



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 18 July 2017 at 4.00pm at the Council Offices, 160 Tooley Street, London SE1 2QH

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

1. APOLOGIES

Apologies for absence were received from Councillor Maisie Anderson who was 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 20: Borough-wide Fire Safety
- Item 21: Borough Emergency Plan

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

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

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

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

None were declared.

5. PUBLIC QUESTION TIME (15 MINUTES)

Public Question from Paul Palley

How many refurbished tower blocks in Southwark combine cladding with an external gas pipe?

Response by Deputy Leader and Cabinet Member for Housing

Only 5 blocks over 18m have cladding. This is of the external wall insulation type installed by British Gas to provide better thermal efficiency to homes. British Gas specify the method in which gas pipework can be safely fitted onto this cladding and their specification has been met in full.

The five blocks are:

- Bradley House
- Morris House, Cherry Garden Street
- Gould Court
- Forbes Court
- Astley House, 1-90 & 1A+1B.

Paul Palley did not attend the cabinet meeting. The response to this question would be emailed to him.

6. MINUTES

RESOLVED:

That the minutes of the meeting held on 20 June 2017 be approved as a correct record and signed by the chair.

7. DEPUTATION REQUESTS

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

It was confirmed that the deputation request from Southwark Artist at Occupation Studios in Newington Ward had been withdrawn.

RESOLVED:

That the deputation requests be received.

The Walworth Society

The deputation spokesperson addressed the meeting providing a response to cabinet on the council's proposals for the Walworth Town Hall, as well the society's views on the future of the town hall buildings, the significance of civic buildings in the future of the Walworth area, the location of the proposed replacement library, the future of the Cuming Collection and related issues.

The deputation requested that:

- The council investigates whether the new library facility could be built south of Wansey Street and close to the heart of the Walworth area.
- The council maintain the Cuming Collection in one location (preferably in the Town Hall buildings) but if not possible, it was suggested that space is created that is additional to the new library.
- The council be encouraged to be open in the tender process to other more local development options, ranging from community asset transfer to external partners working with local community groups.

The deputation confirmed their willingness to work with the council on this issue.

Councillor Rebecca Lury (ward member) was also in attendance to support the deputation.

Bankside Residents Forum

The deputation addressed cabinet regarding creating affordable housing through community-led housing at Transport for London's (TfL) Landmark Court on Southwark Street. They have expressed their wish to work with the council and relevant stakeholders to achieve this and to explore different models/options. The deputation requested to meet with the cabinet member and Leader to discuss further, which was agreed.

8. AIR QUALITY STRATEGY AND ACTION PLAN (2017 - 2022)

RESOLVED:

That the Air Quality Strategy and Action Plan attached at Appendix A of the report be agreed.

9. OFSTED INSPECTION REPORT MARCH 2017

The cabinet member for children and schools and strategic director of children's and adults placed expressed their thanks and commended the hard work of officers for their achievements in the recent Ofsted inspection report.

RESOLVED:

1. That the report of Her Majesty's Inspectorate, Ofsted, of its inspection of services for children in need of help and protection, children looked after and care leavers be noted.
2. That the post inspection action plan returns to cabinet in September prior to its submission to Ofsted.

10. COUNCIL PLAN ANNUAL PERFORMANCE REPORT 2016-17

RESOLVED:

That the council's performance over 2016-17 against the Council Plan 2014-2018 be noted.

11. GATEWAY 0: STRATEGIC OPTIONS ASSESSMENT FOR SERVICE PROVISION OF PROFESSIONAL TECHNICAL SERVICES

RESOLVED:

1. That the strategic options assessment for delivery of professional technical services for the council be approved and the next steps set out in the report be noted.
2. That the publication of a Prior Information Notice (PIN) to inform the market of the council's intention to procure be approved.
3. That the issuing of leaseholder notice of intentions, prior to the Gateway 1 report approval be approved.
4. That officers investigate a multi-borough approach in order to address identified issues.

