

## Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 13 December 2016 at 4.00 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

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**PRESENT:** Councillor Peter John OBE (Chair)  
Councillor Stephanie Cryan  
Councillor Maisie Anderson  
Councillor Fiona Colley  
Councillor Barrie Hargrove  
Councillor Richard Livingstone  
Councillor Victoria Mills  
Councillor Johnson Situ  
Councillor Mark Williams  
Councillor Ian Wingfield

### 1. APOLOGIES

All members were present.

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

The chair gave notice of the following late items:

- Item 7: Deputation requests
- Item 21: Policy and Resources Strategy 2017-18.

Reasons for urgency and lateness will be specified in the relevant minutes.

### ANNOUNCEMENT FROM THE LEADER

The Leader announced the death of Stephen Humphrey, Southwark's local historian, archivist and Freeman of the Borough. A one-minute silence was observed in his memory.

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

There were no closed items considered at this meeting.

**4. DISCLOSURE OF INTERESTS AND DISPENSATIONS**

None were declared.

**5. PUBLIC QUESTION TIME (15 MINUTES)**

The following public question received from Maria Marquez was circulated.

**Public Question from Maria Marquez**

Does the Councillor agree in principle that low-income families who have been unable to find or afford suitable housing should not be considered to have caused their own overcrowding by a 'deliberate act' within the meaning of the allocations policy?

**Response from the Deputy Leader and Cabinet Member for Housing**

Housing Action Southwark and Lambeth (HASL) have raised a number of cases with the council where they consider that our allocations policy is unfair or has not been appropriately applied. Officers have reviewed all of these cases and believe that it is acting appropriately.

Given HASL's concerns around these cases, we have commissioned the homelessness charity Shelter to undertake a piece of work, looking at all of the background information with full consideration of the legislative framework, and the council's policies and how they are being applied, and to provide us and HASL with their findings and recommendations as soon as possible.

We expect them to report back to us early in January and will update HASL once this is done. We will also consider the findings from Shelter and whether there are any changes which we need to make to our policy.

It is difficult to apply an overarching principle to each individual case of overcrowding. We shouldn't adopt a blanket approach when looking at overcrowding situations, each matter must be considered on its own merits in order that the right decision is made in every case. The current housing crisis and the affordability of suitable housing in the private rented sector is of concern and continues to be so. We are exploring and encouraging a range of affordable and intermediate housing solutions across Southwark, including our commitment to build new council homes, to provide more choice and stability for housing options.

## **6. MINUTES**

### **RESOLVED:**

That the minutes of the meeting held on 1 November 2016 be approved as a correct record and signed by the chair.

## **7. DEPUTATION REQUESTS**

The deputation request had not been circulated five clear days in advance of the meeting. The chair agreed to accept the item as urgent because the request was received in line with the constitutional deadline for the receipt of deputation requests.

### **RESOLVED:**

That the deputation be heard.

The spokesperson for the Housing Action Lambeth and Southwark addressed cabinet about the application of the housing allocation policy and the impact on families living in overcrowded accommodation, with particular reference to the band allocation for rehousing.

In response to the deputation, it was explained that given these concerns the council had already commissioned the homelessness charity Shelter to undertake a piece of work to examine the application of the council's policies. The council is expecting this report back from Shelter in January 2017.

## **MOTION OF ADJOURNMENT**

At 5.30pm it was moved, seconded and

### **RESOLVED:**

That the meeting stand adjourned for 10 minutes.

The meeting reconvened at 5.40pm.

## **8. PETITION FROM FOSSIL FREE SOUTHWARK**

### **RESOLVED:**

That the petition be received.

The group "Fossil Free Southwark" presented their petition to cabinet.

Councillor Fiona Colley responded to the petitioners, outlining the council's commitment and measures in place to address the issues highlighted in the petition.

**9. RESPONSE TO SCRUTINY SUB-COMMITTEES' REPORT ON THE DEVELOPMENT OF A SOUTHWARK JOINT MENTAL HEALTH STRATEGY**

Councillor Jasmine Ali, chair of the children's and education scrutiny sub-committee was unable to attend the meeting but wished make clear that mental health continues to be an important priority for the scrutiny sub-committee, who will continue to monitor progress.

**RESOLVED:**

1. That the current actions that are being taken to address the key recommendations made by the scrutiny sub-committees in their report on the development of a Southwark Joint Mental Health Strategy with NHS Southwark Clinical Commissioning Group (CCG) be noted.
2. That the additional actions to be taken to address a number of the key recommendations be noted.

**10. SOUTHWARK SCHOOL STANDARDS REPORT 2016**

Liz Robinson (primary school head teacher and from the head teachers group) and Serge Cefai (secondary school head teacher) also presented their comments and feedback to cabinet.

