



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 11 December 2012 at 4.00 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Peter John (Chair)
Councillor Ian Wingfield
Councillor Fiona Colley
Councillor Barrie Hargrove
Councillor Claire Hickson
Councillor Richard Livingstone
Councillor Catherine McDonald
Councillor Veronica Ward

1. APOLOGIES

Apologies for absence were received from Councillor Dora Dixon-Fyle.

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

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

- Item 7 – Deputation request on behalf of Canada Estate and the Rotherhithe area housing forums
- Item 24 - Proposed Acquisition of Freehold Interest in Office Accommodation, 160 Tooley Street, London SE1 2QH.

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

Notification of closed business for urgent consideration in respect of Item 24, Proposed Acquisition of Freehold Interest in Office Accommodation, 160 Tooley Street, London SE1 2QH was noted.

No representations were received in respect of this notice or the remaining items listed as

closed business for the meeting.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were no disclosures of interests or dispensations.

5. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

6. MINUTES

RESOLVED:

That the open minutes of the meeting held on 20 November 2012 be approved as a correct record and signed by the chair.

7. DEPUTATION REQUESTS

This request had not been circulated five clear days in advance of the meeting. The chair agreed to accept the request as urgent as the item the deputation wished to speak on was contained elsewhere on the agenda.

RESOLVED:

That the deputation be heard.

Deputation request from representatives of Canada Estate and Rotherhithe Area Housing Forums

The deputation spokesperson addressed the meeting on Item 17, Albion Street project mandate. The spokesperson raised issues relating to the representation of local people and the Albion street steering group, including the perceived dominance of private sector interests. Additionally the spokesperson expressed concern about the access of the walkway into the estate in terms of the likely volume of people from the station.

8. RESPONSE TO HEALTH AND ADULT SOCIAL CARE SCRUTINY SUB-COMMITTEE REPORT ON THE NHS SOUTHWARK CLINICAL COMMISSIONING GROUP (CCG)

RESOLVED:

Decisions of the Cabinet

1. That the report of the health and adult social care scrutiny sub-committee (Appendix A of the report) and the response by the NHS Southwark clinical commissioning group (CCG) (Appendix B of the report) be noted.

2. That the local authority elements of the scrutiny sub-committee recommendations 3, 4, 10 and 11 as set out in the health and adult social care scrutiny report be implemented.

Decision of the Leader of the Council

3. That as part of the work to formally establish the health and wellbeing board as a committee of Southwark Council, recommendation 12 of the health and adult social care scrutiny report be implemented.

9. HOUSING REVENUE ACCOUNT - INDICATIVE RENT SETTING AND BUDGET REPORT 2013/14

RESOLVED:

1. That it be noted on a provisional basis, a rent increase of 4.85% in accordance with the government's rent guidance (as set out in paragraphs 31 – 39 of the report) which is equivalent to an increase of £4.46 per week on average, to be applied to all housing revenue account (HRA) dwellings (including estate voids and hostels), with effect from 1 April 2013.
2. That it be noted that the average budgeted dwelling rent for tenanted stock in 2013/14 will be £96.40 per week.
3. That the separate consultation process currently underway regarding the council's lettings policy, and the two options relating to charging newly-let properties at formula rent levels from their commencement as set out in paragraphs 40 – 42 of the report be noted.
4. That it be noted on a provisional basis, no increase to tenant fixed service charges as set out in paragraphs 43 – 44 of the report with effect from 1 April 2013.
5. That it be noted on a provisional basis, no increase to the standard charge for garages, as set out in paragraphs 45 – 46 of the report with effect from 1 April 2013.
6. That it be noted on a provisional basis, no increase to heating and hot water charges as set out in paragraphs 47 – 49 of the report with effect from 1 April 2013, and that officers bring further proposals back to cabinet regarding application of accumulated non-earmarked surpluses in the council's ring-fenced heating account.
7. That officers provide a final report on rent-setting and the housing revenue account (HRA) budget for 2013/14 after due consultation processes have been followed for consideration at the cabinet meeting on 29 January 2013.

10. QUARTER 2 CAPITAL REPORTING FOR 2012/13

RESOLVED:

1. That the general fund capital programme 2012/13–2021/22 as at quarter 2 2012/13, as detailed in Appendices A and D of the report be noted.
2. That the housing investment programme 2012/13–2021/22 at quarter 2 2012/13 as detailed in Appendix B of the report be noted.
3. That the virements and funded variations for quarter 2 2012/13 as detailed in Appendix C of the report be agreed.
4. That strategic directors work with project managers and finance colleagues to ensure that forecasts for project activity are as robust as possible for each department moving toward the year end financial position for 2012/13.