12. POLICY AND RESOURCES STRATEGY: 2017-18 AND 2018-19 UPDATED FINANCIAL REMIT

RESOLVED:

1. That the spring government budget announcements be noted, including:
 - Adult Social Care (ASC) supplementary funding for the Improved Better Care Fund of £7.471m in 2017-18, reducing to £4.497m in 2018-19 and £2.223m in 2019-20 (paragraph 18 of the report)
 - A Business Rate Discretionary Support Fund allocated to local authorities for 2017-18 to 2019-20 (paragraph 27 of the report)
 - Increased targeted support for those businesses that lost Small Business Rate Relief entitlement as a result of revaluation 2017 and business rate discount for smaller public houses (paragraph 27 of the report)
 - The allocation of ring-fenced Flexible Homelessness Grant of £2.670m in 2017-18 and £3.165m in 2018-19 to be utilised in prevention of homelessness

(paragraph 23 of the report).

2. That it be noted that cabinet will receive a report in early autumn regarding the Discretionary Business Rate Relief (paragraph 29 of the report).
3. That it be noted that it is proposed that a budget is prepared for 2018-19 on a one year basis, recognising the funding uncertainties of the provisional settlement and the enduring budget pressures within children's and adults' services (paragraph 17 of the report).
4. That it be noted that the indicative resources available for 2018-19 budget (Appendix A of the report) indicate a budget gap of between £16.440m and £19.894m (the extent to which the council can fully utilise the additional £3.454m of Improved Better Care Fund impacts on the size of this gap).
5. That it be noted that this budget gap would reduce by £1.800m should the council decide to increase council tax by 2%.
6. That it be noted that this indicative budget is prepared on the following national and local factors:

National factors

- Known reduction of £13.594m in government resources from the Settlement Funding Assessment (SFA) and reduction in specific Grant Funding
- Inflation and pay award pressures of £6.000m have been provisionally assumed, subject to further analysis.

Local factors

- Increase of £3.400m of resources generated through council tax and business rates including the utilisation of powers to raise the council tax precept by 3%
- Retaining a £4.000m contingency within the overall budget to support in year cost pressures
- No utilisation of reserves have been included
- An assumption that the budget recovery board is successful in addressing the underlying cost pressures within children's, adults' and public health (paragraphs 55 to 59 of the report).

7. That the key areas of risk for Southwark arising from the provisional settlement reported to cabinet are the ability to fully utilise the improved better care fund, lack of certainty for Business Rate Retention, New Homes Bonus, the levels of reserves, budget pressures arising from children's and adults', inflation increases and new commitments (paragraph 63 of the report) be noted.
8. That the budget risks within the Dedicated Schools Grant as set out in paragraph 60 of the report be noted.
9. That it be noted the revenue and capital outturn position and utilisation of reserves will be reported at the cabinet meeting in July. This will be a key factor to consider when finalising the 2018-19 budget (paragraph 51 of the report).

10. That a future report will consider the indicative savings and commitments for 2018-19 in order to balance the budget. This will include a review of the original indicative 2018-19 savings reported to cabinet in February 2016, 2016-17 outturn position and the impact of the budget recovery board (paragraph 66 of the report).
13. **REVENUE MONITORING REPORT AND TREASURY MANAGEMENT 2016-17 OUTTURN REPORT**

RESOLVED:

1. That the general fund outturn position for 2016-17 (table 1 of the report) be noted.
2. That the key variations and budget pressures underlying the outturn position be noted:
 - continuing pressures on children's and adults' social care and public health leading to an overall adverse variance of £14.887m (paragraphs 25 to 38 of the report)
 - the budget pressures on No Recourse to Public Funds (paragraph 48 of the report)
 - Other various adverse variations including ICT and facilities management (paragraphs 48 to 53 of the report).
3. That the actions of the budget recovery board set up to oversee action plans to address children's and adults social care pressures (paragraph 39, Appendix A of the report) be noted.
4. That the variations helping to relieve the outturn position be noted:
 - one-off favourable variances in strategic finance, including early realisation of MRP savings (paragraphs 56 of the report)
 - utilisation of £4m contingency (paragraph 60) to offset adverse variances across the council
 - planned use of earmarked reserves to fund the residual costs of the enhanced voluntary redundancy scheme (EVR) of £5.264m and a further £2.180m which has been capitalised
 - planned use of departmental and financial risk reserves of £18.058m.
5. That, as set out in the previous period 8 monitoring report to cabinet, the unplanned use of reserves to fund the total adverse variation from budget after the planned use of reserves of £8.830m be noted.
6. That the following in respect of ring-fenced budgets be noted:
 - housing revenue account outturn for 2016-17 (table 2, paragraphs 63 of the report)
 - the dedicated schools outturn and utilisation of £8.922m reserves (paragraphs 70).
7. That the detailed utilisation of reserves in 2016-17 and closing reserve balances as set out in the report (paragraph 73 to 78 of the report) be noted.

8. That the treasury management activity in 2016-17 (paragraphs 87 to 92 of the report) be noted.
 9. That the general fund budget movements that exceed £250k, as shown in Appendix B of the report be approved.
 10. That the general fund budget movements that are less than £250k as shown in Appendix B of the report be noted.
 11. That the outturn position implications for the 2017-18 budgets and beyond set out in paragraph 84 of the report be noted.
- 14. OUTTURN CAPITAL MONITORING FOR 2016-17 AND CAPITAL PROGRAMME REFRESH FOR 2017-18 TO 2026-27**

RESOLVED:

1. That the virements and variations to the general fund and housing investment capital programme as detailed in Appendix C of the report be approved.
2. That the inclusion in the programme of the capital bids set out in Appendix E of the report be approved.
3. That the outturn and resources for 2016-17 and future years for both the general fund and housing investment programmes as detailed in Appendices A, B and D of the report be noted, as at Month 12 2016-17.
4. That the resulting general fund capital programme for the period 2016-17 to 2026-27 as at year-end, as detailed in Appendices A and D of the report be noted.
5. That the substantial funding requirement of £313.676m for future years which needs to be identified for the general fund programme in order for this to be fully delivered, as summarised in Appendix A of the report be noted.
6. That the resulting housing investment programme for the period 2016-17 to 2026-27 as at Month 12 2016-17, as detailed in Appendix B of the report be noted.
7. That the significant funding requirement of £211.1m which needs to be identified for the housing investment programme to be fully delivered over the 10 year programme be noted.
8. That it be noted that any potential demand on the capital programme arising as a consequence of local or national demands for resources following the Grenfell fire are not included in this report.
9. Following on from the previous recommendation 8, it be noted that in the event of additional resources being required that the Leader delegates responsibility to the strategic director of finance and governance (in consultation with the cabinet member for finance, modernisation and performance and the cabinet member for housing) for identifying resources for this purpose, to be made available in a timely way.

10. That the update on local community infrastructure levy set out in paragraphs 46 and 47 of the report be noted.
- 15. GATEWAY 1: PROCUREMENT STRATEGY APPROVAL - SOUTHWARK EXTERNAL SOLICITORS FRAMEWORK**

RESOLVED:

1. That the procurement strategy outlined in the report for an external solicitors framework serving Southwark and other London boroughs and their wholly owned companies, London fires and rescue service and Clinical Commissioning Groups (CCGs) in London for a period of 4 years commencing 2 July 2018 at an estimated cost (for Southwark) of £9 million for the 4 year period be approved.
2. That the overall value of the framework agreement is estimated to be in the range of £18 million to £25 million for all participating organisations (including Southwark) for the 4 year period be noted.

16. APPROPRIATION OF FORMER MANOR PLACE DEPOT FOR PLANNING PURPOSES

This item was withdrawn.

