

Policy and Performance Scrutiny Committee - 9 September 2021

Non-confidential minutes of the meeting of the Policy and Performance Scrutiny Committee held at on 9 September 2021 at 7.30 pm.

Present: **Councillors:** Debono (Chair), Gallagher (Vice-Chair), Bell-Bradford, Chapman, Clarke, Heather, Ibrahim, Jeapes, Khondoker, Nathan, O'Sullivan and Russell
Also Present: **Councillors:** Gill and Ward

Councillor Theresa Debono in the Chair

- 314 **APOLOGIES FOR ABSENCE (Item A1)**
Councillors Gantly, Ismail, Shaikh and Wayne. Councillors Heather, Jeapes, Gallagher for lateness
An apology also received from Paul Clark – Director of Finance
- 315 **DECLARATION OF SUBSTITUTE MEMBERS (Item A2)**
None
- 316 **DECLARATIONS OF INTEREST (Item A3)**
None
- 317 **MINUTES OF THE PREVIOUS MEETING (Item A4)**
RESOLVED:
That the minutes of the meeting held on 29 July 2021 be confirmed and the Chair be authorised to sign them
- 318 **CHAIR'S REPORT (Item A5)**
- 319 **PUBLIC QUESTIONS (Item A6)**
The Chair outlined the procedure for Public questions and that any questions should be forwarded to the Clerk following the meeting for a response due to social distancing requirements
- 320 **SCRUTINY REVIEW - EMPLOYMENT, BUSINESS AND ECONOMY/COUNCIL'S FINANCIAL POSITION (Item C1)**
Maxine Holdsworth – Director of Corporate Housing, Matt West Director of Property Services, David Hodgkinson – Director of Corporate Resources, and Stephen Biggs, Corporate Director Community Wealth Being, and Caroline Wilson – Head of Inclusive Economic Development made presentations and presented reports in relation to this item. Councillor Satnam Gill, Executive Member Finance, Performance and Resources was also present

Policy and Performance Scrutiny Committee - 9 September 2021

During the presentations and consideration of the reports the following main points were made –

Maxine Holdsworth/Matt West – Housing Services

- Housing services – adapting to the pandemic – normally 1000 staff all site based, in pandemic first lockdown 400 on site. 85% staffing availability at all times, high levels of staff dealing with sickness, caring responsibilities etc.
- Staffing Spring 2021 – since June staffing levels remained stable at 90%. Regular testing, sickness levels average, 500 staff on site
- Estate services and communal repairs – caretaking services able to provide services as normal throughout most of pandemic period, cleaning and disinfecting increased, PPE required for staff, adapted ways of working, Team ran logistics hub for food distribution and did We are Islington deliveries
- Planned works and new build – many of contractors for new build and planned maintenance furloughed staff, external works and new build started after first lockdown, slower delivery on some sites, risk assessments carried out with contractors focused on resident safety, site by site visits by Council staff throughout, let new partnering contracts and mobilised new contractors
- Gas safety – duty to carry out 100% safety checks remained but legal process closed down, guidance for shielding households, staff required to wear PPE in residents homes
- Income collection – rent arrears increased but have stabilised, numbers moving to UC accelerated substantially, residents offered support and information about accessing debt and support services
- Tenancy management – call handling moved to home working, significant management an office presence maintained for face to face and transactions that could not be switched to remote. Processes adapted to safe introductory virtual viewings, sign ups mainly by phone, first point of contact for tenancy issues, the Triage service experienced high call volumes over several months in 2021 and service standards fell over a 3 month period. New systems monitoring capacity were introduced for more responsive and better quality Triage services. Call handling standards are now high, and service improvement recovery plan in place
- Homelessness – accommodated over 350 people under Everyone in, Procured new good quality accommodation and wraparound services for rough sleepers. All rough sleepers in at once, increased demand on supported housing and support services. Accommodation had to be sourced quickly and costs relatively high. Additional NRPF households who would not usually qualify for services
- New challenge – funding provided by Government not designed to cover costs of move from temporary accommodation, exit strategies into long term accommodation, developing a long term holistic support pathway for rough sleepers, including funding for new accommodations, and multi-disciplinary support
- Housing allocations – social distancing stopped viewings, and Choice Based Lettings suspended April to July 2020. Properties already offered and accepted discussions with residents an sign ups carried out where possible. Other properties were selected for letting to high risk and high needs cases in line with the allocation scheme. Islington restarted the CBL in August 2020 ahead of peer authorities, but took longer to get the full range of housing association properties being let normally
- Deep dive day to day repairs – urgent and emergency repairs have been delivered through lockdown – 2 brief periods where only emergency and essential works conducted, staff required to work safely in residents homes, housing direct call centre moved staff delivering service to home and now moving back into the office. Service reopened to delivering non-urgent repairs during relaxation of COVID restrictions, and as residents reported routine repair. Demand increased from

