



Prime Minister

Agree a very early meeting?

JHW
11/12.

This minute does NOT deal with the problem that payments could not be stopped until the regulation was law and that would not be until after GC was abolished.

PRIME MINISTER
ABOLITION OF THE GLC AND MCCS: FORWARD FUNDING

Following our discussion yesterday, I have had a further meeting with the Solicitor General. This minute deals with two questions which particularly concerned colleagues then:

- a. the nature of the evidence; and
- b. alternative remedies

THE EVIDENCE

The position remains that, so far as the GLC's and MCC's intentions are concerned, we are operating on the basis of hearsay. There is no doubt that the GLC have invited bids from boroughs and from voluntary bodies. We have seen copies of some of these bids; but we have no direct evidence of how the GLC intend to respond to them.

Given the importance that colleagues attached to this issue, I think it best to let them see the material available to me. I therefore attach copies of letters from two borough councils, and a draft bid from one voluntary organisation, with a covering note highlighting significant points.

POSSIBLE REMEDIES

In my earlier minute I suggested a new control over GLC spending. It was suggested that, instead of attempting to control spending, we should try to operate direct on balances so that - for example - the GLC's closing balances might be maintained at at least £150 million.

~~There was a suggestion that you should have been in a different way.~~



I have no powers at present to control local authority balances. Operating on these would, therefore, itself require fresh legislation. Given our lack of detailed knowledge about the GLC's financial position, and the uncertainties that any local authority faces in forecasting payments and receipts for several months ahead, I see no basis on which I could require the authorities to maintain closing balances at a specific level.

Your suggestion
 One possibility put forward yesterday was that we should legislate to provide that any money available to the GLC which was not required for paying salaries/wages or the servicing of debt should be deemed to be the property of the successor authorities. We should also need to exclude expenditure on goods and services, which is, in any case, under control by virtue of section 9 of the Interim Provisions Act.

I have discussed this proposition with the Solicitor General. We see considerable practical objections to proceeding in this way. In particular, there would be no procedure under which we could exempt particular items of spending which might be unobjectionable and indeed desirable: with a provision retrospective to the date of announcement it would not, of course, be possible to make the (necessary) exception orders before enactment. This applies equally to any general proscription of certain types of expenditure - for example, a provision that any spending other than on salaries/or wages, debt servicing and projects within existing controls, should be deemed to be a misapplication of public funds. In either case it would not be possible to define on the face of the Bill the categories of "worthwhile" expenditure to be exempted without creating uncertainty or scope for evasion.

I am also advised that there may be a problem under the 1st Protocol to the European Convention on Human Rights, Article 1 of which deals with expropriation and applies for the benefit of natural and legal persons. There is, however, authority for the view that a local



authority cannot be a 'victim' for the purposes of the convention and cannot bring a petition before the HRC. A local authority is to be regarded, for the purpose of the Convention as part of the State. It is to be expected that the organs of the convention at Strasbourg would declare inadmissible a petition brought by a local authority or indeed by an individual councillor or rate-payer claiming that the local authority's loss is his loss. For different reasons it is not to be expected that the Commission organs would entertain an application from a potential beneficiary of a local authority grant.

This view is derived from the advice which the Solicitor General has been able to provide in consultation with the Foreign Office in the short time available. Although it would appear that action on the lines suggested in paragraph ^{above} 6 could probably not be challenged in the HRC, the position is not free from doubt; and the possibility of difficulties over the ECHR is another reason for caution about any action which could be seen as confiscatory.

Another suggestion yesterday was that control should be put in the hands of the coordinating committees established under section 95 of the Act. This would underline the fact that the aim of the control would be to protect the position of successor authorities, and would also avoid the creation of a new central government control over local authorities.

I see the attractions in this approach, but I do not think that it would be feasible. Any new control will have to operate on an administrative basis for some three months while the legislation is going through Parliament. Whilst there are precedents for Ministers operating controls in this way, it would be a wholly new departure to put a committee of local authority members in this position.



It would however, be possible to go some way towards meeting the main aim of this suggestion. We could do this by adding to my original proposals a provision that, in any case where I was minded to refuse consent for a GLC/MCC proposal, I should consult the appropriate coordinating committee before issuing my decision. We could not make the provision stronger than this without, again, getting into the position of giving the coordinating committee real retrospective powers.

Although my original aim was to keep any new provision as simple as possible, I would be prepared to write in a reference to consultation with the coordinating committee. In some areas, at least, it is very unlikely that the coordinating committees would be capable of expressing views quickly on GLC/MCC proposals. But the effect would, of course, be only on projects for which I would want to refuse permission, so delay would be on our side.

CONCLUSIONS

I now invite colleagues to reach conclusions, first, on the question of the evidence. Although there is no hard evidence of the GLC/MCCs taking actual decisions, I think there is enough in the enclosures to this minute to enable us to make a good case politically.

If we decide to do nothing, we would have to continue to rely on our existing controls over the GLC/MCCs, some of which would themselves bite on forward funding proposals - eg if these involve the use of section 137, or channelling financial assistance through a local authority. We would need to make a concerted effort to give publicity to dubious GLC/MCC spending, and to make political capital out of this in terms of the aims of abolition policy.

But it wouldn't stop them spending the money.



Alternatively, if colleagues decide that the evidence justifies action, I invite them to agree that direct control over the size of balances, on the lines discussed at our meeting, would not be feasible. This forces us back to the control approach proposed in my earlier minute, namely that, as from the date of my announcement, all payments except those covered by existing controls would need my consent. I would approve many. In cases where I am minded to refuse consent, the legislation could, if colleagues agree, require statutory consultation with the coordinating committee. If the GLC or MCCs made payments without my consent, it would be for the Residuary Body to reclaim the money from the recipient, and the Councillors would be liable to surcharge and disqualification. I think that this control would work. It is essentially a political decision.

I am copying this minute to the Lord President, the Lord Privy Seal, the Solicitor General, the Chief Whip, the Chancellor of the Duchy of Lancaster, the Chief Secretary and Sir Robert Armstrong.

[Handwritten signature]

for

K B

Approved by the Secretary of State and signed
in his absence

11 December 1985



10 DOWNING STREET

Prime Minister

Questions for discussion

- (i) Would the proposed control work?
- (ii) Would it pass the Lords?
 - (a) is the evidence good enough?
 - (b) is the involvement of the successor authorities great enough?
- (iii) If it is good enough for the Lords, is it good enough for the Command!

D.H.S.

12/12

PRIME MINISTER

12 December 1985

GLC FORWARD FUNDING

Kenneth Baker's minute does not deal directly with the problem of enforceability; but the penultimate sentence of the penultimate paragraph obliquely answers your question. The announcement in Parliament would say that, under the forthcoming legislation, all unapproved payments made from the date of the announcement would be (retrospectively) illegal and the Residuary Body would be entitled to reclaim them from the recipient. If such an announcement were made, although the payments would not technically become illegal at that moment, no prospective recipient would be willing to accept them since he would know that they would be claimed back by the Residuary Body once the Bill was enacted.

(and the Councils would be liable to surcharge and disqualification.)

In other words, Kenneth's power would be immediately effective because it would prevent demand for, rather than supply of unapproved GLC/MCC cash.

But couldn't the approval power be given to the coordinating Committees of London Boroughs and other successor authorities rather than to the Secretary of State? Kenneth argues that this would be unprecedented, since the Committees would be acting administratively in advance of statute - something so far done only by Ministers. But precedent is not the issue. The question is, would it be legal? *(But there is a difference between Ministers and local authorities; Ministers have to answer to Parliament.)*

We recommend that you should press this point. If it would be legal for the successor authorities to act on this basis, that would be far the best solution. The public and Parliament would regard it as completely reasonable.

If it is not legal for the successor authorities to act administratively in advance of statute, then we reluctantly

recommend that you should drop the whole proposal. It would be a disaster to reawaken the 'Government as dictator' theme with a flop in the Lords at a time when Liverpool has altered public perception in your favour, and when you are just about to publish the Rates Green Paper.

OL Let.

OLIVER LETWIN

Westminster Community Consortium

Proposed £1m GLC grant via Voluntary Action Westminster, a voluntary body umbrella organisation, to Westminster Community Consortium. The grant would apparently enable 18 full time staff to be appointed for a period of three years. Details of the arrangement attached to the Westminster County Council press release at Annex A suggest that the purpose of the grant would be to enable the Consortium to promote a "People's Strategy for Westminster" attacking the City Council's policies. Significantly the papers note that "the Department of the Environment must not know about the (proposed) forward funding or they will block it."

London Borough of Lewisham

Lewisham have sought an allocation of £142m in response to the GLC's invitation for bids for assistance to meet Inner City deprivation. The copy of their letter at Annex B indicates that the bid is in respect of a five year forward programme for a variety of services. Annex 1 to Appendix B to the letter sets out the proposed mechanism for the funding and indicates how this would be devised to evade the existing controls over financial assistance by the GLC to another local authority.

