

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 30 June 2021. All figures contained within this report are calculated as at this date although more recent figures have subsequently been released by the council. The Scheme opened on 2 January 2018 and remains open to new application until 1 January 2022.

As at 30 June 2021 a total of 1,878 applications have been made to the Scheme. More than 75% of the applications received to date have been processed through to conclusion with a total of £70.8 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 30 June 2021 is c£98 million, comprising:

- £70.8 million paid in redress compensation directly to applicants (£14.1m HWP & £56.7m IRP),
- £10.2 million in respect of applicants' legal costs (paid to solicitors),
- £4.9 million for the council's own legal costs in processing applications,
- £5.9 million on applicant expenses, instruction of medical experts and social records chronology,
- £6.2 million on administrative & staffing costs.

The estimated outstanding costs as at 30 June 2021 (i.e. those estimated redress payments, legal and associated disbursement and administrative costs that have not yet been paid in respect of applications received at this date) is c£23.0 million. This means that the total estimated cost of the Scheme based on applications received as at 30 June 2021 is c£121 million (£98 million paid + £23 million outstanding).

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 provides an update on the performance of the Scheme as at the 30 June 2021 with the figures contained within this report representing the position as at this date. More recent figures calculated after this date may appear in the public domain as periodically provided by the council. Links to the previous performance 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 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 1,878 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	2021	Total	
Both Harm's Way and Individual Redress	825	365	231	89	1,510	80.4%
Harm's Way Only	154	84	28	18	284	15.1%
Individual Redress Only**	24	26	25	9	84	4.5%
Total	1,003	475	284	116	1,878	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 116 new applications have been received in 2021 to date which is an average of 19 applications a month (down from the previous average of 24) as shown in the following table:

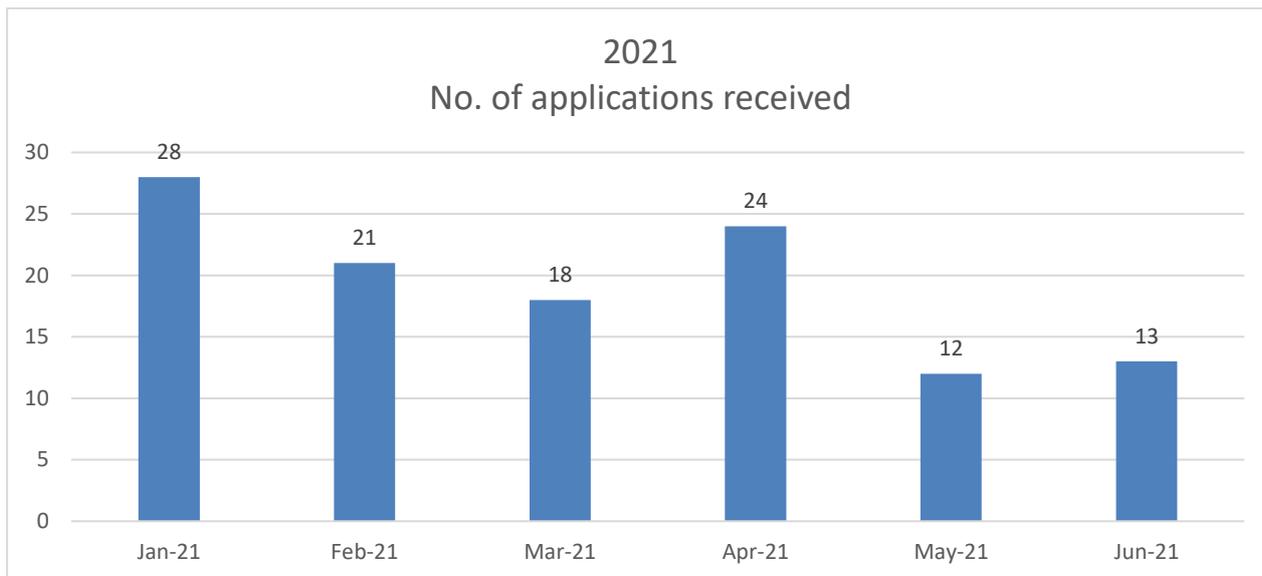


Table 2 – Redress applications received in 2021

2.3 Since the peak of applications made in the months following the opening of the Scheme, there has been a gradual decline in new applications received as shown in the following chart:

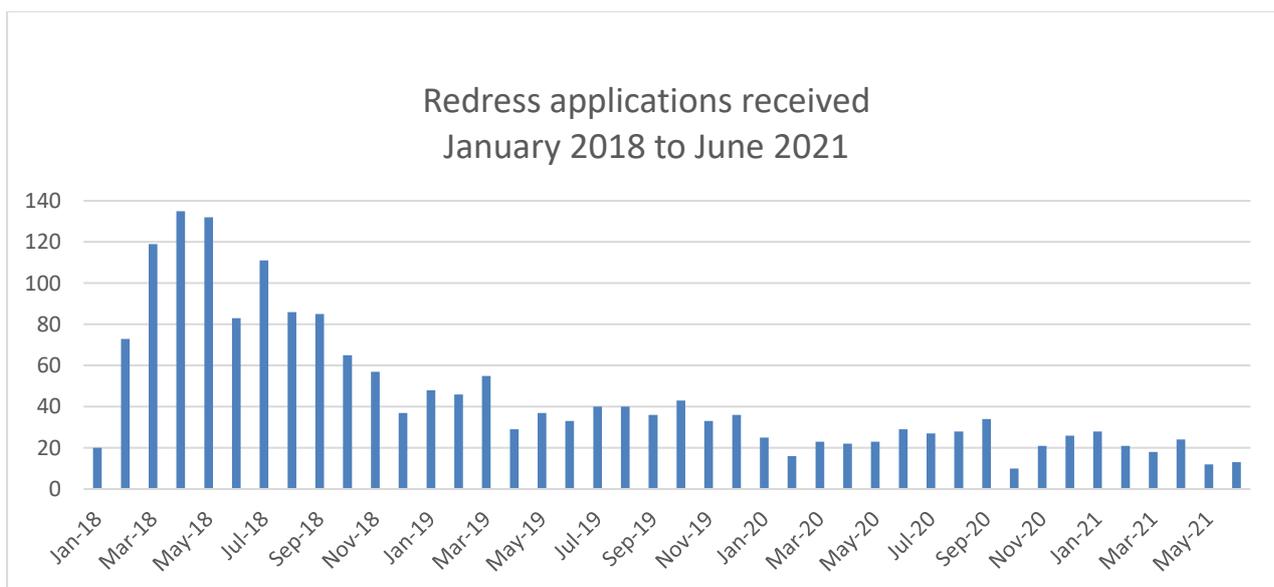


Table 3 – Redress applications received since Scheme start

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 393 applications have been received from applicants residing within the borough of Lambeth (21% 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. 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	35%	31%	18%	6%	4%	1%	5%
No. of applications	575	502	297	103	62	20	82

Table 4 – Stage 1 processing times

2.8 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 earlier placements, it is necessary for records to be obtained from archives held elsewhere which naturally takes 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 14 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	1-6 months	6-12 months	12-15 months	15-18 months	18-21 months	21-24 months	>24 months
% of applications	9%	31%	22%	17%	10%	4%	7%
No. of applications	161	528	379	286	177	80	121

Table 5 – Stage 2 processing times

2.10 Over 62% of stage 2 applications within the Scheme have been processed in 15 months or less with 79% 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 16 months (2 months for HWP and 14 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	1-6 months	6-12 months	12-15 months	15-18 months	18-21 months	21-24 months	>24 months
% of applications	0%	13%	19%	23%	27%	9%	10%
No. of applications	0	14	13	16	14	6	7

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 There continues to be minimal impact on the processing of applications from the impact of the pandemic. Measures implemented to protect applicants, minimise disruption and ensure continuity of service have been regularly reviewed throughout the course of the past year and changes made as necessary. The following provides an update on any ongoing impact:

- **Application processing** – Applications have been processed as normal with little to no impact.
- **Payments** – Payments have been processed as normal during the past year and applicants have been able to request interim payments in respect of their Individual Redress application with requests considered on a case-by-case basis.
- **Medical experts** – In person appointments with medical experts have started to be resumed by some experts and applicants have either had or have been offered an appointment where available. For those experts that have not yet returned to accepting face to face appointments remote video and/or telephone meetings are still being offered.
- **Appeals** – The Independent appeal panel has continued to consider appeals utilising video conferencing capabilities between panel members with no impact to the appeals process.