11. AUTHORISATION OF DEBT WRITE OFFS OVER £50,000 FOR NATIONAL NON DOMESTIC RATES - REVENUES AND BENEFITS SERVICE

RESOLVED:

That approval be given for write off of the debt of £69,794.45 for one debt, which is irrecoverable.

12. CHERRY GARDEN SCHOOL INCREASE IN SIZE - REPORT BACK ON STATUTORY NOTICE CONSULTATION

RESOLVED:

That the permanent enlargement of Cherry Garden Primary Special School from 46 to 66 places from 1 September 2015 be agreed.

13. GATEWAY 1 - PROCUREMENT STRATEGY APPROVAL: THE SOUTHWARK AND LEWISHAM SUPPORTING PEOPLE FRAMEWORK

RESOLVED:

1. That the procurement strategy for the supporting people services, namely to undertake a competitive process with the London Borough of Lewisham (LBL) for a framework agreement for a period of four years commencing 1 April 2014 with a total contract value of around £32 million, subject to future government funding settlements be approved.
2. That the decision regarding the final categories to be included on the framework and the operational detail of the framework be delegated to the strategic director of children's and adults services.

3. That it be noted that the cabinet will be asked to approve the award of the framework contract for the potential provision of supporting people services following the procurement process.

14. FUTURE APPROACH TO COMMUNITY ENGAGEMENT

RESOLVED:

1. That the future high-level approach to community engagement, set out at Appendix 1 of the report be agreed.
2. That it be noted that the approach will be further explored during the consultation on the housing commission and that officers will report back to cabinet in July 2013 on the effectiveness of the community engagement.
3. That it be noted that officers will refresh the current mechanisms for community engagement by undertaking specific reviews as set out in paragraph 22 of the report.

15. INDEPENDENT HOUSING COMMISSION - COMMUNITY ENGAGEMENT PLAN

RESOLVED:

1. That the proposed plan at Appendix 1 of the report for engaging with council tenants, council homeowners, other residents and stakeholders on the independent housing commission's findings be agreed.
2. That a report be received on the outcome of the engagement exercise by summer 2013.

16. LONDON COUNCILS GRANTS SCHEME 2013/14

RESOLVED:

That Southwark Council's contribution to the London Councils Grants Scheme of £316,707 for 2013/14 be approved subject to approval of the budget proposals to be submitted to the council assembly in February 2013.

17. ALBION STREET PROJECT MANDATE

RESOLVED:

That the project mandate for the regeneration of Albion Street as set out in Appendix 1 of the report be agreed.

18. GATEWAY 2 - CONTRACT AWARD APPROVAL - INTEGRATED HIGHWAYS MAINTENANCE, PROJECT DELIVERY AND PROFESSIONAL SERVICES CONTRACT

RESOLVED:

1. That the award of the integrated highways maintenance, project delivery and professional services contract to Conway Aecom Ltd

- Lot A – Highways Maintenance
- Lot B – Highways Projects (Works)
- Lot C – Professional Services

for a period of six years starting 1 April 2013 with a provision for a further extension of two years be approved.

2. That the valuable contribution made by Transport for London (TfL) and London Councils to the council's procurement process be noted.
3. That officers continue working closely with Transport for London (TfL) and the London Technical Advisory Group on pan London issues in order to continue to demonstrate best value in delivering highways and professional services.

19. GATEWAY 2 - CONTRACT AWARD APPROVAL - PARKING ENFORCEMENT, NOTICE PROCESSING AND ASSOCIATED SERVICES

RESOLVED:

1. That the award of the parking enforcement, notice processing and associated services contract to APCOA Parking UK Ltd on the basis set out in paragraph 42 of the report for a period of four years commencing from 1 April 2013, with a provision to extend for up to a further maximum of 3 years be approved.

2. That it be noted that the council requires APCOA to pay the London Living Wage (LLW) to all employees and sub-contractors engaged on this contract working in Greater London.

3. That it be noted that the capital costs required are lower than the amount set aside for the contract and that the strategic director of finance and corporate services be instructed to reduce the capital programme accordingly.