Policy and Performance Scrutiny Committee - 9 September 2021

August 2020 and staff supported the Council's other call centres when staff numbers were low. Islington worked closely with other boroughs, and emergency only process inflated first time fix rates, no work place transmission in the office or on site

- Members wished to place on record their thanks to staff who had kept Housing services operating during the pandemic
- In terms of vaccinations of staff it was stated there had been a high level of vaccinations, however the precise figures were not known
- Discussion took place as to how Housing Direct and the Triage system had coped with the huge increase in calls during the pandemic and it was stated that this could be looked at later in the scrutiny
- In response to a question as to how Partners and Housing Associations had coped during the pandemic it was stated that Partners had followed the protocols adopted by the Council and appeared to have operated well. Housing Associations were more of a concern and it was stated that the EM Housing was looking into this
- Discussion took place as to how staff could be assisted more by the Council to cope with the effects of the pandemic and it was noted that more mental health assistance was being looked at for staff. Noted that there should be a more joined up approach between Housing and Social Services
- A Member referred to ASB and that reports of ASB had increased during lockdown as more people had been at home. It was stated that an approach with the Police to deal with hotspots was being looked at
- Reference was made to rough sleepers and the problems caused and that where these were moved on by other providers etc. they should be referred to the Council. In addition reference was made to caretakers and the issue of cover and pressure being placed on them and it was stated that this would be investigated
- Noted that this was due in the part to the UC payments, as many tenants were in receipt of UC. However the budget allowed for a certain sum for uncollected debt
- Reference was made to the proposal for more hybrid working and it was stated that this was being looked at and had worked well in the pandemic, however any hybrid working would need to ensure that services are not compromised

Stephen Biggs/Caroline Wilson – Inclusive Economy and Community Wealth Building

- Learning – ensuring business continuity plans consider longer range disruption, consider modified hybrid ways of working, maintain clarity on what is and what is not essential work, ensure dedication of operatives recognised, review call centre systems and technology for homeworking suitability
- Challenges and learning lessons – service resilience, improve online offer to residents, visibility and quick responsiveness, especially as impact on service interruption on residents is greater in the pandemic. Rapid communication on services, early and proactive intervention to respond to high demand, workforce – regular and frequent support to staff, importance of trust in the organisation to keep them safe, time to rethink approach to anti-social behaviour, importance of resilience to keep major programmes of work
- Islington's Economic Recovery from the Impacts of COVID 19 – a significant minority of LBI workforce and employed residents were in a vulnerable, economic position working in low paid secure jobs. A lack of mid-tier, skilled, secure jobs with good prospects for advancement led experts to describe Islington labour market as hourglass, with some of the highest rates of pay equality in London. Many residents were running small and micro businesses in sectors like fashion, retail, leisure and hospitality, a majority of whom were already pessimistic about their long term viability. These businesses were found to be disproportionately owned by women

and people from BAME communities, and typically operating with low levels of turnover

