

CABINET MEMBER DELEGATED DECISION

Report title: Lambeth Children's Homes Redress Scheme Update

Wards: All

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Report summary

This report provides an update on the performance of the Lambeth Children's Homes Redress Scheme (the Scheme) as at the end of the first three years of operation (2 January 2018 to 1 January 2021). The Scheme remains open to new application until 1 January 2022.

A total of 1,762 applications have been made to the Scheme as at 1 January 2021. More than 70% of the applications received have been processed through to conclusion with a total of £59.7 million having been paid in redress compensation, both Harm's Way payments (HWP) and Individual Redress Payments (IRP) directly to applicants as at this date.

Finance summary

The total Scheme expenditure to 1 January 2021 is c£83.2 million, comprising:

- £59.7 million paid in redress compensation directly to applicants (£12.7m HWP & £47.0m IRP),
- £8.5 million in respect of applicants' legal costs (paid to solicitors),
- £4.3 million for the council's own legal costs in processing applications,
- £5.2 million on applicant expenses, instruction of medical experts and social records chronology,
- £5.5 million on administrative & staffing costs.

The estimated outstanding costs as at 1 January 2021 (i.e. those estimated redress payments, legal and associated disbursement costs that have not yet been paid in respect of applications received at this date) is c£27.0 million plus a further estimated £1.5 million for Scheme administration and staffing. This means that the total estimated cost of the Scheme based on applications received as at 1 January 2021 is c£111.7 million (£83.2 million paid + £27.0 million outstanding + £1.5 million estimated administration).

The council has already secured a capitalisation direction from the Government to borrow up to £125 million needed to fund the Scheme.

Recommendations

1. This report is for information only.

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1. CONTEXT

- 1.1 This report follows the previous six-monthly updates that have been published and provides the latest position on the operation and performance of the Scheme as at 1 January 2021. Links to the previous reports can be found in the background information section on the last page of this report.
- 1.2 The Scheme opened to applications on 2 January 2018 with new applications able to be made through to 1 January 2022. The Scheme provides survivors of physical and/or sexual and/or psychological abuse (whilst resident in a Lambeth Children's Home) with an alternative dispute mechanism for obtaining compensation without having to go through the Courts. The Scheme covers all Children's Homes which were run by Lambeth Council and applies to all residents dating back to the 1930s until the Homes were closed in the 1980 and 90s.
- 1.3 In addition to financial compensation, eligible applicants to the Scheme are also entitled to receive a formal letter of apology from the council, a meeting with a senior officer, access to advisory services and the provision of personalised counselling support. In addition to counselling support available under the Scheme, the council has a free specialist and dedicated independent counselling support service for all survivors available through Oxleas NHS Trust.
- 1.4 Applicants to the Scheme are not required to obtain a copy of their social care records before making a redress application. However, all applicants are reminded that they are entitled to apply for a copy of their records at any time if they have not already done so. This can be done by completing the relevant form which can be found by visiting the Lambeth Council website www.lambeth.gov.uk and searching for 'Subject Access Request'.
- 1.5 A summary of the redress available under the Scheme and a list of those children's homes that were run by Lambeth or its predecessor authority is attached at Appendix A.

2. PROPOSAL AND REASONS

Applications received

- 2.1 A total of 1,762 applications have been received since the Scheme opened on 2 January 2018. A breakdown of the application types by year received (January to December) is shown in the following table:

Application type	No. of applications received*				
	2018	2019	2020	Total	%
Both Harm's Way and Individual Redress	823	360	227	1,410	80.0%
Harm's Way Only	156	89	32	277	15.7%
Individual Redress Only**	24	26	25	75	4.3%
Total	1,003	475	284	1,762	100.0%

Table 1 – application numbers

*Number of applications received by application type at time of reporting, subsequent changes may occur to the application type at a later date i.e. moving from Harm's Way only to Harm's Way & Individual Redress application

**Individual Redress only applications relate to applicants who are either deceased or were a visitor to a Lambeth Children's Home.

2.2 A total of 284 new applications have been received in 2020 which is an average of 24 applications a month. Application numbers peaked between June and September before falling in October and then picking up again towards the end of the year as shown in the following table:

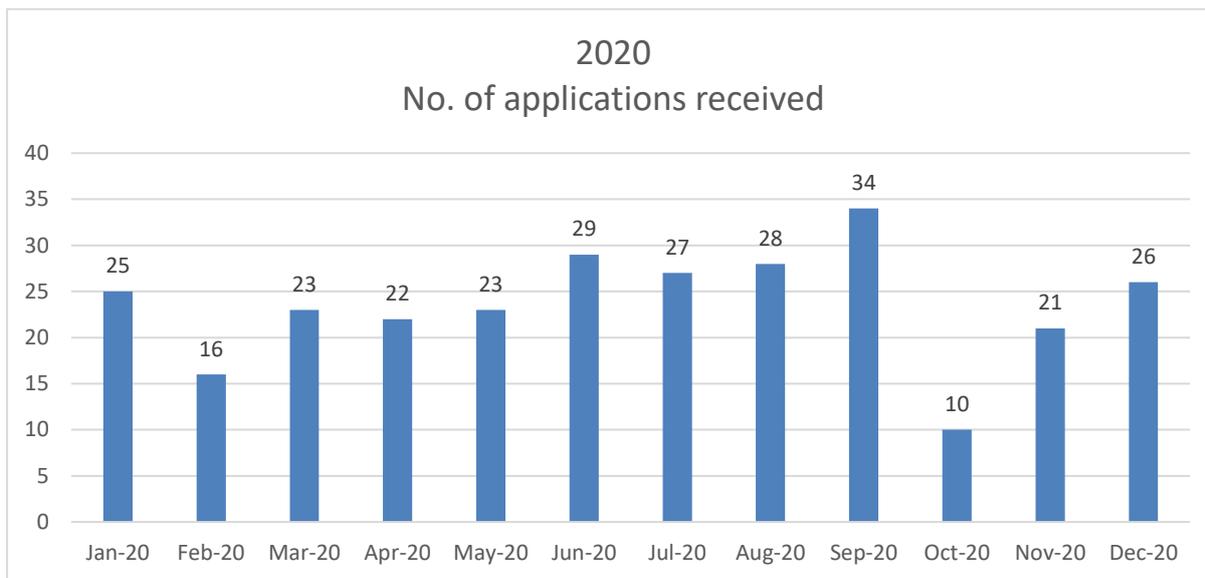


Table 2 – Redress applications received in 2020

2.3 The peak of applications (65%) were received in the first fifteen months of the Scheme, and then remained steady throughout the rest of 2019 (19%) before falling slightly in 2020 (16%). The following chart shows the numbers of new applications received over time:

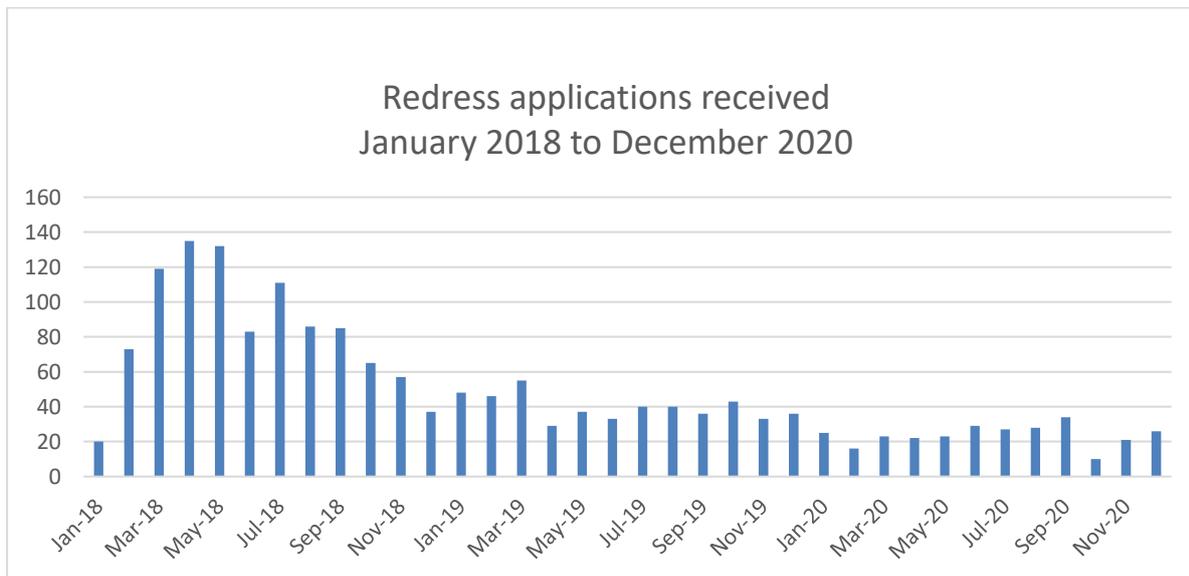


Table 3 – Redress applications received since Scheme start

2.4 More than 57% of applicants reside within the greater London area with a further 37% residing elsewhere within the United Kingdom (94% in total). The remaining applications are received from applicants residing in other countries such as Europe (2%), United States & Canada (2%), Australia & New Zealand (1%) and elsewhere (1%).

2.5 A total of 353 applications have been received from applicants residing within the borough of Lambeth (20% of the total).

Application processing

2.6 Applications are processed in two stages, determination of eligibility and calculation of the Harm's Way payment to eligible applicants (stage 1) and then determining the value of any Individual Redress payment due (stage 2). A summary of the application process is included within the document at Appendix A.

2.7 Stage 1 – Verification of application and Harm's Way Payment

The current average processing time from the receipt of an application through to the point that the Harm's Way Payment is paid to the applicant is two months (45 working days). The average processing time has remained consistent throughout the operation of the Scheme only increasing by 1 working day in the last year. Processing times for completed stage 1 applications are shown in the table below:

Stage 1 Verification and Harm's Way Payment processing							
Processing time	<1 month	1-2 months	2-3 months	3-4 months	4-5 months	5-6 months	>6 months
% of applications	34%	32%	18%	6%	4%	1%	5%
No. of applications	532	491	285	94	61	19	78

Table 4 – Stage 1 processing times

2.8 Just under 84% of stage 1 applications have been processed in three months or less. Where information is missing from an application or further information is required to enable verification the processing time can take longer. In some cases, particularly for placements before 1965 it is necessary for records to be obtained from archives held elsewhere to enable verification which will naturally take a little longer.

2.9 Stage 2 – Individual Redress Payment

The current average processing time from the end of stage 1 (Harm's Way payment) to the Individual Redress payment being made to an applicant is now just over 13 months. Processing times for completed stage 2 applications within the Scheme are shown in the table below:

Stage 2 Individual Redress processing (within Scheme)							
Processing time	1-3 months	3-6 months	6-9 months	9-12 months	12-15 months	15-18 months	>18 months
% of applications	4%	6%	13%	20%	22%	17%	18%
No. of applications	32	53	110	167	191	143	156

Table 5 – Stage 2 processing times

2.10 Over 43% of stage 2 applications within the Scheme have been processed in 12 months or less with 82% of applications having been concluded within 18 months or less. The processing of Individual Redress applications is more complex than for Harm's Way and requires a more detailed assessment of records and input from medical experts which takes longer.

2.11 Whilst determination of each case is not to the same level that would be required in a civil case, it is important that details of the nature of the abuse and the effect that it has had on the applicant is carefully assessed to ensure that the correct level of compensation is payable to each individual applicant. In this respect no two applications will be identical and will take different timescales to conclude.

2.12 The overall average processing time for Scheme applications from receipt of an application through to final payment of the Individual Redress payment is 15 months (2 months for HWP and 13 months for IRP).

