



Cabinet

MINUTES of the OPEN section of the Cabinet held on Tuesday 15 May 2012 at 4.00 pm at 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Peter John (Chair)
Councillor Ian Wingfield
Councillor Dora Dixon-Fyle
Councillor Barrie Hargrove
Councillor Richard Livingstone
Councillor Catherine McDonald
Councillor Abdul Mohamed
Councillor Veronica Ward

1. APOLOGIES

The cabinet noted that Councillor Fiona Colley was on maternity leave and extended their congratulations in respect of the recent birth of her son.

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

The chair gave notice that the following items would be considered for reasons of urgency and lateness to be specified in the relevant minutes:

- Items 14 (open) and 17 (closed) Customer Services Centre (CSC) Contract with Vangent Ltd.

3. DISCLOSURE OF INTERESTS AND DISPENSATIONS

The following disclosures of interests were made:

- Councillor Richard Livingstone, personal and non prejudicial, Item 11 - Leathermarket Joint Management Board (JMB) Partial Self Financing of the Housing Revenue Account as a co-opted director of Leathermarket JMB for the period 1998 -2007.
- Councillor Veronica Ward, personal and non prejudicial, Item 11 - Leathermarket Joint Management Board (JMB) Partial Self Financing of the Housing Revenue Account as

a relative lives within the area.

- Councillor Catherine McDonald, personal and non prejudicial, Item 12 - Gateway 2: Contract Award Approval - Southwark Heat Network from South East London Combined Heat and Power Plan (SELCHP) - Additional Services Contract as a Councillor in one of the affected wards (Livesey).
- Councillor Richard Livingstone, personal and non prejudicial, Item 12 - Gateway 2: Contract Award Approval - Southwark Heat Network from South East London Combined Heat and Power Plan (SELCHP) - Additional Services Contract as a Councillor in one of the affected wards (Livesey).

4. PUBLIC QUESTION TIME (15 MINUTES)

There were no public questions.

5. MINUTES

RESOLVED:

That the minutes of the meeting held on 17 April 2012 be approved as a correct record and signed by the chair.

6. DEPUTATION REQUESTS

There were no deputation requests.

7. AMENDMENT TO STRATEGIC MANAGEMENT ARRANGEMENTS

RESOLVED:

1. That as at 1 October 2012, the posts of strategic director, health & community services, strategic director of communities, law and governance and deputy chief executive be deleted.
2. That the existing posts of strategic director, children's services and finance director be renamed strategic director, children's & adults' services and strategic director corporate services respectively. These posts (along with the chief executive) will subsume the majority of services from those departments in recommendation 1 and subsume the relevant statutory roles, other than the monitoring officer.
3. That as at 1 October 2012, 2 x posts of assistant director of finance be deleted and a new post of head of service for resources be created.
4. That the appointments committee is formed to make recommendations to council assembly on new appointments to head of paid service and monitoring officer in accordance with the constitution. Council assembly will be asked to approve the

redesignation of the section 151 officer (strategic director corporate services) and monitoring officer (head of legal services).

5. That it be noted that all chief officer posts are contractually inter-changeable; therefore placement of function and post-holders otherwise be delegated to the head of paid service in accordance with the Council's policy and procedures. Similarly, the statutory function of the electoral registration officer will be subsumed within one of the chief officer posts, to be determined by the head of paid service.

8. GATEWAY 1: PROCUREMENT STRATEGY APPROVAL AYLESBURY REGENERATION: DEVELOPMENT PARTNERSHIP

RESOLVED:

1. That the procurement strategy to use a 3-stage EU negotiated procedure as outlined in Section 3 of the report for the Aylesbury regeneration partnership, seeking a partner with the key attributes outlined in Section 1 of the report and in accordance with the commercial and financial principles outlined in Section 2 of the report be approved.
2. That it be noted that a further report will be submitted to cabinet to seek approval to appoint a preferred bidder for the Aylesbury regeneration partnership.
3. That any release from earmarked reserves to meet costs of procurement should be approved by the finance director in consultation with the cabinet member for finance, resources and community safety, as set out in paragraph 79 of the report.
4. That authority be delegated to the director of regeneration to agree the final evaluation criteria, as set out in paragraph 57 of the report. The final evaluation criteria to be circulated to the cabinet for information when finalised in September 2012.

