



## Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 17 May 2011 at 4.00 pm at Town Hall, Peckham Road, London SE5 8UB

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

Councillor Ian Wingfield, deputy leader, chaired the meeting in the absence of the chair.

### 1. APOLOGIES

Apologies for absence were received from Councillor Dora Dixon-Fyle and Councillor Peter John for lateness.

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

There were no late items.

### 3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

Councillor Fiona Colley, declared a personal and prejudicial interest in item 10. Creation Trust Business Plan as she was currently the chair of the Creation Trust.

Councillor Abdul Mohamed, also declared a personal and prejudicial interest in item 10. as he was a serving trustee of the Creation Trust.

Councillor Barrie Hargrove, declared a personal and non prejudicial interest in item 9 Peckham and Nunhead Area Action Plan towards a Preferred Option as he lived in a property which was due to fall within the consultation process.

**4. PUBLIC QUESTION TIME (15 MINUTES)**

There were no public questions.

**5. MINUTES**

**RESOLVED:**

That the open minutes of the meeting held on 19 April 2011 be approved as a correct record and signed by the chair.

**6. SCRUTINY REPORT - UNFINISHED SECURITY WORKS ON THE FOUR SQUARES ESTATE**

Councillor Gavin Edwards, chair of the housing and community safety scrutiny sub-committee presented the scrutiny report to cabinet.

**RESOLVED:**

That the recommendations of the review of the unfinished security works on the Four Squares Estate undertaken by the housing and community safety scrutiny sub-committee (attached as appendix 1 to the report) be noted and the deputy leader and cabinet member for housing management (lead member) bring back a report to cabinet to respond to the overview and scrutiny committee by 12 July 2011.

At this juncture Councillor Peter John, having arrived at the meeting took the position of chair.

**7. RESPONSE TO THE HOUSING AND COMMUNITY SAFETY SUB-COMMITTEE'S REVIEW OF HOUSING REPAIRS KEY PERFORMANCE INDICATORS**

**RESOLVED:**

1. That the response to the recommendations of the housing and community safety scrutiny sub-committee's investigation into the key performance indicators for the housing repairs service be noted and agreed.
2. That the ongoing monitoring and progress of the action plan take place at the repairs core group, chaired by the deputy leader and cabinet member for housing management.
3. That the additional activity being undertaken to improve the repairs service be noted.
4. That the strategic director of housing services report back to cabinet in 6 months time on the progress of implementation of the recommendations.

## **8. ELEPHANT AND CASTLE REGENERATION - SHOPPING CENTRE**

### **RESOLVED:**

1. That in principle agreement be given to enter into a Co-operation Agreement with KPI III SARL and Lend Lease (Elephant and Castle) Ltd, the initial structure of which is set out in paragraph 9 of the report.
2. That in principle agreement be given to enter into an Agreement with KPI III SARL for the regeneration of the shopping centre, the principal terms of which are set out in paragraphs 10 -13 of the report.
3. That in principle agreement be given to vary the Regeneration Agreement dated between the council and Lend Lease (Elephant and Castle) Ltd to reflect the amended approach described in the report.
4. That the head of property be instructed to negotiate the detailed terms of the Agreements referred to at 1-3 above, and report back to cabinet on the conclusion of those negotiations.
5. That the head of property be instructed to ensure that the communication and consultation elements of the Co-operation Agreement outlined in paragraph 8 of the report are fully compliant with the Regeneration Agreement consultation strategy as outlined in paragraph 18 of the report. This includes the clear expectation that initial, indicative computer generated images of the shopping centre will be issued to the Regeneration Forum on the 26 May 2011.

## **9. PECKHAM AND NUNHEAD AREA ACTION PLAN TOWARDS A PREFERRED OPTION**

### **RESOLVED:**

1. The Peckham and Nunhead Area Action Plan (AAP) Towards a Preferred Option (appendix A of the report) was considered.
2. That the consultation report (appendix B of the report) and the consultation strategy and plan (appendix C of the report) be noted.
3. That the interim sustainability appraisal (appendix D of the report) and the equalities impact assessment stage 1 report (appendix E of the report) be noted.
4. That the Peckham and Nunhead Area Action Plan (AAP) Towards a Preferred Option be adopted for consultation. The consultation period to be extended from 5pm Monday 1 August 2011 to 5.00pm Friday 30 September 2011.

Having declared personal and prejudicial interests, Councillors Fiona Colley and Abdul Mohamed left the meeting during the consideration of the following item.

## 10. CREATION TRUST BUSINESS CASE

### RESOLVED:

#### Decisions of the Cabinet

1. That a grant funding payment of £62,500 to New Aylesbury Trust Ltd. "Creation Trust" on the basis of Creation Trust's Business Plan for 2011/12 be approved.
2. That grant funding of up to a maximum of £937,500 be paid to the Creation Trust in quarterly tranches of £62,500 subject to the terms of a 4 year funding agreement signed in accordance with the principles set out in paragraph 19 of the report.

#### Decision of the Leader of the Council

3. That the responsibility for agreeing a 4 year funding agreement between the council and Creation Trust be delegated to the cabinet member for finance, resources and community safety, within the principles set out in paragraph 19 of the report.

## 11. MOTIONS REFERRED FROM COUNCIL ASSEMBLY

### Motion on themed debate: The future for Southwark – Rising to the community challenge

### RESOLVED:

That the motion referred from council assembly as a recommendation to cabinet, set out below in italics be received and noted.

1. *That council assembly notes the letter from the cabinet member for equalities and community engagement setting out the theme of the debate: "The future for Southwark - rising to the community challenge"*
2. *That council assembly notes the assertion that "the council's role will have to change over the coming years, due to spending cuts and changing resident expectations and needs". In notes the questions that the cabinet member posed to members to help them think about how they can shape that change:*
  - *How can we give residents more control over the services they receive?*
  - *What role could you and your community play in helping to deliver these services?*
  - *How should we measure success and how should we communicate our progress with you?*
3. *That council assembly calls on the cabinet to note the content of the debate and points raised.*

4. *That council assembly calls on the cabinet member for regeneration and corporate strategy to report back in not less than six months on which of these ideas will be pursued further with communities and neighbourhood forums.*

### **Repayment of major works charges by leaseholders**

#### **RESOLVED:**

That it be noted that:

1. Southwark Council currently offers leaseholders a number of repayment options when major works (a charge for large one-off works to a block or an estate) are due on their property for which they are liable. These include a “voluntary charge” payable upon sale of the property, and an interest free repayment period of between 12 and 36 months. The council’s preferred option is repayment in 12 monthly instalments (Home Owners Guide)
2. The interest free repayment offer of 36 months is fairly standard across London local authorities, although some do offer a longer period of 48 months.

That it is believed:

3. A well planned programme of this type of work across the borough would ensure that all required works are carried out with good notice, and scheduled so that leaseholders are able to make adequate provision and plan ahead financially over a number of years.
4. There have been an increasing number of examples however, of the council failing to achieve this. For example, the council may have to carry out emergency major works following health and safety issues identified in an inspection, or a fire safety notice has been served. In some cases, the programme of works has just been poorly planned.
5. This can and has resulted in several major works programmes taking place in one financial year on an estate, and is highly likely to cause considerable financial hardship to leaseholders. Many on fixed or low incomes are unable to meet the increased costs or able to plan ahead, and given the current state of the housing market, offsetting costs against equity is an increasingly unviable option.
6. The council, while acknowledging that circumstances, and the legal position, may differ from block to block and lease to lease, also believes that further information is required about the obligation of leaseholders to make contributions towards the remedying of fire safety defects.
7. That where exceptional circumstances occur, and the council is required to carry out more than one programme of major works on an individual estate in one financial year, the current repayment schedule of 36 months will be extended to 48 months so that those affected resident leaseholders are better placed to budget for the additional financial burden.

8. That when such a situation arises the council informs affected leaseholders this further option is available to them.
9. That the request for definitive advice on leaseholder duties in respect of all types of request for contributions for remedying of fire safety defects be noted, and it also be noted that the strategic director of housing services is bringing back a further report on this issue in due course.

### **Secondary School in SE16**

#### **RESOLVED:**

1. That the motion referred from council assembly as a recommendation to cabinet set out below in italics be noted and agreed.
  1. *That council assembly recognises the need for more secondary school places in SE16.*
  2. *That council assembly notes that this administration has always been committed to a new school in SE16 - and that this has consistently been reflected in the Canada Water Action Plan.*
  3. *That council assembly notes that:*
    - 1) *The Labour government and the previous council administration agreed a programme of 12 Building Schools for the Future (BSF) schools in Southwark, including a brand new, 5 forms of entry (150 places per year group) school in Rotherhithe.*
    - 2) *In July 2010, the Secretary of State scrapped almost all the BSF programmes across the country, but told this council that Southwark's 12 schools were 'unaffected' by these changes – including schools in Phase 3 of Southwark's BSF programme.*
    - 3) *Last June the government asked the council to resubmit the borough's pupil place demand projections.*
    - 4) *In October 2010 Partnerships for Schools (an agency of the Department for Education) informed the council that programmes referred to as 'unaffected' in July would be subject to the Department for Education value for money review. Initially, reference was made to the Department for Education seeking savings of up to 40% across remaining BSF programmes nationally.*
    - 5) *In November 2010 the government wrote to the council saying that they were withdrawing the £19.6 million it had previously allocated for a new school in Rotherhithe. In the letter, however, the government said it considered there was a need for 2 forms of entry (60 places per year group) worth of places in the area. The letter from the Department for Education to the council said:*

*"It is not considered that a case can be made for the delivery of a new 5 form of entry secondary school in Rotherhithe at this time. As such the £19.6 million funding provisionally allocated to this project through the Stage 0 approval process in April 2010 will no longer be available to the Authority to deliver that proposal.*

*"The Department [for Education] considers that there is the need to establish 2 forms of entry of additional secondary places in the Rotherhithe area in the next five years. As such the Department will work alongside Southwark and PfS [Partnerships for Schools] to identify an alternative proposal for the delivery of these places."*

- 6) *To date the government has not confirmed how much funding the government will provide to the council for these extra places and when the council will receive it. Until the government confirms this, the council can not progress plans.*
- 7) *Last month a working level BSF spreadsheet, emailed from an official in Partnerships for Schools to an officer in the council, suggested that the government had still allocated the full £19.6 million to a new school in Rotherhithe. This was despite the fact that the government had formally told the council in November that it had withdrawn the funding.*
- 8) *As a result, the council wrote to the government demanding clarity on how much funding the council will receive for new secondary places in SE16. The letter said:*

*"The council has always maintained that, despite borough-wide figures, there is a specific need for additional places in Rotherhithe and our proposals for a new school responded both to this and the specific demand in Rotherhithe.*

*"I am writing to seek confirmation that we can now move forward...I hope you can advise without delay in order that I can progress, because we need to give certainty to local families."*

4. *That council assembly further notes that:*
  - *any suggestion in the media or otherwise that the council should 'welcome the government's funding for a new school in SE16 is based on a fundamental and complete misunderstanding of the situation*
  - *any suggestion in the media or otherwise that £10 million for new places may be available from the government does not match the facts as they are known to the council.*
5. *That council assembly supports the cabinet in its call for the government to clarify how much funding is available for new secondary places in SE16.*
6. *That council assembly welcomes the cabinet's wish to work with stakeholders, including both the MPs for SE16, to find a solution to the need for places in the*

area.

2. That it be noted that the council has still not heard back from Partnership for Schools.

### **Secure Tenancies**

#### **RESOLVED:**

1. That the motion referred from council assembly as a recommendation to cabinet set out below in italics be noted and agreed.
  1. *That council assembly notes that Southwark is the largest local authority social landlord in London with 45,000 tenants and homeowners in the borough.*
  2. *That council assembly notes the proposal in the Conservative/Liberal Democrat government's Localism Bill to end the right to a secure tenancy for council and housing association tenants, and restrict the rights of tenants to complain directly to the housing ombudsman.*
  3. *That council assembly notes that Labour has tried to remove these provisions from the Localism Bill but that Liberal Democrat MPs voted with the Conservatives to keep them within the bill.*
  4. *That council assembly regrets the government's proposal to issue fixed-term tenancies of just two years that will force tenants in Southwark to go through an assessment of their income and family circumstances after just eighteen months in their home which will act as a disincentive to get a better job, could force couples to leave their family home once their children leave home and do not include a right to improve homes or a right to pass on the tenancy to a child, live-in carers or siblings.*
  5. *That council assembly is deeply concerned at the lack of clarity from the Tory-led government regarding the rights of existing social tenants in Southwark to a secure tenancy if they move to a new council or housing association property.*
  6. *That council assembly also notes that along with their cuts to council house building, housing benefit and their plan to introduce rents of up to 80% of local market rents, and reduce funding for the decent homes programme, this is an attack on the fundamental principles of decent, secure and affordable public housing.*
  7. *That in the circumstances council assembly praises the Southwark Labour administration's ambition to make every council home warm, safe and dry.*
  8. *That council assembly calls upon the cabinet and the relevant cabinet members:*
    - *To lobby Simon Hughes MP to vote against this proposal in the House of Commons and not abstain*



- *To seek clarification from the government regarding the proposals to force council tenants to move if their income increases.*
2. That it be noted that the deputy leader and cabinet member for housing management had received a letter from Andrew Stunell MP and that it would be circulated to all members of the council.