**RESOLVED:**

That the 'Best start in life - Southwark school standards report 2016' attached at Appendix 1 of the report be noted.

**11. 2016 PRIMARY AND SECONDARY SCHOOL PLACE PLANNING STRATEGY UPDATE**

Councillor Victoria Mills explained that representations had been received from John Donne school in respect of paragraph 36 of the report.

**RESOLVED:**

1. That the updated forecasts of primary and secondary school places be noted.
2. That the potential future shortfall of primary reception places in planning areas 1 (Borough, Bankside and Walworth) and planning area 2 (Bermondsey and Rotherhithe) from 2020-21 onwards be noted.
3. That the potential future shortfall of secondary places be noted.
4. That it be noted that the word 'tentatively' should be deleted from paragraph 36 of the report (third line of paragraph).

## **12. ACTIVITY STRATEGY FOR CHILDREN AND YOUNG PEOPLE 2017- 2020**

### **RESOLVED:**

1. That the:
  - proposed Activity Strategy for Children and Young People 2017– 2020 (ASCYP) be agreed
  - grant allocation process for the provision of youth and play services be noted
  - approach to commissioning the voluntary sector to deliver specific services that support the delivery of the outcomes in the strategy be noted.

## **13. PERFORMANCE REPORT FOR HOME CARE CONTRACTS 2015-16**

Councillor Richard Livingstone confirmed that it was expected that the new contracts would be in place for November 2017 (and not October as stated in his foreword).

### **RESOLVED:**

1. That the delivery of the contracts over the fifth year has met the council's requirements on Southwark's Ethical Care Charter (SECC) be noted.
2. That it be noted that the delivery of the contracts over the fifth year has largely met the council's contractual requirements and that service users have expressed their satisfaction with the services through provider feedback mechanisms and through one-to-one interviews conducted by Age UK.
3. That the gap in meeting one indicator on the proportion of qualified staff be noted. This is due to qualified staff leaving the agency in the last year to progress their career. An action plan will be agreed with the provider regarding this indicator.
4. That the improvement of the services on the quality issues raised by the Care Quality Commission (CQC) in their inspections during 2015 be noted.

## **14. HOUSING REVENUE ACCOUNT - INDICATIVE RENT SETTING AND BUDGET REPORT 2017-18**

### **RESOLVED:**

1. That it be noted on a provisional basis a rent decrease of 1.0% for all housing revenue account (HRA) dwellings (including estate voids and hostels) with effect from 3 April 2017. This is in accordance with the provisions of the Welfare Reform and Work Act 2016. The average dwelling rent in 2017-18 under such a reduction would be £99.48 per week.
2. With regard to other HRA-wide charges, it be noted on a provisional basis an increase in tenant service charges, comprising estate cleaning, grounds maintenance, communal lighting and door entry maintenance as set out in paragraphs 42 – 43 of the report, with effect from 3 April 2017.

3. That it be noted on a provisional basis no increase to sheltered housing service charges as set out in paragraph 44 of the report with effect from 3 April 2017.
4. That it be noted on a provisional basis an increase in charges for garages, as set out in paragraph 45 of the report.
5. That it be noted on a provisional basis no increase to district heating and hot water charges as set out in paragraphs 46 – 48 of the report with effect from 3 April 2017.
6. That the decision of the government not to make the provisions within the Housing and Planning Act 2016 with regard to higher income social tenants (“pay-to-stay”) mandatory, and resolves not to introduce said provisions on a voluntary basis be noted.
7. That it be noted that the council will no longer be responsible for the billing and collection of water and sewerage charges levied by Thames Water with effect from 1 April 2017 as set out in paragraphs 26 – 27 of the report.
8. That commitment to ensure that savings proposals are primarily based on efficiencies, and where staffing reductions form part of any savings proposal, that due consultation and process is followed with trade unions be reaffirmed.
9. That officers provide a final report on rent setting and the housing revenue account (HRA) budget for 2017-18 after due consultation processes with residents have been followed for consideration at their meeting on 24 January 2017.

#### **15. REFRESH OF SOUTHWARK’S ECONOMIC WELLBEING STRATEGY 2017-2022**

##### **RESOLVED:**

That the proposed refresh of the economic wellbeing strategy for 2017-2022 (Appendix 1 of the report) be approved.

