

Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 17 November 2015 at 4.00 pm at Ground Floor Meeting Room GO2A, 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Peter John (Chair)
Councillor Ian Wingfield
Councillor Fiona Colley
Councillor Stephanie Cryan
Councillor Barrie Hargrove
Councillor Richard Livingstone
Councillor Darren Merrill
Councillor Michael Situ
Councillor Mark Williams

1. APOLOGIES

Apologies for absence were received from Councillor Victoria Mills.

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

There were none.

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 none.

5. PUBLIC QUESTION TIME (15 MINUTES)

Public Question from Jeff Kelland

To Councillor Richard Livingstone, Cabinet Member for Housing

Flats 78, 79, 80, 81 and 82, Caroline Gardens, Asylum Road SE15, were completely rebuilt in 2013 at considerable cost to the taxpayer. Have any works been done or proposed to be done in these properties under the current contract with Keepmoat Regeneration Ltd?

Response

I would like to thank Mr Kelland for his question regarding the current major works being carried out at Caroline Gardens and whether this work will also take place at the recently refurbished homes at 78, 79, 80, 81 and 82 Caroline Gardens.

Work to refurbish the above five properties and make them safe and fit for occupation completed in June 2012, with the defects period concluding and final settlement taking place in May 2013. That work was carried out by Jerram Falkus, with Purcell acting as the English Heritage approved architects for the scheme.

As a consequence, these five properties are being omitted from the current programme of Warm, Dry and Safe works and of providing quality kitchens and bathrooms for homes on the estate, as the refurbishment work already brought numbers 78-82 to that standard.

However, the council will use the opportunity provided by the major works on the estate to survey the external condition of these five properties whilst contractors are on site and will address any issues identified as required. We would anticipate that any such work would be minimal, given the recent refurbishment.

Public Question from Sue Plain

To Councillor Richard Livingstone, Cabinet Member for Housing

Would the councillor confirm that none of the contractors (or their subsidiaries) put forward for the Housing Framework Contract have admitted involvement in scandalous and unlawful practice of 'blacklisting' Trades Union Members. Would he agree that Companies involved in this practice should not be invited to work within the Borough in any capacity?

Response

As part of the overall submission process applicants were asked to confirm whether their organisation currently is or has ever been in breach of Regulation 3(1) of the Blacklist Regulations. If a positive response to this question was received, applicants were asked to confirm the facts surrounding the breach, the steps taken to repair the harm and staffing measures put in places to avoid reoccurrence. For this framework all successful applicants confirmed that they had not been or were currently in breach, so all of the contractors recommended to be on the framework passed this section.

The council is able to exclude from a tender process applicants who have breached the blacklisting regulations, on the basis that this amounts to an act of grave misconduct and therefore could justify exclusion of that operator in accordance with the Public Contract Regulations. However any exclusion must be considered on a case by case basis, be proportionate and be justified on the evidence given. The council is required to allow an operator to 'self-clean', which enables an operator to show that it has or will take measures to put right its earlier wrongdoing and to prevent reoccurrence. Where an

operator has self-cleaned, exclusion would generally be disproportionate.

Supplemental question

Ms Plain asked a supplemental question about whether Councillor Williams would meet to discuss the matter further with her.

Councillor Williams agreed to the meeting.

Public question from Beverley Robinson

To Councillor Richard Livingstone, Cabinet Member for Housing

Re the policy on financial assessment of leaseholders facing loss of home through compulsory purchase, please could we be advised of the outcome of the briefing which, at a meeting with Councillor Williams on 20 October, we were told would take place on 9 November between Councillor Livingstone and officers?

Response

The cabinet member for housing was briefed on 16 November 2015 about a number of issues raised by home owners affected by regeneration on the Aylesbury Estate's first development site. Among the main issues discussed was one concerning the level of their own savings home owners are required to apply to their re-housing, and on-going concerns around valuations were also noted. Officers have been directed to liaise with other local authorities undertaking large-scale regeneration schemes and put together further proposals for Cabinet consideration early in the New Year.

Supplemental question

Ms Robinson asked a supplemental question relating to whether the council would consider changing the policy to help leaseholders.

