



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 21 July 2015 at 4.30 pm at the Council Offices, 160 Tooley Street, London SE1 2QH

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

1. APOLOGIES

There were none.

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

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

Item 7: Deputation requests

Additionally, it was confirmed that cabinet would adjourn their consideration of Item 23: Senior Management Restructure to a cabinet meeting to be held on Tuesday 28 July 2015 at 4.00pm.

It was also noted that Item 22: Policy and Resources Strategy 2016/17 to 2018/19 – scene setting report was now scheduled to be considered at the 15 September 2015 meeting of cabinet.

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

Councillors Victoria Mills and Fiona Colley as parents of school aged children in September 2016 requested that their interest be noted in respect of item 11, Primary and Secondary School Place Planning Strategy Update. This was not a disclosable pecuniary interest but to avoid the appearance of any bias this interest was declared. Additionally they confirmed that they would withdraw from the meeting while this item was being discussed.

5. PUBLIC QUESTION TIME (15 MINUTES)

The following public questions were submitted as follows:

Question from Toby Eckersley to Councillor Mark Williams

The council's "advance payment" duties under S.52 Land Compensation Act 1973 being designed to provide rehousing resources to those facing compulsory purchase, at what stage does the council consider itself bound to accept an advance payment request, and would it ever delay an advance payment until after taking possession?

Response

Section 52 of the Land Compensation Act 1973 sets out arrangements for the advance payment of compensation to a homeowner where the council has taken possession of a property following a compulsory purchase order (CPO). The purpose of this is to ensure that dispossessed homeowners are able to receive the majority of the compensation to which they are entitled on or soon after the Council taking possession of their property, even though the final amount of compensation payable remains unresolved. This is required because it can take some time after possession of the property has been taken for the final level of compensation to be resolved, in some cases requiring determination by the courts.

Upon receiving a valid request for advance payment, the council is required to make a payment of 90% of its assessed value of the property on the later of the date it takes possession of the property or 3 months from the request. This is termed an "advance payment" as it is made in advance of resolving the final amount of compensation to which the homeowner is entitled; it is not a payment made in advance of the council taking possession of the property, and the council is not required to release any payment in until it has taken legal possession of the property.

The council works very hard to negotiate with homeowners to purchase their properties by agreement and to avoid having to exercise its compulsory purchase powers, and with success: Taking possession without the owner's agreement affects only a very small

minority of owners, less than 2% of properties on the Heygate Estate and less than 7% on the Aylesbury Estate, for example. When this is unavoidable and to mitigate the financial impact on those affected, advance payments are typically made within days of valid claims being received and well before the three month statutory limit.

Supplemental question

Mr Eckersley asked a supplemental question relating to advance payments. It was agreed that Councillor Mark Williams and council officers would meet with Mr Eckersley to discuss the matter.

Question from Beverley Robinson to Councillor Mark Williams

Noting that "rehousing assistance" for leaseholders facing compulsory loss of home often requires compulsory re-direction of pre-existing savings, what steps are being taken to improve policies and procedures to mitigate the stress and unfairness perceived by leaseholders in regeneration areas, with particular regard to the financial assessment procedures?

Response

Through its rehousing assistance scheme, the council offers a range of rehousing options for leaseholders affected by estate regeneration programmes who are unable to purchase a new property locally on the open market. This process can result in the offer of a new tenancy with the council or with a housing association, or in the option to purchase a new leasehold property through shared ownership or shared equity schemes with the council or with a housing association, depending on the individual leaseholder's personal and financial circumstances. For the regeneration of the Aylesbury Estate, to assist leaseholders, this process is set out within a re-housing guide which is available on the Council's website:

(See:http://www.southwark.gov.uk/downloads/download/1079/aylesbury_homeowners_rehousing_toolkit)

The council's current policy for council shared equity purchases, in which leaseholders do not pay any rent on the proportion of the property that they do not own, is that the purchaser is required to purchase the maximum amount of equity in the new property that they can afford. This currently means that the purchaser will be required to invest any additional savings above £16,000 into purchasing equity within the property. The reason for this is to ensure that the council shared equity scheme remains prioritised towards those who do not have sufficient capital to be able to afford to buy a property in the local area on the open market. The level of retained savings within the council's rehousing assistance programme was set when the policy was approved in 2010 but, in order to ensure that the council's rehousing assistance effectively assists existing leaseholders to move without adverse impact on individuals' personal and financial circumstances, this policy will now be reviewed with a view to a final decision to be made this autumn.

The council also seeks to put in place additional arrangements with each of its development partners on major regeneration schemes to provide further rehousing options for leaseholders. For example, in the case of the regeneration of the Aylesbury Estate, under its development partnership with the council, Notting Hill is offering a number of new-build shared equity properties to existing resident Aylesbury homeowners on terms

tailored to meet the needs and the financial circumstances of individual leaseholders.