#### **16. ASSET MANAGEMENT PLAN FOR THE COMMERCIAL PROPERTY ESTATE**

##### **RESOLVED:**

1. That the asset management plan (AMP) for the commercial property estate contained in Appendix 1 of the report, be approved including:
  - A clear strategic direction and performance management arrangements for the portfolio
  - a pilot letting scheme for the Market Place/Southwark Park Road area (“the Blue”)
  - actions identified through the recently completed Southwark Voluntary and Community Sector Strategy 2017-2022.
2. That it be noted that the new AMP presents a refreshed approach to achieving a vibrant and sustainable commercial property estate, encompassing work by

members and officers, review by overview and scrutiny committee and fully responding to recommendations made by the council's internal auditors in their reports of January and September 2016.

**17. GATEWAY 1 - PROCUREMENT STRATEGY APPROVAL ABBEYFIELD ESTATE HINE (MAYDEW HOUSE)**

**RESOLVED:**

1. That the revised procurement strategy for the use of the GLA's London Development Panel framework to procure development partners for the Abbeyfield Estate High Investment Needs Estate (HINE) (Maydew House) works at an estimated value of £22m for an estimated period of 208 weeks from 21 August 2017 be approved.
2. That estimated internal fees of £651,200 and external fees of £1,577,000 making a total estimated scheme cost of £24,228,200 be noted.

**18. RESETTLEMENT OF SYRIAN REFUGEE HOUSEHOLDS**

**RESOLVED:**

1. That an overall ambition to rehouse five Syrian refugee households a year for the next five years (2017-2021) be agreed.
2. That the strategic director of housing and modernisation be instructed to make a formal offer to the Home Office to resettle five Syrian refugee households in Southwark within the next year (phase 1). This offer would be based on the local authority led model, utilising the offer of accommodation from the Salvation Army, and support from Citizens UK.
3. That the strategic director of housing and modernisation bring a report back to cabinet at the end of 2017 on the plan for housing the phase 2 households, taking account of any changes in the housing market. This will include identifying opportunities with our community partners where possible.
4. That officers be instructed to set up a Southwark Syrian Refugee Multi Agency Working Group to:
  - Develop the formal offer to the Home Office
  - Ensure the arriving households receive the full range of support required.
5. That it be noted that phase 1 of the scheme will be fully funded by central Government. There may be financial pressures for phase 2 dependent on the tenure(s) used. These are set out in paragraphs 22 to 28 of the report.

## **19. STRATEGIC COORDINATION OF COUNCIL COMMISSIONING**

### **RESOLVED:**

1. That the council-wide approach to improve co-ordination of commissioning across the council and with key partners be approved, consisting of:
  - A council-wide senior officer commissioning board to oversee the planning and co-ordination of commissioning intentions and activity and strengthen the governance arrangements around voluntary sector commissioning
  - Commissioning principles that align with the Fairer Future Procurement Strategy and deliver high quality services, encourage local sourcing and employment, being open, honest and accountable, spending money as if it were coming from our own pockets, contribute to reducing inequality through added social value and are focused on delivering outcomes
  - The implementation of a more consistent and efficient approach to how the council works across departments, bringing commissioners together in the council and with our partners to improve co-ordination, remove duplication and build commissioning expertise
  - The emerging council and NHS Southwark Clinical Commissioning Group (CCG) partnership commissioning team, leading on mental health, children and young people, older adults and complex needs mainly through contracts
  - In line with our new Voluntary and Community Sector (VCS) Strategy 2017-2022, the adoption of an outcome-based commissioning model centered on a “common outcomes framework” – a set of benefits for the whole community against which council, CCG and VCS plans will be aligned and measured
  - In line with our new VCS Strategy 2017-2022, changing the way that the council uses contracts and grants with a proportionate balance between longer funding cycles and shorter term innovation projects.
2. That officers be instructed to implement the changes set out in the report.

## **20. THE COUNCIL TAX BASE FOR 2017-18**

### **RESOLVED:**

1. That the schedule of discounts and exemptions in paragraph 12 of the report, which remains unchanged from 2016-17 be approved.
2. That it be noted that the council tax reduction scheme (CTRS) for both working and pensionable age claimants shall remain unchanged in 2017-18 and it be noted that the consequential reduction in tax base of 16,550 (was 17,997 in 2016-17) band D equivalent dwellings as shown in paragraph 22 of the report.
3. That the council tax base for 2017-18 be set at 95,941 (was 91,231 in 2016-17) band D equivalent dwellings, as shown in paragraph 32 of the report be agreed.

