



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 10 February 2015 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 Victoria Mills
Councillor Michael Situ
Councillor Mark Williams

1. APOLOGIES

Apologies for absence were received from Councillor Darren Merrill.

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

The chair gave notice that the following late item of business that would be considered for reasons of urgency to be specified in the relevant minute:

Item 18: Policy and Resources Strategy 2015-16 to 2017-18 – Revenue Budget

Deputation request: Chair of Canada tenants and residents association, with regard to the work being proposed on bathroom and kitchen replacement on the estate.

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 this meeting.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

5. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

6. MINUTES

It was noted that with regard to Item 13, housing revenue account – final rent setting and budget report, resolution number 2, that this would include the right of returnees, for example Lakanal House.

RESOLVED:

That the minutes of the meeting held on 27 January 2015 be approved as a correct record and signed by the chair.

7. DEPUTATION REQUESTS

This request had not been circulated five clear days in advance of the meeting. The chair agreed to accept the item as urgent as the request had been submitted in line with the constitutional deadline for the receipt of deputation requests and was therefore eligible for consideration by cabinet.

RESOLVED:

That the deputation request be heard.

Canada Estate Tenants and Residents Association

The chair of the Canada Estate tenants and residents association addressed the meeting requesting that the criteria be brought forward for the replacement of kitchen and bathrooms on the Canada Estate.

Councillor Richard Livingstone confirmed that an item on kitchen and bathroom replacement was on the cabinet agenda setting out the programme.

8. COMMISSIONING AND PROCUREMENT AT SOUTHWARK COUNCIL (OVERVIEW AND SCRUTINY COMMITTEE)

Councillor Gavin Edwards, chair of the overview and scrutiny committee presented the report to cabinet.

RESOLVED:

That the recommendations of the review of commissioning and procurement at Southwark be noted and that Councillor Fiona Colley, cabinet member for finance, strategy and performance, bring back a report to cabinet within eight weeks, in order to respond to the overview and scrutiny committee.

9. COUNCIL PLAN 2014/2015 - 2017/2018

RESOLVED:

1. That the proposed council plan 2014/15 - 2017/18 be recommended for agreement by council assembly on 25 February 2015.
2. That the proposed council plan 2014/15 - 2017/18 be agreed.
3. That the detailed performance schedules for the council plan based on six priority themes be agreed.
4. That the proposed arrangements for monitoring and reporting on progress against the council plan 2014/15-2017/18 as noted in paragraphs 13 to 15 of the report be agreed.

NOTE: In accordance with overview and scrutiny procedure rule 23.1(a) (budget and policy framework) these decisions are not subject to call-in.

10. OLD VIC ENDOWMENT TRUST

RESOLVED:

1. That the release of £500,000 as a one-off contribution from the youth fund reserve to donate to the Old Vic Endowment Trust be agreed. This will be for the purposes of the long term promotion of education and employment through culture and the arts for young people in Southwark.
2. That authority be delegated to the chief executive to sign off a memorandum of understanding that enters the council into agreement with the Old Vic Theatre Trust setting out the benefits to be accrued from the donation and process for monitoring and review.
3. That a progress report be submitted to cabinet in 2016.

11. QUARTER 3 CAPITAL MONITORING FOR 2014/15 AND CAPITAL PROGRAMME REFRESH FOR 2014/15 - 2023/24

RESOLVED:

1. That the general fund capital programme for the period 2014/15 to 2023/24 as at

Quarter 3 2014/15, as detailed in Appendices A and D of the report, be noted.

2. That the housing investment programme for the period 2014/15 to 2021/22 as at Quarter 3 2014/15, as detailed in Appendix B of the report, be noted.
3. That the variation to the housing investment programme of £63.1m including £54m for housing direct delivery programme be approved, details of which are reflected in the departmental narratives and Appendix C of the report.
4. That the variation to the general fund capital programme of £75.9m be approved, including £44.4m for children's services and £21m for the acquisition of properties in order to progress regeneration projects. Details are reflected in the departmental narratives and Appendix C of the report.
5. That the virements and variations (including those mentioned in recommendations 3 and 4) to the general fund and housing investment capital programme be approved as detailed in Appendix C of the report.
6. That the re-profiling of the budgets in line with projected expenditure for 2014/15 and future years for both the general fund and housing investment programmes be approved as detailed in Appendices A, B and D and the resources available for the capital programme based on latest information available at Quarter 3 2014/15 be noted.
7. That the use of new home bonus (NHB) in funding the capital programme as previously agreed by cabinet on 21 June 2011 has now been committed to the revenue budgets as per the policy and resources strategy 2015/16 to 2017/18 revenue budget report of 27 January 2015 be noted and that this resource will not be available in the following years to fund capital expenditure.

