

# LONDON BOROUGH OF NEWHAM

## CABINET

<b>Report title</b>	<b>Towards a Better Newham: Our Recovery and Reorientation Strategy and our refreshed Corporate Delivery Plan</b>	
<b>Date of Meeting</b>	<b>3<sup>rd</sup> November 2020</b>	
<b>Lead Officer and contact details</b>	<b>Jessica Crowe, Corporate Director of People, Policy and Performance</b> <b>Dave Hughes, Corporate Director, Inclusive Economy and Housing</b>	
<b>Corporate Director, Job title</b>	<b>Althea Loderick, Chief Executive</b>	
<b>Lead Member</b>	<b>Mayor Rokhsana Fiaz</b>	
<b>Key Decision?</b>	Yes	This report recommends a new whole-borough and cross-organisational strategy for all of Newham's residents, communities and businesses
<b>Exempt information &amp; Grounds</b>	No	
<b>Wards Affected</b>	All	
<b>Appendices (if any)</b>	1a. Towards a Better Newham: Our Recovery and Reorientation Strategy 1b. Towards a Better Newham: Our Recovery and Reorientation Strategy – action plans 2. Newham Strategic Framework 3. Our refreshed Corporate Delivery Plan 4. 2 <sup>nd</sup> Stage Pandemic Response – Progress Report	

### 1. Executive Summary

- 1.1 This report sets out Newham Council's overarching response to the unprecedented impact of COVID 19 on our residents, businesses, communities and economy.
- 1.2 Covid-19 has laid bare the endemic inequality that exists in our borough and wider society. The monumental impact that Covid-19 has wrought on our lives and ways of living, requires a radical rethink and bold interventions to accelerate change in Newham for the better. This radical rethink is expressed

through our strategy ***Towards a Better Newham: Our Recovery and Reorientation Strategy*** [appendix 1a]

- 1.3 Most significantly, our reorientation and recovery strategy, at its heart, represents a fundamental shift to embed an economy which places the health, happiness and wellbeing of our residents as central to our aspirations for Newham. This makes Newham the first London Borough to use livelihood, well-being and happiness as its prime measures of success.
- 1.4 The strategy focuses on two distinct stages of activity: recovery and reorientation. **Recovery** focuses upon the next 12 months, as the Council responds to sustained challenges for individuals and businesses. **Reorientation** will follow, with the focus changing to make the fundamental changes to create the inclusive economy the Council wants to address. This means a relentless focus on inequalities, including race inequalities, as well as tackling the poverty and deprivation that residents still face.
- 1.5 While responding to the new reality set by the COVID crisis represents the main context for our strategy, the scope of our ambition for Newham has not changed. *Towards a Better Newham*, with its deliberate focus on recovery and reorientation, sets out a new roadmap to follow to achieve that ambition. As such, we have revised and integrated our existing commitments, plans and strategies contained within the Corporate Plan (agreed by March 2020's Cabinet meeting) into our overarching delivery strategy. This collectively forms our new strategic framework for Newham [see appendix 2].
- 1.6 In line with our continuous commitment to transparency and democratic accountability, we have refreshed our Corporate Plan and developed a Corporate Delivery Plan [appendix 3], which contains all of our critical key delivery aspirations for the coming two-year period. This plan is a cross-organisational integrated plan, representing the actions and commitments that each of our directorates and portfolios will deliver. Progress and delivery against this plan will be reported on a quarterly basis directly to Cabinet, and publicly to all of our residents, communities and businesses.
- 1.7 The COVID crisis is far from over, and in many ways will continue to evolve, adapt and change as the international, national and regional implications of the global pandemic changes. While for some this might represent a reason to proceed with caution, in Newham we have chosen to act with courage and optimism by launching our overarching new strategy now. In light of this uncertainty, however, our plan will be an iterative one, that we will continuously review and update as the national, regional and local situation continues to develop and change.

## 2. Recommendations

- 2.1 For the reasons set out in the report and its appendices, Cabinet is recommended to agree:
- To adopt ***Towards a Better Newham: Our Recovery and Reorientation Strategy*** [appendix 1a] and the associated action plans [appendix 1b] as the Council's guiding strategy for the coming 2-year period;
  - To adopt the refreshed Newham Strategy Framework [appendix 2], and the Corporate Delivery Plan [appendix 3] which sets out the cross-organisational delivery plan to ensure delivery of ***Towards a Better Newham*** across the business of the entire organisation.
  - To delegate authority to Chief Executive in consultation with The Mayor to finalise any outstanding changes required to the section of the Corporate Delivery Plan relating to the Inclusive Economy and Housing Directorate [appendix 3]

