

Corporate Resources and Economy Scrutiny Committee - 12 September 2024

Minutes of the meeting of the Corporate Resources and Economy Scrutiny Committee held at Council Chamber, Town Hall, Upper Street, N1 2UD on 12 September 2024 at 7.30 pm.

Present: **Councillors:** Wayne (Chair), Khondoker (Vice-Chair), Chowdhury, Clarke, Jackson, Ozdemir, Hyde, Ibrahim, Jegorovas-Armstrong, Pandor, Staff and Weekes

Also Present: **Councillors:**

Councillor Nick Wayne in the Chair

21 APOLOGIES FOR ABSENCE (Item A1)

There were no apologies for absence.

Apologies for lateness were received from Councillors Chowdhury and Ibrahim.

22 DECLARATION OF SUBSTITUTE MEMBERS (Item A2)

There were no substitute members at the meeting.

23 DECLARATIONS OF INTEREST (Item A3)

There were no declarations of interest made at the meeting.

24 MINUTES OF THE PREVIOUS MEETING (Item A4)

RESOLVED:

That the minutes of the previous meeting held on the 30 July 2024 be agreed as an accurate record and the Chair be authorised to sign them.

25 PUBLIC QUESTIONS (Item A6)

26 CHAIR'S REPORT (Item A5)

The Chair informed the Committee that the Working Group met to discuss the committee's approach to monitoring performance on the 13 August, 6pm. The Chair, Cllr Khondoker, Hyde and Jegorovas-Armstrong all contributed to the meeting. A date was being sought to consider the topic further and a report back to committee would be provided.

The Chair commented on the papers for the meeting. He highlighted that there was a desire not to duplicate work and to provide the committee with as much information as possible. This had to be balanced against an understanding that being a committee member was not a full-time role and councillors could have other full-time commitments and be less familiar with council jargon. Therefore, for the committee to function effectively the papers had to be more targeted. The papers and presentations should have executive summaries to highlight the key points and to direct Councillors to essential and then further reading.

27 ANNUAL PRESENTATION: LEADER OF THE COUNCIL (Item D1)

The Committee received its annual presentation from the Leader of the Council.

The following key points were raised and discussed at the meeting:

Corporate Resources and Economy Scrutiny Committee - 12 September 2024

- A committee member asked whether a deep dive or further exploration of issues around temporary accommodation would take place, particularly considering issues of children being moved out of borough and the impact on persistent absences this could cause. The leader of the Council explained they had just received an external auditor report into temporary accommodation that outlined how the council could work differently and better. The Chief Executive said 1 in 50 Londoners were in temporary accommodation and it was costing London councils £90 million a month. Islington's long-term work around temporary accommodation had meant no residents were in bed and breakfasts or leased accommodation. Those placed in temporary accommodation were there for 64 weeks, which was lower than the subregional average of 5 years. The Committee member commented that she wanted to ensure children in temporary accommodation and the impact on their schooling was considered.
- The committee considered SEND support for children. The leader said the current EHCP system was detrimental to the child's needs and a two-year waiting time was unacceptable. It was explained that although there was support and funding provided to schools by the council the resources needed were not available and there needed to be a push for national government to fund support.
- The committee considered the Access Islington Hubs. The leader said a deeper dive with case studies could be brought back to the committee. The Committee agreed.
- A committee member asked how the leader's impact on the delivery of their portfolio could be measured. The leader said their role was to support all the portfolio areas, including supporting the portfolio holders' vision and the delivery of that vision. The delivery plan, reviewing KPI's and the communications plan currently under development all supported a strategic approach to delivery. A new public affairs function was also being developed.
- The committee considered the Council's budget constraints and overspend. The Leader said that pressures in all departments were regularly reviewed and solutions and mitigations considered.
- A committee member asked whether there were difficult decisions that needed to be made because of the current financial situation. The Leader said they had made all the small decisions so there were only difficult decisions left to make. Prioritising the residents that need council services the most and ensuring decisions would not store issues for the future was a priority. It was highlighted that there was also peer learning to be had as other councils had already faced those difficult decisions.
- The committee considered recycling rates in Islington. The leader explained there was funding for people to go door to door to talk about food waste.
- A committee member asked how refurbishments could be justified when there is an overspend. The Leader explained that residents should be able to attend at a building where they felt relaxed, a sense of dignity and like someone was on their side. Staff should similarly be able to work in a decent environment.
- A committee member asked how councillors could be reassured that large and small-scale capital projects would be delivered at pace. The Chief Executive explained the delivery plan was part of ensuring capital projects were programmed and delivered effectively.
- A committee member asked whether ongoing issues such as the cost-of-living and the Ukraine crisis had been factored into their future planning. The Leader said that they had acted for long term structural change, for example by joining a regional consortium for buying energy. Associated risks were monitored in several ways, for example through the risk register.
- The committee discussed violence against women and girls, particularly in the context of the information age. The Leader said they recognised, as an organisation, where the council and commissioned support services could support people and that

it was important to have as many touch points as possible to allow the opportunity for victims to be heard. The Chief Executive explained that there had been a 100% increase in people suffering domestic violence in temporary accommodation and the Council had gained a domestic alliance accreditation through housing. The leader also highlighted the importance of working with perpetrators.

