

Cabinet

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

PRESENT: Councillor Kieron Williams (Chair)
Councillor Jasmine Ali
Councillor Stephanie Cryan
Councillor Dora Dixon-Fyle MBE
Councillor James McAsh
Councillor Darren Merrill
Councillor Catherine Rose
Councillor Martin Seaton

1. APOLOGIES

An apology for absence was received from Councillor Evelyn Akoto.

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

The chair gave notice of the following late item:

- Item 9: Policy and Resources Strategy 2023-24 to 2025-26 update

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

No representations were received.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

There were none.

ANNOUNCEMENT BY THE LEADER OF THE COUNCIL

The leader made a statement in respect of the recent political and economic turmoil for the country.

5. PUBLIC QUESTION TIME (15 MINUTES)

1. Clive Rates

I submitted an online petition to Southwark in August 2022, asking that BlueBadge Holders, carers & SEND transport can travel through the Dulwich Village junction. The website is often down; currently not working. How will the leader ensure the petition site is reliable so vulnerable groups' voices can be heard?

Response by Councillor Stephanie Cryan, Communities, Equalities and Finance

Our petition scheme (available here: [Southwark Council Petition Scheme 2021.pdf](#)) sets out that Southwark Council welcomes petitions from any source, ranging from paper to any online petition site, including our own petition page.

The Southwark Council petition page (available here: [Current ePetitions - Southwark Council](#)) is currently active and available. The recent interruptions have been dealt with, and our supplier has been engaged to complete a thorough health check of the entire system.

I recognise the importance of residents' voices being heard, and strongly support anyone who wants to present a petition to use any, and potentially all, of the options available to them to engage signatories.

The third party supplier, Civica (Modern.Gov) has completed initial health checks and has found nothing untoward in the system thus far. Proactive monitoring, alerts and remote access will be set up on the system to diagnose any future errors. Southwark is also looking to investigate the wider web security perimeters in case these are impacting the performance of the infrastructure.

2. Tristan Honeyborne

Southwark is consulting on the Dulwich Village junction. The consultation requires respondents to choose between options, all of which include the never-before-mentioned closure of Turney Road. This denies residents the option to reject this major extension to the Dulwich LTN. Will you now include

it as an option for respondents?

Response by Councillor Catherine Rose, Leisure, Parks, Streets and Clean Air

The survey associated with the current Dulwich consultation can be found at the below weblink:

<https://consultations.southwark.gov.uk/environment-leisure/dulwich-village-streets-for-people-phase-2/consultation/subpage.2022-09-23.6861053244/>

Page 3 of the survey asks for any comments or suggestions about the “Simplified junction layout to improve vehicle flow - including removal of motor vehicles from the Turney Road approach”. This allows anyone completing the survey the opportunity to reject both the suggested proposals involving changes to the Turney Road/Dulwich Village junction.

In addition, this is only the second stage of engagement and there will be a further stage later this year when residents will be able to comment on any final design proposals. Furthermore, any changes to the existing traffic management arrangements will require a Traffic Management Order with the associated power of objection.

6. MINUTES

RESOLVED:

That the minutes of the meeting held on 13 September 2022 be approved as a correct record and be signed by the chair.

7. DEPUTATION REQUESTS

RESOLVED:

1. That the deputation request from a representative for the Tustin Residents and Community Association be heard.
2. A spokesperson for the deputation addressed cabinet for five minutes, reading a statement from the chair of the Tustin Community Association and questions were asked of the deputation for a period of five minutes.

Note: Cabinet placed on record their thanks to Neal Purvis, the previous independent tenant and homeowners advisor for his incredible work in representing and bringing tenants together; wishing him a happy retirement.

8. SOUTHWARK’S RESPONSE TO THE COST OF LIVING CRISIS

RESOLVED:

1. That the impact of the cost of living crisis, what it means for residents of Southwark and the council's ongoing approach to support residents be noted.
2. That the council's £2.73m household support fund allocation for the period 1 October 2022 – 31 March 2023 be noted.
3. That the Southwark Council cost of living fund funded by the household support fund for the period October 2022 – March 2023 be approved.

9. POLICY AND RESOURCES STRATEGY 2023-24 TO 2025-26 UPDATE

The report had not been circulated five clear days in advance of the meeting. The chair agreed to accept this item as urgent as it was important that the cabinet received regular updates on the progress of the budget setting process, particularly given the pace of change in the economic, political and policy environment in recent months.

