

Item No. 10.	Classification: Open	Date: 21 January 2020	Meeting Name: Cabinet
Report title:		Walworth Community Development Support	
Ward(s) or groups affected:		Faraday	
Cabinet Member:		Councillor Johnson Situ, Growth, Development and Planning	

FOREWORD – COUNCILLOR JOHNSON SITU, CABINET MEMBER FOR GROWTH, DEVELOPMENT AND PLANNING

The transformation of the Aylesbury estate will create new quality homes in the area, improving living conditions with new community facilities and increasing the amount of homes for social rent in the area.

In recent years Creation Trust has played a vital role working with residents of the Aylesbury since 2007. To date over 500 residents have benefited from dedicated case work, a further 500 residents have been involved in outreach sessions, over 300 residents have had CAB advice, over 30 weeks of after school youth provision has taken place, an average of 400 residents have been supported through employment programs each year and 100 job outcomes have been created per annum. In line with the 2016 Cabinet decision which identified funding for Creation Trust from 2016-17 – 2020-21, that funding will come to an end in March 2020.

This report delivers on a council plan commitment to secure the funding to ensure the vital work of supporting residents through the regeneration continues. Along with the appointment of a contractor for Plot 18 this is an important step in ensuring the council delivers on its promise to place the local community at the heart of plans for the Aylesbury.

RECOMMENDATIONS

1. That the successes of Creation Trust and the valued input of current and previous Board members are noted.
2. That approval is given to annual funding of £100,000 to the Creation Southwark Community Interest Company for housing advice of the council tenants and those in temporary accommodation on the Aylesbury Estate from 2020-21 and throughout the remaining life of the rehousing programme.
3. That approval is given to the revised cash flow of council funding for Creation as set out in paragraph 5.

BACKGROUND INFORMATION

4. Creation Trust (a company limited by guarantee and whose formal name is New Aylesbury Trust Limited) was established in 2007 as the successor body to Aylesbury New Deal for Communities. The Trust is led by a board of trustees that includes nominated resident representatives including leaseholders of the estate

and local ward councillors. Creation Trust is a representative body which provides a key mechanism for consultation and communications with the community as part of the regeneration of the Aylesbury Estate as well as helping to bring the wider social and economic benefits of the regeneration to local residents. The main focus of the organisation is on supporting residents to engage with the regeneration programme, provision of services for young people and delivering worklessness programmes for local residents. Senior officers from the council and Notting Hill Genesis attend Board meetings to update on the regeneration programme. Creation Trust has a staff team of 10.

5. From 2007 to 2015-16 Creation was funded by the council. Since 2015 under the Development Partnership Agreement, Notting Hill Genesis has made £1,250,000 funding available to the council for this purpose. Creation Trust has been successful in raising external match funding from organisations such as L&Q, The Lottery and the Department of Work and Pensions averaging an annual income of over £550,000. In 2015/16 Council funding of £250,000 was provided to Creation. On 9 February 2016 Cabinet approved grant funding of £1,000,000 over the period 2016/17 to 2020/21 cash flowed as follows:

Year	2016/17	2017/18	2018/19	2019/20	2020/21	Total
Funding	£220,000	£220,000	£220,000	£220,000	£120,000	£1,000,000

In 2018 following discussions about their exit strategy, Creation Board proposed that the cash flow of Council funding be revised as follows:

Year	2016/17	2017/18	2018/19	2019/20	2020/21	Total
Funding	£220,000	£220,000	£280,000	£280,000	0	£1,000,000
Variation	£0	£0	£60,000	£60,000	(£120,000)	0

6. To date over 500 residents have benefited from dedicated case work, a further 500 residents have been involved in outreach sessions, over 300 residents have had CAB advice, over 30 weeks of after school youth provision has taken place, an average of 400 residents have been supported through employment programmes per annum and 100 job outcomes have been created per annum.

