



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 24 January 2012 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 Barrie Hargrove
Councillor Richard Livingstone
Councillor Catherine McDonald
Councillor Abdul Mohamed
Councillor Veronica Ward

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 deputation requests which would be considered for reasons of urgency to be specified in the relevant minute:-

- Camberwell After School Project
- Community Action Southwark
- Southwark Refugee Communities Forum

Comments received in respect of item 9, housing revenue account – final rent setting and budget report 2012/13 were circulated at the meeting.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

The following declarations were made:

- Item 12. Thames Tunnel - Response to Phase Two Public Consultation. Councillor Catherine McDonald declared a personal and prejudicial interest because she lives in

close proximity to Maguire Street Pumping Station.

- Item 12. Thames Tunnel - Response to Phase Two Public Consultation. Councillor Peter John declared a personal and non prejudicial interest as he lives in the area near to the Maguire Street Pumping Station and in his capacity as Chair of Governors at Riverside Primary School.
- Item 9. Housing Revenue Account - Final Rent Setting and Budget Report 2012/13. Councillor Dora Dixon-Fyle declared a personal and non prejudicial interest as she is currently renting a council garage.

4. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

5. MINUTES

RESOLVED:

That the minutes of the meeting held on 13 December 2011 be approved as a correct record and signed by the chair.

6. DEPUTATION REQUESTS

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 requests were all received in line with the constitutional deadline for the receipt of deputation requests and were therefore eligible for consideration by cabinet. Additionally the deputation requests related to an item on the agenda for this meeting.

RESOLVED:

That the following deputation requests be heard in respect of the policy and resources strategy 2012/13-2014/15 revenue budget proposals.

Camberwell After School Project

The spokesperson addressed the meeting and expressed concern about the cuts being proposed to support 'out of school' activities and Saturday Schools for local children, when it is considered that such services were vital to the education of children and supports their achievements in main stream schooling.

The deputation advised that after 26 years of delivering what was viewed to be essential services to thousands of local children and their hard pressed families, the Camberwell After School Project was now 'at risk.'

The project called on the council to:

- Undertake a full equality impact analysis of these cuts before implementing this policy
- Provide more, not less, support to such services at this time of financial stress
- Investigate ways that schools could be providing more such support
- Review the impact charges being made by the council for extra rent are having on delivery of these vital services to children and parents, and release appropriate premises to become community managed assets.

Community Action Southwark

The spokesperson addressed the meeting to make representation on behalf of the voluntary and community sector regarding the impact of the budget and to draw attention to the work and contribution that the sector makes in the borough.

The spokesperson outlined three key areas of particular pressure:

- Income - competition for non-state funding has increased along with demand
- Workforce – as a result of cuts the voluntary sector workforce has fallen by 8.7%
- Needs - reference to a recent shelter report that outlined there will be 70,000 children without a home in 2012, identification by Age UK of 2 million people with care needs and the impact on legal advice providers in Southwark if proposal to restrict legal aid goes ahead.

Other key issues identified by the deputation included:

- Recommendations and comments relating to the transition fund to mitigate the impact of budget cuts on the sector
- Requesting that the council consider sustainability as a key consideration
- Implementation of a consistent approach to commissioning, tendering and procurement across all council departments
- Moving towards 3 year funding
- Requesting that the council engage the voluntary and community sector as it develops the community infrastructure levy.

7. POLICY AND RESOURCES STRATEGY 2012/13-2014/15 - REVENUE BUDGET

Cabinet were also informed of the additional representations received in respect of this item listed below:

- Letter from Simon Hughes MP to the Leader outlining concerns relating to community councils and funding issues
- A large volume of correspondence received in respect of the school crossing patrols in Dulwich and concerns relating to funding.

The decision on this item was deferred to the next cabinet meeting on 7 February 2012.

8. REPORT FROM THE OVERVIEW AND SCRUTINY COMMITTEE: POLICY AND RESOURCES 2012/13 TO 2014/15 - PROVISIONAL LOCAL GOVERNMENT SETTLEMENT

Councillor Catherine Bowman, chair of the overview and scrutiny committee presented the report to cabinet.

Cabinet thanked the committee for their comments and contribution.

A decision on this item was deferred to the cabinet meeting being held on 7 February 2012.

MOTION OF ADJOURNMENT

At 5.20pm it was moved, seconded and

RESOLVED:

That the meeting stand adjourned for five minutes.

The meeting reconvened at 5.25pm.

9. HOUSING REVENUE ACCOUNT - FINAL RENT SETTING AND BUDGET REPORT 2012/13

Additional material was circulated setting out the recommendations of tenants council which met on 23 January 2012, a summary of area housing forum decisions, individual area housing forum feedback, recommendations of home owners council of 10 January 2012 and recommendations of the tenants management organisation forum of 18 January 2012.