2.13 Stage 2 – Individual Redress Payments over £125,000

The Scheme provides compensation up to a maximum of £125,000, however some complex cases where special damages for aspects such as impairment of earning capacity may result in higher awards of compensation, require a more detailed analysis of expert information. These cases over the maximum are handled in the spirit of the Scheme but naturally take much longer to process. Processing times for Individual Redress payments over the Scheme limit are shown in the table below:

Stage 2 Individual Redress over £125,000 processing times							
Processing time	1-3 months	3-6 months	6-9 months	9-12 months	12-15 months	15-18 months	>18 months
% of applications	0%	0%	6%	13%	19%	25%	37%
No. of applications	0	0	4	8	12	16	24

Table 6 – Over £125,000 processing times

2.14 The average processing time for stage 2 applications exceeding the Scheme limit is 18 months. The overall processing time of these applications from receipt to final payment of the Individual Redress payment is 20 months (2 months for HWP and 18 months for IRP).

Impact of Covid-19 on application processing

2.15 The impact of Covid-19 and subsequent restriction measures introduced appear to have had little or no impact to the numbers of new applications being received since March 2020 as indicated from the chart in paragraph 2.2.

2.16 There has been minimal impact on the processing of applications throughout the last year with measures having been implemented at the outset to protect applicants, minimise disruption and to ensure continuity of service. These measures have been regularly reviewed throughout the course of the year and changes made as necessary. The following provides an update on the impact and measures introduced to date:

- **Application processing** – The redress team and the Scheme solicitors have been working remotely and have been able to continue processing existing and new applications as normal. There have been no staffing or capacity issues that have impacted performance throughout the year.

- **Payments** – Payments have continued to be processed as normal, in fact over 44% of all payments made since the Scheme start were made during the past year. Applicants that required access to funds before their Individual Redress application had concluded were able to request an interim payment and several interim payments have been made during this period. Applicants are still able to request an interim payment and requests will be considered on a case-by-case basis.
- **Medical experts** – Appointments with medical experts were offered via video link whilst face to face meetings were not possible due to restrictions. Attempts were made to re-start some appointments when restrictions were lifted during last year however the further implementation of lockdown measures has resulted in having to go back to offering appointments via video link. Where an applicant doesn't have video facilities, they are offered the opportunity of speaking with the medical expert via telephone instead. Where applicants have opted to wait until they are able to have a face-to-face meeting their application will remain dormant until such time as it is possible for the medical experts to re-start these and for applicants to travel safely. This will unfortunately result in some applications taking longer to conclude under these circumstances.
- **Appeals** – The Independent appeal panel has continued to consider appeals utilising video conferencing capabilities between panel members. There continues to be no impact to the appeals process and appeals are progressing as normal.
- **Apology letters** – There has been some impact to the processing and distribution of physical copies of apology letters due to the restrictions imposed during the ongoing health crisis. All apology letters that were outstanding from earlier in 2020 were sent out in the summer/autumn of last year, however as of the time of this report the further lockdown restrictions have resulted in the production of these letters having to be suspended again. Applicants are offered a digital version of the letter at this stage which will be followed up with a physical hand signed copy as soon as we are safely able to do so.
- **Meetings with senior representative.** All requests for meetings with a senior officer from the Council were suspended to protect applicants from the risk of Covid-19. Applicants have been offered the opportunity of having a meeting via video link where they are willing and able to do so. Those applicants that still wish to have a meeting in person will be contacted when it is considered safe to resume these again.
- **External factors** – All of the external partners involved with various aspects of the Scheme operation have continued to operate close to normal over the past year. A small number of applicants seeking information or records from other external organisations such as national archives or GP surgeries have faced delays in obtaining these due to a closure of these services or staff shortages. Applications affected by this or where an applicant has advised of other Covid related issues are placed on hold until they are able to be processed again.

Any further updates affecting the Scheme operation will be posted on the Redress Scheme website at: <https://www.lambeth.gov.uk/redress>

Application status

2.17 As at 1 January 2021 the processing status of all applications received to that date is shown in the table below:

Application Status	Total No. of applications	Applications as a %
Open applications		
Stage 1 Verification & Harm's Way Payment (applications still being determined)	35	1.9%
Stage 2 Individual Redress payment (HWP paid where applicable IRP still being determined)	368	20.9%
Stage 3 All HWP and IRP paid to applicants (Finalising legal costs & costs appeals where applicable)	83	4.7%
Over Scheme limit applications Open over £125k applications (applications still being determined)	33	1.9%
Subtotal open applications (A)	519	29.4%
Closed applications		
Closed – Paid HWP/IRP finalised and closed (All redress and legal costs paid)	1,101	62.5%
Over Scheme limit applications - Paid Closed over £125k applications (all redress & costs paid)	53	3.0%
Closed – No payment No HWP or IRP paid (Withdrawn & applications not accepted into Scheme)	89	5.1%
Subtotal closed applications (B)	1,243	70.6%
Totals (A+B)	1,762	100.0%

Table 7 – Application status

2.18 Over 65% of all applications received since the Scheme opened have now been processed through to conclusion with a redress payment (either Harm's Way or Individual Redress payments or both) having been made to those applicants. Just over 29% of applications remain open and continue to be processed at various stages as outlined in the above table.

2.19 The above table includes 86 applications that have either resulted in settlements over the Scheme limit of £125,000 of which there are 53 such applications, or where it is estimated that the total will exceed the limit of which there are currently 33 applications.

