



# Corporate Budget Book 2019-20



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## 1. INTRODUCTION

The economic climate remains challenging over the coming years, with Local Government funding continuing to face large cuts as has been the case over the last 10 years.

The Council has seen its government grant funding reduce over time. Since 2013/14, (when ring-fenced grants were 'rolled in' to the main formula grant) the Council's government funding has been cut by over 58%. At the same time, the Council has faced increased financial pressure due to changes in such things as population, demographics, government policy etc.

The overall effect of these changes has meant the Council has had to make over £174m cuts to its budget from 2010/11 (including £9m cuts in 2019/20), in order to produce a balanced budget as required by law.

The Council places its Corporate Strategy at the heart of its medium term financial planning and financial decision making. [For more information on the Corporate Strategy, please visit the Council's website.](#)

The Corporate Strategy influences the key financial decisions made and shapes the way Council services are delivered.

Lewisham Council agreed its 2019/20 budget at the Council meeting held on the 27 February 2019. The full budget report along with the decisions made are available online on the [Council's website](#).

This corporate budget book outlines the Council's plan for revenue and capital expenditure on its services and infrastructure for 2019/20. This budget incorporates the cuts noted above, allows the Council to provide the best services it can in line with the Council's Corporate Strategy, and empowers it to build on the achievements of previous years.

For 2019/20, the Council's net revenue General Fund budget is £243.01m (£241.28m in 2018/19).

The Council's Capital Programme (Budget) is £344.70m for the three year period 2019/20 to 2021/22. This is financed through the General Fund (£72.70m) and Housing Revenue Account (£272.00m) and includes all the capital projects across the Council.

Budget monitoring and control throughout the financial year will ensure that the Council maintains control over the delivery and expenditure of the services it provides for the people of Lewisham.

The book outlines a summary of the Housing Revenue Account (HRA) budget for 19/20. HRA is a statutory account held separately from the General Fund.

## 2. SUMMARY OF FUNDING SOURCES

### 2.1. How are the General Fund Services Financed?

The General Fund includes services such as Children's and Adult Services, Public Services, Transport, Environment & Regulatory Services, and the corporate activities required to coordinate and manage the work of the Council.

General Fund services (i.e. those other than associated with the provision of council housing and schools) are financed by:

- Government – Settlement Funding Assessment (SFA) which is made up of Revenue Support Grant (RSG) and Baseline Funding Level; and other non-ring-fenced grants.
- Local taxpayers – through the Council Tax;
- Local service users – through fees and charges;
- Specific Grants, such as, Public health Grant (PHG), Adult Social Care Support Grant (ASCSG) and Improved Better Care Fund (IBCF).

Lewisham's planned General Fund net expenditure for 2019/20 is £243.01m (2018/19 was £241.28m). This is referred to as the "Budget Requirement" and is funded from a combination of the above sources. Funding for schools is financed separately through the Dedicated Schools Grant.

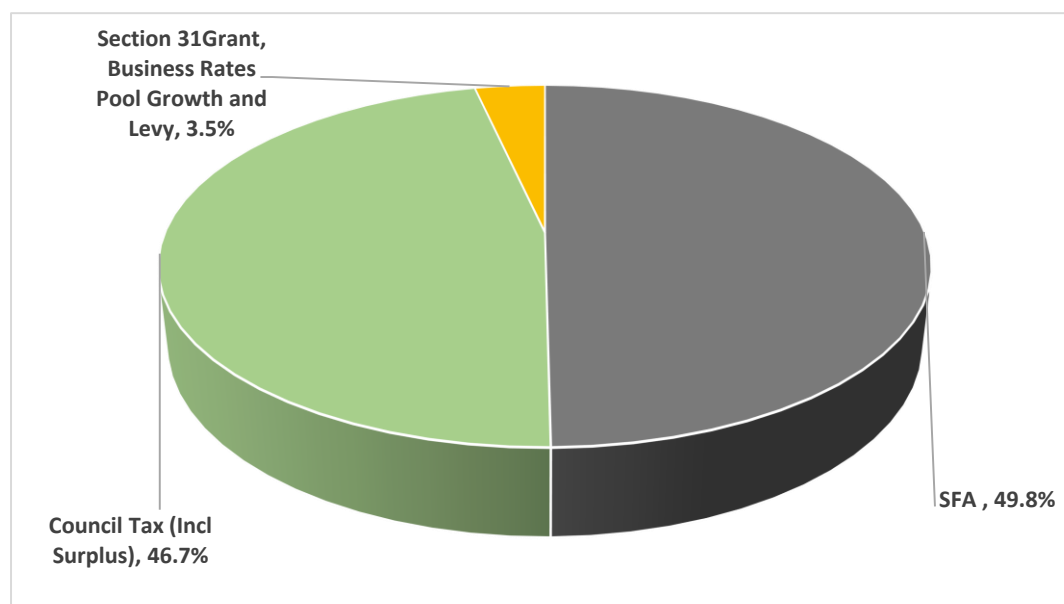
Table 1 shows the funding sources for 2019/20 which finance the general fund services.

**Table 1: 2019/20 Funding Sources**

| Detail  | Income<br>£m  | % of<br>Budget |
|---|---------------|----------------|
| <i>RSG for 2019/20</i>                          | <i>27.54</i>  | <i>22.7%</i>   |
| <i>BFL (Baseline Funding Level)</i>             | <i>93.63</i>  | <i>77.3%</i>   |
| Total SFA for 2019/20                           | 121.17        | 49.8%          |
| Council Tax 2019/20                             | 111.74        | 46.0%          |
| Surplus on Collection Fund                      | 1.70          | 0.7%           |
| Section 31 – Grant & Business Rates Pool Growth | 7.00          | 2.9%           |
| Business Rates Levy Surplus                     | 1.40          | 0.6%           |
| <b>2019/20 Funding</b>                          | <b>243.01</b> |                |

*The above table excludes fees, charges and specific grants as they are net nil budgets.*

**Chart 1: 2019/20 Funding Sources**



### 3. HOW THE COUNCIL SPENDS ITS MONEY

#### 3.1. The Council's Structure

The Council operates under four Directorates:

- Children and Young People (CYP);
- Community Services (COM);
- Corporate Resources (including Corporate Provisions) (COR)
- Housing, Regeneration & Environment (HRE)

Under each Directorate, there are a number of Divisions which are headed by Directors. Each Division operates a number of services which are funded through the General Fund.

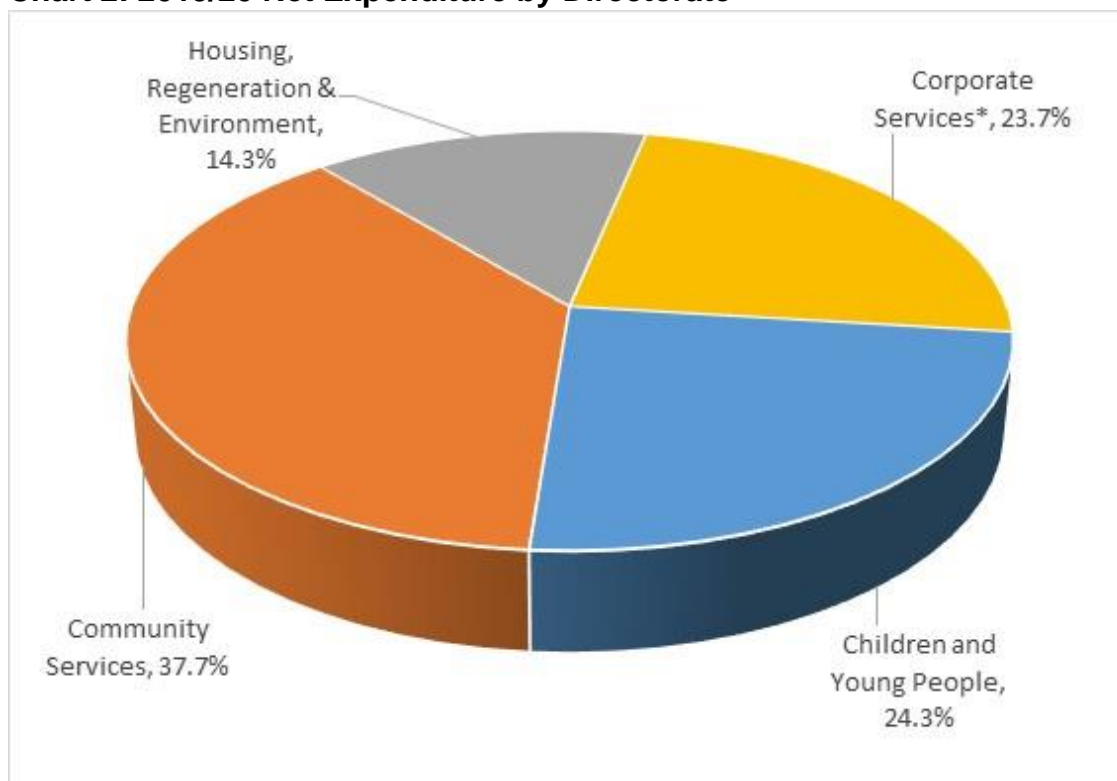
Table 2 shows the net expenditure budgets (excluding other income and internal recharges) by Directorate, with a comparison to the prior year's final budget position.

**Table 2: Net Expenditure Budget by Directorate**

| Directorate   | 2019/20<br>£m | 2018/19<br>£m | Change<br>£m | Change<br>% |
|---------------|---------------|---------------|--------------|-------------|
| CYP           | 58.95         | 54.66         | 4.29         | 7.8%        |
| COM           | 91.72         | 90.88         | 0.84         | 0.9%        |
| COR*          | 51.71         | 61.04         | -3.33        | -5.5%       |
| HRE           | 34.63         | 34.70         | -0.07        | -0.2%       |
| <b>Budget</b> | <b>243.01</b> | <b>241.28</b> | <b>1.73</b>  | <b>0.7%</b> |

\*Including Corporate Items

**Chart 2: 2019/20 Net Expenditure by Directorate**



*\*including Corporate Items*

### 3.2. Paying for General Fund Services

The Council's 2019/20 gross revenue expenditure budget is £1,096.84m as at 1 April 2019.

The Council's gross income from fees & charges and other specific grants is £853.82m. These are netted off the gross expenditure of £1,096.84m to arrive at the Council's 2019/20 Budget Requirement (which is funded as stated in Table 1).

Each Directorate's gross and net budget is summarised in Table 3 below, and detailed in Section 4.