- After COVID pandemic lockdown it became clear that initial sectors most affected by COVID 19 were those in which workers needed to be in physical proximity at their place of work and were not classed as key workers. In Islington these were predominantly, but not exclusively classed under Accommodation and Food Services, together accounting for approx. 25000 jobs. As the effects of the pandemic have continued businesses that rely upon demand for their services from commuters, business travellers and tourists are finding it harder to survive. These businesses include a significant number of residents and workers employed in professional services, and administrative and secretarial roles, which account for a large percentage of Islington's workforce. The professional, scientific and technical category also includes creative workers in publishing, film, TV and media production, and legal services which have been severely impacted by the pandemic
- Emerging from the COVID 19 pandemic the economic effects remain and new challenges are emerging – economic vitality is returning to the UK with 5 consecutive months of growth, however the UK economy is still 4.4% below its pre-pandemic size. The service sector also grew by 1.5% although 2.1% below its February 2020 level. Construction fell by 1.3% and is now 0.3% smaller in terms of output than before the pandemic, as supplies of raw materials and labour are hard to source. Youth unemployment – Islington performing better than the UK and London average, with a rate of 5.4% of young people out of work. 9.3% of people in the working age population over 50 are claiming unemployment related benefits compared to 7.4% in London and 4.2% in the UK
- Phase 1 rescue period March – April 2020 – redeployed local economy officers to every part of the borough with the task of contacting businesses to check on their status and find out what support they need. Sustained regular meetings of Town Centre groups, moving them online so that business owners could stay connected and explain what Council support they needed during the emergency phase. Devised a public-access emergency business directory, profiling businesses and services still open, developed a business bulletin and linked media to Government websites to keep businesses informed about support available. Brokered employment opportunities between local businesses and the I WORK team highlighting the benefits for employers in recruiting locally, including candidates for high demand sectors Paid out 2111 crisis awards in 2020/21 totalling £247k
- Phase 2 – Building resilience – May 20-February 21 – setting up new business networks, assisting businesses to adapt their business models, a series of local initiatives, develop My Virtual Neighbourhood app to promote local businesses to local people etc. Distributed a Discretionary Grant of just over £3m to over 1000 SME's in Islington. Payments between £500 and £25000 were made with 58% of grants to businesses whose owners or directors identified as BAME or female. Allocating central government grant support, for example, £677,270 to households in poverty, over £2.6m in Council Tax relief, and £431k for 200 older residents in pension credits
- Phase 3 – Recovery of Islington's economy Feb-August 2021 – distributing tranches 1 and 2 of the Additional Restrictions grant supporting 1500 businesses to the value of £7.4m, 27% of all awards to BAME businesses, and 43% to female owned businesses. Employment support services across different organisations in Islington, co-ordinated through Islington Working Partnership. Launched own local jobs portal in February with immediate impact and borough became a living wage place in July. Surpassed 600 target by achieving nearly 1000 residents into jobs over 12 months. Delivered over £2.5m worth of social value, through affordable workspaces including helping residents into jobs and apprenticeships, acting as an incubator for new