KEY ISSUES FOR CONSIDERATION

7. As a consequence of the funding from the council ending in March 2020, discussions have taken place with the council and Creation over the services provided and funding availability. Creation has reserves and some restricted income including a grant from L&Q for 2020-21 which will enable them to continue their current level of services including a full employment and training programme. In January 2019 prior to this funding being secured, Creation Trust decided to end its' operations in March 2021. It is currently anticipated that in April 2021 reserves of approximately £130,000 and an additional restricted income of £100,000 due.
8. A council-led review into the services provided by Creation has been carried out in partnership with Creation and Notting Hill Genesis.
9. It is considered that Creation have provided a critical role in providing independent support to council tenants and those in temporary accommodation on the Aylesbury Estate through the rehousing process. This rehousing activity is expected to continue for another 10 years. Although the council directly funds independent housing advice services, it is considered that without the services

currently provided by Creation there would be a gap in support for council tenants and those in temporary accommodation on the Aylesbury Estate. Creation has established a Community Interest Company (CIC) to provide this service. It is proposed that the grant of funding to provide this service should be awarded to the Creation Southwark CIC due to their existing local presence and connections to residents and agencies. A Grant Agreement and Service Level Agreement will be drafted for this purpose. Review clauses will be incorporated into these agreements to ensure that the service meets local needs at the time and continues to represent value for money.

10. The review of economic and training programmes (attached as Appendix 1) has concluded that although the approach that Creation has taken to this area has been successful (as shown in paragraph 6 above) it is considered that the programmes run by Southwark Works (from their new base on Walworth Road) and Notting Hill Genesis are capable of meeting the local need. There are therefore no elements of Creation's economic and training programmes that need to be funded by the council.
11. The review of youth programmes has concluded that there are a range of new facilities being provided as part of the Aylesbury regeneration programme and investment in Burgess Park and Burgess Sports. The council wide review of youth facilities will complete in March 2020. There is a need for a co-ordination meeting where service deliverers can be updated on current proposals and work together to bid for external funding. This co-ordination need is being considered as part of the discussions outlined in paragraph 13. The first new facility on the First Development Site will complete in 2021.
12. The review of premises currently occupied by Creation has concluded the following
 - **Giraffe House** will continue to be occupied by Creation on existing rent level until April 2021. A service level agreement focused on youth activities is being developed with Creation. For 2021/22 Giraffe House will be managed by another third sector organisation on a similar basis. The building will be demolished in 2022 as part of the Southwark Spine cycle way.
 - **Blue huts on Inville Road.** These properties will be a base for the Creation Southwark CIC until the new library being constructed on Plot 18 is completed in early 2022. The new library has office space for community organisations.
 - **Former Caretakers House** adjacent to University Academy of Engineering South Bank. This building is being vacated and will be returned to the Council shortly.
13. As part of the discussions over the future of community development activity on Aylesbury Estate, the council formed a group of the following organisations – Community Southwark, Cambridge House, Pembroke House, Notting Hill Genesis, L&Q, Inspire, Burgess Sports, First Place and Walworth Society. This group has met several times over the last 18 months. A key benefit has been the networking and sharing of updates between the organisations. This group has discussed the geographical area to be targeted by community development and has concluded that the wider Walworth area is more relevant than the red line of

the former Aylesbury Estate. This view is informed by the geographical spread of new housing developments, the current location of key agencies and their property assets. This group has also explored a range of community ownership and development vehicles that could be developed to run services, co-ordinate provision or manage assets.

14. A Social Regeneration Charter for Walworth is being drafted in consultation with the group referred to in paragraph 13 above. A baseline and update has already been carried out for Notting Hill Genesis by Social Life of residents on Aylesbury Estate. Further baseline work will take place in the wider Walworth area. The draft Social Regeneration Charter will be presented to Cabinet in March 2020.
15. A key focus for the activities of Creation Trust has been the engagement of key residents in the regeneration programme for the Estate. In addition to Board level engagement a Regeneration Sub-Group has been in operation and has played an active role in key stages such as the appointment of the development partner. Notting Hill Genesis has an evolving programme of community engagement and it is anticipated that the RSG functions can be absorbed in these programmes. As the group of community organisations develops, there will be a mechanism for resident engagement in this group. In addition discussions are taking place with the Tenants and Residents Associations locally about developing a clear way for all residents of social housing to be engaged in the Aylesbury Estate regeneration programme.

Policy implications

16. The contents of this report are being incorporated into the drafting of the Social Regeneration Charter for Walworth.

Community impact statement

17. The review of the activities carried out by Creation has assessed the impact of stopping these services on the community. As set out above the key service which needs to be continued is the provision of independent housing advice to tenants and those in temporary accommodation on the Aylesbury Estate.

Resource implications

18. It is anticipated that the cost of providing the independent housing advice to Aylesbury Council tenants and those in temporary accommodation on the estate is £100,000 pa. It is proposed to fund this service from the HRA allocations for Aylesbury regeneration. This level of grant funding would continue during the rehousing programme (anticipated to be up to 10 years).
19. The redundancy costs of the current Creation Trust staff have been factored into their Business Plan.
20. The decision on the use of the reserves held by the New Aylesbury Trust will be made by the Creation Board. The Council will be informed of that decision before 31 March 2021 when Creation disbands. It is currently anticipated that this funding will be made available for community development activities in Walworth.

Legal implications

21. The Creation Trust has performed an important role in supporting residents during

the period of the regeneration of the Aylesbury estate. The Trust has decided to end its operations in March 2021 but it has determined to establish a Community Interest Company to protect the interests of residents.

22. This report proposes providing funding to the newly formed Creation Southwark CIC which has been set up by the Creation Trust. It is understood that the two directors are the Chief Executive from the Creation Trust together with one of the Trustees and that the company assets and part funding is provided by the Creation Trust.
23. The report refers to a Service Level Agreement and it is assumed that this will include the regular provision of accounts so that it can be confirmed that the service is giving value for money and that it is meeting local rehousing needs.
24. Section 1 of the Localism Act 2011 provides the council with the power to do anything that individuals generally may do. The council may exercise this power for the benefit of the authority, its area, or persons resident or present in its area. This general power is limited by any restrictions in any existing or future legislation
25. Section 111 of the Local Government Act 1972 provides powers for a local authority to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

Financial implications

26. The report is recommending Cabinet approve funding of £100,000 per annum to Creation Southwark to provide housing advice for the remaining life of the rehousing programme. The duration of funding and, therefore, the total amount payable is not certain at this stage but is likely to be for approximately 10 years and be around £1m in total.
27. The funding proposal has missed this year's budget cycle and will therefore need to be met from HRA reserves in 2020-21. A base budget will be established for future years.
28. A funding agreement will need to be in place with Creation Southwark, which should set out clearly the conditions of grant funding and officers will need to establish effective monitoring arrangements to ensure those conditions are met.
29. Creation Southwark is a newly formed Community Interest Company, having been incorporated in September 2019. Given it has only been operating for a very short while, the risk of failure is higher than would otherwise be the case. Officers should be aware of this risk when agreeing both the frequency and timing of funding payments and should not overly commit council funds unnecessarily.

Consultation

30. The proposals contained within this report have been discussed with Faraday ward members.
31. The proposals contained within this report were presented to the Creation Board on October 16 2019.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance

32. This report is seeking Cabinet approval for the council to provide to the Creation Southwark Community Interest Company annual funding of £100,000 from 2020-21 for the remaining life of the rehousing programme on the Aylesbury estate. As noted in the financial implications section of the report, the funding will be provided by the HRA, and will be met from reserves in 2020-21 and a base budget adjustment for subsequent years. Funding for 2020-21 is an addition to that provided by Notting Hill Genesis, which will be fully defrayed in 2020-21.

APPENDICES

No.	Title
Appendix 1	Employment and Training Review

AUDIT TRAIL

Cabinet Member	Councillor Johnson Situ, Cabinet Member for Growth, Development and Planning		
Lead Officer	Kevin Fenton, Strategic Director of Place and Wellbeing		
Report Author	Neil Kirby, Head of Regeneration South		
Version	Final		
Dated	9 January 2020		
Key Decision?	Yes		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments Sought	Comments Included	
Director of Law and Democracy	Yes	Yes	
Strategic Director of Finance and Governance	Yes	Yes	
Cabinet Member	Yes	Yes	
Date final report sent to Constitutional Team		10 January 2020	