12. REVENUE MONITORING REPORT FOR QUARTER 3, 2014/15 INCLUDING TREASURY MANAGEMENT

RESOLVED:

1. That the following be noted:
 - the general fund outturn forecast for 2014/15 and forecast net movement in reserves by department
 - the housing revenue account's (HRA) forecast outturn for 2014/15 and resulting forecast movement in reserves
 - the treasury management activity for the first three quarters of 2014/15.
2. That the forecast performance for the collection of council tax be noted.
3. That the forecast performance for the collection of business rates and the risks associated with the business rate retention scheme be noted.
4. The general fund budget movements that exceed £250,000, as shown in Appendix A of the report, be approved.

5. That the budget pressures of approximately £300,000 arising from demands on discretionary housing payments that exceed DWP funding allocations be noted and officers be instructed to identify resources to alleviate pressure on the DHP.

13. LAKANAL INQUIRY - PROGRESS WITH CORONERS RECOMMENDATIONS

RESOLVED:

1. That the contents of the report be noted.
2. That the installation of LD2 type automatic battery powered smoke/heat detection to the leasehold homes in the blocks to which the coroner's recommendations refer (see paragraph 13 of the report) in the estimated sum of £1,263,000 be approved.
3. That the method for approval for the installation of LD2 type automatic battery powered smoke/heat detection to the leasehold homes in blocks across the borough as set out in paragraph 22 of the report, be noted.

14. LAKANAL HOUSE REDEVELOPMENT, SCEAUX GARDENS ESTATE 2014/17 - UPDATE REPORT

RESOLVED:

1. That the details of the proposed Lakanal House Redevelopment scheme as detailed within the report be noted.
2. That it be noted that the scheme will be delivered through the major works partnering contract with Keepmoat Regeneration (Apollo) Ltd ("Keepmoat").
3. That it be noted that the scheme budget was included in the Quarter 2 Capital Monitoring for 2014/15 and Capital Programme Refresh for 2014/15 – 2023/24 approved at cabinet on 9 December 2014.

15. GATEWAY 1: PROCUREMENT STRATEGY APPROVAL - ADULT INTEGRATED DRUG AND ALCOHOL TREATMENT SYSTEM

RESOLVED:

That the procurement strategy for the adult integrated drug and alcohol treatment system contract up to a maximum annual value of £4,100,000 for a period of three years commencing on 4 January 2016 with an option to extend for a further period or periods not exceeding two years in total making a total maximum contract value of £20,500,000 be approved.

16. RE-ALIGNMENT OF AN EXISTING RIGHT OF WAY WHERE THE COUNCIL IS THE BENEFICIARY OF ACCESS AND EGRESS TO AND FROM ADJOINING LITTLE DORRIT PARK

RESOLVED:

1. That the re-alignment (edged in black) of an existing right of way (hatched and cross-hatched in black) on land owned by a third party (“the developer”) identified on the Ordnance Survey Plan at Appendix 1 of the report where the council is the beneficiary of access and egress to and from adjoining Little Dorrit Park for operational purposes be approved on the following terms:
 - a. A financial consideration is received.
 - b. The developer pays a financial contribution towards the council’s surveying fees and legal fees reasonably incurred.
 - c. The alternative location for the new right of way will continue to be used for operational purposes during the construction of the adjoining redevelopment, and continue for operational purposes in perpetuity following construction of the adjoining development.
 - d. Discussions be undertaken with local stakeholders to facilitate investment improvements to Little Dorrit Park up to a total of £100,000 from the consideration received for the relocation of the right of way.

17. ASSET MANAGEMENT STRATEGY - KITCHENS AND BATHROOMS

RESOLVED:

1. That a six year kitchen and bathroom programme to “deliver a quality kitchen and bathroom for every council tenant” by March 2021, as part of a wider asset management strategy be agreed.
2. That the initial 1 year kitchen and bathroom programme set out in Appendix 1 of the report to coincide with the final year of the current Warm, Dry and Safe Programme in 2015/16 to replace kitchens older than 20 years and bathrooms older than 30 years be agreed.
3. That officers be instructed to consult residents on the proposals for the next five years of the programme, post 2015/16, as part of the overall asset management strategy consultation that will take place borough wide.
4. That the progress of the asset performance evaluation of the council’s housing stock carried out in partnership with Savills and the council be noted and that further work is being carried out to test and refine the results of the work to date with a 30 year financial business plan and principles for a future asset management strategy and instructs officers to bring these forward for cabinet approval in March 2015. This report will be considered by cabinet in March 2015.

