out in year with work started in January 2024 due to be completed in June 2024.
28. The planned lifecycle work on ASC-supported living accommodation is ongoing. Refurbishment at Grosvenor Terrace has been completed with planning consent for windows having been granted (as required by the conservation area) and quotes being obtained. The refurbishment at Half Moon Lane has also been completed. Works are planned at 3 Bowley Close, Crebor Street, Fort Road and then at Southwark Resource Centre (installation of LED lighting at the SRC is now complete). 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.
29. The Corporate Facilities Management team are in the process of carrying out condition surveys to identify the feasibility, cost/benefit return and prioritisation of further low carbon schemes. This will be done with a view to reviewing the projects included in the latter part of the five-year programme, producing an updated programme for 2026-30 and obtaining authorisation to proceed with the next tranche of works in 2026-28.

Children's Services and Southwark Schools Capital Programme

30. The Children's Services capital programme forecast for 2023-24 to 2033-34 is £77m. This consists of £11.1m for the schools' refurbishment programme and £16.7m for special education needs and disabilities capital strategy. It also includes certain specific projects such as £15.5m for Charter School and other permanent expansion retention costs, £15.2m for Beormund Special School and £6.7m for Riverside Primary School, £1.6m for Rotherhithe Primary School, as well as £4m for the development of the two children's homes.
31. The overall programme is focussed on rightsizing provision, ensuring estate remains fit for purpose. In addition, a key priority is to ensure there is sufficient right high needs provision in the borough to meet future need. Rising

construction prices affect the capital programme by increasing demands on existing resources. Material costs are beginning to stabilise but the shortage of labour is now the biggest concern for contractors with wage inflation outstripping the general marketplace.

32. There is spare capacity in the primary sector (albeit spread unequally across the borough) because of falling rolls caused by a reduced birth rate and a change in the population demographics. In addition, there has been a reduction in pupil numbers in the earlier secondary year groups. Opportunities are being explored to maximise the use of existing assets to ensure the continued viability of schools and the efficient use of the council's resources. These proposals may be subject to future capital bids. There is also pressure to develop special needs provision to ensure capacity meets the future need for our pupils, which is a national issue for all education authorities.
33. Furthermore, another key priority of the programme is to ensure that any new school buildings are energy efficient in line with the council's target to become carbon neutral by 2030. To address this, all current new school buildings have to meet a BREEAM 'excellent' standard.
34. The Children and Families division has two capital projects in process at present, these being the two planned new children's homes. The main construction works on the first home are close to being complete. All construction works on the first home have now been completed. The second is at an early stage of development (RIBA Stage 4) and will open as a care home for children in 2025.

Primary Provision

35. The Primary School refurbishment programme delivers an annual programme of planned refurbishment works alongside emergency reactive works where necessary. Under this programme, the decarbonisation strategy for the school estate will be developed to plan for the move away from using fossil fuels in the heating of schools. This programme also includes work to improve the air quality around schools utilising GLA grant funding for this. This programme is funded from the School Condition Allocation grant and it is calculated based on pupil numbers therefore the yearly allocation has been reducing in line with falling rolls.
36. Riverside Primary School is being redeveloped to re-provide defective early year's classrooms, dining space and safe access into the school. Contractors have been appointed to deliver phase 1 of the scheme, which includes the new

classrooms and the dining hall. This contract commenced in the October 2023 half term. Expected completion date for phase 1 of this project is autumn 2024. Phase 2 will cover the new entrance works into the main school building.

Secondary Provision

37. The Charter School East Dulwich is being expanded to address a shortfall in spaces in the local area. The project is in its second stage, with the demolition of the former buildings already completed and construction of a new hall, renovation of the original 'Chateau' building and new play landscaping. This work also includes the additional resource base for 20 pupils. The original completion date for the project has been delayed due to the main works contractor withdrawing from the contract. Therefore, new procurement arrangements had to be undertaken. Construction work commenced in December 2023 and the new facilities are expected to be available to the school in winter 2024.

Special Education Needs provision

38. In order to address a growth in the number of pupils with Education Health and Care Plans (EHCPs), options are being explored to redefine the local offer of special education provision from the early years to post-19 in Southwark. This is being done to increase the cost effectiveness of provision and reduce the incidence of pupils being educated out of borough or in high cost independent schools, which do not necessarily provide the best outcomes.
39. Beormund School is being expanded and relocated to Peckham. The new site will provide a purpose-built facility and support modern teaching techniques and learning for the Beormund SEMH School. It will also increase the school capacity to 56 pupils. The tender for the main contract has been awarded and initial construction work is underway. The anticipated completion for the project is spring/summer 2025.

HOUSING – GENERAL FUND CAPITAL OUTTURN 2023-24

Overview

40. The Housing General Fund capital programme is forecast to spend approximately £28.6m over the period to 2023-2033, comprising housing renewal schemes (£28.1m) and residual works on travellers' sites (£0.5m). The outturn spend for 2023-24 was close to budget at £2.1m, £0.3m less than previously forecast, largely due to delays in the travellers refurbishment works programme.

Asset Management - Housing Renewal

41. The aim of the housing renewal programme is to support vulnerable people in living independently in private sector accommodation through assistance with repairs, improvements and adaptations to their homes. It also aims to provide support to private landlords and property owners in bringing empty properties back into use. This support is provided through the provision of grants and loans and is largely funded through the Disabled Facilities Grant (DFG) and the council's own resources. The majority of expenditure is for the DFG at £1.9m, along with £0.2m for housing renewal comprising funding for home repairs, small works and support for landlords.
42. The DFG service has been successful in increasing the delivery of major adaptations, which is at its highest level for five years. The installation of showers and wet rooms account for 79% of the 124 major works completed in the year, with stair-lifts, ramps, step-lifts and hoists comprising the remaining works. Demand remains high, current caseload comprises 14 works on site and 41 cases at initial stage or out to tender, with 33 cases pending.
43. The Empty Homes service was successful in bringing 43 empty homes back into use during 2023-24, with promotional campaigns continuing to run. Cabinet approved additional resources of £2m specifically for the compulsory purchase of empty homes, and there are a number of high value properties currently identified for potential acquisition.

Resident Services - Traveller Sites

44. A comprehensive programme of reconfiguration and improvement works to address health and safety and compliance issues (principally fire safety) has already been undertaken and further investment in sites is planned. A variation of £0.3m was approved by Cabinet 2023 for the Springtide site, with 50% match-

funding secured from the GLA. The works programme is expected to commence later this financial year.

FINANCE

45. The total value of the finance capital programme for the ten years to 2032-33 is £47m, with an outturn spend in 2023-24 of £6.6m. The spend represents IT investment schemes, including the Smart Working programmes, the Public Switched Telephone Network which are detailed below.

Technology and Digital Services (TDS)

46. 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 enables staff to deliver improved public services across communities and is helping 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.
47. As previously reported, 2023-24 has seen investment in a new Customer Relationship Management (CRM) system to improve use of data, technology transformation following the "Future Gov" review, cloud optimization opportunities, continued migration away from dated windows servers and refresh of the network infrastructure. Other important projects have included website and intranet replacement and consolidation of applications which together with a range of other smaller scale projects completed the focus for the year.
48. The £5.7m of expenditure in 2023-24 completes the IT investment schemes programme with the focus in future years being driven by the council's Technology and Digital Strategy published in March 2024, which provides a clear plan for how the council intends to build responsive digital services that meet the requirements of our residents. The necessary investment will be channeled through two new capital programme schemes focusing on refreshing essential hardware including laptops that will continue to facilitate modern flexible ways of working and further investment to facilitate efficient service provision and business improvements aligned with the five key pillars outlined in the Technology and Digital Strategy for 2024-2026.

49. In particular, investment will concentrate on the replacement of networking technology across the wider operational estate, improving workplace collaboration through upgrades to meeting spaces, continued development of the Customer Relationship Management (CRM) system to improve use of data, case management and enhance transformation within customer services and housing.
50. Other planned investment includes delivering a Modern Data Platform to support the council in becoming a data led organisation, further website development to enhance channels to citizens, customer portal technology and review and completion of the data centre migration, embracing cloud computing.
51. The risk of cyberattacks and data breaches, which could result in financial and reputational harm remains ever present with investment necessary to ensure that our systems and data remain secure and compliant. Other investment opportunities including robotic process automation to remove repetitive work from employees, intranet replacement and the integration of back office systems to improve productivity all form part of the technology and digital strategy.

Smart Working Programme

52. This programme is now complete with the council being asked as part of this report to approve the transfer of the remaining programme budget of £0.2m to the new laptop refresh programme. However, expenditure this year of £0.5m did continue to support the ongoing transformation of how the council operates.

Public Switched Telephone Network (PSTN)

53. 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.
54. 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 £3.59m was approved to enable works relating to Telecare (SMART), council offices, schools and nurseries and highways and CCTV.

55. The aim of the programme 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 be completed by December 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.
56. 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.

GOVERNANCE AND ASSURANCE

Asset Management - Corporate Facilities Management (CFM)

57. The Corporate Facilities Management (CFM) capital programme is split between lifecycle and compliance schemes. Lifecycle schemes focus on the maintenance of the fabric of buildings and in meeting sustainability targets, mainly through upgrading heating and lighting systems; including the installation of air sourced heat pumps and LED lights. Total CFM capital investment in 2023-24 was £6.6m, being £6.2m on Lifecycle and £0.4m on Compliance. While this figure is above that previously forecast, this reflects the fluid nature of capital investment, where the profile of expenditure can change depending on immediate need, revisions to any underlying accommodation strategy and the impact of stretched resources.
58. The compliance programme supports the council in meeting its statutory responsibilities through a comprehensive inspection and assessment regime. The investment ensures operational buildings are compliant with building standards and health and safety rules and regulations and helps to provide environments that support the wellbeing of both staff and service users. Spend on both compliance this year, together with the lifecycle programme investment, continues to enhance the life of the operational estate and maintain asset value.
59. In acknowledging the continuous nature of investment delivered through the CFM Lifecycle and Compliance programmes, the council approved further investment budgets of £36m and £9m respectively.