## 3. Background

- 3.1 We are at a critical moment in Newham. COVID-19 has laid bare the existing structural and systemic inequalities that have resulted in the significant disproportionate impact COVID has had on Newham, our residents, communities and businesses.
- 3.2 Our strategy is focused upon two distinct stages of activity: recovery and reorientation. Recovery focuses upon the next 12 months, a period where we will need to respond to sustained challenges for individuals and businesses, building on the significant work undertaken through our response to the pandemic to date, set out in our 2<sup>nd</sup> stage pandemic response plan agreed by Cabinet in July (a progress report on this plan is set out at appendix 4). Reorientation will follow, the time when we start to make more fundamental changes which help us create the inclusive economy we want: an economy which addresses the inequalities - including race inequalities - which exist, as well as tackling the poverty and deprivation that too many of our residents still face.
- 3.3 The explicit focus is the needs of our residents; we will ensure that they have everything they need to deal with the challenges of recession and thrive as our economy recovers. We will support any activity which directly contributes to our residents leading healthier, more prosperous and happy lives in Newham. This is not, however, a fresh start for us; it is instead a continuation of this administration's commitment to tackling poverty, racism and inequalities, and to putting people at the heart of everything we do.

### 3.4 The scale of the challenge we face is significant:

- **Racial and geographic imbalance:** The employment rate for different Black, Asian and Ethnic Minority (BAME) groups is between 65% and 80% of that for white British residents. Four Newham wards are in the bottom 10% in nationally for overall quality of life (Forest Gate South, Custom House, Canning Town North and South). Notwithstanding the mobilisation of the sector during the pandemic, Newham has the lowest level of formal participation in volunteering civil society activity of any London borough.
- **Historic lack of high-quality jobs:** The proportion of jobs within knowledge-based activities is half that of London. The proportion of high growth (scale up companies) in Newham is one fifth of the national average.
- **Recovery – responding to the impacts of Covid-19:** The Covid-19 mortality rate in Newham (196 per 100,000) is the second highest in the country. It has touched all parts of the borough but has been most significant in our most deprived neighbourhoods. Over 125,000 residents have been or are on furlough, or rely on unemployment benefits – 35,000 more than our neighbours, Tower Hamlets and Hackney, and around the same as Kensington & Chelsea, Kingston upon Thames, Richmond, Westminster and the City of London combined. Since February the claimant count has increased by over 200% (even before the end of the Job Retention Scheme). Based on the government’s current economic scenario, over 40,000 jobs in Newham are at risk in the next recession.
- **Historic low incomes:** 49% of Newham households are classified as living in poverty. 52% of children grow up in low income households. Average earnings are £6,000 below the London average; 1 in 3 residents earns less than the Living Wage. Gross disposable household income is less than £20,000 per year – this is 66% of the London average.
- **Systemic health inequality:** A baby boy in Newham in 2018 can expect to live in good health until age 58 and 5 months and a baby girl to age 61 and 5 months. Six and three years fewer in good health, respectively, than the London average. Newham has the 3<sup>rd</sup> highest smoking rate out of 33 London boroughs (1 in 4 men are smokers), high levels of childhood and adult obesity, and significantly lower physical activity levels than London and England rates.
- **Acute impact on BAME Communities:** The COVID-19 pandemic has been devastating in Newham – one of the worst affected boroughs. National data has shown that some BAME ethnic groups, people affected by deprivation, and those in specific occupations have suffered worse outcomes from the virus. It also evidenced a significantly

increased risk among people with preventable conditions such as obesity and diabetes.

#### 4. Proposals

4.1 Our response to the challenge is set out in our strategic framework set out in appendix 2, which is made-up of 5 strategic principles which will **cut across everything we do**, supported by 8 delivery pillars which will form the basis of our action plan. A summary of our aspirations for each of these aspects of our approach are set out below:

