



Overview and Scrutiny Business Panel

Decision made by Mayor and Cabinet on 15 January 2020

Date: 11 February 2020

Key decision: No

Class: Part 1

Ward(s) affected: All

Contributors: Chief Executive / Head of Business and Committee

Outline and recommendations

Members are asked to consider decisions taken by the Mayor and Cabinet on 5 February 2020 in open session

1. Recommendation

To consider key decisions taken by the Mayor and Cabinet on 5 February 2020, which will come in to force on 12 February 2020 unless called in by the Overview & Scrutiny Business Panel on 11 February 2020.

2. Background

- 2.1 The Mayor and Cabinet considered the following key decisions on 5 February 2020.
- 2.2 The notice of the decisions to be made in respect of this report is attached below.
- 2.3 Under the provisions of Standing Orders Part IV E 14, Members may call in an executive decision within 7 days. If this report is not called in decisions to be made will come into force on 12 February 2020:
 - i. 2020/21 Budget
 - ii. Surrey Canal Triangle Draft Design Framework Supplementary Planning Document
 - iii. Acquisition of Land at Pool Court, Fordmill Road, Catford SE6 3JL part 1.



NOTICE OF DECISIONS MADE BY THE MAYOR & CABINET

The Mayor and Cabinet made the following decisions on February 5 2020. All recommendations shown were agreed by a 10-0 vote of voting members in attendance.

Decisions 1 to 3 will become effective on February 12 2020 unless called in by the Overview & Scrutiny Business Panel on February 11 2020.

1. **2020/21 Budget**

Having considered an officer report, and a presentation by the Cabinet Member for Finance & Resources, Councillor Amanda De Ryk, the Mayor and Cabinet agreed that:

(1) the comments of the Public Accounts Select Committee of 4 February 2020 be noted and the Mayor and Cabinet decisions on the budget report will then be taken formally with the budget update report on the 12 February.

(2) having considered the views of those consulted on the budget, and subject to consideration of the outcome of consultation with business ratepayers and subject to proper process, as required, the Mayor & Cabinet:

Capital Programme

(3) noted the 2019/20 Quarter 3 Capital Programme monitoring position and the Capital Programme potential future schemes and resources as set out in section 5 of the report;

(4) noted the significant proposed rise in prudential borrowing of more than £300m by 2020/23, primarily to fund the Building for Lewisham programme capital plans;

(5) recommended that Council approves the 2020/21 to 2022/23 Capital Programme of £551.2m, as set out in section 5 and attached at Appendices W1 and W2;

Housing Revenue Account

(6) noted the consultation report on service charges to tenants' and leaseholders in the Brockley area, presented to area panel members on 12 November 2019, as attached at Appendix X2 to the report;

(7) noted the consultation report on service charges to tenants' and leaseholders and the Lewisham Homes budget strategy presented to area panel members on 17 December 2019 as attached at Appendix X3 to the report;

(8) agreed to set an increase in dwelling rents of 2.7% (an average of £2.56 per week) – as per the formula rent calculations outlined in section 6 of the report;

(9) agreed to set an increase in the hostels accommodation charge by 2.7% (or £0.94 per week), in accordance with formula rent calculations;

(10) approved the following average weekly increases/decreases for dwellings for-service charges to non-Lewisham Homes managed dwellings (Brockley);

- caretaking 3.40% (£0.13)
- grounds 3.40% (£0.11)
- communal lighting 3.40% (£0.02)
- bulk waste collection 3.40% (£0.05)
- window cleaning 3.40% (£0.00)
- tenants' levy 0% (£0.00)
- service charges to Lewisham Homes managed dwellings:
- caretaking 5.58% (£0.33)
- grounds 3.80% (£0.09)
- window cleaning 0% (£0.00)
- communal lighting -3.94% (-£0.05)
- block pest control 7.93% (£0.13)
- waste collection -42.04% (-£0.22)
- heating & hot water -0.39% (-£0.04)
- tenants' levy 0% (£0.00)
- bulk waste disposal 1.35% (£0.01)
- sheltered housing 1.00% (£0.24)

(11) approved the following average weekly percentage changes for hostels and shared temporary units for;

- service charges (hostels) – caretaking etc.; no change
- energy cost increases for heat, light & power; no change
- water charges increase; no change

