

## **PRESENT**

### **Cabinet Members**

Councillor Nicholas Paget-Brown (Leader of the Council), Chairman  
Councillor Rock Feilding-Mellen (Deputy Leader, Housing, Property and  
Regeneration)  
Councillor Tim Ahern (Environment, Environmental Health and Leisure)  
Councillor Timothy Coleridge (Planning Policy, Transport and Arts)  
Councillor Joanna Gardner (Community Safety, IT and Corporate Services)  
Councillor Gerard Hargreaves (Voluntary Organisations and Resident  
Engagement)  
Councillor Warwick Lightfoot (Finance and Strategy)  
Councillor Mary Weale (Adult Social Care and Public Health)  
Councillor Emma Will (Education and Libraries)

### **Other Members in attendance**

Councillor Will Pascall (Lead Member)

## **PART A (PUBLIC) MINUTES**

### **A1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Elizabeth Campbell.

### **A2. MEMBERS' DECLARATIONS OF INTEREST**

There were none.

### **A3. MINUTES OF THE MEETING HELD ON 13 JUNE 2013**

The minutes of the meeting held on 13 June 2013 were confirmed as a  
correct record and signed by the Chairman.

### **A4. REVENUE AND CAPITAL OUTTURN 2012-13 - KD04030**

This report set out the 2012-13 outturn spending on revenue and capital  
compared to the 2012-13 budget. Cabinet was invited to note that the  
revenue budgets have underspent by £24.3 million and the capital  
programme has underspent by £11.2 million.

Cabinet was pleased to note that Council departments have achieved  
savings through careful management of posts and budgets whilst  
maintaining the delivery of services to residents.

RESOLVED – Cabinet noted –

- (i) The new General Fund underspend of £24.3 million for 2012-13;
- (ii) The General Fund working balance of £10 million - the Council's agreed minimum; and
- (iii) The capital outturn of £60 million which resulted in an underspend of £11.2 of which £9.3 million is carried forward to 2013-14.

### **Reasons for the decision**

Cabinet is asked to discuss and agree any transfers to or from reserves to deliver a balanced outturn in line with the 2012-13 budget.

*Action by: TCEDF*

## **A5. BUDGET MONITORING 2013-14 QUARTER 1 - KD04031**

This report set out the Council's revenue budget for 2013-14, which aside from the contingency is forecast to be underspent by £11.4 million. Cabinet noted that the main contributory factors are underspends against Adult Social Care budgets, increased car parking income and a range of other underspends across services.

The report also set out the capital budget for 2013-14 which is currently forecast to be underspent by £13.9 million with £13.7 million of slippage into 2014-15.

RESOLVED – Cabinet agreed to note the financial position as set out for the whole authority in paragraph 5 and Annexes I and II and for the individual services in appendices 1-10 and agreed the following:

### **Adult Social Care**

- (i) £90,000 be drawn down from the Adult Social Care Capital Reserve to increase the capital budget provision for the Social Care IT system (see Appendix 1, paragraph 2.3).
- (ii) Budget provision of £423,000 be created to undertake snagging works at Ellesmere House (see Appendix 1, paragraph 2.4). This can be met from existing earmarked Adult Social Care capital resources.

### **Children's Services**

- (iii) The capital underspend of £7.012 million forecast for the Warwick Road Primary School project be carried forward into 2014-15 (see Appendix 2, paragraph 2.6).

### **Housing Revenue Account**

- (iv) The total budget provision for Grenfell Tower be increased to £9.7 million. The increase can be met from the Housing Revenue Account working balance (see Appendix 4, paragraph 3.17).

### **Whole Authority**

- (v) Note the forecast outturn position as set out (which is a combination of under and over spends within the service areas).

## **Reasons for the decision**

Services report quarterly on the budgeted versus forecast actual financial position to Cabinet. Though mainly for information, the report may also set out requests for in-year budget and funding changes.