London Borough of Haringey

Haringey have bid for assistance in excess of £100m in response to the GLC's 'Inner City' invitation. The letter from the Conservative Councillor enclosing the Borough's Committee Report (Annex C) indicates that, whilst the original proposal was for forward funding for 5 years, the bids are being revised in respect of a 2 year period. The Committee report mentions that the GLC has recommended that bids should be in a form which enables the expenditure to escape the existing counter-obstruction controls.



City of Westminster Press Office
Westminster City Hall, Victoria Street,
London SW1E 6QP
Telephone 828 8070 ext 2798-2799

Annex 'A'

THE FOLLOWING IS A STATEMENT FROM COUNCILLOR GRAHAM MATHER,
CHAIRMAN, GRANTS-SUB COMMITTEE, WESTMINSTER CITY COUNCIL

Dateline : Thursday 28 November 1985

Release : IMMEDIATE

"Westminster City Council has uncovered an apparent plan to spend £1 million appointing 18 full-time staff to promote a "Peoples' Strategy for Westminster" attacking the Council's policies and seeking GLC funds to do so.

"Papers in the Council's possession set out a detailed and costed proposal for the three-year plan, which could have a budget over three years of £932,010.

"The papers suggest that monies would be channelled through Voluntary Action Westminster, a registered charity which ceased to receive grant funds from the City Council two years ago.

"I am puzzled that the proposals are not for voluntary, charitable work, but for clearly political ends.

"Another document which has come into the Council's possession sets out the proposed structure of a meeting apparently to be chaired by Rev. Norman Grigg, Chairman of Voluntary Action Westminster. It refers to a "meeting with Ken," which I can only believe refers to Ken Livingstone, the GLC Leader.

"The document states that "City Hall and the Department of the Environment must not know about forward funding or they will block it."

"I have today written to the Rev. Grigg asking for a full explanation."

The text of Councillor Mather's letter, and the documents mentioned are annexed.

From the Chairman of the Grants Sub-Committee
Councillor G.C.S. Mather MA

Reverend Norman Grigg
Chairman
Voluntary Action Westminster
1 St Mary's Terrace
London W2 1SU

WESTMINSTER COMMUNITY CONSORTIUM

I am writing to seek an explanation from you regarding some documents which have come into my possession. I enclose a copy of them.

The first page appears to refer to a meeting, chaired by yourself, with which Voluntary Action Westminster is apparently very closely involved. The following four pages outline proposals for a grant application, apparently to the GLC, for a research project whose terms of reference are strongly political and involve large numbers of paid staff. These staff would be largely engaged in political campaigning, primarily attacking the City Council's policies.

I should like to know whether such a meeting took place, whether such a proposal is under consideration and whether Voluntary Action Westminster is involved with it in any way.

Since this must be a matter for public concern, I am releasing this letter and the enclosed documents to the press.

Proposed structure of meeting

Orman Grieg: OPEN MEETING

Some words on the crisis of funding in Westminster
over 2 years ago we were all cut by the City Council
In draft press release from the City Council they do not even refer to
the fate of GLC community groups.
City Council has refused transitional funding
Crisis of funding at the same time as the community is suffering from
cuts, needs still remain.
Groups must work together to save something in Westminster and
hope we can work together at meeting.

Bill:
Outline history of application
Paddington Community Consortium
meeting with Ken
Spec. application - no guarantees
groups should do their own applications as well
Co Hall a mess - officers leaving - decisions have not been made
deadline for this application
City Council and DoE must not know about forward funding or they
will block it.
Circulate paper to ask what other groups should be contacted.
Edith:
Will speak to application, go through it.

Elizabeth will take minutes and answer any questions on budget.

When

Questions and discussion on application

Orman Greig : Summarise meeting, thank everybody.
Ask names of groups to support. People put up hands and ask
what group they are and put down names.
Agree to call another meeting when we hear from Co Hall.
Remind people that they can ring in for supplementary list of
names by next Friday.

Jamil Hadz-Arson

GRANT APPLICATION: 3 YEAR RESEARCH PROPOSAL
WESTMINSTER COMMUNITY CONSORTIUM

1. Westminster Community Consortium:

Westminster Community Consortium is a new organisation composed of an alliance of community and voluntary organisations in Westminster and the immediate adjoining areas of North Kensington.

It grew out of an expansion of Paddington Community Consortium; this was an alliance of groups in Paddington that was formed in response to the GLC's Community Area's Policy and aimed to bring groups together around common issues. In particular, on the issue of securing premises for the future use of member organisations.

This application for grant aid will be made by Voluntary Action Westminster as the overall strategic voluntary organisation in Westminster with charitable status, on behalf of Westminster Community Consortium.

2. Aims and Objectives:

Westminster community Consortium proposes to establish a multi-purpose action/research centre to:-

- a) Bring together and strengthen links between similar groups throughout Westminster.
- b) Build on existing community organisation by providing a new way of linking agencies and people in Westminster and the adjoining North Kensington area around issues of common concern.
- c) Provide research into a number of key policy issues.
- d) Establish a participatory management structure to enable people involved in the above issues to work together and to participate in the development of proposals.
- e) Produce a set of proposals. 'A People's Strategy for Westminster'. This will be an action programme to tackle Westminster's problems of bad housing, police harassment, poor services, unequal opportunities, unemployment etc which derives from the direct experience of all those affected. Action should reflect the needs and aspirations of all sections of the community, especially those who suffer disproportionate stress, including black people, the elderly, people with disabilities, single parents, lesbian and gay people etc.

The strategy will include the following:-

- (1) ~~The kind of services we want and need; This is particularly important now with dramatic cuts in all services and the proposed privatisation of parts of social services and housing.~~
- (2) ~~How these services could be provided i.e. the kind of structures needed to ensure accountability and democratic participation and control.~~
- (3) ~~An assessment of resources that are (a) currently available and (b) needed.~~

~~Provide a research base for further funding applications.~~

The Structure of Westminster Community Consortium:

The organisation will be run by a Management Panel with all groups in the Consortium to have one voting delegate and with meetings open to non-delegates.

Voluntary Action Westminster will have one delegate like all other organisations, but will also have specific responsibilities in terms of accounting for the finances and overseeing the administration. (There are past examples of this kind of relationship between VAW and an independent project to which VAW is acting as sponsor and guarantor e.g. STOP-GAP, COMMENT, The Factory from 1974-77) VAW will have no special role in terms of policy-making.

The role and functions of the management panel would be as follows:-

- 1) to meet employers' obligations
- 2) to be accountable for the finances of the Project.
- 3) to ensure communication by publishing the results of any work undertaken by its workers.
- 4) to provide administrative back-up i.e. ensuring that there are adequate supplies of materials, stationery etc for workers.
- 5) to provide a forum for linking specific areas of work.
- 6) to decide the number of workers to ^{be} allocated to each specific research issue.
- 7) to provide management of workers.

d) The Management Panel will break down into sub-groups which will 'manage' the work on each issue area. The sub-group will be responsible for:

- deciding where the worker/s will be based, which particular aspects of the issues the worker/s should tackle, etc. i.e. be the first line of management for the workers.
- drawing in other groups.
- developing action research around this issue.

4. Work Programme

A. Research method

The research in each key area would include the following considerations:-

- (1) specific investigations as to which groups are benefiting from specific policies and which groups are not i.e. understanding and delineating the divisive pressures on Westminster and feeding this back to the member organisations.
- (2) Working out counter-divisive strategies.
- (3) Working out consultative procedures that would initiate and develop a reasonable dialogue between different Westminster organisations and with relevant authorities.
- (4) Disseminating results in relevant and useful form to people and organisations.

B. Scheduling of Work

Westminster Community Consortium will

- Survey needs as outlined above.
- Develop innovative proposals to meet these needs.
- Publish those proposals as a basis for broader discussion and further action.

PROPOSED BUDGET FOR 3-YEAR RESEARCH PROGRAMME
WESTMINSTER COMMUNITY CONSORTIUM

SALARIES:	1986/7	1987/8	1988/9
S02 (Pt.32-34)	11362	12544	13375
S01 X 2 (pt 29-31)	20700	22284	24154
AP5 X15 (pt 26-28)	139740	149490	162960
London W. X 18.	23310	24498	25740
Sub-total	<u>171802</u>	<u>208816</u>	<u>226229</u>
Employers Nat. Ins.	17953	21821	23641
TOTAL (salaries)	<u>189755</u>	<u>230637</u>	<u>249870</u>
RENT/RATES:	26460	27783	29172
HEAT/LIGHT:	7560	7938	8335
Telephone, stationary postage, copying:	32130	33737	35424
Room-hire, insurance travel, library refs, maintenance of equip,	<u>13230</u>	<u>13892</u>	<u>14587</u>
TOTAL (running costs)	79380	83350	87518
TOTAL SALARIES + RUNNING COSTS	<u>269135</u>	<u>313987</u>	<u>337388</u>
<u>CAPITAL EQUIPMENT:</u>			
Office furniture:	£2000		
2 typewriters:	£1500		
Word processor:	£1500		
duplicater:	£1000		
Off-Set litho Print. press	£3500		
Electro-stencil	<u>£1500</u>		
TOTAL (capital)	<u>£11500</u>		
TOTAL BUDGET FOR 3 YEAR PROJECT:		<u>£932010</u>	

John Harwood



LONDON BOROUGH
OF
LEWISHAM
ANNEX
B (5)

Mr Brayshaw
C/o Head of Programme Office
Greater London Council
Room 210A
County Hall
London
SE1.