- **Apology letters** – The processing and distribution of physical copies of apology letters took slightly longer than normal at the start of the year however this has now returned to normal.
- **Meetings with senior representative.** Requests for face-to-face meetings with a senior officer from the Council were suspended however applicants were offered the option of a video meeting instead. Face to face meetings have now resumed.
- **External factors** – All aspects of the Scheme operation have continued as normal. Some applicant's seeking records from their GP surgeries or from national archives have experienced delays due to a closure of these services or staff shortages. Applications affected by this have been 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

2.16 As at 30 June 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)	32	1.7%
Stage 2 Individual Redress payment (HWP paid where applicable IRP still being determined)	324	17.3%
Stage 3 All HWP and IRP paid to applicants (Finalising legal costs & costs appeals where applicable)	59	3.1%
Over Scheme limit applications Open over £125k applications (applications still being determined)	28	1.5%
Subtotal open applications (A)	443	23.6%
Closed applications		
Closed – Paid HWP/IRP finalised and closed (All redress and legal costs paid)	1,270	67.6%
Over Scheme limit applications - Paid Closed over £125k applications (all redress & costs paid)	71	3.8%
Closed – No payment No HWP or IRP paid (Withdrawn & applications not accepted into Scheme)	94	5.0%
Subtotal closed applications (B)	1,435	76.4%
Totals (A+B)	1,878	100.0%

Table 7 – Application status

- 2.17 Over 75% of all applications received since the Scheme opened have now been processed through to conclusion. The remainder of applications remain open and continue to be processed at various stages as outlined in the above table.
- 2.18 Applications to the Scheme have been received at different times since it opened with new applications continuing to be received each week therefore the percentage of open applications mainly reflects the more recent applications that have been received.
- 2.19 There have been 94 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 (8 cases) or where the application has not been accepted into the Scheme due to not meeting the relevant Scheme criteria (86 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	37
Threshold not met for Harm's Way	6
Abuse occurred whilst in foster care*	2
Total	86

Table 8 – Applications declined

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

- 2.20 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

- 2.21 As at 30 June 2021 the largest proportion of applications to the Scheme (36%) 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).
- 2.22 Continuing the trend noted in 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	676	281	566	226	129	1,878
Year of residency as a %	36.0%	15.0%	30.1%	12.0%	6.9%	100%
Change since last report	1.4% ↓	0.2% ↓	0.1% ↓	0.6% ↑	1.1% ↑	

Table 9 – Year of residency

*From 01/04/1965

2.23 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 June 2021 just over 46.5% of applications relate to admissions to children’s homes within Shirley Oaks (down from 48% in January 2021).

Specialist units

2.24 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’**)

2.25 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.

2.26 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

2.27 As at June 2021 a total of 1,642 Harm’s Way payments have been made to applicants totalling £14 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	13	13,000
£2,500 - more than 1 week up to 3 months	205	512,500
£5,000 - between 3 and 6 months	142	710,000
£10,000 - more than 6 months	1,282	12,820,000
Total Harm's Way payments	1,642	14,055,500

Table 10 – Harm’s Way payments

2.28 Just over 78% 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. 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

2.29 As at June 2021 Individual Redress Payments totalling £56.7 million have been made (including interim & over Scheme limit payments). 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	445	1,960,640
Interim Individual Redress Payment	203	1,932,700
Band 1	141	1,244,650
Band 2	171	3,560,600
Band 3	84	4,193,643
Band 1 (Plus Band 4)	27	387,300
Band 2 (Plus Band 4)	188	5,533,350
Band 3 (Plus Band 4)	472	26,244,815
Total Individual Redress payments	1,731	45,057,698
Payments over £125k	102	11,659,057
Total IRP & over £125k	1,833	56,716,755

Table 11 – Individual redress payments

2.30 Of the total paid in redress compensation and associated legal costs to date 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	14,055,500	15.3%
Individual Redress payments	45,057,698	49.0%
Payments over £125k	11,659,057	12.7%
Total Paid to applicants (A)	70,772,255	77.0%
Applicant's Legal costs (paid to solicitors)	10,166,947	11.1%
Council's Legal costs (for processing of IRP)	4,923,439	5.4%
Disbursements for medical experts/reports, Social care records chronology	5,913,231	6.5%
Total Legal & Disbursement costs (B)	21,003,617	23.0%
Grand Total (A+B)	91,775,872	100.0%

