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Town Hall, Upper Street, London, N1 2UD

AGENDA FOR THE EXECUTIVE

Members of the Executive are summoned to attend a meeting to be held in Committee Room 1, Islington Town Hall, Upper Street, N1 2UD on **22 June 2023 at 7.00 pm.**

Enquiries to : Mary Green
Tel : 0207 527 3005
E-mail : democracy@islington.gov.uk
Despatched : 14 June 2023

Membership

Councillor Kaya Comer-Schwartz
Councillor Diarmaid Ward

Councillor Una O'Halloran
Councillor Rowena Champion

Councillor John Woolf
Councillor Santiago Bell-Bradford
Councillor Nurullah Turan
Councillor Michelline Safi Ngongo

Councillor Roulin Khondoker

Portfolio

Leader of the Council
Executive Member for Finance, Planning and Performance
Executive Member for Homes and Communities
Executive Member for Environment, Air Quality and Transport
Executive Member for Community
Executive Member for Inclusive Economy and Jobs
Executive Member for Health and Social Care
Executive Member for Children, Young People and Families
Executive Member for Equalities, Culture & Inclusion

Quorum is 4 Councillors

Please note

It is likely that part of this meeting may need to be held in private as some agenda items may involve the disclosure of exempt or confidential information within the terms of Schedule 12A of the Local Government Act 1972. Members of the press and public may need to be excluded for that part of the meeting if necessary.

Details of any representations received about why the meeting should be open to the public - none

Declarations of interest:

If a member of the Executive has a **Disclosable Pecuniary Interest*** in an item of business and it is not yet on the council's register, the Councillor **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent. Councillors may also **choose** to declare a Disclosable Pecuniary Interest that is already in the register in the interests of openness and transparency. In both the above cases, the Councillor **must** leave the room without participating in discussion of the item.

If a member of the Executive has a **personal** interest in an item of business they **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent but may remain in the room, participate in the discussion and/or vote on the item if they have a dispensation from the Chief Executive.

- *(a) **Employment, etc** - Any employment, office, trade, profession or vocation carried on for profit or gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

NOTE: Public questions may be asked on condition that the Chair agrees and that the questions relate to items on the agenda. No prior notice is required. Questions will be taken with the relevant item.

Requests for deputations must be made in writing at least two clear days before the meeting and are subject to the Leader's agreement. The matter on which the deputation wants to address the Executive must be on the agenda for that meeting.

A. Formal matters

- | | | |
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| 1. | Apologies for absence | |
| 2. | Declarations of Interest | |
| 3. | Minutes of previous meeting | 1 - 4 |
| 4. | Appointment to Voluntary and Community Sector Committee | 5 – 8 |

B. Budget, Performance and Monitoring matters

- | | | |
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| 1. | Budget monitoring 2022/23 Provisional Outturn | 9 - 66 |
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C. Child-friendly Islington

- | | | |
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| 2. | Proposal on the future of Pooles Park Primary school | 67 - 122 |
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D. Community Wealth Building

- | | | |
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| 3. | Letting of Platform, The Laundry, Hornsey Road Baths, 2 Tiltman Place, Islington, London N7 7EE | 123 - 128 |
| 4. | Redevelopment of Finsbury Leisure Centre | 129 - 140 |

E. Other matters

- | | | |
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| 5. | Report in Public by the Local Government and Social Care Ombudsman: Investigation into Stage 2 of the Corporate Complaints Procedure | 141 - 152 |
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F. Urgent non-exempt matters

Any non-exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

G. Exclusion of the press and public

To consider whether to exclude the press and public during discussion of the remaining items on the agenda, in view of their confidential nature, in accordance with Schedule 12A of the Local Government Act 1972.

H. Confidential / exempt items for information

- | | | |
|----|---|--------------|
| 1. | Letting of Platform, The Laundry, Hornsey Road Baths, 2 Tiltman Place, Islington, London N7 7EE - exempt appendices | 153 - 184 |
| 2. | Redevelopment of Finsbury Leisure Centre - exempt appendices | 185 - 202 |

I. Urgent exempt matters

Any exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

The next meeting of the Executive will be on 20 July 2023

London Borough of Islington

Executive - 18 May 2023

Minutes of the meeting of the Executive held in the Council Chamber, Town Hall, Upper Street, N1 2UD on 18 May 2023 at 7.00 pm.

Present: **Councillors** Kaya Comer-Schwartz, Diarmaid Ward, Una O'Halloran, Rowena Champion, John Woolf, Santiago Bell-Bradford, Nurullah Turan, Michelline Ngongo and Roulin Khondoker

Also: **Councillors** Benali Hamdache, Ernestas Jegorovas-Armstrong and Caroline Russell

Councillor Kaya Comer-Schwartz in the Chair

112 APOLOGIES FOR ABSENCE

None.

113 DECLARATIONS OF INTEREST

None.

114 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 20 April 2023 be confirmed as an accurate record of proceedings and the Chair be authorised to sign them

115 APPOINTMENTS TO BE MADE BY THE EXECUTIVE 2023/24

RESOLVED:

(a) To appoint Councillor Kaya Comer-Schwartz (Chair), Councillor Una O'Halloran, Councillor Roulin Khondoker and Councillor Santiago Bell-Bradford as members of the Voluntary and Community Sector Committee and Councillors Rowena Champion, Diarmaid Ward, John Woolf, Michelline Ngongo and Nurullah Turan as substitutes, for the municipal year 2023/2024, or until successors are appointed.

(b) To appoint Councillor Troy Gallagher, Councillor Jason Jackson and Councillor Asima Shaikh as observers of the Voluntary and Community Sector Committee, for the municipal year 2023/2024, or until successors are appointed.

(c) To appoint Councillor Kaya Comer-Schwartz to the Associated Joint Committee – London Councils' Grants Committee and Councillors Khondoker,

Ngongo, O'Halloran and Woolf as deputies, for the municipal year 2023/24, or until successors are appointed.

(d) To appoint Councillor Paul Convery as the Council's representative at shareholder meetings of the London Collective Investment Vehicle (London LGPS CIV Limited), for the municipal year 2023/24, or until a successor is appointed.

Reasons for the decision – to appoint members to various committees and organisations to ensure Council representation.

Other options considered – none

Conflicts of interest / dispensations granted – none

116 PROPOSAL ON THE FUTURE OF COPENHAGEN AND VITTORIA PRIMARY SCHOOLS

RESOLVED:

(a) That the responses to the formal representation period of the statutory notice on a proposal to amalgamate Copenhagen and Vittoria Primary Schools, as detailed in the report of the Executive Member for Children, Young People and Families, be noted.

(b) That, based on the feedback received during the statutory notice period and the earlier information consultation, the Council proceed with the proposal to amalgamate Copenhagen and Vittoria Primary Schools and implement the statutory proposals to discontinue Copenhagen Primary School and move Vittoria Primary School to the Copenhagen Primary School site, with effect from 31 August 2023 and to increase the capacity of Vittoria Primary School from 210 to 315, with effect from 1 September 2023.

Reasons for the decision – To progress the next stage in the School Organisation Plan to confidently manage surplus capacity in Islington schools to ensure the best outcomes for children and young people and sustainability of schools.

Other options considered – none

Conflicts of interest / dispensations granted – none

117 UNDER 5S CHILDCARE FEE INCREASE CONSULTATION

RESOLVED:

(a) To approve under 5s childcare fee increases with the following adjustments:

- Reduce the increase to fees for higher earning households from 8% down to 6% in year 1
- Raise the household income threshold for a 6% increase in year 1 from £90K (band 9) to £100K and above (bands 10, 11 and non-subsidised/marketed)
- Review increases in year 2 and 3 for household incomes above £100K depending on inflation, occupancy at council subsidised nurseries, and

the financial implications of the new free childcare entitlements outlined in the spring budget 2023

(b) To approve the consultation report to allow for implementation of the childcare fee increases in September 2023.

Reasons for the decision – To accord with the Council’s standard policy to increase childcare fees by 2% each September, delivering a saving of £100k against the childcare subsidy budget.

Other options considered – none

Conflicts of interest / dispensations granted – none

118 **EXECUTIVE RESPONSE TO THE CHILDREN'S SERVICES SCRUTINY COMMITTEE REPORT - SPECIAL EDUCATIONAL NEEDS AND DISABILITIES TRANSITIONS**

RESOLVED:

(a) To approve the responses to the recommendations of the Children’s Services Scrutiny Committee on “Special Educational Needs and Disabilities Transitions”, as detailed in the report of the Executive Member for Children, Young People and Families.

(b) To note the further work proposed to consolidate and build on the improvements to date, also as detailed in the report.

Reasons for the decision – to respond to the recommendations in the report of the Children’s Services Scrutiny Committee.

Other options considered – none

Conflicts of interest / dispensations granted – none

119 **SOBELL LEISURE CENTRE FACILITIES CHANGES**

The Executive Member for Health and Social Care outlined the Council’s rationale for proposing not to reinstate the ice rink at the Sobell Leisure Centre.

A number of members of the public and councillors asked questions about the proposals in the report which were responded to by the Executive Member for Health and Social Care and Council officers.

RESOLVED:

(a) That the Council was minded not to reinstate an ice rink at the Sobell Leisure Centre for the reasons set out in the report of the Executive Member for Health and Social Care.

(b) To consult and engage with users and the wider community on the proposal not to reinstate the ice rink and to replace the lost facilities with a new offer to appeal to a wider user base to increase physical activity, particularly by young people.

(c) To delegate authority to the Corporate Director of Resources, following consultation with the Executive Member for Health and Social Care, to make a decision as to the future uses of Sobell, following the consultation.

Reasons for the decision – The financial costs of operating the ice rink at a significant deficit were not considered to be sustainable, particularly in the context of high utility prices and high levels of inflation along with the changing ice offer with the opening of the Lee Valley Ice Centre. Not re-instating the ice rink would save a significant level of carbon and enable renewable options to cover more of the utility load for the Centre, enabling the Centre to move closer towards a net zero carbon position. In addition, usage levels of the ice rink were relatively low in comparison with the potential increases in usage levels of alternative facilities that were appealing to a broader range of users and had increased capacity. This would support the Council's strategic objective to get more inactive residents active, in particular, but not exclusively, children and teenagers.

Other options considered – none

Conflicts of interest / dispensations granted – none

The meeting closed at 7.48 pm.

Law and Governance
Town Hall, Upper Street, London N1 2UD

Report of: Interim Director of Law and Governance

Meeting of: Executive

Date: 22 June 2023

Ward(s): n/a

**Subject: APPOINTMENT TO BE MADE BY THE EXECUTIVE TO
THE VOLUNTARY AND COMMUNITY SECTOR
COMMITTEE 2023/24**

1. Synopsis

- 1.1 This report seeks approval of the appointment of Councillor Phil Graham as an observer to the Voluntary and Community Sector Committee in 2023/24, to replace Councillor Asima Shaikh, who has stepped down.

2. Recommendation

- 2.1. To appoint Councillor Phil Graham as an observer to the Voluntary and Community Sector Committee, to replace Councillor Asima Shaikh, who has stepped down, for the municipal year 2023/2024, or until a successor is appointed.

3. Background

VOLUNTARY AND COMMUNITY SECTOR COMMITTEE

- 3.1 The Voluntary and Community Sector Committee, which is a committee of the Executive, oversees the Council's engagement with the Islington community and voluntary sector and ensures value for money and fairness in the allocation of council resources to the sector.
- 3.2 At their meeting on 23 May 2023, the Executive appointed the membership of the Committee for the municipal year 2023/24, including observers. Since that time,

Councillor Asima Shaikh has stepped down as an observer to the Committee and Councillor Phil Graham has been nominated to replace her.

4. Implications

4.1. **Financial Implications**

The Voluntary and Community Sector Committee approves allocation of the Islington Community Fund and the Islington proportion of the London Councils' Grants Committee budget.

4.2. **Legal Implications**

These are contained in the body of the report.

4.3. **Environmental Implications and contribution to achieving a net zero carbon Islington by 2030**

There are no environmental implications arising directly from this report.

4.4. **Equalities Impact Assessment**

4.4.1. The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

4.4.2. An Equalities Impact Assessment is not required in relation to this report.

A significant proportion of the grants made by the Grants Committee are to organisations meeting the needs and priorities of a wide range of Islington's residents and are aimed at improving fairness and equality in the Borough.

5. Conclusion and reasons for recommendation

5.1. The Voluntary and Community Sector Committee is a Committee of the Executive and therefore the Executive has responsibility for appointing its membership.

Final report clearance:

Authorised by:

Interim Director of Law and Governance

Date: 31 May 2023

Report author: Mary Green
Tel: 020 7527 3005
Email: Mary.Green@islington.gov.uk

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Report of: Executive Member for Finance, Planning and Performance
 Meeting of: Executive
 Date: 22 June 2023

Subject: Budget Monitoring 2022/23 Provisional Outturn

1. Synopsis

- 1.1. This report presents the provisional outturn position for the 2022/23 financial year. This estimated financial position for the financial year incorporates known and emerging budget variances and details any known residual risks. Overall, there is a balanced, net general fund (GF) position, (-£6.014m, change from the previous reported position). This is following the application of the following corporate resources:
 - -£1.400m Corporate Energy Provision
 - -£5.509m Energy and Inflation Smoothing Reserve drawdown
 - -£3.221m Social Care Reserve drawdown
 - -£1.314m Capital Financing Reserve drawdown
 - -£6.511m Budget Risk and Insurance Reserve drawdown
 - -£5.000m General Contingency
- 1.2. The provisional outturn for the HRA is an in-year deficit of +£12.987m, a +£16.366m increase from the previous reported position.
- 1.3. Capital expenditure of £152m has been delivered against a revised 2022/23 budget of £169m representing 90% spend against budget. The variance is predominantly due to non-COVID-19 related delays across the programme.

2. Recommendations

- 2.1. To note the breakdown of the forecast General Fund outturn by variance at **Appendix 1** and service area at **Appendix 2. (Section 3, Table 1, and Appendix 1 and 2)**
- 2.2. To note the overall 2022/23 GF net break-even position after application of reserves and contingencies. **(Section 3 and Table 1)**
- 2.3. To approve the inter-departmental virements as at month 12. **(Appendix 2).**
- 2.4. To agree the creation of new reserves, the outturn transfers to/from reserves, the movements between reserves and the provisional GF and HRA reserves balances, and to delegate authority to the Section 151 Officer to agree any further movements to/from reserves related to finalising the 2022/23 Statement of Accounts.
- 2.5. To agree the drawdowns from the corporate transformation fund in 2022/23. **(Paragraph 4.70-4.72 and Appendix 3)**
- 2.6. To note the Collection Fund monitoring position at month 12. **(Paragraphs 4.86 to 4.101)**
- 2.7. To note the Energy Price Analysis summary as at month 12. **(Paragraphs 4.102 to 4.111)**

- 2.8. To note progress on delivering the 2022/23 savings. (**Paragraph 3.7** and **Appendix 5**)
- 2.9. To note the HRA in-year deficit of (+£12.987), fully funded from a lower contribution to HRA reserves than planned in the original budget. (**Section 5** and **Appendix 1** and **2**)
- 2.10. To note the 2022/23 capital outturn and financing of the 2022/23 capital programme. (**Section 6**, and **Appendix 6**)
- 2.11. To approve the re-profiling of the 2022/23 capital outturn budget variances into the 2023/24 capital programme, with the exception of variances that are underspends rather than re-profiling in nature, and to delegate authority to the Section 151 Officer to agree any further capital financing adjustments related to finalising the 2022/23 Statement of Accounts. (**Section 6** and **Appendix 6**)

3. Revenue Summary

- 3.1.A summary position of the 2022/23 GF provisional outturn is shown in **Table 1**, with a breakdown by individual variance in **Appendix 1**.

Table 1 - 2022/23 GF Over/(Under)Spend

| Directorate | Outturn Total £m | Month 10 Total £m | Change to Previous £m |
|--|---------------------|----------------------|--------------------------|
| Adults | 7.893 | 3.338 | 4.555 |
| Chief Executive's | 0.165 | 0.133 | 0.032 |
| Children's Services | 2.606 | 5.708 | -3.102 |
| Community Engagement and Wellbeing | - | - | - |
| Community Wealth Building | 1.448 | 2.888 | -1.440 |
| Environment | 5.213 | 4.341 | 0.872 |
| Homes and Neighbourhoods | -0.452 | -0.719 | 0.267 |
| Public Health | - | - | - |
| Resources | 0.359 | 0.274 | 0.085 |
| Total: Directorates | 17.232 | 15.963 | 1.269 |
| Corporate | 5.723 | 5.298 | 0.425 |
| Total: General Fund | 22.956 | 21.261 | 1.695 |
| Less: Energy Provision | -1.400 | -1.400 | - |
| Less: Energy and Inflation Reserve Drawdown | -5.509 | -5.509 | - |
| Less: Capital Financing Drawdown for Capital Impact on Revenue | -1.314 | - | -1.314 |
| Less: Social Care Reserve Drawdown | -3.221 | -3.338 | 0.117 |
| Less: General Contingency | -5.000 | -5.000 | - |
| Net: General Fund | 6.511 | 6.014 | -0.497 |
| Less: Budget Risk and Insurance Drawdown | -6.511 | - | -6.511 |
| Revised Net: General Fund | - | 6.014 | 6.014 |

- 3.2. The 2022/23 corporate energy provision of -£1.400m and the energy and inflation reserve of -£5.509m have been applied against the gross GF position to offset the significant increase in estimated energy-related costs in this financial year.
- 3.3. A drawdown against the Social Care Reserve of -£3.221m has been applied to smooth the increase in Adults Social Care pressures.
- 3.4. A drawdown against the Capital Financing reserve of -£1.314m has been applied for the capital impact on revenue.
- 3.5. A drawdown against the Budget Risk and Insurance Reserve of -£6.511m has been applied against the net General Fund pressure.
- 3.6. General Contingency of -£5.000m built into the budget has been applied. Further details can be found in the corporate monitoring section of this report.
- 3.7. A schedule of the 2022/23 budget agreed revenue savings is shown at **Appendix 5** together with comments against each agreed saving on delivery progress. Any ongoing savings delivery issue against an agreed saving requires directorates to compensate with management actions in-year to achieve cash limited financial targets and alternative savings, where appropriate, brought into the wider budget planning process for future years.

4. General Fund

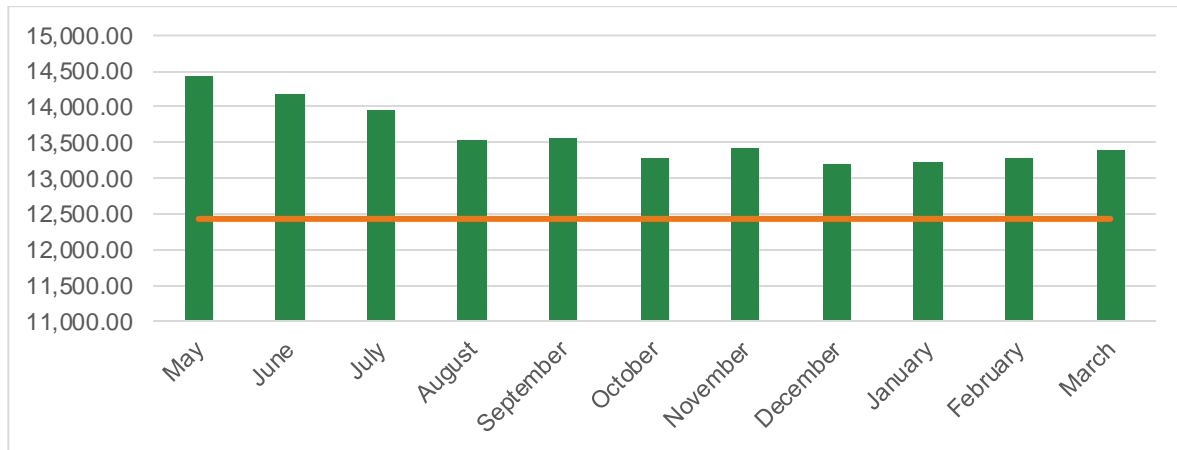
Adult Social Services (+£7.893m, an increase of +£4.555m) since the previous reported position in Month 10.

- 4.1. The provisional outturn for Adult Social Services is a net overspend of +£7.893m, which is detailed by key variances in **Appendix 1**.
- 4.2. The primary reason for the movement of +£4.672m is due to the unavailability of beds in care homes within Islington and the cost of providing bed spaces out of borough. The availability of beds within Islington is improving but there is a cost pressure for 2022/23.

Covid and Hospital Discharge Pressures (+£0.962m, an increase of +£0.106m since the previous reported position)

- 4.3. The pressure of +£0.962m relates to individuals who came through the Covid related NHS Hospital Discharge scheme from March 2020 to March 2022 and are now receiving social care packages. The original cost for this cohort of 660 individuals at the start of 2022/23 was £14.652m, causing a pressure of +£2.221m over budget. It was expected that this would decrease throughout the year as these individuals leave the system. As at year end, this pressure has reduced to +£0.962m as 229 individuals have left since April 2022 (see **Figure 1**). This pressure will continue into 2023/24 however will be fully funded. The orange trend line in **Figure 1** represents the estimated cost of new Memory & Cognition and Physical Support service users based on pre-covid years.

Figure 1 - Value of Historical Covid-19 Hospital Discharge Care Packages within Adult Social Services in 2022/23



Demand over Demographic Growth (+£3.075m, an increase of +£0.001m since the previous reported position)

- 4.4. Adult Social Services continues to be impacted by wider demographic pressures, including increased demand for services, the need for acute care and increases in acuity of need of existing service users. During budget setting, it was assumed that demographic growth would reduce back to pre-pandemic levels in 2022/23. However, we have seen a continuation of demand over demographic projections, but below the growth trends seen in 2021/22 during the pandemic, which is now an unbudgeted growth pressure of +£3.075m. This growth has primarily been in homecare throughout the pandemic; however, residential and nursing placements are also increasing to pre-pandemic levels after a dip in the past few years.
- 4.5. Management actions have reduced the forecasted risk; however, this has not been able to reduce demand down to budgeted growth levels.

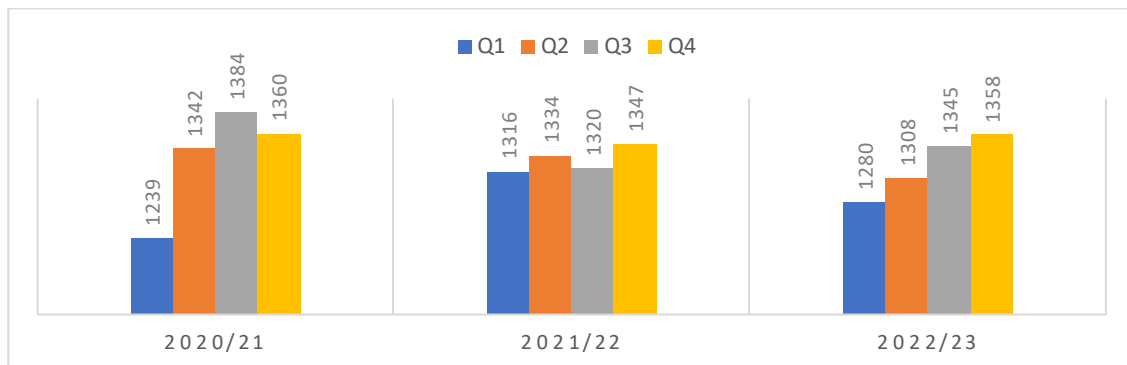
Management actions to mitigate the pressures from this increased demand include:

- Using the Integrated Quality Assurance Meeting (IQAM) Panel with an emphasis on maximising enablement and independence using strength-based practice.
- The restructure of the reablement service has been completed, which will support reducing longer term need. Outstanding issues are being addressed that will support the increased capacity required to take on additional cases.
- Operational Social Work Management are working with the Finance team and Data Intelligence to capture further information on emerging pressures to proactively focus targeted work.
- Further work is being undertaken to identify tangible saving opportunities in all areas of the service. These savings are primarily aimed at addressing pressures in future years but there is potential for work to be started sooner to offset any additional pressures.
- Operational Changes to the Hospital Discharge Process. This includes a move away from NHS Therapy led discharges with the Hospital Social Work team managing the

process from start to finish and all funding requests to come to a single IQAM Panel for agreement.

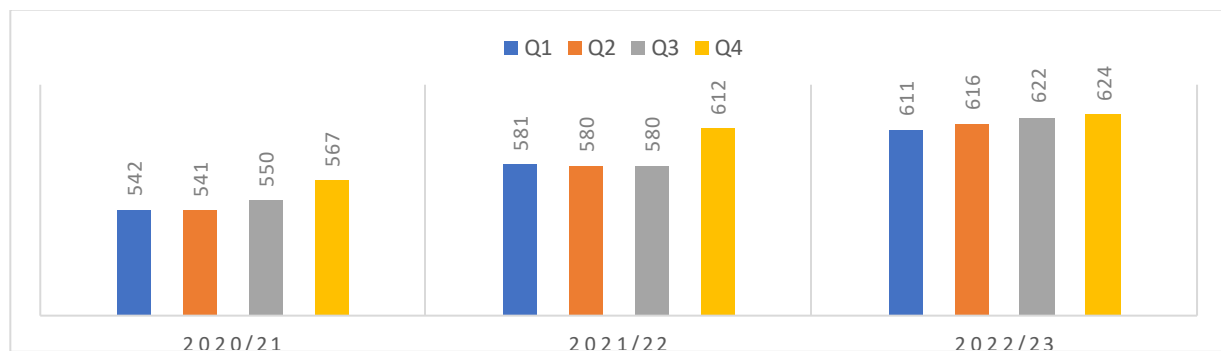
- 4.6. **Figure 2** shows that whilst demand for homecare is less than it was in 2021/22, demand is still above early pandemic levels.

Figure 2 - Quarterly Snapshot of people accessing Homecare over the past three financial years



- 4.7. **Figure 3** shows that since the pandemic, demand for residential and nursing beds has been steadily increasing.

Figure 3 - Quarterly Snapshot of people accessing Residential and Nursing beds over the past three financial years



Client Contributions and Direct Payments Drawdown (-£1.475m, an increase of - £0.075m since the previous reported position)

- 4.8. There are several factors to mitigate the above pressures. As the number of individuals accessing care increases, so does the level of client contributions (-£1.035m) and one-off direct payment surplus will be drawn down (-£0.440m) to offset the pressure.

Additional Staffing in the Adult Senior Leadership Team (+£0.373m, a decrease of +£0.033m since the previous reported position)

- 4.9. This is mainly due to several roles where the postholder is involved in a period of absence and it has been deemed necessary to have another individual covering their post, resulting in the double cost of these roles and redundancy associated costs.

In-House Pressures (+£0.784m, no change since previous reported position)

- 4.10. The In-House Transformation Programme has been delayed. This was due to requests for further information and clarification from interested parties. The consultation ended on the

30 November. The new structure went live on April 2023 and recruitment is progressing well. This will only cause a financial pressure in 2022/23 of (+£0.784m).

Delay to Beaumont Rise Opening (+£0.257m, no change since previous reported position)

- 4.11. The delay in the opening of a new residential Mental Health care home, Beaumont Rise, is because of construction work delays due to restrictions to activity on the building site and supply chain issues resulting from COVID-19. As a result of not having this accommodation available the NHS contribution to the service cannot be materialised as care is still required in NHS accommodation. Notification from the new build team is now predicting that this is delayed even further into late summer of 2023 which will create a further budget pressure next financial year. A plan has been developed to address this shortfall which is subject to sign off by the NCL Integrated Care Board.

Additional Social Work staff (+£0.162m, a decrease of -£0.009m since previous reported position).

- 4.12. Additional staff to support continuing the effective management of increased resident demand and complexity, and support delivery of MTFs assumptions for 2022/23 of +£0.247m, this has been offset by non-pay underspends in the service of -£0.085m.

Learning Disability and Mental Health (+£1.034m, an increase of +£0.249m since previous reported position).

- 4.13. This pressure has increased from the previous month due to the following change in the learning disabilities forecast:
- 4.14. An asylum seeker having their claim approved and becoming the responsibility of Adult Social Services - £0.129m.
- 4.15. Delays in savings delivery in Learning Disabilities and Mental Health:
- Mental Health Accommodation moves from out of borough back to Islington have been delayed resulting in an in-year pressure of +£0.170m, this is related to two individuals. Escalation meetings are being held with the Trust to determine if moves can take place more quickly.
 - Learning Disability Reviews savings have slipped by +£0.735m. The reasons for this slippage are continuing health care agreements are taking longer than anticipated to finalise and staffing issues within the services which have delayed review savings being realised. These issues are being resolved and the aim is to deliver these savings in 2023/24.

Progression to Adulthood (+£0.541, an increase of +£0.136m since previously reported position)

- 4.16. The impact of service users who have been previously funded by Children's services and have reached 18 years old and are now funded by Adult Social Care. Due to following issues, there was a delay in forecasting this cost:
- 4.17. Clarity regarding funding arrangements for these service users— were independent futures/health contributing to the package of care, the size of the care package to be put in place, eligibility for Adult Social Care services.

- 4.18. A programme group has been set up across Adults and Children's Services to better understand and manage the progression to adulthood.

Various underspends across Adult Social Services (-£0.362m, an increase of +£0.362m since previously reported position)

- 4.19. The complex needs and transforming care placement budget has an underspend of - £0.200m plus there are various underspends across Adult Social Services totalling - £0.162m.

Additional Grant Income.

- 4.20. The government provided several grants to Adult Social Services in 2022/23; the Fair Cost of Care (FCOC), Charging Reform, ASC Discharge funding and the Streamlining of local authority Adult Social Care assessments grant. The amount received in 2022/23 was FCOC £0.868m, Charging Reform £0.117m, ASC Discharge funding £1.076m and Grant to streamline local authority Adult Social Care Assessments £0.130m.
- 4.21. The Fair Cost of Care grant will fund activities which will need to be implemented to prepare the Council for any future changes to funding. This will include additional support to providers for future impacts of reforms. The Charging Reform grant will fund expenditure related to strengthening capacity and supporting implementation of technology that will aid the "£86,000" cap charging reform. The ASC Discharge Funding grant will fund activities that will lead to increased patient discharges, including local initiatives that will have the greatest impact on reducing discharges. This will also be used to boost workforce capacity and retention to support the increase in discharges into residential and home care.
- 4.22. The service will use the Fair Cost of Care, Charging Reform, and the Adult Social Care Discharge fund to offset appropriate projected expenditure above budget and any additional spends to support the grant conditions.

Reserves

- 4.23. The position is net of the following transfers to/(from) reserves:
- Transformation funding for programmes including Assistive Technology and the Transformation team (-£0.710m) – Appendix 3.
 - Drawdown for projects that will be funded through the Social Care Reserve/Grants (-£0.773m) – Appendix 4.
 - Transfer to reserves (+£5.000m). A one-off arrangement has been agreed with North Central London ICB for them to fund pressures in Adult Social Care placements arising from the on-going impact of the COVID-19 pandemic (-£5.000m) – Appendix 4.

Unavailability of care home beds (+£4.672m, an increase of +£4.672m since previously reported position)

- 4.24. The primary reason for the movement of +£4.672m is due to the unavailability of beds in care homes within Islington and the cost of providing bed spaces out of borough. The availability of beds within Islington is improving but there is a cost pressure for 2022/23.

Chief Executive's Directorate +£0.165m, an increase of +£0.032m since the previously reported position

- 4.25. The Chief Executives Directorate's provisional outturn variances is a +£0.165m overspend position, which is an increase of +£0.032m since the previous reported position.
- 4.26. The main reasons for this movement are due to revisions in print costs and income.
- 4.27. The significant variances within the department are as follows:
- Unbudgeted activity within communications as part of the Accessible Documents project, +£0.161m.
 - Net overspends on employee and supplies and services within the Communications service as a result of increased communications activity, +£0.043m.
 - Net underspend on supplies / services within Print Services due to less reliance on external printing and Panacea software costs, (-£0.091m).
 - All other key variances are detailed in **Appendix 1**.

Children's Services (+£2.606m), a decrease of (-£3.102m) since the previous reported position; Schools (+£0.135m), an increase of (+0.067m) since the previous reported position

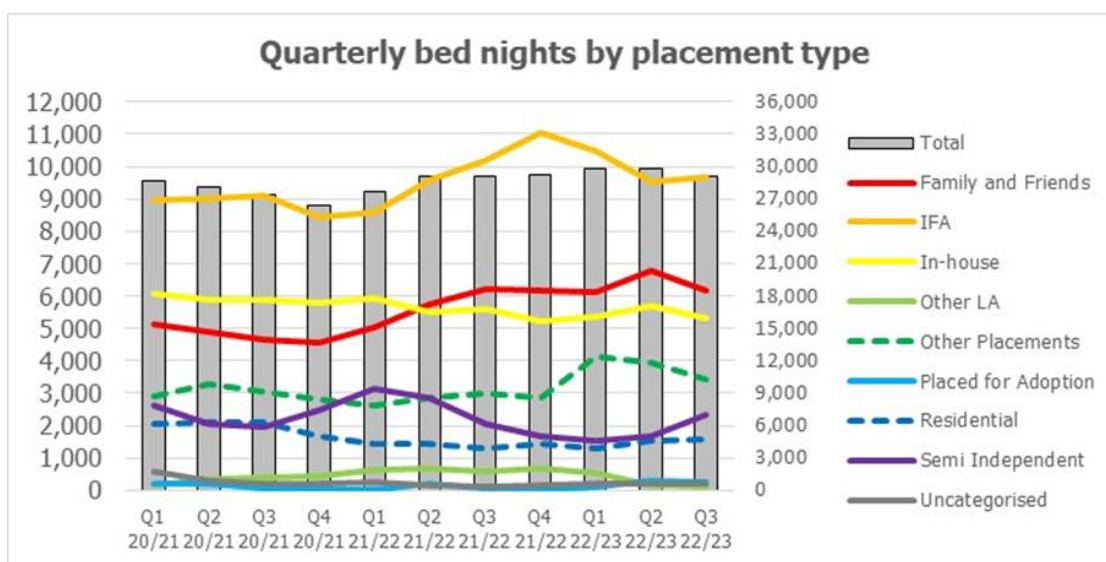
- 4.28. The provisional outturn position for Children's Services is an overspend of (+£2.606m), a decrease of (-£3.102m) since the previous reported position, which is detailed by key variances in **Appendix 1**. The movement from the last report position is driven by a reduction in placement pressures in Children's Social Care, additional income, and stronger than expected income recovery in Children's Centres during the spring term.
- 4.29. Variances to note include:
- (+£1.087m, a reduction of -£2.399m since the previous reported position) overspend against the Children's Social Care placements budget. Despite the improvement in the position at year end, underlying pressures remain, but in some cases are starting to reduce as demand management actions are implemented. The budget for fostering and supported accommodation (semi-independent provision) remains under significant pressure. These have been partly offset by underspends against the budgets for residential provision, adoption and residence orders, and provision for young people with joint special education, health, and social care needs. In addition, cost pressures have also been partially offset by income from Adults Social Care and the Home Office. Delays to court directed care proceedings have started to reduce but the shortage of housing (including secure tenancies) for care leavers remain. The main movements from the previous reported position are:

Table 2 – Movements from Previous Reported Position – Children’s Services

| | £m |
|---|--------------|
| Placement risks built into the forecast that did not materialise (placements activity decreased by 10.2% during February and March - this is mainly driven by a reduction in 16- and 17-year-olds in supported accommodation) | 0.695 |
| Additional placement cost transferred to adults | 0.349 |
| Additional placement costs met by UASC Home Office income | 0.241 |
| Impact of reduction in delays to care proceedings | 0.199 |
| Impact of movement of young people to permanent accommodation | 0.050 |
| Residential placements ending earlier than forecast | 0.099 |
| Removal of placements costs duplicated in the forecast at quarter 3 | 0.750 |
| Other budget adjustments | 0.050 |
| Total movement | 2.433 |

- Placement activity data at quarter 4 shows the following:
 - Bed night activity for all placement types (non-UASC) decreased by 10.2% during quarter 4 and was in line with the level of activity last seen 2 years previously. CLA numbers have reduced since August, and bed night activity has now started to follow suit. The numbers of children becoming looked after was 40% lower in 2022/23 than last year.

Figure 4: Quarterly bed night activity data (non-UASC)



- Residential bed night activity data is shown in the table below, which shows activity continued to increase in quarter 4.

Table 3 - Residential bed night data extract

| | Q4 21/22 | Q1 22/23 | Q2 22/23 | Q3 22/23 | Q4 22/23 |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Residential bed nights | 1,448 | 1,315 | 1,545 | 1,582 | 1,646 |
| Movement | | -9% | +17% | +2% | +4% |

- Independent Fostering Agency bed night activity data is shown in the table below, which shows activity reduced during quarter 4 following a small increase in quarter 3.

Table 4 - IFA bed night data extract

| | Q4 21/22 | Q1 22/23 | Q2 22/23 | Q3 22/23 | Q4 22/23 |
|----------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| IFA bed nights | 11,049 | 10,471 | 9,539 | 9,653 | 9,140 |
| Movement | | -5% | -9% | +1% | -5% |

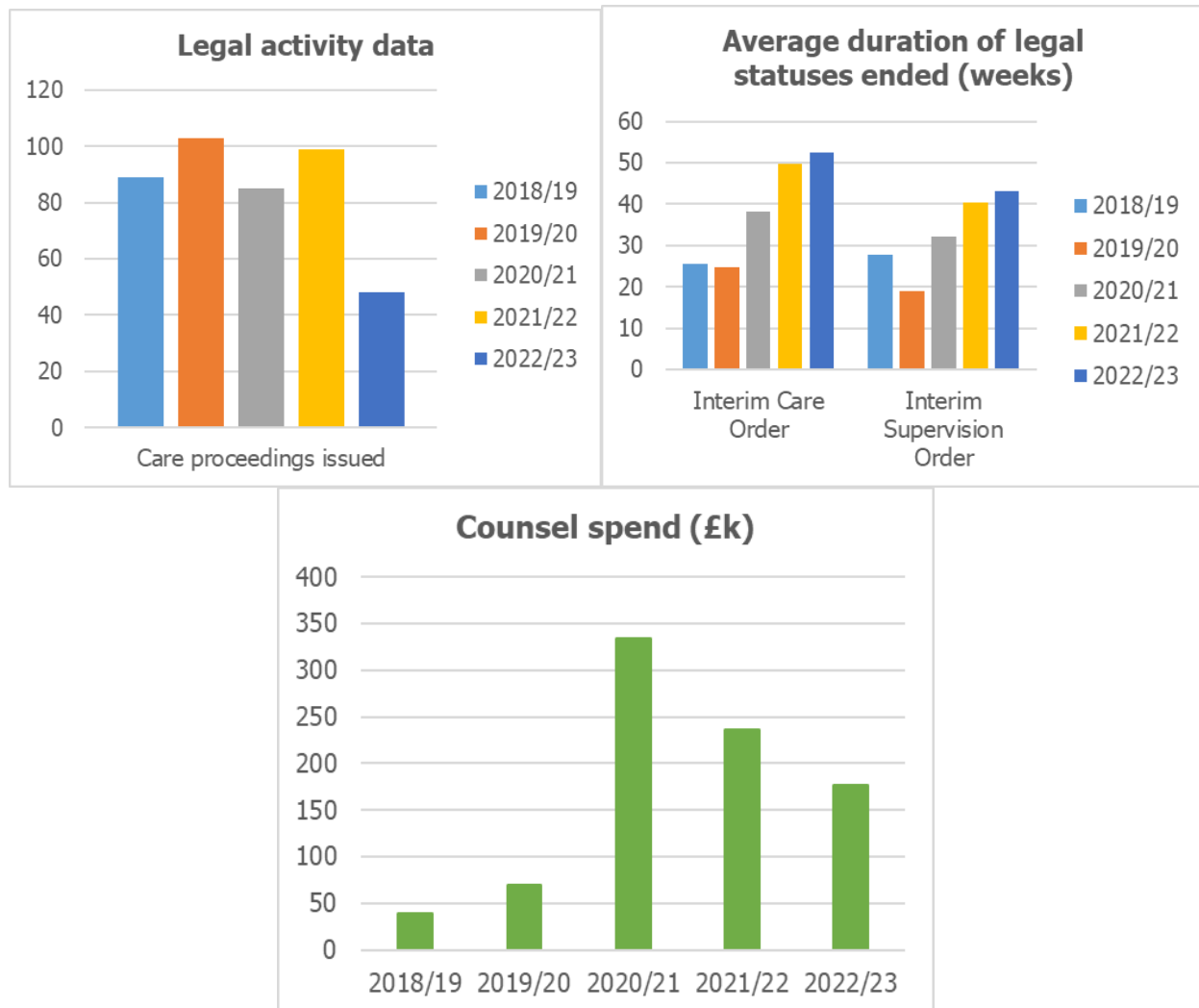
- Supported Accommodation bed night activity data for 16 and 7 year olds is shown in the table below, which showed activity decreasing in quarter 4 following a large increase in quarter 3.

Table 5 - Supported Accommodation bed night data extract

| | Q4 21/22 | Q1 22/23 | Q2 22/23 | Q3 22/23 | Q4 22/23 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Semi-independent bed nights (16/17 year olds) | 1,663 | 1,535 | 1,661 | 2,329 | 1,990 |
| Movement | | -8% | +8% | +40% | -15% |

- Cost pressures in relation to Children's Social Care placements is an issue across London. There has been a 36% increase in the cost of the support for the children in care across all London Boroughs since 2015, a 64% increase in the unit cost of residential settings and a 13% increase in the unit cost of fostering settings.
- (+£0.325m, a reduction of -£0.054m since the previous reported position) legal costs in relation to demand for care proceedings. The use of Counsel is subject to service director approval only to minimise the use. Care proceedings issued have reduced in 2022/23 due to focused activity within the Children in Need service. The decision to issue care proceedings can only be decided by the Director / Assistant Director of Safeguarding and this has been in place since April 2022. A cultural shift in practice which was implemented in 2021 has come to fruition. Activity in 2022/23 reduced by 52% compared to last year, however costs remain high as there are 29 cases still open from last year that are in excess of 26 weeks. The average duration of interim care orders ended stands at 52 weeks in 2022/23, compared to 50 weeks in 2021/22 and 38 weeks in 2020/21. However, it has fallen from 58 weeks since the first half of the year. The average duration above 26 weeks is costing more than an estimated £1m in additional placement costs per year. Activity continues to be affected by the pandemic and pressures on counsel spend is a national issue across local authorities.

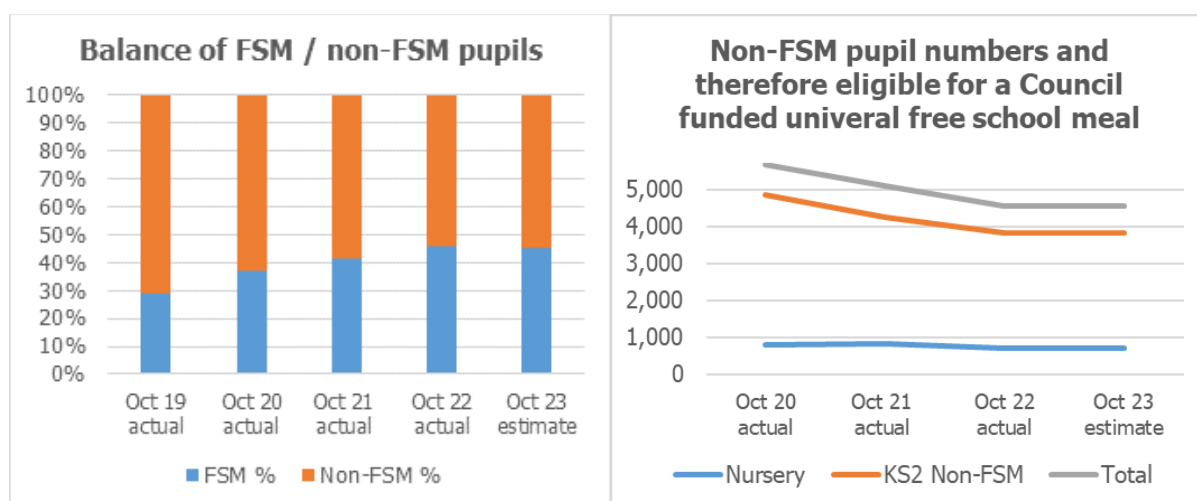
Figure 5: Legal activity data and Counsel spend



- (+£0.257m, a reduction of -£0.201m from the previous reported position) cost pressure from bringing the youth provision at platform back in-house. The reduced cost is due to abatement of pressures in relation to facilities management.
- (+£0.338m, an increase of +£0.007m from the previous reported position) structural shortfall in the budget for the Schools' human resources service and Cardfields and a shortfall in traded income.
- (+£0.380m, an increase of +£0.066m from the previous reported position) overspend against SEND transport. Activity on buses and taxis remains static, but there is a significant growth in the number of Personal Travel Budgets (PTBs). This costs less, but the overall growth in numbers is leading to a cost pressure. The cost of using PTBs is around a third of the cost of using taxis / busses, therefore the pressure would be significantly higher if the growth was on buses or taxis instead. Numbers of PTBs have grown by 173% over the last 5 years. The increase in the overspend is partly driven by a shortfall in curriculum income from schools.

- (-£0.304m, a reduction of +£0.261m since the previous reported position) surplus income from the Home Office in relation to Unaccompanied Asylum Seeking Children. The reduction in the surplus is due to a delay in claims being agreed by the Home Office.
- (+£0.587m, an increase of +£0.088m since the previous reported position) due to the cost of packages that support children at home to avoid them coming into care or whilst we wait for a placement to materialise. Approximately 70% of this pressure is driven by court ordered taxi transport to schools. All packages have been reviewed by the Director and Assistant Director of Safeguarding.
- (+£0.478m, an increase of +£0.216m since the previous reported position) demand cost pressure in relation to personal budgets.
- (-£0.357m, an increase of -£0.309m since the previous reported position) surplus income, staffing and other net underspends in Children's Centres. Childcare income recovered strongly in the spring term (following shortfalls in the summer and autumn terms), and Children's Centre finances were positively adjusted following changes to DSG funding rates for all providers in March, that were backdated to 1st April.
- (-£0.201m, an increase of -£0.048m since the previous reported position) underspend against the budget for Universal Free School Meals (UFSM) paid for by the Council. This is due to falling pupil numbers and increased eligibility for government funded free school meals. The number of pupils requiring a universal free school meal reduced by 8.6% in 2022/23.

Figure 6: Free school meal eligibility and UFSM numbers



- (-£0.445m, a new variance) additional unbudgeted income in Young Islington.
- The provisional overspend for Children's Services takes into account the delivery of savings. All savings are on track for delivery with the exception of - Targeted reduction in Children Looked After (£0.800m). This has not materialised due to increased demand, particularly during covid where: more children suffered serious harm; care proceedings were delayed, therefore more children stayed in care for longer; and a large increase in numbers of UASC presented. Savings against residential provision have been delivered but these have been offset by increased pressures on provision

in IFAs and independent living. During covid, the placement market was insufficient leading to ongoing unit cost increases – this is a national issue.

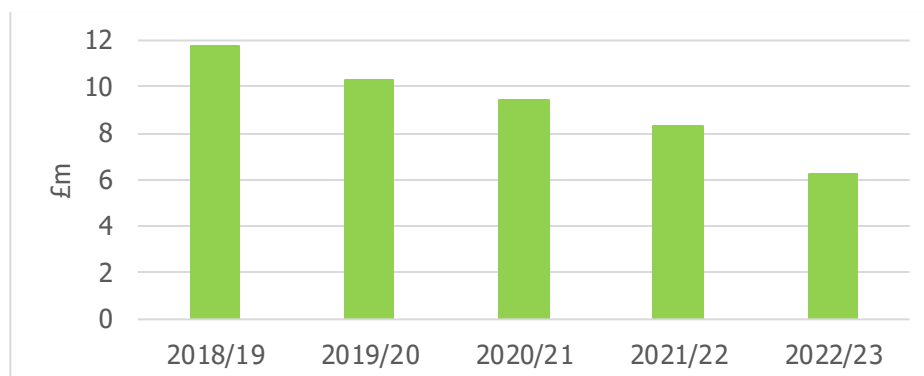
- 4.30. The provisional outturn position for the ring-fenced Dedicated Schools Grant (DSG) is an overspend of (+£0.135m), an increase of +£0.067m since the previous reported position.
- 4.31. DSG balances have provisionally decreased by (-£0.135m) to (+£5.083m) during 2022/23. This is shown in **Table 6** below. These balances are earmarked in future years to manage increasing pressures on the high needs block and early years block, and to meet cost pressures within schools.

Table 6 – Forecast DSG Balances

| | Schools Block £m | De-delegated budgets £m | Central Schools Services £m | High Needs Block £m | Early Years Block £m | Total £m |
|---------------------------------|-----------------------------|------------------------------------|--|--------------------------------|---------------------------------|---------------------|
| Opening balance | 0.776 | 0.122 | 0.210 | 2.649 | 1.461 | 5.218 |
| In-year DSG variance | (0.264) | 0.034 | 0.054 | 0.635 | (0.594) | -0.135 |
| Forecast closing balance | 0.512 | 0.156 | 0.264 | 3.284 | 0.867 | 5.083 |

- 4.32. The reduction in the Early Years Block balance reflects the release of part the Early Years DSG contingency budget as part of planned action to partially protect settings from losses in funding due to falling participation by bringing forward inflation on funding rates for 2023/24 to 2022/23.
- 4.33. The increase in the High Needs Block balance represents the balance of funding being held to offset future demand risks (in excess of 8% per annum), as these are set to outstrip future growth in High Needs Block funding by the DfE (2% to 3% per annum)
- 4.34. The provisional outturn from schools is that balances have reduced to +£6.291m, an increase of +£2.547m from the quarter 3 forecast and £2.615m more than the budget position. The number of schools in deficit at the end of the year has increased to 15 (29% of maintained schools). A further analysis of balances, when compared to the Education and Skills Funding Agency (ESFA) suggested guidance of balances held by schools; 8% for nursery, primary and special schools and 5% for secondary schools, shows 17 schools are above the suggested limits at the end of 2022/23, a reduction from 21 at the start of the year.
- 4.35. Individual school balances stood at +£8.313m at the end of 2021/22. Schools budgeted to reduce their balances by £4.637m to +£3.676m over the course of the year. There were 10 schools in deficit as of 31 March 2022, based on the budget plans submitted by schools this was expected to increase to 11 by 31 March 2023, with two schools entering into deficit and one coming out of deficit.
- 4.36. Individual school balances in Islington have been in decline since 2018/19 when they stood at £11.732m. Balances reduced steadily to £8.313m at the end of 2021/22 but were budgeted by schools to sharply decline during 2022/23. The decline in school balances is a national issue as schools face increasing cost pressures.

Figure 7: School balances



4.37. The main causes of the decline in Islington are:

- Reducing pupil numbers. 90% of school funding is pupil led – each reduction in pupils equates to an average loss of funding per pupil of £5,430 in primary and £8,040 in secondary schools. Actual losses per pupil for individual schools will depend on the pupil characteristics at that school.
- Increased numbers of elective home educated pupils – there are currently 356 elective home educated pupils, at a cost of £1.9m in lost funding for our schools. This is an increase of 197 from before the pandemic, and 270 since 2016/17. If the 197 additional pupils returned to Islington schools, the additional funding would be equivalent to £1.1m.
- Increasing numbers of pupils with SEND. Education health and care plans increased at a rate of 10.4% per annum in Islington in 2021/22.
- Below inflation per-pupil increases in funding under the national funding formula. This is significantly less than the increases in energy costs and likely staff pay awards in schools, as well as other cost pressures.

Community Engagement and Wellbeing (£0.000m, unchanged since the previous reported position)

4.38. The Community Engagement and Wellbeing Directorate produced a balanced position at outturn, which is detailed by key variances in **Appendix 1**. The position remains unchanged since the previous reported position.

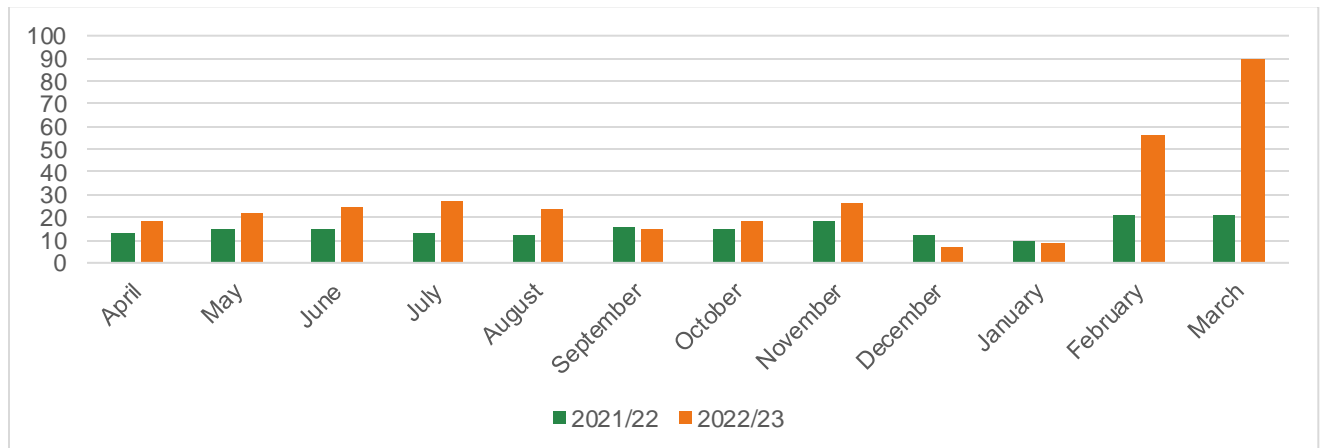
4.39. Significant variances within the directorate are as follows:

- -£0.129m, unchanged since the previous reported position underspend due to recruitment delays resulting in staffing efficiencies, and planned projects not mobilising across Community Engagement and Wellbeing 2022/23.
- +£0.055m, unchanged since the previous reported position cost pressure due to the cost of three temporary full time Customer Service agents to support the Council's Cost of Living campaign.
- (+£0.021m, unchanged since the previous reported position) cost pressure due to overtime to process the increase in stage 2 complaints effectively and efficiently. Stage 2 is the final stage of the councils' corporate complaints process and is an independent investigation which is carried out by Principal Complaints Officers on behalf of the Chief

Executive. Once this final stage is completed it enables the right of the complainant to proceed to the Ombudsman.

- As shown in **Figure 8** below, there have been a backlog of complaints which have been escalated during February and March due to increased work to clear outstanding cases.

Figure 8 – 2021/22 Call volumes for the Chief Executive Team (Stage 2)



- (+£0.040m, unchanged since previous reported position) COVID-19 related costs from We Are Islington, which was wound down by Month 5. These costs are for additional overtime and salary related expenditure, from providing extra support and assistance provided to the vulnerable, those isolating and communities in general.
- (+£0.013m, unchanged since the previous reported position) shortfall due to unmet income targets against courses supplied by Resident Experience.

Community Wealth Building +£1.448m, a decrease of -£1.440m to the previously reported position

4.40. The revenue outturn for Community Wealth Building Directorate is an overspend of ++£1.448m, which is detailed by key variances in **Appendix 1**.

4.41. The significant variances within the department are as follows:

- There is a shortfall in the Commercial property income in the Corporate Landlord division of +£0.649m due to additional undeliverable savings of £0.840m and £0.244m from previous years. This variance doesn't include 3 leases worth £0.194m transferred to the Corporate Landlord division. This income is currently claimed by Adult Social Care and Children Services.
- An overspend of +£1.298m in energy costs for council buildings.
- An overspend of +£1.001m relating to non-capitalisable costs.
- An underspend of -£0.444m due to reduced expenditure in building repairs. This is due to delays in the outcome of the stock conditions surveys and works will commence next year.
- An underspend in the Community Financial Resilience division of -£0.536m driven by additional un-ringfenced grant income and recharges. -£0.375m relates to Housing Benefit Admin support grant and -£0.161m relates to additional internal recharges.

- The Planning department is reporting an underspend of -£0.078m. The forecast has moved from breakeven in the previously reported period due to unexpected income in major planning applications and building control applications.
- Staffing overspends in Inclusive Economy of +£0.052m, primarily driven by a historic under-funding in the staffing budgets. There has been a movement of -£0.130m to the previously reported position due to timing differences in the receipt of grant income.

4.42. Key Movements from Previously reported position:

- Energy costs -£0.518m. The previously reported position was a forecast overspend of £1.816m – a reduction in expenditure of £0.518m. The forecast assumed that consumption would remain the same as 2021/22 which was mitigated by taking energy saving actions such as reviewing heating and cooling systems and operating reduced core working hours in the main office buildings.
- Non-Capitalisable Costs +£1.001m. A detailed review of expenditure was carried out in Month 12, and a total of £1.001m across all CWB schemes was transferred to revenue. These costs include staffing costs and non-staffing costs such as stock condition/disability surveys.
 - Staffing costs: £0.267m
 - Non-Staffing costs: £0.734m
- Commercial Property Income -£0.241m. Additional ad hoc income of £0.500m was received in March which offset the initial forecast overspend of £0.890m. The initial forecast also assumed repatriation of £0.194m of income claimed by other areas such as Children and Adult Social care. It was decided that this income will not be claimed by CLS this year but will be going forward.
- Other Property related costs -£0.446m. Underspend is mainly due to delays in the outcome of Stock Condition surveys which inform any building works that need to be carried out. The surveys are progressing, and works will be carried out in the new year.
- Community Financial Resilience -£0.536m. The key movement mainly due to additional grant income and recharges received late in March. Additional un-ringfenced grant income and recharges of -£0.375m relates to Housing Benefit Admin support grant and -£0.161m relates to additional internal recharges.
- A total of £1.380m of savings we scheduled to be delivered in 2022-23:
 - Procurement Savings £0.250m – Community Wealth building Share was fully delivered.
 - Efficiencies in Corporate Landlord service - £0.190m – Fully delivered.
 - Planning and Development - £0.100m – Additional income was delivered to offset the agency costs.
 - Commercial Property income -£0.840m – not fully delivered given historic unachievable targets but the service has investment pipeline to partially deliver this in 2023-24 and actively working to fully deliver in future years.

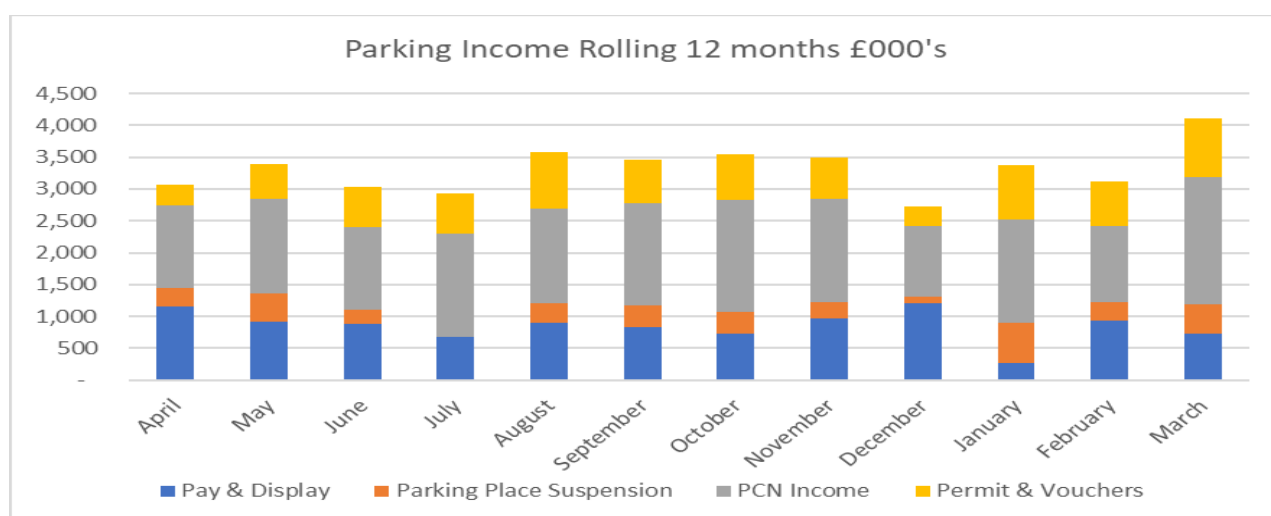
4.43. FutureWork (Funded through the Transformation Fund) - Total revenue cost amounted to £1.847m, of which £0.581m was the remaining balance in the Transformation reserve that

was approved in 2021/22. The additional drawdowns were requested by Corporate Director of Community Wealth Building during the year as a series of smaller key decisions and agreed to be funded from Transformation Fund.

Environment +£5.213m, an increase of +£0.872m since the previously reported position

- 4.44. The Environment Directorate's provisional outturn variance is a +£5.213m overspend position, which is an increase of +£0.872m since the previous reported position.
- 4.45. The main reasons for this movement include a worsening position within Parking due to a number of service and external factors (+£0.667m), non-capitalisable costs within Greenspace and Street Trading (+£0.313m), offset by additional Streetworks income, (-£0.203m).
- 4.46. The significant variances within the department are as follows:
- The Parking account is short of budget estimated income by £3.007m. Whilst volumes of pay and display transactions are increasing the average income per transaction is falling indicating shorter lengths of stays. Suspension income was revised down with the delay in the programmed works of fibre network roll-out across the borough now expected to be within the 2023/24 financial year. This has now led to a pressure in the parking account as this gain was currently offsetting the shortfall on other income lines mainly within the pay and display budget of around £1.5m. There is also a pressure on parking permit income partially offset by the revised permit prices in effect from January 2023, and on Penalty Charge Notices due to increased compliance. There has been £0.7m reduction in the assumed levels of PCN income since the last report. This has been due to the inclement weather, vandalism of CCTV cameras, and system failures resulting in a delay in the issue of bailiff warrants and Notice to Owners.
 - The figure below shows the monthly breakdown of the main parking income streams over the last 12 months.

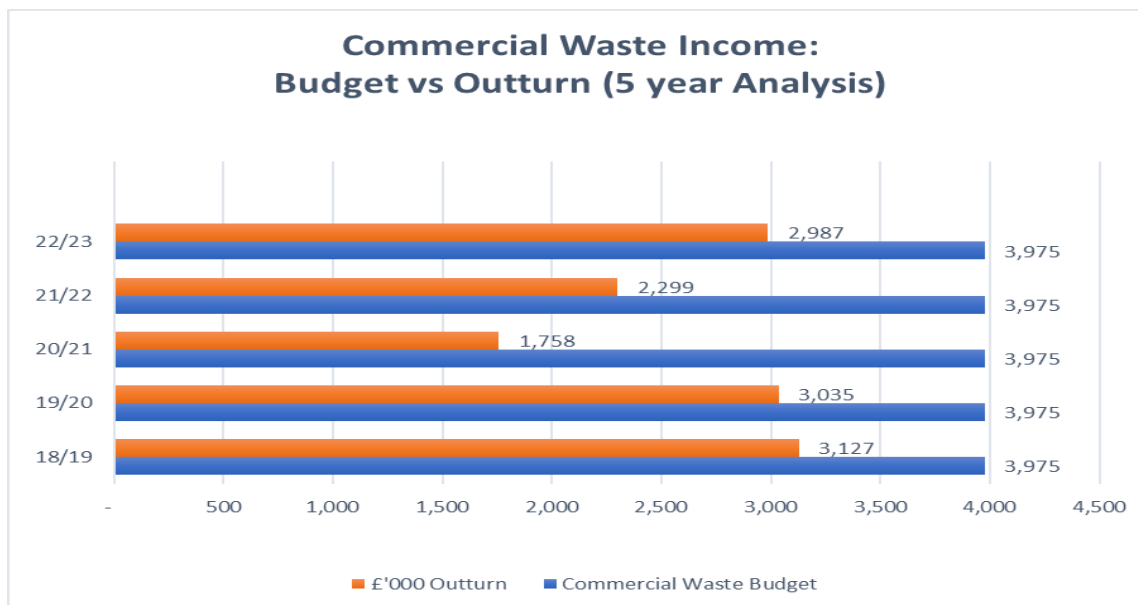
Figure 9: Parking Income Streams April 2022- March 2023



- In the leisure contract there is also a pressure around the energy price risk share where the council would bear 50% of the rise in the cost of energy. The pressure for this financial year is +£0.576m.

- The energy risk also impacts upon other service areas but particularly on the Street Lighting PFI contract. Some allowance has been made from the annual contract inflation provision, however at current prices it is +£0.639m underprovided.
- There continues to be a pressure within the commercial waste service as the customer base recovers. This is offset by reduced commercial waste disposal levy as a result of reduced tonnages +£0.500m

Figure 10: Outturn Compared to Budget: Current performance compared to last 4 years



- Pressure around tree maintenance on highways due to the programming of works and increased costs +£0.090m.
- The department has also seen an increase in income (-£0.349m), notably around HMO licensing and Streetworks; services where income is hard to forecast due to the unpredictable nature of them.
- All other key variances are detailed in Appendix 1.

Homes and Neighbourhood (-£0.452m underspend, a movement of £0.267m since the previous reported position)

4.47. The Homes and Neighbourhood directorate is reporting a -£0.452m underspend position, which is a decrease of £0.267m in underspend since the previous reported position. The primary reason for this is movement within temporary accommodation, with case numbers continuing to rise.

4.48. Within the underspend position there are a number of variances to note:

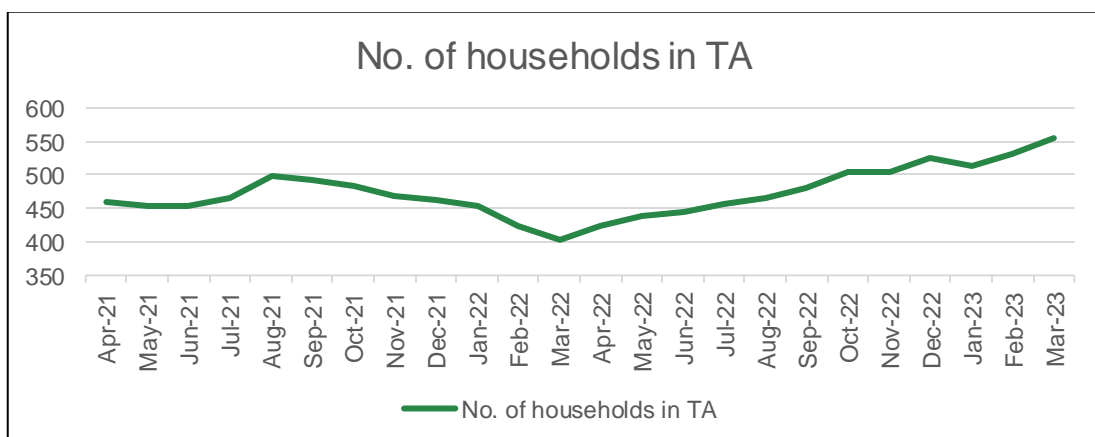
- Nightly Booked Temporary Accommodation (TA) is reporting an underspend of -£0.231m. Numbers in TA overall have continued to rise due to the large and increasing number of people presenting as homeless. The underspend is the result of the increased utilisation of grant money to meet TA costs.
- Community safety is reporting a +0.171m overspend. This is primarily the result of unfunded staffing costs. From 2023/24 these posts will be funded and the overspend should reduce accordingly.

- NRPF is currently reporting a £0.396m underspend. High needs cases and a modest reduction in more expensive cases has reduced the total cost of the service. The service has also received some funding support for its refugee programme, further increasing the underspend across the service.
- The department has become heavily dependent on grant funding to meet costs that it would otherwise likely need to absorb. In 2022/23 the department used £0.772m of grant funding for costs including prevention and assisting tenants with rent arrears. Bad debt/arrears and Islington Lettings were overspent before the Homelessness Prevention Grant by £0.331m and £0.145m respectively.
- This is offset by smaller variances detailed in **Appendix 1**.

4.49. There are a number of risks and opportunities to report for 2023/24. TA cases nationally are rising and expecting to rise to rise over the next 3 years by 20% per year by Heriot-Watt University. The local and national picture are increasingly difficult for the homeless:

- Nationally the cost-of-living crisis is beginning to impact on residents, private sector rents are rising in Inner London by 18.5pc (based on inner-London rental values March 2022 to March 2023).
- The number of private rented sector properties available in the market to rent has fallen in London by 38% (July 2021 to July 2022).
- The number of evictions in the borough are rising due to the evictions ban ending in mid-2021.
- The number of cases presenting themselves to the team has risen consistently since the beginning of 2022/23, a trend that looks likely to continue into 2023/24. The department is focusing on preventing case numbers rising insurmountably by increasing the number of clients being supported back into private sector options and through moving clients into cost neutral accommodation.

Figure 11 – April 2021 to March 2023 Number of Households in Temporary Accommodation



- Islington is participating in a number of refugee schemes, namely those for Syrian, Afghan and Ukrainian citizens. These projects, while coming with grant money, increase the responsibility on the service staff to manage additional clients particularly

at the peak of humanitarian responses to people displaced by war. Potentially insufficient resources to meet new resettlement demands coupled with continuing pressures faced by residents without immigration status means that there is a risk that core No Recourse to Public Funds (NRPF) numbers may rise as the service struggles to absorb both sets of cases.

- A number of different capital grants are coming into the HRA/HGF that will lead to an increase in Islington's acquisitions programme and the new Stacey Street project releasing up to 150 new properties. These properties will be cost neutral to the Housing General Fund budget and will help lower TA costs in the long term.
- The Housing Needs Service is currently undertaking a restructure, the outcome has not been determined; however, any immediate financial impact will be met from the department's own resources. It is not clear at this point what the impact will be in future financial years.

4.50. Savings – For 2022/23 all savings were achieved par a £0.100m reduction in TA numbers. This has not been possible in the light of large increases in the number of homelessness cases presenting themselves. Homes and Neighbourhood have a significant amount of savings (£0.374m) to be delivered in 2023/24. Sustained rises in case numbers are increasing the risk that this saving will also not be delivered. Housing Needs and Finance will monitor this position closely.

4.51. It is difficult to draw long-term conclusions for 2023/24 for the department. TA case rises, service restructure costs, and the increasing cost of rent deposits will all add to the financial challenges in 2023/24.

Public Health (Break-even), unchanged since previous reported position

4.52. Public Health is funded by a ring-fenced grant of £28.135m in 2022/23. The directorate's current outturn position for this financial year is break-even.

4.53. There are number of variances that impacted on the department and have been included in the current outturn position for 2022/23:

- Since the previous reporting position, there has been an (+0.530m) increase in expenditure related to one-off investment towards sexual health projects delivered by CNWL. The provider has given clarity on projects that they have delivered in this financial year 2022/23 for LBI which has resulted in the decision to pay CNWL.
- The department is funding a number of one-off projects (+£0.388m) in the Other Public Health division. This has been met from the Public Health reserves. Excluding the one-off projects, the position is an underlying underspend position of (-£0.198m). The total drawdown from reserves is therefore (+£0.191m).

4.54. There are number of risks and opportunities in the area for 2023/24 and beyond:

- The PrEP budget has previously not been fully utilised, but this was more a consequence of the pandemic preventing full access to the service. Demand is continuing to increase and is likely to fully consume any additional funding in the year ahead.
- There is an increase in the use of online sexual health services that are not offset by a reduction in costs for in-clinic sexual health services. It is possible that in the longer term some efficiencies across the whole sexual health system can be realised, but at

the current time, the Mpox virus outbreak and the changes since the Covid pandemic means that this is a sector that is still in recovery.

- The demerger between Camden and Islington risks creating a number of financial pressures. Additional staff and resources may be required and there will be previously shared costs that may need to be absorbed solely going forward. Public Health's Directorate Management Team and the Finance team will be vigilant in monitoring financial impacts of the demerger in 2023/24 ensuring budgetary controls are in place to prevent overspends and manage any risks.
- There is an increase (+0.918m) in Public Health grant allocation in 2023/24. This grant has not been allocated; however, there are pressures it will need to cover such Local Authority pay increases as well as some potential for NHS staff pay awards.
- Inflation risks creating financial pressures for providers, resulting in requests for additional payments or risk of provider failure, forcing the service to find alternative provision at additional cost. Inflationary pressures risk includes increased pay awards.

4.55. Savings – All 2022/23 Public Health savings were achieved. The department has recurring savings of £0.500m to be delivered in 2023/24. At this stage it is assumed that all savings will be delivered.

Resources (+£0.359m overspend), an increase of +£0.084m since the previous reported position

4.56. The Resources Directorate is currently showing a provisional outturn overspend of (+£0.359m), an increase of +£0.084m since the last reported position. The main items making up this outturn variance are:

- -£0.205m (unchanged since the previous reported position) outturn underspend against the activity and training budgets within human resources due to slippage in the roll-out of training programmes.
- +£0.675m (an increase of +£0.330m since the previous reported position) net staffing cost pressure across the whole directorate. The Key contributing areas are listed below:
 - Maternity cover, agency and overtime costs in relation to clearing the disclosure and barring service backlog in HR
 - Agency costs in relation to the vacant Legal Director post
 - A staffing overspend (including agency and overtime) in Digital Services due to additional operational activity. This generally supports out of hours work such as server patching and software upgrades.
- +£0.228m (an increase of +£0.158m since the previous reported position) increase in audit fees due to enhanced external audit requirements across the whole the sector.
- -£0.421m (an increase of -£0.345m since the previous reported position) recovery of costs of collection of council tax where additional income is reported in the Collection Fund. Where payment plans/direct debit arrangements are agreed, these costs are waived by the Council.

Corporate Items +£5.723m, an increase of +£0.425m since the previous reported position

4.57. Corporate items are currently showing a provisional overspend of +£5.723m.

- 4.58. The largest corporate pressure is in relation to the 2022/23 local government pay award. The local government pay award for the period 1 April 2022 to 31 March 2023 was for a flat rate increase of £2,355 (for NJC pay points), equating to an increase of around 6% on the council's pay bill. Following detailed assessment, the final cost of the pay award gives a £6.486m budgetary pressure for the current financial year.
- 4.59. There are a number of other variances to note:
- +£0.324m overspend in the Pension and Support Services recharges.
 - +£0.140m overspend for the Apprenticeship Levy and Corporate subscriptions.
 - -£0.430m additional income from Business Rates Relief and Council Tax Rebates new burdens grants.
 - -£0.087m additional income from the Redmond Review for Local audit costs.

General Fund Earmarked and General Reserves

- 4.60. A fundamental element of the robustness of the council's annual budget and MTFS is the level of contingency budget, earmarked reserves and General Fund balance, as determined by the Section 151 officer.
- 4.61. For a number of years, the budget report has noted the need for the council to strengthen its financial resilience for budget risks over the medium term. This is especially important following recovery from the COVID-19 Pandemic and due to the ongoing Cost of Living Crisis. External auditors have also noted the comparatively low levels of the councils non-schools reserves and emphasised the important of maintaining sufficient reserves.
- 4.62. The provisional outturn position is net of the transfers to/from earmarked reserves. This is summarised in **Table 7** and detailed at **Appendix 4** for agreement.

Table 7 – Summary of Movement in Reserves 2022/23

| | £m |
|---|----------------|
| Drawdown of Agreed Service Allocations | -5.162 |
| Agreed Service Specific Transfers to Reserves | 7.652 |
| Corporate Adjustments | -2.801 |
| 'Below the Line' Adjustment to Balance 2022/23 Overspend | -16.715 |
| Budgeted Transfers to Reserves set out in 2022/23 Budget Report | 6.848 |
| Transformation Funding Drawdown | -3.187 |
| Collection Fund Timing Difference | -23.800 |
| Total Call Upon Reserves | -37.164 |

- 4.63. For approval in this report, the above table includes creation of a new earmarked reserve – Ringfenced Grants and Contributions. This reserve will hold income received that is earmarked for a specific purpose where other accounting treatment is not appropriate.
- 4.64. The 2022/23 budget included an addition to the council's balance sheet of £4m toward strengthening financial resilience. This has been used to fund the following movements in GF earmarked reserves:

- £2.9m related to the Sundry Bad Debt Provision top up. A mid-year estimate will be reviewed in 2023/24 and a strategy created for a more focussed approach to older debt.
- £0.511m transferred to the Insurance Fund following the external, actuarial review of the fund at year-end. This maintains the insurance fund at the same like-for-like basis as the previous financial year end, taking into account future, anticipated claims liabilities and known risks and 2022/23 calls on the Insurance Fund that have met settled claims and expenditure.

4.65. A summary of all planned transfers can be found at **Appendix 4**. The Executive is asked to delegate authority to the Section 151 Office to agree any further movements to/from reserves related to finalising the 2021/22 Statement of accounts.

Table 8 – GF Earmarked and General Reserves (£m)

| Reserve Name | Opening Balance £m | Transfer To £m | Transfer From £m | Closing Balance £m |
|-------------------------------------|--------------------|----------------|------------------|--------------------|
| BSF PFI 1 reserve | 5.769 | - | - 1.021 | 4.748 |
| Budget Risk and Insurance | 25.675 | 15.448 | - 23.001 | 18.122 |
| Budget Strategy | 19.586 | 4.548 | - 5.530 | 18.604 |
| Business Continuity | 10.000 | - | - | 10.000 |
| Capital Financing | 3.120 | - | - 1.314 | 1.806 |
| Care Experience | 16.000 | 4.000 | - 1.473 | 18.527 |
| CIL Admin | 0.196 | - | - 0.167 | 0.029 |
| Core Funding | 33.580 | - | - 23.800 | 9.780 |
| DSG | 5.218 | 0.003 | - 0.138 | 5.083 |
| Energy and Inflation | 5.509 | - | - 5.509 | - |
| IAH Restoration Levy | 0.018 | 0.029 | - | 0.047 |
| Joint Cemetery Trading A/c | 1.731 | - | - 0.017 | 1.714 |
| Levies | 2.726 | 0.824 | - 0.234 | 3.316 |
| Net Zero Carbon | 2.481 | - | - 2.481 | - |
| Pooled Schools Budgets | 0.828 | 0.422 | - 0.083 | 1.167 |
| Public Health | 1.712 | - | - 0.191 | 1.521 |
| Social Care | 8.999 | - | - 8.999 | - |
| Street Market Reserves | 0.138 | 0.093 | - 0.030 | 0.201 |
| Restricted Grants and Contributions | - | 11.458 | - | 11.458 |
| TOTAL | 143.286 | 36.825 | - 73.986 | 106.124 |

Transformation Fund

- 4.66. Within the council's overall medium-term financial strategy, there is a corporate transformation fund for the one-off revenue costs of projects which aim to improve services and residents' experiences and/or support the delivery of budget savings.
- 4.67. The transformation fund is funded from the council's earmarked reserves. However, the expectation is that costs will be funded in the first instance from available in year budgets where possible.
- 4.68. The 2022/23 drawdowns from the transformation fund are summarised by directorate in **Table 9** and detailed by project in **Appendix 3**.

Table 9 – 2022/23 Transformation Fund Drawdowns

| Directorate | M12 Outturn £m |
|------------------------------------|---------------------------|
| Adult Social Care | 0.710 |
| Children's Services | 0.399 |
| Community Engagement and Wellbeing | 0.243 |
| CWB | 1.882 |
| Environment | 0.150 |
| Resources | 1.303 |
| TOTAL | 4.687 |

Pension Fund

- 4.69. The pension fund is a defined benefit scheme, and its main objective is to pay benefits and keep contributions sustainable for employers. The fund administration and investment management expenses are charged to the pension fund. The provisional outturn position compared to budget is as per the table below.

Table 10 – Pension Fund Provisional Outturn Position

| | Original budget £m | Actuals £m |
|-------------------------------------|-----------------------------------|-----------------------|
| Contributions employer and employee | 52.700 | 69.085 |
| Transfer in from other pensions | 4.000 | 7.865 |
| Other income/Recharges* | 2.000 | 2.600 |
| Total income | 58.700 | 79.550 |
| Benefits paid | (63.500) | (65.175) |
| Transfer out | (2.000) | (2.200) |
| Admin and investment expenses | (3.300) | (6.055) |
| Total expenditure | (68.800) | (73.430) |
| Net (Expenditure)/Income | (10.100) | 6.120 |
| Investment income | 18.000 | 14.500 |
| Net Income | 7.900 | 20.620 |

- 4.70. The main variance on contributions was due to the Council making a lump sum payment of £20m to the fund to pay down HRA accrued deficit to the last valuation. Transfer values of employees into the fund was also much higher than expected. Other income is comprised of AVCs, LBI recharges and HMRC Vat, Miscellaneous. Pensions and more retirements benefits increased the expenditure comparatively. The net position compared to the budget meant the projected need to draw down investment income was reduced giving the fund opportunities to make longer term investments to reduce future liabilities.
- 4.71. Pension Fund costs have increased significantly due to increased transparency and openness around fees, with better financial information available on fees deducted at source in order to recognise the true investment costs.
- 4.72. The valuation of the fund assets as at 31st March 2023 is £1.73bn compared to £1.78 bn in March 2022.

Treasury Management

- 4.73. On 31 March 2023, the Council had net borrowing of £231.9m arising from its revenue and capital income and expenditure. The treasury management position as of 31 March 2023, the change over the financial year is shown in the table below:

Table 11 – Treasury Management Position 2022/23

| | 31.3.22 Balance £m | Movement £m | 31.3.23 Balance £m | 31.3.23 Rate % |
|--------------------------|-----------------------------------|------------------------|-----------------------------------|-------------------------------|
| Long-term borrowing | 264.274 | 1.332 | 265.606 | 4.05 |
| Short-term borrowing | 10.000 | 10.000 | 20.000 | 4.30 |
| Total borrowing | 274.274 | 11.332 | 285.606 | 4.06 |
| Long-term investments | 10.000 | 0.000 | 10.000 | 0.55 |
| Short-term investments | 115.500 | (71.800) | 43.700 | 1.40 |
| Total investments | 125.500 | (71.800) | 53.700 | 2.71 |
| Net Borrowing | 148.774 | 83.132 | 231.906 | 1.35 |

Investments

- 4.74. The Council's Treasury Management Strategy Statement (TMSS) for 2022/23 was approved by full Council on 3 March 2023. The Council's policy objective is to be prudent and invest surplus cash balances arising from the day-to-day operations of the Council to obtain an optimal return while ensuring liquidity and security of capital.
- 4.75. Average investment balances have decreased from £125m on 1 April 2022 to £53.7m on 31 March 2023.
- 4.76. On 3 February 2022, the Bank of England increased the bank rate to 0.50% and subsequently there have been 9 additional bank rate increases, as at 31 March 2023 the rate was 4.25%.
- 4.77. Although surplus cash for investment has reduced, cash has been invested with higher interest rate due to the increase of the bank rate. In the TMSS it has been assumed that new treasury investments will be made at an average rate of 0.25%, and treasury investment balance has ranged between £100m and £200m, the average return on investment is 1.30% with Q4 averaging at 2.9% and the average level of funds available for investment in 2022/23 was £116.7m.
- 4.78. Over the reporting period, all treasury investments activities have been carried out in accordance with the approved limits and the prudential indicators (PI) set out in the Council's TMSS.

Borrowing

- 4.79. On 31st March 2023 the Council's holds £285.6 million of loans, which was within the Prudential Indicator for external borrowing, the authorised limit set in the TMSS is £463.5m, while the estimated CFR was £750m.

Table 12 – Council's Borrowing

| | 31/03/22 (£m) | 31/03/23 (£m) |
|------------------------|--------------------------|--------------------------|
| HRA | 154.321 | 165.653 |
| General Fund | 119.953 | 119.953 |
| Total Borrowing | 274.274 | 285.606 |

4.80. During 2022/23 the Council repaid £18.668 of long-term loans and borrowed £20m from PWLB at a rate of 3.26% to support HRA capital spend.

4.81. Short term funding of £20m was also secured from a Local Authority for cashflow purposes.

Collection Fund Update

Background

4.82. Council tax and business rates income is a major source of the council's overall funding, together representing around 24% of the council's gross general fund income and is collected through a ring-fenced Collection Fund. In 2022/23, the council retained 77% of council tax income collected (the remaining 23% is the GLA share) and 30% of business rates income collected (of the remaining 70%, 37% is the GLA share and 33% is the central government share).

4.83. The overall Collection Fund surplus/deficit in a given year is affected by variables such as movements in the gross taxbase (e.g. number of properties in the borough and for business rates the impact of business rate appeals), offsetting deductions to bills (e.g. single person discount and council tax support for council tax and mandatory charitable relief for business rates) and the collection rate. Any forecast surplus or deficit on the Collection Fund will not impact the council's budget until the following financial year due to accounting regulations. The forecast surplus or deficit on the Collection Fund is made annually in January and factored into the budget setting estimates for the subsequent financial year.

Current Collection Rate

4.84. The council has set an in-year target of collection rate for council tax, 95.33%, against which 94.37% (£135.3m) has been collected at month 12. This is 0.96% (£1.4m) lower than the annual target.

4.85. For business rates the council has set an in-year target of 96.7%, against which 94.61% (£276.1m) has been collected at month 12. This is 2.09% (£6.1m) lower than the monthly in-year target rate.

4.86. The two graphs below illustrate the recovery trends of in-year council tax and business rates by month and year.

Figure 12 – Council Tax In-Year Collection Rate Trend

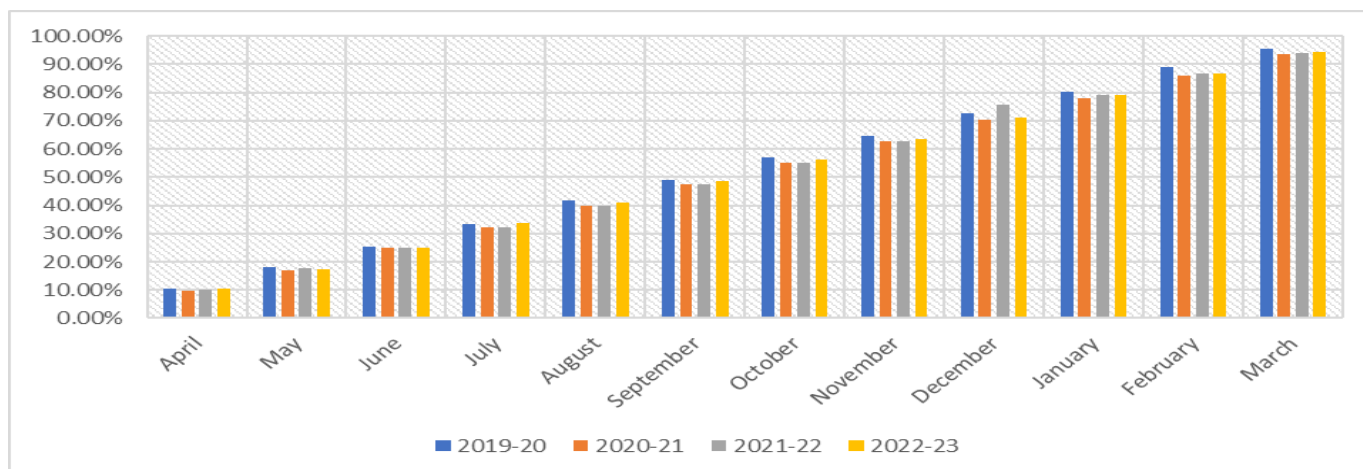
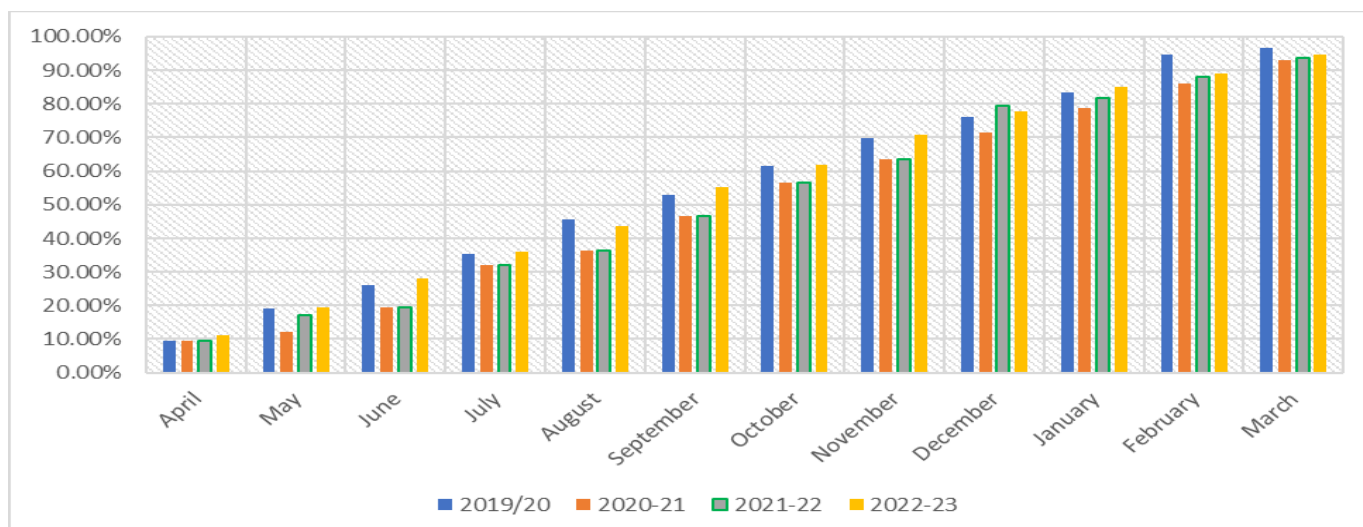


Figure 13 – Business Rates In-Year Collection Rate Trend



Arrears Analysis

- 4.87. The total NNDR arrears outstanding at month 12 is £26.9m, (£8.07m is Islington's share) of which £15.6m (£4.7m Islington's share) or 54.8% being current year arrears. The remaining £11.3m relates to prior year arrears.
- 4.88. The total council tax arrears outstanding at month 12 is £38.5m, (£29.3m is Islington's share), of which £8.0m (£6.1m Islington's share) or 20.8% being current year arrears. The remaining £30.5m relates to prior year years.
- 4.89. The business rates (NNDR) and council tax outstanding arrears between current and prior years and movements between months is summarised in **Table 13** below. The outstanding NNDR arrears continue to decrease gradually between current and last month (Jan 23); in-year arrears reduced by 63.6% and prior years by 28.9%, bringing the overall reduction to 54.6%, which equates to £31.8m deductions in financial terms.
- 4.90. The reduction between previously reported figure and current month in council tax for current year debts is 73.2% and for prior years it is 4.7%, making the overall reduction 37.8%, equating to £23.4m.

Table 13 – Collection Fund Arrears Movement

| | Business Rates | | | Council Tax | | |
|----------------------------------|----------------|-------------|---------------|-------------|-------------|---------------|
| | Jan-23 | Mar-23 | Change | Jan-23 | Mar-23 | Change |
| | £m | £m | % | £m | £m | % |
| Current Year Arrears | 42.8 | 15.6 | -63.6% | 29.9 | 8.0 | -73.2% |
| Prior Years Arrears | 15.9 | 11.3 | -28.9% | 32 | 30.5 | -4.7% |
| Total Outstanding Arrears | 58.7 | 26.9 | -54.2% | 61.9 | 38.5 | -37.8% |

4.91. Out of the overall £38.5m current outstanding council tax debts, it is estimated that £5.8m (15%), relate to 6,546 accounts of council tax payers who are in receipt of council tax support.

Additional Commentary

4.92. At month 12 the council has paid out £10.5m or 99.0% of the available grants (67,437 properties) for the government's £150 Energy Bill Rebates scheme to help households with rising costs of living. This is available to properties in council tax bands between bands A to D. This scheme is now closed.

4.93. The council has also paid out £2.4m or 98.9% of total available grants from the Discretionary Fund to 26,983 households. This scheme is also now closed, further changes to the data are not anticipated.

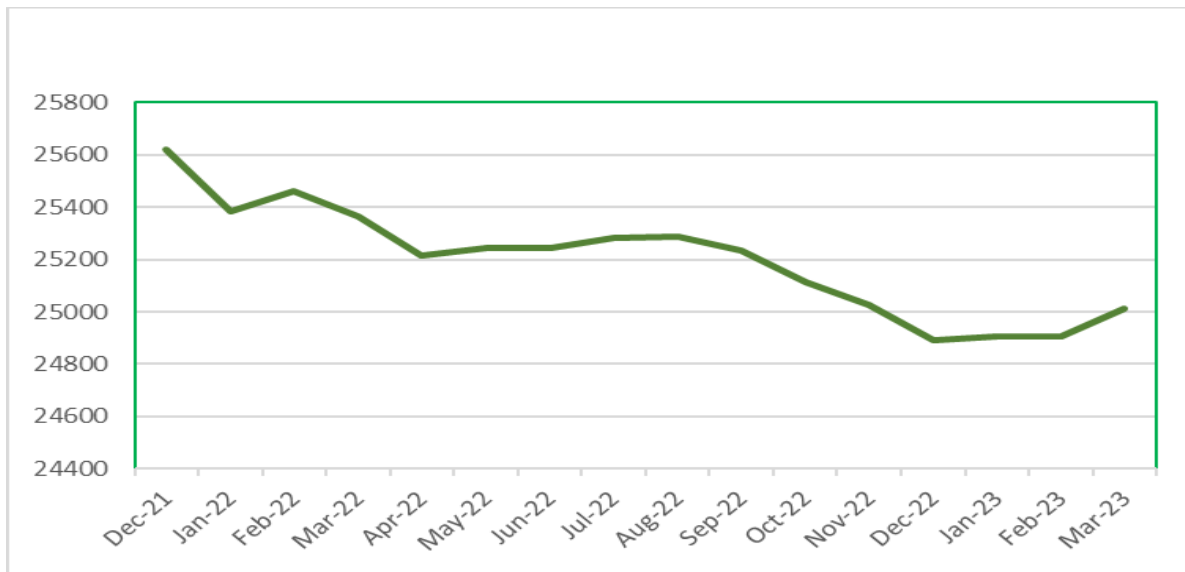
4.94. Of the total, £13.1m grants that was awarded to the council from two schemes, (Energy Rebates, £10.6m and Discretionary energy rebates, £2.5m), the council has spent £12.9m, equating to 98.9%, only £161k or 1% remained unspent at the end of financial year.

4.95. Of the £17.2m grant provided to the council under the Covid-19 Additional Relief Fund (CARF) scheme, the council has made payments of £16.2m or 94.4%. Take-up has increased due to automatic award of the grants to identifiable businesses by the council.

4.96. The virtual court hearings system for both council tax and business rates continue to operate efficiently. At month 12 the council has issued 26,272 summonses (21,824 council tax and 4,448 business rates). At year-end overall costs raised through summons, was higher than budget estimates.

4.97. At month 12 Council Tax Support (CTS) scheme caseloads stood at 25,013 representing £31.1m in financial terms), of which 18,017 (£21.6m) relates to working-age recipients and 6,996 (£9.5m) related to pension-age recipients.

Figure 14 – Total Council Tax Support Case Load Over 2022/23



Energy Price Analysis – Month 12

- 4.98. Rising energy prices, global supply chain issues and the economic consequences of the war in Ukraine have driven inflation levels to a 40-year high. The financial impact to the council of sharp increases has been very significant, with annual energy costs rising by nearly 200% (and could have been as high as 350% had the government not intervened with the Energy Bill Relief Scheme for the October 2022 to March 2023 period).
- 4.99. The impact of rising prices has been monitored within departmental monitoring submissions with a more wide-ranging analysis in this section. This assists in identifying trends and impacts over time. The graphs below reflect the movements in price since 1 March 2022.

Figure 15 - Weekly monitoring of electricity commodity price at Megawatt per hour

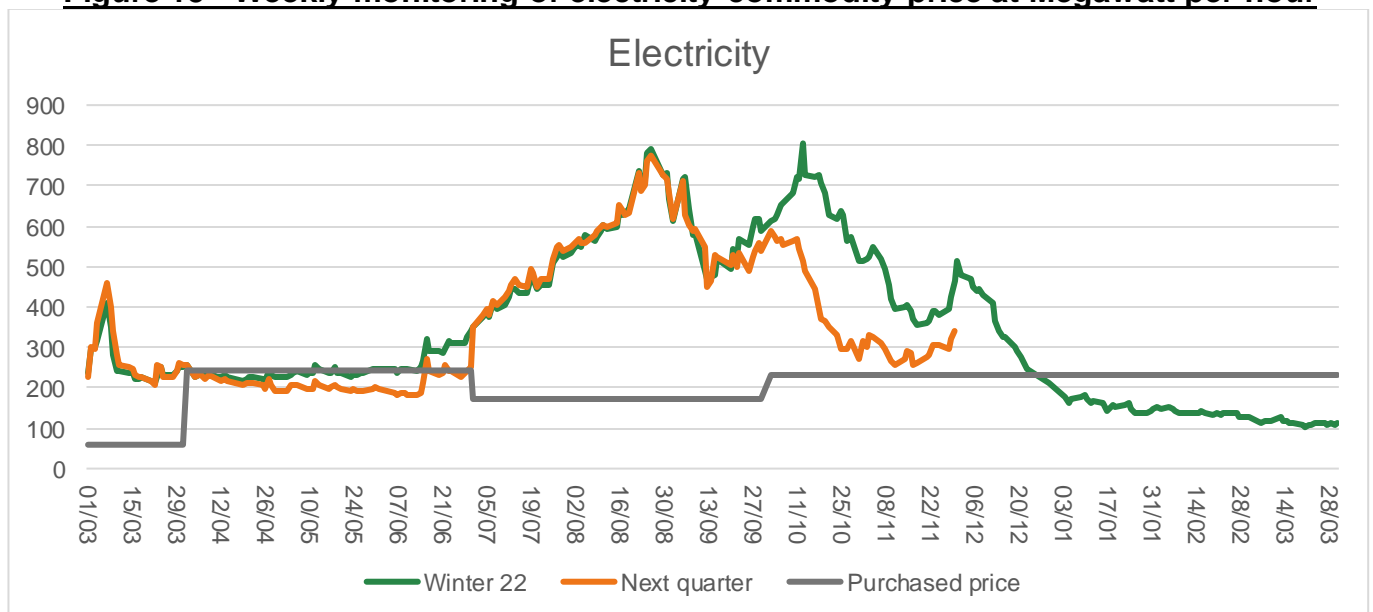
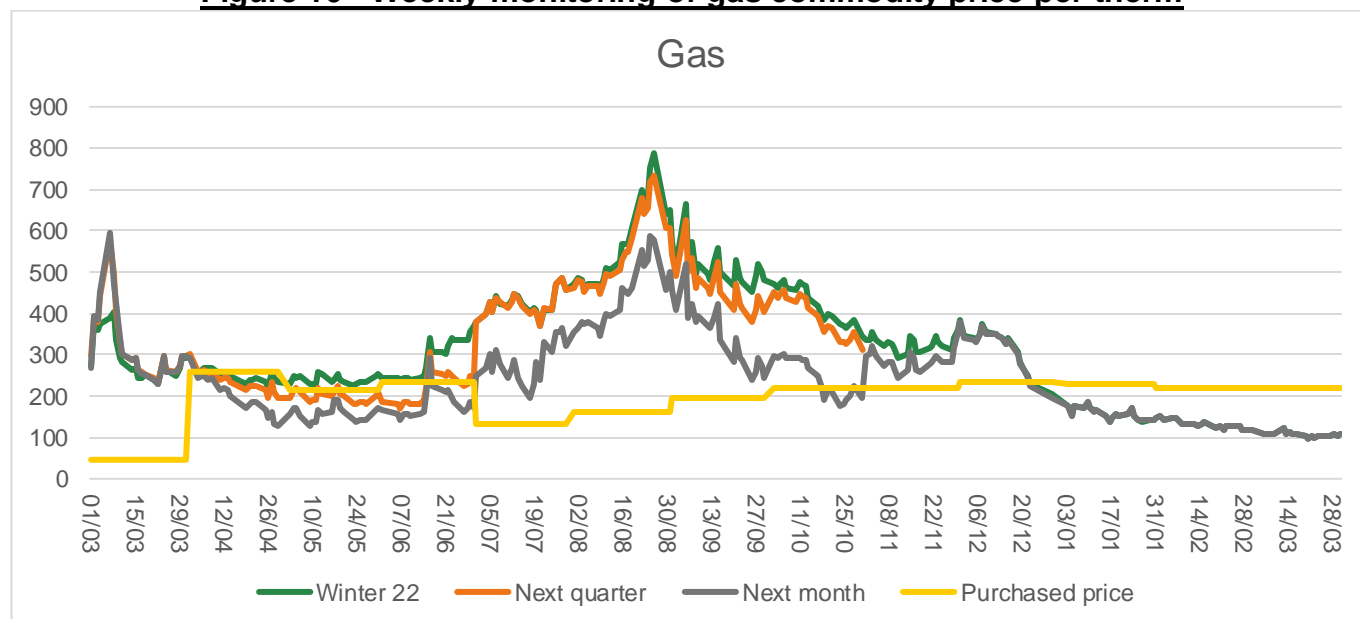


Figure 16 - Weekly monitoring of gas commodity price per therm



- 4.100. For quarter 1 of 2022/23 the council purchased electricity at £243/Megawatt (MW) and gas at an average price of 235p/therm. This equated to end user costs of around 37p/kWh for electricity and 9p/kWh for gas (a figure which includes an estimate of the standing charges). Volume was estimated at 2021/22 levels with an allowance of 20% in reduction or increase on usage. There was a drop in prices for quarter 2 and electricity was purchased at £173/MWh and gas at 163p/therm on average, resulting in end user prices of around 30p/kWh for electricity and 7p/kWh for gas.
- 4.101. There was a sharp increase in commodity prices for quarter 3 and quarter 4 since mid-June. This occurred while the council was waiting for the development and sign-off of a new energy purchasing strategy commissioned from an energy market consultancy firm.
- 4.102. Following the development and subsequent adoption of this strategy, the council purchased electricity at £575/megawatt (MW) and gas at an average price of 477p/therm. This equated to end user costs of around 70p/kWh for electricity and 17p/kWh for gas (a figure which includes an estimate of the standing charges).
- 4.103. In addition, a Corporate Energy Savings Programme was launched, which reduced expected costs by around 10% in the first three quarters of the year.
- 4.104. The government introduced an 'Energy Bill Relief Scheme: help for businesses and other non-domestic customers' which took effect from 1 October 2022. The government is providing a discount for all non-domestic energy users at £211 per megawatt hour (MWh) for electricity and £75 per MWh for gas. Suppliers will apply reductions to the bills of all eligible non-domestic customers.
- 4.105. **Table 14** shows the estimated quarterly costs of gas and electricity for the General Fund and Leisure Centres, HRA and Schools following the introduction of the price cap. These estimates are based on the prices purchased in 2022/23 and 2021/22 usage figures. The total pressure based on 2022/23 will be confirmed in May 2023.

Table 14 – Quarterly Electricity and Gas estimates for 2022/23

| | General Fund | | HRA | | Schools (Incl. academies) | |
|----------------------------------|--------------|--------------|---------------|--------------|---------------------------|--------------|
| Period | Elec. £m | Gas £m | Elec. £m | Gas £m | Elec. £m | Gas £m |
| Quarter 1 average | 1.097 | 0.402 | 1.746 | 1.392 | 0.664 | 0.357 |
| Quarter 2 average | 0.891 | 0.182 | 1.411 | 0.615 | 0.539 | 0.160 |
| Quarter 3 average | 1.059 | 0.597 | 1.683 | 2.059 | 0.641 | 0.529 |
| Quarter 4 average | 1.059 | 0.713 | 1.683 | 2.459 | 0.641 | 0.632 |
| Total | 4.106 | 1.894 | 6.523 | 6.525 | 2.485 | 1.678 |
| Total Gas and Electricity | 6.000 | | 13.048 | | 4.163 | |

4.106. **Table 15** shows energy pressures of +£2.513m, reflected in the month 12 general fund and HRA financial positions.

Table 15 – Current Energy Pressures - 2022/23 Month 12

| Directorate/Service | General Fund £m | HRA £m |
|--|-----------------|--------------|
| CWB - Corporate Landlord Services | 1.298 | - |
| Environment - Pressure on Leisure Contract | 0.576 | - |
| Environment - Street Lighting Contract | 0.639 | - |
| Landlord supplies and community centres | - | 4.758 |
| | 2.513 | 4.758 |

4.107. Further commentary is included in the directorate narratives within the main body of the report.

5. Housing Revenue Account (HRA)

- 5.1. The provisional outturn for the HRA is an in-year deficit of +£12.987m, a +£16.366m increase from the previous reported position. The primary reasons for this increase are +£14.082m temporary use of Revenue Contribution to Capital Outlay (RCCO) towards the financing of new build and property acquisitions programmes, aligning with the Council's Treasury management strategy to delay external borrowing and as such the associated interest charges by utilising HRA reserves to finance HRA capital expenditure. +£5.989m relating to abortive New build scheme costs, partly offset by underspend across other areas within the HRA -£3.705m. The position is summarised in Appendix 2.
- 5.2. The HRA is a ring-fenced account, as such the deficit as at the 31 March 2023 of £12.987m will be funded from HRA reserves.
- 5.3. It should be noted that the key driver making up the £12.987m in year deficit resulting in an increased call on HRA reserves is predominately due to the increase in RCCO - £14.082m. This is a technical overspend that will be reversed out in future years by

increasing borrowing and reducing RCCO. As such this increased call on reserves has a neutral impact on the HRA's overall financial position and can be accommodated within the 30-year HRA business plan.

5.4. Variances within the department includes:

- Dwelling rents -£0.899m (an increase of £0.286m since the previous reported position) relates to income generated from social lettings. The increase represents greater than anticipated generation of income compared to the original budget.
- Tenant Service Charges -£1.152m (a reduction of £0.701m since the previous reported position) relates to increase charges in respect of communal electricity. In November of 2022, in response to the spiralling cost of energy, tenant service charges were revised increasing the weekly charge for communal electricity by £2.55 per week to meet the rising costs. This additional income represents an increase compared to the original budget.
- Heating Charges -£2.774m (an increase of £0.199m since the previous reported position) relates to gas costs levied to tenants and leaseholders who benefit from our communal heating systems. Gas charges were revised as part of the November 2022 mid-year review of service charges, resulting in weekly charges to increase on average by £6.80 per week to help meet the rising costs together with a tenant heating reserve account which is in place aimed to smooth out the year-on-year volatility of gas costs. The tenant heating reserve at the beginning of the year was a surplus of £1.874m and to meet increased gas costs in 2022-23, a contribution of £1.867m from tenant heating reserve was made, leaving a balance of £0.007m. The increased costs will be passed on to leaseholders as part of the service charge actual billing process.
- Leaseholder Charges Net -£2.126m (an increase of £1.511m since the previous reported position) this relates to a combination of:
 - an increase in annual service charges of -£2.419m made up of; increasing communal electricity costs £1.142m, and an increase in 22-23 charges across all heads of charge £1.277m as compared to the budget.
 - a reduction in major works charges of +£0.293m as compared to the budget.
- Interest receivable +£0.041m (a reduction of £1.159m since the previous reported position) relates to interest anticipated on HRA balances. The reduction when compared to the forecast position is a result of the actual annualised rate of return being lower than expected.
- Other Income -£1.166m (an increase of £0.566m since the previous reported position) relates to HRA receipts under £10k including lease extension payments. The increase represents greater than anticipated generation of income from such activities compared to the original budget.
- Repairs and Maintenance +£0.125m (an increase of £0.874m since the previous reported position) relates to the mobilisation of a damp and mould taskforce in response to the Regulator of Social Housing demand for social landlords to take proactive steps to tackle damp and mould issues in their housing stock, and higher than anticipated spend on repairs sub-contractor related costs.

- General Management +£25.737m (an increase of £5.601m since the previous reported position) this relates to a combination of:
 - (+£20.000m) relates to the early repayment of the HRA's pension deficit from a planned drawdown from HRA reserves relieving the HRA from future contributions generating savings of -£2.200m per annum.
 - Over the last 5 years 318 additional new council owned homes have been built, with a further 218 anticipated within the current new build programme. However, due to the current challenging economic climate, several new build schemes have become financially unviable. As a result, a decision was taken to cease work on schemes that were deemed as not offering value for money. As such, the capital costs incurred on these schemes will now need to be written off to revenue +£5.989m.
 - Costs arising from the Voluntary Business Efficiency and Redundancy Scheme +£1.121m.
 - A significant increase in housing disrepair claims received over the past year, 136% to 463 live cases as at the 31 March 2023 has resulted in the need to increase the Tenant disrepair provision to cover the potential liability of on-going cases by +£0.849m. Furthermore, cost incurred in-year on housing disrepair have increased by +£0.115m.
 - The unwinding of the 2016/17 provision set aside in respect of the Thames Water commission for the collection of water charges on behalf of Thames Water has released -£1.067m which has been used partly offset the above increase.
 - Adoption of a more robust method of allocating staff time between capital schemes and revenue activities has given rise to a reduction in capitalisable salary costs +£2.053m. This is a technical overspend which will be offset by future year's reductions in RCCO contributions to fund major works programme.
 - As part of the insourcing of PFI 2 street properties management to the council in July 2022, a provision had been set aside to accommodate an anticipated increase in support costs recharges to reflect the increase in directly managed staff. The 2022-23 support cost recharge outturn was lower than expected resulting in an underspend of -£0.818m.
- PFI Payments +£4.072m (a reduction of £0.810m since the previous reported position) relates to the final instalments of unitary payments +£4.331m in respect of the PFI 2 contract which came to an end from July 2022. The unitary payments are offset by additional PFI credits -£4.881m resulting in a surplus of -£0.550m. In addition, PFI 1 net underspend of £0.259m resulting from lower spend on call-off works (remedial works not within the scope of the contract where costs are paid by the Council) and greater collection of leaseholder charges from our PFI partner.
- Capital Financing Costs -£3.033m (a reduction of £0.047m since the previous reported position) relates to reductions in interest payments and Debt management expenditure as a direct result of the temporary use of HRA reserves to finance capital expenditure.
- Depreciation +£3.367m (a reduction of £0.119m since the previous reported position). Whilst this appears to represent a cost pressure to the HRA, this is a technical overspend. Depreciation costs are transferred to the Major Repairs Reserve (MRR) to fund HRA major works projects, as such, the increase in MRR balances will reduce the

use of Revenue Contributions to Capital Outlay (RCCO) over the medium term thus no adverse medium-term impact on the HRA.

- Revenue Contributions to Capital Outlay (RCCO) +£14.082m (an increase of +£14.082m since the previous reported position) This primarily represents the temporary use of HRA reserves to finance the new build and acquisitions programmes, in place of borrowing, in order to delay the impact to the HRA of incurring interest charges. In future years RCCO contributions set aside to balance the financing of the HRA Capital programme will be swapped for borrowing. This is therefore a temporary increase in the call on HRA reserves.
- Bad Debt Provision -£0.963m (a reduction of £0.963m since the previous reported position). The tenants Bad Debt Provision (amount set aside for dwelling rental income owing that may become uncollectable in the future) as at 31st March 2023 stands at £7.726m, representing a cover rate of 48% against total tenant rent and service charge arrears. Lower rent arrear levels have meant that the requirement to increase the tenants Bad Debt Provision was less than anticipated as compared to the budget (-£0.723m). Similarly, the required increase to the Leaseholder Bad Debt Provision was also less than anticipated (-£0.240m).
- Contingency -£2.544m (a reduction of £2.544m since the previous reported position). This is budget set aside to cover unexpected and one-off costs that may arise over the course of the year. Money set aside for PFI 2 re-integration costs (£0.900m), Universal Credit migration (UC) costs (£0.800m) and one-off IT project costs were lower than anticipated in the budget. It should be noted that although UC costs did not arise this year, there remains approx. 6,000 working age tenants yet to move to UC so it is likely costs will arise in the future.

6. Capital Programme 2022/23

- 6.1. Capital expenditure of £152m has been delivered against a revised 2022/23 budget of £169m representing 90% spend against budget. The variance is predominantly due to non-COVID-19 related delays across the programme.
- 6.2. This is summarised between the non-housing and housing capital programme in the table below and detailed in **Appendix 6**.

Table 16 – 2022/23 Capital Programme

| Directorate | Agreed Budget (£m) | 21/22 Outturn Adj. (£m) | Budget Changes as at M10 (£m) | Revised Budget (£m) | 2022/23 Outturn (£m) | Variance (£m) |
|---------------------------|--------------------|-------------------------|-------------------------------|---------------------|----------------------|-----------------|
| Community Wealth Building | 19.721 | 3.940 | (8.034) | 15.627 | 9.404 | (6.223) |
| Environment | 25.481 | 5.255 | (11.817) | 18.919 | 16.763 | (2.156) |
| Total GF | 45.202 | 9.195 | (19.851) | 34.546 | 26.167 | (8.379) |
| Homes and Neighbourhoods | 168.607 | 16.651 | (49.947) | 135.311 | 126.738 | (8.573) |
| Total HRA | 168.607 | 16.651 | (49.947) | 135.311 | 126.738 | (8.573) |
| Total Programme | 213.809 | 25.846 | (69.798) | 169.857 | 152.905 | (16.952) |

6.3. Key Terms:

- Capital Slippage – The reprofiling of capital budgets to future financial years to match forecast timing of expenditure, whilst staying within the approved project budget.
- Capital Acceleration - The reprofiling of capital budgets from future financial years to match forecast timing of expenditure, whilst staying within the approved project budget.
- Capital Additions - Capital budgets may be added in year where these are to be funded by resources available to the Council, including grant funding.
- Capital Reduction – A reduction in an agreed capital budget.
- Underspend - Where a capital scheme spend is less than the budget agreed.
- Overspend – Where a capital scheme spend is more than the budget agreed.

Community Wealth Building

6.4. Capital expenditure of £9.404m has been delivered in 2022/23. This represents a 60% spend against the revised budget of £15.627m, and a 71% spend against the M10 forecast outturn of £13.205m.

6.5. Underspends totalled -£2.548m, an increase of -£0.221m compared to month 10. The main underspends are detailed below:

- Enhanced Children's Residential Provision -£0.526m underspend due to being unable to secure match funding for the scheme.
- Schools Tufnell Park School Expansion -£0.579m underspend as the scheme was completed with only a retention payment outstanding. There is now additional outturn underspend of -(£0.047m) due to a lower retention figure than initially estimated.
- The scheme at Holly Hall has been discontinued -£0.550m reduction as the property was deemed not fit for purpose. A new scheme for 16-18 Hornsey Road is being taken forward.

6.6. The remaining variance of -(£3.674) is due to the following:

- Transfers to revenue – a detailed review of expenditure was carried out in Month 12, and a total of £1.001m across all CWB schemes was transferred to revenue. These costs include staffing costs and non-staffing costs such as stock condition/disability surveys.
 - Staffing costs: £0.267m
 - Non-Staffing costs: £0.734m
- The following two schemes had minor overspends which were partly offset by additional external funding:
 - Whittington Community Centre - £0.051m - Extensions of time and agreed, justifiable variations. 3rd party funding accrued was £0.006m less than originally expected. Additional funding was secured to offset the variance, including an additional £0.032m from S106/CIL and £0.025m from Compliance. The budget was amended to reflect this overspend.
 - West Library - £0.080m - Variations and unforeseen structural works. The shortfall is intended to be covered using S106/CIL (£0.069m) funding allocated to 'We are Cally' that was remaining on completion of the Jean Stokes Community Centre project, and a contribution from the 'Libraries Modernisation' budget of £0.011m. The budget was amended to reflect this overspend.
- The following key schemes require outturn re-profiling to 2023/24 due to various delays including:
 - New River College Elthorne -(£0.338m) – Delays in the programme delivery relating to the ground source heat pump, delays regarding approvals and a party wall dispute. Procurement process for consultants and design have also caused delays. Works are now progressing.
 - School Condition Projects -(£0.400m) - Window projects have been deferred until clarity is gained on the Net Carbon Zero programme.
 - High Needs Allocation -(£0.406m) - Circa £0.100m of expenditure has been transferred to revenue as the works were related to the school PFI contract.
 - Compliance and Modernisation -(£0.971m) - Early-stage disability audit surveys were transferred to revenue. Further clarity on the Net Carbon Zero strategy is required before carrying out the related works, which are anticipated to begin in 2023/24. The compliance budget is used to fund any buildings capital compliance issues as and when they arise considering any outcomes from stock condition surveys, therefore there is a chance of not fully utilising the total budget in a 12-month period

Environment

- Capital expenditure of £16.763m has been delivered in 2022/23. This represents a 98% spend against forecast at Month 10 (-£0.381m) and a 91% spend against revised budget £18.919m.
- The variance of -£2.517m between the revised budget and 2022/23 outturn (£16.763m) is mainly due to the following:

- Leisure Repairs and Modernisation: +£2.037m – overspend largely due to remedial works being undertaken for IRB Leisure Centre post-fire and Sobell Leisure Centre post-flood damage. These works are subject to insurance claims.
- People Friendly Streets and Schools Streets: +£0.732m – overspend driven by the acceleration of the school streets programme with delivery of 3 schools streets vs the 2 originally planned and a further 6 in design and consultation.
- Vehicle fleet electrification (infrastructure): +£0.93m – acceleration of the programme. The WRC electrical upgrade works were completed in year with final contract sum being paid in 22/23. This overspend will be offset from the 23/24 project budget.
- Vehicle Replacement: -£0.908m – underspend due to a number of RCV vehicles not being delivered by March 2023.
- Transfers to revenue – a detailed review of all capital expenditure was undertaken which meant several schemes were transferred to revenue equating to £2.366m; £2.150m were related to Greenspace Projects, £0.126m Chapel Market and the remainder relating to Highways and Traffic Schemes.

Housing Capital Programme

- 6.7. The Housing (HRA and GF) capital outturn totals £126.738m compared to the revised 2022/23 capital budget of £135.311m (which includes £16.651m of net slippage from 2021/22 primarily in respect of the new build prog. Less £49.947m slipped to future years agreed as at M6 2022/23).
- 6.8. The outturn is reported at £126.738m of which:
- £42.893m relates to the major works capital programme covering the cost of investment in existing HRA stock.
 - £55.493m relates to the HRA's new build programme in year expenditure.
 - (£4.902m) relates to the HRA's new build programme prior year expenditure aborted from capital to revenue, in 2022-23, in respect of schemes that will not be taken forward.
 - The remainder £33.017m relates to the acquisition programme of properties for temporary accommodation which is on target to achieve the required number of acquisitions this year.
- 6.9. The overall outturn reflects a variance totalling £3.671m (excluding prior year new build expenditure aborted to revenue of 2022-23 of £4.902m) which is primarily made up of;
- slippage of £5.9m and an underspend of £1m in respect of the new build programme
 - offset by £5.2m in respect of the cost of 33 nominations in respect of a scheme delivered by the City of London funded entirely from RTB 141 receipts, net accelerated spend of £1.5m in respect of the major works and improvements programme,
 - an underspend against the property acquisitions allocation of £3.2m reflecting a saving in the borrowing requirement for the HRA. This has arisen primarily as a result of a change in the stamp duty regulations which has meant we have been able to reclaim stamp duty paid in respect of all purchases subsidised in part by GLA grant and an underspend of £0.500m in respect of the major works programme relating to retrofitting

pilots which can only proceed if carbon offset grant is available which remains unconfirmed.

S106/CIL

- 6.10. The Community Infrastructure Levy (the 'levy') is a charge which can be levied by local authorities on new development in their area based on an approved charging schedule which sets out its levy rates. Most new development which creates net additional floor space of 100 square metres or more, or creates a new dwelling, is potentially liable for the levy.
- 6.11. In Islington, 50% of the CIL (known as Strategic CIL) collected from a development is used to help fund the Council's annual Capital Programme. For the other 50% Ward Councillors (in consultation with officers, constituents, ward partnerships etc) are asked to make recommendations to the Borough Investment Panel on how this funding is allocated.
- 6.12. 15% of the 50% (known as Local CIL) can be allocated to the provision, replacement, operation or maintenance of infrastructure or anything else that is concerned with addressing the demands that development places on an area. The remaining 35% (known as Strategic-Local CIL) can be allocated for the provision, replacement, operation or maintenance of infrastructure.
- 6.13. Planning obligations, secured through Section 106 Agreements of the Town and Country Planning Act 1990, are used to make developments acceptable in planning terms that would not be acceptable otherwise. Obligations can include either direct provision of a service or facility, financial contributions towards a provision made by the Council or external service provider, or both. With the introduction of the CIL in 2014, the council mostly now secures financial S106 contribution for non-CIL eligible infrastructure or to meet specific planning policy requirements such as off-site affordable housing and affordable workplace payments, carbon offsetting and employment and training contributions.
- 6.14. The table below sets out current budget position for S106 and CIL including income and the amount transferred to services in 2022/23.

Table 17 – S106 and CIL

| Fund | Brought Forward from Prior Years (£m) | Received in 2022/23 (£m) | Total Balance (£m) | 2022/23 Transferred to services (£m) | Carry Forward to 2023/24 (£m) |
|--------------|--|---------------------------------|---------------------------|---|--------------------------------------|
| S106 | 28.479 | 7.407 | 35.886 | 9.940 | 25.946 |
| CIL | 14.185 | 3.387 | 17.572 | 3.893 | 13.679 |
| Total | 42.664 | 10.794 | 53.458 | 13.833 | 39.625 |

- 6.15. The outturn combined S106 and CIL balance is £39.6m. This consists of £30.426m allocated to various projects and programmes and £9.2m that is unallocated. Of the £9.2m unallocated funding, £2.6m is from Carbon Offsetting S106 payments which is overseen by the Net Zero Carbon Executive Board.
- 6.16. Combined S106 and CIL transferred to capital codes in 22/23 was £13.8m in 2022/23.
- 6.17. Several S106/CIL funded capital projects are in the planning stage with the majority of spend expected in future years. The overall budget also includes £7.7m of funding allocated to revenue programmes and projects including staff costs.

- 6.18. Ward councillors are asked at the Borough Investment Panel (BIP) to recommend how a proportion of CIL and older S106 contributions (secured before introduction of CIL) are allocated. There is currently £4.5m unallocated CIL and S106 'ward' funding. Of this Clerkenwell (£0.9m) and St. Peter's and Canalside (£0.8m) have the largest amounts of unallocated funds.

7. Implications

Financial Implications

- 7.1. These are included in the main body of the report.

Legal Implications

- 7.2. The law requires that the council must plan to balance its spending plans against resources to avoid a deficit occurring in any year. Members need to be reasonably satisfied that expenditure is being contained within budget and that the savings for the financial year will be achieved, to ensure that income and expenditure balance (Section 28 Local Government Act 2003: the council's Financial Regulations 3.7 to 3.10 Revenue Monitoring and Control).

Environmental Implications

- 7.3. This report does not have any direct environmental implications.

Equality Impact Assessment

- 7.4. The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.
- 7.5. An equality impact assessment (EQIA) was carried out for the 2022/23 Budget Report agreed by Full Council. This report notes the financial performance to date but does not have direct policy implications, therefore a separate EQIA is not required for this report.

Appendices:

- **Appendix 1** – General Fund and HRA Revenue Monitoring by Variance
- **Appendix 2** – 2022/23 Revenue by Service Area
- **Appendix 3** – Transformation Fund Allocations
- **Appendix 4** – Outturn Requested Transfers to Reserves
- **Appendix 5** – Savings Delivery Tracker
- **Appendix 6** – Capital Outturn 2022/23

Background papers: None

| | | |
|-------------------|--|-------------------|
| Signed by: | | |
| | Executive Member for Finance, Planning and Performance | Date 13 June 2023 |

Responsible Officer:

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Appendix 1: 2022/23 Key Variances - Outturn

| DIRECTORATE/DIVISION | VARIANCE TYPE | DESCRIPTION | Overspend/ (Underspend) Outturn 2022/23 £m |
|---------------------------------------|----------------|--|---|
| ADULT SOCIAL SERVICES | | | |
| Integrated Community Services | Overspend | Service Users from Hospital Discharge Schemes in previous financial years | 0.962 |
| Integrated Community Services | Overspend | Demand over Demographic Growth | 1.530 |
| Integrated Community Services | Overspend | Late Authorisations | 1.545 |
| Integrated Community Services | Income | Additional Client Contributions | (1.035) |
| Integrated Community Services | Income | Direct Payments Surplus | (0.440) |
| Learning Disabilities | Overspend | Undelivered Savings | 0.864 |
| Mental Health | Overspend | Saving Slippage | 0.170 |
| Adults | Overspend | Progression to Adulthood | 0.541 |
| In-House | Overspend | Saving Slippage | 0.784 |
| Staffing | Overspend | Staffing - SLT | 0.373 |
| Strategy and Commissioning | Overspend | Beaumont Rise | 0.257 |
| Integrated Community Services | Overspend | Social Work Staffing | 0.247 |
| Integrated Community Services | Underspend | Non Pay | (0.085) |
| Transforming Care | Underspend | Complex Needs and Transforming Care Clients | (0.200) |
| Adult Social Services | Underspend | Various Adult Social Care Non Pay underspends | (0.162) |
| Integrated Community Services | Overspend | Placement pressure due to unavailability of care home beds | 4.672 |
| Adult Social Services | Income | Fair Cost of Care, ASC Discharge funding, Charging Reform and Grant to streamline local authority Adult Social Care assessments. | (2.130) |
| Total Adult Social Services | | | 7.893 |
| CHIEF EXECUTIVE | | | |
| Chief Executives Office | Underspend | Net underspend within the division | (0.009) |
| Communications | Overspend | Unfunded costs relating to mandatory project relating to accessible documents | 0.161 |
| Communications | Overspend | Net overspend on employee and supplies / services costs | 0.043 |
| Communications | Overspend | Overspend on print costs on Islington Life | 0.018 |
| Communications | Loss of income | Shortfall in advertising income for Islington Life | 0.013 |
| Print Services | Overspend | Net overspend on employee costs | 0.014 |
| Print Services | Loss of income | Shortfall in income | 0.016 |
| Print Services | Underspend | Underspend on paper and print costs due to less reliance on external printing and Panacea software costs | (0.091) |
| Total Chief Executive | | | 0.165 |
| CHILDREN'S SERVICES | | | |
| Early Intervention and Prevention | Underspend | Surplus income, staffing and other net underspends in Children's Centres. Childcare income recovered strongly in the final term and Children's Centre finances were positively adjusted following changes to DSG funding rates for all providers | (0.357) |
| Early Intervention and Prevention | Underspend | Unallocated grant aid budget and reduced take up of childcare places in grant aided settings | (0.151) |
| Early Intervention and Prevention | Income | Use of Holiday Activities and Food funding to meet eligible costs of Lunch Bunch | (0.201) |
| Early Intervention and Prevention | Underspend | Commitments in Early Help against the multi-year budget provision (income recognised in full in previous year's, therefore this is a timing issue) and shortfall in funding for the young black men and mental health project offset by staffing underspends | (0.186) |
| Learning and Culture | Overspend | Structural shortfall in the budget for Cardfields and Schools HR and shortfall in income | 0.338 |
| Learning and Culture | Loss of income | Loss of income at Laycock due to capital works | 0.031 |
| Learning and Culture | Overspend | Increased demand for SEND transport and personal transport budgets | 0.380 |
| Learning and Culture | Underspend | Reduced demand for universal free school meals | (0.219) |
| Learning and Culture | Loss of income | Cut in School Improvement Monitoring and Brokering grant that cannot be mitigated in-year | 0.077 |
| Learning and Culture | Underspend | Net staffing underspend and commissioning efficiencies | (0.047) |
| Learning and Culture | Overspend | Increased demand for short breaks in Pupil Services | 0.043 |
| Learning and Culture | Overspend | Legacy business support cost pressure following a corporate centralisation of this service | 0.126 |
| Safeguarding and Family Support | Overspend | Pressure against the Children's Social Care placements budget due to increased demand | 1.087 |
| Safeguarding and Family Support | Overspend | Pressure against the budget for care proceedings due to a sustained increase in activity levels and court delays in the last 3 financial years. This has now started to improve in the last few months | 0.325 |
| Safeguarding and Family Support | Overspend | Estimated SEND transport related cost pressure in relation looked after children in out of borough provision | 0.098 |
| Safeguarding and Family Support | Overspend | Net staffing pressures in Children's Social Care | 0.089 |
| Safeguarding and Family Support | Overspend | Wrap around support cost pressures in relation to children in care (approx. 70% is court ordered taxi transport to schools) | 0.587 |
| Safeguarding and Family Support | Overspend | Increased demand for parent / child contact services | 0.083 |
| Safeguarding and Family Support | Overspend | Demand pressure on personal budgets in the Disabled Children's Service | 0.478 |
| Safeguarding and Family Support | Overspend | Increased demand for short breaks in Children's Social Care | 0.072 |
| Safeguarding and Family Support | Income | Net Home Office income in relation to Unaccompanied Asylum Seeking Children | (0.304) |
| Safeguarding and Family Support | Overspend | Net temporary accommodation pressure in the Leaving Care Service | 0.211 |
| Safeguarding and Family Support | Income | Underspend against pooled budgets managed on behalf of partners. This underspend belongs to Council and partner organisations | (0.086) |
| Health Commissioning | Underspend | Staffing underspend in health commissioning | (0.030) |
| Young Islington | Overspend | Forecast cost in relation to underwriting income losses while income levels continue to recover at Lift and Rosebowl offset by underspends elsewhere in the directorate | 0.066 |
| Young Islington | Overspend | Cost pressure from bring youth provision at Platform back in-house | 0.257 |
| Young Islington | Overspend | Demand pressure against the budget for secure remand | 0.037 |
| Young Islington | Loss of income | In-year cut in Youth Justice Board Remand grant funding | 0.057 |
| Young Islington | Underspend | Underspend against the Youth Council budget | (0.030) |
| Young Islington | Income | Additional unbudgeted income in Young Islington | (0.445) |
| Directorate | Savings | Children's Services share of corporate procurement savings to be apportioned | 0.220 |
| Total Children's Services | | | 2.606 |
| COMMUNITY WEALTH BUILDING | | | |
| Corporate Landlord | Overspend | Increased energy costs on contract | 1.298 |
| Inclusive Economy | Overspend | Staffing cost pressures | 0.052 |
| Corporate Landlord | Income | Commercial Property Income shortfall | 0.649 |
| Corporate Landlord | Overspend | Non-capitalisable costs. | 1.001 |
| Corporate Landlord | Underspend | Reduced expenditure in repairs across buildings | (0.445) |
| Corporate Landlord | Underspend | Supplies and Services net of recharges | (0.422) |
| Corporate Landlord | Overspend | Staffing cost pressures | 0.065 |
| Planning and Development | Income | Increased income in planning fees | (0.078) |
| Community Wealth Building Directorate | Underspend | Underspend on supplies and services | (0.079) |
| Procurement | Income | Additional adhoc income | (0.058) |
| Community Financial Resilience | Income | Additional grant income | (0.535) |
| Total CWB | | | 1.448 |
| ENVIRONMENT | | | |
| Business Performance & Improvement | Underspend | Net underspend within the division | (0.053) |
| Lighting & Streetworks | Overspend | Increased energy costs on PFI contract | 0.639 |
| Highways | Overspend | Additional tree works required for claims prevention | 0.090 |
| Lighting & Streetworks | Underspend | Additional streetworks income | (0.203) |
| Highways | Underspend | Underspend on the insurance recharge | (0.149) |
| Net Zero Carbon | Underspend | Underspend within this service due to delayed project | (0.025) |
| Directorate | Overspend | AD of Community Safety, Security & Resilience costs net off by a slight underspend throughout the service | 0.067 |
| Fleet | Overspend | Additional costs in excess of budget | 0.097 |
| Leisure | Overspend | Energy risk share for leisure centres | 0.576 |
| Greenspace | Overspend | Vacancy Factor pressure on the Grounds Maintenance Service | 0.168 |

Appendix 1: 2022/23 Key Variances - Outturn

| DIRECTORATE/DIVISION | VARIANCE TYPE | DESCRIPTION | Overspend/ (Underspend) Outturn 2022/23 £m |
|---|-------------------|---|---|
| Greenspace | Overspend | Staff recharges/Caledonian Clock Tower costs not previously forecast | 0.089 |
| Greenspace | Overspend | Non-capitalisable costs. | 0.212 |
| Tree Service | Overspend | Net overspend forecast within the service | 0.062 |
| Parking | Loss of Income | Lower levels of pay and display, permit & voucher and PCN income offset by additional suspension and other income | 3.007 |
| Commercial Waste | Loss of Income | Reduced volume of activity | 0.802 |
| Commercial Waste | Saving | Reduction in levy due to reduced tonnages | (0.393) |
| Street Services Operations | Overspend | Additional staff costs as a result of the two extra bank holidays this year | 0.090 |
| Street Services Operations | Overspend | Net employee / supplies & services overspend forecast throughout the rest of the division | 0.035 |
| Street Services Operations | Overspend | Additional vehicle hire / transport costs within Street Services Operation | 0.087 |
| Street Services Operations | Overspend | Overspend on recharges | 0.074 |
| Street Trading | Overspend | Non-capitalisable costs. | 0.101 |
| Private Sector Housing | Underspend | Additional HMO licensing / grant income | (0.160) |
| Total Environment | | | 5.213 |
| Community Engagement and Wellbeing | | | |
| We Are Islington | Cost Pressure | Cost of COVID-19 response 'We Are Islington', to be wound down by Q2. Additional overtime/salary related expenditure incurred due to extra support and assistance provided to vulnerable, isolating and communities | 0.040 |
| Resident Experience | Cost Pressure | Cost of three temporary full time Customer Service agents to support the Council's Cost of Living | 0.055 |
| Resident Experience | Cost Pressure | Overtime for Chief Executive and Ombudsman Complaints, in order to ensure an orderly handling of complaints so Ombudsman action is avoided | 0.021 |
| Department | Underspend | Across Community Engagement and Wellbeing due to planned projects and recruitment delays resulting in staffing efficiencies | -0.129 |
| Resident Experience | Income shortfall | Unmet income targets from courses supplied by Resident Experience | 0.013 |
| Total Community Engagement and Wellbeing | | | 0.000 |
| HOMES & NEIGHBOURHOODS | | | |
| Housing Needs | Underspend | Temporary Accommodation: Nightly Booked. | (0.231) |
| Housing Needs | Overspend | Bad Debt/Arrears: Cost of living crisis driving costs up. (Excluding Homelessness Prevention Grant). | 0.331 |
| Housing Needs | Overspend | Islington Lettings - Charges for voids and uncollected rent. (Excluding Homelessness Prevention Grant). | 0.145 |
| Housing Needs | Underspend | Other Housing Needs. (Including Homelessness Prevention Grant). | (0.471) |
| Housing Needs | Underspend | NRPF costs are reducing due to cases falling, high needs client leaving the service and grant support. | (0.396) |
| Community Safety | Overspend | Community Safety Overspend. | 0.171 |
| Total H&N | | | (0.452) |
| PUBLIC HEALTH | | | |
| Obesity & Physical Activity | Overspend | Commissioning of 2 year pilot programme for Adult Weight Management Get Active Service | 0.109 |
| Public Health | Underspend | Underspend from remaining PH divisions. | (0.049) |
| Smoking & Tobacco | Underspend | the pandemic. | (0.060) |
| Total Public Health | | | 0.000 |
| RESOURCES DIRECTORATE | | | |
| Director of Resources & Business Sup | Underspend | Net staffing underspend | (0.059) |
| Human Resources | Underspend | Underspend against Organization Development training and activities | (0.205) |
| Human Resources | Overspend | Maternity cover, overtime and staffing costs of clearing the Disclosure and Barring Service backlog | 0.365 |
| Human Resources | Overspend | Cost pressure from the human resources system development work | 0.083 |
| Law and Governance | Underspend | Vacancy in executive services and other staff underspend in democracy services | (0.076) |
| Law and Governance | Overspend | Agency costs in relation to the Interim Director post and other costs | 0.129 |
| Law and Governance | Overspend | Higher than expected caseloads resulting in overspend in in agency costs and barristers' fees in the commercial and environmental law service. | 0.202 |
| Finance | Overspend | Increase in cost of external audit fees as a result enhanced audit requirement on the whole sector | 0.228 |
| Finance | Underspend | Overachievement of council tax and court summons costs net of additional expenditure | (0.421) |
| Finance | Underspend | Underspend against bank charges | (0.040) |
| Digital Services | Overspend | Agency spend and overtime on operational services in digital | 0.152 |
| Total Resources | | | 0.359 |
| Directorates Total | | | 17.232 |
| CORPORATE | | | |
| Pay Award | Cost Pressure | Pay Award | 6.486 |
| Other | Overspend | Other Small Variances including Pension and Support Service Recharges | 0.314 |
| Other | Overspend | Overspend on Council Tax Rebate Discretionary Scheme | 0.158 |
| Levies | Additional income | Business rate levy surplus | (0.714) |
| Other | Additional income | Additional Income from Business Rates Relief, New Burdens and Redond Review Outcome | (0.661) |
| Specific grants | Overspend | Apprenticeship Levy and Corporate Subscriptions | 0.140 |
| Total Corporate | | | 5.723 |
| GROSS GENERAL FUND | | | |
| | | | 22.955 |
| Less: Corporate Energy Provision | | | (1.400) |
| Less: Corporate Energy and Inflation Reserve | | | (5.509) |
| Less: Social Care Reserve | | | (3.221) |
| Less: Capital Financing Reserve | | | (1.314) |
| Less: Budget Risk and Insurance Reserve | | | (6.511) |
| General Contingency | | | (5.000) |
| NET GENERAL FUND | | | 0.000 |

| DIRECTORATE/DIVISION | VARIANCE TYPE | DESCRIPTION | Overspend/ (Underspend) Outturn 2022/23 £m |
|--------------------------------------|-------------------------|--|---|
| HOUSING REVENUE ACCOUNT | | | |
| Finance | Additional Income | Favourable rent and service charges income collection | (2.051) |
| Finance | Additional income | Increased charges from tenants and leaseholders in respect of gas charges and the use of the tenant heat reserve to meet rising costs | (2.774) |
| Finance | Loss of income | Non Dwelling rents | 0.081 |
| Finance | Loss of income | Parking income | 0.068 |
| Finance | Additional income | Higher recoverable service charges from leaseholders in respect of communal electricity and other running costs | (2.126) |
| Finance | Additional income | Interest receivable on HRA reserve balances | (0.041) |
| Finance | Additional income | Overachievement of income relating to leasehold property lease extensions | (1.166) |
| Finance | Overspend | Rents, Rates, Taxes and Other Charges | 0.540 |
| Finance | Underspend | Lower capital financing costs as a result of greater use of HRA reserves | (3.033) |
| Finance | Overspend | Technical overspend resulting from an anticipated increase in depreciation charges | 3.367 |
| Finance | Overspend | Increase in Revenue contribution to capital outlay to fund New build schemes (Temporary) | 14.082 |
| Finance | Underspend | Tenants and Leaseholder Bad Debt Provision | (0.963) |
| Finance | Underspend | Saving on contributions towards the HRA pension deficit | (2.200) |
| Finance | Underspend/Timing issue | Underspends against the HRA contingency budget primarily set aside to meet one-off PFI 2 reintegration costs, Universal Credit migration costs and IT project costs. | (2.544) |
| General Management | Overspend | Ceasation of New Build schemes and other New build related costs | 5.989 |
| General Management | Overspend | Housing disrepair provision adjustment to reflect the increased case load | 0.964 |
| General Management | Cost Pressure | Cost pressures arising from the Voluntary Business Efficiency and Redundancy Scheme | 1.121 |
| General Management | Underspend | Unwinding of 2016-17 provision in respect of Thames Water collection charges | (1.609) |
| General Management | Underspend | Support service costs recharge | (0.818) |
| General Management | Underspend | Net General management underspends - various | (0.025) |
| General Management | Cost Pressure | Reduction in capitalisable salary costs | 2.053 |
| Homes and Communities | Overspend | Increased energy costs (met by increased tenant and leaseholder charges) | 4.758 |
| Housing Property Services | Overspend | Repairs and Maintenance cost pressures arising from damp and mould and repair sub-contractor costs | 0.124 |
| Housing Revenue Account | Underspend | PFI credits and payments | (0.810) |
| Total Housing Revenue Account | | | 12.987 |