2.20 There have been 89 applications (5%) that have been closed with no payment having been made. This is either due to the applicant withdrawing or deciding not to progress with their application (5 cases) or where the application has not been accepted into the Scheme due to not meeting the relevant Scheme criteria (84 cases). The reason for applications not being accepted is shown in the table below:

Reason redress application not accepted into Scheme	Total number of applications
Unable to verify applicant	41
Not placed in a Lambeth children's home	34
Threshold not met for Harm's Way	7
Abuse occurred whilst in foster care*	2
Total	84

Table 8 – Applications declined

*In circumstances which do not fall to be considered under the Scheme

2.21 In all cases where applicants have been notified that their application has not met the relevant criteria the applicant is reminded of their right to appeal the council's decision. Applicants are also reminded of their right to seek legal advice (if not already represented) and are assisted with signposting to other organisations that may be able to assist them in locating records that may assist their application.

Periods of residency

2.22 As at 1 January 2021 the largest proportion of applications to the Scheme (37%) relate to applicants where they first entered (were resident for the first time) a Lambeth children's home prior to 1965 (these are homes for which Lambeth assumed responsibility in 1965 from London County Council).

2.23 Continuing the trend noted in the past two previous updates the newer applications received to the Scheme during the past six months primarily relate to later periods of residency during the eighties and nineties. The following table details the years that applicants were first placed at a Lambeth children's home and any change from the previous data reported:

Year of residency in a Lambeth Children's Home						
Period	Pre 1965	1960's*	1970's	1980's	1990's	Total
Number of applications	659	268	533	201	101	1,762
Year of residency as a %	37.4%	15.2%	30.2%	11.4%	5.8%	100%
Change since last report	1.6% ↓	0.2% ↓	0.5% ↓	1.2% ↑	1.1% ↑	

Table 9 – Year of residency

*From 01/04/1965

2.24 In line with the increase in newer applications across later years there has also been a corresponding decrease in applications where Shirley Oaks has been named as the primary Children's home (Shirley Oaks closed in 1983). As at January 2021 just over 48% of applications relate to admissions to children's homes within Shirley Oaks (down from 52.5% in January 2020).

Specialist units

2.25 There were four former children's homes for children with disabilities that were managed by the council. These homes were open for varying lengths of time between 1976 and 2000 and were often referred to by different names. The four homes for children with disabilities are:

- Ivy House / Warham Road / Rose House ('**Ivy House**')
- Monkton Street Children's Home ('**Monkton Street**')
- Leigham Court Road Children's Home ('**Leigham Court Road**')
- Chestnut Road / Robson Road Children's Home ('**Chestnut Road**')

2.26 Eligible applicants confirmed as being resident as a child at one of the above homes for children with disabilities are not required to provide written evidence in support of their application for a Harm's Way Payment but are still required to complete an application form. Upon verification of their placement these applicants receive a £10,000 HWP regardless of the length of time they were resident in the home.

2.27 As at the date of this report we have received a total of 43 applications from applicants that were resident in one of the above specialist units. A total of 37 applicants have each received the £10,000 payment. The other applicants are currently being processed with some having been made an offer and some finalising legal arrangements before the payment is made.

Harm's Way Payments

2.28 As at January 2021 a total of 1,474 Harm's Way payments have been made to applicants totalling £12.7 million. The breakdown of these payments is shown in the table below:

Harm's Way payments	No. of verified payments	Total amount paid (£)
£1,000 - less than 1 week	10	10,000
£2,500 - more than 1 week up to 3 months	177	442,500
£5,000 - between 3 and 6 months	121	605,000
£10,000 - more than 6 months	1,166	11,660,000
Total Harm's Way payments	1,474	12,717,500

Table 10 – Harm's Way payments

2.29 Just over 91% of applicants making a Harm's Way application have received the maximum payment of £10,000 as they were resident in a Lambeth Children's home for more than six months.

2.30 The Harm's Way Payment although paid separately is treated as an interim payment towards any further Individual Redress Payment that an applicant may go on to receive.

Individual Redress Payments

2.31 As at January 2021 a total of 1,401 Individual Redress Payments have been made totalling £46.9 million (this figure includes interim payments and those that have exceeded the Scheme limit of £125k). These payments are in addition to the total Harm's Way Payments. A breakdown of the Individual Redress Payments made is shown in the table below:

Individual Redress payments	No. of verified payments	Total amount paid (£)
Applicant Rehabilitation / Therapy	368	1,623,509
Interim Individual Redress Payment	166	1,621,100
Band 1	130	1,185,450
Band 2	155	3,292,500
Band 3	78	4,086,643
Band 1 (Plus Band 4)	18	328,800
Band 2 (Plus Band 4)	132	4,725,650
Band 3 (Plus Band 4)	268	19,877,815
Total Individual Redress payments	1,315	36,741,466
Payments over £125k	86	10,230,332
Total IRP & over £125k	1,401	46,971,798

Table 11 – Individual redress payments

2.32 Of the total paid in redress compensation and associated legal costs to date almost 77% has gone directly to the applicants as shown in the table below:

Payment type	Amount Paid (£)	Percentage %
Paid to applicants		
Harm's Way Payments	12,717,500	16.4%
Individual Redress payments	36,741,466	47.3%
Payments over £125k	10,230,332	13.2%
Total Paid to applicants (A)	59,689,298	76.9%
Applicant's Legal costs (paid to solicitors)	8,513,327	11.0%
Council's Legal costs (for processing of IRP)	4,286,549	5.5%
Disbursements for medical experts/reports, Social care records chronology	5,157,467	6.6%
Total Legal & Disbursement costs (B)	17,957,343	23.1%
Grand Total (A+B)	77,646,641	100.0%