9. HOME CARE CONTRACT MONITORING REPORT

RESOLVED:

1. That it be noted that the delivery of the contracts has met all the quality and performance standards under the contract over the first six months of operation
2. That the summary of how the transition from previous to new contracting arrangements was approached be noted; that through the support of the dedicated transition team service users were given the choice to remain with their current providers on a personal budget and that far greater numbers than anticipated chose to take up a personal budget.
3. That it be noted that while there were challenges that arose during the transfer process that had some impact on the quality and consistency of service delivery, there have also been examples of good practice over the past six months that has ensured the most vulnerable residents in the borough received care with real dignity

and sensitivity.

10. GATEWAY 1: PROCUREMENT STRATEGY APPROVAL - COMMUNAL LIGHTING AND LIGHTNING PROTECTION CONTRACT

RESOLVED:

That the procurement strategy outlined in the report for the communal lighting and lightning protection contract at an estimated cost of £2,542,293 for a period of 3 years from 1 October 2013 to 30 September 2016 with the potential for two 12 month extensions to 30 September 2018, subject to performance, making an estimated contract value of £4,237,155 be approved.

11. LEATHERMARKET JOINT MANAGEMENT BOARD (JMB) - PARTIAL SELF FINANCING OF THE HOUSING REVENUE ACCOUNT

RESOLVED:

1. That the progress made towards the proposal for 'self financing' of the Leathermarket Joint Management Board (JMB) be noted.
2. That the development of the proposal through shadowing the financial impact of this initiative during 2012/13 as outlined in paragraph 52 of the report and the future work to be undertaken as outlined in paragraph 53 of the report be agreed.
3. That officers develop a variation of the current Modular Management Agreement (MMA), specifically to draw up terms to enable the delegation of control of part of the housing revenue account (HRA) to the Joint Management Board (JMB) and to agree robust monitoring mechanisms to ensure that public funds are protected. Such agreement to be approved by cabinet, the JMB Board of Directors and the Secretary of State.

12. GATEWAY 2: CONTRACT AWARD APPROVAL - SOUTHWARK HEAT NETWORK FROM SOUTH EAST LONDON COMBINED HEAT AND POWER PLAN (SELCHP) - ADDITIONAL SERVICES CONTRACT

RESOLVED:

Decisions of the Cabinet

1. That approval be given in principal to the award of the Southwark Heat Network Contract to Veolia Environmental Services Southwark Ltd (VESS) on the basis of the heads of terms set out in paragraph 11 of the report and paragraph 9 of the closed report. There is no additional cost to the Council but the contract is for the long-term purchase of heat from VESS (replacing the cost of purchase of gas and boiler maintenance). There is no capital cost to the Council. The financial value of the contract is contained in the closed version of the report.

2. That the contract commence in September 2012 and expire in 2033.
3. That the supply of heat commence in late 2013.

Decision of the Leader of the Council

4. That authority be delegated to the cabinet member for transport, environment and recycling to finalise the outstanding points on the heads of terms, on the advice of the finance director and the strategic director for environment and leisure.
5. That authority be delegated to the cabinet member for transport, environment and recycling to agree the contract, on the advice of the finance director and the strategic director for environment and leisure.

Note:

At this juncture the cabinet noted that this was the last cabinet meeting at which Gill Davies, strategic director of environment and leisure would be attending. They recorded their gratitude and thanks for her hard work in her time at Southwark Council as an indispensable member of the team and her commendable record of delivery and achievements for the benefits of the residents, including the maintenance of the library service, Canada Water library and her work also undertaken in respect of housing. Cabinet expressed their thanks for all her hard work and the positive impact it has made to the Borough and its residents.

13. MOTIONS REFERRED FROM COUNCIL ASSEMBLY

RESOLVED:

Motion on Themed Debate - Older People

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

1. That council assembly acknowledges that:
 - 10 million people in the UK are over the age of 65 and this will rise to 15.5 million by 2035
 - 3 million are over the age of 80 and this is set to double in 20 years time.
2. That council assembly welcomes and celebrates the fact that we are all living longer and pays tribute to the amazing contribution older people make to Southwark's diverse communities, economy and society as a whole.
3. That council assembly calls on members to recognise this contribution and discuss how more can be made of the opportunities that longer lives bring with particular focus on:
 - How the council can recognise the role that people in later life often play in their

communities, through volunteering, caring and by playing an active role in neighbourhood life

- How people in Southwark can take advantage of the wide variety of sporting, educational and social activities available as they get older
 - How the council can promote the greater role that more active grandparents play in their families' lives
 - How the council can work with the NHS and other partners to give older people more choice in the services they receive, enabling them to live healthy lives and stay in their own homes and communities for longer.
4. That council assembly also recognises the council's important role in caring for older people who require care and support.
 5. That council assembly notes that £1.3 billion has already been cut from local council budgets for older people's social care and believes the council should strive to create an adult care system that helps older people to find the support they need, enabling them to live healthy, independent lives in their own communities and homes, rather than retaining a long-term dependency on council services, whilst also protecting our most vulnerable older residents.
 6. That council assembly also recognises that many of the groups in Southwark that provide services to older people have lost their funding through government cuts and so welcomes the council's "innovation fund" which is enabling local organisations to become more self-sustaining going forward.

