



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 9 December 2014 at 4.00 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Peter John (Chair)
Councillor Ian Wingfield
Councillor Fiona Colley
Councillor Dora Dixon-Fyle MBE
Councillor Barrie Hargrove
Councillor Richard Livingstone
Councillor Darren Merrill
Councillor Victoria Mills
Councillor Michael Situ
Councillor Mark Williams

1. APOLOGIES

All members were present.

2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT

No urgent items were identified. However an addendum report was circulated in respect of Item 10, Policy and Resources Strategy 2015/16 – 2017/18: Scene Setting Report. The addendum included a briefing produced by London Councils in respect of the Autumn 2014 statement.

3. NOTICE OF INTENTION TO CONDUCT BUSINESS IN A CLOSED MEETING, AND ANY REPRESENTATIONS RECEIVED

No representations were received in respect of the items listed as closed business for the meeting.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were no disclosures of interests or dispensations.

5. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

6. DEPUTATION REQUESTS

There were no deputation requests.

7. MINUTES

RESOLVED:

That the minutes of the meeting held on 18 November 2014 be approved as a correct record and signed by the chair.

8. UPDATE ON THE PROPOSED PIPELINE FOR THE DELIVERY OF 1,500 NEW COUNCIL HOMES BY 2018

A letter from the Futures Steering Board (FSB) was circulated in respect of this item and Ian Ritchie and Cris Claridge were in attendance on behalf of the board.

RESOLVED:

1. That the progress in the direct delivery programme as part of the council's commitment to build 11,000 new council homes and especially the interim target, of 1,500 homes to be delivered by 2018 be noted.
2. That the continued progress underway within the direct delivery programme, that forms part of the commitment to build 11,000 new council homes over 30 years from 2013 to 2043 be noted, including, as instructed to the strategic director of housing and community services through the 22 July 2014 cabinet report that:
 - the future programme delivery for new council homes and the ongoing asset management of the existing housing stock has been brought together under the head of major works
 - the necessary capacity to oversee further programme delivery has been put in place
 - a comprehensive appraisal of the overall performance of current Housing Revenue Account (HRA) assets has taken place and will be presented to cabinet in January 2015
 - work is in progress to establish a wholly owned and controlled council 'vehicle' to secure future funding capacity for the programme and subsequent protection and proper use of assets created, to be operational from 1 April 2015.
3. That the identified sites in the schedule and map at Appendix 2 detailed in paragraphs 52-62 of the report be noted.

4. That authority be delegated to the director of regeneration, in consultation with the strategic director of housing and community services and strategic director of finance and corporate services to acquire land and housing for the direct delivery of new council housing and this be considered as a scheme pursuant to Part 3C of the council's constitution.
5. That it be noted that officers may wish to recommend the appropriation of land held within the general fund to the housing revenue account for the delivery of new council homes and will bring forward these proposals to cabinet for approval.
6. That it be agreed:
 - that rents for all new build properties will be set at the council's target rent without exception
 - to apply fixed tenant service charges for new build properties developed by the council at the prevailing rate for existing properties.
7. That the results of the completed community conversation already reported to November 2014 cabinet on a 'Charter of Principles' for governing our approach to engagement on housing investment and renewal be noted.
8. That the continuing role of the futures steering board (FSB) as a valued sounding board, providing important tenant and homeowner perspectives on the delivery of the 11,000 new council homes be noted.

9. HOUSING REVENUE ACCOUNT - INDICATIVE RENT SETTING AND BUDGET REPORT 2015/16

RESOLVED:

1. That a rent increase of 2.2% for all housing revenue account (HRA) dwellings (including estate voids and hostels) with effect from 6 April 2015 be noted on a provisional basis. This is in accordance with its decision on 28 January 2014 to increase rents by an amount equivalent to September CPI (consumer price index) plus 1% for each year up to 2017/18 (paragraphs 12 - 16 of the report). The average dwelling rent in 2015/16 under such an increase would be £101.25 per week (an increase of £2.18 per week on average).
2. That officers be instructed to consult regarding rent-setting for newly-let existing stock from 6 April 2015 (paragraphs 17 - 21 of the report), setting out effects on the housing revenue account (HRA) for that year, and also the medium and longer-term implications for the HRA business plan.
3. That with regard to other housing revenue account (HRA)-wide charges, increases of 2.2% in the estate cleaning, grounds maintenance, communal lighting and door entry maintenance charges as set out in paragraphs 31 -32 of the report with effect from 6 April 2015 be noted on a provisional basis.
4. That an increase of 2.2% to charges for garages, store sheds and parking bays, as

set out in paragraphs 33 – 34 of the report with effect from 6 April 2015 be noted on a provisional basis.