(12) approved an increase in garage rents by 2.4% (£0.38 per week) for Brockley and Lewisham Homes residents;

(13) noted that the budgeted expenditure for the Housing Revenue Account (HRA) for 2020/21 is £225.8m, split £89.4m revenue and

£136.4m capital, which includes the decent homes and new build programmes;

(14) agreed the HRA budget strategy cut proposals in order to achieve a balanced budget in 2020/21, as attached at Appendix X1 to the report ;

(15) agreed to write off five cases of Former Tenants' Arrears as set out in section 6 and Appendix X7, totalling £60,307.22;

Dedicated Schools Grant and Pupil Premium

(16) agreed to recommend that Council agrees, subject to final confirmation of the allocation, that the provisional Dedicated Schools Grant allocation of £ 212.135m be the Schools' Budget (Schools Block) for 2020/21;

(17) noted that the funding in respect of each of the blocks continues to be based on the National Funding Formula. A "soft formula" remains in place for the Schools Block for 2020/21, however Lewisham Council has agreed to mirror the principles of the National Funding Formula to distribute the Schools Budget Share.

(18) agreed to ask Council to agree that Minimum Funding Guarantee for the schools block be set at a plus 1.84% for 2020/21 as supported by Schools Forum;

(19) noted a reduction in the Central Services Schools Block (CSSB) of £0.776m to £4.645m, previously committed to support additional high needs costs;

(20) noted a provisional increase in the High Needs Block of £4.213m, effectively reduced to a net increase of £3.438m when offset by the CSSB reduction;

(21) noted that schools have raised concern with Lewisham Council, as to the "cost pressures" arising from large numbers of Special Education Needs (SEN) support and Education Health Care Plans (EHCP) and that Schools Forum have agreed:additional funded support for Schools with outlier number of EHCP greater than 3%. It is anticipated that this will affect around eight schools. SEN team to progress pilot working with schools to develop agreed process and strategy for pupils with SEN support who do not have EHCP;

(22) noted and agreed to ask Council to note a small increase of £16k to the Central Services from the Schools Block component of the DSG for demand led statutory services;

(23) noted and agreed to ask Council to note that the Early Years Block position is provisional pending January 2019 and 2020 pupil counts; and to further note that within the supplementary funding for Nursery

Schools (determined within the Early Years Block) will continue for 2020/21 with an increase of £0.339m;

(24) noted and agreed to ask Council to note the Department for Education (DfE) has confirmed that by 8p. Schools Forum has approved the split broadly at 50% to 50% to support deprivation and inclusion;

(25) noted and agreed to ask Council to note the Pupil Premium Funding rates for 2020/21 will remain at current levels, set in 2017/18, thereby resulting in a further real term reduction;

(26) noted and asked Council to note that the 2020/21 pupil premium allocation will be confirmed pending the January 2020 census.

General Fund Revenue Budget

(27) noted and agreed to ask Council to note the projected overall variance of £5.4m (or 2%) against the agreed 2019/20 revenue budget of £243.012m as set out in section 8 of this report and that any year-end overspend will be met from corporate reserves and provisions;

(28) endorsed and agreed to ask Council to endorse the budget cut proposals of £16.6m as per the Mayor and Cabinet meetings of the 21 November 2018, and 30 October 2019, as set out in section 8 of the report and summarised in Appendix Y1;

(29) agreed to ask Council to agree the allocation of £6.500m in 2020/21 be set aside for corporate risks and pressures;

(30) agreed to ask Council to agree the allocation of £23.528m of corporate risks and pressures, social care precept, new homes bonus, and social care grant in 2020/21 to be invested in funding quantified budget pressures and opportunities;

(31) agreed to recommend to Council that a General Fund Budget Requirement of £248.714m for 2020/21 be approved;

(32) agreed to ask Council to agree to a 3.99% increase in Lewisham's Council Tax element. This will result in a Band D equivalent Council Tax level of £1,314.37 for Lewisham's services and £1,641.29 overall. This represents an overall increase in Council Tax for 2020/21 of 3.59% and is subject to the GLA precept for 2020/21 being increased by £6.41 (i.e. 1.99%) from £320.51 to £326.92, in line with the GLA's draft budget proposals;