Table 12 – Total Scheme payments

Legal costs

- 2.33 Legal costs in respect of both applicant's and the council are incurred in the processing of applications. In setting up the Scheme one of the aims was to ensure that most of the total spend went directly to applicants in compensation rather than being swallowed up in legal costs. A fixed fee of £450 plus VAT is paid to applicants' legal representatives for dealing with successful Harm's Way applications and the Scheme allows for the payment of reasonable costs incurred in dealing with a successful Individual Redress application.
- 2.34 Most legal representatives have embraced the spirit of the Scheme and submitted reasonable costs for the handling of concluded Individual Redress applications. Attempts are made to agree costs where there is scope to do so, however this has not always been possible and a few cost cases have proceeded to appeal for determination.
- 2.35 There remains one firm that continues to submit cost schedules that the Council considers to be grossly excessive and not in keeping with one of the principal objectives of the scheme to ensure that most of the total spend is directed to applicants rather than solicitors. The Council continues to invite this firm to reconsider its position with regards to the costs claimed for representing applicants to the Scheme.
- 2.36 As at January 2021 the total paid to applicant's legal representatives in costs has been £8.5m which is 11% of the total Scheme cost to date. The total paid to the Council's Scheme solicitors for the processing of Individual Redress payments has been £4.3m (5.5% of total Scheme costs).
- 2.37 The following table highlights the total and average legal costs paid in respect of Individual Redress settlements within the Scheme (excluding settled applications exceeding the Scheme limit), on closed applications where all legal costs have been concluded:

Applicant's Legal Representative	No. of IRP settlements	IRP Settlement Paid (£)	IRP Legal Cost Paid (£)	Costs as a % of IRP settlement	Average IRP Paid (£)	Average Legal Costs (£)
Bolt Burdon Kemp Solicitors	23	1,674,602	366,022	22%	72,809	15,914
Irwin Mitchell Solicitors	30	2,090,170	378,861	18%	69,672	12,629
Robson Shaw Solicitors	10	880,499	116,950	13%	88,050	11,695
Imran Khan and Partners	39	3,028,760	401,090	13%	77,661	10,284
Switalskis Solicitors	224	11,522,100	2,250,606	20%	51,438	10,047
Others*	22	1,205,700	207,918	17%	54,805	9,451
Leigh Day & Co	16	954,440	151,163	16%	59,653	9,448
AO Advocates	22	1,478,800	202,360	14%	67,218	9,198
Hudgell Solicitors	43	2,509,055	389,140	16%	58,350	9,050
Remedy Law	19	1,193,720	169,971	14%	62,827	8,946
Verisona Law	136	7,504,431	1,153,619	15%	55,180	8,482
Birnberg Peirce Limited	95	4,306,822	712,622	17%	45,335	7,501
Slater & Gordon Lawyers	36	1,863,350	199,288	11%	51,760	5,536
Total Applicant Solicitors	715	40,212,450	6,699,611	17%	56,241	9,370
Kennedys Solicitors	715	40,212,450	2,441,269	6%	56,241	3,414

Table 13 – Average legal costs

*Some solicitors firms have been grouped together as 'others' as numbers are too low to list separately

2.38 The data in the above table represents only those Individual Redress applications that have been finalised and where all legal costs have been paid and excludes any fixed costs payable for the processing of Harm's Way applications. It does not include any redress payments made to applicants that did not have any legal representation.

2.39 For those applications that have settled above the Scheme limit the average legal costs of applicant's representatives was £16,719 per case with the average of the Council's legal costs (Kennedys Solicitors) at £5,036 per case.

2.40 The following table details the position with regards to Individual Redress applications across the different solicitors representing applicants (excludes individual solicitor firms with fewer than three applications):

Applicant solicitor	Total number of IRP applications	Number of Open applications	Number of Settled applications	Average time taken to settle (months)	Percentage of settled IRP applications
BL Claims Solicitors	5	0	5	18+	100%
Farleys	3	0	3	6-9	100%
Birnberg Peirce Limited	124	5	119	12-15	96%
Slater & Gordon Lawyers	64	10	54	15-18	84%
Switalskis Solicitors	336	66	270	15-18	80%
Irwin Mitchell	51	12	39	15-18	76%
Leigh Day & Co	25	8	17	15-18	68%
Ao Advocates	81	26	55	12-15	68%
Hudgell Solicitors	78	26	52	15-18	67%
Verisona Law	171	36	135	12-15	63%
Imran Khan & Partners	80	34	46	12-15	57%
Robsonshaw Solicitors	30	16	14	12-15	47%
Bolt Burdon Kemp Solicitors	82	46	36	12-15	44%
McMillan Williams Solicitors	16	9	7	12-15	44%
Cunningham Blake Solicitors	3	2	1	9-12	33%
Remedy Law	55	39	16	12-15	29%
Crosby & Woods Solicitors	4	3	1	18+	25%
Simpson Millar LLP	7	6	1	12-15	14%
Total	1,215	344	871	12-15	-
Applicants in Person	182	62	120	6-9	66%

Table 14 – Application position by solicitor

2.41 Details of anonymised redress settlements and costs are periodically published under the Council's transparency and open data section on the website.

Scheme appeals

2.42 As at 1 January 2021 a total of 63 appeals have been received. The table below details the numbers of appeals that have been received in each category and the status of these:

Appeal category	Number of Appeals	Percentage of Appeals	Appeals allowed (applicant successful)	Appeals dismissed (applicant unsuccessful)	Appeals withdrawn	Appeals pending
Eligibility	15	24%	2	8	4	1
Level of Harm's Way Payment	2	3%	0	0	2	0
Level of Redress Payment	14	22%	9	4	0	1
Level of applicant Legal Costs	32	51%	1	12	1	18
Total number of appeals	63	100%	12	24	7	20

Table 15 – Appeals cases

2.43 More than half of all appeals received (51%) have been in relation to the level of applicant legal costs to be paid to their legal representatives where it has not been possible to reach agreement on the level of costs claimed. There have been 32 cost appeals received from 6 different legal representative firms, of which 66% of cost appeals are from a single legal firm as shown in the table below:

Applicant Solicitor	No. of Cost appeals lodged
Bolt Burdon Kemp Solicitors	22
Switalskis Solicitors	4
Birnberg Peirce Limited	2
Slater & Gordon Lawyers	2
Blake Morgan	1
Hudgell Solicitors	1
Total	32

Table 16 – Cost appeals

Non-financial redress

2.44 The Scheme offers applicants the opportunity to access a number of non-financial redress benefits such as a letter of apology, a meeting with a senior representative of the council, access to a counselling service and access to specialist advice and help with issues including housing, welfare, benefits, further education and employment.