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Appendix 2: 2022/23 Budget Monitoring by Service Area - Outturn

| GENERAL FUND | | | | | |
|---|-------------------------------|--------------------------|-------------------|-----------------------------|--------------------------------------|
| | Expenditure Budget | Income Budget | Net Budget | Forecast Outturn | Over/ (Under) Outturn |
| | £m | £m | £m | £m | £m |
| ADULT SOCIAL SERVICES | | | | | |
| Adult Social Care | 3.999 | (22.008) | (18.009) | (20.301) | (2.292) |
| In House Provider Services | 10.722 | (1.781) | 8.941 | 9.725 | 0.784 |
| Integrated Community Services | 58.075 | (19.870) | 38.205 | 46.485 | 8.280 |
| Learning Disabilities | 37.914 | (7.879) | 30.035 | 30.899 | 0.864 |
| Strategic Commissioning | 36.089 | (20.561) | 15.528 | 15.785 | 0.257 |
| Total Adult Social Services | 146.799 | (72.099) | 74.700 | 82.593 | 7.893 |
| CHIEF EXECUTIVE'S DIRECTORATE | | | | | |
| Chief Executive's Office | 0.452 | (0.251) | 0.201 | 0.193 | (0.008) |
| Communications | 3.364 | (1.003) | 2.360 | 2.533 | 0.173 |
| Total Chief Executive's | 3.816 | (1.254) | 2.561 | 2.726 | 0.165 |
| CHILDREN'S SERVICES | | | | | |
| Young Islington | 10.794 | (4.049) | 6.745 | 6.687 | (0.058) |
| Safeguarding and Family Support | 62.551 | (10.093) | 52.458 | 55.101 | 2.643 |
| Learning and Culture | 226.780 | (199.805) | 26.975 | 27.704 | 0.729 |
| Early Intervention & Prevention | 33.194 | (18.660) | 14.534 | 13.637 | (0.897) |
| Strategy and Commissioning | 1.885 | (1.046) | 0.839 | 0.809 | (0.030) |
| Directorate | 0.936 | (0.179) | 0.757 | 0.976 | 0.219 |
| Total Children's Services | 336.140 | (233.832) | 102.308 | 104.914 | 2.606 |
| COMMUNITY WEALTH BUILDING | | | | | |
| Community Finance Resilience | 7.358 | (2.485) | 4.873 | 4.338 | (0.535) |
| Corporate Landlord | 19.014 | (12.140) | 6.874 | 9.020 | 2.146 |
| Directorate | 0.302 | 0.000 | 0.302 | 0.223 | (0.079) |
| Inclusive Economy | 6.949 | (2.968) | 3.981 | 4.033 | 0.052 |
| Planning & Development | 5.405 | (3.683) | 1.722 | 1.644 | (0.078) |
| Procurement | 1.641 | 0.000 | 1.641 | 1.583 | (0.058) |
| Total Community Wealth Building | 40.669 | (21.276) | 19.393 | 20.841 | 1.448 |
| ENVIRONMENT | | | | | |
| Business Performance & Improvement | 1.564 | (0.517) | 1.048 | 0.995 | (0.053) |
| Climate Change & Transport | 23.015 | (7.745) | 15.270 | 15.622 | 0.352 |
| Directorate | 0.939 | (0.560) | 0.379 | 0.445 | 0.067 |
| Environment & Commercial Operations | 69.744 | (68.484) | 1.261 | 6.167 | 4.906 |
| Public Protection | 14.604 | (8.361) | 6.243 | 6.184 | (0.059) |
| Total Environment | 109.866 | (85.667) | 24.200 | 29.413 | 5.213 |
| COMMUNITY ENGAGEMENT AND WELLBEING | | | | | |
| Transformation | 0.982 | 0.000 | 0.982 | 0.852 | (0.129) |
| Management | 0.566 | 0.000 | 0.566 | 0.566 | 0.000 |
| Resident Experience | 6.586 | (3.097) | 3.488 | 3.617 | 0.129 |
| Community Partnerships | 3.589 | (0.897) | 2.692 | 2.692 | 0.000 |
| Early Intervention & Prevention | 2.559 | (1.331) | 1.228 | 1.228 | 0.000 |
| Fairness & Equalities | 3.411 | (1.412) | 1.999 | 1.999 | 0.000 |
| Total Community Engagement and Wellbeing | 17.693 | (6.738) | 10.955 | 10.955 | 0.000 |
| HOMES AND NEIGHBOURHOODS | | | | | |
| Temporary Accommodation (Homelessness Direct) | 12.461 | (10.754) | 1.707 | 1.165 | (0.542) |
| Housing Needs (Homelessness Indirect) | 5.069 | (2.914) | 2.155 | 2.458 | 0.303 |
| Housing Strategy and Development | 0.025 | 0.000 | 0.025 | 0.072 | 0.047 |
| Housing Administration | 7.737 | (0.131) | 7.606 | 7.572 | (0.034) |
| No Recourse to Public Funds | 1.617 | (0.363) | 1.254 | 0.858 | (0.396) |
| Community Safety | 1.337 | (0.788) | 0.549 | 0.719 | 0.170 |
| Total Homes and Neighbourhoods | 28.245 | (14.950) | 13.295 | 12.844 | (0.452) |
| PUBLIC HEALTH | | | | | |
| Children 0-5 Public Health | 3.672 | 0.000 | 3.672 | 3.665 | (0.007) |
| Children and Young People | 2.492 | (0.160) | 2.332 | 2.342 | 0.010 |
| NHS Health Checks | 0.265 | 0.000 | 0.265 | 0.254 | (0.011) |
| Obesity and Physical Activity | 0.655 | 0.000 | 0.655 | 0.764 | 0.109 |
| Other Public Health | 13.055 | (31.937) | (18.882) | (18.948) | (0.066) |
| Sexual Health | 6.534 | (0.893) | 5.641 | 5.661 | 0.020 |
| Smoking and Tobacco | 0.455 | 0.000 | 0.455 | 0.395 | (0.060) |
| Substance Misuse | 6.747 | 0.000 | 6.747 | 6.752 | 0.005 |
| Total Public Health | 33.875 | (32.990) | 0.885 | 0.885 | 0.000 |

Appendix 2: 2022/23 Budget Monitoring by Service Area - Outturn

| | Expenditure Budget | Income Budget | Net Budget | Forecast Outturn | Over/ (Under) Outturn |
|--|-----------------------|--------------------|------------------|---------------------|-----------------------------|
| | £m | £m | £m | £m | £m |
| RESOURCES | | | | | |
| Digital Services | 22.193 | (4.876) | 17.317 | 17.469 | 0.152 |
| Director of Resources | 0.968 | 0.000 | 0.968 | 0.726 | (0.243) |
| Finance | 218.861 | (210.630) | 8.230 | 7.989 | (0.242) |
| Human Resources | 5.946 | (1.853) | 4.093 | 4.344 | 0.250 |
| Law and Governance | 8.727 | (2.387) | 6.340 | 6.596 | 0.256 |
| Business Support | 4.654 | (0.178) | 4.476 | 4.661 | 0.185 |
| Total Resources | 261.349 | (219.924) | 41.425 | 41.784 | 0.359 |
| Directorates Total | 978.451 | (688.729) | 289.723 | 306.955 | 17.232 |
| CORPORATE | | | | | |
| Other | 19.016 | 0.000 | 19.016 | 25.870 | 6.853 |
| Levies | 16.217 | 0.000 | 16.217 | 16.290 | (0.642) |
| Corporate Financing | (4.406) | 0.000 | (4.406) | (4.402) | 0.004 |
| Specific Grants | 0.000 | (24.038) | (24.038) | (25.414) | (0.661) |
| Technical | 0.000 | (50.432) | (50.432) | (50.432) | 0.000 |
| Reserves | 0.000 | (37.215) | (37.215) | (37.215) | 0.000 |
| Provisions | 1.967 | 0.000 | 1.967 | 1.967 | 0.000 |
| Council Tax | 0.000 | (106.514) | (106.514) | (106.356) | 0.158 |
| Core Funding | 0.000 | (101.560) | (101.560) | (101.560) | 0.000 |
| Covid/business grants | 0.000 | (0.000) | (0.000) | 0.011 | 0.011 |
| Pensions | (2.758) | 0.000 | (2.758) | (2.758) | 0.000 |
| Total Corporate Items | 30.036 | (319.759) | (289.723) | (284.000) | 5.723 |
| TOTAL GENERAL FUND | 1,008.488 | (1,008.488) | (0.000) | 22.955 | 22.956 |
| Less: Corporate Energy Provision | | | | | (1.400) |
| Less: Corporate Energy and Inflation Reserve | | | | | (5.509) |
| Less: Social Care Reserve | | | | | (3.221) |
| Less: Capital Financing Reserve | | | | | (1.314) |
| Less: Budget Risk and Insurance Reserve | | | | | (6.511) |
| General Contingency | | | | | (5.000) |
| NET GENERAL FUND | | | | | (0.000) |

Appendix 2: 2022/23 Budget Monitoring by Service Area - Outturn

| HOUSING REVENUE ACCOUNT(HRA) | | | |
|--|-------------------|-------------------------|---|
| Service Area | Net Budget | Forecast Outturn | Over/(Under) Spend Outturn |
| | £m | £m | £m |
| Dwelling Rents | (167.377) | (168.276) | (0.899) |
| Tenant Service Charges | (19.263) | (20.415) | (1.152) |
| Non Dwelling Rents | (1.384) | (1.303) | 0.081 |
| Heating Charges | (2.552) | (5.326) | (2.774) |
| Leaseholder Charges | (17.112) | (19.238) | (2.126) |
| Parking Income | (2.175) | (2.107) | 0.068 |
| PFI Credits | (6.140) | (11.021) | (4.881) |
| Interest Receivable | (0.990) | (1.031) | (0.041) |
| Contribution from the General Fund | (0.816) | (0.816) | 0.000 |
| Transfer from HRA Reserves | 0.000 | (24.865) | (24.865) |
| Other Income | (0.500) | (1.666) | (1.166) |
| Income | (218.309) | (256.064) | (37.755) |
| Repairs and Maintenance | 43.310 | 43.435 | 0.125 |
| General Management | 63.699 | 89.172 | 25.473 |
| PFI Payments | 13.087 | 17.159 | 4.072 |
| Special Services | 27.774 | 32.533 | 4.759 |
| Rents, Rates, Taxes & Other Changes | 0.974 | 1.513 | 0.539 |
| Capital Financing Costs | 19.013 | 15.980 | (3.033) |
| Depreciation (mandatory transfer to Major Repairs Reserve) | 31.842 | 35.209 | 3.367 |
| Bad Debt Provisions | 2.250 | 1.287 | (0.963) |
| Contingency | 2.544 | 0.000 | (2.544) |
| Revenue Contributions to Capital Expenditure | 5.694 | 19.776 | 14.082 |
| Transfer to HRA Reserves | 8.122 | 0.000 | (8.122) |
| Expenditure | 218.309 | 256.064 | 37.755 |
| (Surplus)/Deficit | 0.000 | 0.000 | 0.000 |

Appendix 2: 2022/23 Budget Monitoring by Service Area - Outturn

Inter-Directorate Virements/Movements 2022/23

| Description | Adults | Chief Executive | CWB | Childrens | CEW | Housing | Environment | Resources | Public Health | Corporate | Net Total |
|--|---------|-----------------|---------|-----------|---------|---------|-------------|-----------|---------------|-----------|-----------|
| | £m | £m | £m | £m | £m | £m | £m | £m | £m | £m | £m |
| Original Budget | 56.769 | 1.228 | 16.626 | 84.966 | 7.112 | 6.354 | 5.390 | 28.258 | 0.000 | (206.703) | 0.000 |
| Agreed Growth | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Business Support Review | (0.609) | 0.000 | 0.000 | 0.000 | (0.037) | 0.000 | 0.000 | 0.646 | 0.000 | 0.000 | 0.000 |
| Procurement Saving apportionment | (0.455) | (0.004) | 0.954 | (0.244) | (0.017) | (0.040) | (0.133) | (0.060) | 0.000 | 0.000 | 0.000 |
| Resident Support Scheme allocation | 0.000 | 0.000 | (0.550) | 0.000 | 0.550 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Other (e.g. recharges, structural) | 14.266 | 0.599 | (1.603) | (8.119) | 0.395 | 0.000 | (11.863) | 1.688 | 0.000 | 4.637 | 0.000 |
| Structural Adjustments (Not Virements) | 0.550 | 0.000 | 1.251 | (1.251) | (0.550) | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Demography Allocations | 5.447 | 0.000 | 0.000 | 1.406 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | (6.853) | 0.000 |
| Technical adjustment | 0.494 | 0.441 | (1.521) | 15.345 | 1.910 | 6.379 | 10.128 | 6.280 | 0.694 | (40.149) | 0.000 |
| Support service recharges | 0.000 | 0.178 | 0.307 | 0.000 | (0.545) | 0.000 | 0.000 | 0.383 | 0.000 | (0.324) | 0.000 |
| Pay Award and NIC Reversal | 1.264 | 0.090 | 1.310 | 2.866 | 0.577 | 0.278 | 3.269 | 2.047 | 0.000 | (11.702) | 0.000 |
| Transfer to/from Reserves | (3.026) | 0.028 | 2.620 | 7.340 | 0.577 | 0.326 | 17.409 | 3.164 | 0.191 | (28.629) | 0.000 |
| Current Budget | 74.700 | 2.561 | 19.394 | 102.308 | 9.973 | 13.295 | 24.200 | 42.407 | 0.885 | (289.723) | 0.000 |

Appendix 3 - Transformation Fund Allocations 2022/23 Outturn

| DESCRIPTION | 2022/23 Opening Remaining Earmarked Amount £m | Requested Drawdown 2022/23 £ | 2022/23 Closing Remaining Earmarked Amount £m |
|--|--|------------------------------------|--|
| Adult Social Care Transformation phase 1 | 0.125 | 0.125 | - |
| Adult Social Care Transformation phase 2 | 0.457 | 0.457 | - |
| Assistive Technology | 0.128 | 0.128 | - |
| Children's Social Care Transformation | 0.752 | - | 0.752 |
| Foster Care Housing Adaptation Scheme (PM cost) | 0.005 | 0.005 | - |
| ASIP (Adolescent support intervention project) | 0.725 | 0.394 | 0.331 |
| Procurement Capacity | 0.251 | 0.007 | 0.244 |
| FutureWork - Phase 1 Business Case | 0.581 | 1.874 | (1.293) |
| SES Back Office System | 0.292 | - | 0.292 |
| People Friendly Streets | 0.070 | 0.057 | 0.013 |
| Anti-Social Behaviour Programme | 0.160 | 0.094 | 0.066 |
| Resident Experience | 0.243 | 0.243 | - |
| Workforce Strategy | 0.250 | - | 0.250 |
| Applications upgrades & HR Zellis | 1.048 | 0.548 | 0.500 |
| Legal Case Management | 0.424 | 0.103 | 0.321 |
| Systems Review | 0.422 | 0.422 | 0.000 |
| Modernising Finance | 0.222 | - | 0.222 |
| Intranet Re-design | 0.180 | - | 0.180 |
| Digital Experience Platform | 2.022 | 0.230 | 1.792 |
| TOTAL | 8.358 | 4.687 | 3.671 |

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Appendix 4 - Outturn Transfers To and From Reserves

| | | | 37,215,523.31 | | |
|---------------------|--|--|----------------------|----------------|-----------------------------------|
| Directorate | Category | Summary Description | Transfer To/Drawdown | £ (to)/from | Reserve Name |
| Adult Social Care | Transformation Drawdown | Adult Social Care Transformation phase 1 and phase 2 | Drawdown | 582,000.00 | Budget Strategy |
| Adult Social Care | Transformation Drawdown | Assistive Technology | Drawdown | 128,000.00 | Budget Strategy |
| Adult Social Care | Drawdown of Agreed Service Allocations | Early intervention offer for young adults | Drawdown | 44,000.00 | Social Care |
| Adult Social Care | Drawdown of Agreed Service Allocations | Invest in Adult Social Care workforce and practice development | Drawdown | 160,000.00 | Social Care |
| Adult Social Care | Drawdown of Agreed Service Allocations | In-house adult social care services | Drawdown | 30,000.00 | Social Care |
| Adult Social Care | Drawdown of Agreed Service Allocations | Additional Social Workers and support in Adult Social Care (Business Case April 2022) | Drawdown | 291,000.00 | Social Care |
| Adult Social Care | Drawdown of Agreed Service Allocations | Interim support to Adult Social Care transformation. | Drawdown | 248,000.00 | Social Care |
| Adult Social Care | Service Transfers To Reserves | One-off arrangement with North Central London ICB to fund pressures | Transfer To | - 5,000,000.00 | Restricted Grants & Contributions |
| CEW | Drawdown of Agreed Service Allocations | Complaints - providing additional staffing support | Drawdown | 145,443.94 | Budget Risk and Insurance |
| CEW | Drawdown of Agreed Service Allocations | Resident Experience - Telephony | Drawdown | 59,917.02 | Budget Risk and Insurance |
| CEW | Drawdown of Agreed Service Allocations | Resident Experience - Hubs | Drawdown | 20,992.13 | Budget Risk and Insurance |
| CEW | Drawdown of Agreed Service Allocations | Voluntary and Community Sector Reserve Drawdown | Drawdown | 41,915.54 | Budget Risk and Insurance |
| CEW | Drawdown of Agreed Service Allocations | Local Initiative Fund Reserve Drawdown | Drawdown | 66,114.08 | Budget Risk and Insurance |
| CEW | Transformation Drawdown | Resident Experience Programme | Drawdown | 243,000.00 | Budget Strategy |
| Chief Exec | Drawdown of Agreed Service Allocations | Online Consultation Tool | Drawdown | 28,400.00 | Budget Risk and Insurance |
| Children's Services | Corporate Adjustments | Backdated Holiday Pay Provision (Dedicated Schools Grant) | Drawdown | 136,181.10 | DSG |
| Children's Services | Drawdown of Agreed Service Allocations | Post 16 funding | Drawdown | 82,567.00 | Pooled Schools Budgets |
| Children's Services | Drawdown of Agreed Service Allocations | Supply insurance pooled budget | Drawdown | 874.00 | Pooled Schools Budgets |
| Children's Services | Drawdown of Agreed Service Allocations | Ensure stability for our Looked After Children and Unaccompanied Asylum Seeking Children (UASC) | Drawdown | 180,280.00 | Social Care |
| Children's Services | Service Transfers To Reserves | Dedicated Schools Grant underspend | Transfer To | - 1,065.82 | DSG |
| Children's Services | Service Transfers To Reserves | Pooled Schools Budget Transfers To Reserves | Transfer To | - 421,780.00 | Pooled Schools Budgets |
| Children's Services | Transformation Drawdown | Foster Care Housing Adaptation Scheme | Drawdown | 5,000.00 | Budget Strategy |
| Children's Services | Transformation Drawdown | Adolescent support intervention project | Drawdown | 393,884.00 | Budget Strategy |
| Corporate | Below the Line Adjustment to Balance 2022/23 Overspend | Budget Risk and Insurance Drawdown | Drawdown | 6,511,245.30 | Budget Risk and Insurance |
| Corporate | Below the Line Adjustment to Balance 2022/23 Overspend | Capital programme impact on revenue budgets | Drawdown | 1,314,174.69 | Capital Financing |
| Corporate | BC | Energy and Inflation Smoothing Reserve | Drawdown | 5,509,189.63 | Energy and Inflation |
| Corporate | Below the Line Adjustment to Balance 2022/23 Overspend | Social Care Reserve Drawdown | Drawdown | 3,221,000.00 | Social Care |
| Corporate | Budgeted Transfers to Reserves | Budgeted Drawdown in respect of historical base budget shortfall in Housing Benefit Administration | Drawdown | 1,409,000.00 | Budget Risk and Insurance |
| Corporate | Budgeted Transfers to Reserves | Budgeted Transfer to Budget Risk and Insurance | Transfer To | - 4,000,000.00 | Budget Risk and Insurance |
| Corporate | Budgeted Transfers to Reserves | Budgeted Transfer to Care Experience Reserve | Transfer To | - 4,000,000.00 | Care Experience |
| Corporate | Budgeted Transfers to Reserves | Budgeted Transfer to Levies Reserve | Transfer To | - 257,000.00 | Levies |
| Corporate | Collection Fund Timing Difference | Budgeted transfer from Core Funding for Collection Fund Spreading Impact | Drawdown | 22,761,000.00 | Core Funding |
| Corporate | Collection Fund Timing Difference | Revised Collection Fund Movement Based on NNDR3 (business rates government return) | Drawdown | 1,039,321.53 | Core Funding |
| Corporate | Collection Fund Timing Difference | Council Tax Adjustment | Transfer To | - 791.08 | Core Funding |
| Corporate | Corporate Adjustments | Redundancy Costs | Drawdown | 1,372,956.99 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | Pension Strain Costs | Drawdown | 1,797,937.12 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | Additional Drawdown in respect of historical base budget shortfall in Housing Benefit Administration | Drawdown | 101,000.00 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | Insurance Fund top-up based on actuarial year-end review | Drawdown | 511,032.82 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | Increase sundry bad debt provision | Drawdown | 2,969,364.09 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | Pension Costs Underspend | Transfer To | - 983,072.32 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | Backdated Holiday Pay Provision (General Fund) | Drawdown | 517,540.05 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | Private Finance Initiative Transfer | Transfer To | - 1,128,000.00 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | Support Payment Scheme running costs | Drawdown | 846,093.42 | Budget Strategy |
| Corporate | Corporate Adjustments | Support Payment Scheme - agreed payments | Drawdown | 1,470,000.00 | Care Experience |
| Corporate | Corporate Adjustments | North London Waste Authority (NLWA) rebate | Transfer To | - 566,745.00 | Levies |
| Corporate | Corporate Adjustments | Coroner's Court Levy overspend | Drawdown | 133,000.00 | Levies |
| Corporate | Transformation Drawdown | Budgeted Corporate Transformation budget | Transfer To | - 1,500,000.00 | Budget Strategy |
| Corporate | Corporate Adjustments | Pensions underspend - Late Adjustments | Drawdown | 51,663.63 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | 2022/23 Business Improvement District Recharge | Drawdown | 704,686.98 | Budget Risk and Insurance |
| Corporate | Corporate Adjustments | Underspend on Corporate Financing Budgets | Transfer To | - 5,023,416.68 | Budget Risk and Insurance |
| CWB | Corporate Adjustments | North London Waste Authority Rebate Allocation | Drawdown | 50,000.00 | Levies |

Appendix 4 - Outturn Transfers To and From Reserves

| Directorate | Category | Summary Description | Transfer To/Drawdown | 37,215,523.31 £ (to)/from | Reserve Name |
|---------------|--|---|----------------------|------------------------------|-----------------------------------|
| CWB | Drawdown of Agreed Service Allocations | Building Schools for the Future Reserve Movements | Drawdown | 1,020,727.00 | BSF PFI 1 reserve |
| CWB | Drawdown of Agreed Service Allocations | Insurance Recharge Costs | Drawdown | 36,900.00 | Budget Risk and Insurance |
| CWB | Drawdown of Agreed Service Allocations | Islington Community Infrastructure Levy administration | Drawdown | 123,689.50 | CIL Admin |
| CWB | Drawdown of Agreed Service Allocations | Transport for London Administration | Drawdown | 43,416.82 | CIL Admin |
| CWB | Service Transfers To Reserves | Islington Assembly Hall Restoration Levy Fund | Transfer To | - 28,693.00 | IAH Restoration Levy |
| CWB | Service Transfers To Reserves | Islington Clinical Commissioning Group Contributions - Medical Centre | Transfer To | - 2,000,000.00 | Restricted Grants & Contributions |
| CWB | Transformation Drawdown | Procurement Capacity | Drawdown | 7,439.00 | Budget Strategy |
| CWB | Transformation Drawdown | FutureWork - Phase 1 Business Case | Drawdown | 1,874,277.00 | Budget Strategy |
| Environment | Corporate Adjustments | NLWA Rebate Allocation (Energy Services) | Drawdown | 51,259.15 | Levies |
| Environment | Drawdown of Agreed Service Allocations | Winter Maintenance Costs | Drawdown | 361,000.00 | Budget Risk and Insurance |
| Environment | Drawdown of Agreed Service Allocations | Greening the Borough | Drawdown | 77,860.66 | Budget Risk and Insurance |
| Environment | Drawdown of Agreed Service Allocations | Cemetery Service - Joint Cemetery Trading Account Adjustment | Drawdown | 16,551.85 | Joint Cemetery Trading A/c |
| Environment | Drawdown of Agreed Service Allocations | Street Trading Drawdown | Drawdown | 29,910.75 | Street Market Reserves |
| Environment | Service Transfers To Reserves | Charitable Donation - Benches | Transfer To | - 200,000.00 | Restricted Grants & Contributions |
| Environment | Transformation Drawdown | People Friendly Streets | Drawdown | 56,699.55 | Budget Strategy |
| Environment | Transformation Drawdown | Anti-Social Behaviour Programme | Drawdown | 93,637.26 | Budget Strategy |
| Public Health | Drawdown of Agreed Service Allocations | Public Health Reserve Drawdown | Drawdown | 190,714.23 | Public Health |
| Resources | Drawdown of Agreed Service Allocations | Housing Benefit Subsidy | Drawdown | 851,039.51 | Budget Risk and Insurance |
| Resources | Drawdown of Agreed Service Allocations | Human Resources unused one-off investment from 2021/22 | Drawdown | 165,180.00 | Budget Risk and Insurance |
| Resources | Drawdown of Agreed Service Allocations | Members Allowances | Drawdown | 165,000.00 | Budget Risk and Insurance |
| Resources | Drawdown of Agreed Service Allocations | Elections | Drawdown | 237,036.00 | Budget Risk and Insurance |
| Resources | Drawdown of Agreed Service Allocations | Workplace Adjustments | Drawdown | 96,122.00 | Budget Risk and Insurance |
| Resources | Drawdown of Agreed Service Allocations | Human Resources budget adjustment - staffing | Drawdown | 247,000.00 | Budget Risk and Insurance |
| Resources | Drawdown of Agreed Service Allocations | Human Resources budget adjustment - recruitment | Drawdown | 100,000.00 | Budget Risk and Insurance |
| Resources | Transformation Drawdown | Applications upgrades and Human Resources Zellis system | Drawdown | 547,958.61 | Budget Strategy |
| Resources | Transformation Drawdown | Legal Case Management | Drawdown | 102,851.87 | Budget Strategy |
| Resources | Transformation Drawdown | Systems Review | Drawdown | 422,000.00 | Budget Strategy |
| Resources | Transformation Drawdown | Digital Experience Platform | Drawdown | 230,041.39 | Budget Strategy |

APPENDIX 5 - DELIVERY PROGRESS OF 2022/23 BUDGET AGREED SAVINGS

| | | TOTAL | 6.776 | 0.999 | 0.000 | 0.000 | |
|------------------------------------|--|--|--------------|--------------|--------------|-------------------------|---|
| Directorate | New or Continuation of Previously Agreed Saving? | Summary Description | 2022/23 £m | 2023/24 £m | 2024/25 £m | Savings Type | Outturn Update |
| Adult Social Services | New | Negotiate increased joint funded Physical Disability care packages | 0.175 | 0.000 | 0.000 | Income | On track to deliver |
| Adult Social Services | New | Increase the take-up of Shared Lives | 0.100 | 0.050 | 0.000 | Efficiency | On track to deliver |
| Adult Social Services | Continuation | Recommissioning of the 'low support' Housing Related Support services, moving towards a model of enhanced housing management | 0.048 | 0.000 | 0.000 | Service reconfiguration | On track to deliver |
| Adult Social Services | Continuation | Review and reduce the floating support service | 0.053 | 0.000 | 0.000 | Service reconfiguration | On track to deliver |
| Adult Social Services | Continuation | Review charging policy with a view to maximise income | 0.027 | 0.000 | 0.000 | Income | Significant concerns with delivery timing and/or amount |
| Adult Social Services | Continuation | Package of savings through recommissioning of services | 0.350 | 0.000 | 0.000 | Service reconfiguration | Problems with delivery timing and/or amount |
| Adult Social Services | Continuation | In-house services transformation | 0.700 | 0.000 | 0.000 | Service reconfiguration | Problems with delivery timing and/or amount |
| Children's Services | New | Review management structure in Learning and Culture to deliver a saving equivalent to a vacant post | 0.080 | 0.000 | 0.000 | Efficiency | On track to deliver |
| Children's Services | New | Reduce council contributions to Islington Safeguarding Children's Partnership (ISCP) | 0.025 | 0.000 | 0.000 | Efficiency | On track to deliver |
| Children's Services | New | Reduced commissioning to roles that are not providing good value and/or where alternative provision exists | 0.108 | 0.000 | 0.000 | Service reconfiguration | On track to deliver |
| Children's Services | New | Restructure within Targeted Youth Support | 0.026 | 0.000 | 0.000 | Service reconfiguration | On track to deliver |
| Children's Services | Continuation | Investment in the House Project as a permanent service in Islington | 0.078 | 0.019 | 0.000 | Service reconfiguration | On track to deliver |
| Community Wealth Building | New | Additional procurement savings using existing delivery approach | 0.250 | 0.000 | 0.000 | Efficiency | On track to deliver |
| Community Wealth Building | New | Corporate Landlord Services: Deliver resourcing and purchasing efficiencies through the consolidation and rationalisation of services | 0.190 | 0.075 | 0.000 | Service reconfiguration | On track to deliver |
| Community Wealth Building | Continuation | Reduce the % of planning officer posts filled by agency staff | 0.100 | 0.000 | 0.000 | Efficiency | Problems with delivery timing and/or amount |
| Community Wealth Building | Continuation | Savings resulting from a new property strategy, increasing income, more co-locating with partners and reducing the council's office footprint | 0.840 | 0.000 | 0.000 | Efficiency | Significant concerns with delivery timing and/or amount |
| Environment | New | Greenspace and Street Environment Operations: Changes to how operational services are delivered, including moving Greenspaces operations to an area based model aligned to the village model introduced previously | 0.200 | 0.000 | 0.000 | Efficiency | On track to deliver |
| Environment | New | Additional income in the Highways and Streetworks team based on current over-achievement of income target | 0.200 | 0.000 | 0.000 | Income | On track to deliver |
| Environment | New | Bunhill Heat & Power Network: Income generated from the sale of heat and electricity | 0.061 | 0.031 | 0.000 | Income | On track to deliver |
| Environment | New | Reduce bulk overtime and agency usage for weekend shifts in Street Operational Services, including the creation of 35 hour weeks to include weekend working | 0.055 | 0.000 | 0.000 | Efficiency | On track to deliver |
| Environment | New | Review of measures to reduce vehicle emissions and improve air quality | 0.134 | 0.303 | 0.000 | Income | On track to deliver |
| Environment | New | Introduce new emissions charging to electronic parking vouchers by implementing a surcharge on petrol and diesel vehicles | 0.686 | 0.000 | 0.000 | Income | On track to deliver |
| Environment | New | Enforcement of environmental and highways offences | 0.100 | 0.000 | 0.000 | Income | On track to deliver |
| Environment | New | Operational changes to in-house compliance service, Street trading and evening / night time ASB services | 0.070 | 0.000 | 0.000 | Efficiency | On track to deliver |
| Environment | New | Revise approach to Commercial Waste Services by withdrawing provision of commercial waste services outside of the borough | 0.070 | 0.000 | 0.000 | Efficiency | On track to deliver |
| Environment | Continuation | Capture illegal parking suspensions | 0.030 | 0.020 | 0.000 | Income | On track to deliver |
| Environment | Continuation | Street Works, Highways & Energy | 0.100 | 0.096 | 0.000 | Service reconfiguration | On track to deliver |
| Environment | Continuation | Create single team to support licensing, street trading, land charges, naming and numbering with automation through new back office system | 0.060 | 0.030 | 0.000 | Efficiency | On track to deliver |
| Environment | Continuation | Divisional Development (Greenspace) | 0.035 | 0.000 | 0.000 | Efficiency | On track to deliver |
| Environment | Continuation | Removal of parking machines over next 2 years | 0.000 | 0.175 | 0.000 | Efficiency | On track to deliver |
| Environment | Continuation | Income generation from roll out of School Streets phase 2 | 0.375 | 0.000 | 0.000 | Income | On track to deliver |
| Community Engagement and Wellbeing | Continuation | VCS Partnership Grant Programme | 0.100 | 0.000 | 0.000 | Service reconfiguration | On track to deliver |
| Homes & Neighbourhoods | Continuation | Temporary Accommodation | 0.100 | 0.200 | 0.000 | Service reconfiguration | Significant concerns with delivery timing and/or amount |
| Homes & Neighbourhoods | New | Replacement of core council budget with additional Homeless Prevention Grant available to the service | 0.500 | 0.000 | 0.000 | Not required | On track to deliver |
| Public Health | Continuation | Health Visiting Transformation | 0.100 | 0.000 | 0.000 | Service reconfiguration | On track to deliver |
| Public Health | Continuation | Re-model substance misuse prescribing service | 0.150 | 0.000 | 0.000 | Service reconfiguration | On track to deliver |
| Resources | New | Reduce bad/impaired debt through improvements to systems and processes | 0.500 | 0.000 | 0.000 | Efficiency | On track to deliver |
| TOTAL | | | 6.776 | 0.999 | 0.000 | | |