RESOLVED:

1. That an average rent increase of 7.96% in accordance with the government's required formula rent guidance to be applied to all housing revenue account (HRA) dwellings as set out in paragraph 12 of the report be approved. This is equivalent to an increase of £6.78 per week on average for tenanted properties, with effect from 2 April 2012. Average budgeted dwelling rent for 2012/13 will be £91.94 per week. This percentage increase is also to be applied to estate void and hostel properties from 2 April 2012.
2. That officers be instructed to carry out further evaluation regarding implementing a policy of setting rents for new-build and new-let tenancies at formula rent levels (paragraph 13 of the report).
3. That tenant service charges be set at the same level as 2011/12 as set out in paragraph 15 of the report with effect from 2 April 2012.
4. That the standard charge for non-residential property be set at the same level as

2011/12, but with revisions to the concessionary rates applicable and the introduction of a new rate for private sector garage renters as set out in paragraphs 16 to 27 of the report with effect from 2 April 2012, with the exception that the concession to the standard rent is kept for the over 70 year old group and that a review is carried out of the allocation procedure for both the disabled and over 70 year old groups.

5. That a further standstill in heating and hot water charges for 2012/13 such that each charge remains at the rate determined for 2009/10, 2010/11 and 2011/12 (as set out in paragraph 28 of the report) be approved.

10. LONDON COUNCILS GRANTS SCHEME 2012/13

RESOLVED:

That Southwark Council's contribution to the London Councils Grants Scheme of £421,773 for 2012/13 be approved subject to approval of the budget proposals to be submitted to the council assembly in February 2012.

11. SHELTERED HOUSING SERVICE RE-MODELLING

RESOLVED:

1. That the proposal to consult on the introduction of a service charge for sheltered housing as a result of the proposed loss of supporting people funding, following reductions in council funding as part of the government's comprehensive spending round be noted.
2. That tenants be consulted on the proposal to make a service charge for the sheltered housing service, and on the options available for future provision of a service for sheltered tenants, using an enhanced housing management model, and based on one of the three models set out below:

Option 1 – Restructure of current service model (service hubs call out and warden visiting service). This would involve a landlord service charge to tenants of £21.91 p/w.

Option 2 – Reduced service model (call out) based on a call out emergency response service only. This would involve a basic landlord service charge to tenants of £6.68 p/w.

Option 3 – Enhanced service model (resident warden) based on an on site warden available Monday to Friday from 8am to 4pm each day. This would involve a landlord service charge to tenants of £32.70 p/w. This was confirmed as cabinet's preferred option.

3. That the cost of the transitional protection for existing tenants who are not eligible for housing benefit be met from the saving from adult social care budgets and that any new arrangements be put in place from April 2013.

4. That a review be carried out to consider the conversion of part of the council's sheltered housing stock to extra care provision.
5. That the sheltered stock be subject to an updated options appraisal, especially as demand for both sheltered and extra care housing has increased significantly in recent years. The results of the appraisal will be subject to a further review and are likely to require cabinet input in deciding upon the longer term future of the stock.

12. THAMES TUNNEL - RESPONSE TO PHASE TWO PUBLIC CONSULTATION

At 5.45pm Councillor Catherine McDonald having declared a personal and prejudicial interest withdrew from the meeting while this item was being discussed.

RESOLVED:

1. That the response to the consultation by Thames Water on the proposed preferred route and sites for the Thames Tideway Tunnel be agreed (Appendix A of the report).
2. That it be noted that the Leader will make any final amendments to and sign the council's response to Thames Water (Appendix A of the report), including an amendment to the wording under point 3, Shad Thames Pumping Station.

Councillor Catherine McDonald returned to the meeting at 5.53pm at the conclusion of this item.

13. CANADA WATER AREA ACTION PLAN

RESOLVED:

1. That the report of the Planning Inspector on the Canada Water Area Action Plan be noted (Appendix 1 of the report).
2. That council assembly be recommended to adopt the Canada Water Area Action Plan (Appendix 2 of the report) incorporating the recommendations of the Inspector.
3. That the consultation report (Appendix 3 of the report), sustainability appraisal (Appendix 4 of the report) and equalities impact assessment (Appendix 5 of the report) be noted.

14. SOUTHWARK OPEN SPACES STRATEGY

RESOLVED:

That the open spaces strategy (Appendix A of the report) be approved for consultation and that the consultation plan (Appendix B of the report), equalities impact assessment (Appendix C of the report) and the sustainability appraisal (Appendix D of the report) be noted.

