

Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 24 January 2017 at 4.00 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Stephanie Cryan (In the chair)
Councillor Fiona Colley
Councillor Barrie Hargrove
Councillor Richard Livingstone
Councillor Victoria Mills
Councillor Johnson Situ
Councillor Mark Williams
Councillor Ian Wingfield

1. APOLOGIES

Apologies for absence were received from Councillors Peter John and Maisie Anderson, who is currently on maternity leave.

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 9: Housing Revenue Account – Appendix G, Results of Consultation
- Item 13: Addendum: Amendments to Appendix A, New Southwark Plan: Site Allocations and Area Visions
- Item 14: Policy and Resources Strategy 2017-18.

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

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)

Public Question from Sue Plain

Will the leader explain how the listing on the forward plan relating to provision of reablement services came to be changed without further reference to cabinet, and confirm that the council still intends to deliver reablement services through a direct delivery model that will deliver the ethical care charter?

Response from the Cabinet Member for Adult Care and Financial Inclusion

The forward plan sets out when decisions are due to be taken. It is modified every month including the target date for decisions when a piece of work is taking longer than originally anticipated. The forward plan is agreed by the leader under strong leader powers and is not a cabinet decision.

It is premature to discuss the details of the report that is due to come to cabinet on reablement, but I can assure the questioner that the council remains committed to exploring direct delivery as an option. The Southwark Ethical Care Charter relates to domiciliary care, is in place in our current domiciliary care block contracts and the council remains committed to our ethical care charter in the upcoming re-commissioning of domiciliary care. Reablement services are a different service with a different specification which will be set out in the report in due course.

Supplemental Question

Sue Plain asked whether the cabinet member would ensure that regardless of who provided the reablement service employees delivering a service for and on behalf of the council would have an option to work fixed hours, occupational sick pay, payment for travel time and as a minimum be paid the London Living Wage.

Councillor Richard Livingstone, cabinet member for adult care and financial inclusion confirmed that he would write to Sue Plain with the answer and would arrange for the response to this supplemental question to be published.

6. MINUTES

RESOLVED:

That the minutes of the meeting held on 13 December 2016 be approved as a

correct record and signed by the chair.

7. DEPUTATION REQUESTS

The deputation 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 request be received.

The spokesperson for the deputation addressed cabinet about the persistent traffic violations on Champion Park/Grove Lane. Motorists were regularly exceeding the 20 mph speed limit and undertaking illegal U-turns in the road. Aside from the road and pedestrian safety issues arising, there was also increased pollution, affecting air quality in the area.

Photographs and a survey were circulated by the deputation to demonstrate evidence of these traffic violations.

Councillor Ian Wingfield thanked the deputation for their representations and evidence gathered. He was awaiting a report on the issues identified and would be seeking an early meeting with the deputation to discuss and achieve a resolution once he had received this report.

8. RESPONSE TO THE OVERVIEW AND SCRUTINY REPORT ON FEMALE GENITAL MUTILATION (FGM)

RESOLVED:

1. That the progress against the eight recommendations made within the education and children services scrutiny sub-committee report on female genital mutilation (FGM) dated March 2016 be noted.
2. That the work locally in raising public awareness through community outreach for the eradication of FGM continue to be supported.
3. That the new initiative of Southwark becoming the London partner working with the National FGM Centre and Barnardos for the eradication of FGM be supported.

9. HOUSING REVENUE ACCOUNT - FINAL RENT-SETTING AND BUDGET REPORT 2017-18

Appendix G of this item was circulated separately, which contained the results of consultation meetings between 3 and 23 January 2017.

RESOLVED:

1. That a rent decrease of 1.0% for all housing revenue account (HRA) dwellings (including estate voids and hostels) with effect from 3 April 2017 be agreed. 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 will be £99.48 per week. Paragraphs 15 and 16 of the report contain further detail.

2. That with regard to other HRA-wide charges, tenant service charges, comprising the estate cleaning, grounds maintenance, communal lighting and door entry maintenance charges be increased as set out in paragraph 21 of the report with effect from 3 April 2017.
3. That no increase be made to sheltered housing service charges as set out in paragraph 22 of the report with effect from 3 April 2017.
4. That the decision on direct charges for garages, store sheds and parking bays be deferred pending a report back to cabinet on 7 February 2017 reviewing charges. That in the event of cabinet agreeing a proposal in respect of non-residential charges on 7 February 2017, officers be instructed to identify additional savings to enable a balanced HRA budget to be set without further reference to cabinet.
5. That there be no increase to district heating and hot water charges as set out in paragraph 24 of the report with effect from 3 April 2017.
6. That the commitments made at cabinet in December 2016 be reaffirmed; not to introduce the voluntary provisions of the Housing and Planning Act 2016 with regard to higher income social tenants ('pay-to-stay'), and to ensure that savings made are primarily based on efficiencies, and where staffing reductions form part of any said savings, that due consultation and process is followed with trade unions.