**Table 3: 2019/20 Directorate Budget Summary**

| Directorate   | Gross Expenditure<br>£m | Gross Income<br>£m | Net<br>£m |
|---------------|-------------------------|--------------------|-----------|
| CYP           | 490.86                  | -431.91            | 58.95     |
| COM           | 177.60                  | -85.88             | 91.72     |
| COR*          | 305.03                  | -247.32            | 57.71     |
| HRE           | 123.34                  | -88.71             | 34.63     |
| <b>Budget</b> | <b>1,096.84</b>         | <b>-853.82</b>     | 243.01    |

*\*Including Corporate Items*

### 3.3. Gross Income

Apart from the Settlement Funding Assessment outlined in Table 1, the Council also receives additional grants from Central Government which are mainly ring-fenced and must be used to provide specific services.

Income is also generated from services charged for, such as Commercial Waste, Burials, Planning Applications, Parking, etc.

A summary of the Lewisham's gross income is provided below.

**Table 4: Summary of 2019/20 Gross Income**

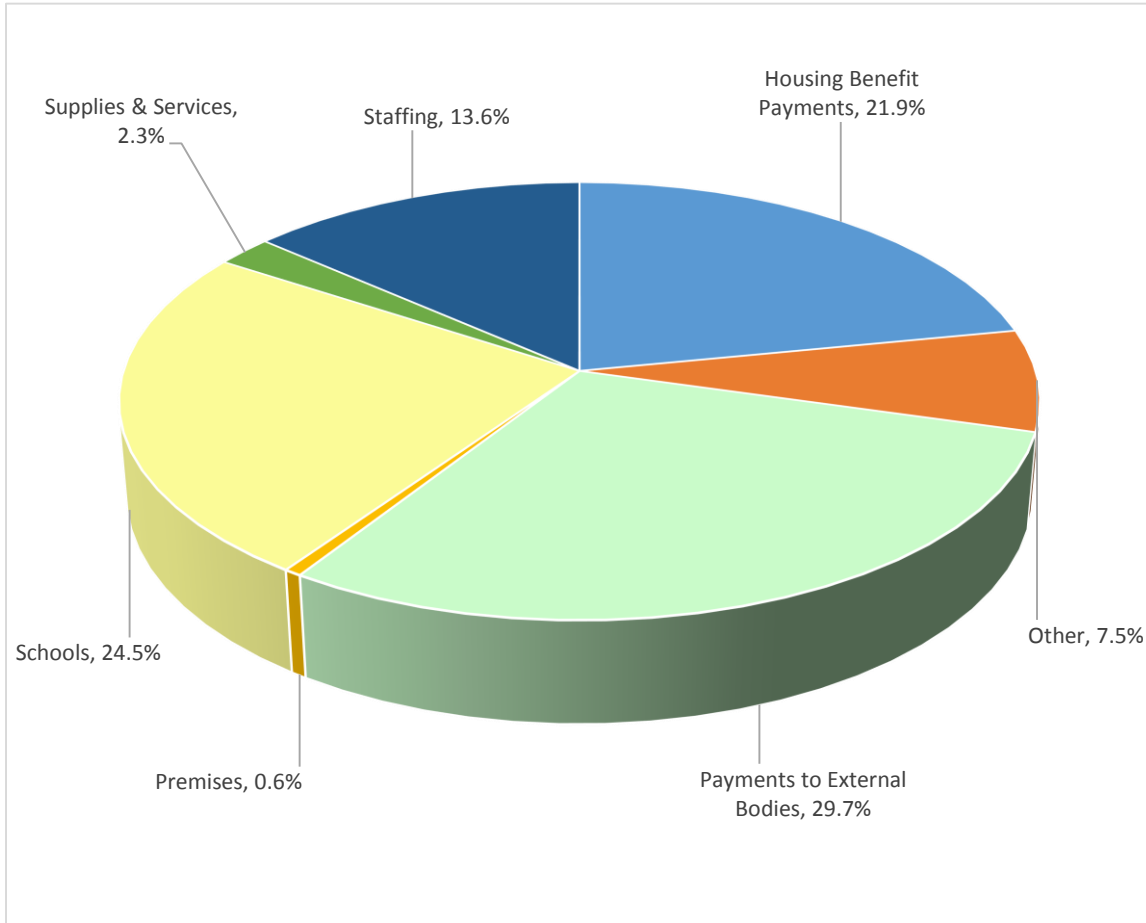
| Description                                  | £m            |
|--|---------------|
| Dedicated Schools Grant (DSG)                | 290.88        |
| Pupil Premium                                | 12.86         |
| Public Health Grant                          | 23.68         |
| Rent Allowances                              | 157.70        |
| Rent Rebates                                 | 48.87         |
| Other Government Grants (incl. ASCSG & iBCF) | 69.46         |
| <b>Government Grants Income</b>              | <b>603.45</b> |
| Fees and Charges                             | 17.46         |
| Better Care Fund (BCF)                       | 9.00          |
| Interest and Item 8 HRA                      | 5.80          |
| Rent   | 26.19         |
| Internal Recharges                           | 107.09        |
| Other Income                                 | 83.62         |
| <b>Total Gross Income</b>                    | <b>853.82</b> |

### 3.4. Gross and Net Expenditure Budgets

#### 3.4.1. Gross Expenditure

The graph below shows the Council's gross expenditure in percentage terms split by Type of spend across the four Directorates.

**Chart 3: Gross Directorate Expenditure by Type**

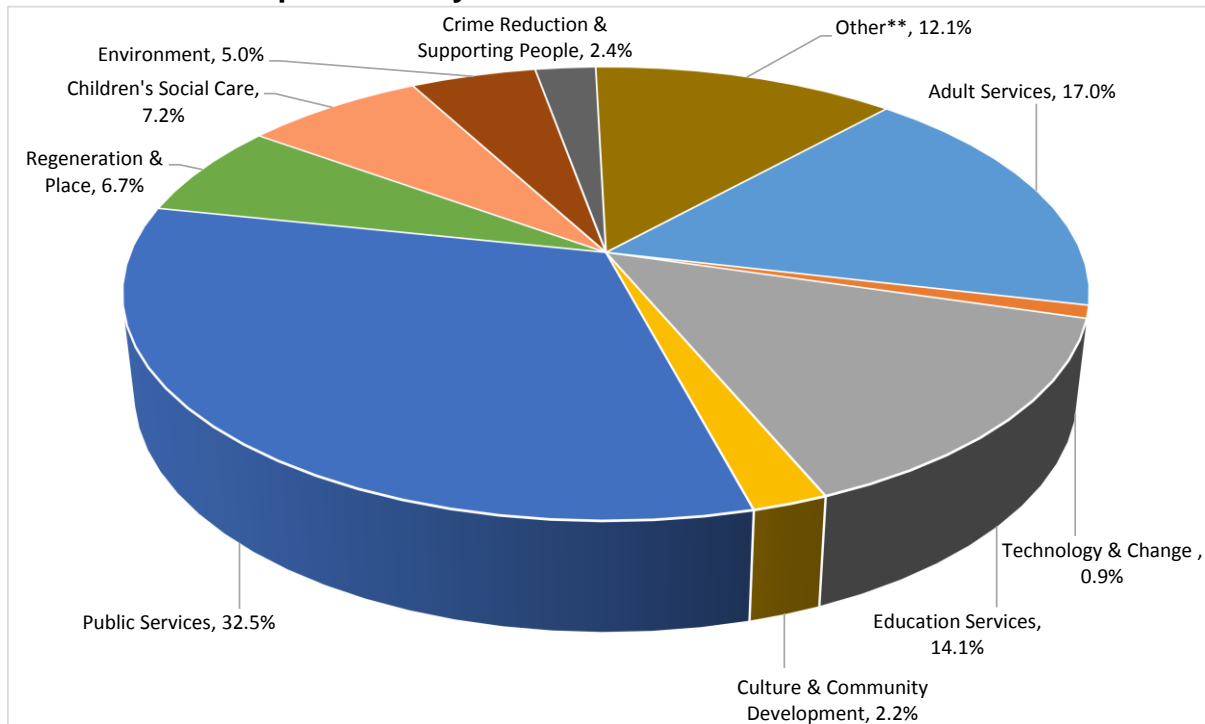


The pie chart below shows the percentage split of the Council's gross expenditure by Division (excluding schools and corporate items).

Public Services is the largest gross expenditure area, due to the cost of housing benefits. This cost is covered by rent allowances and rent rebates income as shown in table 4.



**Chart 4: Gross Expenditure by Division \***



*\*Excluding schools and Corporate Items*

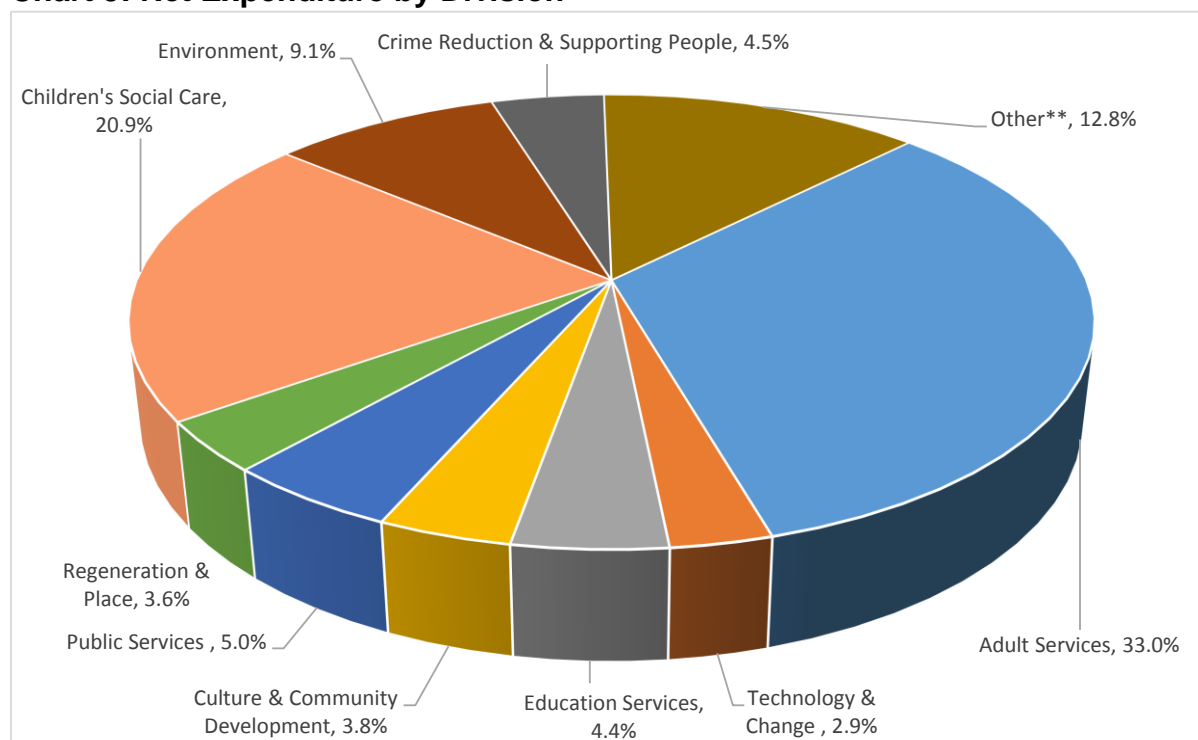
*\*\*Other include:- Strategic Housing, Strategy & Joint Commissioning, Public Health, Corporate Resources, Strategy & Communications, Policy & Governance, Finance, Legal Services, Organisation Development & Human Resources, Planning and Strategy*

### **3.4.2. Net Expenditure**

In contrast to the percentage split of gross expenditure, the highest expenditure area of net expenditure is Adult Services, which is responsible for 33% of the Council's net budget. This is closely followed by Children's Services responsible for 21% of the net budget.