- A committee member asked what the Leader was doing to ensure funding for adult social care. The leader was in regular contact with national government regarding funding.
- The committee considered targets for building more housing, and whether they were helpful in the London or Islington context. The Leader of the Council said there was a myriad of issues that needed to be addressed and there were a number of schemes ready to be developed if government funding was forthcoming.
- The committee considered the number of complaints received in 2024, what was driving them and why so many were being upheld. The Leader said there had been deep dives into the complaints and they were keen to ensure the right systems were in place to ensure residents got the right help first time. The Chief Executive explained that some of the volume was related to the high number of inhouse services and housing stock managed by the council.
- A committee member asked about the balance between building new homes and maintaining the current housing stock. The Leader explained there was considerable investment in the current housing stock and the council were compliant in all key risk areas. It was also felt investing in new homes was important for many reasons including the lower environmental impact.

28

SCRUTINY REVIEW OF PROGRESSIVE PROCUREMENT: EVIDENCE AND UPDATED SID (Item D2)

The Committee received a presentation on its scrutiny review into the council's Progressive Procurement Strategy.

The following key points were raised and discussed at the meeting:

- The committee considered whether there would be opportunities or challenges in maximising social value presented by the new Procurement Act. The Executive Member for Inclusive Economy, Culture and Jobs explained that there would be additional reporting and an increased ability for private companies to take the Council to court however the Act was intended to improve the number of contracts with small and medium-sized enterprises, an example of how this could be achieved was a new ability to break down big contracts into smaller ones. There would also be a new central register for providers and a requirement for contracts coming up for procurement to be published a year in advance.
- A committee member asked whether there were clear examples of what the council wanted to see in terms of social value. The Executive Member for Inclusive Economy, Culture and Jobs explained that the council were good at getting the basics but there wasn't much flexibility when the requests were more unusual.
- A committee member asked what the council were doing to attract bids. It was explained that there would be more opportunities for pre-market engagement. There would also be a Social Value Operations Group. There could also be greater opportunity to target requests, for example by looking at demographic needs.
- A committee member asked who would monitor how social value was implemented. It was explained a contracts register would collect data centrally and it would contain a social value element. There would also be social value assurance roles.
- A committee member asked whether any corporate barriers were preventing maximisation of opportunities. It was explained that different departments had a

different level of understanding, and there was a piece of work around making departments aware of what could be asked for.

- It was explained that social value was often linked to the procured service, and it was important for the council to ensure a breadth of opportunities were looked at for social value. It was explained that the Council would look at what was done elsewhere, and they were in a space where getting the best social value options was a commercial imperative.
- A committee member asked whether the minimum asks were ambitious enough and whether the Council benchmarked against other authorities. It was explained that Islington was often achieving more from their asks than other authorities who often did not ask for enough. It was hoped that a Pan-London minimum ask could be developed.
- A committee member asked how flexible the Procurement Act was in ensuring the Council didn't work with unfit suppliers, for example those who had been implicated in a tragedy. It was explained that market warming should encourage a greater choice of suppliers. There would also be publishable key performance indicators from the council and the suppliers. This would allow councillors to see what was failing or not being provided. There would also be a new procurement review unit, which would include a debarment list and would alert councils if a supplier is added to it.
- A committee member asked whether it would be easier to renegotiate contracts if they could have achieved more social value. It was explained that the Procurement Act would come into force in February and old contracts would remain under the previous Act. However, there would be opportunities in the commercial management approach to return to contractors to ensure best value.
- A committee member asked whether there was learning in the top ten oldest contracts. It was explained that the new contracts register would allow the council to see when contracts were expiring and a better assessment of the value of those contracts. It was agreed that information on those contracts would be shared with the Chair.
- The committee considered whether environmental sustainability was built into the Act and progressive procurement policy. It was explained that using local suppliers would be closer to net 0 carbon emissions and there was social value policies aimed at suppliers meeting net 0 carbon emissions. It was felt that sustainability would be a big part of a progressive procurement toolkit, but it could also factor more in the social value asks.
- The committee considered commercial planning and possible social benefits. It was felt that section 106 agreements were critical, so social value had to be demonstrated.

The Chair requested the committee send any additional comments or questions for inclusion in the scrutiny report.

29

BUDGET MONITORING Q1 2024-25 (Item D3)

The Committee received an update on the Q1 Budget Monitoring 2024-25.

The following key points were raised and discussed at the meeting:

- A committee member asked when savings around consolidating call centres would be realised. It was explained that the consolidating of the call centres was still underway.
- That the role for Corporate Director of Environment had been advertised.
- Whether slippage over a party wall as part of the new build programme could have been avoided.

Corporate Resources and Economy Scrutiny Committee - 12 September 2024

- A committee member raised concern regarding the forecasting, particularly around parking and changes in behaviour. It was explained that the forecast was to end at an overspend of 640k which was a better position than many other authorities. It was also highlighted that parking could be volatile due to the high number of transactions across the borough and the difficulty in predicting the impact of council policies.

RESOLVED:

To consider and note the budget monitoring 2024-25 Quarter 1 report, agreed by the Executive on 5 September 2024.

30

MEDIUM TERM FINANCIAL STRATEGY - SUMMER UPDATE (Item D4)

The Committee received an update on the Medium-Term Financial Strategy. The Committee asked for clarification around the council tax requirements.

RESOLVED:

To note the Medium-Term Financial Strategy 2025-26 summer update report, agreed by the Executive on 18 July 2024

31

MONITORING ITEM (Item D5)

The Committee received its work plan and action sheet.

The Chair suggested a joint meeting with the Environment Scrutiny Committee to scrutinise Thames Water.

The meeting ended at 10:20pm

CHAIR