2.45 As at January 2021 a total of 436 letters of apology have been requested, prepared, and sent to applicants. The impact of Covid-19 and subsequent restrictions from March 2020 meant that the average processing time for letters increased from under 30 working days to around 50 working days and the sending out of physical letters had to be suspended for a period. Applicants were offered an electronic copy of the letter and by the autumn of 2020 all outstanding physical letters had been sent to applicants.

2.46 A total of 34 applicants have already had a meeting with a senior representative of the council. There are currently 4 applicants where a video meeting is in the process of being scheduled and a further 7 applicants that are awaiting a face-to-face meeting when this can be offered again.

2.47 The table below details the numbers of referrals that have been made in respect of applicants that have requested access to the specialist advisory services:

Specialist advisory service area	Number of applicant referrals
Housing	94
Further Education	27
Employment	22
Welfare & Benefits	17
Total referrals	160

Table 17 – Advisory service referrals

Counselling service

2.48 The council has committed to funding a specialist and dedicated independent counselling support service for all survivors for the duration of the Scheme. During the Covid-19 pandemic the service has been operating remotely by telephone, video and email which has maintained the accessibility for potential and actual users of the service. Latest activity figures up to February 2021 indicate that the service continues to provide flexible support to a significant number of individuals with a total caseload of over 360 service beneficiaries of whom 118 were currently active.

2.49 Feedback highlights that the low threshold model remains highly valued and culturally appropriate with over 40% of people accessing the service being of Black and Minority Ethnic (BAME) heritage. The service has provided a much needed ‘neutral’ supportive space for a significant number of individuals who have accessed the Redress Scheme, as for many the emotional and psychological issues raised by the process remains difficult and sensitive areas to navigate, even whilst they acknowledge the Council’s efforts.

2.50 The Council is now working with the service to review how learning from the service can be mainstreamed as part of an options appraisal regarding how any continuing support needs for affected individuals can be met once the Redress Scheme ends.

2.51 The Council continues to fund personalised access to private counselling from a professionally qualified and registered counsellor or therapist when recommended by an applicant’s GP or other appropriately qualified clinician resulting from an individual’s abusive experiences in a Lambeth Children’s Home.

Advertising & engagement

2.52 Since the launch of the Scheme the council has continued to run various advertising campaigns to raise awareness of and promote the Scheme to potential applicants. National advertising has been undertaken in several UK newspapers with further adverts placed in specialist and professional publications as well as in a few international publications. Adverts have been placed in the following publications from early 2018 to date:

Metro	The Sun
Evening Standard	The Sunday Sun
South London Press	The Times
Brighton Sussex Argus	Kent Messenger Group
The Big Issue	Croydon Advertiser
The Inside Times	The Voice UK

The Law Society Gazette	Sunday Gleaner (Jamaica)
Nigerian Watch	Lambeth Talk
Saga Magazine	Whatson Magazine

Table 18 – Scheme advertising

- 2.53 In addition to advertising the Council has also written on a couple of occasions to Commonwealth consulates asking them to share the details of the Scheme for people who may have previously resided in the UK, and at a Lambeth Children’s home.
- 2.54 The Council has also written to more than 50 charities and third sector groups outlining details of the Scheme, sharing the application form and associated information guide. These groups have been asked to share and promote the information with relevant parties to ensure they are made aware of the Scheme.
- 2.55 The overall proportion of applicants to the scheme from people of Black, Asian Minority Ethnic heritage has remained broadly stable since formal establishment of the scheme. However, the Council has continued to work with partners to explore all practical channels for raising awareness of the scheme and hence eliciting referrals from BAME individuals. In February 2020 engaged jointly with Black Thrive and Voice 4 Change -a national racial equality advocacy organisation- to develop a more bespoke communications and engagement programme. The aim was to promote the scheme amongst these communities and if as a result of this people came forward to access the scheme, offer another avenue of support to navigate the scheme. The intention was that dovetailing both digital communications and place-based activities with local and national BAME VCS partners would generate further ((self) referrals to the to the schemes. Unfortunately, the development and launch of the scheme coincided with the Covid-19 pandemic which has subsequently severely limited the reach and impact of the project, which relies on trusted in-person peer to peer networks which have been severely restricted over the last year. The Council is currently working with both organisations to consider the best way forward including whether it possible to deliver a modified programme from late spring 2021, in line with revisions to social distancing guidance over the coming months.

Access to care records

- 2.56 The council continues to run a large specialist team of 45 staff responding to requests from former children in the care of Lambeth for their care files (known as subject access requests under the Data Protection Act 2018). Over 1,500 requests for historical care records have been received since January 2017 which is an unprecedented number and equates to over 4,500 volumes of files provided to requestors. The council has invested more than £3.5million in providing this service.
- 2.57 Whilst applicants to the Lambeth Children’s Homes Redress Scheme are not required to make a Subject Access Request (SAR) feedback from survivors who have received their records from the council indicate that for some having their care file can help them understand issues they experienced in their childhood.
- 2.58 Processing of requests has been impacted during 2020 by changes in work practices due to Covid-19. The Council has taken necessary steps to mitigate and improve timeliness. Requests are despatched electronically, and this will be kept under review as restrictions are lifted. The council also continues to provide updates to the Information Commissioner’s Office on progress with the SAR project.

Independent Inquiry into Child Sexual Abuse

- 2.59 The public hearings in the national Independent Inquiry into Child Sexual Abuse (IICSA) in respect of children in the care of Lambeth Council took place over four weeks between 29 June - 10 July and 20 – 31 July 2020. IICSA considered the experience of victims and survivors living in Lambeth’s children’s homes and foster care and examined the scale and nature of the abuse that took place.
- 2.60 A shocking number of survivors have been identified during the Inquiry and the council acknowledged the brave and often chilling written and oral evidence of survivors and victims who gave evidence throughout the course of the hearing. The Council was clear in its written and oral evidence that there was a systemic and sustained failure to protect children in its care during the period of time that the Inquiry has explored. The extent and scale of the abuse, which took place over many decades, remains deeply shocking.
- 2.61 The Council’s corporate statement provided an analysis of ‘Lambeth now’, providing evidence about the improvements that have been secured but also highlighting how the wider policy and legislative framework has changed. Evidence was provided of the work done to address historical failures and weaknesses, recognising that the Council can never be complacent and that there is further improvement work to undertake. The Redress Scheme is a key element of the Council’s response in addressing its profound historical failures to protect and safeguard the welfare of children in its care.
- 2.62 The Council is committed to continue to improve and its desire to ensure that learning from the Inquiry translates into positive action which improves the quality of corporate parenting provided to children in its care. The approach the Council has adopted throughout the Inquiry process of transparency, openness and accountability continues and the Council has publicly committed in its closing submissions to following up on recommendations made by the Inquiry. Whilst the report into the Lambeth investigation will not be published until summer 2021 the council has not waited for the recommendations and has identified a number of learning points for the organisation as well as Children’s Social Care with and an action plan to address these.

3. FINANCE

- 3.1 The total cost incurred in operating the Scheme (including compensation over the Scheme limit and administrative costs) as at 1 January 2021 is £83.2 million. These costs are cumulative running from the start of the Scheme on 2 January 2018 through to 1 January 2021. A breakdown of the expenditure is shown in the table below.

Expenditure type	Expenditure amount (£)
Redress applications within the Scheme	
Paid to applicants - Harm’s Way Payments	12,717,500
Paid to applicants - Individual Redress Payments	36,741,466
Paid to Applicant Solicitors – Applicant legal costs	7,476,333
Paid to Council’s Solicitors– Council’s legal costs	3,815,029
Application Disbursements (medicals, records chronology etc)	4,469,746
Sub Total Redress applications (A)	65,220,074
Redress applications over Scheme limit (£125,000)	
Paid to applicants – Individual Redress over Scheme limit	10,230,332
Paid to Applicant Solicitors - Applicant legal costs over Scheme limit	1,036,994
Paid to Council’s Solicitors – Council’s legal costs over Scheme limit	471,520

Application Disbursements (medicals, records chronology etc)	687,721
Sub Total Redress over Scheme limit (B)	12,426,567
Redress applications total (A+B)	77,646,641
Scheme administrative expenditure	
Independent Appeal Panel costs	139,142
Scheme administration advice & support (Legal, audit & advice)	827,721
Staffing costs – Redress team	3,145,776
Operational costs (advertising, post, ICT, training, actuarial)	323,977
Counselling services	463,604
Pre-Scheme legal advice & support	427,519
Pre-Scheme Survivors association legal costs	243,000
Sub Total Scheme administrative expenditure (C)	5,570,739
Total cost of Redress Scheme (A+B+C)	83,217,380

- 3.2 As at 1 January 2021 the total projected cost of known applications received as at this date is c£111.7 million (actual payments and costs already paid plus estimated payments, costs, and administrative costs in respect of those applications received at this date).
- 3.3 Independent actuarial advice was received prior to the launch of the Scheme with further actuarial reviews undertaken at the end of each year of operation. The estimated number of applications was previously revised to c2,100 and remains a reasonable assumption based upon the most recent data.
- 3.4 There are significant uncertainties in forecasting the overall cost due to the relatively novel nature of the Scheme and the lack of comparable benchmarks given the Scheme is the only example within the UK of this type. The previous estimates calculated as part of an independent actuarial review indicated that the overall cost of the Scheme is likely to be around £125 million. Further actuarial work is currently being undertaken to update the previous review.
- 3.5 The council secured a capitalisation directive from the Government to borrow the up to £125 million needed to fund the Scheme. This was based on assumptions as the only basis upon which to determine the actual number of applications that would be made.

4. LEGAL AND DEMOCRACY

- 4.1 The council has established the redress Scheme under the “general power of competence” (GPOC) in s.1 Localism Act 2011 which gives the local authority “the power to do anything that individuals generally may do” and which expressly includes the power to do something for the benefit of the authority, its area or persons resident or present in its area.
- 4.2 The GPOC in common with any other source of power must be exercised reasonably and properly. The Council must be mindful of its fiduciary duty to council taxpayers and, therefore, needs to balance the needs of survivors against its public duty to ensure that applications are appropriately validated and that payments are reasonable and lawful.
- 4.3 As a public body the council has a duty to exercise its powers properly and reasonably. In this context “properly” includes that legally irrelevant considerations are left out of account and all legally relevant considerations are taken into account. Importantly, where expenditure is involved, “reasonably” includes compliance with the fiduciary duty to council tax payers owed by a local authority and

reaffirmed by the Court of Appeal in *Charles Terence Estates Ltd v Cornwall County Council* [2013] 1 WLR 466, at paragraphs 11 – 17. The fiduciary duty is a duty not to incur expenditure “thriftlessly” and to act “in a fairly business-like manner” with “due regard” for the interests of council tax payers and holding a balance between those who contribute funds and those who receive payment.

4.4 The council’s auditors have a statutory duty under the Local Audit and Accountability Act 2014 to be satisfied that “the authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources”.

4.5 All public authorities are required, in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010 to:

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

5. CONSULTATION AND CO-PRODUCTION

5.1 In developing the Scheme the council had many meetings with the Shirley Oaks Survivors Association and their legal advisors to try to reach agreement on the provisions to be included in the Scheme.

5.2 The council also consulted with other key stakeholders in relation to the development of the Scheme including the council’s external auditors, insurers, and independent experts.

5.3 Since the launch of the Scheme the council has met with a number of applicant solicitor firms to discuss and clarify operational aspects of the Scheme.

5.4 The council is continuing to consult with a wide range of local voluntary sector, advocacy, and advice agencies as well as national organisations in relation to promoting access to the scheme.

6. RISK MANAGEMENT

6.1 There are no direct risk implications arising from this operational performance report. Existing and emerging risks are regularly reviewed as part of the risk management process. As outlined earlier in this report arrangements have been made to ensure the continuity of service provided to applicants during the continuing Covid-19 situation. This is being regularly reviewed and arrangements updated as necessary.

7. EQUALITIES IMPACT ASSESSMENT

7.1 The council has conducted an annual update of the original Equalities Impact Assessment (EIA) of the Redress Scheme completed in March 2019 following the launch of the Redress Scheme. The purpose of the update is to:

i) Contribute to the ongoing operational review of the Redress Scheme including implementation of recommendations arising from the previous EIAs.

ii) Provide some equalities analysis of applications and payments under the Redress Scheme up to the end of January 2021 to inform the ongoing communications and engagement activities. The updated EIA is attached at Appendix B.

- 7.2 The Council has continued regular general and targeted communications to key groups including people from Black and Minority Ethnic (BME) communities; people with physical or mental health conditions; and people who may be now living abroad. In addition, the Redress Scheme is also working with colleagues in Adult Social Care to ensure that eligible people who may have resided in one of Lambeth's specialist units for children with physical and/or learning disabilities or other specific needs, are enabled to claim themselves or have someone lodge an application in their best interest.
- 7.3 Analysis of the available information indicates that the overall proportion of applicants from key equalities groups – such as ethnicity, age, disability, and health status-has remained broadly steady to date. The Council remains committed to disseminating information to ensure that key partners and communities are aware of the scheme.
- 7.4 In line with this as outlined in in section 2.53 above, in February 2020 we engaged with Voice 4 Change and Black Thrive to deliver a targeted communications and engagement programme utilising trusted peer to peer networks and digital and media channels. The aim of this is to ensure that BAME communities are aware of the scheme and have culturally appropriate support to access it if desired. However, we are now reviewing the original project remit and engagement plan due to the pandemic which has significantly curtailed the overall programme activity, with the possibility implementing an altered programme from late spring 2021 taking into account changes in government social distancing regulations and guidance.

8. COMMUNITY SAFETY

- 8.1 There are not considered to be any implications under s.17 of the Crime and Disorder Act 1998.

9. ORGANISATIONAL IMPLICATIONS

Environmental

- 9.1 None.

Health

- 9.2 The long-term mental and physical health effects of childhood abuse are well documented, and we know from the stories that people have told us that their experiences have remained with them their entire lives. Nothing can fully compensate people for those experiences, but it is important for survivors that the abuse that happened to them is recognised and acknowledged, and that they receive an apology. Survivors of abuse also wish to know that children today will be better protected. It is also the case that because of the adversarial nature of the court process survivors of abuse can be re-victimised by having to recount their experiences. The aim of the Redress Scheme is to prevent re-victimisation whilst providing a range of reparations that hopefully will enable people to move on with their lives.

Corporate Parenting

- 9.3 None directly arising from this report.

Staffing and accommodation

- 9.4 The Scheme is administered by the Redress Team in conjunction with the council's external solicitors – Kennedys LLP. All existing members of the team have received training from the National

Association for People Abused in Childhood (NAPAC) with any new team members being trained as soon as is reasonably practical. In addition, staff have undergone conflict checks to ensure they have not had previous dealings with any council matters relevant to the applications. Resourcing requirements are regularly monitored, and additional staffing has been put in place to ensure that redress applications are effectively processed.

Responsible Procurement

- 9.5 The council has commissioned Oxleas Mental Health NHS Trust to provide independent counselling to survivors for the duration of the Scheme. Under the Scheme applicants will be able to access the specialist and dedicated confidential counselling support service. This service will be funded by the council for the duration of the Scheme. Oxleas will advise if some individuals will require ongoing support and how this support could best be provided. The Scheme solicitors were commissioned following a previous contract variation waiver to the existing insurance legal services framework. The independent appeal panel members were commissioned at the time the Scheme was launched although they operate completely independently of the council when determining appeals submitted under the remit of the Scheme.

10. TIMETABLE FOR IMPLEMENTATION

- 10.1 Not applicable.

Audit Trail				
Consultation				
Name/Position	Lambeth directorate / department or partner	Date Sent	Date Received	Comments in paragraph:
Andrew Travers – Chief Executive	Chief Executive			
Fiona McDermott Strategic Director Finance & Investment	Finance & Investment	25/03/21	25/03/21	
Christina Thompson, Director Finance & Property	Finance & Investment	25/03/21	24/03/21	Throughout
Fiona Connolly, Executive Director, Adults and Health	Adults and Health	25/03/21	24/03/21	
Fateha Salim, Assistant Director, Legal Services	Legal & Governance	25/03/21	25/03/21	Throughout
Paul Bates, Director of Strategy & Communications	Strategy & Communications	25/03/21	26/03/21	
Andrew Pavlou, Principal Lawyer Governance, Legal Services	Legal & Governance	25/03/21		4.1 – 4.5
Nisar Visram, Assistant Director, Corporate Finance	Finance & Investment	25/03/21		3.1 – 3.5
David Orekoya, Associate Director Integrated Commissioning -Mental Health	Adults and Health	25/03/21		7.1 – 7.4
Report History				
Original discussion with Cabinet Member	Ongoing			
Report deadline				
Date final report sent				
Part II Exempt from Disclosure/confidential accompanying report?	No			
Key decision report	No			
Date first appeared on forward plan	n/a			
Key decision reasons	n/a			
Background information	Council Report July 2015 Cabinet report June 2016 Financial Planning and Medium Term Strategy Report 2017/18 to 2019/20 – Cabinet July 2017 Council report July 2017 Cabinet Report December 2017 Appeal Panel ODDR			
Appendices	A – Summary of Redress available & list of Lambeth Children’s Homes B – Redress EIA update			