Table 12 – Total Scheme payments

Legal costs

- 2.31 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.
- 2.32 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.
- 2.33 As at the end of June 2021 the total paid to applicant's legal representatives in costs has been £10.2m which is 11% of the total Scheme cost to date (this figure includes the fixed fees for Harm's Way Payments, any interim costs paid on open applications and the final agreed costs incurred in the processing of Individual Redress applications).
- 2.34 The total paid to the Council's Scheme solicitors for the processing of Individual Redress payments has been £4.9m (5.4% of total Scheme costs).
- 2.35 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	39	2,265,062	660,167	29%	58,079	16,927
Irwin Mitchell Solicitors	34	2,099,670	451,821	22%	61,755	13,289
Remedy Law	29	1,729,410	353,455	20%	59,635	12,188
Leigh Day & Co	16	794,440	190,057	24%	49,653	11,879
Robson Shaw Solicitors	15	1,123,999	175,700	16%	74,933	11,713
McMillan Williams Solicitors	8	452,700	93,116	21%	56,588	11,640
Switalskis Solicitors	245	10,941,447	2,543,439	23%	44,659	10,381
AO Advocates	33	2,172,585	338,360	16%	65,836	10,253
Others*	19	892,810	188,973	21%	46,990	9,946
Imran Khan and Partners	54	3,381,520	522,462	15%	62,621	9,675
Hudgell Solicitors	44	2,275,745	408,750	18%	51,721	9,290
Verisona Law	146	6,840,016	1,356,125	20%	46,849	9,289
Birnberg Peirce Limited	99	3,565,222	750,297	21%	36,012	7,579
Slater & Gordon Lawyers	40	1,710,435	221,649	13%	42,761	5,541
Total Applicant Solicitors	821	40,245,061	8,254,373	21%	49,020	10,054
Kennedys Solicitors	821	40,245,061	3,337,996	8%	49,020	4,066

Table 13 – Average legal costs

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

- 2.36 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.

2.37 For those applications that have settled above the Scheme limit the average legal costs of applicant's representatives was £18,136 per case with the average of the Council's legal costs (Kennedys Solicitors) at £5,437 per case.

2.38 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	3	121	12-15	98%
Slater & Gordon Lawyers	64	7	57	15-18	89%
Irwin Mitchell	52	7	45	18+	87%
Verisona Law	224	44	180	12-15	80%
Ao Advocates	69	15	54	12-15	78%
Switalskis Solicitors	391	91	300	15-18	77%
Hugh James Solicitors	4	1	3	18+	75%
Hudgell Solicitors	74	19	55	15-18	74%
McMillan Williams Solicitors	13	4	9	18+	69%
Leigh Day & Co	28	10	18	18+	64%
Imran Khan & Partners	98	36	62	15-18	63%
Bolt Burdon Kemp Solicitors	89	33	56	18+	63%
Robsonshaw Solicitors	46	26	20	15-18	43%
Remedy Law	77	46	31	15-18	40%
Simpson Millar LLP	7	6	1	12-15	14%
Total	1,368	348	1,020	15-18	-
Applicants in Person	201	63	138	9-12	74%

Table 14 – Application position by solicitor

*Figures may change between reports due to applicant's changing solicitors or changes in application type

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

Scheme appeals

2.40 As at 30 June 2021 a total of 80 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	19	23%	2	9	5	3
Level of Harm's Way Payment	2	3%	0	0	2	0
Level of Redress Payment	16	20%	9	6	1	0
Level of applicant Legal Costs	43	54%	1	19	14	9
Total number of appeals	80	100%	12	34	22	12

Table 15 – Appeals cases

2.41 More than half of all appeals received (54%) 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 43 cost appeals of which 72% 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	31
Switalskis Solicitors	5
Birnberg Peirce Limited	2
Slater & Gordon Lawyers	2
Blake Morgan	1
Hudgell Solicitors	1
Cunningham Blake Solicitors	1
Total	43

Table 16 – Cost appeals

Non-financial redress

2.42 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.

2.43 As at the end of June 2021 a total of 505 letters of apology have been requested, prepared, and sent to applicants.

2.44 A total of 38 applicants have requested and had a meeting with a senior representative of the council. There are currently 25 applicants awaiting a face-to-face meeting which are now being scheduled as COVID restrictions have been eased.