CHIEF EXECUTIVE'S OFFICE
Lewisham Town Hall
London SE6 4RU
telephone 01-690 4343 ext 1

8 November 1985

Dear Mr Brayshaw

Deprivation in the Inner City:
Potential Assistance for Projects of Social Value

Thank you for your letter of 25th October, 1985 expressing your Council's concern that increasing social and economic problems in the inner city areas are causing explosive confrontations which are likely to intensify unless urgent remedial action is taken. This Council shares those concerns and feels that urgent, intensive and on going actions are essential to combat these growing problems.

The magnitude of the problems and the scale of the resources required to tackle them, are such that I can only hope to outline briefly this Council's views on them. I have however attached some papers which expand on the major points.

The scale of the social and economic problems in Lewisham is evidenced by the fact that Lewisham is, on the DoE's own analysis of Urban Deprivation, the 17th most deprived area in England. The problems range through the loss of 12,500 jobs in the manufacturing and construction industries, consequent rising unemployment (male unemployment is some 30% in the North of the Borough), homelessness, growing housing need and deteriorating housing stocks, to inevitable poverty. Each of these potentially incendiary elements in raising social instability is explored briefly in Appendix A attached. These problems are most acute for Lewisham's black and ethnic minority communities.

Just as the problems are many and varied so action needs to be taken over a wide front. The main areas of immediate concern are:-

- i) preserving the major contributions made by the GLC funded voluntary sector in the community, preserving the equivalent contribution by the Lewisham funded voluntary sector, and expanding activity throughout the entire voluntary sector,
- ii) tackling some of the housing issues,
- iii) restoring and maintaining the basic main road and street lighting infrastructure,
- iv) retaining the existing environmental and recreational services at least at present levels,
- v) instituting the necessary financial and management control procedures which are essential to obtain the maximum value for money from scarce financial resources, and
- vi) improving communications.

John Harwood Chief Executive

The Voluntary Sector

I cannot over emphasise the contribution which the voluntary sector makes to social harmony in Lewisham. There are a variety of ways in which the GLC can help to preserve and expand this contribution and these ways are discussed in Appendix B.

HOUSING

Lewisham is facing unbudgeted demand for repairs due to the poor quality of much of the housing stock (especially former GLC stocks). Additional costs are resulting from the differences between GLC and Lewisham practices. Major costs are expected because of the need to provide proper information facilities for neighbourhood repair teams, a major initiative designed to improve services to Council tenants. Future funding of repairs needs to be secured if the potential for social discontent because of poorly maintained housing is even to be contained. The proposals in Appendix C are no more than a first step. The much more major programme of capital improvements and new housing which will ultimately be required is beyond the scope of this submission.

ROADS AND LIGHTING

Not only do the ravages of last winter upon Metropolitan roads need attention but, in times of unrest especially, public protection demands proper standards of street lighting Appendix D indicates the needs and my colleagues would be happy to discuss the financial mechanics needed to achieve the proposals if you foresee any difficulties.

ENVIRONMENTAL AND RECREATIONAL SERVICES

Environmental and Recreational facilities play a major role in reducing and releasing tension, especially among the unemployed. Such services in Lewisham are at risk and the consequences of their diminution or loss whilst unquantifiable can only be severe. Appendix E shows how the GLC could prevent this.

VALUE FOR MONEY

Lewisham's financial systems require replacement. They are simply not adequate to provide information essential to secure the maximum contribution to objectives from each fl spent. The GLC has I understand already funded information systems for another Borough. Lewisham plans the complete replacement of the following systems in the current and next financial years by commercially available packages

- General ledger
- Accounts payable
- Purchase Order
- Inventory (Stores)
- Payroll (Salaries and Wages)
- Personnel
- Transport Management

The cost of these packages with necessary hardware is likely to be around £0.5 million and perhaps £0.75 million.

COMMUNICATIONS

Contact at local level, through neighbourhood offices, is a major plank in the Council's strategy for improving the efficiency of service delivery at local level and thus diffusing tension. Appendix F sets out the need for funds to enable projects already approved for GLC funding to be completed and brought into effective operation.

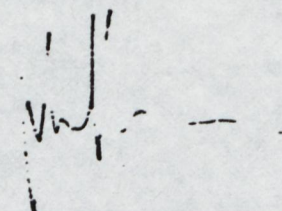
SUMMARY OF THE COUNCIL'S SUBMISSION

	First Year Funding £000's	Next 4 Year Funding £000's
The Voluntary Sector (Appendix B)	5,889.5	34,944
Housing:- (Appendix C)		
- Ex GLC Properties	4,602	8,785
- LBL Properties	6,708	16,925
Road Maintenance and Lighting (Appendix D)	50 (NB1)	7,258
Environmental and Recreational (Appendix E)	7,575	46,034.5
Offices, Depots and Communications (Appendix F)	3,100 (NB2)	-
Value for money	750	-
	<hr/> 28,674.5	<hr/> 113,946.5

NB1 1985-86 capacity only

NB2 Once off capital costs, or if not acceptable on capital account revenue financing alternatives can be put forward.

Yours sincerely


Chief Executive

SOCIAL AND ECONOMIC PROBLEMS AND COMMUNITY NEEDS IN LEWISHAM1. INTRODUCTION

- 1.1 This note sets out in broad outline the evidence of increased social and economic problems and community needs in Lewisham. It is not a definitive appraisal of local needs but an attempt to codify the major social and economic problems facing the local community.

2. THE HEALTH OF THE LOCAL ECONOMY

- 2.1 In the decade 1971 to 1981 some 12,500 jobs were lost in the Borough's manufacturing and construction industries. The decline in these two sectors could not be offset by a modest increase (4,000) in "service" sector employment. Moreover, since 1981 the pace of job loss in the manufacturing sector has accelerated. The past four years has seen the closure or contraction of all of the Borough's large manufacturing firms.
- 2.2 In the face of these trends in the local economy, the Council has had to focus upon those problems that are tractable in the current financial climate. However, as 5 per cent of the Borough's organisations employ over 50 per cent of the Borough's workforce a focus on small businesses, to the exclusion of other businesses, will be ineffectual, for in the period 1978-81 while some 300 jobs were gained in small businesses some 4,000 jobs were lost in large businesses.

3. UNEMPLOYMENT

- 3.1 From October 1982 to September 1985 the number of unemployed claimants in the Borough rose by nearly 5,000 to 18,300. At present one in six of the Borough's economically active population are unemployed although the rate of unemployment is not spread evenly throughout the Borough. In Deptford 26 per cent of economically active males are unemployed compared to 15 per cent elsewhere in the Borough. (see Annex 1)
- 3.2 The uneven spread of unemployment largely reflects the residential distribution of socio-economic and racial groups in the Borough. The black and ethnic minority communities in the Borough are severely disadvantaged in the labour market and the rate of unemployment amongst these communities (particularly in Deptford) is an issue of great concern to the Council.
- 3.3 Another unemployment trend which is causing the Council great alarm is the rising number of unemployed school leavers. As at September 1985 there were over 2,300 unemployed school leavers in the Borough; a rise of over 40 per cent in three years.

4. HOMELESSNESS AND HOUSING NEEDS

- 4.1 The most acute form of housing need is experienced by the homeless. The Council not only has to meet its statutory obligations to those homeless people who are in 'priority need', it also has to make provision for a growing number of homeless people who fall outside of this statutory defined category. This is particularly so with the contraction of provision in large hostels throughout central London and with reductions in health authority provision for vulnerable people.

4.2 In 1984/5 the Council accepted 1,200 households as homeless and in priority need. The rate of priority homelessness in Lewisham to date suggests that the numbers will rise to 1,400 for this financial year. In addition, it is estimated that the numbers of lettings which will be required for 'non-priority' homeless households will rise by 40 per cent in one year, such that nearly 1,050 of these households will need to be housed in 1985/6. Indeed, the rising incidence of homelessness of this group of people is such that the Council has, this year, instituted new administrative procedures to enable the early identification and speedy rehousing of 'non-priority' homeless households.

4.3 At a time when the numbers of public sector properties available for letting is diminishing the Council notes with concern that the need for these properties is increasing. In 1984/5, the Council let 2,200 homes to 'new' tenants (i.e. other than by way of transferring existing tenants) and as at September 1985 there were some 17,600 applicants on the Council's housing waiting lists (including 600 'special' lettings and 700 for sheltered housing) and a further 700 households were homeless and waiting to be rehoused from temporary and other accommodation.

5. BLACK AND ETHNIC MINORITY COMMUNITIES

5.1 The precise numbers of people in Lewisham who are members of the black and ethnic minority communities is unknown; estimates from the 1981 Census based on birthplace data of heads of households are the only reliable information source. These estimates indicate that 11 per cent of households are headed by persons born in the New Commonwealth and Pakistan and that these households contain 15 per cent of the Borough's population.

5.2 The age structure of the black ethnic minority population is not coincident with that of the rest of the population. The relatively high proportions of young people in the black and ethnic minority population coupled with the deep rooted institutional racism in the local and national labour market leads to seriously high levels of unemployment in this sector of the population.

5.3 The unemployment level in the black and ethnic minority population and particularly amongst young people is a matter of extreme concern to the Council. One consequence of a large cohort of unemployed and disaffected young black people is a serious rise in social and community tension in Lewisham generally and Deptford in particular.

6. POVERTY IN LEWISHAM

6.1 Poor people are heavily dependent upon public service provision. In a strong sense, poor people measure the quality of their lives by the quality of local public service provision. For this reason, it is essential that public sector resources in Lewisham are maximised and that they are deployed effectively and efficiently.

6.2 The most recent and reliable information on local income levels is from the Greater London Transportation Study (1981). The results from this study show that the median household income in Lewisham is amongst the lowest in London; in only eight London Boroughs is the median household income lower than in Lewisham.

The poorest members of the community rely, wholly or partially, on welfare benefits and there is evidence that the extent and intensity of people's reliance on these benefits has increased dramatically over the past few years. The numbers of people receiving supplement benefit from the Lewisham DHSS office has increased from 7,200 in 1979 to 13,000 in 1985. Throughout the Borough some 25,000 people now claim supplementary benefits. Another feature of the growing dependence of the local community on welfare benefits is the number of people claiming housing benefits. At present 24,000 Council tenants (6 in 10) and 16,600 private householders (3 in 10) claim housing benefits.

Introduction

In view of Lewisham's acute financial position there must be some element of doubt as to the Borough's ability to support the Voluntary Sector in future years. If this was proven to be the case the areas at greatest risk from the loss of services would obviously be those deprived areas where these types of services are mostly required. It therefore follows that if Lewisham were unable to support all or even part of the currently funded voluntary sector it could result in higher social tensions within the most vulnerable areas, for their needs would not be able to be satisfied.

EXISTING ACTIVITIES AND SERVICES

The various activities carried out by Lewisham's Voluntary Sector may be summarised as below:-

1. satisfying the requirements of the homeless including the provision of hostels, day care facilities, support and advice services,
2. enhancing the quality of life of the unemployed, ethnic minorities, women and under 5's,
3. the provision of supportive/advice centres in respect of legal advice, racism awareness and general advice,
4. the support of identified groups within the community which include the elderly, disabled, pre-school support, children at risk etc, and
5. the promotion of employment initiatives within the Borough focusing particular emphasis on the most deprived areas.

The Voluntary Sector within Lewisham currently obtains funding from two main sources. These sources are either from Lewisham or the GLC, or possibly a combination of the two. Lewisham has applied on behalf of all the projects currently funded by the GLC under the Department of the Environment's guidelines for transitional funding. There must be great concern as to the allocation being sufficient to finance all of those projects. It should also be noted that in view of Lewisham's 'rate-capped' limitations for 1986-87 there must be even greater concern as to its ability to continue to support the Voluntary Sector at its current levels. In view of the position of both authorities the GLC is asked on behalf of Lewisham's Voluntary Sector to consider financing the future of existing services by way of a trust or direct funding by the GLC or through Lewisham as its agent (see Annex I)

DEVELOPMENTS

Lewisham has also supported new initiatives in the past by way of approvals received under the various Urban Programmes. Several of these are due to time expire over the next five years which will place an additional burden on the Boroughs already strained financial resources. It is also important to note that Lewisham have agreed in principle to continue to support all voluntary projects which are currently funded by yourselves. This again will create additional stress on the Borough's resources, must be subject to the availability of financing, and doubt should be expressed as to the Borough's

ability to support all of the projects.

New developments are also considered each year. Organisations are invited to submit applications for consideration under the current urban aid policy. Lewisham were invited by the Department of the Environment to submit applications for 15 projects for consideration of funding for 1986/87. Lewisham were however in receipt of over 50 applications. Lewisham initially prioritised these applications down to 26 of which after further appraisal 15 are to be submitted. However the remaining 11 projects are considered as being constructive and valuable new initiatives and worthy of financial support. A cross section of those organisations deal mainly with the following issues; homelessness, drug abuse, support for victims of crime, employment initiatives, alcohol abuse, under 5's provision and support for women at risk.

SUMMARY

It is widely recognised that the voluntary sector contribute to reducing the tension within the inner city. To ensure the continuence of the Voluntary Sector within Lewisham for the following five years it is felt that they should be forward financed. The financial consequence of this proposal is as follows:

	5 Year Funding	1 Year Funding	Estimated Annual Section 137 Implications
	£	£	£
GLC currently funded Vol Orgs	11,113,500	1,828,600	510,000
LBL currently funded Vol Orgs	16,527,000	2,719,300	290,000
New initiatives within Lewisham	2,636,000	433,800	-
Time Expiring projects within Lewisham	3,342,000	689,800	-
Employment initiatives	<u>1,325,500</u>	<u>218,000</u>	<u>218,000</u>
	<u>34,944,000</u>	<u>5,889,500</u>	<u>1,018,000</u>

NB Inflation has been allowed for at 5% p.a.

POWERS

The various legal powers used by the Council to fund the Voluntary Sector are set out in Annex II attached. The means by which advance funding can be provided through either Trust or Agency arrangements is explained in Annex I attached.

A sensible method of securing the funding of voluntary organisations over the next 5 years would be to set up a trust (or a number of trusts) to receive GLC Funds, to hold monies and to approve grants to voluntary organisations. The trust need not employ staff but could make use of staff employed by Lewisham Borough Council to administer its functions. It would not make decisions in isolation as to which organisations should be funded, but would normally seek the recommendations of the Council. It would be under the control of trustees and/or a committee who could be Council Members and/or officers. Its objects would be to provide or assist in the provision of grants to voluntary organisations operating wholly or mainly in the Borough of Lewisham or offering help, support services, or other benefits to residents of the Borough of Lewisham.

Contributions to such a trust would not be subject to the provisions of Section 91 Local Government Act 1985 which seek to control the provision of grants by the GLC to, and the making of agreements or arrangements with, a local authority after 24th July 1984. Provided the funds were transferred before abolition date, the trust would also not be subject to Section 92 which seeks to control the assumption of liabilities by the GLC after 21st March 1985. The only problem might come if any expenditure to be incurred by the GLC was deemed to be under Section 137 after April 1985 for which Secretary of State consent is required by virtue of the Local Government (Interim Provisions) Act 1984 Section 7.

An alternative to the setting up of a trust to secure the funding of voluntary organisations might be for the Council to enter into an agency arrangement with the Greater London Council whereby the Council would administer grants which would otherwise have been handled by the GLC. This would not constitute a grant or assistance to a local authority under Section 91 of the Local Government Act 1985, and would not come into conflict with Section 92 provided any new liabilities were discharged prior to the date of abolition. Care would have to be taken to avoid any problem of consideration under Section 9 of the Local Government (Interim Provisions) Act 1984 which controls the making of contracts by the GLC. An agency agreement worded so as to avoid those pitfalls offers an alternative avenue, though it is not as clear or attractive as the trust approach.

Both Trust and Agency proposals can be designed to accommodate the use of Section 137 monies to the extent these are available to the GLC. Alternatively they can be designed so that it could not be said the monies related to Section 137 powers. If desired both routes would be capable of handling expenditure under both Section 137 and other powers.

The main concurrent funding powers currently used are summarised as follows:

1. Sections 111, 137, 142 and 145 of the Local Government Act 1972.
2. Sections 45 and 65 of the Public Health Act 1968.
3. Various Sections of the Local Government (Misc Provisions) Act
4. Various Sections (especially see 19) of the Housing (Homeless Persons) Act 1976.