#### 4.2 Our five strategic principles:

- **Healthy, happy and well:** Our goal is to create a healthy, happy and well Newham. Every one of our residents deserves to live a healthy, happy and well life. The Council, through everything that it does, will ensure that Newham as a **place** and as a diverse community of **people**, is conducive to making this ambition become a reality. This goal will act as the guiding star for everything the Council, working with partners, will seek to achieve over the coming two-year period. From the way we re-orient our economy to ensure that our communities share in the benefits of growth and the delivery of our comprehensive Health and Wellbeing Strategy **50 steps to a Healthier Newham**, our **climate emergency action plan**, our work with partners such as the police to make Newham safe, through to the way in which we deliver each and every one of our services, we will work relentlessly to create a Healthy, Happy and Well Newham.
- **Brighter Futures: The best place for children and families to thrive:** We want all Newham's children to grow up happy, healthy and safe - at home, at school and in the community – and to reach their potential in life. Now, more than ever, our children and young people face an uncertain future in light of the COVID crisis, and we will ensure that everything we seek to do supports our ambition to make Newham the best place for children and families to thrive. We will do this by weaving a focus on children and families, and ensuring there is a children and families voice in everything we do. We will work closely with our core partners including schools, to continue the excellent trend in improving attainment and opportunity for children and young people in Newham, by continuing our ambitious investment in and aspiration to establish one of the best youth services in London, by our continued work of delivering our OFSTED improvement plan and through a wide-ranging programme of work to improve our children and families offer across all of our services.
- **Tackling racism, inequality and disproportionality:** We are unequivocal in our aim of tackling racism, inequality and

disproportionality. In order for our ambition of creating a healthy, happy and well Newham to become a reality, we must acknowledge and face head-on the reality that many of our residents, communities and businesses face in engaging with a world that is still shaped by racism, inequality and disproportionality. The legacy of racism, inequality and disproportionality has left an indelible mark on Newham. Our residents, communities and businesses have felt the greatest impact of this legacy most acutely during the COVID-19 crisis, which has had a significant disproportionate impact on our BAME communities. Our diversity and the richness of our communities is our greatest asset. Working hand-in-hand with our key partners, we have developed a programme that will focus on achieving fundamental change across the wide-range of key roles that Newham Council can play in tackling racism, inequality and disproportionality.

- **Putting people at the heart of everything we do:** Core to the way we have worked, and will continue to work, is our commitment to ensure that the people of Newham are always at the heart of everything that we do. Putting people at the heart of everything we do means that we will put the voice of the people of Newham at the front and centre of how we develop policy, ideas and change across the whole organisation using co-production, co-design, resident engagement and consultation as our tools. We have recently published the report of the independent **Democracy Commission report** and its recommendations, which will be delivered over the coming two-year period, which will transform the nature of democratic engagement and accountability in Newham in order to ensure we deliver on this principle.
- **Community Wealth Building:** We want Newham to become a beacon of Community Wealth Building. Newham faces the prospect of significant growth, with a substantial proportion of London's new homes being built in Newham over the coming period. Our residents are also exposed to higher particulate pollution than any other London Borough. Growth In Newham must be green and sustainable in the interests of all of our residents and communities and in order to tackle this we have set out a range of clear commitments through our Air Quality and Climate Emergency Action plans. Growth in Newham must also be underpinned by principles of economic, social and environmental justice so that long-term prosperity, wellbeing and fairness for all our residents is achieved. We know, for many of our residents, real term pay is still below the 2008-2009 recession peak, that our residents are on the frontline of the housing crisis with 48% of our residents living in poverty, that over ¼ of our residents are over-indebted and that central government fiscal policy will continue to not acknowledge the acuity of need in Newham for additional support as a result of the COVID crisis. We will seek to grow community wealth through everything we do, and specifically through the delivery of our Community

Wealth Building and our Inclusive Economy strategies over the coming two-year period.

4.3 In addition to our five strategic principles which will inform, guide and steer everything that we do, our ***Towards a Better Newham: Recovery and Reorientation Strategy*** is made up of eight delivery pillars, supported by strategic action plans, which set out our clear strategic and tactical plans for the coming period. These pillars have been launched and supported by our partners, most notably the Royal Docks Enterprise Zone which has launched the Royal Docks Good Growth Fund of £13m which will act as a significant catalyst of “good growth” to support Newham’s recovery and reorientation from COVID-19. The detailed action plan for each of the below pillars is attached at appendix 1b.

#### 4.4 Our eight delivery pillars:

- **Pillar 1: Our measures of success will be the health, happiness and wellbeing of our residents.** The Council will move to measure economic success in terms of economic inclusion, fairness & wellbeing rather than the traditional measures of growth, productivity and land value uplift. This recognises that traditional measures of economic success are increasingly irrelevant to people's lived experiences and belie the everyday experiences of our neighbourhoods and communities. A refocused approach will provide new and more granular insight on the characteristics and wellbeing of residents, communities and places and will help to govern how the council engages across the Borough, delivers services and makes decisions.
- **Pillar 2: The council is committed to enabling every resident under 25 to be safe, happy and cared for, with positive activities to secure their long-term wellbeing.** The Council will ensure every resident aged under 25 is safe, happy, healthy & cared for, and supported through the best education & other opportunities to secure their long-term wellbeing. This recognises that Newham is a young borough and young people (particularly those from low income households) will be hardest hit by the recession. Proactive and targeted action is needed to enhance the support available to them both throughout the immediate recession and beyond.
- **Pillar 3: The Council will take action so that all residents are supported and enabled to access work and other opportunities in the new economy.** The Council will help residents thrive in the future economy, making sure work and other opportunities such as volunteering, are accessible, rewarding and enjoyable. This recognises the unprecedented economic trauma resulting from Covid-19, and the need to ensure that all residents have access to the support they need. It also recognises that, with very low incomes,