Policy and Performance Scrutiny Committee - 9 September 2021

- social enterprises and other social impact businesses. Innovative programmes brokered during the pandemic to address precarious employment
- Phase 4 – Reframing Islington’s economy September 2021 onwards – building back better for an inclusive, fairer, greener, more creative local economy through promotion of sectoral interventions. Business support £3m additional restrictions grant funding to fund commissioned business development/growth programmes and continue direct grant aid to businesses, including training and development/growth programmes and continue direct aid to businesses – training and development programme for aspiring or start up circular economy businesses, inclusive entrepreneurialism to support BAME owned social impact businesses start ups, local development scheme for democratically owned co-operatives, promotion of black owned businesses on the high street and online, business development programme to stabilise street market traders and recruit new ones aligned to public realm project, grant aid to hospitality businesses
 - Priority sectors – Health and Care, Green Economy, Construction, Tech Knowledge, Creative Productions – work taking place on these
 - Lessons learned – What worked well – Iwork AND Islington Working Partnership, affordable workspaces, financial resilience, LIFT programme, Health Care Academy. What needed to be driven harder – procurement, local economies support, anchor institutions, construction sector. Emerging gaps – lack of established boroughwide business network, residents in precarious employment with no protections, need to co-ordinate multiple Council programmes in a single locality. New opportunities – Green Economy, retrofitting, green tech, innovation, technology, Mayoral Academies- digital, care. Community focus on high streets, and working with good landlords, increasing support to co-operatives
 - A Member stated that there is a need to promote the circular economy and ethical delivery companies and training opportunities could be given into bicycle repair, especially cargo bikes
 - A number of jobs were precarious in nature in Islington and had low pay and staff should be encouraged to join Trade Unions and to shop locally. It was stated that this was being looked at and discussions were taking place with UCL and that further details could be provided later in the scrutiny
 - A Member stated that more should be done in terms of procurement to ensure local businesses can tender for work and that one of the criterion should be how much is put back into the local economy. It was stated that this was being looked at to make it easier for local companies to do this
 - Reference was made to certain businesses where there were problems with delivery staff and there was a need when licensing and planning was granted for more conditions to be put on by the Council to ensure residents were protected
 - In response to a question on shop vacancy rates it was stated that these had increased and more data was needed however this was an area where more work needed to be carried out
 - Noted that with furlough shortly coming to an end there may be more unemployment issues, however Members would be updated throughout the scrutiny

David Hodgkinson – Director of Corporate Resources – Council Financial Position

- COVID 19 has been a significant shock to the Council’s finances and will have a continuing effect on the budget and due to the Government not funding all the additional costs incurred by the Council, there is a need to ensure sufficient contingency funds and reserves
- The last decade has also seen central Government funding reduce by 70% over the past decade, by £275m

Policy and Performance Scrutiny Committee - 9 September 2021

- When taking into account Government support there is a an estimated unfunded loss to the Council of around £5.3m
- Council Tax collection has reduced in line with other London boroughs, and for every 1% of collection rate the Council receives around £1m and therefore the overall loss to the Council before Government support was just below £3m
- Business rate collection for 2020/21 was 3.7% less when compared with pre-COVID targets. This has been due to reduced demand/closures and businesses have struggled to keep up payments. Collection fund performance remains a concern due to the continuing pandemic
- There has been a small rise in Council Tax debt and an overall reduction in Housing Benefit overpayments, however a sustained rise in Housing Rent debts, however this is not as great in the current financial year
- There has been a reduction in income through fees and charges and a parking income substantially reduced during the worst period of the pandemic but has increased as restrictions lifted. Leisure services have been also particularly badly affected, however since the lifting of restrictions activity levels have been positive
- Council Tax support scheme has assisted residents and during the pandemic the cost of providing support for Adults rose by over 25%. These costs have slightly reduced but the cost for 2021/22 is uncertain
- Temporary accommodation occupation is at its highest level in recent times and there are 930 homeless households in temporary accommodation and an expected 20% increase is expected in the current year
- Adult social care – increased costs for packages of care to enable speedy discharge from hospitals and increase in number of hours of home care provided
- Noted that after tranche 5 funding the Government has stated that Councils should plan for no further funding to meet COVID costs in 2021/22
- The 2021/22 budget included a contingency budget of £5M and an additional COVID contingency budget of £5.5m. It is expected that the COVID contingency will be needed due to lack of further central government fundin
- General Fund balance – this is currently £16.7m and equates to just one week of GF gross expenditure
- Looking ahead – outlook is uncertain, both nationally and locally and the Comprehensive Spending Review, planned reforms to Local Government finance system around business rate retention and the Fair Funding review are risks going forward for the Council
- In response to a question it was stated that the in relation to Islington's reserves in relation to other London local authorities, Islington reserves were not dangerously low but needed to be increased when possible
- Concern was expressed that COVID had come after 10 years of austerity and this had had a significant impact on Council finances and the issues of underfunding for Local Government needed to be raised with central Government. The EM Finance, Performance and Resources assured the Committee that this was the case
- Reference was made to GLL and income and it was stated that this was an area that was being kept under review

The Chair thanked the Executive Member Finance, Resources and Performance and officers for attending