### **Cabinet Priorities**

#### **RESOLVED:**

That the motion referred from council assembly as a recommendation to cabinet set out below in italics be noted and agreed.

1. *That council assembly notes that in just under a year of the Labour administration, despite the savage cuts from the Tory/Liberal Democrat government:*
  - *The administration's success in taking the regeneration of the Elephant & Castle forward, with progress on new leisure facilities*
  - *The administration has delivered a food waste recycling pilot, meaning that, where carbon would be produced through incineration and methane through landfill, fewer emissions are produced. It notes the planned reduction in the carbon produced by the council's estate*
  - *The cabinet's commitment to a new school in Rotherhithe. It notes that the government withdrew the Building Schools for the Future funding for a new school.*
  
2. *That the other following deliveries on the administration's commitments be noted:*
  - *Piloting free school meals and securing the finance for free meals in primary schools across the borough*
  - *Establishing a commission on reducing teenage conceptions*
  - *Cutting spending on special responsibility allowances by the same amount that they were increased by the Liberal Democrat/Tory administration*
  - *New safeguards on spending on consultants and the amount spent on them cut as a result*
  - *The most open budget process in the borough's history*
  - *All fire risk assessments of council homes now available to the public*
  - *New dedicated housing department created*
  - *Two air-quality monitoring stations reopened*
  - *Consulted with the voluntary sector on our care service charter of rights*
  - *Piloting a new dedicated phone line for queries about social care.*

3. *That the other following achievements in the administration's 2011/12 budget be noted:*
  - *Transition fund for voluntary sector, thought to be unique in London, and funding cushion for day care centres and lunch clubs*
  - *Youth fund to help young people in Southwark find work or stay on in education*
  - *Pay increase for the lowest paid council employees, despite a national pay freeze.*
4. *That council assembly believes that this administration delivers. It calls on the cabinet to put delivery at the core of the new council business plan.*

**12. 161-179 MANOR PLACE, SE17 AND 6 STOPFORD ROAD, SE17 - ACQUISITION OF THIRD PARTY LEGAL INTERESTS AND SUBSEQUENT DISPOSAL OF THE COUNCIL'S FREEHOLD INTEREST**

**RESOLVED:**

1. That the terms outlined in the report for the acquisition of the long leasehold interest in 161a Manor Place, SE17 including the payment of a basic loss payment and associated disturbance payments be approved.
2. That the terms for the surrender of the lease of 161 Manor Place, SE17 by the business tenant and the compensation for the extinguishment of the business together with associated disturbance payments be approved.
3. That the head of property be authorised, once full vacant possession has been achieved, to market for sale the council's unencumbered freehold interest in 161-179 Manor Place, SE17 and 6 Stopford Road (the "Property"). The results of this marketing exercise to be brought to cabinet for approval and further recommendation.

**EXCLUSION OF PRESS AND PUBLIC**

It was moved, seconded and:

**RESOLVED:**

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 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 section of the meeting.

**13. MINUTES**

The minutes of the closed section of the meeting held on 19 April 2011 were approved as a correct record and signed by the chair.

**14. 161-179 MANOR PLACE, SE17 AND 6 STOPFORD ROAD, SE17 - ACQUISITION OF THIRD PARTY LEGAL INTERESTS AND SUBSEQUENT DISPOSAL OF THE COUNCIL'S FREEHOLD INTEREST**

The cabinet considered the closed information relating to this report. See item 12 for decision.

**15. ELEPHANT AND CASTLE REGENERATION - SHOPPING CENTRE - SUPPLEMENTARY LEGAL ADVICE**

Supplementary closed legal advice was circulated in respect of this item – see item 8 for decision.

The meeting ended at 5.50pm

**CHAIR:**

**DATED:**

**DEADLINE FOR NOTIFICATION OF CALL-IN UNDER SECTION 21 OF THE OVERVIEW AND SCRUTINY PROCEDURE RULES IS MIDNIGHT, WEDNESDAY 25 MAY 2011.**

**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.**