17. COMMERCIAL PROPERTY PORTFOLIO: ADDITION OF INCOME GENERATING ASSET

RESOLVED:

1. That the circumstances leading to the proposed acquisition of the freehold interest in the commercial property in question, and actions and investment due diligence being undertaken by officers and their advisors be noted.
2. That the acquisition of the freehold interest in the property, and all related costs be approved.
3. That it be delegated to the chief executive, advised by and in consultation with the strategic director of finance and governance and head of property, authority to:
 - a) Complete the purchase of the freehold interest in the asset
 - b) Agree detailed transactional terms pursuant to Heads of Terms
 - c) Agree the financing structure to be adopted to fund the acquisition of the assets.

NOTE: In accordance with the provisions of Rule 20 Access to Information rules (decisions for urgent implementation), the chair of overview and scrutiny committee has agreed that this item may be treated as a matter of urgency and is therefore not subject to call-in.

**18. APPOINTMENTS TO OUTSIDE BODIES 2017-18 AND NOMINATIONS TO SHARED
ICT SERVICE JOINT COMMITTEE**

RESOLVED:

Decisions of the Cabinet

1. That the appointments to the outside bodies listed in Appendix A of the report for the 2017-18 municipal year be agreed as follows:

Age UK London

Councillor Richard Livingstone

Better Bankside Board

Councillor Mark Williams

Blue Bermondsey Bid

Councillor Leo Pollak

Board of Lewisham Southwark College Corporation

Councillor Johnson Situ

Canada Water Consultative Forum

Councillor Mark Williams

Councillor Kath Whittam

Councillor Stephanie Cryan

Councillor Dan Whitehead

Central London Forward

Councillor Peter John

Centre for Literacy in Primary Education

Councillor Catherine Rose

Creation Trust

Councillor Mark Williams

Councillor Lorraine Lauder

Councillor Paul Fleming

Cross River Board

Councillor Mark Williams

Crystal Palace Community Development Trust

Councillor Jon Hartley

Greater London Enterprise Limited

Councillor Mark Williams

Groundwork London, Local Authority Strategic Input Board

Councillor Ian Wingfield

Guys and St Thomas NHS Foundation (Council of Governors)

Councillor Bill Williams

Kings College Hospital NHS (Council of Governors)

Councillor Kieron Williams

London Road Safety Council (LRSC)

Councillor Ian Wingfield

Councillor Octavia Lamb

London Youth Games Limited

Councillor Barrie Hargrove / Councillor Maisie Anderson
Councillor Evelyn Akoto (deputy)

Millwall for All

Councillor Leo Pollak

North Southwark Environment Trust

Councillor Kath Whittam

Potters Fields Park Management Trust

Councillor Barrie Hargrove
Deborah Collins or Fiona Dean, Environment and Social Regeneration

South Bank Partnership

Councillor Johnson Situ
Councillor Adele Morris
Councillor David Noakes
Councillor Maria Linforth-Hall

South Bank and Bankside Cultural Quarter Directors Board

Councillor Octavia Lamb

South Bermondsey Big Local Partnership Steering Group

Councillor Richard Livingstone
Councillor Sunny Lambe

South London Gallery Trustee Limited

Councillor Cleo Soanes
Councillor Radha Burgess
Councillor Hamish McCallum

South London and Maudsley (SLaM) NHS Trust Members Council

Councillor Tom Flynn

Southwark Construction Skills Centre

Councillor Johnson Situ

Southwark and Lambeth Archaeological Committee (SLAEC)

Councillor Darren Merrill
Mr Bob Skelly (Deputy)

Southwark Cathedral Education Centre

Councillor Cleo Soanes

Safer Neighbourhood Board (Southwark)

Councillor Barrie Hargrove

WeAreWaterloo BID (Business Improvement District)

Councillor David Noakes

Decision of the Leader of the Council

2. That Councillors Fiona Colley and Stephanie Cryan be nominated to sit on the Shared ICT Services Joint Committee and that Councillors Richard Livingstone and Ian Wingfield be nominated as deputies.