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APPENDIX 6 - CAPITAL PROGRAMME MONITORING - OUTTURN

| Directorate | Housing/ Non-Housing | Scheme | Original Budget £m | M12 2021/22 Slippage £m | In Year Budget Changes 2022/23 £m | Current Budget £m | Outturn £m | Variance to Budget £m | Reason for Variance |
|-------------|----------------------|---|--------------------|-------------------------|-----------------------------------|-------------------|------------|-----------------------|-------------------------|
| CLS | Non-Housing | Adventure Playgrounds - Cornwallis Adventure Playground | 0.218 | 0.036 | 0.505 | 0.759 | 0.544 | (0.215) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Adventure Playgrounds - Martin Luther King | 0.124 | 0.119 | 0.224 | 0.467 | 0.298 | (0.169) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Adult Social Care | 0.000 | 0.227 | 0.000 | 0.227 | 0.199 | (0.028) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Early Years and Children's Centres | 0.185 | 0.116 | (0.068) | 0.233 | 0.124 | (0.108) | Underspend |
| CLS | Non-Housing | Early Years Capital | 0.332 | 0.239 | 0.000 | 0.571 | 0.000 | (0.571) | Underspend |
| CLS | Non-Housing | Primary Schools Condition Schemes/Schools Modernisation SEN | 1.780 | 0.193 | (1.291) | 0.682 | 0.344 | (0.338) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Schools - Schools Condition Schemes | 2.278 | 1.066 | (0.664) | 2.680 | 2.280 | (0.400) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Schools Major Works | 0.000 | 0.133 | 0.060 | 0.193 | 0.164 | (0.030) | Underspend |
| CLS | Non-Housing | Schools - Tufnell Park School Expansion | 0.688 | 0.021 | (0.080) | 0.629 | 0.003 | (0.626) | Underspend |
| CLS | Non-Housing | Toffee Park & Radnor St Gardens | 1.828 | 0.122 | (1.906) | 0.044 | 0.000 | (0.044) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Enhanced Special Needs Provision | 1.743 | 0.000 | (1.337) | 0.406 | 0.000 | (0.406) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Packington Nursery Expansion | 0.180 | 0.000 | (0.175) | 0.005 | 0.000 | (0.005) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | The Zone Youth Club - Refurbishment and Reconfiguration | 0.128 | 0.000 | 0.000 | 0.128 | 0.000 | (0.128) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Enhanced Children's Residential Provision | 0.526 | 0.000 | 0.000 | 0.526 | 0.000 | (0.526) | Underspend |
| CLS | Non-Housing | Lift Building Development | 0.550 | 0.000 | (0.350) | 0.200 | 0.073 | (0.127) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Finsbury Leisure Centre Redevelopment | 0.858 | 0.143 | (0.074) | 0.927 | 0.763 | (0.164) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Libraries - Islington Museum and Local History Centre | 0.200 | 0.100 | (0.250) | 0.050 | 0.026 | (0.024) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Libraries - South Library | 0.200 | 0.107 | 0.000 | 0.307 | 0.000 | (0.307) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Libraries - West Library | 0.100 | 0.127 | 0.069 | 0.296 | 0.308 | 0.011 | Overspend |
| CLS | Non-Housing | Libraries Modernisation | 0.150 | 0.029 | 0.000 | 0.179 | 0.000 | (0.179) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Compliance and Modernisation | 3.410 | 0.740 | (0.679) | 3.471 | 2.500 | (0.971) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Whittington Park Hocking Hall Community Centre Phase 1 | 1.346 | (0.112) | 0.026 | 1.260 | 1.285 | 0.025 | Overspend |
| CLS | Non-Housing | Mildmay Library | 0.450 | 0.000 | (0.410) | 0.040 | 0.030 | (0.010) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | 16-18 Hornsey Road | 0.000 | 0.000 | 0.050 | 0.050 | 0.000 | (0.050) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Holly Hall | 0.550 | 0.000 | 0.000 | 0.550 | 0.000 | (0.550) | Underspend |
| CLS | Non-Housing | Prior Weston Primary School Playground Redevelopment | 0.000 | 0.000 | 0.080 | 0.080 | 0.000 | (0.080) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Future Work Phase 2 | 1.631 | 0.000 | (1.331) | 0.300 | 0.242 | (0.058) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | CWB Small S106/CIL Schemes | 0.066 | 0.000 | 0.000 | 0.066 | 0.000 | (0.066) | Reprofiling - Non CV-19 |
| CLS | Non-Housing | Laycock Street | 0.000 | 0.233 | (0.233) | 0.000 | 0.000 | 0.000 | No Current Variance |
| CLS | Non-Housing | GGF Affordable Work Space | 0.000 | 0.300 | 0.000 | 0.300 | 0.133 | (0.167) | Underspend |
| CLS | Non-Housing | Vorley Road Library | 0.200 | 0.000 | (0.200) | 0.000 | 0.000 | 0.000 | No Current Variance |
| CLS | Non-Housing | Hungerford Rd Cladding Replacement | 0.000 | 0.000 | 0.000 | 0.000 | 0.087 | 0.087 | Overspend |
| Environment | Non-Housing | Bunhill Energy Centre Phase 2 | 0.000 | 0.578 | 0.000 | 0.578 | 0.364 | (0.214) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Corporate CCTV Upgrade | 2.200 | 1.154 | (2.354) | 1.000 | 1.012 | 0.011 | Overspend |
| Environment | Non-Housing | Chapel Market | 1.133 | 0.009 | (0.975) | 0.167 | 0.000 | (0.167) | Other |
| Environment | Non-Housing | Council Building Renovation (Special Projects) Repairs and Renewal of Council Buildings | 0.025 | 0.097 | 0.000 | 0.122 | 0.184 | 0.062 | Overspend |

APPENDIX 6 - CAPITAL PROGRAMME MONITORING - OUTTURN

| Directorate | Housing/ Non-Housing | Scheme | Original Budget £m | M12 2021/22 Slippage £m | In Year Budget Changes 2022/23 £m | Current Budget £m | Outturn £m | Variance to Budget £m | Reason for Variance |
|-------------|----------------------|---|--------------------|-------------------------|-----------------------------------|-------------------|------------|-----------------------|-------------------------|
| Environment | Non-Housing | Highways - Highways | 1.400 | 0.049 | 0.000 | 1.449 | 1.426 | (0.023) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Environment Small S106/CIL Schemes | 0.128 | 0.000 | 0.000 | 0.128 | 0.341 | 0.213 | Overspend |
| Environment | Non-Housing | Energy - Retrofitting Existing Council Buildings | 0.500 | 0.000 | 0.000 | 0.500 | 0.188 | (0.312) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Greening the Borough | 0.500 | 0.000 | (0.160) | 0.340 | 0.000 | (0.340) | Other |
| Environment | Non-Housing | Street Lighting - LED upgrades | 0.060 | 0.020 | 0.000 | 0.080 | 0.074 | (0.006) | Underspend |
| Environment | Non-Housing | Clerkenwell Green | 1.717 | 0.000 | (0.850) | 0.867 | 0.662 | (0.205) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Energy - LED Lighting Upgrades | 0.333 | 0.000 | 0.000 | 0.333 | 0.000 | (0.333) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Energy - Solar Panels on Corporate Buildings | 0.333 | 0.000 | 0.000 | 0.333 | 0.000 | (0.333) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Energy Services | 0.251 | 0.000 | (0.251) | 0.000 | 0.000 | 0.000 | Other |
| Environment | Non-Housing | GreenSCIES | 0.000 | 0.232 | 0.000 | 0.232 | 0.207 | (0.025) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Greenspaces - Barnard Park Renewal | 1.441 | 0.000 | (1.266) | 0.175 | 0.000 | (0.175) | Other |
| Environment | Non-Housing | Greenspaces - Bingfield Park (including Crumbles Castle legacy) | 0.408 | 0.001 | (0.370) | 0.039 | 0.000 | (0.039) | Other |
| Environment | Non-Housing | Greenspaces - Park Improvements | 0.192 | 0.075 | (0.207) | 0.060 | 0.000 | (0.060) | Other |
| Environment | Non-Housing | Greenspaces - Highbury Bandstand/Highbury Fields | 0.455 | 0.000 | (0.335) | 0.120 | 0.000 | (0.120) | Other |
| Environment | Non-Housing | Greenspaces - New River Walk | 0.371 | 0.032 | (0.103) | 0.300 | 0.000 | (0.300) | Other |
| Environment | Non-Housing | Greenspace - Other | 0.000 | 0.112 | 0.000 | 0.112 | 0.000 | (0.112) | Other |
| Environment | Non-Housing | Greenspaces - Woodfall Park Improvements | 0.433 | 0.000 | 0.000 | 0.433 | 0.000 | (0.433) | Other |
| Environment | Non-Housing | Leisure - Cally Pool | 0.250 | 0.000 | (0.250) | 0.000 | 0.000 | 0.000 | No Current Variance |
| Environment | Non-Housing | Leisure - Leisure repairs/modernisation | 0.190 | (0.146) | 0.160 | 0.204 | 2.240 | 2.037 | Other |
| Environment | Non-Housing | Leisure - Sobell Leisure Centre | 0.000 | 0.445 | (0.400) | 0.045 | 0.017 | (0.028) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Leisure - Tufnell Park all-weather pitch | 0.385 | 0.011 | (0.346) | 0.050 | 0.000 | (0.050) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | People Friendly Streets - Liveable Neighbourhoods | 1.500 | 0.000 | (0.946) | 0.554 | 0.000 | (0.554) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | People Friendly Streets - Low Traffic Neighbourhoods | 1.153 | 0.485 | (0.663) | 0.975 | 1.745 | 0.770 | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Public Realm - Fortune Street Area | 0.592 | 0.000 | 0.000 | 0.592 | 0.000 | (0.592) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Public Realm - Kings Square Shopping Area Public Space | 0.597 | 0.000 | (0.466) | 0.131 | 0.000 | (0.131) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Public Realm - St Johns Street Public Realm Improvements | 0.250 | 0.000 | (0.200) | 0.050 | 0.000 | (0.050) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Recycling Site Improvement | 0.150 | 0.035 | 0.000 | 0.185 | 0.086 | (0.099) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | School Streets | 0.400 | 0.193 | (0.253) | 0.340 | 0.856 | 0.516 | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Traffic & Parking - T&E Cycle Schemes | 0.450 | (0.014) | 0.000 | 0.436 | 0.436 | (0.000) | No Current Variance |
| Environment | Non-Housing | Traffic & Parking - T&E EV Charging Points | 0.160 | 0.131 | 0.000 | 0.291 | 0.237 | (0.055) | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Traffic & Parking - T&E Safety Schemes | 0.500 | 0.762 | 0.000 | 1.262 | 1.306 | 0.045 | Reprofiling - Non CV-19 |

APPENDIX 6 - CAPITAL PROGRAMME MONITORING - OUTTURN

| Directorate | Housing/ Non-Housing | Scheme | Original Budget £m | M12 2021/22 Slippage £m | In Year Budget Changes 2022/23 £m | Current Budget £m | Outturn £m | Variance to Budget £m | Reason for Variance |
|-------------|----------------------|---|--------------------|-------------------------|-----------------------------------|-------------------|----------------|-----------------------|----------------------------|
| Environment | Non-Housing | Traffic & Parking - T&E Traffic Enforcement/Parking | 0.300 | 0.017 | 0.000 | 0.317 | 0.327 | 0.010 | Reprofiling - Non CV-19 |
| Environment | Non-Housing | Tree Planting Programme | 0.210 | 0.000 | 0.000 | 0.210 | 0.000 | (0.210) | Other |
| Environment | Non-Housing | Vehicle fleet electrification (infrastructure) | 2.375 | 1.498 | (1.483) | 2.390 | 2.482 | 0.093 | Overspend |
| Environment | Non-Housing | Vehicle Replacement | 4.000 | (0.520) | 0.000 | 3.480 | 2.572 | (0.908) | Reprofiling - Partly CV-19 |
| Environment | Non-Housing | Wray Crescent Cricket Pavilion | 0.139 | 0.000 | (0.099) | 0.040 | 0.000 | (0.040) | Other |
| | | TOTAL NON-HOUSING | 45.202 | 9.195 | (19.851) | 34.546 | 26.167 | (8.379) | |
| Housing | Housing | Housing Revenue Account Major Works and Improvements | 45.500 | (1.864) | (2.196) | 41.440 | 42.893 | 1.453 | Reprofiling - Non CV-19 |
| Housing | Housing | HRA Current New Build Programme - General Fund Open Market Sales Units | 16.139 | 3.244 | (7.553) | 11.830 | 11.649 | (0.181) | Reprofiling - Partly CV-19 |
| Housing | Housing | HRA Current New Build Programme - HRA Social Rented Units | 54.984 | 11.050 | (25.730) | 40.304 | 39.687 | (0.617) | Reprofiling - Partly CV-19 |
| Housing | Housing | HRA Pipeline New Build Programme - General Fund Open Market Sales units | 7.584 | 0.000 | (5.636) | 1.948 | 1.712 | (0.236) | Reprofiling - Partly CV-19 |
| Housing | Housing | HRA Pipeline New Build Programme - HRA Social Rented Units | 11.884 | 0.000 | (8.832) | 3.052 | 2.682 | (0.370) | Reprofiling - Partly CV-19 |
| Housing | Housing | Prior year costs written off for aborted schemes | 0.000 | 0.000 | 0.000 | 0.000 | (4.902) | (4.902) | Reprofiling - Non CV-19 |
| Housing | Housing | Property Acquisitions | 32.016 | 4.221 | 0.000 | 36.237 | 33.017 | (3.220) | Underspend |
| Housing | Housing | Retrofitting Existing Council Housing Stock-Pilots | 0.500 | 0.000 | 0.000 | 0.500 | 0.000 | (0.500) | Underspend |
| | | TOTAL - HOUSING | 168.607 | 16.651 | (49.947) | 135.311 | 126.738 | (8.573) | |
| | | TOTAL - CAPITAL PROGRAMME | 213.809 | 25.846 | (69.798) | 169.857 | 152.905 | (16.952) | |

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Children's Services
222 Upper Street N1 1XR

Report of: Executive Member for Children, Young People and Families

Meeting of: Executive

Date: 22 June 2023

Ward(s): Finsbury

Subject: Proposal on the Future of Pooles Park Primary School

1. Synopsis

- 1.1. The objective of this paper is to support the recommendation to progress to the formal consultation to close Pooles Park Primary School.
- 1.2. Of all the schools in the Hornsey locality planning area, Pooles Park is the most acutely impacted by falling rolls.
- 1.3. When considering what action to take to reduce spare places we also consider other information about schools including their financial position, the quality of education and the local context.
- 1.4. Each surplus place is equivalent to a £5,700 loss of income and so this level of surplus creates financial pressure for the school.
- 1.5. Across the borough, 50% of schools across the borough are projecting deficit budgets by the end of 2024-25. This equates to an overall deficit of £5.5m
- 1.6. The responsibility for managing school budgets sits with Governing Bodies but without the plans and resources to achieve balanced budgets, ultimately, the deficit will fall to the Local Authority, creating an additional pressure to an already pressurised budget.
- 1.7. Ofsted inspected Pooles Park Primary school in November 2022 and judged the school as inadequate.
- 1.8. No Local Authority wants to propose school closure, but like other London boroughs, Islington is impacted significantly by falling rolls which is exacerbated by the cost-of-living crisis and Brexit which have contributed to an unsustainable school estate.

1.9. The council has a sufficiency duty to plan for school places as set out in the Education Act, and in exercising this duty a responsibility to ensure children attend good financially sustainable schools. This means that the council is having to make some very difficult decisions.

1.10. It is within this context that this paper is presented for decision.

2. Background

2.1. The School Organisation Plan approved by Islington Council's Executive on 13 October 2022 sets out how we will manage the high levels of surplus capacity in our schools to ensure the best outcomes for children and sustainable schools.

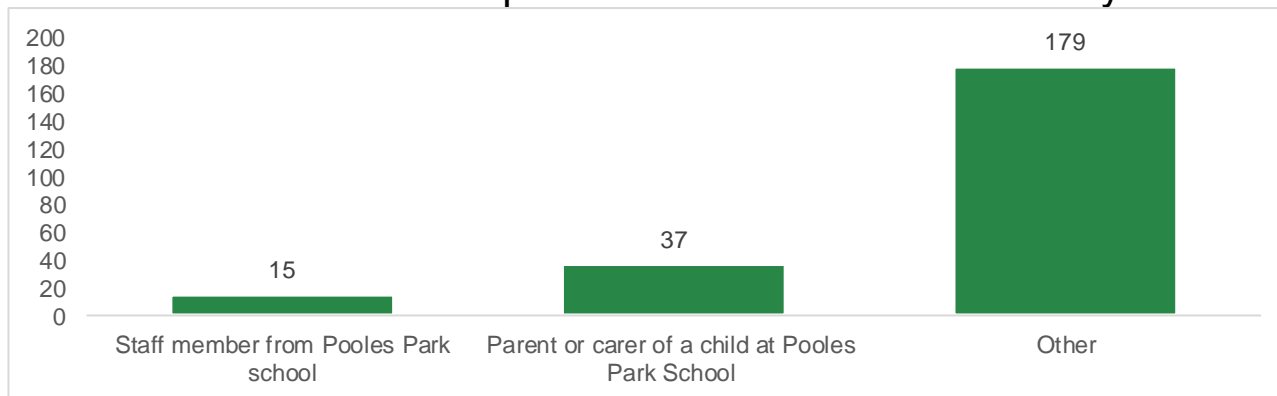
2.2. Based on this plan, the Executive agreed on 20 April 2023 to commence a first stage informal consultation to close Pooles Park Primary school due to the high vacancy rates at the school and in the school's planning area.

2.3. This report details the process of the first stage consultation and the responses received to this for consideration by the Council's Executive to determine whether to issue a statutory notice to close Pooles Park Primary School.

2.4. The first stage consultation ran for five weeks with a series of consultation meetings held for parents and carers and staff at the school and a community meeting at Islington Town Hall.

2.5. We received 231 responses to the proposal, of which 37 respondents identified themselves as parents, with 30 saying they have a child currently at the school. The breakdown of respondents is shown in table 1.

Table 1: breakdown of responses to 'what best describes you'



2.6. 83 people attended six consultation meetings.

2.7. The proposal and questions were translated to Arabic, Dari, Pashto, Somali, and Spanish.

2.8. Based on feedback during the consultation, we arranged for a specific meeting with interpreters for the largest groups with English as an Additional Language and extended the deadline for the consultation to Monday, 5 June.

2.9. As expected with any proposed school closure, respondents were overwhelmingly opposed to the proposal and most shared their positive personal and family experiences of the school and the important role the school plays in the local community.

- 2.10. The key theme emerging from the responses was the community garden with 65 respondents raising this: respondents expressed how much their children and the wider community had benefited from this asset in an area with little or no green or outdoor space and the daily educational benefits this brought to all pupils at the school.
- 2.11. Respondents also commented on the numbers of children with Special Educational Needs and Disabilities and other children with vulnerabilities and the detrimental impact closing the school would have on these groups.
- 2.12. Although not directly related to this proposal, respondents were keen to share their disagreement with the recent Ofsted grading, which judged the school to be inadequate. Some are hopeful that the Department for Education will appoint an academy sponsor as it would avert closing the school.
- 2.13. Within the timeline of the consultation, we also received a petition with 133 signatories asking that a school remain on the site and that all staff remain part of that school. Most signatories of the petition stated they were parents, and we do not know if they also submitted a response to the proposal.

3. Recommendations

- 3.1. To review and consider the responses to the consultation.
- 3.2. This report recommends that the Executive proceeds with the proposal to close Pooles Park Primary school to address the significant decline in pupil numbers if the Department for Education do not identify an academy sponsor, and on the basis that the Executive makes a series of commitments set out at 3.4 to address the significant concerns and issues raised during the consultation.
- 3.3. This would initiate the next stage of the prescribed process, which is to issue a statutory notice of the proposal, of which a draft is attached at Appendix D.
- 3.4. Based on the feedback received during the consultation, this report recommends that the council also makes the following commitments:
- 3.4.1. To offer individual support to pupils and their families with transition from the point a decision is taken through to the settling into a new school
 - 3.4.2. To work with local headteachers of nearby Islington schools to support the school and its families. There are places available for every child at Pooles Park in nearby Islington schools, all of which would provide this support should the proposal to close proceed.
 - 3.4.3. To work in partnership with a local group to develop the community garden into a Forest School provision that can be accessed by local Islington schools in the area as part of their curriculum offer during school time.
 - 3.4.4. To develop a clear plan for the ongoing use and management of the garden also as a community garden.
 - 3.4.5. To carefully consider the long-term future of the Pooles Park Primary School site and how it can be retained for educational and community purposes

4. Introduction

- 4.1. Birth rates in Islington have reduced significantly and this decline is projected to continue. This is leading to falling rolls and a high level of surplus capacity in Islington's primary schools with vacancies in reception at 20% in October 2022.
- 4.2. The School Organisation Plan sets out the approach as to how we will confidently manage this surplus capacity in our schools to ensure the best outcomes for our children and young people and sustainability of schools. The plan sets the strategic direction for pupil place planning across the borough and has been developed alongside the Education Plan to ensure that the principles applied to managing our school estate reflect our corporate and political commitment to driving educational excellence through inclusive and sustainable schools and supports the delivery of a quality educational experience for all children and young people through a diverse curriculum offer.
- 4.3. We have a duty to ensure that sufficient schools are available at primary and secondary stages of education in the local area, and for children with special educational needs. Decisions to change the organisation of Community and Voluntary aided schools are made by the council, and for academies, by the Secretary of State, advised by the Regional Schools Commissioner (RSC).
- 4.4. Reducing the number of school places in a planned way will support schools to manage change within their national funding formula allocations. Department for Education (DfE) guidance on school closures includes a presumption not to close. Therefore, all options have been exhausted to avoid school closure although, where there is no alternative, long-term option, this does have to be considered.
- 4.5. The specific proposals of the first phase of the School Organisation Plan were to reduce the Published Admission Numbers of Highbury Quadrant, Pooles Park, Montem, and New North Academy primary schools and to amalgamate Copenhagen and Vittoria Primary schools.
- 4.6. We consulted on reducing the Published Admission Numbers (PAN) throughout November and December 2022 through our annual Admissions consultation and implemented a statutory proposal to amalgamate Copenhagen and Vittoria Primary schools.
- 4.7. A separate report to Executive on 20 April made a further recommendation to consult on the closure of Pooles Park school, due to the high number of vacancies at the school which threaten the school's long-term financial viability. Pooles Park Primary School rolls have fallen over the last five years and this is projected to continue. Pooles Park has the lowest number of pupils on roll of all the schools in its Planning Area.
- 4.8. Ofsted inspected Pooles Park Primary school in November 2022 and judged the school as inadequate. When Ofsted judges a school to be inadequate, the Department for Education (DfE) issues an Academy Order and invites applications from academy sponsors – known as Multi-Academy Trusts (MAT) – to take over the school. The DfE has issued an Academy Order for Pooles Park school. If an academy sponsor is identified the school will not close and the school building would be leased on a 125-year lease to the academy sponsor.
- 4.9. We ran an informal consultation on the proposal to close Pooles Park Primary School from 28 April to 5 June. This report provides the detail of the consultation and the responses to the consultation.

5. The Proposal

- 5.1. We are proposing to close Pooles Park Primary school on 31 December 2023.
- 5.2. School places are planned by dividing Islington into six different planning areas. Pooles Park Primary School is in Planning Area 2, Hornsey, which currently has one of the highest levels of surplus capacity in the borough with 23% in reception and 25% in Reception to Year 6, as shown in Table 2.
- 5.3. First preferences for admission in September 2023 are at their lowest level with first preferences at 62% of PAN, which compares to 71% for admission in September 2022. Pooles Park has the highest number of vacant places in the planning area.

Table 2: Planning Area 2 numbers on roll and vacancies in October 2022

| School Name | NOR Reception | PAN Reception | % vacant places Reception | NOR Reception – Y6 | PAN Reception – Y6 | % vacant places R- Y6 |
|-----------------------|------------------|------------------|---------------------------------|--------------------------|--------------------------|--------------------------|
| Ashmount | 59 | 60 | 2% | 412 | 420 | 2% |
| Christ the King RC | 34 | 45 | 24% | 234 | 390 | 40% |
| Duncombe | 44 | 60 | 27% | 340 | 420 | 19% |
| Grafton | 60 | 60 | 0% | 398 | 420 | 5% |
| Montem | 38 | 60 | 37% | 262 | 420 | 38% |
| Pakeman | 42 | 45 | 7% | 286 | 315 | 9% |
| Pooles Park | 20 | 45 | 56% | 182 | 405 | 55% |
| St Marks CE | 30 | 30 | 0% | 195 | 210 | 7% |
| Whitehall Park | 31 | 60 | 48% | 267 | 420 | 36% |
| Total | 358 | 465 | 23% | 2,576 | 3,420 | 25% |

- 5.4. Roll projections for the Hornsey Planning Area show a large reduction in pupil numbers year on year since 2016, which is not projected to change significantly, with a further reduction projected each year in the coming years.

- 5.5. The October Census for 2022 was even lower than had been projected in reception with a total number on roll (NOR) of 358 compared to a projected reception of 410, and we anticipate the updated 2023 projections will reflect this further decline in numbers.
- 5.6. There are several neighbouring Islington schools which have spare capacity as Table 1 shows and are within walking distance of Pooles Park so that an alternative school place at a good Islington school can be offered to every current Pooles Park child. It would be possible for groups of children and even whole year groups to move together due to the very high level of surplus places in the area.

6. The Consultation

6.1. The consultation process

- 6.1.1. We completed an informal consultation from 28 April to 5 June on the proposal to close Pooles Park Primary school in line with the statutory guidance on Opening and closing maintained schools. The consultation document is at Appendix A.
- 6.1.2. Officers supported several consultation meetings for parents, staff, and the wider community.
- 6.1.3. Based on feedback during the consultation, we arranged for a specific meeting with interpreters for the largest groups with English as an Additional Language and extended the deadline for the consultation to Monday, 5 June.
- 6.1.4. The proposal and questions were also translated to Arabic, Dari, Pashto, Somali, and Spanish as requested by the school community.
- 6.1.5. All documentation was shared with statutory consultees including parents, local schools, admission authorities, MPs, and other interested organisations. All the documentation was published online at a dedicated webpage. The consultation was reported on in the local press.
- 6.1.6. A set of questions and answers were published online at the start of the consultation.
- 6.1.7. 83 people attended the parent and community meetings where they asked questions and fed back their views and concerns.
- 6.1.8. 231 people completed the consultation questionnaire online. Respondents to the questionnaire were able to make additional comments. 139 respondents chose to leave additional comments.
- 6.1.9. We also invited respondents to send their comments to us by email to a dedicated mailbox. Three people emailed their comments, and a presentation was emailed setting out the benefits of the school and garden to the community

6.2. Main themes from the consultation

- 6.2.1. 231 respondents completed the online consultation questionnaire. We asked respondents to select an option that described who they were. 37 respondents (16% of the total respondents) said they were parents of children at Pooles Park Primary School. 15 respondents (6% of the total respondents) said they were staff members. Most respondents selected 'other'. 21% agreed or strongly agreed with the main

proposal, 77% disagreed or strongly disagreed and 2% neither agreed or disagreed or did not answer this question.

6.2.2. 83 people attended the consultation meetings. We received a petition with 133 signatories which also included comments on the proposal and requested assurances from the council should the school close

6.2.3. A summary of the responses to the consultation are provided at **Appendix B** to this report. The main themes that resulted from the consultation comments and meetings and our responses to them are set out as follows:

6.2.4. Ofsted judgement and academisation (20 comments)

6.2.4.1. Several respondents criticised the recent Ofsted judgement and opposed closure of the school based on that judgement. Some were supportive of the school being converted to an academy because of the inadequate judgement, whereas others were opposed. One respondent suggested we should wait until a decision on academisation was made by the Department for Education before consulting on closure.

6.2.4.2. **Response:** The outcome of the Ofsted inspection and the accompanying academy order because of the inadequate judgement are separate to this process. Our proposal is based primarily on declining pupil numbers, alongside which we also consider financial information and education outcomes. The Department for Education will decide whether Pooles Park is converted to an academy, and any decision to proceed with the proposal to close the school will not be concluded whilst the academy order is live.

6.2.5. Pupil numbers (25 comments)

6.2.5.1. Some respondents questioned the data about pupil numbers at Pooles Park and why another school in the local area was not selected for closure instead. At the community meeting, this was also raised including the benefits of the school not being on a busy road meaning pupils are less exposed to pollution.

6.2.5.2. **Response:** All data is based on the October census, which is the usual data point for decision making. We know that numbers fluctuate through the year, and even taking that into account, Pooles Park continues to have the highest number of vacancies in the planning area. Therefore, we are consulting on closing Pooles Park Primary school.

6.2.5.3. Respondents compared pupil numbers to other local schools and asked how these schools were able to operate with low numbers. Some respondents recognised that there were too many local school places and not enough pupils to fill them whilst others questioned why the school could not continue to operate with smaller class sizes, which is beneficial to children. One respondent was concerned about how the other schools in the area can cope with a large influx of new pupils from Pooles Park should it close and another suggested that Islington Council increase the amount of social housing..

6.2.5.4. **Response:** There are high levels of vacancies in local schools in the planning area, which is shown in table 1, evidencing how other schools could accommodate significant numbers of additional pupils. Schools are funded through a national funding formula based on the number of children in the

whole school. The statutory number of pupils is 30 pupils in a class and numbers below this across several year groups mean a school cannot remain financially viable. Closing a school is the very last option we want to consider but where numbers are so low in an area the funding means that closure must be considered to ensure a high quality of education can be provided.

6.2.6. SEND support (12 comments)

- 6.2.6.1. Some respondents commented on their positive experiences and outcomes for their children with Special Educational Needs and Disabilities (SEND). Some suggested that the school be converted to a SEND specialist school.
- 6.2.6.2. **Response:** We will ensure there is full support for pupils and families for the transition to another school should this proposal go ahead. This would be through individual meetings with parents and carers; working closely with local headteachers in nearby schools who are committed to wrapping their support around the school and its families; and working with staff and families to identify what other support is needed. We are confident that the nearest local alternative Islington schools with spare places provide high quality provision and support for vulnerable pupils as evidenced by recent inspections and outcomes for pupils, with reports stating: “Leaders have high aspirations for all pupils. This includes for pupils with special educational needs and/or disabilities (SEND). They identify pupils’ needs with speed and accuracy.” and “Leaders responsible for supporting pupils with special educational needs and/or disabilities (SEND) are experienced and knowledgeable. They work closely with parents and external agencies to provide all the support that they can for pupils.” Converting the school to a SEND specialist school would not avert the fundamental lack of pupil numbers and challenging financial situation for the school.

6.2.7. Support for staff (17 comments)

- 6.2.7.1. Respondents spoke highly of the staff, both past and present, and the resilience they have empowered in children. Some were concerned about future employment opportunities for staff and hoped they would be retained in another Islington school.
- 6.2.7.2. **Response:** the school now has a partnership with Thornhill Primary School which is supporting staff in professional development. We will also offer HR support to staff, including CV and interview workshops and to support applications to other Islington schools should the proposal proceed.