4. That the assumed council tax collection level should be 97.20% (was 97.00% in 2016-17) noting the risks outlined in paragraph 25 of the report be agreed.
5. That the council tax base for 2017-18 for St. Mary Newington be set at 11,602 (was 10,979 in 2016-17) band D equivalent dwellings be noted.
6. That the council tax base for 2017-18 for St. Saviour's be set at 1,257 (was 1,174 in 2016-17) band D equivalent dwellings be noted.
7. That it be noted that:
  - Any minor and consequential amendments to the CTRS written policy are to remain delegated to the strategic director of finance and governance, in consultation with the monitoring officer
  - No changes were made under the strategic director of finance and governance's authority during 2016-17.
8. That it be noted that, as for 2016-17 the NNDR1 return showing the national non-domestic rates base will be signed off by the council's section 151 officer (strategic director of finance and governance).
9. That it be noted that the existing exemptions for foster carers and adopters remain unchanged.

## **21. POLICY AND RESOURCES STRATEGY 2017-18**

The report had not been circulated five clear days in advance of the meeting. The chair agreed to accept the item as urgent because the council were committed to publishing budget proposals at the earliest possible opportunity to ensure they are available to the public for comments and questions. Presenting the report to cabinet on 13 December 2016 would give the opportunity for debate prior to presentation of budget figures to cabinet on 24 January 2017. Under the council's constitution there is a requirement for the overview and scrutiny committee to review and challenge budget proposals and this is due to take place on 30 January 2017.

### **RESOLVED:**

1. That it be noted that the autumn statement was presented on 23 November and provided little further clarity on local authority funding, subject to the provisional local government funding settlement scheduled for release at some time during December 2017 (paragraphs 27 - 29 of the report).
2. That it be noted that the Department for Communities and Local Government (DCLG) has confirmed the four year settlement in response to the council's acceptance of the four year funding settlement (paragraph 18 of the report).
3. That it be noted that as reported to cabinet in November and given continued uncertainties over adult social care and children's services cost and demand pressures and government funding sources, the intention is to prepare a balanced

one year 2017-18 budget for presentation to cabinet for approval in advance of council assembly in February 2017 (paragraph 16 of the report).

4. That the reducing level of reserves and balances available to the council to help mitigate the risks of funding reductions moving into future financial years (paragraphs 52 - 54 of the report) be noted.
5. That the current budget options proposed to help achieve a balanced budget 2017-18 (Appendices B – D of the report) be noted.
6. That the current budget gap for 2017-18 of £2.6m after the incorporation of these options be noted.
7. That it be noted that the general fund budget proposals for 2017-18 contained within the report include:
  - Estimated grant resources likely to be available arising from the provisional settlement expected on 16 December (Appendix A of the report)
  - Estimated council tax revenue of £87.5m and retained business rates growth of £8.9m (paragraph 35 of the report)
  - Planned use of balances of £4.0m
  - Planned contingency of £4m (paragraph 55 of the report)
  - Proposals for budget changes in 2017-18 of:
    - commitments £11.0m (paragraphs 38 - 43, Appendix B of the report)
    - efficiencies and improved use of resources £13.3m (paragraphs 44 – 47; Appendix C)
    - income generation proposals of £3.4m (paragraphs 48 - 49; Appendix D of the report)
    - other savings impacting on service delivery of £1.4m (paragraphs 50 – 51; Appendix E of the report)
8. That it be noted this budget currently assumes that the Southwark element of the council tax continues to remain frozen for 2017-18; this has been the case since 2008-09 (paragraph 24 of the report).
9. That the proposed approach to address the children's and adults' social care budget pressures (paragraphs 30- 33 of the report) be noted.
10. That it be noted that this budget proposes to use the flexibility offered by the government to support social care through an increase in the adult social care precept, equivalent to 2% of council tax, on the basis that these additional funds will be used exclusively for adult social care (ASC) (paragraph 25 of the report).
11. That officers complete further work in the light of further notifications from government and recommendations from cabinet and represent a fully balanced budget position for cabinet on 24 January 2017.
12. That the continuing work underway by strategic directors to complete appropriate equality assessments for all budget proposals in advance of cabinet meeting on 24 January 2017 (paragraphs 61 - 68 of the report) be noted.

13. That the consultation that took place prior to agreeing the indicative budget options for 2017-18 and 2018-19 and that further consultation will be undertaken for new budget options where necessary or appropriate (paragraphs 56 - 59 of the report) be noted.
14. That it be noted that the further report to cabinet on 24 January 2017 will be considered by overview and scrutiny committee on 30 January 2017 and that any recommendations arising will be incorporated into the final report to cabinet on 7 February 2017 for recommendation to council assembly on 22 February 2017 (paragraph 60 of the report).

## **EXCLUSION OF THE 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.

## **22. MINUTES**

### **RESOLVED:**

That the minutes of the closed section of the meeting held on 1 November 2016 be approved as a correct record and signed by the chair.

The meeting ended at 6.35pm.

**CHAIR:**

**DATED:**

**DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 21 DECEMBER 2016.**

**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.**