HOUSING SERVICE

1. The Council's housing service is facing a crisis in the current year. The stock of properties is in a poor condition and is deteriorating further as each week goes by. The amount which could be provided in the budget to finance expenditure on repairs was severely limited by the effect of ratecapping. As a result it has been impossible for the Council to avoid overspending its budget provisions in the current year. With ratecapping continuing next year it will not be possible for the Council to maintain its present level of spending on repairs in 1986-87 and it is therefore inevitable that the housing stock will continue to deteriorate.
2. In addition, the Council is facing problems in financing even the present budgeted level of expenditure next year due to the long term effects of special accounting arrangements which were needed in 1985-86. to maintain existing services.
3. Finally, there is a need to decentralise the housing repairs service in order to improve efficiency and productivity so that the resources available to the Council are used to the maximum efficiency. This is a medium term objective which cannot be achieved unless the Council is able to input the necessary capital resources in the short term. The GLC has already assisted under the Article 24 Programme in relation to the transferred properties but it has become clear that, with the current problems facing the Council, additional resources are required.
4. This appendix sets out the details of a bid from this Council for GLC support to enable some of the problems outlined above to be alleviated. The report is divided into 3 sections as follows:-
 - A. ESSENTIAL ADDITIONAL EXPENDITURE IN 1985-86
 - B. EFFECTS OF SPECIAL ACCOUNTING ARRANGEMENTS
 - C. NEED FOR SUPPORT IN 1986-87

A

ESSENTIAL ADDITIONAL EXPENDITURE IN 1985/86

5. Essential additional expenditure will be incurred in 1985/86 on the provision of the housing service, but this is as yet unfunded. A summary of the situation is set out below followed by a brief explanation of each item.

		ADDITIONAL EXPENDITURE IN 1985-86 ON	
		GLC PROPERTIES £000	LBL PROPERTIES £000
(i)	Repairs and Maintenance		
	(a) Overspending on General Maintenance	690	1537
	(b) Additional Expend- iture Financed by the use of HIP Resources		614
	(c) Additional spending on Ex-GLC Voids	697	
(ii)	Computer Equipment for Neighbourhood repair teams - Leasing. 5 yr costs	790	
(iii)	Compensation Payments to Ex-GLC Estates	160	-
(iv)	Subsidy on Heating Charges - Lethbridge Close	22	-
(v)	Bed and Breakfast - probable overspending	90	
TOTALS		2449	2151

5.1 Repairs and Maintenance

- (a) GENERAL OVERSPENDING - It is expected that due to the poor condition of the housing stock expenditure on all types of repair and maintenance will exceed the budget provision by £2.227 million. In previous negotiations with the GLC (i.e. over rent support in 1984-85) it has been accepted that repairs expenditure should be analysed pro rata between ex GLC and LBL stock. On this basis the overspending on repairs has also been allocated pro rata to stock.
- (b) ADDITIONAL EXPENDITURE FINANCED BY THE USE OF HIP RESOURCES - In view of the size of the potential overspending a number of the larger repair works to a value of £614,000 in 1985-86 (£1,115,000 in 1986-87) were allocated to the HIP. As a result certain other HIP schemes have been deferred to later years. The identified contracts relate to Lewisham properties.

(c) ADDITIONAL SPENDING ON EX GLC VOIDS - This figure represents larger contracts on ex GLC voids which could not be transferred to MIP funding. The costs are a direct result of the Council's programme to reduce the number of void properties and reflect the generally poorer condition of the transferred stock.

5.2 COMPUTER EQUIPMENT FOR NEIGHBOURHOOD REPAIR TEAMS

The Council is setting up 15 Neighbourhood Repair Teams and 5 Neighbourhood Offices to provide a more responsive and efficient decentralised service for all the Council's tenants. The costs involved in setting these up are being met from GLC housing transfer funds under article 24. The estimated costs are, however, higher than expected and insufficient funds exist to meet the cost of computer equipment (£790,000).

5.3 COMPENSATION PAYMENTS TO EX-GLC ESTATES

GLC policy on the payment of compensation to tenants whose lives are disrupted when major works are carried out to their homes is different from Lewisham's policy. Claims for compensation have now been submitted by tenants of Pepys Estate, Gerrard House and Silwood/Hillcrest Estates which total £160,000. No budget provision was made by Lewisham because it is not this Council's policy to meet claims of this type. There may also be other claims arising in the future. If these claims are to be met resources would have to be provided by cutting other Council services.

5.4 SUBSIDY ON HEATING CHARGES - LETHBRIDGE CLOSE

The Council operates a policy of recovering the full cost of central heating systems through tenants' charges and groups various properties into pools to equalise the charge to tenants. It has already been decided to replace the heating in Lethbridge Close which is inefficient and out of date but this has been delayed by the need to carry out a structural survey on the building. Because of this delay the Council decided to remove Lethbridge from the pooled charges system. The tenants will then pay the economic cost of heating these blocks, which is less than the pooled charges. This will require a subsidy of £22,000 in 1985-86 and £45,000 in 1986-87 (assuming that the new heating is not installed until 1987-88).

5.5 BED AND BREAKFAST - PROBABLE OVERSPENDING

The demands on the Council's homelessness service are, once again, increasing and because of the lack of housing available the Council is having to resort to further use of bed and breakfast accommodation. As a result, additional net expenditure will be incurred in 1985-86.

The problems of homelessness are London wide and relate to strategic issues which particularly relate to the GLC's position. In these circumstances the full cost should be charged to the GLC.

B. EFFECTS OF SPECIAL ACCOUNTING ARRANGEMENTS

6. In order to finalise the 1985-86 budget. The Council undertook various special accounting measures including the sale of Council mortgages. The income from the sale was used to capitalise £1.5 million of repairs expenditure in 1985-86 of which, on a pro rata basis, £458,000 relates to ex-GLC properties. As a result of Government legislation it is unlikely that the Council will be able to repeat this arrangement in 1986-87. It would then as a result of ratecapping be necessary to cut expenditure in that year by an equivalent amount.
7. If the GLC financed the special accounting arrangement by making a contribution of £1.5 million in 1985-86 it would then be possible to carry forward the mortgage money to 1986-87 and use it to capitalise an equivalent amount of repairs in that year.

C NEED FOR SUPPORT IN 1986-87

8 Special Fund

8.1 In addition to the above it is currently estimated that in order to maintain the fabric of the housing stock repairs expenditure in 1986-87 will exceed base budget provision by £2.6 million of which £0.9 million relates to ex-GLC property. In addition, as stated above, there is the full year effect of subsidising Lethbridge-Close heating (£45,000) and the further cost of additional capitalisation of repairs to the HIP (£1,115,000). There will also be a need to provide a new telephone system at the Neighbourhood Offices (£450,000).

If an adequate repairs service is to be provided in future years consideration should be given to setting up a special fund in 1985-86 which could be used to preserve spending over the next 5 years.

8.2 The overspendings referred to earlier indicate that the Council is currently spending more on the maintenance of ex-GLC properties than is included in the management and maintenance allowances. The Housing Department have considered the possibility of further increasing expenditure on the transferred properties but have concluded that, at this late stage in the year, there is little prospect of achieving any further additional expenditure in 1985-86. It is however essential for the Council to increase spending in 1986-87 in order to carry out essential works to the ex-GLC properties so that their condition is brought in line with essential minimum standards. If the finance was provided by setting up a special fund this year for that purpose it is estimated that the Council could spend a further £1.0 million annually for the next 5 years.

9. The Council's bid for the Housing Service may therefore be summarised as follows:

	EX GLC PROPERTIES		LBL PROPERTIES	
	1 YEAR £000	5 YEAR £000	1 YEAR £000	5 YEAR £000
Items of Additional Expenditure (para 5)	2449	N/A	2151	N/A
Special Accounting Arrangements (para 7)	458	2290	1042	5210
Special Fund (para 8.1)	1395	4995	2815	9615
Additional Spending in 1986-87 (para 8.2)	<u>300</u>	<u>1500</u>	<u>700</u>	<u>2100</u>
	<u>4602</u>	<u>8785</u>	<u>6708</u>	<u>16925</u>

METROPOLITAN ROADS: ROAD MAINTENANCE AND PUBLIC LIGHTING ETCRoad Maintenance

1. There has been a gradual decline in maintenance levels over a period of years. Major road systems cannot sustain continual lowering of maintenance levels for an extended period. It is now necessary to undertake considerable work to bring Lewisham's metropolitan roads up to an acceptable standard. Ideally, funds should be made available to ensure security of financial support for such works for several years ahead.
2. There has been a substantial increase in the traffic levels in Lewisham. A larger number of heavier lorries are now using the borough's metropolitan roads. There is every reason to believe that the trend will continue upwards. The main road links to the S.E. coast and the Channel Ports run through the borough. The continual development of the LDDC industrial programmes will create additional traffic consequences for the borough.
3. This Council is committed to a policy of industrial and commercial development of its own design to provide development opportunities for business, and to create new jobs, and training opportunities for young people in Lewisham. Unemployment among the young is a worrying factor - particularly among the younger black population. Poor transportation infrastructure will hinder this Council's ability to progress its employment and industry policy, and have a serious effect on the promotion of new business development.
4. The severity of the past winter on road surfaces is now becoming obvious. To avoid rapid deterioration, action must be taken soon to effect major repair work. The Council's stocks of salt and gritting materials were greatly depleted last winter, and need to be restored. Sufficient preparation is needed to ensure that the Council is able to act promptly to clear metropolitan roads of snow and ice, and to ensure that they remain clear during any severe conditions which may occur this winter.

