

# Cabinet

## Minutes

Monday 3 February 2014

### **PRESENT**

Councillor Nicholas Botterill, Leader (+ Regeneration, Asset Management and IT)  
Councillor Greg Smith, Deputy Leader (+ Residents Services)  
Councillor Helen Binmore, Cabinet Member for Children's Services  
Councillor Mark Loveday, Cabinet Member for Communications (+ Chief Whip)  
Councillor Andrew Johnson, Cabinet Member for Housing  
Councillor Victoria Brocklebank-Fowler, Cabinet Member for Transport and Technical Services  
Councillor Georgie Cooney, Cabinet Member for Education

### **147. MINUTES OF THE CABINET MEETING HELD ON 20 JANUARY 2014**

That the minutes of the meeting of the Cabinet held on 20 January 2014 be confirmed and signed as an accurate record of the proceedings subject to paragraph 1 of page 3 being amended to read as follows "Andrew Christie, Executive Director for Children's Services, gave a presentation outlining the key reason for proposing to amalgamate New King's and Sullivan Schools. He informed the meeting of a minor amendment to the report on page 22 in section 12 regarding the equalities implications. He clarified that the Council had sought Counsel's advice on the matter and that Counsel had verified the equalities implications rather than the officer named".

### **148. APOLOGIES FOR ABSENCE**

An apology for absence was received from Councillor Marcus Ginn.

### **149. DECLARATION OF INTERESTS**

There were no declarations of interest.

### **150. REVENUE BUDGET AND COUNCIL TAX LEVELS 2014/15**

Cabinet was informed that since the report was prepared, DCLG had issued revised instructions on retail relief for small businesses. An addendum sheet was tabled reflecting these changes which did not affect the recommendations of the report. The changes will be reflected in the report to Council on 26 February.

The Ledaer announced a proposed amendment to the Environment Leisure and Residents' Services (ELRS) Fees and Charges Exceptions contained in Appendix F of the report which had been circulated. The Council will continue the practice of waiving burial charges for residents children up to 16 years of age. The amended ELRS list of Fees and Charges Exceptions to the standard uplift of 3.3% for inflation at Appendix A reflects this policy. There are no other changes to the proposed ELRS fees and charges. Retaining the existing policy has no implications for the Council's 2014/15 budget to be approved.

**RESOLVED:**

- 1.1 That approval be given to a 3% 2014/15 council tax reduction for the Hammersmith & Fulham element.
- 1.2 That the council tax be set for 2014/15 for each category of dwelling, as calculated in accordance with Sections 31A to 49B of the Localism Act 2011, as outlined below and in full in Appendix A:
  - (a) The element of council tax charged for Hammersmith & Fulham Council will be £735.16 per Band D property in 2014/15.
  - (b) The element of council tax charged by the Greater London Authority will be £299.00 per Band D property in 2014/14
  - (c) The overall Council Tax to be set at £1,034.16 per Band D property in 2014/15.

Category of Dwelling	A	B	C	D	E	F	G	H
Ratio	6/9 £	7/9 £	8/9 £	1 £	11/9 £	13/9 £	15/9 £	18/9 £
A) H&F	490.11	571.79	653.48	735.16	898.53	1,061.90	1,225.27	1,470.32
b) GLA	199.33	232.56	265.78	299.00	365.45	431.89	498.34	598.00
<b>c) Total</b>	<b>689.44</b>	<b>804.35</b>	<b>919.26</b>	<b>1,034.16</b>	<b>1,263.98</b>	<b>1,493.79</b>	<b>1,723.61</b>	<b>2,068.32</b>

- 1.3 That the Council's own total net expenditure budget for 2014/15 is set at £172.033m.
- 1.4 That fees and charges are approved as set out in paragraph 6.1
- 1.5 That the budget projections made by the Executive Director of Finance and Corporate Governance to 2016/17 be noted.
- 1.6 That the statement made by the Executive Director of Finance and Corporate Governance under Section 25 of the Local Government Act 2003 regarding the adequacy of reserves and robustness of estimates be noted (section 14).
- 1.7 That the Executive Director of Finance and Corporate Governance be authorised to collect and recover National Non-Domestic Rate and Council

Tax in accordance with the Local Government Finance Act 1988 (as amended), the Local Government Finance Act 1992 and the Council Schemes of Delegation.

- 1.8 That all Executive Directors be required to report monthly on their projected financial position compared to their revenue estimates (as part of the Corporate Monitoring Report).
- 1.9 That all Executive Directors be authorised to implement their service spending plans for 2014/15 in accordance with the recommendations within this report and the Council's Standing Orders, Financial Regulations and relevant Schemes of Delegation.
- 1.10 Members' attention is drawn to S106 of the Local Government Finance Act 1992 which requires any Member, who is two months or more in arrears on their Council Tax, to declare their position and not to vote on any issue that could affect the calculation of the budget or Council Tax.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**151. FOUR YEAR CAPITAL PROGRAMME 2014/15 TO 2017/18**

**RESOLVED:**

- 1.1. That General Fund Capital Programme budget at £49.3m for 2014/15, outlined in Table 4, be approved.
- 1.2. That the continuation of the reduction in CFR which based on current forecasts will reduce to £66.5m by 31<sup>st</sup> March 2015, be noted.
- 1.3. In respect of capital receipts for 2014/15 that the:
  - application of £9.5m capital receipts to the reduction of CFR (Table 2) be approved;
  - continuation of the rolling programme schemes funded from capital receipts amounting to £6.23m set out in Table 5 be approved;

- capital receipts funded schemes within Decent Neighbourhoods Programme (Housing and Regeneration) for 2014/15, be approved, as follows:
    - Housing Revenue Account projects £25.8m;
    - Decent Neighbourhoods projects £42.7m.
 This totals £68.5m per Table 6b.
  - existing capital receipts funded schemes (approved in 2013/14) but now scheduled for 2014/15 are as follows:
    - The Schools Capital Programme £6.6m;
    - Grants to Social Landlords (Hostel Improvement) £60K;
    - Relocation of HAFAD<sup>1</sup> to Edward Woods Community Centre and Related Refurbishment Requirements £308K, be noted.
- 1.4. That the Decent Neighbourhoods Programme for 2014/15 as set out in Table 6a (section 7) of the report including the indicative capital expenditure budget 2014/15 of £91.6m funded from capital receipts of £68.5m with the remainder of £23.1m funded from other sources (also included within the programme is the budget envelope of £48.4m for 2014/15 for investment in existing Council Homes via the HRA Capital Programme), be approved;
- 1.5. That the annual Minimum Revenue Provision policy statement for 2014/15 in Appendix 5 be approved;
- 1.6. That the CIPFA<sup>2</sup> Prudential Indicators as set out in Appendix 6 to the report, be approved.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**152. TREASURY MANAGEMENT STRATEGY REPORT 2014/15**

**RESOLVED:**

- 1.1 That approval be given to the future borrowing and investment strategies as outlined in this report and that the Executive Director of Finance and

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<sup>1</sup> Hammersmith & Fulham Action for Disability

<sup>2</sup> Chartered Institute of Public Finance & Accountancy (CIPFA)

Corporate Governance be authorised to arrange the Council's cashflow, borrowing and investments in 2014/15.

- 1.2 In relation to the Council's overall borrowing for the financial year, to note the comments and the Prudential Indicators as set out in this report.
- 1.3 That approval be given to pay the HRA investment income on unapplied HRA receipts and other HRA cash balances calculated at the average rate of interest earned on temporary investments with effect from 1 April 2014.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**153. EXTENSION OF CONTRACT FOR INTERNAL AUDIT SERVICES**

**RESOLVED:**

- 1.1. That approval be given for a contract extension for the period from 1 April 2014 to 30 June 2015 at an expected cost of £364,000 to make this contract co-terminus with the RBKC contract.
- 1.2. That approval is given to delegate responsibility for any further extension on this contract to the Leader as cabinet member for finance up to the maximum contract limit of 31 March 2016.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**154. SUBSCRIPTIONS/AFFILIATIONS FOR EXTERNAL ORGANISATIONS 2014/15**

**RESOLVED:**

- 1.1. That the subscription to the Local Government Association for 2014/15 of £26,577, be approved.
- 1.2. That the contribution of £194,822 (net £177,505 after a £17,317 rebate) to the London Boroughs Grant Scheme, be approved.
- 1.3. That the subscription of £162,427 for 2014/15 to London Councils, be approved.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**155. REVENUE BUDGET 2013/14 - MONTH 8 AMENDMENTS**

**RESOLVED:**

- 1.1. That approval be given to the budget virements of £0.178m for the General Fund.
- 1.2. That approval be given to the write off of £0.126m of bad debt.
- 1.3. That payment of £0.92m as set out in paragraph 4.4 of the report to Central London Community Healthcare for the Public Health contract, as negotiated by the Public Health team, be approved.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**156. LETTING OF A CONCESSION TO MONETISE THE DUCTING ASSETS WITHIN THE COUNCIL OWNED CCTV NETWORK**

**RESOLVED:**

That the report be noted.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**157. HOUSING REVENUE ACCOUNT - FINANCIAL STRATEGY AND RENT INCREASE 2014-15**

**RESOLVED:**

- 1.1. That the targeted on-going annual revenue savings of £4 million per annum by 2014/15 identified in the HRA Transformation Programme approved by Cabinet on 21st May 2012 have been achieved, and that during the course of the 2013/14 Financial Year £9.582m of HRA debt was repaid, be noted.
- 1.2. That the HRA financial strategy as set out in section 8 of this report be endorsed.
- 1.3. That approval be given to the HRA 2014/15 budget as set out in Appendix 1 of the report.
- 1.4. That approval be given to a rent increase for 2014/15, based on application of the Government's rent restructuring formulae for dwellings up to 3 bedrooms of 5.69%, and the Council rent policy (introduced in 2013/14) for dwellings of 4 bedrooms and above, of 7.11%, which is equivalent to an average increase of 5.79%.
- 1.5. That approval be given to a rent increase of 5.29% based on application of the Government's rent restructuring formulae for properties under licence and hostels as referred to in paragraph 10.6. of the report.
- 1.6. That an increase in tenant service charges for 2014/15 of 3.7% as set out in section 11 of the report be approved.
- 1.7. That in order to recover the cost of water rates and metered water costs, approval be given to an average increase in water charges of 0.1%,

equating to an average rise of less than one penny per week, noting that some households may see a reduction of £2.97 and other an increase of £2.23 per week, as set out in section 15 of the report.

1.8. That a freeze in the communal heating charge at 2013/14 rates as set out in section 15 of the report be approved.

1.9. That a freeze in garage and parking charges as set out in section 15 of the report be approved.

1.10. That in line with the strategic financial objective of repaying debt as it becomes due, £2.414 million of HRA debt is repaid in 2014/15.

1.11. That the risks outlined in section 12 and in Appendix 5 of the report be noted.

1.12. That incentive payments to under-occupying tenants downsizing be increased to £2,000 per room as set out in paragraph 10.11 of the report, be approved.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**158. PROCUREMENT OF A PRIVATE SECTOR PARTNER TO ESTABLISH A HOUSING AND REGENERATION JOINT VENTURE - FINAL CONTRACT AWARD**

**RESOLVED:**

To note that the report on the exempt part of the agenda sets out recommendations in relation to selection of the Private Sector Partner; terms for establishment of the Joint Venture; update on site specific issues; and terms for sale of the first two Opportunity Sites to the Joint Venture.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**



None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**159. GREEN ESTATES – LOCAL DRAINAGE IMPROVEMENTS ON H&F ESTATES**

**RESOLVED:**

1.1. That approval be given to the Council entering into a partnership agreement with Groundwork London to progress environmental improvements on three housing estates using EU funding allocated through the EU Life+ programme.

1.2. That approval be given to HRA revenue expenditure of about £359,000 (noting possible variation due to currency fluctuation between pound sterling and the euro during the life of the project) phased over 3 years, which in turn will attract match funding of approximately £957,000 from Groundwork and EU Life+ grant.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**160. EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED:**

That under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the remaining items of business on the grounds that they contain information relating to the financial or business affairs of a person (including the authority)] as defined in paragraph 3 of Schedule 12A of the Act, and that the public interest in maintaining the exemption currently outweighs the public interest in disclosing the information.

[The following is a public summary of the exempt information under S.100C (2) of the Local Government Act 1972. Exempt minutes exist as a separate document.]

**161. LETTING OF A CONCESSION TO MONETISE THE DUCTING ASSETS WITHIN THE COUNCIL OWNED CCTV NETWORK : EXEMPT ASPECTS (E)**

**RESOLVED:**

That the recommendations in the exempt report be agreed.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**162. PROCUREMENT OF A PRIVATE SECTOR PARTNER TO ESTABLISH A HOUSING AND REGENERATION JOINT VENTURE - FINAL CONTRACT AWARD : EXEMPT ASPECTS (E)**

**RESOLVED:**

That the recommendations in the exempt report be agreed.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

**163. SETTLEMENT OF PERFORMANCE BONDS IN RELATION TO ADMINISTRATION OF CONNAUGHT PARTNERSHIPS LTD (E)**

**RESOLVED:**

That the recommendations in the exempt report be agreed.

**Reason for decision:**

As set out in the report.

**Alternative options considered and rejected:**

As outlined in the report.

**Record of any conflict of interest:**

None.

**Note of dispensation in respect of any declared conflict of interest:**

None.

Meeting started: 6.00 pm

Meeting ended: 6.04 pm

Chairman .....