The chart below shows the percentage split of the Council's 2019/20 Net Expenditure Budget by Division.

**Chart 5: Net Expenditure by Division\***



\*Excluding schools and Corporate Items

\*\*Other include:- Strategic Housing, Strategy & Joint Commissioning, Public Health, Corporate Resources, Strategy & Communications, Policy & Governance, Finance, Legal Services, Organisation Development & Human Resources, Planning and Strategy

### 3.5. Changes between the 2018/19 and 2019/20 Budgets

Tables 5 and 6 below show the budget changes made to the 2018/19 budget in computing the 2019/20 budget:

- At the Council level; and
- By Directorate.

**Table 5: 2019/20 Net Budget Changes at Council Level**

| Description             | £m            |
|-------------------------|---------------|
| 2018/19 Budget          | 241.28        |
| Changes made:           |               |
| Cuts                    | -9.27         |
| Pressures & other risks | 6.50          |
| Non-Salary Inflation    | 2.46          |
| Salary Inflation        | 3.30          |
| Other Movements         | -1.26         |
| <b>2019/20 Budget</b>   | <b>243.01</b> |

**Table 6: 2019/20 Net Budget Changes at Directorate level as at the start of the financial year**

| Description                   | CYP<br>£m    | COM<br>£m    | CUS<br>£m    | R&R*<br>£m   | Total<br>£m   |
|-------------------------------|--------------|--------------|--------------|--------------|---------------|
| 2018/19 final budget position | 54.66        | 90.88        | 42.40        | 53.34        | 241.28        |
| <b>Changes:</b>               |              |              |              |              |               |
| Cuts                          | -1.57        | -3.68        | -2.30        | -1.72        | -9.27         |
| Pressures & other risks       | 4.60         | 0.23         | 1.10         | 0.57         | 6.50          |
| Non-Salary Inflation          | 0.78         | 1.41         | 0.14         | 0.13         | 2.46          |
| Salary Inflation              | 0.48         | 0.75         | 1.09         | 0.99         | 3.31          |
| Other Movements               | 0.00         | 2.13         | 0.39         | -3.79        | -1.27         |
| <b>2019/20 Budget</b>         | <b>58.95</b> | <b>91.72</b> | <b>42.82</b> | <b>49.52</b> | <b>243.01</b> |

*\*Including Corporate items*

NB: During the year, a number of divisions were moved between Customer Services directorate (CUS) and Resources & Regeneration (RnR) directorate. The newly formed Customer Services directorate is now called Housing Regeneration & Environment (HRE) and the newly formed Resources & Regeneration is now called Corporate Services (COR)

#### 4. DIRECTORATE SUMMARIES

This section outlines the gross expenditure and income of each Directorate's General Fund budget. It provides a budget summary by division as well as by service area.

**Table 7: Overall 2019/20 Budget Summary by Directorate**

| 2019/20 Budget                          | CYP<br>£m      | COM<br>£m     | COR<br>£m      | Corporate<br>Items<br>£m | HRE<br>£m     | Total<br>£m     |
|---|----------------|---------------|----------------|--------------------------|---------------|-----------------|
| <b>Expenditure</b>                      |                |               |                |                          |               |                 |
| Staffing Costs                          | 183.24         | 32.71         | 31.22          | 0.00                     | 32.14         | 279.31          |
| Internal Recharges*                     | 96.05          | 1.99          | 0.41           | 0.00                     | 7.37          | 105.82          |
| Running Costs                           | 211.57         | 142.90        | 244.01         | 28.77                    | 83.83         | 711.08          |
| Capital Charges                         | 0.00           | 0.00          | 0.00           | 0.63                     | 0.00          | 0.63            |
| <b>Total Expenditure</b>                | <b>490.86</b>  | <b>177.60</b> | <b>275.64</b>  | <b>29.40</b>             | <b>123.34</b> | <b>1,096.84</b> |
| <b>Income</b>                           |                |               |                |                          |               |                 |
| External sources                        | -344.75        | -85.40        | -238.36        | 0.00                     | -72.39        | -740.91         |
| Internal Recharges*                     | -87.16         | -0.48         | -3.13          | 0.00                     | -16.32        | -107.09         |
| Capital / Investment<br>Income/ Reserve | 0.00           | 0.00          | 0.00           | -5.84                    | 0.00          | -5.84           |
| <b>Total Income</b>                     | <b>-431.91</b> | <b>-85.88</b> | <b>-241.49</b> | <b>-5.84</b>             | <b>-88.71</b> | <b>-853.82</b>  |
| <b>Net Budget<br/>2019/20</b>           | <b>58.95</b>   | <b>91.72</b>  | <b>34.15</b>   | <b>23.56</b>             | <b>34.63</b>  | <b>243.01</b>   |

\* The net expenditure of £1.27 is offset by a net internal recharge to the HRA.

## **4.1. DIRECTORATE FOR CHILDREN & YOUNG PEOPLE (CYP)**

### **Directorate Description**

The Directorate provides services for children and young people which safeguard life and welfare and promote life-chances and wellbeing, including:

- Children's Social Care;
- Education Services;
- Schools; and
- Strategy and Joint Commissioning.

### **4.1.1. CYP Division Description**

The Directorate operates across four Divisions. A summary description of each division is given below.

#### **Children's Social Care**

The service covers all Children's Social Care functions, employing social workers and other specialist staff who support children and their families. The service works with children in need of protection and support, children who require child protection plans and those who are looked after by the Council as well as care leavers up to the age of 25. The service recruits and supports foster carers and finds permanent homes for children through adoption and connected carers. At any time, the service has over 2,300 open cases.

#### **Education Services**

This service supports schools and the pupils in those schools. The functions include school admissions, school attendance, inclusion and support for governance, Human Resources and ensuring there are enough school places for all children in the borough. This service leads on improving standards in schools, working in partnership with schools across the borough. Accessing services for children with special educational needs and disabilities (SEND), including education psychology, also sit in this area.

#### **Schools**

- The Directorate is responsible for the services provided by:
- 2 Nursery Schools for 218 pupils,
- 1 Pupil Referral Unit (PRU) for 98 pupils,
- 63 Primary schools for 22,865 pupils,
- 5 Special Schools for 585 pupils,
- 8 Secondary Schools for 7,543 pupils, and
- 3 All through Schools for 2,737 pupils.

#### **Strategy & Joint Commission**

This service works closely with local health partners to commission services for children - mental health, health visiting, maternity services as well as children and

family centres, the youth service and family support. This service also commissions placements for looked after children and children with disabilities, ensuring good quality and value for money.

Table 8 provides an overall summary of the types of income and expenditure by Division within the Children & Young People Directorate.

#### 4.1.2. CYP Overall Summary by Division

Table 8 provides an overall summary of the budget by Division, broken down in the different categories of income and expenditure.

**Table 8: 2019/20 Budget Summary by Division**

| 2019/20 Budget            | Children's Social Care<br>£m | Education Services<br>£m | Schools*<br>£m | Strategy & Joint Commissioning<br>£m | Total<br>£m    |
|---------------------------|------------------------------|--------------------------|----------------|--------------------------------------|----------------|
| <b>Expenditure</b>        |                              |                          |                |                                      |                |
| <b>Staffing Costs</b>     | 17.15                        | 12.25                    | 148.16         | 5.68                                 | 183.24         |
| <b>Internal Recharges</b> | 0.03                         | 15.93                    | 80.03          | 0.06                                 | 96.05          |
| <b>Running Costs</b>      | 36.38                        | 77.34                    | 87.48          | 10.37                                | 211.57         |
| <b>Total Expenditure</b>  | <b>53.56</b>                 | <b>105.52</b>            | <b>315.67</b>  | <b>16.11</b>                         | <b>490.86</b>  |
| <b>Income</b>             |                              |                          |                |                                      |                |
| <b>External sources</b>   | -0.78                        | -15.78                   | -315.67        | -12.52                               | -344.75        |
| <b>Internal Recharges</b> | -7.00**                      | -80.00                   | 0.00           | -0.16                                | -87.16         |
| <b>Total Income</b>       | <b>-7.78</b>                 | <b>-95.78</b>            | <b>-315.67</b> | <b>-12.68</b>                        | <b>-431.91</b> |
| <b>Net Budget 2019/20</b> | <b>45.78</b>                 | <b>9.74</b>              | <b>0.00</b>    | <b>3.43</b>                          | <b>58.95</b>   |

\* Schools Column shows the indicative gross funding level for DSG and pupil premium. Majority of the DSG funding is allocated to schools as part of their funding formula budget share. The governing body for each school has responsibility for determining the local management of this funding. The spend profile shown is purely for illustration based on reasonable understanding of spend profiles. The table shows 80% of spend on Salaries, and 20% on other – this is an average position and not reflective of all schools.

\*\* From reserves to support the pressure on Social Care Spend.

#### 4.1.3. CYP Overall Summary by Service

Table 9 provides a further breakdown of the Divisions in Children & Young People Directorate by Service Area.

**Table 9: 2019/20 Budget Summary by Service Area**

| Division                              | Service   | Staffing Costs<br>£m | Internal Recharge (Exp)<br>£m | Running Costs<br>£m | External Source<br>£m | Internal Recharge (Inc)<br>£m | Total<br>£m  |
|---------------------------------------|---|----------------------|-------------------------------|---------------------|-----------------------|-------------------------------|--------------|
| <b>Children's Social Care Service</b> | Business Strategy, Fostering, Placement & Procurement         | 6.15                 | 0.00                          | 27.25               | 0.00                  | -7.00                         | 26.40        |
|                                       | Looked After Children, Leaving Care & Adoption                | 2.59                 | 0.00                          | 4.12                | -0.50                 | 0.00                          | 6.21         |
|                                       | Family Social Work Service                                    | 2.14                 | 0.00                          | 1.10                | 0.00                  | 0.00                          | 3.24         |
|                                       | Quality & Assurance   | 1.10                 | 0.05                          | 0.02                | -0.10                 | 0.00                          | 1.07         |
|                                       | Assistant Director, Children's Social Care                    | 4.34                 | 0.00                          | -0.09               | 0.00                  | 0.00                          | 4.25         |
|                                       | Early Help Referral & Assessment                              | 0.83                 | -0.02                         | 3.98                | -0.18                 | 0.00                          | 4.61         |
|                                       | <b>Division Total</b>   |                      | <b>17.15</b>                  | <b>0.03</b>         | <b>36.38</b>          | <b>-0.78</b>                  | <b>-7.00</b> |
| <b>Education Services</b>             | School Improvement & Intervention                             | 0.44                 | 0.00                          | 0.36                | -0.04                 | -0.25                         | 0.51         |
|                                       | Access Inclusion & Participation                              | 1.99                 | 0.59                          | 0.52                | -0.79                 | -2.32                         | -0.01        |
|                                       | Virtual School  | 0.72                 | 12.03                         | 0.85                | -12.86                | -0.74                         | 0.00         |
|                                       | School Services   | 0.37                 | 0.00                          | 0.05                | -0.31                 | 0.00                          | 0.11         |
|                                       | School Place Planning   | 0.18                 | 0.00                          | 0.37                | -0.01                 | -0.39                         | 0.15         |
|                                       | Schools HR  | 1.34                 | 1.00                          | -1.09               | -0.82                 | -0.51                         | -0.08        |
|                                       | Lewisham Learning   | 0.00                 | 0.10                          | 0.20                | 0.00                  | -0.10                         | 0.20         |
|                                       | Early Years Sufficiency & Quality Children with Complex Needs | 0.60                 | 0.00                          | 24.03               | -0.08                 | -24.55                        | 0.00         |
|                                       | 4.83  | 2.21                 | 52.02                         | -0.28               | -50.96                | 7.82                          |              |



| Division                                  | Service                                | Staffing Costs<br>£m | Internal Recharge (Exp)<br>£m | Running Costs<br>£m | External Source<br>£m | Internal Recharge (Inc)<br>£m | Total<br>£m  |
|---|--|----------------------|-------------------------------|---------------------|-----------------------|-------------------------------|--------------|
|   | Education Psychology & Sensory Support | 1.78                 | 0.00                          | 0.03                | -0.59                 | -0.18                         | 1.04         |
| <b>Division Total</b>                     |  | <b>12.25</b>         | <b>15.93</b>                  | <b>77.34</b>        | <b>-15.78</b>         | <b>-80.00</b>                 | <b>9.74</b>  |
| <b>Schools</b>                            | Dedicated Schools Grant                | 0.00                 | 73.00                         | 41.11               | -290.92               | 0.00                          | -176.81      |
|   | Individual Schools' Budget (ISB)       | 148.16               | 7.03                          | 37.04               | -15.42                | 0.00                          | 176.81       |
|   | Catering                               | 0.00                 | 0.00                          | 9.33                | -9.33                 | 0.00                          | 0.00         |
| <b>Division Total</b>                     |  | <b>148.16</b>        | <b>80.03</b>                  | <b>87.48</b>        | <b>-315.67</b>        | <b>0.00</b>                   | <b>0.00</b>  |
| <b>Strategy &amp; Joint Commissioning</b> | Strategy and Performance Review        | 4.49                 | 0.06                          | 3.88                | -7.21                 | -0.06                         | 1.16         |
|   | Joint Commissioning                    | 1.08                 | 0.00                          | 4.49                | -3.20                 | -0.10                         | 2.27         |
|   | Partnerships                           | 0.11                 | 0.00                          | 2.00                | -2.11                 | 0.00                          | 0.00         |
| <b>Division Total</b>                     |  | <b>5.68</b>          | <b>0.06</b>                   | <b>10.37</b>        | <b>-12.52</b>         | <b>-0.16</b>                  | <b>3.43</b>  |
| <b>Total</b>                              |  | <b>183.24</b>        | <b>96.05</b>                  | <b>211.57</b>       | <b>-344.75</b>        | <b>-87.16</b>                 | <b>58.95</b> |

## 4.2. DIRECTORATE FOR COMMUNITY SERVICES (COM)

### Directorate Description

The Directorate works with a wide range of public, private and voluntary sector partners including the NHS, the Lewisham Clinical Commissioning Group, the Metropolitan Police, local voluntary and community organisations and local business.

Together with these partners, the Directorate is committed to the vision of 'Building Stronger Communities across Lewisham' by creating:

- healthy and caring communities;
- vibrant, active and inclusive communities; and
- safer and secure communities.

To achieve this, the Directorate seeks to build independence and inter-dependence in local communities, strengthen the social fabric of the borough, promote the voice and role of the voluntary and community sector and secure improved services that support independence, health and wellbeing in Lewisham.

### 4.2.1. COM Division Description

The Directorate operates across five Divisions. A summary description of each division is given below.

#### **Adult Social Care**

The service offers a range of care and support services to help frail, disabled and other vulnerable adults to remain independent, active and safe. Support is provided in their own homes, in a community setting or in a care home.

#### **Crime Reduction and Supporting People**

The service covers Crime reduction, safer neighbourhood initiatives and CCTV. Supporting children and young people who are involved in or are the victims of crime.

Enforcement and Regulation activities including Trading Standards, Environmental Health and licensing activities.

#### **Culture and Community Development**

The service covers libraries, arts and entertainment, adult education, community/neighbourhood development and leisure, sports and recreation activities.

#### **Public Health**

The service covers a range of areas to do with Public health including immunisation and screening programmes. Its overall goal lies in shaping local health Services and support for the health of the local population

#### **Strategy**

This area covers the overall direction of the directorate and includes the Department Management Team (DMT).

#### 4.2.2. COM Overall Summary by Division

Table 10 provides an overall summary of the budget by division, broken down into the different categories of income and expenditure.

**Table 10: Budget Summary by Division**

| 2019/20 Budget            | Adult Social Care<br>£m | Crime Reduction & Supporting People<br>£m | Culture & Community Development<br>£m | Public Health<br>£m | Strategy<br>£m | Total<br>£m   |
|---------------------------|-------------------------|---|---------------------------------------|---------------------|----------------|---------------|
| <b>Expenditure</b>        |                         |   |                                       |                     |                |               |
| Staffing Costs            | 17.86                   | 6.02                                      | 7.16                                  | 0.81                | 0.86           | <b>32.71</b>  |
| Internal Recharges        | 1.78                    | 0.04                                      | 0.07                                  | 0.00                | 0.10           | <b>1.99</b>   |
| Running Costs             | 107.73                  | 11.93                                     | 8.87                                  | 14.05               | 0.32           | <b>142.90</b> |
| <b>Total Expenditure</b>  | <b>127.37</b>           | <b>17.99</b>                              | <b>16.10</b>                          | <b>14.86</b>        | <b>1.28</b>    | <b>177.60</b> |
| <b>Income</b>             |                         |   |                                       |                     |                |               |
| External sources          | -54.78                  | -7.67                                     | -7.76                                 | -15.19              | 0.00           | <b>-85.40</b> |
| Internal Recharges        | -0.03                   | -0.34                                     | -0.08                                 | 0.00                | -0.03          | <b>-0.48</b>  |
| <b>Total Income</b>       | <b>-54.81</b>           | <b>-8.01</b>                              | <b>-7.84</b>                          | <b>-15.19</b>       | <b>-0.03</b>   | <b>-85.88</b> |
| <b>Net Budget 2019/20</b> | <b>72.56</b>            | <b>9.98</b>                               | <b>8.26</b>                           | <b>-0.33</b>        | <b>1.25</b>    | <b>91.72</b>  |

#### 4.2.3. COM Overall Summary by Service

Table 11 provides a further breakdown of the Divisions in Community Services by Service Area.

**Table 11: Budget Summary by Service Area**

| Division                                       | Service  | Staffing Costs<br>£m | Internal Recharge (Exp)<br>£m | Running Costs<br>£m | External Source<br>£m | Internal Recharge (Inc)<br>£m | Total<br>£m  |
|--|--|----------------------|-------------------------------|---------------------|-----------------------|-------------------------------|--------------|
| <b>Adult Social Care</b>                       | Internal Provider Services                       | 4.20                 | 0.19                          | 0.44                | -3.52                 | -0.03                         | 1.28         |
|  | Community Mental health                          | 2.55                 | 0.00                          | 6.77                | -2.08                 | 0.00                          | 7.24         |
|  | Adult Social Care Modernisation & Transformation | 1.45                 | 0.00                          | 3.76                | -15.12                | 0.00                          | -9.91        |
|  | Adults Social Care Resources                     | 0.00                 | 0.00                          | 0.09                | -0.06                 | 0.00                          | 0.03         |
|  | Joint Health & Social Care                       | 1.67                 | 0.00                          | 0.23                | -1.33                 | 0.00                          | 0.57         |
|  | Integrated Neighbourhoods                        | 4.57                 | 0.00                          | 0.02                | -3.64                 | 0.00                          | 0.95         |
|  | Safe Guarding Quality Assurance                  | 1.60                 | 0.00                          | 0.29                | -0.03                 | 0.00                          | 1.86         |
|  | Packages, Placements & Carers                    | 0.00                 | 0.98                          | 92.81               | -27.44                | 0.00                          | 66.35        |
|  | Joint Commissioning                              | 0.99                 | 0.61                          | 3.08                | -1.46                 | 0.00                          | 3.22         |
|  | Safeguarding                                     | 0.16                 | 0.00                          | 0.04                | -0.10                 | 0.00                          | 0.10         |
|  | Service Development and Improvement Unit         | 0.67                 | 0.00                          | 0.20                | 0.00                  | 0.00                          | 0.87         |
|  | <b>Division Total</b>                            |                      | <b>17.86</b>                  | <b>1.78</b>         | <b>107.73</b>         | <b>-54.78</b>                 | <b>-0.03</b> |
| <b>Crime Reduction &amp; Supporting People</b> | CCTV Service                                     | 0.06                 | 0.00                          | 0.54                | 0.00                  | -0.14                         | 0.46         |
|  | Drug Action Team                                 | 0.00                 | 0.00                          | 3.83                | -3.83                 | 0.00                          | 0.00         |
|  | Crime, Enforcement & Regulation                  | 2.14                 | 0.03                          | 0.19                | -0.87                 | 0.00                          | 1.49         |
|  | Youth Offending Team                             | 2.10                 | 0.00                          | 0.89                | -0.92                 | 0.00                          | 2.07         |
|  | Supporting People                                | 0.00                 | 0.00                          | 6.34                | -1.22                 | -0.20                         | 4.92         |
|  | Environment Health                               | 0.96                 | 0.01                          | 0.11                | -0.36                 | 0.00                          | 0.72         |

| Division                                   | Service                                     | Staffing Costs<br>£m | Internal Recharge (Exp)<br>£m | Running Costs<br>£m | External Source<br>£m | Internal Recharge (Inc)<br>£m | Total<br>£m |
|--|---|----------------------|-------------------------------|---------------------|-----------------------|-------------------------------|-------------|
| <b>Division Total</b>                      | Prevention & Inclusion                      | 0.76                 | 0.00                          | 0.03                | -0.47                 | 0.00                          | 0.32        |
|  |   | <b>6.02</b>          | <b>0.04</b>                   | <b>11.93</b>        | <b>-7.67</b>          | <b>-0.34</b>                  | <b>9.98</b> |
| <b>Culture &amp; Community Development</b> | Broadway Theatre Group                      | 0.19                 | 0.00                          | 0.26                | -0.31                 | -0.02                         | 0.12        |
|  | Arts Service Group                          | 0.00                 | 0.01                          | 0.00                | 0.00                  | 0.00                          | 0.01        |
|  | Library & Information Service               | 2.45                 | 0.02                          | 1.12                | -0.25                 | 0.00                          | 3.34        |
|  | Community Centres                           | 0.00                 | 0.00                          | 0.18                | -0.19                 | 0.00                          | -0.01       |
|  | Sports Development & Leisure Centres        | 0.00                 | 0.00                          | 3.03                | -2.32                 | 0.00                          | 0.71        |
|  | Events                                      | 0.01                 | 0.00                          | 0.28                | -0.19                 | -0.03                         | 0.07        |
|  | Community Sector Grants                     | 0.00                 | 0.00                          | 3.22                | -0.37                 | 0.00                          | 2.85        |
|  | Cultural & Community Development            | 0.99                 | 0.00                          | 0.02                | 0.00                  | 0.00                          | 1.01        |
|  | Adult Learning Lewisham                     | 3.52                 | 0.03                          | 0.42                | -3.94                 | -0.03                         | 0.00        |
|  | Neighbourhood Development: Local Assemblies | 0.00                 | 0.01                          | 0.34                | -0.19                 | 0.00                          | 0.16        |
| <b>Division Total</b>                      |   | <b>7.16</b>          | <b>0.07</b>                   | <b>8.87</b>         | <b>-7.76</b>          | <b>-0.08</b>                  | <b>8.26</b> |
| <b>Public Health</b>                       | Sexual Health                               | 0.00                 | 0.00                          | 5.37                | 0.00                  | 0.00                          | 5.37        |
|  | NHS Health Check Programme                  | 0.00                 | 0.00                          | 0.35                | 0.00                  | 0.00                          | 0.35        |
|  | Health Protection                           | 0.00                 | 0.00                          | 0.05                | 0.00                  | 0.00                          | 0.05        |
|  | Obesity                                     | 0.00                 | 0.00                          | 0.32                | 0.00                  | 0.00                          | 0.32        |
|  | Physical Activity                           | 0.00                 | 0.00                          | 0.00                | 0.00                  | 0.00                          | 0.00        |
|  | Smoking & Tobacco                           | 0.00                 | 0.00                          | 0.58                | 0.00                  | 0.00                          | 0.58        |
|  | Other Public Health Services                | 0.00                 | 0.00                          | 0.11                | 0.00                  | 0.00                          | 0.11        |
|  | Public Health Staffing Team                 | 0.81                 | 0.00                          | 0.00                | -15.19                | 0.00                          | -14.39      |
|  | National Child Measurement Programme        | 0.00                 | 0.00                          | 6.92                | 0.00                  | 0.00                          | 6.92        |

| Division              | Service                                  | Staffing Costs<br>£m | Internal Recharge (Exp)<br>£m | Running Costs<br>£m | External Source<br>£m | Internal Recharge (Inc)<br>£m | Total<br>£m  |
|-----------------------|--|----------------------|-------------------------------|---------------------|-----------------------|-------------------------------|--------------|
|                       | Young Persons Health & Wellbeing Service | 0.00                 | 0.00                          | 0.36                | 0.00                  | 0.00                          | 0.36         |
| <b>Division Total</b> |  | <b>0.81</b>          | <b>0.00</b>                   | <b>14.05</b>        | <b>-15.19</b>         | <b>0.00</b>                   | <b>-0.33</b> |
| <b>Strategy</b>       | Strategy & Resources                     | 0.86                 | 0.10                          | 0.32                | 0.00                  | -0.03                         | 1.25         |
| <b>Division Total</b> |  | <b>0.86</b>          | <b>0.10</b>                   | <b>0.32</b>         | <b>0.00</b>           | <b>-0.03</b>                  | <b>1.25</b>  |
| <b>Total</b>          |  | <b>32.71</b>         | <b>1.99</b>                   | <b>142.90</b>       | <b>-85.40</b>         | <b>-0.48</b>                  | <b>91.72</b> |

### 4.3. DIRECTORATE FOR CORPORATE SERVICES (COR)

#### **Directorate description**

The Directorate has a key enabling role for the Authority, facilitating service delivery through a structured framework of support, advice and guidance. It is committed to regenerating the borough, working in partnership to create sustainable communities.

#### 4.3.1. COR Division Description

The Directorate operates across nine Divisions. A summary description of each division is given below.

#### **Corporate Resources**

##### ***Internal Audit***

Internal audit is a statutory function that provides senior management, officers, and members, with independent assurance on the effectiveness of controls that management have in place. Where necessary recommendations are made to help management improve these controls.

##### ***Corporate Health & Safety***

Corporate Health and Safety manages and maintains the Councils H&S governance arrangements, policies and risk control procedures, monitors compliance with the current framework, monitors consultation and communications on H&S matters between staff and unions, manages and monitors incident recording / systems / investigations, monitors H&S training and also provides assurance on the framework by way of audits. Also delivers professional guidance and support as required.

##### ***Insurance & Risk***

Insurance & Risk provide appropriate levels of insurance and risk management advice which ensure financial protection of property, assets, staff and members of the public.

##### ***Procurement & Commercial Services***

The procurement and commercial services team is responsible for the oversight and co-ordination of all of the Council's procurement activity, assisting commissioners and officers in the buying of goods, works and services. The service ensures that our procurement activity is not only compliant with the Council's contract procedure rules and current legislation, but also ensures the achievement of value for money and the effective and efficient use of Council's resources.

Furthermore, the team is also responsible for the development and implementation of a Council wide contract management framework to ensure the continued achievement of best value throughout the procurement lifecycle.

The service has implemented an income generation strategy for the Council with new governance arrangements and the introduction of an annual fees and charges report. This will be supported by the transition to a more commercial mind set through the development of training and toolkits for staff.

## **Finance**

The service area provides financial guidance, advice and support for managers to ensure sound financial management in all areas of business activity; provides administrative support for back office business processes; administers the pension fund, provides a payroll service whilst ensuring compliance and probity throughout.

## **IT & Digital Services**

The service area co-ordinates and manages the provision and maintenance of ICT tools; identifying, supporting and leading transformation and continuous improvement that can be enabled or assisted by ICT. The Council operates a shared ICT service with London Borough of Brent and London Borough of Southwark.

## **Legal Services**

### ***Legal Services***

The service area is responsible for ensuring legal compliance, facilitating the fulfilment of Council objectives in a way that is resistant to legal challenge, and ensuring that decision making processes are robust.

### ***Electoral Services***

Electoral Services maintain the electoral register, administer elections, and promote maximum participation in the democratic process.

## **Organisation Development and Human Resources**

The service area is responsible for enabling and supporting the organisation to attract, recruit, retain and develop a skilled and high performing workforce committed to helping the Council achieve its outcomes.

## **Policy & Governance**

The service area oversees generic policy development, performance management and service redesign. Undertakes research and evaluates emerging themes and issues of strategic importance. Ensures that intelligence is effectively co-ordinated and utilised. Provides support for elected Members in fulfilment of their duties as ward representatives, decision makers and scrutiny councillors, helping them achieve greater democracy and public engagement in the local decision making. Provides business and secretariat support to the Chief Executive and Executive Directors.

## **Public Services**

The service area provides the 'front door' to a wide range of services across the Council. This area includes Customer Contact Centre, Registrars, Revenues, Benefits, Emergency Planning and Parking Management.

### ***Customer Contact Centre***

Deals with customer enquiries, takes payments and makes requests for services. This service operates the Council's walk-in facilities and call centre.



### ***Registrars***

The Registrars Service manages the registration of births, deaths, marriages and civil partnerships in the borough.

### ***Revenues***

The Revenues Service collects revenue on behalf of services across the Council. Council Tax is collected from households and Business Rates is collected from businesses.

### ***Benefits***

The Benefits Service administers Housing Benefit to claimants across the borough and manages the delivery of concessionary services, including Freedom Passes and Blue Badges.

### ***Emergency Planning***

The Emergency Planning Team is responsible for ensuring continuity of service delivery in an emergency.

### ***Parking Management***

The Parking Management Team is responsible for managing and monitoring the Council's parking contract,

### **Strategy & Communications**

The service area provides corporate leadership, bringing the organisation and partners together to deliver the authority's Corporate Strategy priorities; supports the work of Mayor and Cabinet in their leadership roles; promotes the reputation of the Council, working to enhance service delivery through information campaigns, building sustainable relationships and dialogue with residents and other stakeholders.

It encompasses the Economy & Partnerships team providing apprenticeship, local employment and business support. Working in partnership within the borough and with neighbouring authorities to build an inclusive and thriving local economy.

### **Corporate Items**

The corporate items are budgets held centrally for items of income and expenditure that span across the whole Council. Examples of these items include capital charges and interest on revenue balances. These have been shown in table 7 and have not been included in the table below.

#### 4.3.2. COR Overall Summary By Division

Table 12 provides an overall summary of the budget by division, broken down into the different categories of income and expenditure.

**Table 12: Budget Summary by Division** (excluding corporate items)

| 2019/20 Budget            | Corporate Resources<br>£m | Finance<br>£m | IT & Digital Services<br>£m | Legal Services<br>£m | Organisation Development and Human Resources<br>£m | Policy & Governance<br>£m | Public Services<br>£m | Strategy & Communications<br>£m | Total<br>£m    |
|---------------------------|---------------------------|---------------|-----------------------------|----------------------|--|---------------------------|-----------------------|---------------------------------|----------------|
| <b>Expenditure</b>        |                           |               |                             |                      |  |                           |                       |                                 |                |
| Staffing Costs            | 1.48                      | 3.61          | 1.37                        | 3.03                 | 2.65   | 3.28                      | 12.85                 | 2.95                            | <b>31.22</b>   |
| Internal Recharges        | 0.00                      | 0.04          | 0.00                        | 0.01                 | 0.00   | 0.27                      | 0.07                  | 0.02                            | <b>0.41</b>    |
| Running Costs             | 4.37                      | 0.87          | 4.36                        | 0.34                 | 0.37   | 1.53                      | 229.77                | 2.40                            | <b>244.01</b>  |
| <b>Total Expenditure</b>  | <b>5.85</b>               | <b>4.52</b>   | <b>5.73</b>                 | <b>3.38</b>          | <b>3.02</b>  | <b>5.08</b>               | <b>242.69</b>         | <b>5.37</b>                     | <b>275.64</b>  |
| <b>Income</b>             |                           |               |                             |                      |  |                           |                       |                                 |                |
| External sources          | -3.15                     | -2.43         | 0.00                        | -0.42                | -0.12  | 0.00                      | -229.42               | -2.81                           | -238.36        |
| Internal Recharges        | 0.00                      | -0.41         | 0.00                        | -0.04                | -0.14  | -0.26                     | -2.28                 | -0.02                           | -3.13          |
| <b>Total Income</b>       | <b>-3.15</b>              | <b>-2.84</b>  | <b>0.00</b>                 | <b>-0.46</b>         | <b>-0.26</b>                                       | <b>-0.26</b>              | <b>-231.69</b>        | <b>-2.82</b>                    | <b>-241.49</b> |
| <b>Net Budget 2019/20</b> | <b>2.70</b>               | <b>1.67</b>   | <b>5.73</b>                 | <b>2.92</b>          | <b>2.76</b>  | <b>4.82</b>               | <b>10.99</b>          | <b>2.55</b>                     | <b>34.15</b>   |

### 4.3.3. COR Overall Summary By Service

Table 13 provides a further breakdown of the Divisions in Corporate Services

**Table 13: Budget Summary by Service Area - (excluding corporate items)**

| Division                                     | Service                                      | Staffing Cost - £m | Internal Recharge (Exp) - £m | Running Costs - £m | External Source - £m | Internal Recharge - £m | Grand Total - £m |
|--|--|--------------------|------------------------------|--------------------|----------------------|------------------------|------------------|
| Corporate Resources                          | Audit  | 0.65               | 0.00                         | 0.08               | -0.15                | 0.00                   | <b>0.58</b>      |
|  | Corporate Resources                          | 0.14               | 0.00                         | 0.00               | 0.00                 | 0.00                   | <b>0.14</b>      |
|  | Health And Safety                            | 0.10               | 0.00                         | 0.02               | 0.00                 | 0.00                   | <b>0.12</b>      |
|  | Insurance & Risk Group Mgr                   | 0.22               | 0.00                         | 4.25               | -3.00                | 0.00                   | <b>1.47</b>      |
|  | Procurement                                  | 0.37               | 0.00                         | 0.02               | 0.00                 | 0.00                   | <b>0.39</b>      |
| <b>Division Total</b>                        |  | <b>1.48</b>        | <b>0.00</b>                  | <b>4.37</b>        | <b>-3.15</b>         | <b>0.00</b>            | <b>2.70</b>      |
| Finance                                      | Finance                                      | 3.61               | 0.04                         | 0.87               | -1.01                | -0.41                  | <b>3.10</b>      |
|  | Resources Reserves                           | 0.00               | 0.00                         | 0.00               | -1.43                | 0.00                   | <b>-1.43</b>     |
| <b>Division Total</b>                        |  | <b>3.61</b>        | <b>0.04</b>                  | <b>0.87</b>        | <b>-2.43</b>         | <b>-0.41</b>           | <b>1.67</b>      |
| IT & Digital Services                        | IMT  | 1.37               | 0.00                         | 4.36               | 0.00                 | 0.00                   | <b>5.73</b>      |
| <b>Division Total</b>                        |  | <b>1.37</b>        | <b>0.00</b>                  | <b>4.36</b>        | <b>0.00</b>          | <b>0.00</b>            | <b>5.73</b>      |
| Legal Services                               | Electoral Services                           | 0.45               | 0.01                         | 0.16               | -0.01                | 0.00                   | <b>0.61</b>      |
|  | Legal Services                               | 2.58               | 0.01                         | 0.18               | -0.42                | -0.04                  | <b>2.31</b>      |
| <b>Division Total</b>                        |  | <b>3.03</b>        | <b>0.01</b>                  | <b>0.34</b>        | <b>-0.42</b>         | <b>-0.04</b>           | <b>2.92</b>      |
| Organisation Development and Human Resources | Organisational Development & Human Resources | 2.65               | 0.00                         | 0.37               | -0.12                | -0.14                  | <b>2.76</b>      |
|  | <b>Division Total</b>                        | <b>2.65</b>        | <b>0.00</b>                  | <b>0.37</b>        | <b>-0.12</b>         | <b>-0.14</b>           | <b>2.76</b>      |
| Policy and Governance                        | Executive Office                             | 0.21               | 0.00                         | 0.02               | 0.00                 | 0.00                   | <b>0.24</b>      |
|  | Policy & Governance                          | 3.06               | 0.27                         | 1.51               | -0.00                | -0.26                  | <b>4.58</b>      |

| Division                  | Service                    | Staffing Cost - £m | Internal Recharge (Exp) - £m | Running Costs - £m | External Source - £m | Internal Recharge - £m | Grand Total - £m |
|---------------------------|----------------------------|--------------------|------------------------------|--------------------|----------------------|------------------------|------------------|
| <b>Division Total</b>     |                            | <b>3.28</b>        | <b>0.27</b>                  | <b>1.53</b>        | <b>-0.00</b>         | <b>-0.26</b>           | <b>4.82</b>      |
| Public Services           | Emergency Planning & Admin | 0.70               | 0.01                         | 0.22               | -0.06                | 0.00                   | <b>0.87</b>      |
|                           | Housing Benefits           | 4.92               | 0.00                         | 225.19             | -217.02              | -1.74                  | <b>11.36</b>     |
|                           | Parking Services           | 0.23               | 0.03                         | 2.75               | -8.80                | -0.03                  | <b>-5.81</b>     |
|                           | Revenues Services          | 4.74               | 0.03                         | 0.66               | -2.86                | 0.00                   | <b>2.57</b>      |
|                           | Service Point              | 2.26               | 0.00                         | 0.94               | -0.68                | -0.51                  | <b>2.01</b>      |
| <b>Division Total</b>     |                            | <b>12.85</b>       | <b>0.07</b>                  | <b>229.77</b>      | <b>-229.42</b>       | <b>-2.28</b>           | <b>10.99</b>     |
| Strategy & Communications | Corporate Communications   | 0.84               | 0.00                         | 0.24               | -0.08                | 0.00                   | <b>1.00</b>      |
|                           | Inclusive Growth           | 1.38               | 0.00                         | 2.09               | -2.71                | 0.00                   | <b>0.77</b>      |
|                           | Mayor & Cabinet Office     | 0.60               | 0.02                         | 0.07               | -0.02                | -0.02                  | <b>0.65</b>      |
|                           | Strategy & Communications  | 0.13               | 0.00                         | 0.00               | 0.00                 | 0.00                   | <b>0.13</b>      |
| <b>Division Total</b>     |                            | <b>2.95</b>        | <b>0.02</b>                  | <b>2.40</b>        | <b>-2.81</b>         | <b>-0.02</b>           | <b>2.55</b>      |
| <b>Total</b>              |                            | <b>31.22</b>       | <b>0.41</b>                  | <b>244.01</b>      | <b>-238.36</b>       | <b>-3.13</b>           | <b>34.15</b>     |

## 4.4. DIRECTORATE FOR HOUSING, RESOURCES & ENVIRONMENT

### Directorate description

The Directorate's strategic aims are:

Working collaboratively, drive forward the vision for excellent customer services across the borough.

- Work together across service boundaries to provide excellent support to the organisation through a range of specialist services;
- Develop, value and motivate staff, equipping them to deliver excellent services;
- Creating a safe, attractive, healthy and sustainable environment for the benefit of local people.

### 4.4.1. HRE Division Description

The Directorate operates across four Divisions. A summary description of each division is given below.

#### **Environment**

The Environment service area provides a safe, attractive, healthy and sustainable environment for the benefit of local people and drives user involvement to deliver customer focused services. The division includes the following service areas: Waste Management (refuse & recycling), Street Management (cleansing), Green Scene (parks and open spaces), Fleet and Passenger Services, Bereavement Services and Markets.

#### ***Waste Management***

The Waste Management Service manages the disposal and recycling of refuse, including disposal of fly tipping refuse, and the civic amenities service. In addition, animal welfare services are provided within this service area.

#### ***Street Management***

The Street Management service provides street cleansing services, including the removal of graffiti, lumber collection (bulky waste items), environmental enforcement services and public conveniences.

#### ***Green Scene***

Responsible for the upkeep of the borough's parks and open spaces, including ecological regeneration through nature conservation services, Pest control services are provided within the Green Scene service area, along with the management of allotments.

### ***Fleet and Passenger Services***

Management and maintenance of all Council vehicles and provision of transport services on behalf of Children and Young People's Services and Community Services.

### ***Bereavement Services***

Management of the borough's cemeteries, crematoria, and provision of burial and cremation services. Externally provided coroners service and mortuary service are managed through this service area.