RESOLVED:

That the following be noted:

1. The updated medium term financial strategy (MTFS) included at Appendix 1 of the report, forecasting a most likely gap in 2023-24 of £19.84m.
2. The tax and policy changes announced in the 23 September 2022 mini-budget and the potential for further policy changes following the election of the new Prime Minister.
3. The mini-budget gave no specific details on local government funding but the subsequent rapid deterioration in the UK economy will require substantial remedial action which is likely to include cuts to public sector spending.
4. Given the change in policy direction, the council faces a further period of austerity at a time when public services are already under significant pressure arising from the impact of the previous austerity period (2010-2020) together with the worsening economic outlook.
5. The updated assumptions are detailed in paragraph 36 of the report. The key assumptions being:
 - All government funding expected to increase by 2% to account for inflationary pressures with the exception of:
 - New homes bonus – expected reduction of circa £2m resulting from ending of current scheme
 - Market sustainability and fair cost of care fund – expected to increase

- with matching commitments
 - Public health grant expected to remain at current cash levels
 - 2022-23 services grant expected to remain at current levels with a reduction to offset the reversal to the 1.25% national insurance increase.
 - The fair funding review and business rate retention reset will be delayed again until at least 2024-25
 - Additional costs arising from pay and contract prices (3% and 6% respectively)
 - Additional costs arising from energy cost increases on council properties (100%)
 - Additional debt financing costs arising from additional capital projects (£3.4m)
 - Council tax will increase by the maximum amount allowed (1.99%)
 - An adult social care precept of 1%.
6. That the budget challenge process commenced in early October 2022 as planned and that an update on progress will be brought to cabinet in December 2022.
7. Continuing financial uncertainty as a result of a number of further factors:
- The reaction of the currency and bond markets to the mini budget and subsequent emergency actions taken by the Bank of England
 - Unknown impact of U- turn over abolition of 45% tax band
 - The government's medium-term fiscal plan due to be published on 31 October, giving further details of proposed debt repayments and a full forecast from the Office for Budget Responsibility (OBR)
 - Possible spending cuts to public services¹ of up to 15% as a means to reduce government borrowing in the medium term
 - Further announcements in October and November are expected on the supply-side growth measures, including changes to the planning system, business regulations, childcare, immigration and digital
 - Unlikely that the three-year spending review outline cash figures will be updated for the increased inflation forecasts
 - Limited information on the major changes to adult social care which are expected to carry a significant price-tag in 2023-24 and 2024-25
 - The business rate revaluation taking effect on 1 April 2023 and the potential impact on locally retained revenues
 - The 50% rate relief for retail, leisure and hospitality businesses, and the

¹ Outlook for public finances' (IFS) 11 October 2022

energy bill relief scheme for businesses will end on 31 March 2023

- Rising inflation including exceptional increases in energy costs driving a cost of living crisis
- Rising interest rates increasing the cost of credit for residents and the cost to the council of financing its ambitious capital programme
- Economic and financial impacts to the council of exiting the European Union
- The current absence of any certainty of funding streams to support climate emergency plans.

8. That discussions with the Department for Education (DfE) for financial support for the historic dedicated schools budget (DSG) 'high needs' deficit of £21.7m are ongoing.

9. The strategic director of finance and governance, with the support of other strategic directors are preparing indicative savings options and commitments, initially for 2023-24. For the following 2 years, 2024-25 and 2025-26, a long-term strategy is going to be developed which will support the new council delivery plan.

10. GATEWAY 1 CHILDREN'S RESIDENTIAL PROVISION - PROCUREMENT STRATEGY APPROVAL

RESOLVED:

1. That the procurement strategy for the provision of children's residential care in Southwark as an in-house service, under the children and families division of the council from August 2024 be approved.
2. That the one off costs covering the whole mobilisation period necessary to operationalise the first children's home, estimated to be £436,331, which will be met from reserves earmarked for this purpose be noted.
3. That authority be delegated to the strategic director of children's and adults' services to approve operational and resourcing decisions for the establishment of the first children's home and subsequent homes in line with the outline proposals set out in the report.
4. That a further report on the implementation of a quality assurance framework for residential service delivery, to include specific reference to the quality of provision and safe and effective recruitment and retention arrangements be received by cabinet.

11. PUPIL PLACE PLANNING REPORT FOR 2022

RESOLVED:

1. That the updated forecasts of primary and secondary school places from 2022-2023 onwards set out in paragraphs 53 to 57 (primary), Appendix 2a, as well as paragraphs 58-61 (secondary) of the report be noted.
2. That the continuing over supply of primary and sufficiency of secondary places across the council area, and proposed actions to monitor supply and demand as set out in paragraphs 53-57, Appendix 2a (primary) and paragraphs 58 to 61 (secondary) be noted.
3. That the actions outlined in the report to match primary demand with capacity of places be noted.