5. That no increase to district heating and hot water charges as set out in paragraphs 35 – 36 of the report with effect from 6 April 2015 be noted on a provisional basis.
6. That no increase to sheltered housing service charges as set out in paragraph 37 of the report with effect from 6 April 2015 be noted on a provisional basis.
7. That it be noted water and sewerage charges levied by Thames Water are liable to an inflationary uplift as set out at paragraph 38 of the report, but as yet the council has not been informed by Thames Water of what that increase will be.
8. That officers be instructed to provide a final report on rent setting and the housing revenue account (HRA) budget for 2015/16 after due consultation processes have been followed for consideration at their meeting on 27 January 2015.

10. POLICY AND RESOURCES STRATEGY 2015/16 - 2017/18: SCENE SETTING REPORT

An addendum report was circulated which included a briefing from London Councils on the autumn 2014 statement.

The council's head of community engagement reported some initial feedback from the budget consultation process.

RESOLVED:

1. That the actions taken to address the £31.4m gap between funding available and general fund spending, reported to cabinet on 21 October 2014 be noted.
2. That at the time of writing it be noted that the autumn statement was expected to be delivered on 3 December 2014, and provisional 2015/16 settlement figures were expected on 17 December 2014.
3. That the increasing importance that the generation, and retention of increased business rates revenues, above the levels forming the council's settlement funding assessment, have on the ability of the authority to set a balanced budget be noted.
4. That the changes in the council's estimates of grants due to the council in 2015/16 as shown in paragraphs 36 to 56 of the report be noted.
5. That as requested by cabinet on 21 October 2014, it be noted an amount of £700,000 will be included in the budget proposals to support the council's Southwark Emergency Support Scheme (SESS) at current levels for the duration of this policy and resources strategy.
6. That it be noted that budget consultation continues, and feedback will be included in the policy and resources strategy report to cabinet in January 2015.
7. That it be noted that the January report to cabinet will be considered by the overview

and scrutiny committee, and that any recommendations arising which are agreed by cabinet will be incorporated into the final report to cabinet on 10 February 2014 for recommendation to council assembly on 25 February 2015.

8. That following an announcement by the Secretary of State for Communities and Local Government on 25 October 2014 it be noted that any proposals to introduce a local supermarket levy will not be allowed by the government.
9. That officers be instructed to submit a further report including the 2015/16 provisional settlement figures, incorporation the feedback from the Southwark Spending Challenge, setting out a balanced budget for 2015/16 for consideration by overview and scrutiny committee, and approval by cabinet on 27 January 2015, for recommendation to council assembly on 25 February 2015.

11. DRAPER HOUSE WORKS – INDEPENDENT INVESTIGATION, FINAL REPORT – OFFICER RESPONSE

Councillor Tom Flynn, chair of the housing and community safety scrutiny sub-committee and residents of Draper House were in attendance. Councillor Tom Flynn responded to the report.

RESOLVED:

1. That the actions by officers following the publication of the independent investigation report into the major works contract at Draper House be noted.
2. That a further report is received by cabinet at its 27 January 2015 meeting on progress and responding to any concerns raised by residents, including communication issues.

12. APPROVAL FOR THE EXTENSION OF ST THOMAS THE APOSTLE COLLEGE'S (STAC) AGE RANGE FROM 11-16 TO 11-18

The head teacher and executive head of St. Thomas the Apostle College were in attendance and answered questions.

RESOLVED:

That the opening of a sixth form provision at St. Thomas the Apostle College be approved.

13. ALBION STREET REGENERATION

RESOLVED:

1. That a section of 2,260sqm of the site of the Albion Primary School, shown outlined on the plan at Appendix 1 to the report, be released from education use subject to consent of the Secretary of State and that a budget of £12m (including fees and

contingency) be made available to replace the school on the rest of the site.

