

Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 22 November 2011 at 4.00 pm at 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Peter John (Chair)
Councillor Ian Wingfield
Councillor Fiona Colley
Councillor Dora Dixon-Fyle
Councillor Richard Livingstone
Councillor Catherine McDonald
Councillor Abdul Mohamed
Councillor Veronica Ward

1. APOLOGIES

Apologies for absence were received from Councillor Barrie Hargrove.

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

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

Items 14 and 18: Elephant and Castle Regeneration - Shopping Centre

Items 15 and 19: Elephant and Castle Regeneration - Variation of Regeneration Agreement

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were no disclosures of interests or dispensations.

4. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

5. MINUTES

RESOLVED:

That the open minutes of the meeting held on 18 October 2011 be approved as a correct record and signed by the chair.

6. DEPUTATIONS

There were no deputation requests.

7. RESPONSE TO THE EDUCATION AND CHILDREN'S SERVICES SCRUTINY SUB-COMMITTEE'S REVIEW OF SCHOOL ADMISSIONS

RESOLVED:

1. That the response to the recommendations of the education and children's services scrutiny sub-committee be noted and agreed.
2. That the action plan attached as Appendix 1 to the report be agreed.
3. That a report on the progress of implementing the recommendations be submitted to the education and children's services scrutiny sub-committee in May 2012.

8. UPDATED RESPONSE TO THE HOUSING AND COMMUNITY SAFETY SCRUTINY SUB-COMMITTEE'S REVIEW OF HOUSING REPAIRS KEY PERFORMANCE INDICATORS (KPIS)

RESOLVED:

1. That the update on progress on delivering the housing and community safety sub-committee's recommendations be noted.
2. That the ongoing monitoring of the action plan and progress take place at the repairs core group, chaired by the deputy leader and cabinet member for housing.
3. That the additional activity being undertaken to improve the repairs service be noted.
4. That a report on the progress made in relation to the action plan be reported to the April 2012 cabinet.

9. QUARTERLY REVENUE MONITORING REPORT QUARTER 2, 2011/12, INCLUDING TREASURY MANAGEMENT

RESOLVED:

1. That the following be noted:

- the general fund outturn forecast for 2011/12 and the forecast net movement in reserves;
 - the housing revenue account's (HRA) forecast outturn for 2011/12 and resulting forecast movement in reserves;
 - the treasury management activity for the second quarter of 2011/12.
2. That the forecast performance for the council tax and business rates collection fund be noted, and that it also be noted that a report will be brought to cabinet on the performance of the service since moving it in-house.
 3. That the general fund budget movements as shown in Appendix A of the report be approved.

10. QUARTERLY CAPITAL MONITORING REPORT QUARTER 2

RESOLVED:

1. That the addition of budgets into the programme, matched by additional funding secured since the last report to cabinet be approved.
2. That the current monitoring position for the general fund capital programme 2011-21 and housing investment programme 2011-16 as at 30 September 2011 (Appendices A, B and D of the report) be noted.
3. That the additions into the programme of budgets relating to existing cabinet decisions and the movement of existing schemes between departments. (Appendix C of the report) be noted.

11. DISPOSAL OF 1-11 (ODD) PYTCHLEY ROAD, EAST DULWICH SE22 8DG

RESOLVED:

1. That the head of property be authorised to dispose of the council's freehold interest in 1-11 Pytchley Road, SE22 8DG ("the Property"), on the terms outlined in the closed version of the report.
2. That the capital receipt to replenish the housing investment programme from which the East Dulwich Estate refurbishment programme was forward funded be authorised.
3. That the head of property be authorised to agree the precise terms of the sale, with the purchaser, and to agree terms with any of the under bidders subject to best consideration requirements in the unlikely event the original offer fails to progress to completion.

12. MOTIONS REFERRED FROM COUNCIL ASSEMBLY

RESOLVED:

Community Response to August's Disturbances

RESOLVED:

1. That the motion referred from council assembly as a recommendation to cabinet, set out below in italics be noted and agreed.

(1) *That council assembly notes the letter to all members from the leader of the council on 7 September outlining tonight's theme.*

(2) *That council assembly notes the disturbances and looting that took place on 8 August 2011 and condemns the criminality and lawlessness which took place across the borough. However, it further notes residents' response in the days that followed, and the action by our community to come together and repair the damage that had been done.*

(3) *That council assembly believes that this community response more accurately reflects the state of the borough than the disturbances themselves, but further believes that the causes of the disturbances require a genuine and thoughtful response.*

(4) *That council assembly notes the authority's ongoing "community conversations", engaging with residents on the causes of the disturbances. It calls on the leader to update members on the council's response to disturbances of the initial findings of the "community conversations".*

(5) *That council assembly believes that the themed debate ought to feed into that wider "community conversations" and notes the questions contained within the leader's letter:*

- *What caused the outbreak of disturbances and looting in Southwark?*
- *What caused the community to respond in the positive way that it did?*
- *What can we all do to continue to build our civil society in Southwark?*

Council assembly calls on all members to contribute their views on those three questions in the debate. It calls on the cabinet to take those views on board, to feed them into the ongoing community conversation and to feed back to council assembly on what action will be taken following the community conversations in no more than six months.