Supplemental question

Ms. Robinson asked a supplemental question relating to the review and evidence from leaseholders. Again it was agreed that Councillor Mark Williams would meet with Ms. Robinson and council officers to discuss the matter.

Question from Martin Koder to Councillor Victoria Mills

Please explain in detail why the March decision to expand Ivydale (4FE from 2016) was partially reversed within 2 months, assuming due diligence on construction schedules supported the original decision? No criticism, however transparency needed - a) what's changed March-May b) have all options been explored e.g. January 2017 FE?

Response

The decision has not been reversed – partially or otherwise. The school will be expanding in two phases - from 2FE to 3FE in September 2016, and from 3FE to 4FE in September 2017. The expansion to 4FE is contingent on a second site for the school to expand onto, and a number of factors beyond the school's and council's control have meant that this particular site will now not be ready until February 2017.

Officers and councillors have met with the school leadership team, school governors and staff to consider all the options for adding capacity to the school. As there are already two 'bulge' classes working their way through the school at the moment, there is insufficient space, in the school's opinion, to accommodate an additional 2FE on the existing site from 2016. However, with some reconfiguration, the school have now agreed to take an additional form of entry in September 2016 bringing the published admission number (PAN) for this year to 90.

Due diligence was followed on construction schedules, following the appointment of a contractor and detailed consideration of the programme.

Supplemental question

Mr. Koder asked a supplemental question relating to evidence, transparency and declaration of members interests. Councillor Victoria Mills and the council's deputy monitoring officer responded to this question.

6. MINUTES

RESOLVED:

That the minutes of the meeting held on 23 June 2015 be approved as a correct record and signed by the chair.

7. 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 because the requests were received in line with the constitutional deadline for the receipt of deputation requests.

RESOLVED:

1. That the following deputation requests be heard.
2. That in consideration of the representations from residents of Highshore Road and the surrounding area the next meeting of the planning committee be requested to consider a report recommending the invocation of an Article 4 Direction for immediate implementation (protected shopping frontages).

Local residents – Car Wash in Parkhouse Street, Camberwell

The deputation spokesperson was unable to attend the meeting. It was noted that a written representation was circulated from the deputation to all cabinet members and relevant officers.

Residents of Highshore Road and the surrounding area

The deputation spokesperson addressed the meeting on behalf of residents of Highshore, Peckham and Nunhead Rye Lane conservation area, neighbouring conservation areas and the protected shopping frontages of the borough. The deputation were concerned that recently relaxed planning laws would threaten local businesses and the well being of the community, restricting the council's powers to manage change of use from shops and other use classes, to financial and professional services such as estate agents.

The deputation strongly urged that cabinet members support the invocation of an Article 4 Direction, that would withdraw permitted development rights from estate agents and brand name chains with immediate effect, so that they must submit planning applications for change of use, to help ensure the long term protection of the local economy.

Homeowners Council

The deputation addressed cabinet on behalf of Homeowners Council, in respect of item 15, proposal to implement the extension of licensing powers under the Housing Act 2004.

The spokesperson requested that the council continue working with the Homeowners Council to review the proposal. Concerns relating to consultation were raised by the deputation. Additionally, it was felt that the extension of licensing powers under the Housing Act 2004 would not add anything further to deal with anti-social behaviour, and the deputation asked that the decision be deferred for a 12 month period.

Councillor Richard Livingstone in his response to the deputation documented the extensive consultation that had taken place in respect of these proposals.

8. SOUTHWARK'S ADOPTION SERVICES

Councillor Jasmine Ali, chair of the education and children's services scrutiny sub-committee presented the report to cabinet.

RESOLVED:

That the recommendations of the report be noted and that the cabinet member for children and schools brings back a report to cabinet in September 2015, in order to respond to the overview and scrutiny committee.

9. NARROWING THE ACHIEVEMENT GAP

Councillor Jasmine Ali, chair of the education and children's services scrutiny sub-committee presented the report to cabinet.

RESOLVED:

That the recommendations of the report be noted and that the cabinet member for children and schools brings back a report to cabinet in October 2015 (when a schools standards report is also due for consideration), in order to respond to the overview and scrutiny committee.

10. RESPONSE TO SOUTHWARK AND LAMBETH CHILDCARE COMMISSION

RESOLVED:

1. That in response to the recommendations of the Southwark and Lambeth Childcare Commission (set out in Appendix A), the proposed actions set out at paragraph 18, Table One of the report be agreed.
2. That a further report be brought back to cabinet in Autumn 2015 outlining a clear strategy and detailed programme of activities for implementing this response, and for securing a sufficient supply of good quality early education and childcare places across Southwark (as set out at paragraph 27 of the report).
3. That an award of a one-off grant of £110,000 to 1st Place Children and Parents Centre be agreed, to support the start up of a new nursery in line with the council's commitment to open new community nursery provision.
4. That further proposals for new community nursery provision be invited from potential providers, with a budget of £200,000 established for this purpose.

11. PRIMARY AND SECONDARY SCHOOL PLACE PLANNING STRATEGY UPDATE

Councillors Victoria Mills and Fiona Colley withdrew from the meeting while this item was being discussed.

RESOLVED:

1. That the updated forecasts of primary school reception places be noted.
2. That formal consultation on the expansion of Rotherhithe Primary School from 2 forms of entry to 3 forms of entry be commenced.
3. That the expansion of Ivydale Primary School be phased to occur in two stages – for 90 to be admitted to reception in September 2016, and 120 in September 2017.
4. That the updated forecast of demand for year 7 secondary school places in the borough and the steps being taken by officers to assist and facilitate appropriate expansions of existing secondary schools in Southwark be noted.
5. That the engagement with the Education Funding Agency on site(s) for a north of the borough secondary school be noted.
6. That discussions taking place with both Southwark's Diocesan Boards on potential for expansion of diocesan schools in the north of the borough be noted.
7. That the potential shortfall of places in planning area 1 (Borough, Bankside and Walworth) from 2018/19 onwards be noted, and that plans will be brought forward to address this within the year.

12. PROGRESS UPDATE ON THE COUNCIL'S HOUSING INVESTMENT PLANS

RESOLVED:

That the following be noted:

1. The housing investment plan progress update.
2. That progress has been made to increase borrowing headroom within the Housing Revenue Account (HRA) to £176.2m.
3. The response from the Futures Steering Board on the council's housing investment plans at Appendix 3. Cabinet thanked them for their detailed and thoughtful contribution.

That the following be agreed:

4. That the council determine a detailed affordable funding plan to support housing investment in new council homes and the existing stock to include the utilisation of all relevant council receipts, commuted sums and revenue contributions, as well as additional borrowing within the available headroom within the Housing Revenue Account (HRA).
5. For the production of a HRA asset management strategy for consultation with residents.

6. To explore the potential for development of intermediate housing products through the Southwark Housing Company to meet strategic needs and to make a financial contribution to the housing investment programme.
 7. A further progress update on the ongoing consultation is brought back to November cabinet on the outcome of that exercise.
- 13. KEY PRINCIPLES AND PROTOCOL FOR DEVELOPING NEW COUNCIL HOMES IN PARTNERSHIP WITH RESIDENTS**

RESOLVED:

1. That the minimum guarantee to affected residents as set out in paragraphs 15 to 34 of the report be applied to redevelopment proposals brought forward to support the council's commitment to build 11,000 new council homes and create communities that residents would be proud to live, work and play in be agreed.
2. That the updated package of housing options for affected residents, as outlined in paragraphs 35 to 38 of the report be agreed.

14. CASH INCENTIVE SCHEME 2015-16

RESOLVED:

Decisions of the Cabinet

1. That the following in relation to the council's cash incentive scheme in 2015/16 be approved:
 - The use of up to £2.25 million of central government funding awarded under the right to buy social mobility fund for the release of up to 75 tenanted units
 - The funding allocation of up to £1.65 million agreed by the Housing Investment Board (HIB) on 14 May 2015 set out in the report in paragraphs 17 and 33 of the report
 - The changes to the terms and operation of the scheme necessitated by right to buy social mobility funding detailed in paragraph 25 and table 4 of the report
 - The revenue resource implications outlined in paragraphs 35 to 37 of the report be noted.

Decision of the Leader of the Council

2. That the future decision making on the continuation of the scheme with right to buy social mobility funding be delegated to the cabinet member for housing in accordance with paragraph 26 of the report.

15. PROPOSAL TO IMPLEMENT THE EXTENSION OF LICENSING POWERS UNDER THE HOUSING ACT 2004

RESOLVED:

1. That the implementation of the additional licensing scheme from 1 November 2015 for houses in multiple occupation (HMOs) in Southwark under the Housing Act 2004 be authorised. This will cover all HMOs in the borough that are not covered by mandatory HMO licensing be authorised.
2. That the initial fee levels for additional licensing as set out in the report be approved.
3. That the implementation of the selective licensing scheme from 1 November 2015 in Southwark under the Housing Act 2004 be authorised. (Appendix 1 provides maps of the areas affected by the scheme and Appendix 2, addresses of those dwellings within the selective licensing area).
4. That the initial fee levels for selective licensing as set out in the report be approved.
5. That authority be delegated to the strategic director of environment and leisure to amend the licensing fee and make such other changes to the schemes as necessary for the effective administration of the schemes.