Cabinet requested a report on the financial assessment of leaseholders to come to the cabinet meeting of 8 December 2015.

6. MINUTES

RESOLVED:

That the minutes of the meeting held on 20 October 2015 be approved as a correct record and signed by the chair.

7. DEPUTATION REQUESTS

There were none.

8. 11,000 NEW COUNCIL HOMES - RESULTS OF CONSULTATION ON DESIGN, NEIGHBOURHOODS AND WHERE TO BUILD

RESOLVED:

1. That the responses received from a broad cross-section of Southwark residents on the borough-wide principles, the second phase of the 11,000 new council homes consultation, covering sites for new council homes, design and neighbourhoods be welcomed.
2. That it be noted that the consultation engaged around 2,500 people.
3. That the significant number of responses indicating the importance of high quality design indistinguishable from private housing, safe and well-lit areas and good access to public transport and GPs be acknowledged.
4. That it be noted that the majority of respondents expressed that new council homes should be highly energy efficient, well sound-proofed and spacious to cater for families, and for there to be well-maintained green space, communal sports facilities and opportunities for residents to interact at community events.
5. That officers be instructed to undertake a desktop capacity study or site visit, as appropriate, for each of the 86 sites suggested by residents as locations for new council homes and publicly publish initial findings by April 2016.
6. That officers be tasked with outlining how the consultation feedback obtained can be further incorporated into delivery plans for the development of the 11,000 council homes programme and reporting back to cabinet by April 2016.

9. 11,000 NEW COUNCIL HOMES - DESIGN VALUES AND STANDARDS

RESOLVED:

1. That the Southwark Design Values attached in Appendix 1 of the report which sets out the council's aspirations for design excellence and reflect the council's core values and commitment to residents be approved.
2. That the interim Design Standards attached in Appendix 2 of the report which set out the council's commitment to high quality and robust design be approved.
3. That it be noted that the two documents along with a third document, the Technical Specifications, will form the new Southwark Design Guide.
4. That Councillor Leo Pollak, deputy cabinet member for excellence in design, and the officers involved, be thanked for their work on the Southwark Design Guide.

10. QUARTER 2 CAPITAL MONITORING FOR 2015/16 AND CAPITAL PROGRAMME REFRESH FOR 2015/16-2024/25

RESOLVED:

5. That the general fund capital programme for the period 2015/16 to 2024/25 as at Quarter 2 2015/16, as detailed in Appendix A and D of the report be noted.
6. That the housing investment programme for the period 2015/16 to 2024/25 as at Quarter 2 2015/16, as detailed in Appendix B of the report be noted.
7. That the virements and variations to the general fund and housing investment capital programme as detailed in Appendix C of the report be approved.
8. That the projected expenditure and resources for 2015/16 and future years for both the general fund and housing investment programmes as detailed in Appendices A, B and D of the report as at Quarter 2 2015/16 be noted, and that it also be noted that this position will be updated during the year and the budgets re-profiled accordingly at Quarter 3 when more up to date information is available.

11. REVENUE MONITORING REPORT FOR QUARTER 2, INCLUDING TREASURY MANAGEMENT

RESOLVED:

1. That the following be noted:
 - the general fund outturn forecast for 2015/16 and forecast net movement in reserves by department;
 - the current adverse variation of £2.250m for temporary accommodation and the potential call on the corporate contingency budget and on other reserves;
 - the continuing action required to manage the Public Health budget as a consequence of the confirmed in year reduction in grant;
 - the housing revenue account's (HRA) forecast outturn for 2015/16 and resulting forecast movement in reserves;
 - the treasury management activity for the first three months of 2015/16
2. That the general fund budget movements that exceed £250,000, as shown in Appendix A of the report be approved.

12. GATEWAY 1: PECKHAM RYE STATION REDEVELOPMENT PROCUREMENT STRATEGY

RESOLVED:

1. That the procurement strategy outlined in the report for the Peckham Rye Station Square redevelopment construction be approved. The procurement strategy will utilise the London Construction Programme framework at an estimated value of circa £6.2 million (based on the current cost plan) for the period of June 2016 to July 2018.