Policy and Performance Scrutiny Committee - 9 September 2021

David Hodgkinson – Director of Corporate Resources was present and outlined the report. Councillor Satnam Gill Executive Member Finance, Performance and Resources was also present

During consideration of the report the following main points were made –

- Noted the budget forecast remains uncertain at this early stage of the financial year and COVID will have a continuing significant ongoing impact on the Council's budget for the foreseeable future
- The HRA is currently forecasting an in year surplus predominantly in relation to capital financing costs that are now expected to be incurred in future financial years
- Overall the Council is currently estimating total General Fund budget pressures of (+£22.731m). At present there are no forecast Council Tax or business rates income budget variances. After the allocation of available COVID 19 funding and an assumed allocation from contingency, this reduces to a forecast overspend of (+£0.181m) on the General Fund
- At the end of month 3 capital expenditure of £17.442 had been incurred against a 2021/22 full year forecast of £176.211m against a 2021/22 full year forecast of £203.203m

The Chair thanked Councillor Gill and David Hodgkinson for attending

322

CORPORATE PERFORMANCE REPORT (Item C3)

Ayesha Hakim Rhaman, Head of Transformation was present and outlined the report

Councillor Satnam Gill, Executive Member Finance, Performance and Resources was also present

During consideration of the report the following main points were made –

- Noted that there had been a considerable rise in ASB and race/hate crime offences
- Noted that Islington has the second high free school meals eligibility in England
- Noted that there had been 86 new care home admissions
- Reference was made to the excellent work in keeping Libraries open during the pandemic and that there had been an additional 2897 additional library joiners and the fact that libraries and leisure centres had been kept open should be emphasised
- Discussion took place as to the KPI's where the Council had little/partial control such as crime and employment and it was stated that the Council did have partnership involvement in these areas however this was a challenge
- In response to a question as to reporting on PI's to relevant Scrutiny Review Committees it was stated that this was unlikely to change however any proposed changes in reporting would be notified to relevant Scrutiny Committees
- Noted that there had been 53 new Council houses built however targeting of 93 new builds in 2021/22
- Noted 67 residents had been assisted into employment with an outside employer
- Noted that Leisure centre income target had not been achieved during the pandemic, however income was starting to increase

RESOLVED:

That the Annual Performance report 2020/21 be noted and that the Council priorities are being reviewed as part of the development of a new Corporate Plan, with the 7 new priorities at Appendix A to the report being refreshed to reflect the new priorities. In the interim reporting by Directorate may be a sensible option

The Chair thanked Councillor Gill and Ayesha Hakim Rahman for attending

323

PERFORMANCE UPDATE - QUARTER 1 RESOURCES (Item C4)

Ayesha Hakim Rahman Head of Transformation was present and outlined the report

Councillor Satnam Gill Executive Member Finance, Performance and Resources was also present

During consideration of the report the following main points were made –

- The Corporate Plan was taking account of the new Directors and allocation of KPI responsibility but this had not yet been agreed

RESOLVED:

That the report be noted and that the Council's priorities are currently being reviewed as part of a development of a new Corporate Plan with the 7 outcomes set out at Appendix A being refreshed to reflect the new priorities. In the interim reporting by Directorate may be a sensible option

The Chair thanked Councillor Gill and Ayesha Hakim Rahman for attending

324

MONITORING REPORT (Item)

A Member expressed the view that the meeting had been very lengthy that evening and that in future agendas should be shorter in order to enable adequate consideration to be given to later items on the agenda

The Chair stated that she would look at agendas in future, however with the items on the agenda that evening it had been anticipated that there would be a long meeting. The Chair added that at the last meeting the Committee had decided to not consider the regular COVID 19 item to enable more time for consideration by the Committee of other items on the agenda

A Member stated that Members also had a responsibility to ensure that they kept questions to a minimum and not ask multiple questions on each report, and that this should be borne in mind at future meetings

RESOLVED:

That the report be noted

The meeting ended at 10.20 p.m.

CHAIR