

CABINET MINUTES

Monday 7 February 2022 at 5.00 pm

Present:

Cabinet Member:

Councillor Donatus Anyanwu

Councillor Matthew Bennett

Councillor Lucy Caldicott

Councillor Edward Davie

Councillor Jim Dickson

Councillor Jacqui Dyer

Councillor Dr. Mahamed Hashi

Councillor Claire Holland

Councillor Maria Kay

Councillor Andy Wilson

Portfolio:

Cabinet Member for Voluntary Sector and Leisure

Deputy Leader of the Council (Planning, Investment and New Homes)

Cabinet Member for Health and Social Care (job-share)

Cabinet Member for Children and Young People

Cabinet Member for Health and Social Care (job-share)

Deputy Leader of the Council (Jobs, Skills and Community Safety)

Cabinet Member for Sustainable Transport, Environment and Clean Air (job-share)

Leader of the Council

Cabinet Member for Housing and Homelessness

Cabinet Member for Finance and Performance

Apologies for absence Councillor Sonia Winifred

1 **Declarations of Pecuniary Interest**

No declarations were made.

2 **Minutes of Previous Meeting**

The Minutes of the meeting of Cabinet held on 17 January were agreed as a true record of proceedings.

3 **HRA Rent and Service Charges Report**

The report was introduced by Cabinet Member for Housing and Homelessness,

Councillor Maria Kay, who highlighted that:

- All of the Council's tenants rents were paid into the Housing Revenue account which was for the management of housing properties as well as maintenance, repairs and major works
- The Council had no option but to increase rent as much investment was needed in the housing stock to get it to a standard that residents' deserve and expect. The Council had ambitious improvement targets for its housing stock over the next 10 years
- The Government had forced rent reductions over a 4 year period which has meant a cumulative loss of income of £28.5m to the HRA
- None of the works were funded by central Government, which meant increasing rents was the only way to generate the income needed for improvements
- Rents were historically low whereas pressures were historically high, it was imperative to take action to try to ensure balanced budgets
- The Council was aware that rent increases would place some families in financial hardship, which was not taken lightly. There were a number of initiatives and tools available to support those in need including benefits and debt management.

Cabinet was addressed by Councillor Scott Ainslie of the Green Group, who highlighted a number of questions surrounding:

- A one-off payment of £2 million referenced in 2.3 of the report
- The number of voids which were being worked on
- Housing standards and whether there was a post-completion report ready
- Homes for Lambeth and the payments made by them into the HRA

In response to some of the questions and comments raised, Officers and the Cabinet Member advised the following:

- Some of the queries from the Green Group around disrepair and its associated costs would be answered in due course
- Lambeth had set up a new organisation of direct delivery of communal works which required upgrading to new contracts and investing in new systems. This included when an operative was going to complete a repair, there was a system for resources to be delivered directly to the firm; as well as developing the Housing Portal to improve the system for residents' use
- The Officer would look into the status of Housing standards and the availability of a completion report and bring it back to Councillor Ainslie
- Mitigations were already in place to support residents suffering financial hardship

Cabinet made the following observations:

- The report required Cabinet to make difficult decision but was necessary. Thanks were given to the Officers and the Cabinet Member for their work in the report
- There were some concerns raised around the levels of disrepair and an overspend in dealing with these.

Following consideration, it was resolved that Cabinet:

1. Agreed the approach to setting tenant and leasehold service charges, garage, parking and supported housing charges
2. Agreed the increase in rents of 4.1%, this being composed of Consumer Price Index (CPI) at the applicable rate of 3.1% plus the allowable 1%
3. Noted the October 2021 financial forecast position as detailed in paragraph 2.2 of the

report

4. Agreed the proposed growth and savings for 2022/23 as set out in paragraphs 2.26 to 2.37 and Appendix 3 of the report

5. Agreed the HRA Budget for 2022/23 as set out in Appendix 4 of the report.

4 Revenue and Capital Budget 2022/23

The report was introduced by Cabinet Member for Finance and Performance, Councillor Andy Wilson who highlighted that:

- The last year had presented great challenges for Lambeth, whilst continuing to deal with the effects of the pandemic. Learning to live with Covid-19 whilst an increasing cost of living crisis had been hard for Lambeth residents
- Since last reporting on the Medium Term Financial Strategy, the Government had released some short-term relief to local authorities. This had been welcomed but left the issue of long-term sustainable funding unanswered
- Increased demand in essential services and a rise in inflation was difficult to manage, and the recent funding did not account for these additional challenges
- The Council had consulted on expanding the criteria of the Council Tax Support Scheme to help those finding the increase in Council Tax unaffordable. This support would permanently support those most in need and reduce their bills, most to nil
- The Council would continue to take every opportunity to support vulnerable people in its communities, but be honest in its ability to do so in the increased demand of services and increased inflation.