(6) *That council assembly calls on cabinet to ensure feedback from the council's community conversations informs how we can create a fairer future for all in Southwark.*

2. That it be noted that the council continues to respond and be involved in the local and national debate on the riots. The government's inquiry into the August riots chaired by Darra Singh and the 'community conversation' work undertaken by the council was also noted.

Payday Loans

RESOLVED:

That the motion referred from council assembly as a recommendation to cabinet, set out below in italics be noted and agreed.

- (1) *That council assembly notes the large number of "payday loan" shops in the borough; particularly in Peckham and on the Walworth Road.*
- (2) *That council assembly notes that the interest rates charged on these loans can often be in excess of 2000% meaning that the average borrower ends up paying far more than the original cost of the loan.*
- (3) *That council assembly believes that charging such large interest rates on loans to often financially vulnerable people is exploitative and takes money away from individuals and families at a time when the cost of living is rising.*
- (4) *That council assembly also notes that many lenders use underhand means to lure consumers into automatic loan renewals, fail to disclose the true cost of the loan, or use other usurious tactics to sink consumers in a quagmire of debt.*
- (5) *That council assembly believes lending of this kind is both socially and financially irresponsible and a scourge on our communities. It condemns the prevalence of these businesses on Southwark high streets and calls for alternative low cost loans to be made available to our residents.*
- (6) *That council assembly believes this is an issue of concern to people across the political spectrum and calls for all political parties in Southwark to support and prioritise alternative affordable models of lending, particularly those provided by London Mutual Credit Union. Council assembly welcomes the proposal by London Mutual Credit Union to introduce a new affordable loan which will be available to Southwark residents and calls on all members to contribute their views on this issue.*

13. ELEPHANT AND CASTLE SUPPLEMENTARY PLANNING DOCUMENT/OPPORTUNITY AREA PLANNING FRAMEWORK

RESOLVED:

That the draft Elephant and Castle supplementary planning document/opportunity area planning framework (Appendix A of the report) be approved for consultation and the consultation plan (Appendix B of the report), the equalities impact assessment (Appendix C), the sustainability appraisal (Appendix D) and the appropriate assessment carried out under the EU Habitats Directive (Appendix E) of the report be noted.

14. ELEPHANT AND CASTLE REGENERATION - SHOPPING CENTRE

This item had not been circulated five clear days in advance of the meeting. The chair agreed to accept the item as urgent to enable the development agreement between KPI SARL to be completed on programme so as not to delay the regeneration of the shopping centre. In particular, the board of KPI SARL would not release funding to move forward detailed design work until the agreement had been signed. The cost of the design work was considerable and KPI SARL needed a contractual commitment from the council (this report) to enter into such expenditure. A delay in completing the contract by the council would mean that design works would have begun three months later than programmed with a consequential knock on effect to the regeneration programme. This was contrary to the council's aspiration to bring forward the regeneration as soon as possible.

Additionally, the report needed to be considered on the same agenda as the Elephant and Castle Regeneration Agreement variation report, as the co-operation agreement formed part of an overall package in relation to the regeneration.

RESOLVED:

Cabinet agrees to enter into agreements with Lend Lease (Elephant and Castle) Ltd and KPI III SARL to take forward the regeneration of the Elephant and Castle Shopping Centre on the principal terms set out in Appendices A and B of the closed version of the report and to vary the Elephant and Castle Regeneration Agreement to reflect the change in delivery approach as a result.

15. ELEPHANT AND CASTLE REGENERATION - VARIATION OF REGENERATION AGREEMENT

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 input of additional funding from Lend Lease was conditional upon the cabinet considering and determining the proposed variations at the 22 November 2011 meeting. Failure to consider the report at this meeting would have put this additional funding at risk.

RESOLVED:

That agreement be given to vary the Regeneration Agreement as set out in the closed version of the report.

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 decisions taken in the closed section of the meeting.

16. MINUTES

The minutes of the closed section of the meeting held on 18 October 2011 were approved as a correct record and signed by the chair.

17. DISPOSAL OF 1-11 (ODD) PYTCHLEY ROAD, EAST DULWICH SE22 8DG

The cabinet considered the closed information relating to this report. See item 11 for decision.

18. ELEPHANT AND CASTLE REGENERATION - SHOPPING CENTRE

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

19. ELEPHANT AND CASTLE REGENERATION - VARIATION OF REGENERATION AGREEMENT

The cabinet considered the closed information relating to this report. See item 15 for decision.

The meeting ended at 5.30pm

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 30 NOVEMBER 2011.

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.