

Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 6 February 2024 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 Helen Dennis
Councillor Natasha Ennin
Councillor Sarah King
Councillor James McAsh
Councillor Catherine Rose
Councillor Martin Seaton

1. APOLOGIES

All members were present.

ANNOUNCEMENT - CABINET MEMBERSHIP

Councillor Kieron Williams welcomed Councillor Sarah King, cabinet member for council homes to cabinet.

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

The chair gave notice of the following late items:

Item 8: Policy and Resources Strategy Report: 2024-25 Budget and Medium Term Financial Strategy (MtfS) Update including Capital

- Programme Refresh
- Item 10: Southwark coordinated admission schemes for primary, junior, secondary and year 10 2025
- Item 11: Admission arrangements for community primary, junior and secondary schools - September 2025
- Items 13 /17: Freehold acquisition of an operational property asset for key service provision and subsequent leasing arrangements.

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

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

None were received.

4. DISCLOSURE OF INTERESTS AND DISPENSATIONS

None were declared.

5. PUBLIC QUESTION TIME (15 MINUTES)

None were received.

6. DEPUTATION REQUESTS

The leader confirmed that a deputation request had been received from a local business and that a separate meeting was being arranged to address their concerns.

7. MINUTES

RESOLVED:

That the minutes of the meeting held on 17 January 2024 be approved as a correct record and signed by the chair.

8. POLICY AND RESOURCES STRATEGY REPORT: 2024-25 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY (MTFS) UPDATE INCLUDING CAPITAL PROGRAMME REFRESH

It was not possible to circulate the report five clear days in advance of the meeting. The chair agreed to accept the item as urgent because the cabinet was required to prepare a budget proposal for submission to council assembly. This was the last

cabinet meeting before council assembly on 21 February 2024 and the council tax setting committee on 23 February 2024. The Local Government Act 1992 requires that billing authorities complete and approve their budgets and set a council tax before 11 March immediately prior to the start of the financial year on 1 April 2024.

Councillor Ian Wingfield, chair of the overview and scrutiny presented a summary of the committee's recommendations to cabinet.

RESOLVED:

That the following recommendations be agreed for council assembly:-

1. The balanced general fund budget proposals for 2024-25.
2. The general fund budget options proposed to achieve a balanced budget for the period 2024-25 and to significantly close the budget gap for the period 2025-26 to 2026-27 (Appendices B to E of the report).
3. The refreshed general fund capital programme for the 10 year period to 2033-34 (Appendix J of the report) and the refreshed housing investment programme (HIP) for the 10 year period 2024-24 to 2033-34 (Appendix K of the report).
4. In accordance with Sections 30 and 36 of the Local Government Finance Act 1992, the local council tax amounts shown in table 3 of the report.

That the following be approved:

5. The housing revenue fund budget for 2024-25 (paragraphs 72-83 of the report).
6. The final fees and charges schedule at Appendix F of the report.
7. The proposed amendment to Section 3C, paragraph 13 of the council's constitution to increase the threshold at which cabinet approves disposals of leasehold or freehold interests in property and land from £750k to £3m, noting that officers will review the governance arrangements within our existing policy framework.

That the following be noted:

8. That the final Local Government Finance Settlement has not been published at the time of writing, any changes from the provisional settlement published on the 18 December 2023, will be set out in the 2024-25 budget report to council assembly on 21 February 2024.
9. The update to the medium term financial strategy 2024-25 to 2026-27, and the current expected cumulative funding gap of £5.4m and £10.8m for 2025-

26 and 2026-27 respectively.

10. That the December 2023 cabinet report and budget option schedules were considered by the overview and scrutiny committee on 22 January and 23 January 2024 and that the recommendations arising and officer responses are included at Appendix I of the report.
11. The departmental narratives and equality impact assessments at Appendix A of the report.
12. The climate report and budget equality analysis report 2024-25 (Appendices G and H of the report).
13. That the Mayor of London draft budget for 2024-25 includes a proposal to increase the GLA Council Tax precept by 8.6%, equivalent to a £37.26p increase for a band D property.
14. The GLA council tax precept is due to be set on the 22 February, one day after council assembly sets the budget for Southwark, therefore (as in prior years) a council tax setting committee will be convened for 23 February 2024.
15. The strategic director of finance comments on the adequacy of the reserves and the robustness of the estimates in the budget in paragraphs 117-119 of the report.

NOTE: In accordance with overview and scrutiny procedure rule 16.2, (a) (budget and policy framework) these decisions are not subject to call-in.

9. CLIMATE RESILIENCE AND ADAPTATION STRATEGY

RESOLVED:

1. That the adoption of the Climate Resilience and Adaptation Strategy which will tackle climate risk in the borough be approved.
2. That the scale of challenge and ambition in the Climate Resilience and Adaptation Strategy be noted and that officers deliver the action plan.
3. That the Climate Resilience and Adaptation Strategy be incorporated with the Climate Change Strategy as part of the 2025 Climate Change Strategy refresh.
4. That the investment already made to support tackling climate change in the borough be welcomed, but the need for further action be recognised and that an initial £1m of funding from the Climate Change Capital Fund be allocated to start delivery of the action plan.