2.45 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	126
Further Education	32
Employment	24
Welfare & Benefits	18
Total referrals	200

Table 17 – Advisory service referrals

Counselling service

- 2.46 The council has committed to funding a specialist and dedicated independent counselling support service for all survivors for the duration of the Scheme. Since the start of the Covid-19 pandemic the service has been operating remotely by telephone, video and email which has maintained accessibility for and reassured potentially clinically vulnerable users of the service. The service does now offer face to face if there is a specific request or need for it. Latest activity figures up to August 2021 indicate that the service continues to provide flexible support to a significant number of individuals with a total caseload of over 390 service beneficiaries of whom 141 were currently active.
- 2.47 Feedback highlights that the low threshold model remains highly valued and culturally appropriate with just under 50% of people accessing the service being of Black, Asian and Multi-Ethnic heritage. The service continues to provide 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.
- 2.48 The Council is now working with the service to develop a proposal for the ongoing support offer for affected individuals once the Redress Scheme draws to a close. This offer will be based on the feedback, learning and recommendations of service users and practitioners and will set out a number of options for how the service offer can be mainstreamed.
- 2.49 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

- 2.50 Since the launch of the Scheme the council has 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 repeatedly 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

- 2.51 The Council’s advertising campaign will continue through the Autumn, with that promotion set to continue in a wide range of outlets to ensure reach among diverse audiences.
- 2.52 The overall proportion of applicants to the scheme from people of Black, Asian and Multi-Ethnic heritage has remained broadly stable since the formal establishment of the scheme. However, the Council has considered the possibility of disproportionality in applications, and in light of the recent IICSA report which highlighted the impact on Black children in the care of Lambeth, the Council has continued to work with partners to explore all practical channels for raising awareness of the scheme and hence eliciting referrals from Black and dual heritage individuals.
- 2.53 The council continues to work with Black Thrive and Voice 4 Change to facilitate specific and bespoke engagement with Black African and Black Caribbean communities. During the Covid-19 pandemic this has mainly been through a remote and digital communications approach. However, with the loosening of restrictions over the summer months, Voice 4 Change have developed an in-person engagement plan that includes attendance at a number of key community and network events to promote the scheme to the target audience. This face-to-face approach will dovetail with the ongoing digital and social media strategy. The partnership will review the project and seek to understand the key learning to apply to broader engagement with Black, Asian and Multi-Ethnic communities going forward.

Access to care records

- 2.54 The council continues to run a large specialist team of 55 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).
- 2.55 Over 1,650 requests for historical care records have been received since January 2017 which is an unprecedented number and equates to over 5,500 volumes of records provided to requestors. The council has incurred more than £6 million in providing this service. The council continues to provide updates to the Information Commissioner’s Office on progress with the SAR project.
- 2.56 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.

Independent Inquiry into Child Sexual Abuse

- 2.57 On 27 July 2021 the national Independent Inquiry into Child Sexual Abuse (IICSA) published its investigation report in respect of children in the care of Lambeth Council.
- 2.58 The report and findings reflect the written and oral evidence submitted to the Inquiry, including by the Council, that there was a systemic and sustained failure to protect children in its care during the period of time that the Inquiry. The extent and scale of the abuse, which took place over many decades, remains deeply shocking. 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.

2.59 The Inquiry made four recommendations summarised as:

- A response and action plan from Lambeth Council on the issues raised in this report
- Mandatory training for elected councillors on safeguarding and corporate parenting
- Review of recruitment and vetting checks of current foster carers and children’s home staff
- The Metropolitan Police Service to consider whether a criminal investigation into the circumstances surrounding LA-A2’s death is necessary

2.60 The Council has not waited for the recommendations and identified a number of learning points for the organisation through its engagement in the inquiry process and a corporate action plan to address these. The council has already taken steps to address vetting of staff and implemented mandatory training for elected members on corporate parenting and safeguarding. The Council can never be complacent and recognises that there is further work to undertake. The recommendations made by the Inquiry will assist in Lambeth’s ongoing improvement journey.

2.61 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 will continue and the Council will publish its action plan in due course. The council will ensure that its action plan is developed and collectively owned by the Council’s Senior Management Team and is fully monitored and reviewed by Members.