Cabinet was addressed by Councillor Scott Ainslie of the Green Group, who highlighted a number of questions surrounding:

- Council Tax support, the number of people receiving 100% support and the criteria to receive it
- Reserves and the possibilities of using this money to fund play centres and nurseries as heard from Maintain Nursery staff at the recent meeting of Full Council
- Evictions and what was being done to protect vulnerable residents at risk

In response to some of the questions and comments raised, Officers and the Cabinet Member advised the following:

- The improvement in the Council Tax Support Scheme was implemented last year, which benefited 6,900 additional residents already. This number identified those already in receipt of the scheme and who would continue to benefit from it. In relation to the newly announced £150 payment for all council tax payers in Bands A-D, for those on Council Tax Support where there were no incoming payments from the recipients, the Council would have to fund the administrative costs of obtaining bank details in order to pay them
- Reserves were not a solution for a long-term problem and it was important to keep to 10% of the Council's net cash limit in order to weather unexpected fluctuations whilst identifying long-term solutions
- The evictions queries had been answered at the recent meeting of Full Council. The numbers of people taken through the process was less than 5 and it was important to recognise the large numbers of individuals working hard to ensure their Council Tax was paid. It was important to collect Council Tax in the cases that it could be paid, and take enforcement against anyone capable but refusing to pay.

Cabinet made the following observations:

- Lambeth's Maintain Nursery Schools deputation made at Full Council in January mentioned by Councillor Ainslie did not comprise of a number of different learning provisions as he had stated. Maintain Nursery Schools were schools as opposed to nurseries, which required them to be staffed by qualified teachers and overseen by a headteacher. This meant that they cost considerably more to staff than a regular nursery
- One Cabinet Member was in the process of writing to the Secretary of State requesting the correct amount of funding
- Cabinet commended colleagues in Finance and Investment for having maintained a balanced budget in a volatile and uncertain time, as well as for not having used its reserves in the past. There was not an endless pot of money and it would be optimal to work on increasing these funds for any uncertainties to come

Following consideration, it was resolved that Cabinet:

1. Recommended Council to note or adopt the recommendations listed in the report.

5 49 Brixton Station Road/6 Canterbury Crescent - Decision to Award Contract to Preferred Delivery Partner

The report was introduced by Deputy Leader and Cabinet Member for Planning, Investment and New Homes, Councillor Matthew Bennett who highlighted that:

- The report set out work that had been done over a period of at least 10 years
 - There had been a hundreds of new Council and affordable homes developed, along with community facilities including the Brixton Street Gym which had gone from strength to strength
 - It was owed to the people of Brixton to give them as many social and economic benefits for local people from the use of local sites including Brixton Market
 - The Labour administration recognised that there was a housing crisis in London with thousands of families on the waiting list or at risk of homelessness. The only way to mitigate that was to build new homes
 - Lambeth needed a good permanent supply of work spaces in order to provide the jobs and opportunities needed in Brixton. This particular area suffered higher rates of unemployment than other parts of the borough, which had worsened during the pandemic
 - The report was focused on addressing inequality and inequity for local residents
 - Partners had been able to exceed planning expectations which included increasing the number of affordable family homes, affordable workspace and providing jobs and apprenticeships for young people and local partners.
- One quarter of jobs were created through supply chain, and communities less likely to reach out for jobs were reached and supported to apply for such roles including prison leavers, Black and Minority Ethnic communities and young men aged 16-24
- New buildings would be designed to the highest economic standards
 - The scheme would offer a chance for the Council to work in partnership with its community and address the inequalities and inequities residents endured locally, offering new jobs, new homes and jobs for local people.

Cabinet was addressed by Councillor Scott Ainslie of the Green Group, who highlighted a number of questions surrounding:

- Whether Homes for Lambeth would be a better developer for the site
- The percentage of Affordable Homes

In response to some of the questions and comments raised, Officers and the Cabinet Member advised the following:

- Purchasing the International House site offered benefits to the Council. These benefits included allowing the Council to reduce its carbon footprint by enabling the number of rooms used as Council offices to decrease from 14 to 2
- Refurbishing the development would create permanent affordable workspace for local talent in Brixton
- Homes for Lambeth was owned and controlled by the Council in a not-for-profit way to build more homes and social housing to provide for homeless communities and those on the waiting list. It was not for commercial developments and workspaces
- The number of affordable homes was set out in the report and was subject to planning. The figure was 240 homes of which 50% were affordable. 80 of these homes were three-bedrooms or more..

Cabinet made the following observations:

- It was important to bring local people and residents along with the process. Cabinet thanked the Planning team for consulting a number of local groups and residents who had an interest in Brixton. It was important to continue this level of involvement amongst residents and local people in all stages of the blueprint
- The employment of local people was an important factor, and Cabinet was pleased the scheme would offer a number of roles through a variety of pathways
- There was a number of businesses based at International House and they should be found a suitable location within the borough
- The proposed development comprised both affordable housing and affordable workspace which the borough needed. It was important to ensure the workspace was protected from being turned into further residential.

Following consideration, it was resolved that Cabinet:

1. Agreed for the Council to enter into a Development Agreement with London Square for the redevelopment of the identified sites
2. Delegated the finalisation of the Development Agreement to the Strategic Directors of Sustainable Growth and Opportunity, in consultation with Director of Legal and Governance, in line with the key terms outlined in the report and for the Council thereafter to enter into that agreement with London Square
3. In accordance with and subject to the provisions of the Development Agreement, agreed to enter into a long lease of at least 250 years for each Development Phase on satisfaction of Conditions Precedent with London Square
4. Agreed to create a new capital budget of £3,200,000 to carry out works to separate the utility services supplying the Brixton Rec and International House, in preparation for the development
5. Agree to create a new capital budget of £400,000 to cover professional fees, legal and commercial services costs anticipated over the life of the project.

The meeting ended at 18:14

CHAIR, CABINET
Monday 21 March 2022

Date of Despatch: Friday 11 February 2022

Call-in Date: Friday 18 February 2022

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