5. Public Lighting

5. There is an obvious need for good public lighting on and around the metropolitan roads running through the borough. As traffic increases in volume this need cannot be understated, the safety of pedestrians, especially the elderly and children is of obvious importance. Equally the safety of the public at large, particularly women, during the hours of darkness must be regarded as a major consideration.

The Council is already undertaking a programme of improvements because of the inadequate lighting on Metropolitan roads. Four major schemes remain in the original 10 year programme which will require expenditure of £0.2 m in 1986-87 or later years.

6. Accordingly one Council believes that to effect these measures the following resources are necessary.

METROPOLITAN ROADS

	£
Repairs and Maintenance 85 - 86	50,000
Special Fund - re Maintenance, lighting and cleaning over 5 years	3,878,000 .
Special Winter Maintenance (over 5 years)	1,075,000 *
Special Maintenance Works (5 year Programme)	2,068,000 .
Special Street Lighting Works (Schemes + 1 additional P03 over 5 years)	237,000
	<hr/>
	£7,308,000
	<hr/>

* Includes for the replenishment of salt and grit stocks to a value of £50,000 per annum.

ENVIRONMENTAL AND RECREATIONAL LEISURE FACILITIES FOR LEWISHAM

Lewisham currently provide various sporting and leisure facilities throughout the Borough, all of which are reimbursed via the stress boroughs initiative. There is however a considerable element of doubt as to whether the Borough will in the future have the financial resources to continue with their support for these services. It may however be possible to provide the premises for management by a trust which in turn would safeguard the facilities for those deprived groups within the community.

The concept of a trust need not be confined to voluntary organisations, but could be extended to cover Council run services. A trust could be set up to run recreation services in the Borough, or indeed separate trusts could be set up to run particular parts of the service such as sports centres and swimming pools. Such a trust would not employ staff but at the minimum could receive funds and transfer them to the Council to run such services. Its objects would be to provide or assist in the provision of recreation facilities operating in the Borough of Lewisham, or providing benefits to residents of the Borough of Lewisham.

	£
Parks and Open Spaces	28,855,500
Baths	9,235,500
Leisure Centres	5,922,000
Lewisham Theatre	2,021,500
	<hr/>
TOTAL	£46,034,500
	<hr/>

The Council is currently undertaking a programme of work to provide new and improved office and depot accommodation arising from the recent transfer of the GLC housing estates. This is being financed by an allocation of capital resources from the GLC under Article 24 of the transfer order.

2. As mentioned previously the housing neighbourhood offices are being financed from this programme-but it has been established that there is insufficient provision to meet the cost of new computer equipment (£630,000 - para 5.2 refers) and the telephone system (£450,000 - para 8.1refers).

3. The remainder of the programme is also, however, overspending and it is now estimated that a further £0.6 million will be necessary to enable all the identified work to be completed.

This would require an equivalent transfer of capital allocation from the GLC to the Council. If this is not possible and the GLC was able to provide revenue support of £0.6 million it would be possible for this Council to finance additional capital spending either by entering into leasing arrangements or by making use of 'notional' capital receipts.

4. The Council is in need of a completely new telephone system. The existing system relies upon manually operated exchanges and is inefficient. Investigations have shown that the cost of complete renewal would be £2.5 million (this is in addition to the £0.45 million requested by the Borough Housing Officer in paragraph 3.1). An improved system would be of benefit to all areas of the Council's services but would also result in significant improvements in the efficiency of the housing service which would also therefore benefit tenants of ex GLC properties.

The present poor communication systems will result in increased difficulty for the Council in providing any transferred services successfully. In view of ratecapping the Council will have no resources to finance a major renewal of the telephone system in the foreseeable future.

5. It is intended to finance such a system by a leasing arrangement so that there would be no need to use capital resources.

6. In summary, therefore, the bid for offices, depots and communications is as follows:

	£000
Article 24 Programme	600
New Telephone System	<u>2500</u>
	3100
	<hr style="width: 50px; margin: 0 auto;"/>



for urgent advice please: Mr Griffin

F 55 Annex
C

Borough of Haringey

cc Mr Knowliffe
Mrs Thomas
Mr P. Davis
APS/Lord Elton

Members Room
Civic Centre Wood Green N22

as from: 32 The Ridgeway
N.11.

4th December 1985

Tel: 368 1329 (H)
883 1109 (O)

Dear Lord Elton,

Re: G.L.C. Inner City Package.

I enclose a copy of the report that went to Haringey's Finance committee and the appendix (the letters referred to were not circulated). I also enclose a copy of the original letter from the G.L.C. requesting boroughs to 'bid' for the finance.

The figures have, I understand, been revised to allow for future funding for 2 years (rather than 5) and that schedule is being typed ...for delivery by hand to the GLC today. I expect to have a copy tomorrow and will forward to you as soon as possible.

If you have any queries or want me to try and get more information do not hesitate to contact me.

Kind regards,

Yours sincerely,

Cllr. Brian Salinger

GLC

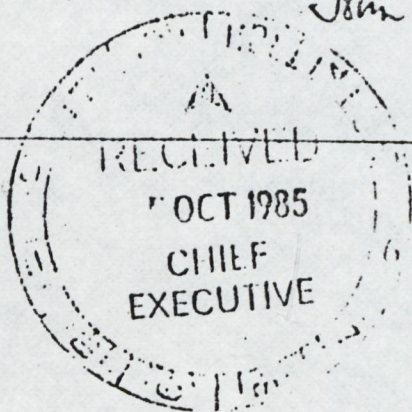
*Cope has
chance
Hans
Cope
S.S.*

Greater London Council

Director-General's Department

Acting Clerk to the Council S J F Starling LLB
Acting Head of Department Mrs D M Buckle BSc(Soc) Lond

John Tunney



The County Hall London SE1 7PB

Telephone 01-633 7147
Please reply to DG/HPO
My reference
Your reference
Date 25th October, 1985.
Telex 919443

To the chief Executives of all London Boroughs

Dear Chief Executive,

Deprivation in the Inner City: Potential Assistance for Projects of Social Value

The recent disturbances in Brixton, Tottenham and elsewhere have made it plain that the social and economic problems in London's inner city areas are increasing, and are causing explosive confrontations which are likely to intensify unless urgent action is taken to remedy them.

Accordingly, I have been asked by the Chair of the Council's Finance and General Purposes Committee to write to the Chief Executives of London Borough Councils to inquire whether their Council would wish to apply for any resources which the GLC might potentially make available for a package of assistance to inner City areas; this assistance might take the form of help to voluntary organisations, support for new activities by Boroughs themselves, or action by the GLC itself. This letter is being sent to the Chief Executives of all LBCs in recognition of the fact that the problems of the inner city are not restricted to Boroughs in Inner London.

Members are anxious that a speedy response is made by the GLC to the events of the past few weeks. I have therefore been asked to invite you to submit concrete bids for consideration by the GLC in respect of an Inner City package; please submit them by 5 p.m on Friday 8 November to the Head of Programme Office, Room 210A, County Hall, London SE1.

When making decisions on the bids submitted, the Council will take into consideration all relevant factors including the demands for additional resources submitted in all Programmes; the interests of London's rate payers as a whole; and the needs of particular areas within Boroughs for assistance.

In order to assist you in preparing submissions for assistance, it is right that the GLC should give an indication of the sorts of criteria that will be used to prioritise bids. These initial guidance criteria, which will assist the council in identifying the areas which might receive financial assistance, are as follows:

1. Whether or not the needs of a particular area are pressing, particularly in respect of:

- subsequent* a) The level of, and growth in, unemployment; *172 over all*
- housing* b) The incidence of homelessness in the community, and the numbers of households on the Borough Council's housing waiting list; *362 16-19 mile group*
- minor - lensed* c) The numbers of ethnic minority households in the community;
- respect to bill* d) The incidence of poverty in the area, as measured by the absolute numbers, and growth in the numbers, of households in receipt of Supplementary Benefit or other social benefits; and
- e) Any other socio-economic factor which the Borough Council considers relevant as an indicator of urgent and growing social need in the community which, if not ameliorated, could lead to further tensions and disturbances.