and statistically low levels of quality of life, Newham is not providing either the reward or the experiences which we want to offer workers. The Council will develop a wraparound support service that is easily accessible for all residents, and will also prioritise getting a fairer deal for Newham workers in terms of working conditions, compensation and quality of life. The response will build on the existing infrastructure provided by Newham Workplace and Moneyworks, moving beyond basic employment brokerage services to directly meet the diverse support needs of residents.

- **Pillar 4: The Council will assist our residents to be healthy, happy and safe so they are supported during times of recession and are able to thrive in the new economy.** This recognises the deep embedded health issues that characterise the Borough, and that if people are not healthy, they cannot be productive, engage with opportunities, or fulfil their aspirations and potential. Addressing the causes of ill health and Implementing 50 Steps to a Healthier Borough will play a crucial role in addressing the physical and physiological impacts of Covid-19, and in establishing foundations for new models and approaches focused around social and economic prescribing. We will ensure residents are healthy enough to thrive, even in times of recession, and that when care and support services are required that residents receive a seamless, person-centred approach to their care with good quality services ensuring that they are happy and safe.
- **Pillar 5: The Council will create accessible and inclusive neighbourhoods which will provide residents all of their social, civic and economic essentials.** Supporting the evolution of accessible and inclusive high streets as the beating heart of neighbourhoods where residents can live a full and enriching life with friends, family, connections, experience and opportunity. This recognises the vital role that the Borough's high streets play in providing the social connections, goods and services to support residents' essential needs. Now, more than ever, there is a need to ensure that they continue to thrive as diverse, vibrant and successful hubs which act as local focal point for all of our communities, provide a platform for engagement in community wealth building, and provide opportunities for the development of personal economic outcomes.
- **Pillar 6: We will become London's greenest local economy.** The Council will quicken the greening of Newham, capitalising on local sparks – and the Royal Docks specifically - to support evolution as a clean, safe borough with London's greenest economy. This recognises the Climate Emergency declared by the Borough, and the need for proactive action to change behaviours and to encourage new ways of working, living and moving around. In practice, this means embedding new standards and expectations within the built environment, encouraging greater responsibility

across businesses, investors and residents, and proactive work to support the development of green skills, enterprise and innovation across the Borough.

- **Pillar 7: The Council will deliver genuinely high-quality and affordable homes for Newham.** The Council will strive to support and deliver significant additional housing in the borough that is genuinely affordable and at levels of quality which enhance the lives of residents through providing stability, and allowing communities to settle and put down roots in Newham. We recognise that good housing is a basic need and should be a foundation to the new, reoriented economy we want to create. We will put residents at the heart of our approach which seeking to directly deliver and refit housing to provide greater supply of quality, greener stock. We will regulate and influence the private rented sector (PRS) as well as lobbying government to secure a better deal to fund and deliver housing in the borough.
- **Pillar 8: The Council will only welcome investment that secures a Fair Deal and a Fair Economy for Newham.** The Council will welcome investment, but only where this supports our objectives and makes the borough attractive and accessible as a place to move, work and live. This recognises that Newham continues to be one of London's most attractive locations for external investment and is home to some of London's most important regeneration opportunities. There is a need to continue to sell and bring new investment into Newham, but to do so in a way which aligns with Newham's social and environmental objectives. To do this, there is an ongoing need for the council to raise expectations and communicate the need for enhanced engagement and commitment from investors and businesses.

4.5 **Delivery and resourcing:** It is important to distinguish in the delivery pillar action plans between the actions that form part of **Recovery** and those which form part of our longer-term aspirations for **Reorientation**. The former are live and funded actions and projects which are underway or being reshaped to contribute directly to the aims of the Strategy. The proposals that sit under Reorientation have been identified as the actions most likely to guide our longer-term aspirations and future budget plans under the MTFs efforts supported by efforts to attract external funding into the borough.

4.6 Our **Reorientation** aspirations will require further work to become fully costed, funded business cases and proposals that can be brought forward for decision and implementation, and we recognise that in the current financial climate this will be extremely challenging. With this challenging outlook in mind, it is highly likely that formal adoption of our **Reorientation** aspirations will require reprioritisation and deprioritisation of existing resources and services in order to create the financial headroom required to allow for re-allocation and reinvestment in these new initiatives. However, we make no apology for being

bold as this is what Newham residents need and deserve. This further work will be a priority as we move from Recovery into Reorientation.