2. That the use of single supplier negotiations for the retention of the feasibility design team (Landolt + Brown Architects, Sweett Group and Alan Baxter & Associates) through an extension to their existing contract be approved. This will be up to the point at which the construction contract is signed and the design team is either novated or replaced by the main contractor's design team. The value of this appointment will not exceed £250,000 and will be based on the terms and fees outlined and procured for their initial appointment.

13. GATEWAY TO PECKHAM PROJECT UPDATE ON DESIGN DEVELOPMENT, LEASEHOLDER NEGOTIATIONS AND INFORMING CABINET OF INTENTION TO INCLUDE ALL OF PROPOSED SQUARE IN COMPULSORY PURCHASE ORDER (CPO)

RESOLVED:

1. That it be noted that the council intends to make a Compulsory Purchase Order (CPO) under section 226 (1) of the Town & Country Planning Act 1990 and section 13 of the Local Government (Miscellaneous Provisions) Act 1976 for the acquisition of the additional land hatched black on amended Ordnance Survey plan LBS_3175(Layout3) at Appendix 1 for the purpose of securing the creation of a new public square to the front of Peckham Rye Station as part of proposal site 6 in the Peckham & Nunhead Area Action Plan (PNNAP).
2. That the Director of Regeneration be authorised to:
 - a) take all necessary steps to secure the making, confirmation and implementation of the CPO including the publication and service of all notices and the presentation of the council's case at Public Inquiry should one be called;
 - b) acquire all interests in land within the CPO boundary either by agreement or compulsorily;
 - c) approve agreements with land owners setting out the terms for the withdrawal of objections to the CPO, including where appropriate seeking exclusion from the CPO;
 - d) amend the boundaries of the area edged and hatched black on the Ordnance Survey plan LBS_3175(Layout3) at Appendix 2 of the report; or
 - e) either amend the boundaries of the Ordnance Survey plan LBS_3175(Layout3) at Appendix 2 of the report to include Area 2 edged black on plan LBS_3175(Layout4) at Appendix 3 of the report or seek a separate compulsory purchase order, if negotiations are not concluded between Network Rail (the freeholder) and Bywater Properties (the tenant), should it be required.
 - f) Make arrangements for the presentation of the council's case for confirmation of the CPO at any public inquiry;

- g) exercise the compulsory purchase powers authorised by the CPO by way of general vesting declaration and/or notice to treat;
- h) to approve the acquisition of all interests, where possible, by negotiation pursuant to the CPO approving payments to interest holders in line with the statutory compensation provisions within the budget and limits per interest set out in the closed report.

14. CANADA WATER REGENERATION

RESOLVED:

- 9. That the heads of terms document attached at Appendix 1 of the report be agreed as the basis for an agreement with British Land (BL) for the redevelopment of the land identified within the document.
- 10. That the Director for Regeneration be instructed to conclude negotiations and report back to cabinet in mid 2016 for authority to exchange contracts.
- 11. That the Director of Regeneration be instructed to investigate, for incorporation into the deal with BL, alternative housing delivery models that will offer different groups of local people access to a wider range of truly affordable homes.
- 12. That the comments at paragraphs 21 – 26 of the report on the options for the form of agreement with BL be noted, and it also be noted that the recommendation is to enter into an agreement structured as a series of property transactions administered via an overarching agreement.
- 13. That the legally privileged advice, that is the entirety of the report on the closed agenda, that there are grounds for the council to enter into an off market agreement with BL be noted.
- 14. That it be noted that any recommended deal that ultimately emerges from negotiation with BL will be subject to detailed financial modelling and analysis.

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 rules of the Southwark Constitution.

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

15. MINUTES

The cabinet approved as a correct record the minutes of the closed meeting held on 20 October 2015.

16. GATEWAY TO PECKHAM PROJECT UPDATE ON DESIGN DEVELOPMENT, LEASEHOLDER NEGOTIATIONS AND INFORMING CABINET OF INTENTION TO INCLUDE ALL OF PROPOSED SQUARE IN COMPULSORY PURCHASE ORDER (CPO)

The cabinet considered the closed information relating to this item. Please see item 13 for decision.

17. CANADA WATER REGENERATION

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

Meeting ended at 5.15 pm

CHAIR:

DATED: