



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 18 January 2022 at 11.00 am at the Council Offices, 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Kieron Williams (Chair)
Councillor Jasmine Ali
Councillor Evelyn Akoto
Councillor Stephanie Cryan
Councillor Rebecca Lury
Councillor Alice Macdonald
Councillor Jason Ochere

1. APOLOGIES

Apologies for absence were received from Councillors Darren Merrill and Catherine Rose.

Additionally, Councillor Helen Dennis submitted her apologies to attend the physical cabinet but was in attendance virtually. She did not vote on the items and has been marked absent from the physical meeting.

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

The chair gave notice of the following late items:

- Item 9: Policy and Resources Strategy 2022-23 to 2024-25 update
- Items 10 and 23: Future of Aylesbury Estate

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

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

There were none.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

5. PUBLIC QUESTION TIME (15 MINUTES)

There were none.

6. MINUTES

RESOLVED:

That the minutes of the meeting held on 7 December 2021 be approved as a correct record and signed by the chair.

7. DEPUTATION REQUESTS

A number of deputation requests were received in respect of Item 16: Bankside Yards, appropriation for planning services, which were not heard by cabinet. The leader confirmed that arrangements had been put in place for contact to be made with these groups separately.

**8. HOUSING REVENUE ACCOUNT - FINAL RENT-SETTING AND BUDGET
REPORT 2022-23**

RESOLVED:

1. That a rent increase of 4.1% for all directly and tenant managed (TMO) housing stock within the housing revenue account (HRA) (including estate voids, sheltered housing and any residual hostels) with effect from 4 April 2022 be agreed. This is the maximum permitted under the Rent Standard 2020.
2. With regard to other HRA - wide charges, that tenant service charges, comprising estate cleaning, grounds maintenance, communal lighting and door entry maintenance be increased as set out in paragraphs 26 to 28 of the report be agreed with effect from 4 April 2022.
3. That the proposed changes to sheltered housing service charges as set out

in paragraphs 29 and 30 of the report with effect from 4 April 2022 be agreed.

4. That changes to charges for garages and other non-residential facilities as set out in paragraphs 31 and 32 of the report with effect from 4 April 2022 be agreed.
5. That the changes to district heating and hot water charges as set out in paragraphs 33 to 39 of the report with effect from 4 April 2022 be agreed.
6. That a pilot project to explore ways in which additional pandemic-driven support may be provided be established as set out in paragraphs 45 and 46 of the report.
7. That the HRA budget proposals set out in the report be agreed and it be noted that these changes ensure a balanced budget is set as required by statute.
8. That the commitments made in December 2021 to ensure that savings made are primarily based on efficiencies be reaffirmed, and where staffing reductions form part of any said savings, that due consultation and process is followed with trade unions.

9. POLICY AND RESOURCES STRATEGY 2022-23 TO 2024-25 UPDATE

It was not possible to circulate the report five clear days in advance of the meeting. The chair agreed to consider this item urgently as the council was committed to publishing budget proposals at the earliest possible opportunity to ensure they were available to the public for comments and questions. Presenting the report to cabinet on 18 January 2022 gives the opportunity for debate prior to presentation of budget figures to cabinet on 1 February 2022. Under the council's constitution, there is a requirement for the overview and scrutiny committee to review and challenge budget proposals and this is due to take place on 24 January 2022.

RESOLVED:

1. That the outcome of the Provisional Local Government Finance Settlement published on 16 December 2021 (paragraphs 19-20 of the report) be noted.
2. That it be noted, as reported to cabinet on 7 December 2021, the intention remains to prepare a balanced one year 2022-23 budget for approval by cabinet in advance of council assembly in February 2022.
3. That the revised budget gap of £1.6m, down from £6m in December be noted.
4. That it be noted that the budget proposals for 2022-23 contained within the report include:

- Un-ringfenced Settlement Funding Assessment grant of £153.6m, a modest increase of £1.1m on 2021-22
 - Other grant income of £89.6m, an increase of £11.4m on 2021-22 but including £8m of one-off Services Grant funding and an increasing amount of ring-fencing
 - Estimated retained business rates income of £17m, a decrease of £1.9m from 2021-22
 - Estimated council tax revenues of £128.548m, including a council tax increase of 2.99% (1% adult social care precept and 1.99% general increase)
 - A forecast deficit on the collection fund in 2021-22 of £2m after allowing for spreading adjustments
 - Pay provision and contractual inflation of £7.3m.
5. That the draft updated Fairer Futures Medium Term Financial Strategy (including Budget Principles) at Appendix G of the report be noted.
 6. That it be noted that the Greater London Authority (GLA) is expected to increase its council tax precept by 8.8% following publication of the Mayor's draft budget in late December.
 7. That it be noted that the GLA council tax precept is due to be set on the 24 February, one day after council assembly sets the budget for Southwark, therefore a council tax setting committee will need to be convened.
 8. That the current budget options proposed to help achieve a balanced 2021-23 budget (Appendices B to E of the report) be noted including:
 - Efficiency savings of £6.962m
 - Net income increase of £4.831m
 - Savings impacting on services of £3.665m
 - Commitments and growth of £19.564m.
 9. That it be noted that, in order to ensure that the base budget is on a secure financial footing a number of commitments are proposed for 2022-23, including £6m for temporary accommodation.
 10. That the proposed fees & charges schedules as set out in Appendix F of the report be approved.
 11. That the departmental narratives and the ongoing equality analyses of the budget proposals (Appendix A of the report) be noted.
 12. That officers be instructed to undertake further consultation for new budget options where necessary or appropriate and
 13. That it be noted that the report and accompanying schedules will be

considered by overview and scrutiny committee on 24 January 2022 and that any recommendations arising will be considered for inclusion in the final report to cabinet on 1 February 2022 for recommendation to council assembly on 23 February 2022.

10. FUTURE OF AYLESBURY ESTATE

It was not possible to circulate the report five clear days in advance of the meeting. The chair agreed to consider this item urgently as it was the intention of both parties to conclude the variation agreement shortly. The details set out in the report including the financial implications need to be formally agreed by cabinet in advance of the legal documents being completed.

RESOLVED:

1. That the expenditure of a further £29.8m on acquisitions in future phases of the Aylesbury Estate programme be approved.
2. That the contractual and leasehold acquisition variations to the original project budget for the Aylesbury Estate programme of £13.32m be approved.
3. That the expenditure of £165,000 as discretionary payments to council tenants from later phases of the Aylesbury programme moving to new homes on Plot 18 be approved.
4. That authority to negotiate and approve a further variation of the development partnership agreement with Notting Hill Genesis be delegated to the strategic director of housing and modernisation in consultation with the strategic director of finance and governance, the leader and relevant cabinet members and to conclude that variation.
5. That the variations to the housing investment programme as set out in the closed report to accommodate the financial implications of this proposed development partnership agreement (DPA) variation be approved.
6. That it be noted that a report will be presented to a future cabinet meeting on the revised way forward for rebuilding the Aylesbury estate, to provide more council homes and to make the estate greener, working hand in hand with Aylesbury estate residents.

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).

11. ADMISSION ARRANGEMENTS FOR COMMUNITY PRIMARY SCHOOLS – SEPTEMBER 2023

RESOLVED:

1. That the Southwark Community Primary Schools Admission Arrangements (“the Arrangements”) for September 2023 onwards as set out in Appendix 1 of the report be agreed.
2. That the Published Admissions Numbers (PANs) for primary community schools for September 2023 onwards as set out in Appendix 2 of the report be agreed.

12. SOUTHWARK COORDINATED ADMISSION SCHEMES FOR PRIMARY, JUNIOR AND SECONDARY ADMISSIONS 2023

RESOLVED:

That the 2023-24 coordinated admission schemes for Primary (Reception), Junior (Year 3), Secondary (Year 7) and 14-19 UTC transfer (Year 10) admissions attached as Appendix 1, Appendix 2, Appendix 3 and Appendix 4 of the report be agreed.

13. GATEWAY 2 - CONTRACT AWARD COMMUNITY REABLEMENT SERVICE

RESOLVED:

1. That the award of a contract for community re-ablement provision to MiHomecare Limited to deliver an estimated 1,400 hours per week for a period of three (3) years from 1 June 2022 with an option to extend for a further two (2) years (1+1) for an estimated maximum annual contract value of £1.4m and a whole life contract value of £7m be approved.
2. That it be noted that the current contract expires on the 4 January 2022 and approval will be sought via a Gateway 3 contract variation report for the extension of the current contract for a further 5 months to cover the period until the new contract starts on the 1 June 2022, and that an internal occupational therapist assistant (OTAs) team has been established to work alongside the successful provider.

14. HOME PURCHASE GRANT (CASH INCENTIVE) FUNDING

RESOLVED:

1. That an amendment to the policy for funding the home purchase grant

scheme to enable it to be funded from all resources available to support the council's housing investment programme where permitted rather than solely from capital receipts arising from social homebuy sales be approved.

2. That a variation to the housing investment programme to make available a sum of £2,150,000 for the home purchase grant scheme in 2022-23 to allow the backlog of applications to be cleared be approved.

15. TECHNOLOGY AND DIGITAL SERVICE - DIGITAL INCLUSION REPORT 2022-2025

RESOLVED:

1. That progress against the previous suite of strategies as agreed by cabinet be noted.
2. That the refreshed vision, outcomes and deliverables contained in the technology and digital strategy be agreed.
3. That it be noted that following the agreement to the technology and digital service, inclusion strategy, a portfolio of projects and programmes phased over the three years of the strategy will be implemented and monitored through the technology transformation and digital delivery portfolio review groups and the technology and digital strategy board.

16. BANKSIDE YARDS - APPROPRIATION FOR PLANNING PURPOSES

Cabinet heard representations from local ward councillor, Councillor David Noakes and a local resident.

RESOLVED:

That it be agreed:

1. The council entering into an agreement with Ludgate House Limited (LHL) for
 - a) The acquisition by the council of the freehold of the site of the former Ludgate House (title number TGL62703), shown outlined on the plan at Appendix A, and simultaneous grant by the council to LHL of a 999-year lease of the same site. The acquisition will be under section 227 of the Town and Country Planning Act ("TCPA 1990") for the purpose of facilitating the carrying out of development, redevelopment or improvement on or in relation to that land; and
 - b) The acquisition by way of an assignment to the council of LHL's leasehold interest in the Airspace Land (title number TGL54167), shown

outlined on the plan at Appendix B, and simultaneous granting by the Council to LHL of a 249-year sub-lease of the same site. The acquisition will be under section 227 of the TCPA 1990 for the purpose of facilitating the carrying out of development, redevelopment or improvement on or in relation to that land; and

- c) A Put and Call Option between the council and LHL in relation to the site of the former Ludgate House and the Airspace Land, on the principal terms set out in the report.
2. The council entering into an agreement with Sampson House Limited (SHL) for
 - a) The acquisition by the council of the freehold of the site of the former Sampson House (contained within title number TGL138850), shown outlined on the plan at Appendix C, and simultaneous granting by the council to SHL of a 999-year lease of the same site. The acquisition will be under section 227 of the TCPA 1990 for the purpose of facilitating the carrying out of development, redevelopment or improvement on or in relation to that land; and
 - b) A Put and Call Option between the council and SHL in relation to the site of the former Sampson House on the principal terms set out in the report.
 3. That as a pre-condition to the transactions referred to in 1 and 2 above, LHL and SHL enter into agreements, with financial security arrangements, to fully indemnify the council against any costs arising from these arrangements, including, but not limited to, the payment of compensation.
 4. That the council's intention in acquiring the interests under section 227 of the TCPA 1990 is to enable third party rights that exist over the site of the former Ludgate House, the site of the former Sampson House and the Airspace Land to be overridden pursuant to section 203 of the Housing and Planning Act 2016 ("HPA 2016").
 5. To delegate to the director of planning and growth authority to:
 - a) Agree detailed terms and conditions for the transactions referred to in 1 and 2 above and to instruct completion of the legal formalities
 - b) Agree detailed terms and conditions for the indemnity agreement referred to in 3 above and to instruct completion of the legal formalities.
 - c) Subject to completion of the agreements referred to in 1, 2 and 3 above, pay compensation properly claimed where due to third parties arising from the interference of their rights over the former Ludgate House site, the former Sampson House site and/or the Airspace Land in accordance

with section 204 of HPA 2016;

- d) Defend or settle (as appropriate) any compensation claims referred to the Lands Chamber of the Upper Tribunal in respect of rights that are overridden due to the exercise of the council's powers and to take all necessary steps in respect of any other legal proceedings that relate to the use of the aforementioned powers to override third party private rights over the former Ludgate House site, the former Sampson House site and/or the Airspace Land.
 - 6. That the council provides full communication to affected residents of this decision and their continued rights and the impact on them, and continues to require the developer to maintain full communication with residents in addition.
- 17. BARNWELL HOUSE, ST GILES ROAD, CAMBERWELL, LONDON SE5 7RP–DISPOSAL**

RESOLVED:

1. That the head of property be authorised to agree terms to dispose of the council's freehold interest in Barnwell House, St Giles Road, Camberwell, London SE5 7RP to Peabody as outlined within the closed report.
2. That the earmarking of the capital receipts for the purposes of funding the council's capital programme be authorised.
3. That the head of property be authorised to carry out any further negotiations with the purchaser which may be required prior to completion of the transaction.

18. BROMYARD HOUSE, LEDBURY ESTATE COMPULSORY PURCHASE ORDER

RESOLVED:

1. That a Compulsory Purchase Order under Section 226 (1)(a) of the Town & Country Planning Act 1990 ("the 1990 Act") for all land and rights within the Phase 1 area of land identified within the plan at Appendix 1 for the purposes of facilitating the redevelopment, development and improvement of the land and securing the delivery of new homes on the site in line with the proposed planning consent ("the Scheme") and thereby securing vacant possession of Bromyard House and the regeneration of the Ledbury Estate be made.
2. That the director of planning and growth, in consultation with the director of housing, be authorised on behalf of the council to:

- a) Take all necessary steps to secure the making, confirmation and implementation of the Order including the publication and service of all notices and the presentation of the council's case at Public Inquiry should one be called.
- b) Acquire for planning purposes all interests in land and new rights within the CPO area as may be necessary to facilitate the Scheme, either by agreement or compulsorily, including entering into negotiations with any third parties for the acquisition of the land interests and/or for new rights over their land (as appropriate), the payment of compensation and dealing with any blight notices served in connection with the CPO.
- c) Approve agreements with land owners setting out the terms for the withdrawal of objections to the CPO, including where appropriate seeking the exclusion of land or new rights from the CPO or giving undertakings as to the enforcement of the terms of the CPO.
- d) Make any minor additions, deletions or amendments to the extent of the land to be included in the CPO as shown in Appendix 1 should the need arise, so as to include all interests in land and rights required to facilitate the construction, maintenance and use of the Scheme.
- e) Take all necessary actions in relation to any legal proceedings relating to the CPO, including defending or settling (as appropriate) any compensation claims referred to the Lands Chamber of the Upper Tribunal due to the making or implementation of the CPO, and to take all necessary steps in respect of any other legal proceedings that relate to the making, confirmation or implementation of the CPO.
- f) Appoint and/or retain such external professional advisors and consultants as are necessary to assist the council in facilitating the Scheme, including in the promotion of the CPO and the settlement of any compensation claims.

19. REPORT OF THE OVERVIEW AND SCRUTINY COMMITTEE - SOUTHWARK'S CLIMATE STRATEGY AND ACTION PLAN

Councillor Ian Wingfield, chair of overview and scrutiny committee was unable to attend cabinet to present this report but submitted written comments in advance of the cabinet meeting.

RESOLVED:

1. That the recommendations of overview and scrutiny committee arising from representations from Extinction Rebellion Southwark in respect of the council's climate action plan, paragraph 9 of the report be noted.

2. That the cabinet member for climate emergency and sustainable development reports back to cabinet on the recommendations within eight weeks.

EXCLUSION OF THE 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 categories 3 and 5 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.

20. MINUTES

The minutes of the closed meeting on 7 December 2021 were approved as a correct record and signed by the chair.

21. GATEWAY 2 - CONTRACT AWARD COMMUNITY REABLEMENT SERVICE

The cabinet considered the closed information relating to this item. Please see item 13 for the decision.

22. BARNWELL HOUSE, ST GILES ROAD, CAMBERWELL, LONDON SE5 7RP–DISPOSAL

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

23. FUTURE OF AYLESBURY ESTATE

The cabinet considered the closed information relating to this item. Please see item 10 for the decision.

The meeting ended at 1.10pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 17 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 26 JANUARY 2022.

THE ABOVE DECISIONS WILL NOT BE IMPLEMENTABLE UNTIL AFTER THAT DATE (WITH THE EXCEPTION OF ITEMS 10 AND 23 WHICH ARE 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.