(33) noted and agreed to ask Council to note the Council Tax Ready Reckoner which for illustrative purposes sets out the Band D equivalent Council Tax at various levels of increase. This is explained in section 8 and is set out in more detail in Appendix Y3;

(34) agreed to ask that the Acting Chief Finance Officer issues cash limits to all Directorates once the 2020/21 Revenue Budget is agreed;

(35) noted that the Acting Chief Finance Officer's Section 25 Statement will be presented in the Budget Update Report on the 13 February 2019 for approval;

(36) agreed and asked Council to agree the draft statutory calculations for 2020/21 as set out at Appendix Y5;

(37) noted and asked Council to note the prospects for the revenue budget for 2021/22 and future years as set out in section 9;

(38) agreed and asked officers to continue to develop firm proposals to redesign and transform services and bring them forward in good time to support the work towards a cuts round to help plan early and meet the future forecast budget shortfalls;

(39) noted and endorsed that Council's continuing participation in the London Business Rates Pool, as approved on the 17 January 2018, for 2020/21.

Other Grants (within the General Fund)

(40) noted and agreed to ask Council to note the adjustments to and impact of various specific grants for 2020/21 on the General Fund as set out in section 10 of this report;

Fees and charges

(41) approved and endorsed the approach to setting 2020/21 fees and charges for chargeable services in section 9 of the report and attached at Appendix Y7.

Treasury Management Strategy

(42) approved and recommended that Council approves the prudential indicators and treasury indicators, as set out in section 11;

(43) approved and recommended that Council approves the Annual Investment Strategy and Credit Worthiness Policy, set out in further detail at Appendix Z2;

(44) approved and recommended that Council approves the Capital Strategy 2020/21, set out in further detail at Appendix Z5;

(45) approved and recommended that Council approves the Minimum Revenue Provision (MRP) policy as set out in section 11;

;

(46) agreed and recommended that Council agrees to delegate to the Acting Chief Finance Officer authority during 2020/21 to make amendments to borrowing and investment limits provided they are consistent with the strategy and there is no change to the Council's authorised limit for borrowing;

(47) approved and recommended that Council approves the credit and counterparty risk management criteria, as set out at Appendix Z2, the proposed countries for investment at Appendix Z3, and that it formally delegates responsibility for managing transactions with those institutions which meet the criteria to the Acting Chief Finance Officer; and

(48) approved and recommended that Council approves a minimum sovereign rating of AA-.

2. Surrey Canal Triangle Draft Design Framework Supplementary Planning Document

Having considered an officer report, and a presentation by the Mayor, the Mayor and Cabinet:

- (1) Noted the findings of the Strategic Environmental Assessment (SEA) screening report in Appendix 2 of the report;
- (2) Noted the responses to the pre-production consultation in Appendix 3;
- (3) Noted the responses to the public consultation in Appendix 5;
- (4) took account of any comments received from the meeting of Sustainable Development Select Committee held on 21st January 2020;
- (5) Adopted the Surrey Canal Triangle Design Framework Supplementary Planning Document – Appendix 1;
- (6) Noted the financial and legal implications set out in section 9 and 10;
- (7) Noted that with the adoption of the Surrey Canal Triangle Design Framework Supplementary Planning Document the Conditional Land Sale Agreement between the Council and Renewal Group Limited will be terminated in accordance with the resolution of the Mayor and Cabinet at its meeting on 10 October 2019; and
- (8) Authorised the Executive Director for Housing, Regeneration and Environment to make minor textual or format changes to the SPD prior to publication.

3. Acquisition of Land at Pool Court, Fordmill Road, Catford SE6 3JL

Having considered an officer report, and a presentation by the Cabinet Member for Housing, Councillor Paul Bell, the Mayor and Cabinet agreed that:

(1) Authorised officers to seek to acquire the eastern part of land at Pool Court, Fordmill Road, Catford shown edged pink on the plan at Appendix 1 on the basis set out in the report and the Part 2 report.

(2) Delegated authority to the Executive Director Housing, Regeneration and Environment in consultation with the Director of Law, to finalise the terms of the legal documentation for the acquisition of the eastern part of land at Pool Court, Fordmill Road, Catford from Network Rail Infrastructure Limited; and

(3) Authorised officers to procure an architect in order to develop the design and achieve full planning permission for a six pitch permanent travellers' site at Pool Court by December 2020

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7 February 2020