



SUMMONS

Councillors of the London Borough of
Hammersmith & Fulham
are requested to attend an
Ordinary Meeting of the Council on
Wednesday, 30 April 2003
at Hammersmith Town Hall, W6

The Council will meet at 7.00pm.

22 April 2003
Town Hall
Hammersmith W6

Geoff Alltimes
Managing Director

COUNCIL

—Agenda—

30 APRIL 2003

<u>ITEM</u>	<u>CLICK ON TITLES (IN BLUE) TO GO STRAIGHT TO ITEM</u>	<u>PAGE</u> (refers to Printed agenda)
1.	MINUTES – 26 MARCH 2003	
1.1	To approve and sign as an accurate record the Minutes of the Ordinary Council Meeting held on 26 March 2003.	(as attached)
2.	APOLOGIES FOR ABSENCE	
3.	MAYOR'S & MANAGING DIRECTOR'S ANNOUNCEMENTS (IF ANY)	(GREEN SHEET) circulated separately
4.	DECLARATIONS OF INTEREST	
4.1	If a Councillor has any personal or prejudicial interest in a particular report they should declare an interest.	
4.2	A Councillor should not take part in the discussion or vote on a matter in which they have a prejudicial interest. They should withdraw from the meeting whilst the matter is under consideration unless the disability to participate has been removed by the Standards Committee, or unless a relevant exemption applies under the Council's Code of Conduct.	
5.	ITEMS FOR DECISION / COMMITTEE REPORTS (IF ANY)	
5.1	<u>Council's 2003-2004 Capital Programme Monitoring Report</u>	508 – 514
6.	SPECIAL MOTIONS	
	To consider and determine any Special Motions:	
	<u>Special Motion No.1 – Direct Services Department Losses</u>	515
	<u>Special Motion No.2 – Changes to the Council's Constitution</u>	516
	<u>Special Motion No.3 – Child Tax Credit & Working Tax Credit</u>	517
	<u>Special Motion No.4 – Borough Engineer</u>	518
7.	INFORMATION REPORTS - TO NOTE (IF ANY)	



COUNCIL

— MINUTES —

(ORDINARY COUNCIL MEETING)

WEDNESDAY 26 MARCH 2003



PRESENT:

The Mayor (Councillor.Ghassan Karian)
Deputy Mayor (Councillor.Charlie Treloggan)

Councillors:

Mike Adam
Colin Aherne
Emile Al-Uzaizi
Will Bethell
Min Birdsey
Nick Botterill
Charlie Boyle
Stephen Burke
Michael Cartwright
Dominic Church
Steve Cowan

Huw Davies
Gavin Donovan
Fiona Evans
Ivan Gibbons
Chris Graham
Stephen Greenhalgh
Greg Hands
Wesley Harcourt
Alex Karmel
Jafar Khaled
Amanda Lloyd-Harris

Antony Lillis
Mark Loveday
Reg McLaughlin
Charlie Napier
Jolyon Neubert
Colin Pavelin
Sally Powell DBE
Melanie Smallman
Mercy Umeh
Josie Wicks
David Williams

63. MINUTES – 26 FEBRUARY 2003

7.00pm - The minutes of the Budget Council meeting held on 26 February 2003 were confirmed and signed as an accurate record.

64. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Alford, Allen, Bird, Coughlan, Dawson, Donald, Jones, Slaughter, Stainton, Stanley and Vaughan. (Apologies for lateness - Councillors Greenhalgh and Khaled).

65. MAYOR & MANAGING DIRECTOR'S ANNOUNCEMENTS (IF ANY)

The Mayor's Announcements were circulated to all Councillors and in the Chamber (Copy attached as **APPENDIX 1** to these Minutes).

66. DECLARATIONS OF INTERESTS

Councillor Stephen Burke declared a personal and prejudicial interest on item 5.2 – Early Years Development & Childcare Partnership Implementation Plan 2003/04 – as a Director of the Daycare Trust. (Councillor Burke did not speak or vote on the item, and left the meeting while the item was under discussion)

67. ITEMS FOR DECISION / COMMITTEE REPORTS (IF ANY)

7.02 pm - **Adult Learning Plan 2003/04**

The report and recommendation was moved for adoption by the Deputy for Education, Councillor David Williams, seconded by Councillor Davies.