6.2.8. The consultation process and support from Islington Council (7 comments)

- 6.2.8.1. A minority of respondents commented on the consultation process, including how staff and parents were informed of the consultation and the timeline for the consultation. Respondents also criticised the support Islington had provided to the Pooles Park leadership and how this lack of support had contributed to the Ofsted rating.
- 6.2.8.2. **Response:** We know that any announcement to inform of our intention to consult on closing the school was going to be difficult for parents, staff, and the local community. We are also bound by statutory guidance on the process for

closing schools and Islington Council governance procedures. We were keen to inform key stakeholders before the proposal was published and informed staff in the morning and parents and carers as the consultation opened at 12 noon on 28 April.

6.2.9. The school garden and wellbeing (65 comments)

- 6.2.9.1. Most respondents mentioned the community garden and how important this was to the school and local community. Respondents expressed that the garden was significant to many children who had no other access to outdoor space and was a vital educational and mental health resource. They emphasised that the garden was part of the school and should not be treated separately.
- 6.2.9.2. **Response:** we understand and acknowledge how important the garden is to the local community, and the significant benefits it brings to pupils individually and collectively. To ensure this vital community asset is not lost, we recommend that the proposal also includes a commitment to develop the school garden as a Forest School to provide outdoor education which facilitates the holistic development of a learner through play, risk taking and nature connection. This would be achieved through working with a partner organisation to manage this vital community asset and ensure it is well accessed by local schools. This development would also ensure the garden could continue to operate as a community garden to ensure its continued availability to the whole community.

6.2.10. The school site

- 6.2.10.1. Respondents to the petition support a school remaining on the site but if the school does close that the land is not sold to property developers and any homes built on the site are all social housing or affordable homes and parents of all children at the school are given first refusal on any homes built. Respondents also asked that Islington Council visit the development being built on the site of the Stationers' Company's School on Mayfield Road, N8.
- 6.2.10.2. **Response:** We will very carefully consider the future of the school site, if it does close, with the aim of retaining the site for educational purposes. We recognise the important environmental and community benefits of this school site and would want to ensure that it is retained for educational and community use.

7. The next steps

- 7.1. Based on the feedback received during the consultation we recommend that we proceed with the proposal to close Pooles Park Primary School with the additional commitments set out in the recommendations of this report.
- 7.2. If agreed, we will issue a formal statutory notice in accordance with the prescribed process. The draft statutory notice is shown at Appendix D. A four-week formal consultation period will follow once this notice is published.
- 7.3. The timeline recommended to proceed with the next stage is set out in the table:

| Stage | Process and time required |
|-------------------------|---|
| Issue statutory notices | Following consideration of this report by Executive formal publication of notices stating council's intent to implement proposals |
| Formal Consultation | Four-week statutory representation period if the proposal is agreed to take place from 29 June 2023 to 27 July 2023. |
| Determination | Executive to consider public report of the response received during the representation period. |
| Implementation | December 2023 |

7.4. Impacts and risks

- 7.4.1. Islington has a statutory responsibility to manage and make appropriate offers of education, within a reasonable distance, to all children affected by changes at their schools.
- 7.4.2. We would need to do this in a way that safeguarded access to high quality education especially for vulnerable pupils and communities and those pupils with special educational needs. We will identify the needs of the existing cohort, especially for those pupils with an Education Health and Care Plan (EHCP) and identify appropriate mitigation to ensure that the right levels of support are in place and aid a smooth transition. An Equalities Impact Assessment (EIA) has been completed and is at Appendix C.

8. Implications

8.1. Financial Implications

- 8.1.1. It is becoming increasingly difficult for schools to remain financially viable when pupil numbers are falling as most school funding is pupil-based in line with the School's National funding Formula. Therefore, as pupil numbers decline, schools receive less funding. Per pupil funding in Islington is on average £5,700 depending on the characteristics of its pupils.
- 8.1.2. Individual school balances stood at £6.291m at the end of 2022-23, with 15 schools in deficit. School balances are forecast to reduce further over the course of this financial year, where more schools are projected be in deficit. School balances in Islington have been in decline since 2018-19 when they stood at £11.732m. The main driver of declining school balances is falling pupil numbers alongside increasing cost pressures such as energy costs and pay.
- 8.1.3. Schools that are in deficit or are set to go into deficit are required to complete deficit recovery plans to bring their budget back into balance and eliminate their deficit within three years. This is becoming increasingly challenging for schools in the light of falling pupil numbers and increasing cost pressures and is a national issue.

- 8.1.4. Pooles Park Primary School was in deficit at the end of 2022-23.
- 8.1.5. If a school closes the local authority meets the cost of any deficit balance from the General Fund. In the event of academisation, there are two scenarios: for convertor academies (those that voluntarily convert) the deficit is repaid to the local authority by the DfE and recouped from the academy; for sponsored academies (forced conversion due to the school being assessed as inadequate – as would be the case for Pooles Park) the deficit remains with the local authority to be paid from the General Fund.

8.2. Legal Implications

- 8.2.1. Section 14 of the Education Act 1996 requires local authorities to provide sufficient schools for primary and secondary education in their area.
- 8.2.2. Pooles Park primary school is currently subject to an Academy Order. Should the Department of Education appoint an academy sponsor the school will be converted into an academy. The school cannot be closed whilst an Academy Order is in place, and the Department of Education would need to revoke this Order, on application from the Local Authority prior to closure.
- 8.2.3. The Education and Inspections Act 2006, the School Organisation (Establishment and Discontinuance of Schools) Regulations 2013, the statutory guidance 'Opening and closing maintained schools' (November 2019), sets out the procedure for closure of schools.
- 8.2.4. The first stage consultation and the proposals set out in this report comply with the above legislation and guidance.

8.3. Environmental Implications and contribution to achieving a net zero carbon Islington by 2030

- 8.3.1. Islington Council declared a climate emergency in June 2019, committing the council to work towards making Islington net zero carbon by 2030. A 10-year Net Zero Carbon Strategy, with action plans, was adopted by the Executive in November 2020. The implementation of the School Organisation Plan 2022-25 will be progressed in a manner that aligns with and supports the delivery of the council's ambitions for creating a clean and green Islington. Key environmental implications that the school organisation plan impact is:
 - 8.3.1.1. **Improving the energy efficiency and reducing the level of carbon emissions of all buildings and infrastructure:** schools form a crucial element of our non-residential buildings and infrastructure net zero carbon workstream given their number, size, and distribution across the borough. Decarbonisation Feasibility Studies have already been completed for 22 of our schools with a further 14 taking place during 2022-23. The impact on the environment and the findings from these decarbonisation reports will be fully considered in developing plans, and where there are falling rolls in making better use of the spare capacity thereby optimising energy efficiency.
 - 8.3.1.2. **Reducing emissions in the borough from transport:** Schools again can play their part in delivering on this priority. In proposing specific measures as part of school organisation planning, the implications on school journey

distances, school streets and potential changes to vehicle journey numbers will be fully considered in consultation with schools and key stake holders.

8.4. Equalities Impact Assessment

- 8.4.1. The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.
- 8.4.2. An Equalities Impact Assessment was completed on 7 June. The full Equalities Impact Assessment is appended.

9. Conclusion and reasons for recommendations

- 9.1. There was good engagement with the first stage consultation process, through formal responses to the consultation and attendance at meetings held during the consultation period.
- 9.2. The main themes emerging from the consultation were about the community garden, support for children with SEND, support for staff, and the implications of the recent Ofsted judgement.
- 9.3. 231 respondents completed the online consultation questionnaire and 77% disagreed or strongly disagreed with the proposal to close Pooles Park Primary School.
- 9.4. 83 people attended the consultation meetings. An additional theme raised at this meeting was a suggestion that another local school be closed instead, because Pooles Park was not on a busy road, so children were less exposed to pollution.
- 9.5. This report recommends that the Executive support the proposal because surplus capacity at the school means the school cannot remain financially viable. The Hornsey Planning Area has the second highest rate of vacancies in Islington and Pooles Park has the highest surplus capacity of all schools in the Planning Area.

10. Appendices

- Appendix A – Consultation document on the Proposal for the Future of Pooles Park Primary School
- Appendix B – Analysis of responses to the Public consultation
- Appendix C – Equalities Impact Assessment
- Appendix D – Proposed statutory notice

Final report clearance:

Signed by:

Cllr Michelline Safi Ngongo

Executive Member for Children, Young People, and Families

Date: 22 June 2023

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Consultation on the future of Pooles Park Primary School

28 April to 26 May 2023

Please give us your views on our proposal to close Pooles Park Primary School on 31 December 2023.

Give your views by completing our consultation online at www.islington.gov.uk/pooles-park

You can also email poolespark@islington.gov.uk

You must submit your response by **11.59pm on Friday, 26 May 2023**.

Summary of the proposal

- Pooles Park school doesn't have enough children in each class, and is in financial deficit
- We are proposing to close Pooles Park school on 31 December 2023
- We will offer all Pooles Park pupils a place at another nearby good Islington School
- Islington Council will support the school, parents, and children throughout the transition

Introduction

Islington Council is seeking the views of parents and carers, staff, the local community, and other interested groups on its proposal to close Pooles Park Primary school.

Across London, because of a falling birth rate and changes to the local population, pupil numbers are falling, and Islington is no exception. Schools with fewer pupils get less government funding, which risks their long-term future and the quality of education. We want to ensure a sustainable future for our schools, and excellent education for our children so that they have the best start in life.

Because of this, we are proposing to **close Pooles Park Primary school on 31 December 2023**.

This four-week consultation gives information about why we have made this proposal and asks your views about it.

We welcome your views on the proposal and will consider all views put forward during the consultation period. Islington Council's Executive will decide whether to proceed with the statutory process to close the school at its meeting on 22 June 2023.

Please read this information carefully and respond to our short questionnaire before the closing date of **26 May 2023**.

Background

Islington Council is committed to putting children first and driving educational excellence through inclusive and sustainable schools. We have set out our mission in our Education Plan to ensure that every child, whatever their background, has the same opportunity and ambition to reach their educational potential in a good Islington school. We will equip and empower every child and young person who attends our schools and education settings with the learning and skills for life and the future world of work.

School funding is decided by how many pupils are in each class. As classes get smaller, the less money the school has. This can eventually affect the quality of children's education as schools have less money to spend on staff and resources. We need to manage this situation to ensure every child goes to a good school with a healthy budget.

When considering what action to take to reduce spare places we also consider other information about schools including the quality of education, their financial position, and the local context.

Ofsted has judged more than 90 per cent of Islington schools to be 'good' or 'outstanding' which reflects the quality of education in Islington. Performance at each key stage (Early Years, Primary, Secondary and Post-16) is typically in line with national averages or better.

There are several good schools nearby with empty spaces and by closing Pooles Park, children can access a good local school and ensure those schools are secure with enough pupils for the future.

Ofsted inspection

Ofsted inspected Pooles Park in November 2022 although there were some positive comments in their report - like pupils enjoy coming to school - the overall judgement was inadequate and placed the school in special measures.

Ofsted's report commented on the quality of education and the curriculum, and this means pupils leave with lower outcomes than they should, and they may find it more difficult to catch up when they start Secondary School.

When Ofsted judges a school to be inadequate, the Department for Education (DfE) issues an Academy Order and invites applications from academy sponsors – known as Multi-Academy Trusts (MAT) – to take over the school.

The DfE has issued an Academy Order for Pooles Park school, and the Regional Director is currently considering applications from interested MATs.

If the Regional Director finds a suitable MAT to take over the school, she will convert Pooles Park into an Academy and the school will **not** close.

If a suitable MAT is not identified, the Secretary of State may revoke the Academy Order but only in exceptional circumstances. This would need to happen before Pooles Park could close.

We are proposing to close Pooles Park school because it doesn't have enough pupils.

Pooles Park is currently a community school managed by Islington Council, so we are proceeding with this consultation on our proposal to close the school.

Pupil projections and numbers in the planning area

We plan for school places by dividing Islington into six different planning areas. Pooles Park Primary School is in Planning Area 2 (Hornsey). Hornsey has one of the highest levels of surplus capacity in Islington, with 23% in Reception and 26% from Reception to Year 6.

The pupil number projections show that pupil numbers are predicted to decrease further in this planning area and across Islington.

First preferences show how many parents choose a school as their first choice for their children starting in Reception. First preferences in the Hornsey area for admission in September 2023 are at their lowest level at 62% of available places, which is nine per cent lower than the previous year.

The number of pupils at Pooles Park

Pooles Park has the lowest number of pupils of all the schools in the Hornsey area. 56% of places in Reception are unused and 55% from Reception to Year 6 are unused. This means that all year groups are less than half-full. Based on current offers for admission to Reception in September 2023 this continues to be the case.

Table 1: Spare places in Hornsey area, and Pooles Park

| Area | Spare places in current Reception (%) | Spare places across all current year groups (%) | Expected spare reception places based on all preference offers for September 2023 |
|----------------------------|---------------------------------------|---|---|
| Hornsey planning area | 23% | 26% | 33% |
| Pooles Park Primary School | 56% | 55% | 53% |

The number of pupils has fallen over the last five years and this is projected to continue.

Table 2: Pooles Park Primary School Number of children each year (based on October census)

| Year | Nursery | Reception | Y1 | Y2 | Y3 | Y4 | Y5 | Y6 | TOTAL |
|------|---------|-----------|----|----|----|----|----|----|-------|
| 2022 | 14 | 20 | 26 | 29 | 26 | 25 | 28 | 28 | 196 |
| 2021 | 14 | 29 | 27 | 30 | 18 | 28 | 30 | 37 | 213 |
| 2020 | 15 | 30 | 32 | 19 | 36 | 32 | 40 | 48 | 252 |
| 2019 | 13 | 32 | 20 | 40 | 32 | 41 | 52 | 52 | 282 |
| 2018 | 18 | 24 | 50 | 38 | 41 | 56 | 50 | 42 | 319 |

The funding

School funding from central government is based on the number of pupils in school at the start of a new academic year. For every unused place in an Islington primary school, the school is missing out on an average of £5,500 a year which has an impact on staffing and resources at the school.

A school with unused places is still required to fund the same level of fixed costs as a full school including the maintenance and operation of school buildings.

Smaller schools – like Pooles Park – are particularly vulnerable to changes in pupil numbers as they have less flexibility to group classes of 30 children.

Pooles Park is currently projecting a deficit budget in 2023-24.

The proposal

We are proposing to close Pooles Park school on 31 December 2023.

Pooles Park primary school has many spare school places, with pupil numbers set to fall further still in the coming years. As a result, Pooles Park is already experiencing budget deficits. This is because school funding is mostly set by the number of pupils, and the fewer pupils a school has, the less money it has to run the school. This ultimately affects the quality of education pupils receive, which risks their longer-term futures.

What happens if the school closes?

We understand that this creates a period of uncertainty and concern for parents and the local community, as many have a strong connection to the school.

If Pooles Park school closes, all existing pupils will need to move to another school.

We will guarantee a place at another local Islington school for all pupils. Ofsted has rated all other local Islington schools as 'good'.

Islington Council will work closely with the school to help ensure a smooth transition for all pupils. We will identify the additional needs of all children, starting with those with an Education, Health, and Care Plan (EHCP), to ensure they have the additional support they need at their new school. We will also provide face-to-face support to any parent or carer who needs help with completing an admissions application.

Because other schools have spare places, it will be possible for groups of children and even whole year groups to move together to another nearby school. We can help arrange that if parents wish to do this.

We will provide more information about how we will support moving to another school should the proposal be agreed.

There will be no changes this school year.

Any pupil currently in Year 6 will complete their primary schooling at Pooles Park.

The timelines

Informal consultation: 26 April to 26 May 2023

We will publish this consultation document and hold face to face consultation sessions with parents, staff, and the wider community. We will accept responses to the proposals by 26 May 2023.

Council decision on informal consultation: 22 June 2023

The council Executive will consider all responses to the consultation and then at its public meeting on 22 June, it will decide whether to proceed with a formal proposal to close the school. If this happens there will be a second stage consultation that will run for four weeks in the Summer.

Final Decision: 7 September 2023

The final decision would be made by the council Executive at its meeting on 7 September. If approved, Pooles Park school would close on 31 December 2023.

How to give your views

Give your views by completing our online consultation form at www.islington.gov.uk/pooles-park

You can also email poolespark@islington.gov.uk

You must submit your response by **11.59pm on Friday, 26 May 2023**.

Appendix B - Analysis of responses to the public consultation on the future of Pooles Park Primary School

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1. Purpose

- 1.1. This appendix provides a summary of the analysis of the public response to the consultation on the future of Pooles Park Primary School in the London Borough of Islington.

2. Public consultation

- 2.1. The public consultation ran from Friday, 28 April to Monday, 5 June 2023.
- 2.2. An overview of the proposal was [provided online](#) along with a link to an online questionnaire.
- 2.3. The proposal was translated to Arabic, Dari, Pashto, Somali and Spanish, as requested by parents and carers.
- 2.4. The proposal questions were translated to Arabic, Somali, Spanish and Turkish as requested by the school, and a meeting with Arabic, Somali, Spanish and Turkish interpreters arranged at the school.
- 2.5. The consultation was extended from an initial closing date of 28 May to 5 June ahead of the meeting with interpreters to allow more time for parents and carers to submit a response following that meeting.
- 2.6. During the consultation period, the School Support and Information Services team organised:
 - 2.6.1. five parent/carers consultation meetings (including one with four interpreters)
 - 2.6.2. four staff meetings

2.6.3. one community meeting at Islington Town Hall

2.7. Each meeting followed the same format, with council officers presenting the proposal and then allowing for time for questions and comments from attendees.

2.8. Respondents were also invited to submit comments to a dedicated mailbox (poolespark@islington.gov.uk).

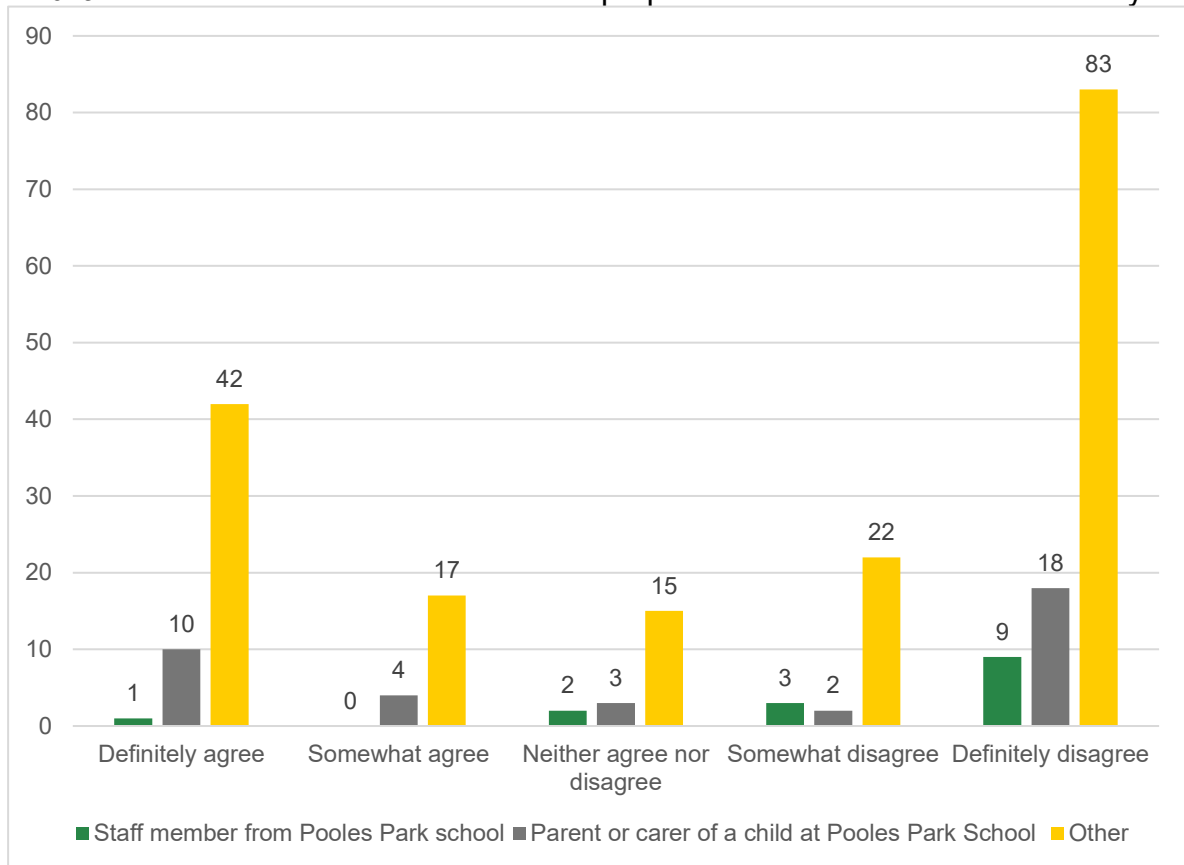
3. Responses to the consultation

3.1. The online questionnaire had **231 responses**. All questions in the questionnaire were optional, so not all totals for individual questions will match this total.

3.2. We asked respondents to select an option that described who they were. 37 respondents (16% of the total respondents) said they were parents of children at Pooles Park Primary School and 6% said they were staff members. Most selected 'other'.

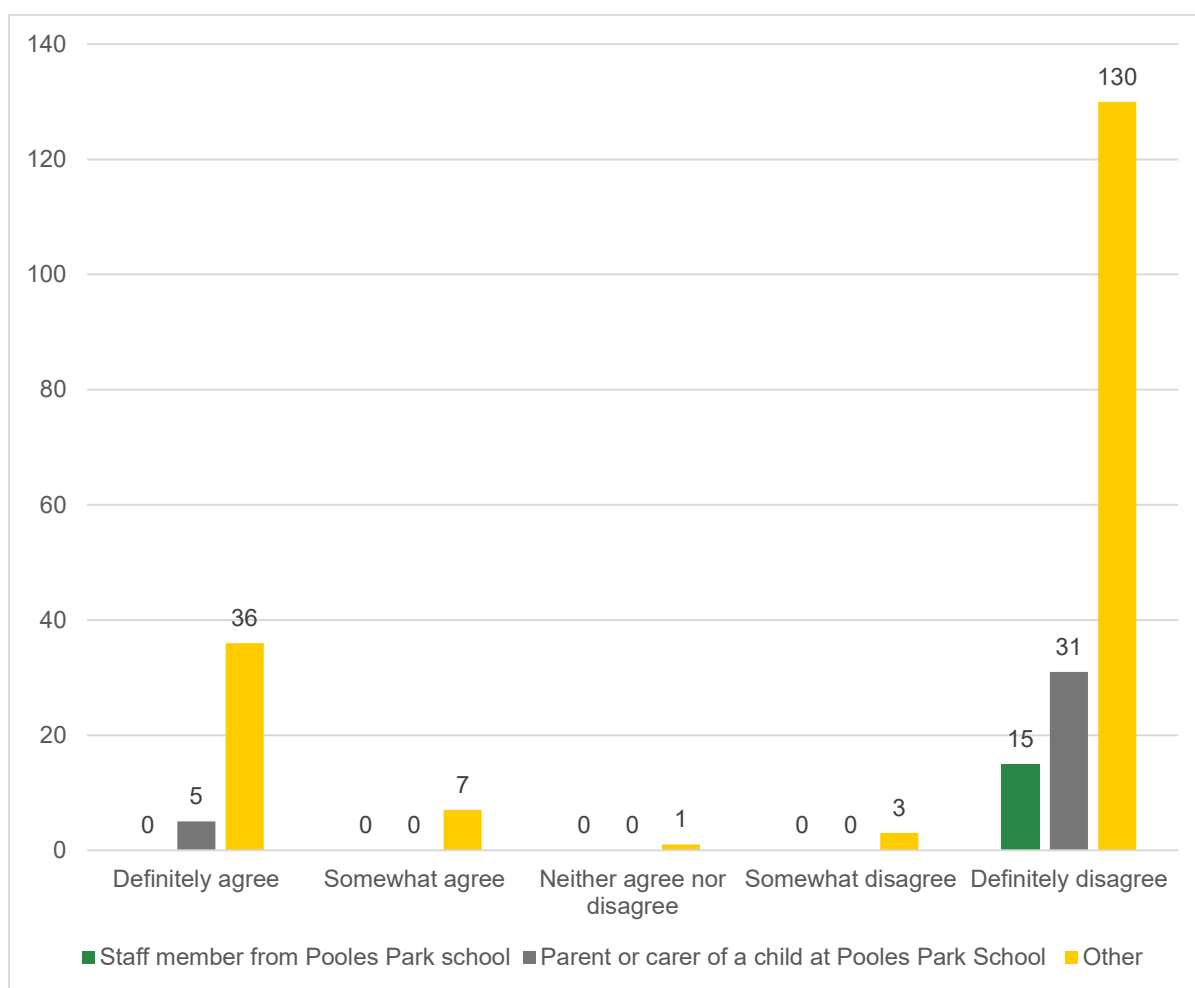
3.3. Chart 1 shows a breakdown of responses to how many respondents agreed with the statement: "I understand the reasons for the proposal to close Pooles Park Primary School". 10 parents and carers definitely agreed, and 18 parents/carers definitely disagreed.

3.4. **Chart 1:** I understand the reasons for the proposal to close Pooles Park Primary School



3.5. Chart 2 shows a breakdown of responses to how many respondents agreed with the statement: "I agree with the proposal to close Pooles Park Primary School". Five parents/carers definitely agreed with the proposal and 31 parents/carers definitely disagreed.

3.6. **Chart 2:** I agree with the proposal to close Pooles Park Primary School



4. Summary of questions, comments, and concerns

- 4.1. Respondents to the questionnaire were able to make additional comments. 139 respondents chose to leave additional comments. 62% of the comments were negative (opposed to the proposal), 19% were neutral and 13% were in support of the proposal.
- 4.2. We also invited respondents to send their comments to us by email to a dedicated mailbox. Three people emailed their comments, including one on behalf of 133 signatories to a petition and one submitting a presentation on the benefits of the school and garden to the community.
- 4.3. 83 people attended the stakeholder meetings¹ where they asked questions and fed back their views and concerns.
- 4.4. The table groups feedback received by theme showing a summary of written comments and verbal feedback at the stakeholder meetings.

¹ Some participants attended more than one event

4.5. Summary of comments and feedback

| Theme | Summary of written comments | Summary of verbal comments |
|-----------------------------|--|--|
| Accessibility | <ul style="list-style-type: none"> One respondent asked if the school community were given other forums for responding to the consultation in addition to the online form | <ul style="list-style-type: none"> A participant asked that the informal consultation be extended to account for parents who do not understand the proposal A participant requested that should the proposal proceed to the next stage, printed notifications about the proposal be shared with all residents in the local planning area and the Finsbury ward |
| Band stand | <ul style="list-style-type: none"> One respondent asked about the future of the band stand, a memorial to a former pupil | |
| Consultation process | <ul style="list-style-type: none"> Some respondents questioned the validity of the data in the proposal and suggested it was out of date Others criticised how the consultation was announced, including the methods for informing staff and parents and the local school community The petition signatories said that many parents couldn't engage with the consultation because interpreters were not provided for all first languages spoken by parents and interpreters were only provided for the last meeting | <ul style="list-style-type: none"> A participant asked about other options to the proposal and what evidence was needed to not close the school A participant asked when the decision was made to propose closure A participant suggested that it was bizarre that the proposers and the decision makers were the same people |
| Faith school | <ul style="list-style-type: none"> One respondent asked the council to consider converting the school to a faith school particularly an Islamic one which would serve the local community | N/A |

| Theme | Summary of written comments | Summary of verbal comments |
|--------------------------|--|---|
| Financial deficit | <ul style="list-style-type: none"> A respondent asked if the financial issues were due to the operating costs of a large building and if part of the building be used or funded another way A few respondents suggested that the proposal is motivated by a desire to sell the site to developers and/or to raise funds for the council Several respondents recognised how the school was no longer financially viable due to the operating costs and falling pupil numbers | <ul style="list-style-type: none"> A participant asked if the school had a three-year plan for getting out of deficit A participant suggested that a shortfall of 107 children in reception across the planning area would only lead to £600,000 shortfall and they didn't understand why this meant the school was not financially viable A participant asked if other schools in financial deficit are also at threat of being closed A participant asked what would happen to the solar panels on the roof of the school |
| New pupils | <ul style="list-style-type: none"> A local resident what would happen to those due to start at the Pooles Park nursery | <ul style="list-style-type: none"> A participant wanted to know what would happen to those pupils who are due to start the school in September A participant raised concerns about what would happen if pupil numbers in the local area increased and closing the school meant there wasn't enough capacity |
| Ofsted judgement | <ul style="list-style-type: none"> Respondents said they didn't agree with the Ofsted judgement and that they thought this had influenced the proposal to close the school Some felt that the Ofsted judgement didn't account for the COVID pandemic and the impact this has had on staff and pupils | <ul style="list-style-type: none"> Participants felt that the Ofsted judgement and other data like exam results don't reflect the other strengths and values of the school A participant asked why Ofsted had rated the school inadequate Participants spoke strongly about the outcomes for children at the school which go beyond attainment outcomes and are more about value-added outcomes |

| Theme | Summary of written comments | Summary of verbal comments |
|----------------------------------|---|--|
| | <ul style="list-style-type: none"> • The petition signatories said they did not agree with our view on outcomes for children, which are based on educational outcomes • Others recognised that the inadequate judgement coupled with declining pupil numbers meant the proposal was reasonable • Some respondents criticised the support Islington had provided to the Pooles Park leadership and how this lack of support had contributed to the Ofsted rating • Many respondents were hopeful that academisation would save the school • Others recognised that academisation would not reverse the declining pupil numbers and opposed academisation because there are surplus places in the area | <ul style="list-style-type: none"> • Participants also challenged the school's attendance figures and suggested these didn't account for factors like local deprivation, domestic abuse, and drug addiction • A participant asked if the local authority had looked at the number of former pupils that have gone to university • A participant wanted to know about which multi-academy trusts had expressed an interest in the school and the process around this, including the Department for Education's role, and if a decision on academisation would impact on this proposal moving forward • A participant asked about the Interim Executive Board appointed by the council • A participant was concerned that the proposal had panicked parents who might now apply to other schools, which would undermine the academisation process |
| Process for moving school | <ul style="list-style-type: none"> • A local resident asked if sibling groups could be moved together to another nearby school | <ul style="list-style-type: none"> • A participant asked if they can decide what other school their child will go to • Another asked what transition arrangements would be in place for children • A participant asked if there would be enough places in other schools if all children stayed in Pooles Park school until December • A parent was concerned that moving school's might affect their child's behaviour |

| Theme | Summary of written comments | Summary of verbal comments |
|----------------------|---|--|
| Pupil Numbers | <ul style="list-style-type: none"> Two respondents asked if amalgamation or federation had been considered rather than closure Another compared pupil numbers to other local schools and asked how these schools were able to operate with low numbers Some respondents recognised that they were too many local school places and not enough pupils to fill them Others questioned why the school couldn't continue to operate with smaller class sizes, which is beneficial to children and if exceptions could be made to funding to keep the school open One respondent was concerned about how the other schools in the area can cope with a large influx of new pupils from Pooles Park should it close Another respondent suggested that Islington Council increase the amount of social housing | <ul style="list-style-type: none"> Participants asked why numbers were falling and if other schools are closing because of falling pupil numbers A participant asked why the council hadn't acted sooner when the data has long shown declining numbers Others wanted to know why Pooles Park specifically had been selected for closure A participant wanted to know what would happen if the school doesn't close, and does this mean another school would have to close because of pupil numbers A participant asked why pupils from the other schools in the planning area couldn't be moved to this school A participant said that this was an opportunity to have a smaller school with high pupil to teacher ratio for children with high needs. They asked whether this had been considered and why the local authority wasn't fighting for more money to support children A participant asked if projected pupil numbers included new building developments in the local area A participant asked if amalgamation with another local school had been considered A participant asked if pupil numbers included data on the number of children with SEND or living in domestic refuge A participant said that they thought smaller class sizes were better for children |