19. NOMINATIONS TO PANELS, BOARDS AND FORUMS 2017-18

RESOLVED:

1. That the allocation of places to the panels and boards and forums set out in Appendix A of the report for the 2017-18 municipal year and member nominations be agreed as follows:

Joint Partnership Panel (Trade Union Consultation)

Councillor Peter John
Councillor Fiona Colley

Homeowners Service Charge Arbitration Panel

Councillor Sandra Rhule
Councillor Sunny Lambe
Councillor Sunil Chopra
Councillor Jon Hartley
Councillor Tom Flynn
Councillor Kath Whittam
Councillor Lorraine Lauder
Councillor Dora Dixon-Fyle
Councillor Anood Al-Samerai
Councillor Maria Linforth-Hall
Councillor Eliza Mann
Councillor David Hubber

Tenancy and Leasehold Arbitration Tribunals

Councillor Lorraine Lauder
Councillor Sandra Rhule
Councillor Paul Fleming
Councillor Sunil Chopra
Councillor Jon Hartley
Councillor Tom Flynn
Councillor Kath Whittam
Councillor Dora Dixon-Fyle
Councillor Maria Linforth-Hall
Councillor Eliza Mann
Councillor David Hubber
Councillor Hamish McCallum

Southwark Safeguarding Adults Board

Councillor Richard Livingstone

Southwark Safeguarding Children's Board

Councillor Victoria Mills

Standing Advisory on Religious Education

Councillor Sandra Rhule
Councillor Sunny Lambe
Councillor Evelyn Akoto
Councillor James Barber

Southwark Tenant Management Organisation Committee

Councillor Stephanie Cryan

Councillor Lucas Green
Councillor Karl Eastham
Councillor Sandra Rhule
Councillor Anood A-Samerai

20. BOROUGH-WIDE FIRE SAFETY

This report had not been circulated five clear days in advance of the meeting. The chair agreed to accept the report as urgent as the next decision period was September, and the council needed to give residents assurance and confidence in the safety precautions undertaken by the council in conjunction with the London Fire Brigade in the event of fire. Given the concerns this could not wait until September.

RESOLVED:

1. That the steps being taken to ensure the fire safety of the council's residential, commercial and office accommodation and other public council buildings be noted.
2. That the efforts being made to collate fire safety information for the borough's non-council residential property be noted.
3. That confirmation of timely fire risk assessments for buildings owned by housing association providers and managing agents of private residential properties be sought.
4. That licensed private sector landlords be required to confirm they have carried out FRA assessments for their properties that comply with the Regulatory Reform (Fire Safety) Order 2005.
5. That cabinet receive a progress report back to its September meeting.

21. BOROUGH EMERGENCY PLAN

This report had not been circulated five clear days in advance of the meeting. The chair agreed to accept the report as urgent. In light of the recent tragic events the council wished to confirm the generic emergency borough plan at the earliest opportunity. In addition, cabinet also considered a report on borough wide fire safety and it was considered timely that the emergency plan was considered alongside this report.

RESOLVED:

1. That the generic borough emergency plan be approved.
2. That the future governance for the borough emergency plan remain with the cabinet.

EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

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 decisions taken in the closed part of the meeting.

22. MINUTES

The minutes of the closed section of the meeting held on 20 June 2017 were approved as a correct record and signed by the chair.

23. COMMERCIAL PROPERTY: ADDITION OF INCOME GENERATING ASSET

The cabinet considered the closed information relating to this item. Please see item 17 for the decision.

The meeting ended at 5.55pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 26 JULY 2017.

THE ABOVE DECISIONS WILL NOT BE IMPLEMENTABLE UNTIL AFTER THAT DATE (WITH THE EXCEPTION OF ITEMS 17 AND 23 WHICH WERE SUBJECT TO AN URGENT IMPLEMENTATION AGREEMENT). 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.