*Action by: TCEDF*

### **A6. MODERNISING OLDER PEOPLE'S HOUSING AND ACCOMMODATION WITH CARE SERVICES - KD040245**

This report introduced the Council's strategy to improve the quality, quantity and choice of housing and accommodation with care services for older people in the Borough following public consultation. The strategy outlines a number of proposals including delivering a new supply of older people's housing to replace poor quality sheltered housing units, new units of Extra Care housing, and purchasing the right number of residential care home and nursing placements in facilities that meet modern standards and requirements.

Cabinet noted the comments made by the Cabinet and Corporate Services Scrutiny Committee and understood that individual schemes to deliver the strategy would be subject to business planning.

RESOLVED – Cabinet agreed to adopt the strategy to give direction to the future development of accommodation and services for older people in the Borough.

## **Reasons for the decision**

The Council has a duty to its older and vulnerable residents and to make provision for services and accommodation.

*Action by: DH/EDASC*

### **A7. HOLLAND PARK SCHOOL UPDATE - KD04011**

This report and the exempt report and appendices sought Cabinet's approval to the Council allocating additional funding for the Holland Park School redevelopment project. The report seeks to outline why the project has exceeded the budget and that as a consequence, more funds are required to agree the account of Shepherd Construction Limited (SCL).

Councillor Feilding-Mellen, in introducing the report, explained that the project overspent for a number of reasons i.e. the construction market conditions at the time of procurement, pressures to keep the project in line with the sale of the southern site and the choice of a Traditional procurement route. He stated that lessons had been learnt and drew attention to Appendix D which outlined the structures and best practices that are being put in place to prevent future capital projects from overspending.

The Director of Corporate Property and Customer Services said that he would be presenting a report to Leader's Group in the autumn on the

programme to manage costs and reduce risks in major capital projects. He highlighted that the use of Frameworks for procuring contractors and consultants will give the Council greater protection, financial certainty and value for money.

In respect of Appendix E, Cabinet queried the financial limit of authorising change orders by individual officers and the application of reasonableness when approving design variations against the budget. There was also a suggestion of seeking further approval from Cabinet when the aggregated changes reached £500,000 or more. Mr. Stephen Bell, Head of Asset Management and Capital Projects, explained that there was a need to move swiftly when approving variations to prevent the whole project from becoming delayed and that there was delegated authority to approve unforeseen works from the contingency budget. He provided reassurance that each instruction was an individual decision and could be accounted for by Audit.

Cabinet welcomed the implementation of procedures and best practices to ensure tighter controls on the procurement and management of future capital projects. Cabinet also asked officers to make a recommendation to the Deputy Leader and Cabinet Member for Housing, Property and Regeneration on the financial limits for authorising change orders in future projects.

RESOLVED – Cabinet agreed:

- (i) to approve the allocation of additional funding for the Holland Park School Redevelopment project as set out in Option 1 of the Confidential Part B Appendix; and
- (ii) to delegate authority to the Deputy Leader and Cabinet Member for Housing, Property and Regeneration to agree the authority levels for approving change orders under the delegation scheme.

### **Reasons for the decision**

To ensure a sufficient allowance for the additional costs to the project.

*Action by: DCPCS*

## **A8. TRI-BOROUGH PASSENGER TRANSPORT SERVICE FOR CHILDREN AND ADULTS - KD03987**

This report, the exempt appendix and addendum report outlined the details to select and appoint contractors to provide Tri-Borough services for the (i) management of passenger transport operations and (ii) a framework for the provision of taxi and mini bus services for Children's Services and Adults Services clients (as well as for general staff transport). The framework agreement and contracts will be let by WCC and it is anticipated that this framework will be operated on behalf of the Tri-borough clients by either the management contractor or as part of the responsibilities of the Tri-borough Passenger Transport Strategic Client function based in the Tri-borough Children's Commissioning Directorate.

In introducing the report, Karen Tyerman, the Tri-borough Director for Commissioning said that a decision on awarding Lot 2 has been deferred pending further consideration of options regarding the provision of Transport Management Services.

RESOLVED – Cabinet agreed:

- (i) to note the recommendation that WCC will award the Framework agreements as outlined in the report on behalf of itself, LBHF and RBKC;
- (ii) to note that an external audit has been completed on the Invitation to Tender (ITT) evaluation process and framework awards as detailed in Section 6.11;
- (iii) to approve access to the framework by RBKC;
- (iv) to note that WCC will award Framework Call-off contracts on a Tri-borough basis;
- (v) to delegate to the Tri-borough Executive Director of Children's Services, in consultation with the Cabinet Member for Adult Social Care and/or Cabinet Member for Family and Children's Services (as appropriate) access to the Framework Call-Off contracts;
- (vi) to note the Framework Call-Off process as detailed in Section 7.2;
- (vii) to note that an Inter Authority Agreement (IAA) will cover specific legal terms pertaining to the operation of this Tri-borough passenger transport solution as described in Section 11.5;
- (viii) to note the potential implications for RBKC staff in terms of TUPE or redundancy as detailed in Section 9; and
- (ix) to note that current legal advice is that there are no liabilities on RBKC with regard to any employees who may be made redundant by current transport suppliers should TUPE not apply.

### **Reasons for the decision**

Using the framework to procure passenger transport on a Tri-borough basis will enable a well controlled and consistent level of service quality whilst providing the opportunity to reduce overall costs. It also enables a more strategic approach to providing transport solutions, better engagement with the market, and the opportunity to deliver procurement in a more consistent, focussed and collaborative way.

The Tri-borough framework is designed to enhance service provision and provide savings. In establishing the framework it is not yet possible to be precise as to the actual level of savings to be achieved which will only be determined once individual awards are made under the Call-Off process.

**Action by: EDCS**



## **A9. MIDDLE ROW SCHOOL - PROPOSAL TO CONVERT TO ACADEMY STATUS - KD04056**

This report outlined proposals to convert Middle Row School to sponsored academy status, and sought agreement that the necessary legal and property arrangements are made.

Cabinet requested that there is agreement on the use of community facilities at the School before its conversion to sponsored academy status. Reflecting upon the experiences of the Holland Park School project, Cabinet also asked officers to ensure the School is accessible to the public and that this is addressed in the design.

The Tri-borough Executive Director of Children's Services confirmed that ARK Academies have given an undertaking that there will be a speech and language centre and play centre provision at Middle Row School and that this will be written into the agreement. He also confirmed that the afterschool play provision is used by children that go to the School and any community facilities on the site would have the same access arrangements.

In response to a question on ARK's involvement with the rebuilding and design of the School, the Tri-borough Executive Director of Children's Services confirmed that they have seen the plans but have not made any comments and this was very much the Council's project.

Cabinet noted that granting a 125 years lease is a standard DfE arrangement. The Joint Chief Executive confirmed that the heads of terms state that the site must be used for educational purposes but the Council could not put a restriction on the lease on the type of educational establishment, as this would be the decision of the DfE and sponsored academy once the asset has been transferred.

**RESOLVED:** Cabinet agreed:

- (i) to endorse the proposal to convert Middle Row School to sponsored academy status;
- (ii) to the transfer of assets, by way of a 125 year lease using the DfE standard model, following short term occupation agreements during the completion of the new buildings and defects liability period; and
- (iii) that the Council seeks to recover its legal and advisory costs in accordance with usual precedents for academy conversions.

### **Reasons for the decision**

The Royal Borough supports the Government's academies and free school programme.

*Action by: EDCS*

## **A10. COUNCIL WEBSITE REFRESH AND CONTENT MANAGEMENT SYSTEM - KD04052**

This report sought Cabinet's approve to release £350k of capital funding to enable the delivery of the Council Website Refresh and Content Management System project. The project has been in the Pipeline to the Capital Plan Programme since 2011 and fits in with the cycle of change that is a feature of local government websites.

Cabinet noted that the project will be delivered in two phases and that the interface of the Council's website and improvements to the navigation will be delivered in Phase Two.

RESOLVED – Cabinet agreed:

- (i) to implement the project in two phases;
- (ii) to release the capital monies as stated in the capital plan: £100k in financial year 2013-14 and £250k in financial year 2014-15 to deliver the project; and
- (iii) to move the project from the Pipeline into the main Capital Programme.

### **Reasons for the decision**

To enable the Council website to deliver the functionality that will meet the needs of the channel shift, digital by default and mobile first strategies to enable increasing self service by website users and therefore driving down cost of service delivery, the Council website needs to be enhanced from both a user perspective and the technologies that support the website.

*Action by: TCEDF*

## **A11. SCHOOL ORGANISATION AND INVESTMENT STRATEGY 2013 - KD04053**

This report sought Cabinet's approval to develop the School Organisation and Investment Strategy (attached as Appendix 1).

Cabinet noted that the Council has a statutory duty to ensure there are sufficient school places for children living in the Borough. The Schools Organisation and Investment strategy is updated annually and outlines how the Council will continue to meet its statutory duty.

The Tri-borough Executive Director of Children's Services confirmed that the Council's capital funding for school investment will meet the projected increase in demand for school places. Cabinet noted that there was pressure for places in the south and centre of the Borough and that demand for school places at primary level has decreased, which is believed to be a result of the impact of the benefits reductions.

RESOLVED: Cabinet approved the strategy and policy objectives.

### **Reasons for the decision**

To enable the Council to ensure there are sufficient places for children of statutory school age. Current predictions are that the numbers of both

primary and secondary age pupils will continue to rise until 2023. However the projects currently underway are anticipated to meet the need for additional places during that period.

**Action by: EDCS**

## **A12. CHEYNE WALK, SW10 -ADVERTISING HOARDING NEW LEASE - KD03907**

This report and the exempt appendix sought Cabinet's approval to the granting of a new lease on the Heads of Terms set out in the Confidential Part B Appendix for an existing advertising hoarding on Cheyne Walk, SW10 following a tendering exercise.

Councillor Feilding-Mellen introduced the report and said the current advertising hoarding on the site is illuminated and if Cabinet approves the granting of a lease, then a new advertising company would take over the site and could seek Advertising Consent to enlarge the hoarding. If Advertising Consent is granted then the Council will receive an associated increase in rent.

Cabinet noted the comments from the Cabinet and Corporate Services Scrutiny Committee and also the email from Melyssa Stokes, a local resident.

Melyssa Stokes expressed concern at the proposal and said the current advertising hoarding is an eye sore and casts light into nearby homes causing disruption to residents.

The Executive Director for Planning and Borough Development explained that any application to change the size and type of illumination of the hoarding will require Advertisement Consent which will assess its impact upon neighbours and the public realm.

Cabinet noted that the Council needs to strike a balance between its commercial interests and protecting the quality of life of its residents. It explored the option of putting in constraints on the lease, such as having the lights turned off at night or dimmed at certain times of the day to reduce the impact of the illuminated hoardings upon residents and motorists.

RESOLVED - Cabinet agreed:

- (i) to add a clause to the Heads of Terms requiring Landlord's consent for changing the size and type of illumination;
- (ii) to open negotiations with the preferred tenderer on the level of rent for the hoardings with conditions attached to reduce the impact upon residents; and
- (iii) to bring the revised Heads of Terms back for approval.

### **Reasons for the decision**



This property is held in the Council's Investment Portfolio. Cabinet is being asked to make its decision due to the significant amount of revenue that is attached to the lease whilst taking responsibility for protecting the quality of life of its residents.

**Action by: DCPCS**

### **A13. CHELSEA CREEK, LOTS ROAD, SW10 - NEW SWEEPERS DEPOT AND SALT STORE - KD04046**

This report and the exempt appendix sought Cabinet's approval to the Council providing a replacement winter maintenance depot and street sweepers depot at Chelsea Creek, Lots Road, SW10.

Cabinet received and noted Melyssa Stokes' email which was tabled at the meeting.

RESOLVED: Cabinet agreed:

- (i) to the proposal to rationalise the current Highways depot at Chelsea Creek, to construct a new winter maintenance depot and street sweepers depots on the same site and find a suitable location for a secondary salt store elsewhere inside or outside of the Borough;
- (ii) to the release of £1,400,000 from the current Capital Programme which was approved by full Council in March 2013; and
- (iii) to delegate authority to the Deputy Leader and Cabinet Member for Housing, Property and Regeneration to approve the appointment of the main contractor up to a limit of £750,000 once the works contract has been competitively tendered.