4.7 **Our organisational delivery strategies:** In addition to the above, Newham as an organisation will be embarking on a significant programme of change in order to ensure that it is fit for purpose to deliver the above vision and to ensure it can continue to operate as an effective, innovative and efficient organisation over what will be a challenging period. These are captured and set-out at a high-level on the Newham strategic framework document at appendix 2, and will form an integral foundation for the delivery of our overall strategy.

4.8 Successful delivery of the strategy will require organisational adaptation and ongoing development and engagement of staff across the organisation. This process is underway and will continue for the remainder of 2020.

## 5. Delivering Council Policy and Corporate Priorities

5.1 This report realigns the existing corporate plan and strategy framework behind the new strategy framework set out in appendix 2. The existing corporate plan and priority framework are therefore replaced by this framework

5.2 The Council's key performance framework is being reviewed as a priority to be presented to December Cabinet. The output of this work will form the basis of a Newham **Outcomes Framework** which will capture the breadth of the ambition of this framework, and will set the measurable outcomes that will demonstrate the effectiveness and impact of this strategy.

## 6. Alternatives Considered

6.1 The borough could have pursued a more 'traditional' demand side economic recovery strategy focused upon business growth and productivity. The impacts of such an approach would not necessarily have been felt positively in the day to day lives of all Newham residents, particularly the poorest and those hit hardest by Covid-19. The direction of travel within the Inclusive Economy Strategy and Community Wealth Building Action Plan is also to move towards a strategy which is focused upon wellbeing rather than 'growth'.

## 7. Consultation

7.1 *Towards a Better Newham: our reorientation and recovery strategy* was developed based on a range of sources of insight on the current experience of our residents, and the overall impact of COVID on our residents, communities and businesses. During the pandemic, the Council used a variety of means to consult and better understand the impact of COVID, including surveys, focus groups with parents and others, and continuous engagement with voluntary, community and faith sector groups who have worked tirelessly to support vulnerable residents in the borough.

7.2 Mayor Rokhsana Fiaz is the lead Member for the development of the new strategic framework and the corporate delivery plan, and has been consulted in drafting this report. All cabinet and executive members have participated in shaping the creation of the eight pillars and revised corporate delivery plan.

## **8. Implications**

### **8.1 Financial Implications**

- There are no direct financial implications associated with agreeing the proposals within the Recovery part of the strategy. As set out in paragraph 4.5 these are all live projects built into existing budgets and plans.
- The Reorientation part of the strategy sets out longer-term objectives. Again, paragraph 4.5 of the report makes it clear that these are challenging aspirations which will need to be taken into account and factored into the future budget and policy-making processes, and hence form a framework for departmental service plans for the coming years. As set out elsewhere on this agenda, the overall financial position remains challenging but agreeing the strategy will help to inform the budget development for the next three-year period, 2021-22 to 2023-24.

### **8.2 Legal Implications**

- There are no legal implications specifically or directly arising from this report.

### **8.3 Equalities Implications**

- This report proposes the adoption of Towards A Better Newham: Our Recovery and Reorientation Strategy, which sets out a high-level strategic framework for our future. As outlined in paragraphs 4.5, 8.1.1 and 8.1.2, this report does not recommend any immediate change in how resources are allocated and how services will be delivered. Significant changes in how resources are allocated, and how services will be delivered, will be brought forward through normal governance processes, and will be subject to full Equalities Impact Assessments on a decision-by-decision, and collective basis as they are considered. Our equalities impact assessment screening tool has been completed for this report, and has found that there are no significant impacts arising from the adoption of this as a corporate

## **9. Background Information Used in the Preparation of this Report**

9.1 Given the breadth and scope of these proposals, a wide-range of background information and resources were used in the development of these proposals. In most cases these sources are explicitly and implicitly set out within the documents and appendices themselves, however, to summarise these are:

- The Corporate Plan agreed by Cabinet in March 2020 and the associated quarterly performance reports on how we have delivered against this plan;
- A wide range of existing corporate strategies also already agreed by Cabinet including the Community Wealth Building Strategy, the Inclusive Economy Strategy, the 50 Steps to a Healthier Newham Strategy, the 2<sup>nd</sup> stage pandemic response plan, the climate emergency action plan;
- Local, regional and national sources of insight into the current social and economic conditions in the country, London and Newham;
- External sources of innovative and disruptive ideas, which are specifically set out in detail in appendix 1a