10. SOUTHWARK COORDINATED ADMISSION SCHEMES FOR PRIMARY, JUNIOR, SECONDARY AND YEAR 10 2025

It was not possible to circulate the report five clear days in advance of the meeting. The chair agreed to accept the item as urgent because the consultation on admission arrangements must run for a period of at least six weeks and be completed by 31 January in the year preceding the year the change is to be effected (i.e. 31 January 2024 for September 2025 admissions).

RESOLVED:

1. That the coordinated admission schemes for Primary (Reception), Junior (Year 3), Secondary (Year 7) and 14-19 University Technical College (UTC) transfer (Year 10) have worked effectively for Southwark residents during the last academic year and have not been changed for the 2025-26 admissions year be noted.
2. That the 2025-26 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.

11. ADMISSION ARRANGEMENTS FOR COMMUNITY PRIMARY, JUNIOR AND SECONDARY SCHOOLS - SEPTEMBER 2025

It was not possible to circulate the report five clear days in advance of the meeting. The chair agreed to accept the item as urgent because the consultation on admission arrangements must run for a period of at least six weeks and be completed by 31 January in the year preceding the year the change is to be effected (i.e. 31 January 2024 for September 2025 admissions).

RESOLVED:

1. That the Southwark Community Primary Schools Admission Arrangements (“the Arrangements”) for September 2025 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 2025 onwards as set out in Appendix 2 of the report be agreed.

12. GATEWAY 1 - PROCUREMENT STRATEGY FOR NURSING CARE PROVISION

RESOLVED:

1. That the procurement strategy for nursing care provision in Tower Bridge

Care Centre by advertising the contract opportunity on the Find a Tender Service (FTS) using a negotiated approach for a single contract for a period of ten years with an option to extend for a further five years (2+2+1) commencing 1 October 2024 be approved.

2. That the approval of the award of the contract, following the conclusion of the tender be delegated to the strategic director for children and adult services, in consultation with the cabinet member for health and wellbeing for the reasons set out in paragraph 39 of the report.
3. That it be noted that this procurement strategy will require separate negotiations with individual bidders resulting in a single contract award which will be approved through a gateway 2 report.
4. That it be noted that the procurement strategy is subject to the approval of the cabinet report titled: 'Freehold acquisition of an operational property asset for key service provision and subsequent leasing arrangements'.
5. That it be noted that the total estimated maximum figure for the contract is in the region of £4.3m per annum, £64.5m over the term of the contract.

13. FREEHOLD ACQUISITION OF AN OPERATIONAL PROPERTY ASSET FOR KEY SERVICE PROVISION AND SUBSEQUENT LEASING ARRANGEMENTS

It was not possible to circulate the report five clear days in advance of the meeting. The chair agreed to accept the item as urgent because the opportunity to purchase the property arose in late 2023 with negotiations continuing to the Christmas break. The primary heads of terms including purchase price, transaction structure and other terms were not agreed until 22 December 2023.

A condition of the transaction is that the council makes a formal decision on the 6 February 2024 and transacts shortly thereafter.

RESOLVED:

1. That the circumstances leading to the proposed acquisition of the freehold asset and actions and due diligence being undertaken by officers and their professional advisers be noted.
2. That the acquisition of the freehold interest as detailed in the closed report including noting the agreed heads of terms, price and acquisition costs supported by the valuation and building survey statements be approved.
3. That authority be delegated to the director of planning and growth, advised by and in consultation with the strategic director of finance to:
 - a) Complete the purchase of the freehold interest and subsequent lease

arrangements

- b) Agree detailed transaction terms
- c) Agree the financing structure to be adopted to fund the acquisition of the asset.

14. LEDBURY ESTATE PHASE A - APPROPRIATION FOR PLANNING PURPOSES

RESOLVED:

1. That the land shown outlined on the plan at Appendix A of the report known as Phase 1 of the Ledbury Estate that is currently held for housing 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.

MOTION TO EXCLUDE THE PRESS AND PUBLIC

That the press and public be excluded from the meeting for the following item 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.

15. POLICY AND RESOURCES STRATEGY REPORT: 2024-25 BUDGET AND MEDIUM TERM FINANCIAL STRATEGY (MTFS) UPDATE INCLUDING CAPITAL PROGRAMME REFRESH (CLOSED APPENDIX)

No closed report (appendix) was required.

16. GATEWAY 1 - PROCUREMENT STRATEGY FOR NURSING CARE PROVISION

The cabinet considered the closed information relating to this item. Please see item 12 for the decision.

17. FREEHOLD ACQUISITION OF AN OPERATIONAL PROPERTY ASSET FOR KEY SERVICE PROVISION AND SUBSEQUENT LEASING ARRANGEMENTS

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

18. LEDBURY ESTATE PHASE A - APPROPRIATION FOR PLANNING PURPOSES

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

The meeting ended at 12.30pm.

CHAIR:

DATED:

DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 17 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 14 FEBRUARY 2024.

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.