### **Reasons for the decision**

This decision is required in order that the Council may:

- continue to provide statutory street sweeping to the South of the borough;
- maintain provision of winter road maintenance (salt spreading) across the whole borough;
- receive the benefit from a new Marlborough Primary School;
- receive the benefit of a replacement Denyer Street Depot;
- receive a capital receipt from the Clearings development site;
- receive the revenue income from a new office building at the Clearings development site;
- receive a revenue income from the Cremorne Wharf site; and
- safeguard the potential for a future capital receipt for the Cremorne Wharf site.

**Action by: DCPCS**

### **A14. VITAL SIGNS**

This report presented to Cabinet the Council's Vital Signs indicators at the end of 2012-13 and highlighted those where performance is significantly

below expected levels and summarised performance against the larger set of corporate performance indicators.

Cabinet discussed the indicators and noted the following main points:

- Indicators TTS1 and TTS3 have been incorrectly listed under the ASC Cabinet portfolio.
- Councillor Gardner said that she had discussed indicator SAF 5 with the Borough Commander and was informed that serious violent crime was not a major problem in the Borough and that individuals carrying out repeat offences were skewing the figures.
- The Council's Management Board has requested a report on indicator HR 1108, the average number of working days lost each year to Council due to staff sickness absence.

RESOLVED – Subject to listing indicators TTS1 and TTS3 under the appropriate portfolio, Cabinet noted the Vital Signs.

#### **Reason for decision**

As an exercise in transparency and accountability the Council publishes an annual report of its performance against a suite of Corporate Performance Indicators.

*Action by: DSLS*

### **A15. VITAL IMPROVEMENTS**

This report invited Cabinet to consider the progress of initiatives that make up the Royal Borough's Vital Improvements for 2013-14.

RESOLVED - Cabinet received and noted the first of the 2013-14 Vital Improvements progress reports.

#### **Reason for decision**

To monitor progress on delivery of initiatives against intended outcomes and to take steps to manage risks and issues.

*Action by: DSLS*

### **A16. ANY OTHER ORAL OR WRITTEN PUBLIC ITEMS WHICH THE CHAIRMAN CONSIDERS URGENT**

Councillor Gardner reported that the London Fire and Emergency Planning Authority has voted against plans to close Fire Stations and that the London Mayor would now need to decide whether or not to direct the Authority to implement the closures and other changes. Cabinet was pleased that the Royal Borough has been successful in its argument for a second fire engine at Chelsea and noted the closure of Knightsbridge.

Cabinet expressed its thanks to Mr. Graham Taylor, Chief Community Safety Officer, in putting forward a persuasive argument to the GLA for Chelsea Fire Station. Cabinet noted that Mr. Taylor would shortly be

retiring and paid tribute to his services to the Council and placed on record its vote of thanks for all his advice and invaluable work over the years and wished him well for the future.

## **A17. EXCLUSION OF THE PRESS AND PUBLIC**

### **Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985**

Cabinet resolved that the press and public be excluded from the meeting for the following specific items of business on the grounds that they may involve the likely disclosure of exempt information as defined in Part I of Schedule 12A to the Act, as amended:

#### **B1. EXEMPT MINUTES OF THE MEETING HELD ON 13 JUNE 2013**

Public summary of the decision:

The exempt minutes of the meeting held on 13 June 2013 were confirmed as a correct record and signed by the Chairman.

#### **B2. HOLLAND PARK SCHOOL PROGRESS UPDATE**

Public summary of the decision:

See minute A7 above.

#### **B3. TRI-BOROUGH PASSENGER TRANSPORT SERVICE FOR CHILDREN AND ADULTS**

Public summary of the decision:

See minute A8 above.

#### **B4. CHEYNE WALK, SW10 - ADVERTISING HOARDING NEW LEASE**

Public summary of the decision:

See minute A12 above.

#### **B5. CHELSEA CREEK, LOTS ROADS, SW10 - NEW SWEEPERS DEPORT AND SALT**

Public summary of the decision:

See minute A13 above.

The meeting ended at 7.53pm

Chairman