Universal Credit

RESOLVED:

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

1. That council assembly notes that, starting in October 2013, universal credit will begin to replace income support, job seekers allowance, employment and support allowance, housing benefit, working tax credit, child tax credit and support for mortgage interest.
2. That council assembly recognises that universal credit is a household benefit and that the income from universal credit will therefore be critical to the household incomes of thousands of its residents who are both in and out of work.
3. That council assembly therefore believes that the quality of the universal credit 'service' will be important to the lives of its citizens and that the planned reliance on a web based delivery model backed up by remote call centres without the inclusion of a local, easily accessible, face to face service element puts the successful introduction of universal credit at significant risk.
4. That council assembly therefore calls on the cabinet:
 - 1) To approach Department for Work and Pensions (DWP) and raise its concerns.

- 2) To develop jointly with DWP local arrangements for the delivery of universal credit and to report back on progress to the cabinet member for finance, resources and community safety, specifically addressing the resources required and responses to the following basic questions:
 - How will someone apply locally?
 - Where will they apply locally?
 - Where will they take required documents locally?
 - Where will the local 'universal credit' office be and what office accommodation will be required?
 - How will the skills and experience of existing benefits staff be utilised and how many staff will be needed?
 - How does an individual citizen get face to face advice and help if they have a problem?
- 3) To support the Local Government Association in pressing for universal credit to be administered by local authorities.

Post Offices for Southwark

RESOLVED:

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

1. That council assembly notes the importance of local post office branches in Southwark for local people, small businesses and the community as a whole.
2. That council assembly regrets the closure of post offices in Southwark in 2002 and 2008. It notes that Essex Council acted to save the post offices in Essex that were under threat in 2008. It further notes that Labour in Southwark campaigned for the Liberal Democrat/Tory council in Southwark to take similar action at the time, but that it chose not to.
3. That council assembly notes that 48% of the £1.34 billion of 'new money' announced by the government for investment in the post office to aid the privatisation of Royal Mail is existing subsidy and that the four year package of funding is £360m less than the last Labour government's funding package of £1.7bn in 2006.
4. That council assembly notes that under the government's network transformation plans thousands of post offices will be closed and replaced with counters in shops, off licences and petrol stations – known as 'Post Office Locals'. Locals will not provide:
 - international parcels and parcels weighing over 5kg and 6kg respectively
 - Parcel Force Express Services parcels
 - manual cash deposits and withdrawals
 - change giving service to small businesses
 - post office financial services and insurance products
 - manual bill payment services

- passport, car tax and DVLA services
 - on-demand foreign currency
 - payment by cheque.
5. That council assembly notes the widespread concern about the effects of network transformation has led to 75 MPs, including five Liberal Democrats, to call for a moratorium on the plans, and the Business, Innovation and Skills select committee will be holding an inquiry in May.
 6. That council assembly notes the comments of the cabinet member for finance, resources and community safety in 5 January's Southwark News, welcoming the Southwark Liberal Democrats' "Damascene conversion" and committing the council to working "with the post office to look into whether it is possible to combine post office services with other facilities".
 7. That council assembly calls on the cabinet to follow through with this commitment and report back on progress in not more than six months.
 8. That council assembly notes the previous Liberal Democrat and Tory administration's decision to relocate Bermondsey One Stop Shop and welcomes the decision to locate alternative facilities at 11 Market Place in The Blue.
 9. That council assembly condemns Southwark Liberal Democrats' proposal to delay the introduction of these facilities at The Blue which could potentially result in a period where those services would be unavailable in the north-east of the borough

South London Line Replacement

RESOLVED:

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

1. That council assembly notes that the South London Line is a well-used regular train service linking Victoria and London Bridge. Thousands of Southwark residents use it on a daily basis, as it serves Denmark Hill, Peckham Rye, Queens Road, Peckham Station, South Bermondsey and London Bridge from early morning until late evening seven days a week.
2. That council assembly regrets that this service is due to be cancelled later this year when the East London Line spur from Surrey Quays to Clapham Junction is opened. There will be a reduced service from Peckham Rye, Queens Road and South Bermondsey to London Bridge. As a consequence of the cancellation of the South London Line, Southwark residents will no longer have a train connection to Victoria in the evenings and early mornings and half the current service at other times.
3. That council assembly notes that the service that will remain if no replacement is offered is the Victoria to Dartford service that starts at rush hour and finishes in the early evening. The Victoria to Dartford service is already unfit for purpose. Southwark residents are walking to New Cross to get southbound trains in the morning as the service starts too late. Also, residents cannot access by train, a key

connection with the Docklands Light Railway/train hub at Lewisham outside Monday to Saturday peak hours. For two years, the First Capital Connect service has been diverted to Victoria in the evenings. The level of use of this service and the soon to be axed South London Line has shown there is great demand for an evening service to Victoria from the Southwark stations.

4. That council assembly believes the new East London Line is a welcome addition to transport links for Southwark residents. It is however, very much a supplement rather than a substitute to existing routes, as Clapham Junction is geographically a very different destination to Victoria. It is understood that due to routing challenges, with the increased line use that changes to the current service may be necessary. However, suitable substitutes need to be in place.
5. That council assembly supports the proposal for the Victoria to Dartford service to become a full, early morning until midnight seven-day a week service (two trains per hour in each direction), complementing a full First Capital Connect Sevenoaks to Bedford service via Blackfriars. Additional service would be provided during peak hours (similar to the current Victoria to Dartford service) with two trains per hour between Victoria and Bellingham. This would result in maintenance of the current train frequency at Denmark Hill and Peckham Rye to and from Victoria and an increase of two trains per hour at Nunhead. Two trains per hour would still be lost from Queen's Road Station; however, Nunhead Station is 10 minutes walk from Queen's Road.

Gay Marriage

RESOLVED:

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

1. That this council acknowledges the role of individual parliamentarians, of all parties and no parties, and successive governments since the early 1990's to introduce legislation to provide equal rights for lesbian, gay, bisexual and transgender people in the UK.
2. That this council notes and welcomed the introduction of civil partnerships for same-sex couples by the last government.
3. That this council supports the current government's proposals to consult on how to enable same-sex couples to have a civil marriage and the subsequent introduction of legislation in this parliament to make this a reality.

Note:

At this juncture cabinet noted that this was the last cabinet meeting at which Councillor Abdul Mohamed would be attending as the cabinet member for equalities and community engagement as he takes up different responsibilities following May 2012 council assembly. The cabinet wished to place on record its thanks for all Councillor Mohamed's hard work undertaken in his time as cabinet member including notable achievements in respect of his

work with the voluntary sector.

14. CUSTOMER SERVICES CENTRE (CSC) CONTRACT WITH VANGENT LTD

This item had not been circulated five clear days in advance of the meeting. The chair had agreed to accept this item as urgent as throughout commercially confidential discussions, both parties had committed to act in good faith and reach an outcome that could support the long-term ambitions of both organisations. During discussions both parties had also committed to conclude any agreement by 31 May 2012. In recognition of the commitment to act in good faith, and safeguard the delivery of the services, delegated authority was required as a matter of urgency in order to enable officers to conclude a final agreement with Vangent to this timetable.

RESOLVED:

1. That the principles for agreement set out in the closed report for the transition of customer services to council control on 1 June 2013 be agreed.
2. That authority be delegated to the strategic director of housing services to agree the deed of variation, necessary to implement the transition of the services.
3. That it be noted that the proposal for the council's future operating model for customer services will bring the service under council management and give the council greater control over the operation of customer services. A model for delivering the services in future will be presented to cabinet in the form of a gateway 1 report in July 2012.

EXCLUSION OF PRESS AND PUBLIC

That the press and public be excluded for 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.

15. MINUTES

The minutes of the closed section of the meeting held on 17 April 2012 were approved as a correct record and signed by the chair.

16. GATEWAY 2: CONTRACT AWARD APPROVAL - SOUTHWARK HEAT NETWORK FROM SOUTH EAST LONDON COMBINED HEAT AND POWER PLAN (SELCHP) - ADDITIONAL SERVICES CONTRACT

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

17. CUSTOMER SERVICES CENTRE (CSC) CONTRACT WITH VANGENT LTD

The cabinet considered the closed information relating to this report. See item 14 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, 23 MAY 2012.

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.