2. That it be noted that as part of the Secretary of State consent process for change of use of education land, the value of the released land must be used for education purposes, which in this case, for consent purposes, shall be to part fund the provision of a new two form entry Albion Primary School.
3. That the sourcing of appropriate funding to deliver the new Albion School be delegated to the strategic director of finance and corporate services and to update cabinet through the quarterly monitor reports.
4. That subject to the outcome of an application for the consent of the Secretary of State for Education to change the use of the released land, it be agreed that the land shall be used for the delivery of new council homes and to that end the appropriation of the land from education to housing be authorised.
5. That the outcome of the recent public consultation exercise into the principle of releasing the school land and the response to issues raised be noted, which are set out in Appendix 2 to the report, which shall become part of the application for Secretary of State consent.
6. That the scope for the Albion Street Regeneration Framework be extended to include land around 71-75 Albion Street, shown on the plan at Appendix 3 to the report, with a view to delivering a mix use development including new council homes.
7. That progress with delivery of the regeneration of Albion Street as set out in the body of the report be noted.

14. GATEWAY 2 - CONTRACT AWARD APPROVAL - SPECIAL EDUCATIONAL NEEDS AND/OR DISABILITIES (SEND) SCHOOL BUS TRANSPORT

RESOLVED:

1. That the award of the SEND school bus transport contract to Olympic South Limited (trading as Healthcare and Transport Services - HATS) for a period of five years and eight months with provision to extend for a further two years (1 + 1 years), making an estimated total contract value of £10.57m or £14.52m should the full extension periods be used be approved.
2. That it be noted that the contact will be awarded on 2 January 2015 but that the service will not commence until April 2015 to align with academic term times.
3. That it be agreed that the council's longer term ambition for service users currently travelling in school transport vehicles (buses and/or taxis) where possible, is for them to travel independently so as to support them to lead the fullest possible lives. Working in partnership with the provider, children, young people and their families, the aim is that we take this journey together over the course of the new contract.

15. EXTENDING THE THAMES RIVERSIDE FOOTPATH INCLUDING CONSEQUENTIAL LANDS TRANSACTIONS

Councillor David Hubber, ward member, welcomed the progress and expressed support for the proposals before cabinet. Councillor Hubber raised a number of concerns including the poor condition of the crane at the site and whether it would be possible to renovate or relocate and expressed the need for affordable housing on site.

RESOLVED:

1. That the terms set out in the closed version of this report for the Greater London Authority to release the restrictive covenant affecting 1-3 Odessa Street be agreed.
2. That following release of the restrictive covenant and Hollybrook Homes securing planning consent for the regeneration of 1-4 Odessa Street the council will transfer to Hollybrook Homes 1-3 Odessa Street the extent of which is shown hatched on the plan at Appendix C of the report on the principal terms set out in the closed version of this report.
3. That it be agreed that the council subsequently acquires the freehold interest at nominal consideration under section 227 of the Town and Country Planning Act 1990 the land shown cross-hatched on the plan at Appendix C of the report from Hollybrook Homes to extend the Thames Path and provide public realm.
4. That detailed terms be delegated to the head of property to agree and to take the necessary action to effect recommendations 1-3 including the extent of riverfront land at 1-3 Odessa Street to be transferred back to the council.

EXCLUSION OF PRESS AND PUBLIC

That the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in category 3 of paragraph 10.4 of the access to information procedure rules of the Southwark Constitution.

The following is a summary of the closed part of the meeting.

16. MINUTES

RESOLVED:

That the closed minutes of the meeting held on 18 November 2014 be approved as a correct record and signed by the chair.

17. GATEWAY 2 - CONTRACT AWARD APPROVAL - SPECIAL EDUCATIONAL NEEDS AND/OR DISABILITIES (SEND) SCHOOL BUS TRANSPORT

The cabinet considered the closed information relating to this item. See item 14 for

decision.

18. EXTENDING THE THAMES RIVERSIDE FOOTPATH INCLUDING CONSEQUENTIAL LANDS TRANSACTIONS

The cabinet considered the closed information relating to this item. See item 15 for decision.

Meeting ended at 5.30pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 17 DECEMBER 2014.

THE ABOVE DECISIONS WILL NOT BE IMPLEMENTABLE UNTIL AFTER THAT DATE. SHOULD A DECISION OF THE CABINET BE CALLED-IN FOR SCRUTINY, THEN THE RELEVANT DECISION WILL BE HELD IN ABEYANCE PENDING THE OUTCOME OF SCRUTINY CONSIDERATION.