18. POLICY AND RESOURCES STRATEGY 2015-16 TO 2017-18 - REVENUE BUDGET

This item had not been circulated five clear days in advance of the meeting. The chair agreed to accept the item as urgent as the council is committed to publishing budget proposals at the earliest opportunity to ensure that they are available to the public for comments and questions. Additionally, under the council's constitution there is a requirement for the overview and scrutiny committee to review and challenge the budget proposal. This took place on 2 February 2015 and recommendations arising from this meeting are included in paragraphs 97 to 102 of the report.

RESOLVED:

1. That it be noted that the government's Autumn Statement was delivered on 3 December 2014; that the final settlement was announced on 3 February 2015, but is still subject to parliamentary approval. The motion to approve the settlement in Parliament will be on 10 February 2015.
2. That the provisional settlement contained no indicative grant settlement figures for 2016/17 or beyond be noted.
3. That it be noted that the final settlement included additional resources for the council of £750,000 in respect of an increased allocation to assist in dealing with pressures on local welfare and health and social care, and that this has been used to substitute the need for use of the Hardship Fund to support the Southwark Emergency Support Scheme in 2015/16.
4. That it be noted that the Hardship Fund resources will be returned to ring fenced earmarked resources to be allocated by cabinet to support those most in need at some future date.
5. That it be noted that representations have been made to the Minister by the leader and by the cabinet member for finance, strategy and performance with regard to the provisional settlement.
6. That specific funding by government for Local Welfare Provision has been removed from the settlement be noted.
7. That it be noted that cabinet have previously agreed to extend the Southwark Emergency Support Scheme until 2017/18, despite the withdrawal of this Social Welfare Provision funding and that budget provision for 2015/16 is provided in the budget proposals contained in the report.
8. That on 27 January 2015 cabinet agreed to set a one year budget for 2015/16 in the context of uncertainty over funding levels for 2016/17 and beyond be noted.
9. That balanced general fund budget proposals for 2015/16 contained within the report be noted, including resources available, commitments, income generation efficiencies and improved use of resources and other savings impacting on service delivery.

10. That the balanced budget plans for council tax to be frozen for 2015/16 be noted.
11. It be noted that these proposals for 2015/16 include the impacts of:
 - The provisional grant settlement
 - An increase in council tax revenue to reflect an increase in the taxbase and improved collection rates
 - An increase in retained business rates
 - Pay awards for council staff in line with national agreements
 - Contractual inflation
 - Top slicing of new homes bonus to redirect resources to the Local Enterprise Partnership (LEP)
 - Reduction in grant to support housing benefit administration
 - One off use of reserves of £6.2m
 - One off reductions in insurance fund provisions of £300,000 to reflect reduced insurance risks
 - Contingency provision retained at £4m to help mitigate risks inherent within the council's savings programme for 2015/16 and beyond.
12. That the need in the context of these proposals to monitor especially the implementation of the Care Act during 2015/16 and any further and unforeseen implications on general fund budget proposals be noted.
13. That the feedback from the public budget consultation exercise be noted.
14. That the delivery of the Fairer Future Council Plan commitments is included in this budget be noted.
15. That the recommendations of the overview and scrutiny committee on 2 February 2015 contained in paragraphs 97 to 102 of the report be taken into account and the cabinet member to respond to the committee.
16. That the draft 2015/16 to 2017/18 medium term resources strategy included in paragraphs 91 and 92 and Appendix L of the report be noted.
17. That the proposals in the report for a balanced budget based on a nil council tax increase for 2015/16 for recommendation to council assembly on 25 February 2015 be agreed. The budget schedules are set out in Appendices H-K of the report.
18. That funding for East Dulwich school crossing patrols (Townley Road and Village Way - 3 crossings in total) be amended to mainstream funding of £18,000 and that officers be instructed to conduct a "digital by default" review of member and democratic services with a target of saving at least £18,000 by reducing printing and distribution costs. Proposals should be based on a "bring your own device" model.
19. That with regard to paragraph 98 of the report, a review of the voluntary redundancy offer being made to employees, the chief executive report back to the next cabinet.
20. That a report comes back to cabinet on the suggestion set out paragraph 102 of the

report, that council officers look into the possibility of introducing a staff bank approach for street cleaning rather than making use of agencies to supply staff.

NOTE: In accordance with overview and scrutiny procedure rule 23.1(a) (budget and policy framework) these decisions are not subject to call-in.

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.

19. GATEWAY 1: PROCUREMENT STRATEGY APPROVAL - ADULT INTEGRATED DRUG AND ALCOHOL TREATMENT SYSTEM

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

20. RE-ALIGNMENT OF AN EXISTING RIGHT OF WAY WHERE THE COUNCIL IS THE BENEFICIARY OF ACCESS AND EGRESS TO AND FROM ADJOINING LITTLE DORRIT PARK

The cabinet considered the closed information relating to this item. See item 16 for decision.

Meeting ended at 5.40pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 18 FEBRUARY 2015.

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.