10. BOROUGH-WIDE DISTRICT HEATING STRATEGY

RESOLVED:

1. That it be noted that 17,000 council properties rely on district heating systems that are in need of capital investment and modernisation. There is not the funding in the current plans and models to upgrade the systems to a modern standard.
2. That the interim three year investment plan be approved, whilst the options for funding the modernisation of Southwark's heat network are fully explored, including bringing the Cossall estate district heating works forward from 2020-21 to 2017-18 to address the overheating issues experienced by residents.
3. That it be noted that a recent study into costs of modernising the borough's district heating concluded that in most cases that the current district heating systems should be retained and modernised. There is an estimated £44m shortfall in prioritised investment funding over the next 10 years and £350m capital investment required over the next 40 years.
4. That the development of decentralised energy schemes and heat networks be embedded in the London Plan and in the preferred option for the Southwark Plan be noted. These networks are seen as essential in reducing CO₂ emissions. Nearly half the UK's energy use is for heating and creating a low carbon source of heating homes is essential to meet climate change ambitions. Developing and modernising Southwark's networks can contribute to these aims as well as deliver a cost effective

and effective solution for residents.

5. That it be noted that to fully explore the scheme viabilities and develop a funded strategic investment plan is expected to take approximately 3 years. Officers will provide an interim update in a year on the progress made exploring options and any earlier opportunities that are being progressed. The options will aim to deliver the modernisation of Southwark's heat network in a way that will deliver for customers and the environment, as well as leveraging in funding and expertise to enable this step change to be realised.

11. 48 WILLOWBROOK ROAD, SE15 (FORMERLY KNOWN AS THE WILLOWBROOK CENTRE) - DISPOSAL OF FREEHOLD INTEREST

RESOLVED:

1. That the head of property be authorised to dispose of the council's freehold interest in 48 Willowbrook Road, SE15, (the "Property"), either by auction or by an alternative method of sale for a sum that equates to its market value.
2. That the earmarking of the capital receipt for the purposes of funding the capital programme be authorised.

12. ADDENDUM TO THE ADOPTED S106 AND COMMUNITY INFRASTRUCTURE LEVY SUPPLEMENTARY PLANNING DOCUMENT (2015); COMMUNITY INFRASTRUCTURE LEVY (CIL) DRAFT CHARGING SCHEDULE AND REGULATION 123 LISTS

RESOLVED:

1. That the addendum to the adopted Section 106 and community infrastructure levy supplementary planning document (SPD) (2015) (Appendix A) be approved for adoption.
2. That the community infrastructure levy (CIL) draft charging schedule (Appendix E) be approved for public consultation.
3. That the "Regulation 123 List" (the list of infrastructure items which will not be funded by section 106 planning obligations) (Appendix I) for adoption and the new draft "Regulation 123 List" for public consultation (Appendix J), be approved.
4. That the consultation statements for the SPD addendum and charging schedule (Appendix B and H respectively), SEA screening assessment and Habitat Regulations Assessment for the SPD addendum (Appendix C and D), the draft infrastructure plan (Appendix F) and equalities analysis (Appendix G), be noted.
5. That the submission of the community infrastructure levy (CIL) revised draft charging schedule to the Planning Inspectorate for an examination-in-public, provided no substantive changes are necessary following consultation, be approved.
6. That the approval of any minor amendments resulting from consultation on the community infrastructure levy (CIL) revised draft charging schedule and the draft "Regulation 123 List" be delegated to the director of planning in consultation with the

cabinet member for regeneration and new homes.

13. NEW SOUTHWARK PLAN: SITE ALLOCATIONS AND AREA VISIONS - PREFERRED OPTION

An addendum report setting out amendments to Appendix A of the report was circulated. It was not possible to circulate this report five clear days in advance of the meeting as the amendments and corrections were noted and/or received following publication of the cabinet agenda. The chair agreed to accept the item as urgent so that cabinet could consider these proposed changes.

RESOLVED:

1. That the New Southwark Plan Preferred Option: Area Visions and Site Allocations (Appendix A of the report) be agreed for consultation.
2. That the Consultation Plan (Appendix B), Consultation Report (Appendix C), Integrated Impact Assessment (Appendix D) and Habitats Regulations Assessment (Appendix E), be noted.
3. That the amendments set out in the addendum report be noted and the following agreed:
 - Reference to 'bus garage' be changed to 'bus station' (page 156 of Appendix A)
 - That a map setting out an overview of the neighbourhoods be included.