The report and recommendation was put to the vote:

FOR	- Unanimous
AGAINST	- 0
ABSTENTIONS	- 0

The report and recommendation was declared **CARRIED.**

7.03pm – **RESOLVED –**

That the Adult Learning Plan 2003/04 be approved for submission to the Learning and Skills Council (LSC).

7.04pm - **Early Years Development & Childcare Partnership Implementation Plan**
2003 / 2004

Councillor Stephen Burke declared a personal and prejudicial interest on this item as a Director of the Daycare Trust. (Councillor Burke did not speak or vote on the item, and left the meeting while the item was under discussion)

The report and recommendation was moved for adoption by the Deputy for Education, Councillor David Williams, seconded by Councillor Davies.

The report and recommendation was put to the vote:

FOR	- Unanimous
AGAINST	- 0
ABSTENTIONS	- 0

The report and recommendation was declared CARRIED.

7.05pm **RESOLVED –**

That the Early Years Development and Childcare Partnership Implementation Plan 2003/04 be approved for submission to the DfES.

68. SPECIAL MOTIONS

7.06pm – **Special Motion No.1 – Tube Services in the Borough**

Councillor Karmel moved, seconded by Councillor Hands, the special motion standing in their names:

"This Council notes with growing alarm the appalling state of the tube services in this Borough, and resolves to make a better service a key campaigning platform for this authority. In particular, this Council calls for the Piccadilly Line to make stops at Ravenscourt Park and Stamford Brook, and for increased District Line services on the Earl's Court – Wimbledon line."

Speeches in support of the motion were made by Councillors Botterill and Loveday.

Councillor Cartwright moved, seconded by Councillor McLaughlin, an amendment to the motion to delete all words after "This Council.." and to insert:

"...notes with growing alarm the failure of the Opposition in this Borough to support the Council's campaign to improve services on the District Line in this Borough, including our campaign for Piccadilly Line stops at District Line stations. We now urge them to join us in calling for an independent enquiry by the Commisiion for Integrated Transport into the continued closure of the Central Line".

Speeches on the amendment were made by Councillors Cartwright, McLaughlin, Hands, and Davies before being put to the vote:

FOR - 21
AGAINST - 13
ABSTENTIONS - 0

The amendment to the motion was declared CARRIED

Councillor Hands moved, seconded by Councillor Loveday, a further amendment to the motion (as amended) to delete all words after "This Council..." and insert:

"...notes the Council's campaign to improve services on the District Line in this Borough, including the campaign for Piccadilly Line stops at District Line stations. We now call for an independent enquiry by the Commission for Integrated Transport into the continued closure of the Central Line."

The further amendment to the motion (as amended) was put to the vote:

FOR - 32
AGAINST - 0
ABSTENTIONS - 3

The further amendment to the motion was declared CARRIED

The substantive motion as amended was then put to the vote:

FOR - 32
AGAINST - 0
ABSTENTIONS - 3

The motion was declared CARRIED

7.39pm **RESOLVED –**

That this Council notes the Council's campaign to improve services on the District Line in this Borough, including the campaign for Piccadilly Line stops at District Line stations. We now call for an independent enquiry by the Commission for Integrated Transport into the continued closure of the Central Line.

7.40pm - **Special Motion No.2 – Effects of Government Economic Policies on the Borough**

Councillor Hands moved, seconded by Councillor Karmel, the special motion standing in their names:

"This Council condemns the effects on this Borough of Government economic policies, noting the large increases in direct and indirect taxation, the failure to provide decent public services, and the onset of a London recession."

Speeches on the motion were made by Councillors Hands, Greenhalgh, Boyle, Graham, Donovan, Powell, Cowan and Davies.

The motion was then put to the vote:

FOR	- 13
AGAINST	- 21
ABSTENTIONS	- 0

The motion was declared LOST

* * * * * CONCLUSION OF BUSINESS * * * * *

Meeting ended: 8.26 p.m. - Wednesday, 26 March 2003

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MAYOR

jpc/31/03/03

30 APRIL 2003

LEADER

(Councillor Andrew Slaughter)

COUNCIL'S 2003-2004 CAPITAL PROGRAMME MONITORING REPORT

ALL WARDS

CONTRIBUTORS

FD, EDN, ENV, HSD,
SSD, PAD, DSD

SYNOPSIS:

This report sets out:

- The proposed capital programme for 2003-2004.
- An indication of the level of resources likely to be available for 2004-2005 and 2005-2006.

RECOMMENDATIONS:

1. That a capital programme of £73.712 million for 2003/04 be approved, plus overprogramming of £6.96 million (20%).
2. That capitalisation of revenue (of a capital nature) of £6 million be approved within the General Fund and the Housing Revenue Account.
3. That the Leader's Committee be asked to approve schemes within this overall programme.

1. INTRODUCTION & PURPOSE.

1.1 The capital programme assists this council in delivering its national and local service objectives. These aims underpin the construction of the capital budget.

1.2 This report focuses on the overall position of the council's 2003-2004 capital programme. In more detail it:

- Identifies the level of resources likely to be available to finance the capital programme (mainstream and scheme/service specific resources) for the period 2002 to 2006.
- Exemplifies the capital programme for 2002-2003.
- Sets out the overall capital programme for 2003-2004.
- Identifies the level of over-programming proposed for the main programme for 2003-2004.

2. RESOURCES

2.1 The total amount of resources is estimated to be £216m. The outlook is summarised as follows:

RESOURCES:	Forecast 2002-03	Forecast 2003-04	Forecast 2004-05	Forecast 2005-06	Total Forecast
Mainstream Finance:	£000	£000	£000	£000	£000
- BCA's	9,401	10,276	10,206	10,419	40,302
- Capital Receipts	15,082	12,998	6,998	6,998	42,076
- HRA (MRA)	15,740	13,327	13,127	11,719	53,913
- HRA Contributions	604	4,165	2,483	2,183	9,435
Sub Total	40,827	40,766	32,814	31,319	145,726
Scheme or Service Specific Funding	15,837	32,946	14,447	7,456	70,686
TOTAL FUNDING	56,664	73,712	47,261	38,775	216,412

2.2 MAINSTREAM RESOURCES. In terms of the estimated £146m of mainstream resources, the government announced the council's authority to borrow in order to finance the capital programme (BCAs) in December 2002 for the fiscal year 2003-2004. It amounted to £10.276m. In comparison with the current financial year, this is a rise of £875k (9%).

2.3 This year's BCA is also used as the basis for calculating the assumed BCAs for the following two years (an increase of 2.25% is applied to the base service sum). The projection is summarised as follows ;

BASIC CREDIT APPROVALS:	Actual 2002-03	Actual 2003-04	Forecast 2004-05	Forecast 2005-06
	£000	£000	£000	£000
Service Sum For LBHF	8,991.0	9,254.0	9,462.2	9,675.1
Prior Year Adjustment (post RTIA)	0.0	278.0	0.0	0.0
Discretionary Element	807.0	744.0	744.0	744.0
Pan London Homelessness Initiative	-397.0	0.0	0.0	0.0
Gross Total BCA For LBHF	9,401.0	10,276.0	10,206.2	10,419.1

2.4 In addition, the supply of usable capital receipts has been reviewed. For 2003/04, it is anticipated that £13 million can be raised from capital receipts. In subsequent years it is projected that £7m will be generated each year over the period, mostly from the disposal of housing stock through the RTB route and other one-off sales of surplus assets.

2.5 The housing department receives over £11m a year in government grant (major repairs allowance), and has set aside more than £2m a year of revenue funding from its Housing Revenue Account.

2.6 Although the resources for 2003/04 are known, the projections for later years are more uncertain. The allocation of BCAs is defined by central government year by year. The level of Right to Buy receipts may reduce from the middle of 2005/06 as a direct result of the reduction in the maximum discount to £16,000 from 28 March 2003, allowing for processing time for applications. In addition, the government is currently consulting on proposals to pool Right to Buy receipts nationally in future, possibly as early as 2004-05. Finally the prudential system for capital may be introduced from 2004/05. Insufficient information is available to assess the impact of this currently.

2.7 **SCHEME/SERVICE SPECIFIC RESOURCES.** In terms of the estimated £71m of scheme/service specific resources, these include a myriad of funding sources mostly gained from the government (e.g. Education and Standard Fund Grant) and/or other bodies (Environment and the Section 106 agreements). Further allocations are expected especially for 2004-2005 onwards. The capital programme will be amended once the negotiations have been completed and the resources secured. Further information is provided in **Appendix A.**

3. CAPITAL PROGRAMME: FORECAST FOR 2002-2003

3.1 For the financial year 2002-2003, expenditure and resources are forecast to total £56.7m. Actual expenditure to the 20th March 2003 amounted to £38m. This is an increase of £12m since the last round of monitoring (that used the end of December 2002 data).

3.2 A summary of the capital programme for 2002-2003 is set out in the table below.

Spend to 20-3-03	CAPITAL PROGRAMME MANAGED BY:	Forecast 2002-03
£000		£000
4,713	Education	6,923
2,118	Social Services	4,384
8,049	Environment	10,871
146	Policy & Admin.	947
107	Finance & Corporate	399
23,136	Housing	30,093
196	Civic Accommodation	700
0	Capitalisation (FD)	887
0	Planned Maintenance (DSD)	1,900
0	Over-programming from the previous year	0
38,465	Total Programme	57,104
	Total Resources	56,664
	Current Level Of Over-Programming	440

4 CAPITAL PROGRAMME 2003-04

4.1 An investigation has recently been completed on the financial position of Borough Construction and Borough Highways in 2002/03. This has identified a deficit of approximately £3.4 million relating to periods prior to 2002/03 and an in-year deficit of £2 million, which continues into 2003/04.

4.2 It is therefore proposed that, in a first call on the 2003/04 capital programme, £6 million in capital receipts is set aside in 2003/04 to be applied to revenue expenditure of a capital nature in both the General Fund and the Housing Revenue Account. This will restore balances to the level anticipated when the Council Tax was set in February 2003.

4.3 In terms of the mainstream resources it is assumed that the Housing Department will be allocated £26.3m in 2003/04 comprising:

- a) its Annual Capital Guideline/Basic Credit Approval in full i.e. £8.7m;
- b) the application of £13.4m of its Major Repairs Allowance; and,
- c) the generation of £4.2m of resources from the Housing Revenue Account.

- 4.4 The remainder of the mainstream programme (£8.5m) has been constructed from the current legal commitments, and the annual major works initiatives such as the carriageways and footways programme.
- 4.5 It is proposed to build in over-programming of 20% into the initial mainstream capital programme for 2003/04. This will allow additional schemes to be allocated up to a value of £6.96 million above the available mainstream resources of £34.8 million.
- 4.6 The proposed capital programme for 2003/04 therefore is:-

	£ million
Capitalisation resources	6.0
Mainstream resources	26.3
• Housing	8.5
• Non-Housing	
Specific scheme funding	32.9
Total funding	73.7
Over-programming	7.0
Total programme of schemes	80.7

- 4.7 It will be recalled that the purpose of over-programming is to ensure that the application of resources (some of which are time limited in their availability) is maximised i.e. limited resources are spent in full and nothing goes to waste.
- 4.8 The general practice of over-programming also recognises that schemes from the inception and design stage of the project through to its final completion do sometimes get delayed for a variety of reasons. These may include redesign or change of plans following public consultation, extended negotiations with contractors, the occurrence of unforeseen contract variations.
- 4.9 Critical to the successful implementation of the over-programming practice is the management of the cash flow by the spending departments in order to make sure that spending does not exceed resources (both annually and over the medium term). The level of over-programming in the 2003/04 programme will need to be monitored carefully to ensure it reduces to zero by the end of the year either through scheme slippage or through additional resources becoming available. In these circumstances it may be necessary to revisit the capital programme later in the year.

5. LEADERSHIP SCRUTINY PANEL COMMENTS

5.1 The Leadership Scrutiny Panel considered the Council's proposed capital programme for 2003-04 at its meeting held on 15 April 2003.

5.2 The Panel received amended information on the capital programme in relation to the accounts of DSO1 (Highways and Borough Construction). It was noted that £6m in capital receipts would be set aside in 2003-04 to be applied to revenue expenditure of a capital nature to restore balances to the level anticipated when the council tax was set in February 2003. The Panel requested the list of properties proposed to be sold to meet the £13m in the capital budget (£6m of which would cover the shortfall in DSO1) and asked for the revised revenue monitoring figure to be submitted to its next meeting.