20. A FUTURE VISION FOR A CENTRE OF EXCELLENCE FOR OLDER ADULTS WITH DEMENTIA AND COMPLEX NEEDS

RESOLVED:

Decisions of the Cabinet

1. That the vision for a centre of excellence as set out in Appendix 1 of the report be

agreed.

2. That there be further consultation with families and key stakeholders on the preferred option of Cator Street as the location for the centre.
3. That the positive outcome of the consultation exercise on vision and services and the opportunity that now arises for the council to work with families and carers, as well as the NHS and community partners to transform the way day opportunities for older people living with dementia are provided and the support that is available to their carers be noted.
4. That it be noted that officers will now establish a working group comprising representatives from families/carers, the NHS and other key stakeholders to take forward the vision for the centre of excellence, shape the proposed model of care and work jointly with corporate property in the design and procurement of the centre.
5. That an information report is submitted to cabinet in six months to outline progress.

Decision of the Leader of the Council

6. That authority be delegated to the cabinet member for health and adult social care to determine the most appropriate future service model and the decision regarding the location of the centre.

24. PROPOSED ACQUISITION OF FREEHOLD INTEREST IN OFFICE ACCOMMODATION, 160 TOOLEY STREET, LONDON SE1 2QH

Note: Both the open and closed versions of this report were listed as Item 24 on the agenda.

This item had not been circulated five clear days in advance of the meeting. The chair agreed to accept this item as urgent because if the council were to proceed in its acquisition of 160 Tooley Street, the seller required exchange of contracts and completion of the transaction on or before 14 December 2012. The opportunity to acquire the freehold would be lost if the decision was delayed for a further meeting to be held. The consequences of such a delay would be to forego the substantial financial advantages and operational flexibility (arising as a result of no longer being bound to the terms of the existing lease).

RESOLVED:

1. That the circumstances leading to the sale of the freehold interest in 160 Tooley Street and actions taken by officers and their advisors to assess the council's position in respect of this sale be noted.
2. That the acquisition of the freehold interest in 160 Tooley Street be approved in principle, subject to the agreement of final heads of terms and purchase price.
3. That authority be delegated to the chief executive, advised by and in consultation with the strategic director of finance and corporate services and head of property to:

- a. Negotiate terms and enter into binding contracts for the purchase of the freehold interest in 160 Tooley Street
 - b. Agree the amount of the final bid offered and other transactional terms
 - c. Agree the financing structure adopted to fund the acquisition of the asset.
4. That the strategic director of finance and corporate services include the ongoing savings to the council within the policy and resourcing strategy to be considered by cabinet and council assembly in January and February 2013.
 5. That the strategic director of finance and corporate services, subject to successful completion of the acquisition, report any in year savings that accrue within the third quarter revenue monitoring report due to be received by cabinet in February 2013.
 6. That it be noted that subject to commercial confidentiality the cabinet and members of overview and scrutiny committee will receive confirmation on completion of the purchase, full disclosure of the purchase price and financial benefits arising from the acquisition for the benefit of openness and transparency.

NOTE: In accordance with the provisions of section 22.1(b) of the overview and scrutiny procedure rules (decisions for urgent implementation), the chair of overview & scrutiny committee has agreed that this item may be treated as a matter of urgency and is therefore not subject to call-in.

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.

21. MINUTES

The closed minutes of the meeting held on 20 November 2012 were approved as a correct record and signed by the chair.

22. GATEWAY 2 - CONTRACT AWARD APPROVAL - INTEGRATED HIGHWAYS MAINTENANCE, PROJECT DELIVERY AND PROFESSIONAL SERVICES CONTRACT

The cabinet considered the closed information relating to this report. See item 17 for decision.

23. GATEWAY 2 - CONTRACT AWARD APPROVAL - PARKING ENFORCEMENT, NOTICE PROCESSING AND ASSOCIATED SERVICES

The cabinet considered the closed information relating to this item. See item 18 for decision.

24. PROPOSED ACQUISITION OF FREEHOLD INTEREST IN OFFICE ACCOMMODATION, 160 TOOLEY STREET, LONDON SE1 2QH

The cabinet considered the closed information relating to this item. See item 24 in the open part of the minutes for the decision.

The meeting ended at 6.20pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, 19 DECEMBER 2012.

THE ABOVE DECISIONS WILL NOT BE IMPLEMENTABLE UNTIL AFTER THAT DATE (WITH THE EXCEPTION OF ITEM 24 WHICH WAS 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.