15. MOTIONS REFERRED FROM COUNCIL ASSEMBLY

RESOLVED:

Motion on Themed Debate - Housing

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 believes Southwark faces immense challenges in relation to its housing stock over the next 30 years that can only be resolved by taking a long-term, strategic approach.*
- (2) *That council assembly notes that Southwark Council still owns 31% of Southwark's housing stock (down from 70% in 1981) – around 40,000 homes. Despite this reduction in local authority control, there are nearly 17,000 people on the council's waiting list.*
- (3) *That council assembly believes that decent housing – where communities are mixed – is key to securing a better future for our young people, developing stable and vibrant communities, tackling crime and anti-social behaviour and improving public health.*
- (4) *That council assembly notes the immediate challenge faced on estates with high investment needs including Abbeyfield Estate, Four Squares Estate and Hawkstone low rise and calls for dialogue between council and tenants and leaseholders to continue.*
- (5) *That council assembly notes the uncertainty many tenants and leaseholders faced under the last housing investment programme, and welcomes the new £326 million, five year programme which will ensure every council home is warm, dry and safe by 2015/16.*
- (6) *That council assembly also welcomes the review of leaseholder charges to ensure Southwark has an accurate, fair and transparent system of charging leaseholders for the services they receive.*
- (7) *That council assembly notes the focus of the debate as outlined to all councillors in advance:*
 - *How do we balance the increasing demand for the council to supply housing with the need to maintain existing stock and with the limited geographical and financial resources available?*
 - *The proportion of housing stock in the private rented sector has ballooned in the last 30 years to a point where the numbers of private rented, privately owned and council homes are roughly equal. How do we ensure tenants rights and responsibilities are guaranteed in a sector over which the council has less control?*
 - *What role can other social landlords play in helping to ensure we deliver the housing which Southwark needs?*

- (8) *That council assembly welcomes the council's decision to set up an independent housing commission to investigate these issues outlined above and calls on members and residents to contribute their views.*

Retention of School Crossing Patrols in Dulwich

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 unprecedented financial situation the council must deal with following estimated Tory/Liberal Democrat government cuts over three years of £90 million to the council's non-housing budget.*
 - *Notes that as part of looking for all possible sources of funding or ways of continuing to run school crossing patrols, senior council officers are currently in discussions with local schools; both private and community and local residents across the borough.*
- (2) *That council assembly further notes following the deliberations of the Democracy Commission, the cabinet intends to propose as part of the forthcoming budget process the introduction of a cleaner, greener, safer revenue budget, equating to £10,000 per ward, for community councils to determine from 1 April 2012.*
- (3) *That, therefore, council assembly invites Dulwich and those community councils affected by previously agreed budget savings to school crossing patrols to consider whether they wish to prioritise the continued funding of those crossing patrols as part of this cleaner, greener safer revenue spend from 2012/13 onwards.*

Safer Neighbourhood Team Sergeants

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 regrets the loss of five safer neighbourhood team sergeants in Southwark which is a direct result of the government's 20% cut in the police grant. Council assembly further regrets the decision by the Mayor for London to make these cuts irrespective of the level of crime in any borough.*
- (2) *That council assembly notes that MPs from all parties had an opportunity to vote against this 20% cut in funding if they wanted to preserve police numbers in Southwark. It welcomes the fact Harriet Harman and Tessa Jowell voted against this cut, but regrets that Simon Hughes, once again, abstained.*
- (3) *That council assembly notes that the council's budget allocated £5.5 million in*

contingency funds and that the figure of £9.5 million is incorrectly calculated. Council assembly further notes that the quarter 2 revenue monitoring report considered by cabinet on 22 November indicates that £2.6 million of this contingency fund may need to be used to offset pressures in departmental budgets this year.

- (4) *That council assembly believes the council has demonstrated its ability to protect people from the worst excesses of the government; for instance, by introducing a £3 million youth fund as a direct response to the cut to educational maintenance allowances and the trebling of tuition fees.*
- (5) *That in the circumstances, council assembly urges the government to reverse its reckless cut to the Metropolitan Police's budget and calls on Mayor Boris Johnson to maintain police numbers in Southwark.*

Local Government Pension Scheme

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 that the local government pension scheme is a sustainable, good quality pension scheme that benefits from being funded and locally managed. It is valuable to employers and employees alike.*
- (2) *That council assembly is concerned by proposals announced by the Chancellor in the last comprehensive spending review to impose an extra 3.2% contribution tax on scheme members, increasing scheme average member contributions from 6.6% to 9.8%.*
- (3) *That council assembly also notes that none of the additional revenue raised from this increase will go towards improving the financial security of the scheme and risks the sustainability of public sector pension schemes in the long term by encouraging people to opt out of occupational schemes because they cannot afford to pay this increase; ultimately costing the tax payer more in the future.*
- (4) *That council assembly welcomes the recent but limited change in position from the government and hopes that this indicates, after months of grandstanding, a willingness to finally enter into proper negotiations with trade unions.*
- (5) *That council assembly believes that both private and public service workers have suffered as a result of the austerity measures of the Conservative/Liberal Democrat government and regrets the impact any industrial action will have on people in Southwark who rely on council services. We urge both the government and unions to explore every other possible course of action*

EXCLUSION OF PRESS AND PUBLIC

That the press and public be excluded from the meeting for the following item of business on the grounds that it involves 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 session of the meeting.

16. MINUTES

The minutes of the closed session of the meeting held on 13 December 2011 were approved as a correct record and signed by the chair.

The meeting ended at 6.05pm

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, 1 FEBRUARY 2012.

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.