2. On individual Schemes, the initial guidance criteria are as follows:

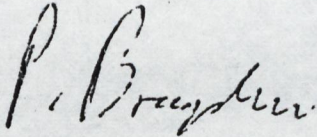
- when could* a) The practicability of implementing a scheme in the remaining months of the GLC's life up to 1.4.86; *document*
- b) Whether or not a scheme is a new development or a continuation of existing service : new developments will, in general, be given priority;
- c) Whether the scheme proposes to utilise the GLC's authorisation under S137 of the Local Government Act 1972; as the GLC's S137 allocation is already fully committed, no such funds are available for this package of potential assistance;
- d) Whether the scheme proposes to utilise the GLC's prescribed expenditure allocation in 1985-86; this expenditure is already fully committed and no such funds are available for this package of potential assistance;

role of Housing Officer

- e) The administrative ease of implementing particular schemes, in the light of the GLC's staffing position etc;
- f) The particular contribution that a scheme would make towards the easing of social problems; and
- g) Whether a scheme involves the voluntary sector; the GLC will look favourably upon schemes which involve voluntary organisations and Borough Councils working together to overcome social problems.

I hope you will find this guidance useful, and we look forward to hearing from you.

Yours sincerely,



Peter Brayshaw
Assistant Director-General
(Policy and Resources)

LONDON BOROUGH OF HARINGEY

FINANCE AND RESOURCES COMMITTEE

TUESDAY 26 NOVEMBER 1985

AGENDA ITEM 7.11

REPORT OF THE BOROUGH SECRETARY

G.L.C. - INNER CITIES PACKAGE

1. SUMMARY

To report on further financial assistance which may be available to Haringey from the GLC under its Inner Cities Package.

2. INFORMATION

2.1 The GLC have written to Chief Executives of all London Boroughs inviting bids for further GLC financial assistance under a new "Inner Cities Package". The letter we got from the GLC set out formal criteria under which boroughs can qualify for assistance, but in essence the package is targeted at boroughs which have recently suffered disturbances. Haringey, Lambeth and Southwark are therefore the key targets for assistance.

2.2 In view of the urgency and the very tight timescale (the closing date for the submissions to the GLC was 8th November), a series of meetings were held at County Hall at both Officer and Member level in order to determine realistic possibilities for funding. In essence, the GLC have indicated that, provided legal and technical problems can be overcome, substantial sums of money may be available to Haringey.

2.3 Constraints on Funding

From the GLC's point of view there are four key constraints on the assistance they can make available:

1. The GLC has no spare capital resources, there may be a possibility, particularly in the Housing field, to fund a variety of one-off expenditures from Revenues.

2. On revenue items the GLC recommends that bids should:

- | | | |
|---|---|---|
| a) Not require the GLC to let contracts of more than £15,000. | b) Not require the GLC to use Section 137 powers. | c) Not require direct payments from the GLC to the Council. |
|---|---|---|

2.4 Given these constraints a team of officers, co-ordinated by myself, have directed the preparation of bids for submission to the GLC on the basis of three critical issues:

1. Whether a scheme could potentially be operated through a voluntary sector agency, rather than directly by the Council.
2. Whether a scheme could be operated using revenue funding alone, without recourse to capital finance.

3. What would be the recurrent implications for future years, which the Council would potentially have to pick up after GLC abolition. In this context a distinction has been drawn between 1986/7 and subsequent years on the basis of hopeful legal advice obtained by the GLC on their ability to 'Forward Fund' for 1986/7 schemes which they are already funding in 1985/6.

2.5 In view of the very short timescale, a meeting of the Council's Emergency Committee was held on 5th November 1985 and a list of bids approved for submission to the GLC for funding consideration. Details of the bids which exceed £100 million in total value are given in outline at appendix 1. (to follow)

It must be stressed that these are provisional bids and that it may be necessary, subject to Member approval, to modify the structure of the bids in order to comply with current GLC funding powers.

3. COMMENTS OF THE COMPTROLLER AND TREASURER

- 3.1 The constraints currently imposed by the GLC would seem to preclude all but projects funded through voluntary bodies, unless this position can be varied following counsel opinion.
- 3.2 If forward funding by the GLC for 1986/7 and subsequent years is not possible, this Council would be left with a continuing financial "commitment" for those future years.
- 3.3 The financial position can only be commented upon once a list of bids have been agreed between the GLC and this authority.

4. COMMENTS OF THE BOROUGH SOLICITOR

4.1 The Borough Solicitor has been consulted in the preparation of this report.

5. ETHNIC, GENDER AND DISABILITY COMMENTS

5.1 Both the GLC and Haringey have sought to give priority in funding the voluntary sector to projects which address the needs of disadvantaged sections of the community, including women, ethnic minorities and people with disabilities. Drawing up the bids which were considered by the Emergency Committee on 5th November, officers had been mindful of these priorities within these constraints imposed on GLC funding.

6. RECOMMENDATIONS

- 6.1 Members are asked to note:
1. The recommendations of the Emergency Committee held on 5 November 1985.
 2. That a further report will be submitted to this Committee as soon as the GLC indicates the likely levels of funding and the projects concerned.

Report prepared by Mr. Glynn Jones, Borough Secretary - 881 3000 Ext: 3355
He will be pleased to answer any queries on this report.

Glynn Jones
Borough Secretary

NO.	SCHEME	Rev. 85/6	86/7	Thereafter								
		£000's	£000's	£000's								
	<u>EDUCATION SERVICE SUBMISSIONS</u>											
1.	<p data-bbox="316 227 629 251"><u>Community Languages</u></p> <p data-bbox="316 277 1124 370">Provision through Haringeys Standing Committee on Community Languages, an existing Voluntary Sector body which advises the Council on:-</p> <ul style="list-style-type: none"> <li data-bbox="381 413 1041 436">i) extended community language classes <li data-bbox="381 446 924 469">ii) community language materials <li data-bbox="348 479 1041 502">iii) Support for Creole speaking Workers 	28	108	108								
2.	<p data-bbox="316 548 660 571"><u>Supplementary Schools</u></p> <p data-bbox="316 614 1124 703">Provision of additional funding for Y Wise and to establish homework/evening study provision based in Sunday Schools.</p>	20	100	100								
3.	<p data-bbox="316 746 1024 769"><u>Pre School Provision</u> (Forward Funding?)</p> <p data-bbox="316 812 1094 868">Through Community Nursery Action Group, provide through a 5 year project in Tottenham:-</p> <ul style="list-style-type: none"> <li data-bbox="381 895 1008 918">i) a pre-school home visiting scheme <li data-bbox="381 928 1055 951">ii) a pre-school special language class <p data-bbox="316 994 1257 1083">Projects will provide support to working mothers, and will seek to provide necessary support to mothers and child minders for the positive development of language.</p>	915										
4.	<u>Community Provision</u>											
4.1	<p data-bbox="316 1192 1087 1215">Northumberland Park Area:- (Forward Funding ?)</p> <p data-bbox="316 1242 1257 1397">To provide day-time facilities for young unemployed and to provide facilities for the elderly, both of which are sadly lacking on the estate and its surrounding area. The building in which these are to be housed will provide general community facilities in the evening.</p> <table data-bbox="687 1424 1152 1529"> <tr> <td>Building Costs</td> <td>767</td> </tr> <tr> <td>Furniture & Equipment</td> <td>40</td> </tr> <tr> <td>Running Costs (5 years)</td> <td>1833</td> </tr> <tr> <td></td> <td><u>2640</u></td> </tr> </table>	Building Costs	767	Furniture & Equipment	40	Running Costs (5 years)	1833		<u>2640</u>	2640		
Building Costs	767											
Furniture & Equipment	40											
Running Costs (5 years)	1833											
	<u>2640</u>											
	C/F	3603	208	208								

NO.	SCHEME	Rev. 85/6	86/7	Thereafter								
		£000's	£000's	£000's								
		B/F										
4.2	<p><u>South Tottenham (Gladesmore) (Forward Funding)</u></p> <p>Through Gladesmore Community Community Association to provide enhanced community facilities, by establishing a trust fund to meet the running costs of such facilities over a five year period.</p>	3603	208	208								
		500	-	-								
5.	<p><u>Youth Provision</u></p> <p>To repair and refurbish an existing building adjacent to Trojan Youth Club in order to establish a Music Workshop to promote youth music. The facility would offer rehearsal space in addition to performance space for a range of musical activity.</p> <p>The project would need to be established under a trust fund to meet the refurbishment cost and to promote its activities over a five year period.</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Building and Fees</td> <td style="text-align: right;">400,000</td> </tr> <tr> <td>Running costs (5 years)</td> <td style="text-align: right;">650,000</td> </tr> <tr> <td>Equipment</td> <td style="text-align: right;"><u>200,000</u></td> </tr> <tr> <td></td> <td style="text-align: right;">1,250,000</td> </tr> </table>	Building and Fees	400,000	Running costs (5 years)	650,000	Equipment	<u>200,000</u>		1,250,000			
Building and Fees	400,000											
Running costs (5 years)	650,000											
Equipment	<u>200,000</u>											
	1,250,000											
		1,250	-	-								
6.	<p><u>Unemployed</u></p> <p>To create under the auspices of the Unemployed Centre a trust fund to create a five year project to achieve the following:</p> <ul style="list-style-type: none"> i) to act as a focus for the D.E.S. sponsored Replan Scheme; ii) to finance training needs of young unemployed; 											
		C/F										
		5,353	208	208								