### ***Markets***

The Council manages street markets in Lewisham, Catford, Sydenham and Deptford.

### **Planning**

The service area is responsible for ensuring that the development and use of land in the long-term public interest are achieved through a positive and proactive approach to shaping, considering, determining and delivering development proposals.

### **Regeneration & Place**

#### ***Commercial & Investment Delivery***

We are leading on managing and monitoring the budgets and systems within Regeneration and Place, along with providing support to all of the service areas.

We

- Monitor the service area budgets, highlighting areas of concern and budget discrepancies.
- Manage and Administer the Street Naming and Numbering Service (SNN)
- Co-ordinate FOI / EIR requests, Members enquiries, Councillor Enquiries and General complaints for the division
- Provide the Council with professional and technical advice on Corporate strategies and policies for the built environment.
- Monitor the Performance of the Division in relation to Key Performance Indicators
- Provide maps and plans of Council Assets to assist in key projects and schemes

#### ***Property Strategy***

We are leading on Asset strategy / planning, liaison across the authority to drive value from asset and acting as the technical authority / the technical expert for the division.

We are;

- Monitoring the external and internal influences on the management and use of our assets and property portfolio.

- Monitoring opportunities to fund and, in conjunction with colleagues in the Capital Delivery Team, deliver capital and investment projects.
- Ensuring at all times that the use of Council Commercial Property Assets are optimised across the authority from a strategic perspective
- Providing the Council with professional and technical advice on Corporate strategies and policies for the built environment.
- Ensuring that national and corporate sustainability objectives and targets are embedded within the thinking and actions of the division.
- Providing the Council's Building Control Service.
- Providing the Council's Energy and Sustainability Service

### ***Capital Programme Delivery***

We are leading on the approach and delivery of capital projects for the division as a whole and, as appropriate, for other areas within the authority.

We are working in tandem with colleagues in Customer and Community Services to assist with the bringing together of a corporate approach to establishing and delivering projects in pursuit of corporate priorities.

We are establishing, monitoring and delivering all stages of the project lifecycle in tandem with colleagues elsewhere in the division and with consultants / delivery partners.

Working with colleagues in the Commercial team, we are responsible for the establishment of reporting procedures, measures and indicators to ensure the regular, diligent and transparent reporting of projects and programmes for the division.

### ***Estates Compliance and Contracts***

We are responsible for Contract Management within the Corporate Estate including FM and PFI Schools Contracts.

We take primary responsibility for the planned and reactive maintenance of our property along with Statutory Maintenance and ensure that the day to day statutory obligations are met across all asset classes.

We provide Contract Management in the following areas:

- School PFI contracts
- Corporate FM contracts

Ad-hoc commissioning of repairs and maintenance contracts (E.G Laurence House Roof Repairs) via the Asset Management Plan

### ***Highways and Transport***

Highways and Transport a high performing service that is at the forefront of policy change. We attract investment, drive strategic change, and have a strong track record of delivering projects and programmes. The highways and transport network is the Council's most valuable asset, and its successful operation affects hundreds

of thousands of residents and visitors on a daily basis. The successful development of the network is one of the most high-profile and practical ways in which the Council can make Lewisham a better place to live, work and learn.

The service covers a wide variety of strategic, statutory, technical and delivery functions, and is set up in two teams: the Highways Team covers the engineering, inspections and maintenance of highways and structures, as well as managing street works and permitting; the Transport Team covers Policy and Strategy, Capital Programmes, Development Management, Parking Policy and Design, Road Safety (incl. School Crossing Patrol), Public Transport, Cycling, Walking and School Travel Planning

### **Strategic Housing**

The service area includes the following - Housing Needs (including Housing Options and Home Search), Private Sector Housing, Housing Strategy (Housing Partnership and Development) and No Recourse to Public Funds.

The service works collaboratively and with partners to:

- Increase housing supply by providing local people with access to housing across the borough;
- Ensuring safe and quality housing for local people;
- Implement new approaches to housing development;
- Developing housing approaches for vulnerable residents;
- Widen housing choice and manage demand to ensure a range of housing types and tenures are available to local people;
- Develop the private rented sector by working closely with landlords; developers and housing providers and provide greater security and quality for private renters; and
- Help residents at time of severe and urgent housing need



#### 4.4.2. HRE Overall Summary by Division

Table 14 provides an overall summary of the budget by division, broken down into the different categories of income and expenditure.

**Table 14: 2019/20 Budget Summary by Division - Done (excluding corporate items)**

| 2019/20 Budget            | Customer Services Reserves & Provisions<br>£m | Environment<br>£m | Planning<br>£m | Regeneration & Place<br>£m | Strategic Housing<br>£m | Total<br>£m   |
|---------------------------|---|-------------------|----------------|----------------------------|-------------------------|---------------|
| <b>Expenditure</b>        |   |                   |                |                            |                         |               |
| Staffing Costs            | 0.71  | 18.82             | 2.31           | 5.12                       | 5.18                    | <b>32.14</b>  |
| Internal Recharges        | 0.00  | 2.87              | 0.01           | 0.35                       | 4.15                    | <b>7.37</b>   |
| Running Costs             | 0.29  | 15.62             | 0.37           | 44.47                      | 23.07                   | <b>83.83</b>  |
| <b>Total Expenditure</b>  | <b>1.00</b>                                   | <b>37.31</b>      | <b>2.69</b>    | <b>49.94</b>               | <b>32.39</b>            | <b>123.34</b> |
| <b>Income</b>             |   |                   |                |                            |                         |               |
| External sources          | -0.36   | -8.58             | -1.95          | -34.65                     | -26.85                  | <b>-72.39</b> |
| Internal Recharges        | 0.00  | -8.82             | 0.00           | -7.50                      | 0.00                    | <b>-16.32</b> |
| <b>Total Income</b>       | <b>-0.36</b>                                  | <b>-17.41</b>     | <b>-1.95</b>   | <b>-42.15</b>              | <b>-26.85</b>           | <b>-88.71</b> |
| <b>Net Budget 2019/20</b> | <b>0.65</b>                                   | <b>19.91</b>      | <b>0.74</b>    | <b>7.80</b>                | <b>5.55</b>             | <b>34.63</b>  |

#### 4.4.3. HRE Overall Summary by Service

Table 15 provides a further breakdown of the Divisions in Housing, Regeneration and Environment by Service Area.

**Table 15: Budget summary by Service Area**

| Division   | Service                       | Staffing Cost - £m | Internal Recharge (Exp) - £m | Running Costs £m | External Source - £m | Internal Recharge- £m | Grand Total - £m |
|--|-------------------------------|--------------------|------------------------------|------------------|----------------------|-----------------------|------------------|
| <b>Customer Services Reserves &amp; Provisions</b> | Customer Services Management  | 0.71               | 0.00                         | 0.01             | -0.36                | 0.00                  | 0.37             |
|  | Reserves                      | 0.00               | 0.00                         | 0.28             | 0.00                 | 0.00                  | 0.28             |
| <b>Division Total</b>                              |                               | <b>0.71</b>        | <b>0.00</b>                  | <b>0.29</b>      | <b>-0.36</b>         | <b>0.00</b>           | <b>0.65</b>      |
| <b>Environment</b>                                 | Environment Admin. Support    | 0.42               | 0.00                         | 0.12             | 0.00                 | 0.00                  | 0.54             |
|  | Fleet Services                | 0.90               | 0.02                         | 3.54             | -0.86                | -3.58                 | 0.01             |
|  | Green Scene                   | 1.12               | 0.11                         | 3.13             | -0.98                | -0.05                 | 3.33             |
|  | Head Of Bereavement Services  | 1.07               | 0.04                         | 0.77             | -2.31                | 0.00                  | -0.44            |
|  | Passenger Services            | 3.42               | 0.64                         | 0.04             | -0.00                | -3.99                 | 0.10             |
|  | Refuse Collection Service     | 5.00               | 1.55                         | 0.91             | -3.23                | -0.71                 | 3.53             |
|  | Strategic Waste Management    | 0.34               | 0.03                         | 6.45             | 0.00                 | -0.07                 | 6.75             |
|  | Street Management             | 6.17               | 0.45                         | 0.12             | -0.30                | -0.34                 | 6.09             |
|  | Street Markets                | 0.38               | 0.04                         | 0.56             | -0.90                | -0.09                 | -0.01            |
| <b>Division Total</b>                              |                               | <b>18.82</b>       | <b>2.87</b>                  | <b>15.62</b>     | <b>-8.58</b>         | <b>-8.82</b>          | <b>19.91</b>     |
| <b>Planning</b>                                    | Planning                      | 2.31               | 0.01                         | 0.37             | -1.95                | 0.00                  | 0.74             |
| <b>Division Total</b>                              |                               | <b>2.31</b>        | <b>0.01</b>                  | <b>0.37</b>      | <b>-1.95</b>         | <b>0.00</b>           | <b>0.74</b>      |
| <b>Regeneration &amp; Place</b>                    | Head Of Regeneration & Place  | 0.14               | 0.00                         | 0.00             | 0.00                 | 0.00                  | 0.14             |
|  | SGM Capital Programme         | 0.62               | 0.00                         | 0.05             | -0.43                | 0.00                  | 0.24             |
|  | SGM Commercial And Investment | 0.47               | 0.00                         | 0.26             | -0.15                | 0.00                  | 0.59             |

| Division                 | Service                           | Staffing Cost - £m | Internal Recharge (Exp) - £m | Running Costs £m | External Source - £m | Internal Recharge-£m | Grand Total - £m |
|--------------------------|-----------------------------------|--------------------|------------------------------|------------------|----------------------|----------------------|------------------|
|                          | SGM Estate Compliance             | 0.85               | 0.33                         | 35.82            | -26.09               | -7.32                | 3.59             |
|                          | SGM Highways And Transport        | 1.55               | 0.02                         | 4.28             | -2.43                | -0.18                | 3.24             |
|                          | SGM - Property Strategy           | 1.50               | 0.00                         | 4.06             | -5.55                | 0.00                 | 0.01             |
| <b>Division Total</b>    |                                   | <b>5.12</b>        | <b>0.35</b>                  | <b>44.47</b>     | <b>-34.65</b>        | <b>-7.50</b>         | <b>7.80</b>      |
| <b>Strategic Housing</b> | Housing Needs                     | 2.17               | 3.14                         | 10.93            | -11.94               | 0.00                 | 4.30             |
|                          | Housing Partnership & Development | 0.50               | 0.00                         | 0.02             | -1.33                | 0.00                 | -0.80            |
|                          | No Recourse To Public Funds Team  | 0.43               | 0.00                         | 0.00             | 0.00                 | 0.00                 | 0.43             |
|                          | Private Sector Housing            | 2.08               | 1.00                         | 12.12            | -13.59               | 0.00                 | 1.61             |
| <b>Division Total</b>    |                                   | <b>5.18</b>        | <b>4.15</b>                  | <b>23.07</b>     | <b>-26.85</b>        | <b>0.00</b>          | <b>5.55</b>      |
| <b>Total</b>             |                                   | <b>32.14</b>       | <b>7.37</b>                  | <b>83.83</b>     | <b>-72.39</b>        | <b>-16.32</b>        | <b>34.63</b>     |

## 5. CAPITAL PROGRAMME

### 5.1. The Authority's Capital Programme

Table 17 shows the Council's proposed Capital Programme for 2019/20 to 2020/21.

**Table 17: 2019/20 to 2020/21 Capital programme**

| Major Projects over £2m               | 2019/20<br>£m | 2020/21<br>£m | 2021/22<br>£m | Total<br>£m  |
|---------------------------------------|---------------|---------------|---------------|--------------|
| <b>GENERAL FUND</b>                   |               |               |               |              |
| Schools - School Places Programme     | 11.0          | 7.3           | 0.7           | 19.0         |
| Schools - Other Capital Works         | 1.4           | 0.0           | 0.0           | 1.4          |
| Highways & Bridges - LBL              | 3.5           | 3.5           | 3.5           | 10.5         |
| Catford town centre                   | 5.5           | 0.8           | 1.1           | 7.4          |
| Asset Management Programme            | 2.5           | 2.5           | 2.5           | 7.5          |
| Lewisham Homes – Property Acquisition | 6.0           | 0.0           | 0.0           | 6.0          |
| Disabled Facilities Grant             | 0.7           | 0.7           | 0.0           | 1.4          |
| Private Sector Grants and Loans       | 0.6           | 0.6           | 0.6           | 1.8          |
| Beckenham Place Park                  | 2.5           | 0.6           | 0.4           | 3.5          |
| Smart Working Programme               | 0.9           | 0.0           | 0.0           | 0.9          |
| Edward St. Development                | 9.1           | 0.0           | 0.0           | 9.1          |
| Other Schemes                         | 3.3           | 0.2           | 0.7           | 4.2          |
|                                       | <b>47.0</b>   | <b>16.2</b>   | <b>9.5</b>    | <b>72.7</b>  |
| <b>HOUSING REVENUE ACCOUNT</b>        |               |               |               |              |
| Aids and Adaptations                  | 0.4           | 0.4           | 0.4           | 1.2          |
| Hostels Programme                     | 0.4           | 0.4           | 0.4           | 1.2          |
| Housing Matters Programme             | 37.3          | 77.4          | 32.0          | 146.7        |
| Decent Homes Programme                | 57.1          | 35.2          | 30.6          | 122.9        |
|                                       | <b>95.2</b>   | <b>113.4</b>  | <b>63.4</b>   | <b>272.0</b> |
| <b>TOTAL PROGRAMME</b>                | <b>142.2</b>  | <b>129.6</b>  | <b>72.9</b>   | <b>344.7</b> |

## 5.2. Further description about major capital programmes

Further description about the Council's major capital programmes are provided below.

### **Schools – School Places Programme**

Primary place demand has levelled off recently across London and the priority for school place delivery has shifted mainly to Special Educational Need and Disability provision. Four schemes are currently in development and delivery over the next 3 years to 2021. They include:

- Works to Ashmead Primary in Brockley to expand from one to two forms of entry. Works will commence in April this year and is due to be completed by summer next year. The project will deliver a new standalone block adjacent to Lewisham Way, improved landscaping within the site and a new entrance and enhanced public realm area to the South of the site.
- Greenvale School, in Whitefoot ward, is Lewisham's community special school for children and young people between the ages of 11 and 19 years who have significant learning difficulties. A new satellite facility to accommodate an additional 93 students will be constructed on the site of the former Brent Knoll building in Perry Vale. The design stage is currently underway, and works are due to commence on site in October this year and complete in time for the start of the autumn term 2020.
- New Woodlands, in Downham Ward, is a special school which supports children from 5 to 16 who have Social, Emotional and Mental Health (SEMH) special educational needs. The school recently began admitting Key Stage 4 students, and works will take place over the summer holidays this year to ensure there are adequate facilities onsite to provide a full curriculum from September 2020. This will include minor remodelling and refurbishment of the existing building, provision of a new food technology practical room, and improvements to existing landscaping and external play areas.
- Watergate is Lewisham's primary special school for children between the ages of three and eleven years who have severe learning difficulties, located in Bellingham Ward. Approval has been granted to expand the school by 59 places through the construction of a new teaching block on the existing site. The design stage is due to commence in May this year, with works expected to be completed in early 2021.

### **Highways & Bridges**

The Council continues to invest resources in maintaining its highway assets, most notably through its £3.5m programme of carriageway and footway resurfacing works. The budget for carriageways allows for 60 to 70 roads to be resurfaced each year and, until 2017, the majority of these roads were those in the worst condition and categorised as "Red" – lengths of road in poor overall condition and in need of immediate further engineering assessment with a planned maintenance soon. In 2018 we carried out resurfacing to 67 roads from the Council's programme.

As a result of the resurfacing programme, the focus has now moved to works to roads classified with Condition Index of "Amber" – lengths of road which, without a planned

early intervention, could result in further severe defects and move the Condition Index to “Red”. Early intervention using appropriate design, based on carriageway coring information and other factors like bus routes, high volume of traffic, usage and environment will result in better value for money. There are still over 300 roads classified as Amber that require essential works and the Council’s long-term investment strategy is taking effect as since 2013, the number of annual insurance claims against the Council for carriageway defects has reduced by approximately 50%.

As progress continues on the condition of carriageways, the balance of focus is also moving towards the footways programme where there are still approximately 70 roads categorised as Red. The proposal is to carry out essential footway replacement works in at least 10 roads in 2019/20 and expanding this in future years.

### **Catford Town Centre**

Architect’s Studio Egret West has been appointed to develop a master plan to guide the regeneration of the Town Centre. The plan will be completed in Autumn of 2019 and will form the basis of any future plan for the Town Centre. It will be used as an evidence base for the emerging Local Plan. Work is also continuing with TfL on the agreed proposal to realign the South Circular A205 through the Town Centre and work is expected to start in 2021. Meanwhile, the engagement activity of Team Catford has continued to build on the programme of social engagement started in 2016. The Team’s work is expected to continue through the development of the master plan and beyond.

### **Asset Management Programme**

Funding from the Asset Management Programme (AMP) has continued to support reactive and much needed capital works across the operational corporate estate. This has included fabric works such as roof replacement and mechanical works including boiler replacements and lift repairs across the estate of approximately 90 buildings and sites. More recently, the programme has funded works to the Civic Suite, Registry Office and some essential works as part of the main Laurence House refurbishment programme. A full condition survey of the corporate estate is currently under way. The results will help define the future investment need of the estate and also underpin the use of the AMP capital programme funding for future years.

### **Lewisham Homes – Property Acquisition**

This funding supports the delivery of the Lewisham Homes acquisitions programme that secures properties for temporary accommodation for homeless households, making a saving on the Council’s spend on bed & breakfast accommodation.

### **Beckenham Place Park**

The restoration of Beckenham Place Park (to the western side of the railway), will be completed in 2019/20. Listed buildings, now restored, will become alive again with new uses and the long anticipated restored landscape, with its reinstated lake, will be enjoyed by thousands of local people. The Georgian stable block will become the new park café, and a base for environmental education in the park. The stable yard itself

will become an arrival and visitor's hub, with a terrace overlooking the expanded formal gardens. New play facilities will be available in the restored pleasure grounds, and the previously derelict Gardener's cottage will be re-purposed as a hub for volunteer activity in the park, in the midst of the new community garden. Wild swimming will take place in the lake, and visitors will be encouraged to explore the breadth and nature of Lewisham's largest park on new paths and trails.

### **Edward Street**

Edward St will provide 34 new high-quality temporary accommodation homes for local families in housing need. Start on site planned early 2020 following tender and contractor appointment.

### **Housing Matters Programmes update**

The majority of spend in 2019/20 will relate to feasibility and planning application preparation for the new homes programme and delivery of a number of schemes by Lewisham Homes on site. Around 27 sites including 376 homes for social rent, are forecast to achieve planning permission by early 2020. 5 schemes delivering 85 homes are currently on site and a further 14 sites delivering 122 homes are forecast to start on site between April and January 2020.

### **Decent Homes Programme**

Lewisham Homes are responsible for ensuring council owned stock under their management is brought up to and maintained to a decent homes level, covering both internal and external enveloping works. Lewisham Homes are leading on the delivery of the decent homes programme (under delegated powers) in consultation / agreement with the Council.

## 6. HOUSING REVENUE ACCOUNT

The HRA is a separate statutory account, which shows the expenditure and income on the provision of the Council's housing stock of approximately 14,277 dwellings.

The average rent for a Council dwelling in 2019/20 is £95.43 per week. This is an average decrease of £0.93 from the 18/19 revised average, a reduction of 1.0%.

The Local Government and Housing Act 1989 prescribes that the HRA must not operate at a net cost to the General Fund. The cost of providing and maintaining the Council's Housing stock must be met primarily from rents and charges to tenants.

The HRA is funded from the following sources:

| Revenue Services | %   |
|------------------|-----|
| Tenants Rents    | 82% |
| Fees and charges | 8%  |
| Government Grant | 10% |

Table 16 provides an overall summary of the budget, broken down by the categories of income and expenditure.

**Table 16: HRA Budget Summary**

| 2019/20 Budget                                | Total          |
|---|----------------|
| <b>Expenditure</b>                            | <b>£m</b>      |
| Staffing Costs                                | 1.13           |
| Running Costs (includes transfer to reserves) | 67.72          |
| Internal Recharges                            | 1.89           |
| Capital Charges                               | 34.17          |
| <b>Total Expenditure:</b>                     | <b>104.92</b>  |
| <b>Income</b>                                 |                |
| External sources                              | -99.8          |
| Internal Recharges                            | -4.93          |
| <b>Total Income</b>                           | <b>-104.92</b> |
| <b>Net Budget 2019/20</b>                     | <b>0.00</b>    |