12. THE HEALTH AND CARE BILL: IMPLICATIONS FOR SOUTHWARK COUNCIL

RESOLVED:

1. That the following be noted:
 - a) the creation of the South East London (SEL) integrated care system (ICS) which came in to operation 1 July 2022, the details of which are set out in the report
 - b) how the SEL ICS is intended to work with existing health bodies, including the health and wellbeing board
 - c) the interim arrangements which came into place from 1 July 2022 for an initial period of 12 months
 - d) the risks and opportunities associated with this transition, as set out in paragraph 25 of the report
 - e) the council's ambitions for future joint arrangements, as set out in a joint statement by the then SEL Integrated Care Board chief executive designate and chief executive of Southwark Council, see Appendix 1 of the report.
2. That having noted the council's ambitions for future joint arrangements, the establishment of a new position, which will be at minimum grade 17, to be jointly appointed to by the council and SEL Integrated Care Board be approved.

13. LOCAL DEVELOPMENT SCHEME 2022 - 2025

RESOLVED:

1. That it be agreed that the Local Development Scheme ("LDS") appended to the report as Appendix 1 and 2 of the report be brought into effect in October 2022.

2. That the Blackfriars Road Supplementary Planning Document (SPD) (2014) and the Elephant and Castle SPD (2012) be rescinded.

14. GATEWAY 2 - CONTRACT AWARD APPROVAL - PARTNER & FINANCIAL PLAN FOR REDEVELOPMENT OF TUSTIN ESTATE

RESOLVED:

1. That the award of the Tustin Estate Development Agreement contract (Phases 1-4) to BY Development Ltd (trading as Linkcity) in the estimated sum of £242,601,000 for a period of eight years, commencing on 1 November 2022 be approved.
2. That a further variation to the housing investment programme as set out in the closed report be approved.
3. That approval for phases 2-4 be delegated to the strategic director of housing and modernisation in consultation with the strategic director of finance and governance and it be noted that if phases 2-4 costs individually exceed the estimated costs by 20%, further approval will be required by cabinet.
4. That the grant of a building lease(s) and necessary building licences for the development and the grant of long leases and the taking of lease backs and option agreements as detailed in paragraph 29 of the report, and the entering into overage agreements, as referred to in paragraph 29 of the report which will be subject to a separate report, be delegated to the director of planning and growth in consultation with the head of property.

15. CATOR STREET - APPROPRIATION FOR PLANNING PURPOSES

RESOLVED:

1. That the land shown outlined on the plan at Appendix A of the report, that is currently held for education purposes be confirmed as no longer required for those purposes and the appropriation of the land to planning purposes to facilitate the carrying out of the development proposals for the area in accordance with section 226 of the Town and Country Planning Act 1990 and section 122(1) of the Local Government Act 1972 be approved.
2. That following completion of the appropriation at paragraph 1 of the report the land shown outlined on the plan at Appendix A of the report be confirmed as no longer required for planning purposes, and the appropriation of the land to housing purposes in accordance with section 9 of the Housing Act 1985 and section 122(1) of the Local Government Act 1972 be approved.

16. RESPONSE TO THE HEALTH AND SOCIAL CARE SCRUTINY COMMISSION: DOMESTIC ABUSE IN FAMILIES

RESOLVED:

1. That the response to the domestic abuse in families scrutiny recommendations as set out in Table 1 of the report be noted.
2. That it be suggested that the commission invites the lead member back to the commission to discuss this report, as well as follow up on previous reviews, and specifically the review completed in June 2019 by the community safety scrutiny commission on violence against women and girls.

17. RESPONSE TO THE ENVIRONMENT SCRUTINY COMMISSION: ENERGY ENVIRONMENT

RESOLVED:

1. That the environment scrutiny commission's report 'environmental scrutiny commission: energy scrutiny review report' (March 2022) be welcomed and the responses set out to their recommendations in the report be agreed.
2. That officers be asked to amend the climate action plan at the next quarterly update, in November 2022, with minor changes to existing actions to reflect recommendations 3, 5, 9 and 15 of the report.
3. That the climate action plan be reviewed at the point of the next annual review, in July 2023, to incorporate new actions around recommendations 1, 2 and 21 as required.
4. That the request for funding to support additional roles, as detailed in recommendations 8, 13 and 22 of the report, relating to energy reduction and retrofit in schools and the expansion of community energy work be noted. It be agreed to explore every route to maximise resources to tackle the climate emergency, and to bring forward further commitments in the 2023-24 budget.

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 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 part of the meeting.

18. GATEWAY 2 - CONTRACT AWARD APPROVAL - PARTNER & FINANCIAL PLAN FOR REDEVELOPMENT OF TUSTIN ESTATE

The cabinet considered the closed information relating to this item. Please see item 14 for the decision.

The meeting ended at 12.55pm.

CHAIR:

DATED:

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

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.