NO.	SCHEME	B/F	Rev. 85/6	86/7	Thereafter
			£000's	£000's	£000's
8.	<u>North East Tottenham Community Assn. Continued.....</u>		8,578	208	208
	It is possible to establish the majority of the facilities in the former Tottenham School (6th Form Block), but it would be necessary to provide a purpose built community nursery.				
	Building Repair/Refurbishment cost £ 810 Equipment 75 General Running Cost (5 years) <u>2275</u> £3160		3,160	-	-
	<u>EMPLOYMENT & BOROUGH ECONOMY COMMITTEE</u>				
9.1	Compensation to Traders (Broadwater Farm Disturbances)		Unquantified	-	-
9.2	Broadwater Farm Supermarkets/Newsagent Premises		50	-	-
9.3	Broadwater Farm Training/Industrial Workshops		150	100	100
9.4	Matching EEC Funds/Training (Broadwater Farm)		200	200	200
9.5	Mural Painting (Broadwater Farm)		10	One-Off	-
9.6	Broadwater Farm Skills Survey		3	One-Off	-
9.7	Broadwater Farm 2 x IBM PC Computers		10	One-Off	-
9.8	Broadwater Farm Training Projects/South Recording Music Workshop		120	100	110
9.9	Broadwater Specific Media Skills Training Workshop		90	95	100
9.10	Broadwater Furniture Re-cycling Workshop		120	130	135
9.11	Broadwater Information Technology Workshop		90	95	100
		C/F	12,581	928	928

NO.	SCHEME	Rev. 85/6	86/7	Thereafter	
		£000's	£000's	£000's	
	<u>EMPLOYMENT & BOROUGH ECONOMY COMMITTEE - continued...</u>	B/F	12,581	928	953
9.12	Bruce Grove Commercial Improvement	150	-	-	
9.13	Workplace Nursery Trust Fund - 40 places over 5 years	5,000	-	-	
9.14	Employment Projects for People with Disabilities	100	100	-	
9.15	Business Advice Centre	100	100	-	
9.16	Co-operative Development Agency	40	40	-	
9.17	Unemployed Workers Centres	200	200	-	
9.18	Other Voluntary Sector Employment	300	300	-	
9.19	Advanced Business Centre	100	100	-	
9.20	Trust Fund for Recreation - based Employment Initiatives	5,000	-	-	
9.21	Tottenham Federation of Cricket Clubs: Cricket and other recreation facilities	1,250	-	-	
9.22	Sector Studies and other Economic Research Projects	150	-	-	
9.23	Music & related recreation facilities based at Curzon Cinema or alternative site	100	-	-	
9.24	West Indian Leadership Council	No precise estimates yet - say 3,000		-	
9.25	Training Foundation and other Training Projects	No precise estimates yet - say 2,000		-	
9.26	Industrial Property Schemes (Council and non-statutory) e.g. Millmead Industrial Centre Office Block, Basildon Works Berec Site (St. Anne's Road)	1,000	-	-	
9.27	Broadwater Farm: Assistance to Co-operatives	150	-	-	
9.28	Community Radio	100	-	-	

NO.	SCHEME	Rev. 85/6	86/7	Thereafter
		£000's	£000's	£000's
	B/F	31,321	1768	953
	<u>HOUSING COMMITTEE</u>			
	(See detailed sheets - attached)			
	LIST A - <u>Environmental Improvement Schemes</u>	1662	551	10
	LIST B - <u>New Revenue Projects with forward funding and staffing implications</u>	336	2367	1600
	LIST C - <u>New Capital Projects to be funded over one or more years (using Trust Funds ?)</u>	250	18003	22400
10.	<u>SOCIAL SERVICES COMMITTEE</u>			
10.1	<u>40 Place Day Nursery on Broadwater Farm or Vicinity</u> Possibly using Tottenham Child Care Campaign (Green School) or Broadwater Farm Youth Association/N Ketewa	260	200	800
10.2	<u>Provision of Play Bus to Provide Mobile Play Facilities</u> Using Tottenham Play Bus Association	20	20	60
10.3	<u>Provision of Orthodox Jewish Nursery</u> Using Tottenham Orthodox Jewish Association	510	250	750
10.4	<u>Provision of Two Community Nurseries for young children and families</u> Using Community Nursery Action Group/Black Parents Action Group/Tottenham Single Parents Group	20	1,500	1,500
10.5	<u>Provision of Two Additional Mini-buses to provide further facilities for the disabled in the Tottenham Area</u> Using Haringey Disablement Association	26	30	90
	C/F	34,405	24,689	28,163

NO.	SCHEME	Rev. 85/6	86/7	Thereafter	
		£000's	£000's	£000's	
	SOCIAL SERVICES COMMITTEE - continued....	B/F	34,405	24,689	28,163
10.6	<u>Provision of Additional Access Worker for Haringey Disablement Association</u>	3	12	36	
10.7	<u>Elderly Client Group.</u> <u>Provision of Team Working at Broadwater Lodge Home for the Elderly</u>				
	To provide short term relief facilities for the elderly - Using Tottenham Old Peoples Welfare Committee	25	50	150	
10.8	<u>Extension of Ethnic Meals Service for the Elderly</u> See attached paper	435	250	750	
11.	<u>UNDER 7's COMMITTEE</u>				
11.1	<u>Women & Childrens Centre - Northumberland Park Estate</u> Using Community Nursery Action Group	60	60	180	
11.2	<u>Mobile Toy Library</u> Using local voluntary organisation	50	50	150	
11.3	<u>Creation of 4 Community Nurseries</u> Using the following voluntary organisations:- Tottenham Single Parents Group Black Parents Action Group Cypriot Centre	300	300	900	
11.4	<u>Community Service Unit Creche</u> Funding through local voluntary organisation	14	14	42	
		C/F	35,292	25,425	30,371

NO.	SCHEME	Rev. 85/6	86/7	Thereafter
		£000's	£000's	£000's
	<u>UNDER 7's COMMITTEE - continued...</u>	35,292	25,425	30,371
11.5	<u>Research Project - "A Model for Good Childcare Practice"</u> To provide a 'model' criteria for monitoring the effectiveness and relevance of Haringey's childcare provision	108	108	324
11.6	<u>Childminders Association - Transport</u>	37	7	21
11.7	<u>Childminding Support Worker - Childminder Association</u>	18	18	54
11.8	<u>Multi Cultural Resource Centre - Under 5's - Voluntary Organisation</u>	26	26	78
12.	<u>Public Enquiry Into the Riots on Broadwater Farm</u>	500	-	-
13.	<u>URBAN AID (MAIN PHASE) SUBMISSIONS 85/86 (Forward Funding)</u> To fund Urban Aid Submissions, the vast majority of which have been excluded from the Council's submission to the Department of the Environment because of the severe restrictions placed on the number and type of schemes which can now be submitted. (see attached Schedule for details)	4,041	-	-
14.	<u>DIRECT SUBMISSIONS BY VOLUNTARY ORGANISATIONS</u>			
14.1	<u>Haringey Arts Council</u> (See attached letter)	4,000	-	-
	C/F	44,019	25,584	30,848

NO.	SCHEME	Rev. 85/6	86/7	Thereafter
		£000's	£000's	£000's
	B/F	44,019	25,584	30,848
	<u>DIRECT SUBMISSIONS BY VOLUNTARY ORGANISATIONS</u>			
14.2	<u>Haringey Buildings Preservation Trust</u> To finance a programme of preservation work on Historic buildings within the Borough.	2m	-	-
14.3	<u>UK Sports Association for People with Mental Handicap</u> Provision of Youth and Community Officer (See attached information)	14	14	42
	Sub-Total	46,035	25,598	30,890
15.	<u>COUNCIL OPERATED SERVICES</u>			
15.1	<u>Provision of Access facilities for the disabled in public buildings</u> (See attached report)	15	75	225
15.2	<u>Improve Depot Security at Park View Road Depot</u> and to facilitate access to the adjacent GLC amenity site (see attached report)	23	-	-
	TOTAL	46,073	25,673	31,115

Date: 7 November 1985

LONDON BOROUGH OF HARINGEY

G.L.C. INNER CITIES PACKAGE

Supplementary Bid under General Consents given by
the Department of the Environment

EMERGENCY WORK ON THE BROADWATER FARM ESTATE

The cost of this work is not claimable either under insurance or
from the receiver.

- | | | |
|--|---|---------|
| 1. Clearing debris from the highways & pavements |) | |
| 2. Repairs to lighting |) | £42,680 |
| 3. Replacement of street furniture |) | |

APEX CHARITABLE TRUST

Development of current activities and support of
employment resource centre at High Cross School
Park View Road, N17.

£5,000

(See attached letter for details)

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