16. STANDARDS FOR HOUSES IN MULTIPLE OCCUPATION

RESOLVED:

1. That the revised standards for houses in multiple occupation (HMO's) as set out in Appendix 1 of the report be adopted.
2. That the strategic director of environment and leisure be given delegated authority to make further amendments to the standards as may be found necessary without reducing the standard in any way.

17. QUARTERLY CAPITAL MONITORING OUTTURN REPORT FOR 2014/15 AND CAPITAL PROGRAMME REFRESH FOR 2014/15-2023/24

RESOLVED:

1. That the outturn position for 2014/15 for the general fund capital programme including the overall position of the programme for the period 2014/15 to 2023/24 as detailed in appendices A and D of the report be noted.
2. That the outturn position for 2014/15 for the housing investment programme, including the overall position of the programme for the period 2014/15 to 2023/24, as detailed in Appendix B of the report be noted.
3. That the virements and funded variations to the general fund and housing investment capital programme as detailed in Appendix C of the report be approved.

4. That the re-profiling of budgets in line with the forecast expenditure and resources in the new financial year 2015/16 and future years in light of the 2014/15 outturn position for both the general fund and housing investment programmes as reflected in Appendices A, B and D be approved and it be noted that further re-profiling will be required during 2015/16 based on more up to date information available at that time.
5. That the process for identifying projects for which community infrastructure levy (CIL) may be used as all or partial funding as detailed in paragraphs 106-118 of the report be agreed.

18. REVENUE OUTTURN REPORT 2014/15, INCLUDING TREASURY MANAGEMENT

RESOLVED:

1. That the following be noted:
 - the general fund final outturn for 2014/15 and net movement in reserves by department
 - the housing revenue account (HRA) final outturn for 2014/15 and resulting movements in reserves
 - the treasury management activity for 2014/15.
2. That it be noted that £1.77m was taken from contingency to address temporary accommodation pressures.
3. That it be noted that £5.940m was taken from reserves during 2014/15.
4. That the performance in the collection of council tax be noted.
5. That the performance in collection of business rates and the risks associated with the business rate retention scheme be noted.
6. That the general fund budget movements that exceed £250,000, as shown in Appendix A of the report be approved.

19. RESPONSE TO RECOMMENDATIONS ON COMMISSIONING AND PROCUREMENT AT SOUTHWARK COUNCIL (OVERVIEW AND SCRUTINY COMMITTEE)

Councillor Gavin Edwards, chair of the overview and scrutiny committee was in attendance for this item in order to give his response to the report.

RESOLVED:

1. That the proposed response to the overview and scrutiny committee's review of commissioning and procurement at Southwark Council be agreed.
2. That the development of a new fairer future procurement strategy be agreed.

20. APPOINTMENTS TO OUTSIDE BODIES - BETTER BANKSIDE BOARD

RESOLVED:

That Councillor Mark Williams be agreed as the nomination to serve on the Better Bankside Board for the 2015/16 municipal year.

21. DEVELOPMENT PROPOSALS FOR EAGLE WHARF SITE, LONDON SE15

RESOLVED:

Decisions of the Cabinet

1. That the proposals to grant a long leasehold interest in the Eagle Wharf site, Peckham, SE15 to Mountview Academy of Theatre Arts, together with associated development funding arrangements as set out in the closed report be approved.
2. That the draft head of terms and finance arrangements set out in the closed report be approved
3. That the powers to negotiate terms relating to the lease and financial arrangements be delegated to the director of regeneration.

Decision of the Leader of the Council

4. That the final agreement of the lease and financial arrangements be delegated to the cabinet member for finance, performance and modernisation.

22. POLICY AND RESOURCES STRATEGY 2016/17 TO 2018/19 - SCENE SETTING REPORT

This item is now due for consideration at the cabinet meeting of 15 September 2015.

23. SENIOR MANAGEMENT RESTRUCTURE

Cabinet adjourned their consideration of this item to a cabinet meeting to be held on Tuesday 28 July 2015 at 4.00pm.

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 closed part of the meeting.

24. MINUTES

The closed minutes of the meeting held on 23 June 2015 were approved as a correct record and signed by the chair.

25. DEVELOPMENT PROPOSALS FOR EAGLE WHARF SITE, LONDON SE15

The cabinet considered the closed information relating to this item. Please see item 21 for decision.

MOTION OF ADJOURNMENT

RESOLVED:

That the meeting stand adjourned until Tuesday 28 July 2015 at 4.00pm in order to consider Item 23: Senior Management Restructure.

The meeting ended at 6.40pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 29 JULY 2015.

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.