Panel recommendation

That the capital programme, with the amendments above, be referred to the Council for consideration.

LOCAL GOVERNMENT ACT 2000 - BACKGROUND PAPERS

No.	Brief Description of Background Papers	Name/Ext. of holder of file/copy	Department/Location
1.	Capital Monitoring Documents	Ian Radzins X1814 (Ian.Radzins@lbhf.gov.uk)	Finance Dept, 2 nd Floor, HTH-Extension.
2.	Capital Programme Model	"	"

APPENDIX A.

RESOURCES: SCHEME OR SERVICE SPECIFIC.

SCHEME OR SERVICE SPECIFIC FUNDING:	Forecast 2002-03	Forecast 2003-04	Forecast 2004-05	Forecast 2005-06	Total Forecast
	£000	£000	£000	£000	£000
Supplementary Credit Approvals	1,314	1,345	602	450	3,711
Capital Receipts (RSLs etc...)					
- Coomer Place	561	0	0	0	561
- Townmead	0	5,554	0	0	5,554
- Heathstan	0	1,816	0	0	1,816
- Civic Accommodation	0	1,815	0	0	1,815
- Others	0	50	0	0	50
Govt Grants					
- NDS/CLC/SF (Education)	3,547	4,527	3,165	0	11,239
- Transport (Environment)	3,245	2,278	3,100	1,900	10,523
- SRB/NDC	1,517	3,308	1,750	0	6,575
- Pump Priming (PAD)	200	431	285	0	916
- Others	402	1,392	0	0	1,794
Section 106s					
- SBG (Environment)	0	1,120	872	2,072	4,064
- Lyric Square (Environment)	0	400	400	0	800
- Bus Priority (Env)	0	470	470	0	940
- BBC Wood Lane etc...(Env)	0	500	500	0	1,000
- Edward Woods (Housing)	1,390	2,010	0	0	3,400
- Others	2,193	1,082	341	0	3,616
Other Contributions To Capital	500	2,240	2,248	2,867	7,855
Revenue Funding					
- Others	57	64	114	167	402
Unsupported Borrowing					
- Jack Tizzard (Education)	0	1,000	0	0	1,000
- Others	591	1,280	600	0	2,471
Other Funding	320	264	0	0	584
TOTALS	15,837	32,946	14,447	7,456	70,686

SPECIAL MOTION NO. 1 – DIRECT SERVICES DEPARTMENT LOSSES

Standing in the names of:

- (i) Councillor Nicholas Botterill
- (ii) Councillor Greg Hands

"This Council calls for a public inquiry into the £5.4 million losses in its Direct Services Department."

jpc/17/04/03

SPECIAL MOTION NO. 2 – CHANGES TO THE COUNCIL’S CONSTITUTION

Standing in the names of:

- (i) Councillor Greg Hands
- (ii) Councillor Stephen Greenhalgh

"This Council resolves to increase public participation at Council meetings, and to seek changes in the Council’s Constitution in line with the recommendations made by the Leadership Scrutiny Panel on 18 March 2003."

jpc/17/04/03

SPECIAL MOTION NO. 3 – CHILD TAX CREDIT & WORKING TAX CREDIT

Standing in the names of:

- (i) Councillor Andrew Slaughter
- (ii) Councillor Christine Graham

"This Council welcomes the introduction of child tax credit and working tax credit on 7 April 2003 as a major contribution towards the Government's drive to end child poverty and resolves:

- (1) to support – in conjunction with local voluntary and statutory services – a benefits take-up campaign, drawing on the Local Government Association's "Quids for Kids" good practice guide and supporting material;
- (2) to encourage council employees to claim their entitlements;
- (3) to apply the same principles to promote the launch of pension credit on 6 October 2003."

jpc/17/04/03

SPECIAL MOTION NO. 4 – BOROUGH ENGINEER

Standing in the names of:

- (i) Councillor Dame Sally Powell
- (ii) Councillor Huw Davies

"This Council commends the Borough Engineer and his Division on being awarded Beacon Council status for the work in respect of street and highway works"

jpc/17/04/03