14. 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 this 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 this report to cabinet on 24 January 2017 gives the opportunity for debate prior to presentation of final budget figures to cabinet on 7 February 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 provisional settlement was received on 15 December, and is reflected in the revised 2017-18 draft budget presented at Appendix A of the report.
2. That it be noted that the key elements for the council arising from the provisional settlement included:
 - Settlement Funding Assessment (SFA), updated to include the confirmed Revenue Support Grant (£57.79m) and Business Rate Baseline Funding levels (£108.21m)
 - Confirmed new homes bonus for 2017-18 of £13.053m representing an overall

- reduction of £2.0m on 2016-17 budgeted funding levels (paragraph 43 of the report)
- Powers to bring forward the timing of the adult social care precept (paragraph 53 of the report)
 - A one year only Adult Social Care grant of £1.577m for 2017-18 (paragraph 47 of the report), funded by the government through a further reduction in new homes bonus
 - Confirmed improved better care fund in 2017-18 of £1.658m m payable directly to the council and indications of increased funding in 2018-19 and 2019-20 (paragraph 51 of the report)
 - Confirmed Public Health Grant for 2017-18 of £28.194m which is a reduction of £0.69m from 2016-17.
3. That the risk transfer of retained business rate funding to local authorities (paragraph 39 of the report) be noted.
 4. That the impact on school funding grants, specifically the cessation of the Education Support Grant (paragraph 69 of the report) be noted.
 5. That the continued uncertainties especially regarding adult social care and children's services cost and demand pressures for 2017-18 and beyond and also ongoing funding risks and uncertainties relating particularly to the new Adult Social Care Grant, New Homes Bonus, Public Health Grant and risks of retained Business Rates, be noted.
 6. That the current budget deficit for 2017-18 of £1.822m, reduced from £2.6m on 13 December 2016, and £8.1m presented on 1 November 2016, after the incorporation of a number of budget proposals and updated information following the provisional settlement, be noted.
 7. That it be noted that the general fund budget proposals for 2017-18 contained within the report include:
 - grant resources arising from the provisional settlement on 15 December (Appendix A of the report)
 - Estimated resources for the Autumn Statement Grant
 - An assumed increase in Council Tax of 1.99%, below the cap of 2% laid down by the Department for Communities and Local Government (DCLG);
 - An assumed increase in the Adult Social Care (ASC) precept of 3%, in line with the maximum laid down by DCLG
 - Estimated council tax revenue of £87.5m in line with the Council Tax Base report agreed by cabinet in December (paragraph 58 of the report)
 - Estimated retained business rates growth of £8.7m
 - Planned use of balances of £3.7m, subject to reserves and balances being available
 - Planned contingency of £4m (paragraph 87 of the report)
 - Provision for contractual inflation and 1% pay award
 - Proposals for budget changes in 2017-18:
 - new commitments £22.916m, of which £5.9m is ASC earmarking of precept and grant (Appendix C of the report)
 - efficiencies and improved use of resources of £18.247m (Appendix D of the report)

- income generation proposals of £2.482m (Appendix E of the report)
 - other savings impacting on service delivery of £4.981m (Appendix F of the report).
8. That it be noted that the assumed increase in the Southwark element of the council tax represents the first increase in eight years (paragraph 58 of the report) and it is estimated that Southwark will continue to have the seventh lowest council tax in London.
 9. 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 3% of council tax, on the basis that these additional funds will be used exclusively for adult social care (paragraph 54 of the report).
 10. That the current budget options proposed to help achieve a balanced budget 2017-18 as presented in appendices B-D of the report, including ongoing protection for children's social care budgets, be noted.
 11. That the departmental narratives setting out the service context and commitments, savings and income generation proposals (Appendix B of the report) be noted.
 12. That the proposed approach to address the children's and adults' social care budget pressures, and comparative data (Appendix G of the report), be noted.
 13. 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 (paragraph 84 of the report) be noted.
 14. That the continuing work underway by strategic directors to complete appropriate equality assessments for all budget proposals (reference in Appendix B of the report) be noted.
 15. That it be noted that the consultation that took place prior to agreeing the indicative budget options for 2017-18 and 2018-19 in February 2016 and that further consultation will be undertaken for new budget options where necessary or appropriate.
 16. That it be noted that this report 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.
 17. That officers complete further work in the light of further notifications from government and recommendations from cabinet and overview and scrutiny to present a fully balanced budget position for cabinet on 7 February 2017.
 18. That it be noted that on the basis of this range of uncertainties and as reported to cabinet previously, a balanced one year 2017-18 budget will be presented to cabinet in February for approval in advance of council assembly in February 2017.

The meeting ended at 5.40 pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 1 FEBRUARY 2017.

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.