3. FINANCE

3.1 The total cost incurred in operating the Scheme (including compensation over the Scheme limit and administrative costs) as at 30 June 2021 is £98 million. These costs are cumulative running from the start of the Scheme on 2 January 2018 through to 30 June 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	14,055,500
Paid to applicants - Individual Redress Payments	45,057,698
Paid to Applicant Solicitors – Applicant legal costs	8,776,904
Paid to Council’s Solicitors– Council’s legal costs	4,402,753
Application Disbursements (medicals, records chronology etc)	5,117,499
Sub Total Redress applications (A)	77,410,354
Redress applications over Scheme limit (£125,000)	
Paid to applicants – Individual Redress over Scheme limit	11,659,057
Paid to Applicant Solicitors - Applicant legal costs over Scheme limit	1,390,043
Paid to Council’s Solicitors – Council’s legal costs over Scheme limit	520,686
Application Disbursements (medicals, records chronology etc)	795,732
Sub Total Redress over Scheme limit (B)	14,365,518
Redress applications total (A+B)	91,775,872
Scheme administrative expenditure	

Independent Appeal Panel costs	183,455
Scheme administration advice & support (Legal, audit & advice)	827,721
Staffing costs – Redress team	3,666,435
Operational costs (advertising, post, ICT, training, actuarial)	347,597
Counselling services	551,817
Pre-Scheme legal advice & support	427,519
Pre-Scheme Survivors association legal costs	243,000
Sub Total Scheme administrative expenditure (C)	6,247,544
Total cost of Redress Scheme (A+B+C)	98,023,416

- 3.2 As at 30 June 2021 the total projected cost of known applications received as at this date is c£121 million (actual payments and costs already paid plus estimated payments, costs, and administrative costs in respect of those applications already received at this date).
- 3.3 Independent actuarial advice was received prior to the launch of the Scheme with further actuarial reviews undertaken periodically through the Scheme’s operation. The estimated number of applications was previously revised to c2,100 and remains a reasonable assumption based upon the most recent data, although likely that total numbers will fall somewhere slightly below this figure.
- 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. A further actuarial review was undertaken at 30 June 2021. The estimate is that the final cost of the Scheme is likely to be £133 million. It should be noted that this is likely to be a worst-case position.
- 3.5 The council has secured a capitalisation directive from the Government to borrow up to £125 million to fund the Scheme. This was based on the actuarial assumptions at the time as the only basis upon which to determine the actual number of applications that would be made. The new actuarial estimate is above this level and provision will have to be made for any difference between the final scheme cost and the capitalisation direction.

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 “thriflessly”

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 updated EIA is attached at Appendix B. 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 June 2021 to inform the ongoing communications and engagement activities.

- 7.2 The Council has continued regular general and targeted communications to key groups including people from Black and Multi-Ethnic communities; people with physical or mental health conditions; and people who may be now living abroad. In addition, we continue to work 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 data indicates that the overall proportion of applicants from key equalities groups – such as ethnicity, age, disability, and health status-has remained broadly steady throughout the scheme. The Council continues to work with key partners to disseminate information to ensure that individuals and communities are aware of the scheme.
- 7.4 In line with this as outlined in in section 2.52 above, the council continues to work with Black Thrive and Voice 4 Change to facilitate specific and bespoke engagement with Black African and Black Caribbean communities. Black Thrive and Voice 4 Change have identified a number of in person events throughout the Autumn to test whether the in-person approach will yield stronger engagement and achieve the aims of the initial proposal.

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	07/09/21	10/09/21	
Christina Thompson, Director Finance & Property	Finance & Investment	18/08/21	01/09/21	3.1 – 3.5
Fiona Connolly, Executive Director, Adults and Health	Adults and Health	07/09/21	08/09/21	
Fateha Salim, Assistant Director, Legal Services	Legal & Governance	12/08//21	25/08/21	2.54 – 2.61
Paul Bates, Director of Strategy & Communications	Strategy & Communications	14/09/21		
Andrew Pavlou, Principal Lawyer Governance, Legal Services	Legal & Governance	14/09/21		4.1 – 4.5
Nisar Visram, Assistant Director, Corporate Finance	Finance & Investment	14/09/21	28/09/21	3.1 – 3.5
David Orekoya, Associate Director Integrated Commissioning -Mental Health	Adults and Health	12/08/21	31/08/21	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 (June 2021)			