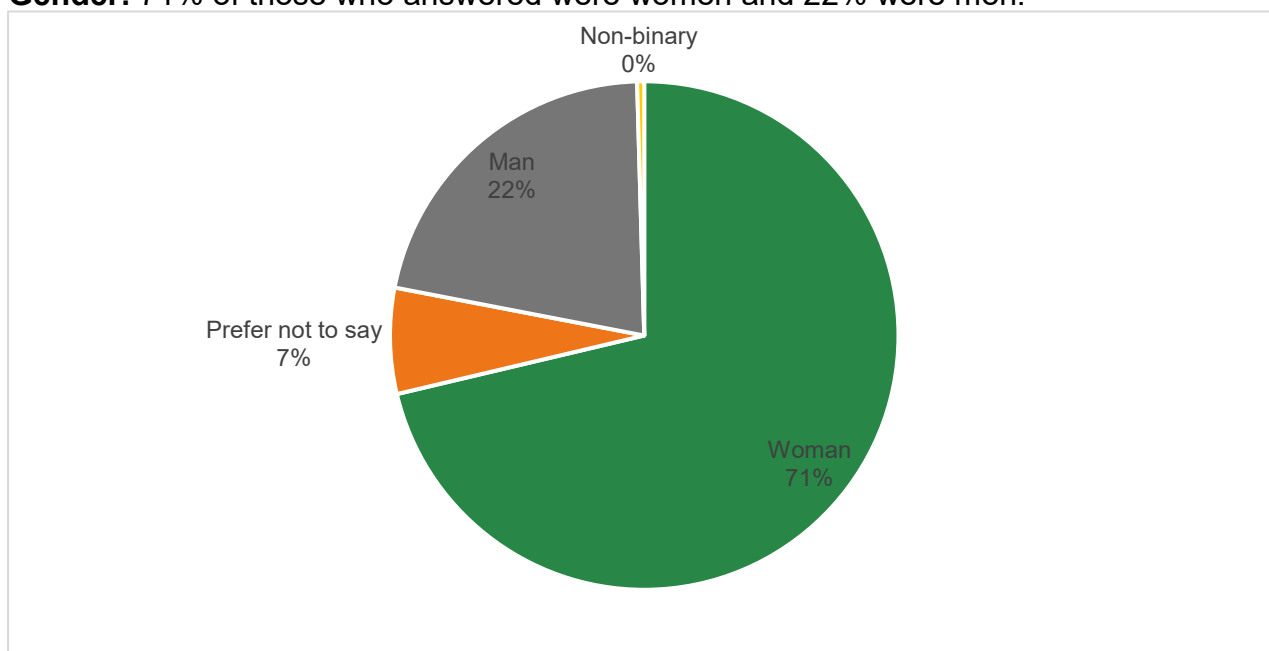
| Theme | Summary of written comments | Summary of verbal comments |
|------------------------------------|---|--|
| School Garden and wellbeing | <ul style="list-style-type: none"> Many respondents spoke positively about the school's community garden and the impact this has on children's wellbeing Some former pupils spoke of their positive experiences of the garden, including the skills and confidence the garden gave them Respondents explained that the garden was a welcome resource for many children who had no access to any other outdoor space and the garden was the main reason for choosing Pooles Park for their children Some spoke of the educational benefits of the garden, including how children learn about the environment, how to grow food and how insects pollinate vegetables Others highlighted how many residents volunteer in the garden which includes maintaining a vegetable garden and that the garden has won multiple Islington in Bloom awards The petition signatories asked for an official written undertaking that the garden will remain a community resource should the school close Signatories argued that closing another school would be better, as Pooles Park is not on a polluted road and the 'garden school' would be a benefit for other children | <ul style="list-style-type: none"> A participant asked what plan was in place for the community garden should the school close Participants at the community meeting spoke passionately about the community garden and the educational and mental health and wellbeing benefits the garden brings to pupils They expressed how important the garden was as part of pupils' daily education: something that would be lost if the school was closed The garden is a unique asset and no other school has anything like it – participants were concerned that pupils would move to another school that was 'a concrete jungle' Participants also spoke about how Pooles Park was on the of the few schools away from a main road, which meant it was safer and children were less exposed to pollution Participants were concerned about the impact moving schools would have on children's mental health |
| SEND support | <ul style="list-style-type: none"> Some respondents commented positively on the support their children with Special Educational Needs and Disabilities | <ul style="list-style-type: none"> Participants explained in detail the benefits the community garden had for children with SEND |

| Theme | Summary of written comments | Summary of verbal comments |
|------------------------|--|---|
| | <p>(SEND) had received from Pooles Park and the positive outcomes of this support</p> <ul style="list-style-type: none"> Others said the support for SEND children at Pooles Park was inadequate and suggested that children who have additional needs would be better served at another school Some were concerned about transition arrangements for children with SEND A respondent suggested that the school be redesigned to accommodate good provision for children with SEND at a lower cost than building a new school or expanding other existing schools | |
| Staff | <ul style="list-style-type: none"> Respondents spoke highly of their experience of the school staff and the pastoral support they have provided to children Some were concerned about future employment opportunities for staff and hoped they would be retained in another Islington school. | <ul style="list-style-type: none"> A participant asked what documented protocol do we have in place to transfer the school's knowledge base to other schools |
| The school site | <ul style="list-style-type: none"> The petition signatories expressly stated their support for a school to remain on the site and that if the school does close they are concerned that the land will be sought after by property developers Signatories asked that if homes are built on the site that all homes are for social housing and affordable homes, with zero luxury homes. They also asked that all parents whose children attended Pooles Park school in 2023 who are currently on the housing waiting list are given first choice/refusal or any homes built on the site. Signatories offered the example of the | <ul style="list-style-type: none"> A participant asked if part of the school building could be used for something else to raise funds for the school |

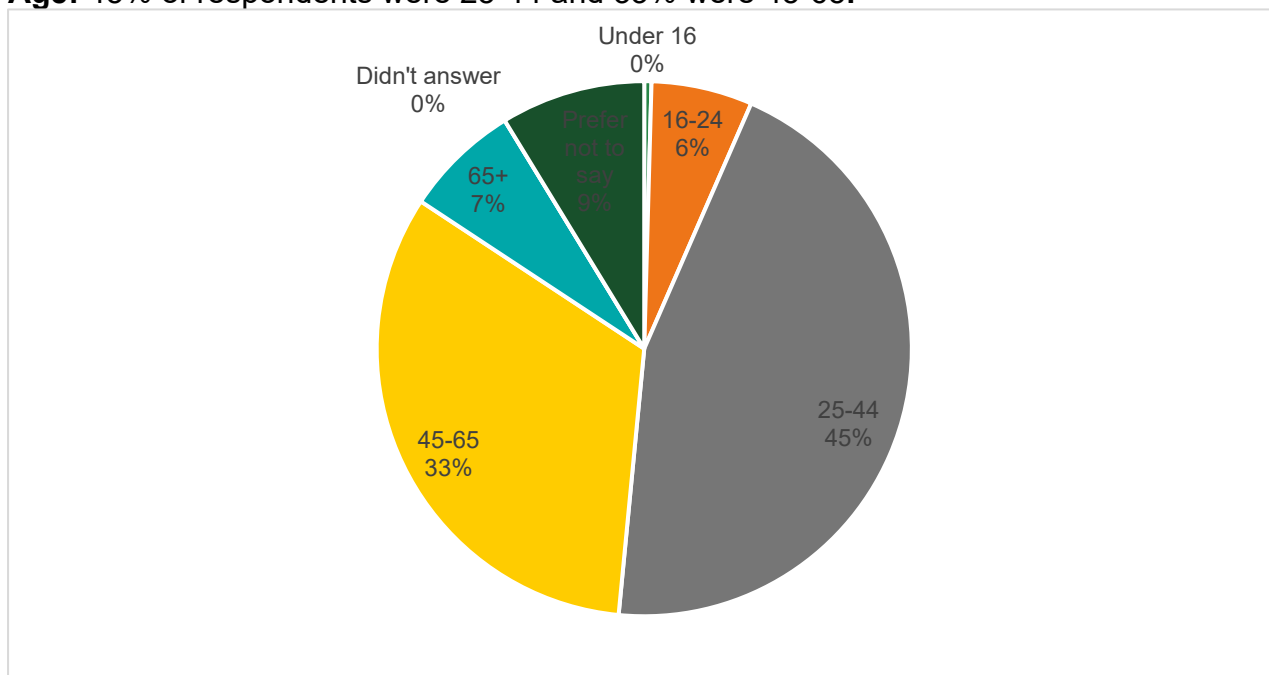
| Theme | Summary of written comments | Summary of verbal comments |
|-------|---|----------------------------|
| | <p>development on the former site of Stationers' Company's School in Hornsey, now known as Stationers' Park, and asked that the council commit to visiting this site before committing to any development on the Pooles Park site.</p> <ul style="list-style-type: none"> • One respondent was concerned about the impact any new housing development would have on local parking and if any high-rise buildings would affect their view | |

5. Equalities data

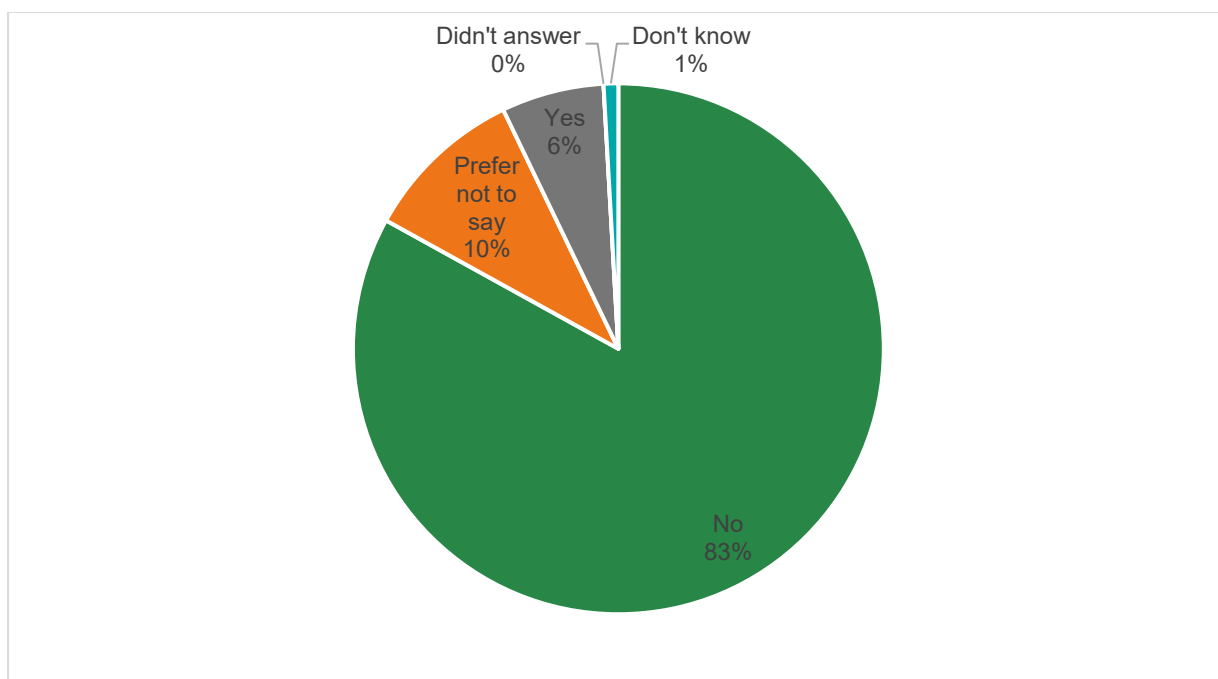
- 5.1. To understand which groups the consultation reached, and to help us identify if any groups are under-represented, we asked respondents to tell us about them. The charts show the breakdown of responses. We can compare this data to the information we know about the school and consider if additional work is needed to reach any under-represented groups should the proposal proceed to the next stage.
- 5.2. Please note that all these questions were optional, and respondents didn't have to answer them if they chose not to.
- 5.3. **Gender:** 71% of those who answered were women and 22% were men.



- 5.4. **Age:** 45% of respondents were 25-44 and 33% were 45-65.

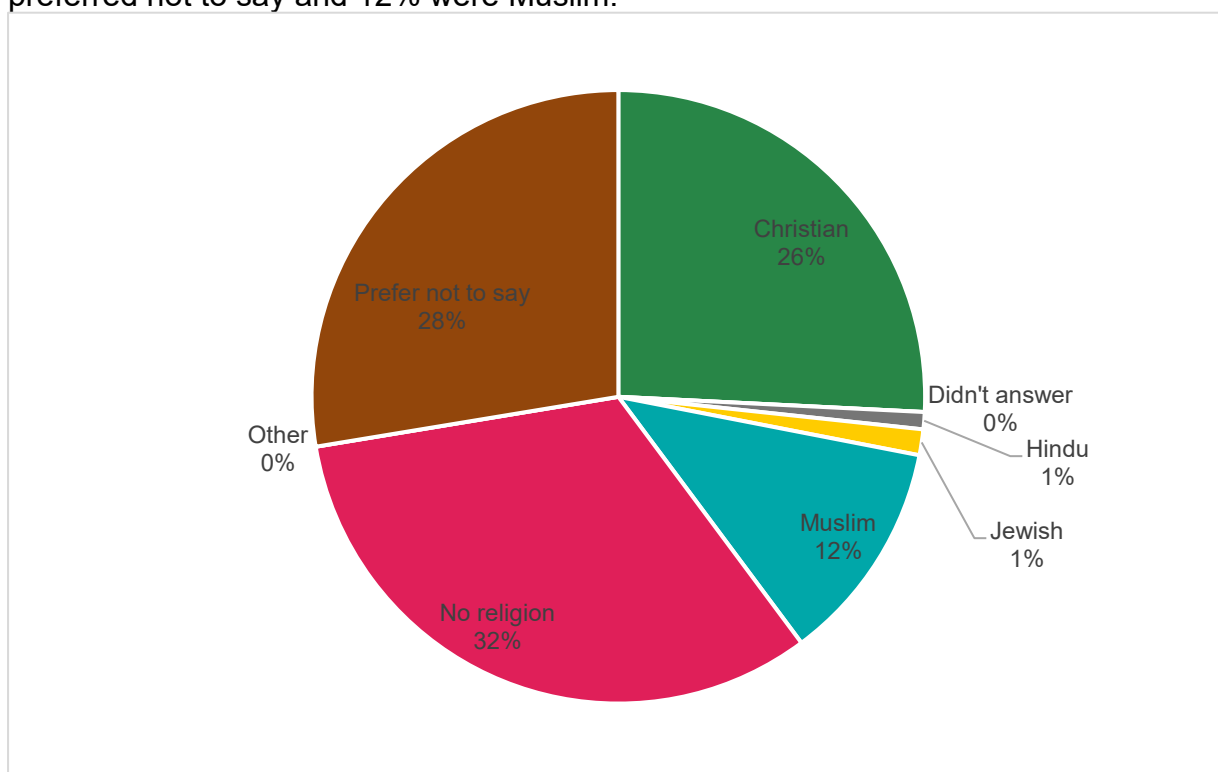


- 5.5. **Physical or mental health conditions:** 83% of respondents said 'no' to the question "do you have any physical or mental health conditions, impairments or illnesses lasting or expected to last for 12 months or more?"

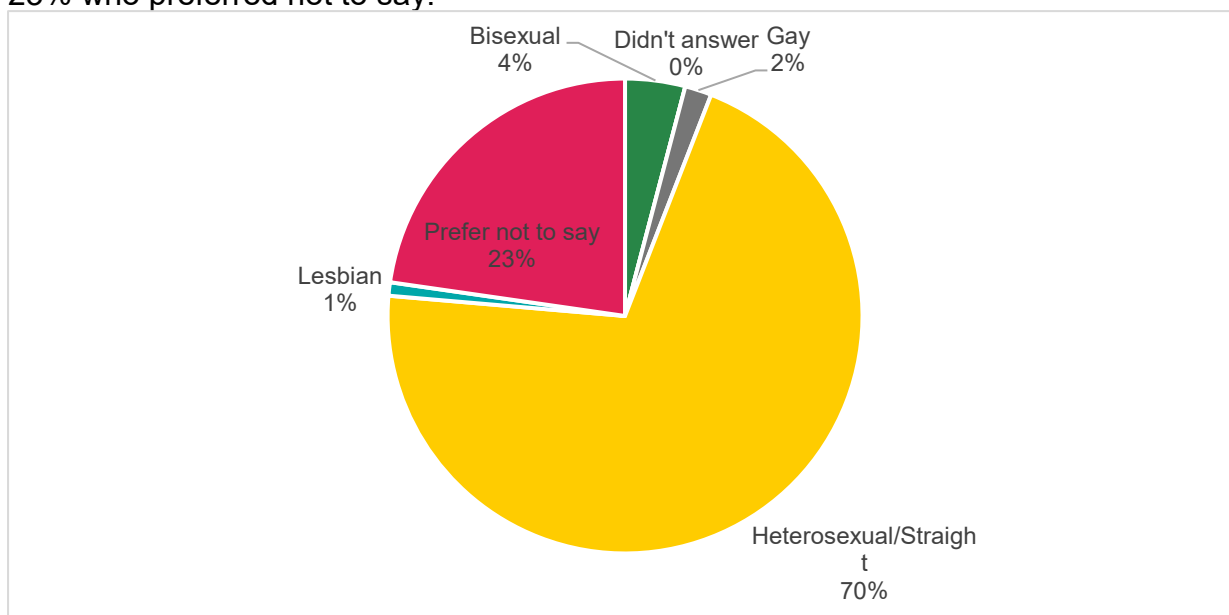


5.6.

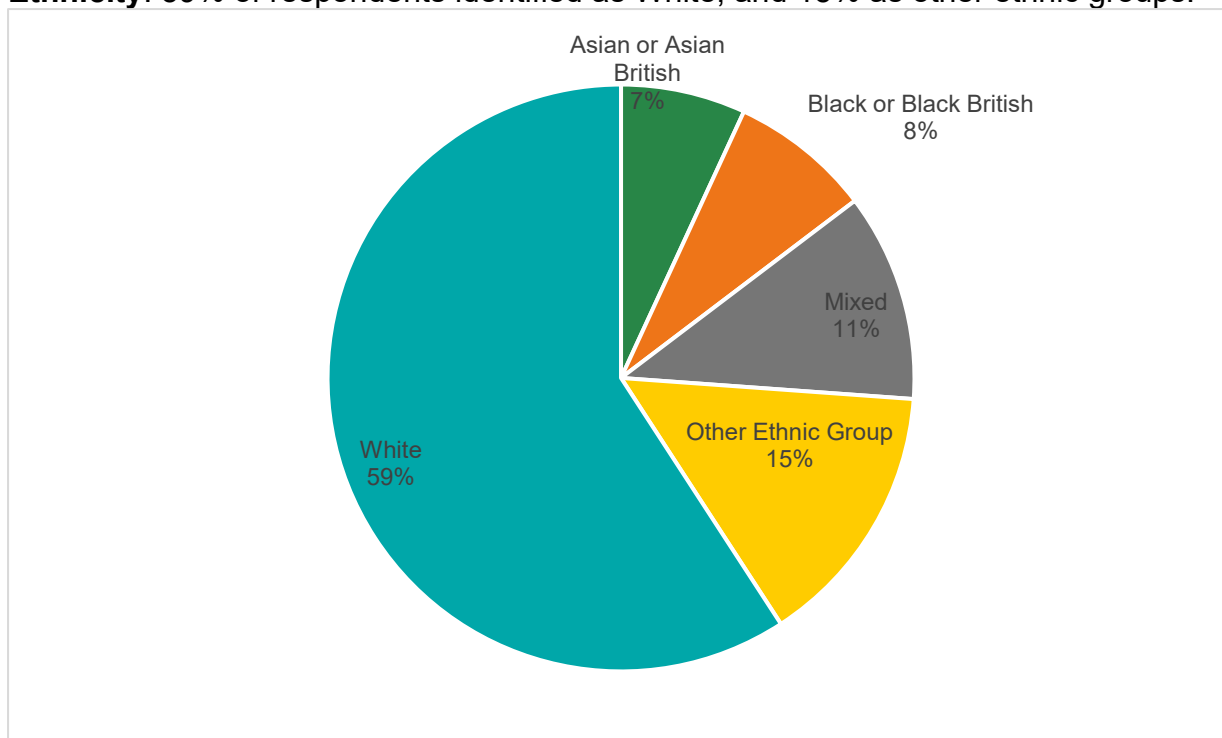
- 5.7. **Religion or belief:** 32% of respondents stated they had no religion, 26% Christian, 28% preferred not to say and 12% were Muslim.



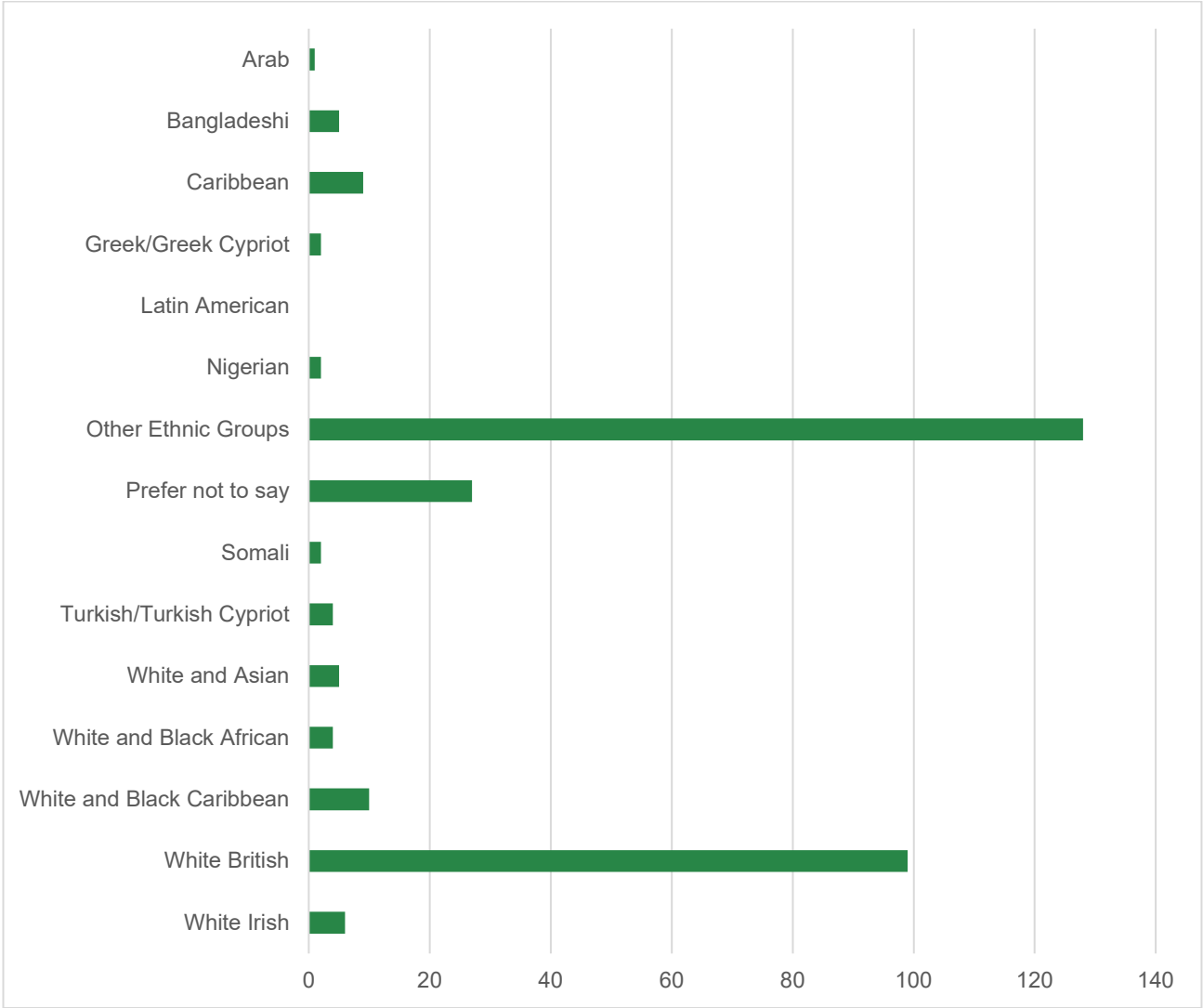
- 5.8. **Sexual orientation:** 70% of respondents identified as heterosexual/straight, followed by 23% who preferred not to say.



- 5.9. **Ethnicity:** 59% of respondents identified as White, and 15% as other ethnic groups.



5.10.



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Equalities Impact Assessment:

Full Assessment

Before completing this form you should have completed an Equalities Screening Tool and had sign off from your Head of Service and the Fairness and Equality Team.

This Equality Impact Assessment should be completed where the Screening Tool identifies a potentially negative impact on one or more specific groups but it can also be used to highlight positive impacts.

Summary of proposal

| | |
|----------------------------------|--|
| Name of proposal | Proposal on the Future of Pooles Park Primary School |
| Reference number (if applicable) | |
| Service Area | Children and Young People |
| Date assessment completed | 6 June 2023 |

Before completing the EQIA please read the guidance and FAQs. For further help and advice please contact equalities@islington.gov.uk.

1. Please provide a summary of the proposal.

Please provide:

- Context on how the service currently operates (if relevant) and the scope of suggested changes
- The intended beneficiaries and outcomes of the proposal
- Reference to any savings or income generation

Islington's School Organisation Plan sets out our strategy for managing school places over the next three years and describes:

1. the context of falling rolls leading to a high level of surplus school places
2. the principles for managing places
3. the current organisation of Islington's education provision
4. the options to reduce surplus places in primary schools and maximise the use of the school estate

Reducing the number of school places in a planned way will support schools to manage change within their funding.

The intended outcome of our school organisation plan is to achieve our ambition that every child has a good local school place to achieve their best outcomes. We expect all schools to be viable and provide a high quality of education so that every child in Islington has the same opportunity and ambition to reach their educational potential in a good Islington school.

The School Organisation Plan sets out various options to reduce surplus capacity at our schools:

- Reduce the Published Admission Number (PAN)
- Maximise the pupil numbers
- Make better use of spare building capacity
- Including children with SEND
- Collaboration and Federation to achieve economies of scale

After all these options have been considered to reduce surplus capacity and the school continues to have a surplus, we are forced to consider closing the school.

In the case of Pooles Park Primary school, this school was inspected by Ofsted on 8 and 9 November 2022 and was judged to be inadequate and placed in special measures. This means the school is now subject to an academy order issued by the Secretary of State for Education. Should the Secretary of State determine the school is not viable, it may rescind this academy order, and will expect the Local Authority, Islington Council, to close the school.

Further, Pooles Park Primary School is in Planning Area 2, Hornsey, which currently has one of the highest levels of surplus capacity in Islington of 23% in reception and 25% from Reception to Year 6. First preferences for admission in September 2023 are at their lowest level with first preferences at 61% of the published admission number, which compares to 71% for admission in September 2022. This means the school is not viable and as such, we are proposing to close the school.

The proposal meets the criteria for closure set out in statutory guidance:

- there are surplus places elsewhere in the local area which can accommodate displaced pupils
- there is no predicted demand for the school in the medium to long term
- it has been judged inadequate by Ofsted

Please provide:

- Context on how the service currently operates (if relevant) and the scope of suggested changes
- The intended beneficiaries and outcomes of the proposal
- Reference to any savings or income generation

- it is no longer considered viable.

The intended beneficiaries of this proposal are pupils attending Pooles Park Primary school who will be offered places in alternative good and sustainable local schools.

When closing a school, we must follow statutory guidelines ([Opening and closing maintained schools \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)). The first stage is to complete an informal consultation on the proposal. This informal consultation ran from 28 April to 5 June, which included a week's extension to accommodate parents and carers who requested the information about the proposal in another language or format.

Following this informal consultation, the Executive is now being asked to progress to the next stage: to issue a statutory notice informing our intention to close the school. Should the Executive agree to this, a further four-week representation period will run before the Executive decides whether to proceed, amend or withdraw the statutory notice. Should the Executive agree to proceed, Pooles Park school will close with the earliest closure date of 31 December 2023.

2. What impact will this change have on different groups of people?

Please consider:

- Whether the impact will predominantly be external or internal, or both?
- Who will be impacted – residents, service users, local communities, staff, or others?
- Broadly what will the impact be – reduced access to facilities or disruptions to journeys for example?

The impact will be predominantly external, impacting on pupils, parents and carers and school staff.

The proposal will change where current and future pupils attend school, potentially leading to stress and anxiety for pupils and families. The proposal would also impact on staff currently working at the school as it would potentially lead to staff redundancies. Our Schools HR service will provide full support to staff, including identifying other staffing opportunities in nearby schools, and providing training and support with CV writing and interview training. However, we should work on the assumption that all staff are likely to face the prospect of redundancy.

The latest available information from the School Workforce Census indicates that there are 43 staff working at Pooles Park Primary School, including both teachers and support staff.

The proposal will impact on where the current pupils at Pooles Park Primary school attend school and potential future children and parents who wish to attend this school specifically. However, this will not

impact on our legal duty to ensure that every child has a school place, which will be maintained within close distance (under one mile) for all affected pupils.

All nearby schools have surplus capacity so will be able to absorb all Pooles Park pupils, both current and planned. This will help ensure the financial viability of the other schools, who will then have more funding (as funding is set by the number of pupils) to better improve the quality of education.

Staff will be affected by the proposal. All staff will be placed on a redeployment register and will receive direct emails of available vacancies in Islington. Our HR service will support affected staff through CV and interview workshops and supporting applications for placements in other Islington schools.

The proposal will close Pooles Park Primary school if it is approved following a consultation and statutory notice processes. Our Education Plan sets out our mission that, by 2030, every child has the same opportunity and ambition to reach their educational potential in a good Islington school.

Schools operate most efficiently when full or nearly full and any surplus places should be kept to a minimum to ensure the financial viability of schools and the ability of schools to provide a high quality, broad and balanced curriculum.

This proposal supports the delivery of this objective.

3. What impact will this change have on people with protected characteristics and/or from disadvantaged groups?

This section of the assessment looks in detail at the likely impacts of the proposed changes on different sections of our diverse community.

3A. What data have you used to assess impacts?

Please provide:

- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
- A breakdown of service user demographics where possible
- Brief interpretation of findings

All the equalities data listed in this section is taken from the January 2023 School Census.

Gender

Pooles Park has a similar proportion of male and female students to the primary borough average (49% female, 51% male).

| Gender | Percentage at Pooles Park |
|--------|---------------------------|
| Male | 51.7% |
| Female | 48.3% |

Data on gender reassignment is not collected in the School Census.

Free School Meal eligibility

Across all Islington primary schools, 41.5% of pupils were eligible for Free School Meals as at January 2023. Islington tends to have relatively high levels of Free School Meal eligibility compared to other boroughs, with the third highest proportion of primary pupils eligible in the country in most recent comparator figures.

Pooles Park has a slightly higher proportion of pupils eligible for Free School Meals than the Islington average, however is below the median (46.1%) in Islington schools.

| | Pooles Park |
|----------------|-------------|
| % FSM eligible | 45.9% |

Special Educational Needs

Across Islington primary schools, 16.7% of pupils were at the SEN Support level of provision in January 2023. This indicates they have some special educational need, but do not meet the threshold for an Education, Health and Care Plan (EHCP). 4.5% of Islington primary school pupils had an EHCP. Therefore, 21.3% of Islington primary school pupils were known to have Special Educational Needs.

Pooles Park has a higher proportion of pupils at SEN Support than the borough average and a lower proportion of pupils with an EHCP than the borough average.

| | Pooles Park |
|-------------|-------------|
| SEN Support | 30.6% |
| EHCP | 4.3% |
| Total SEN | 34.9% |

English as an Additional Language

40% of Islington's primary school pupils had English as an Additional Language (EAL) in January 2023. Pooles Park has a high proportion of pupils with EAL, the 3rd highest in the borough.

| | Pooles Park |
|-------|-------------|
| % EAL | 66.51% |

Ethnicity

Compared to the average across all Islington primary schools:

- Pooles Park has a high proportion of pupils from 'Other' ethnic groups including Arab.
- Pooles Park has a lower proportion of White UK pupils than the Islington primary average, with the fifth lowest proportion out of Islington primaries.

| | Pooles Park | Islington Primaries |
|-------------------|-------------|---------------------|
| White-British | 10.5% | 26.2% |
| White-Turkish | 6.7% | 4.0% |
| White-Other | 11.0% | 13.7% |
| Kurdish | 1.0% | 0.7% |
| Asian-Bangladeshi | 6.7% | 5.3% |
| Asian-Other | 2.4% | 1.9% |

Please provide:

- Details of the evidence used to assess impacts on people with protected characteristics and from disadvantaged groups (see guidance for help)
- A breakdown of service user demographics where possible
- Brief interpretation of findings

| | | |
|---------------------------------|-------|-------|
| Black-Caribbean | 3.8% | 4.2% |
| Black-African | 4.8% | 8.8% |
| Black-Other | 1.9% | 1.7% |
| Mixed - White & Black-Caribbean | 4.3% | 4.2% |
| Mixed-Other | 12.9% | 15.2% |
| Chinese | 0.0% | 1.5% |
| Other | 12.0% | 6.4% |
| Not stated / refused | 1.0% | 1.4% |

Pupil residence

The pupils on roll at Pooles Park are predominantly from Finsbury Park ward (58.4%) with 12.9% from Tollington ward. 85.6% of children are Islington residents and 78% of pupils live within 500m of the school.

Religion

Data on religion is not collected in the School Census.

3B: Assess the impacts on people with protected characteristics and from disadvantaged groups in the table below.

Please first select whether the potential impact is positive, neutral, or negative and then provide details of the impacts and any mitigations or positive actions you will put in place.

Please use the following definitions as a guide:

Neutral – The proposal has no impact on people with the identified protected characteristics

Positive – The proposal has a beneficial and desirable impact on people with the identified protected characteristics

Negative – The proposal has a negative and undesirable impact on people with the identified protected characteristics

| Characteristic or group | Positive/Neutral/Negative | What are the positive and/or negative impacts? | How will potential benefits be enhanced or negative impacts be eliminated or reduced? |
|-------------------------|---------------------------|---|--|
| Age | Positive and negative | <p>The intended beneficiaries of the proposals are pupils the school, who by moving to an alternative school will receive a broad and balanced curriculum in sustainable high quality schools.</p> <p>There may be considerable stress and anxiety for pupils and their families.</p> | <p>There will be a school place available at a good school that has long term financial sustainability within the local area for all primary aged pupils. Neighbouring schools have a high level of surplus capacity and it will be possible to offer pupils to move together as whole classes and groups should parents/carers want this.</p> <p>Those pupils who need additional support will receive this from the school and the local authority, including from our SEND and Health and Wellbeing teams.</p> <p>The school community will be involved at all steps of the process, including through the two statutory consultation periods, which will include parent/carers meetings at the school.</p> |

| Characteristic or group | Positive/Neutral/Negative | What are the positive and/or negative impacts? | How will potential benefits be enhanced or negative impacts be eliminated or reduced? |
|-----------------------------|---------------------------|--|---|
| Disability (include carers) | Negative | <p>As with all pupils, any change can cause anxiety and this can be a particular issue for pupils with special educational needs and disabilities (SEND) and their families, particularly those with Autism who represent 52% of children and young people with SEND in Islington. A recent study undertaken by the National Autistic Society (2022) found that 47% of autistic people fall into the severe anxiety category based on GAD-7 diagnostic criteria (measure for assessing generalised anxiety disorder). It is anticipated there will not be a significant impact on carers, as there are available alternative places at neighbouring schools within an appropriate distance.</p> <p>An added factor for Pooles Park is the community garden – a unique asset where pupils have daily access to outdoor space where they can grow vegetables and learn about the environment. Parents, carers, and staff all tell us of the benefits the community garden brings to all pupils, but especially children with SEND.</p> | <p>An initial assessment of children with Education, Health and Care Plans shows that their needs can be met within the neighbouring schools. The SEND team will work with individual children and their parents/carers to support their transition, including identifying a tailored list of alternative schools suitable to the child's needs as set out in their plans if necessary.</p> <p>The school community were involved in the informal consultation and invited to submit submissions online, by email or verbally through a series of meetings at the school and at Islington Town Hall. The feedback from the community highlighted the importance of the community garden and we are proposing that the council make a commitment to retain and develop the community garden into a Forest School provision that can be accessed by local schools in the area as part of their curriculum offer during school time and to also develop a clear plan for the ongoing use and management of the garden as a community garden.</p> |

| Characteristic or group | Positive/Neutral/Negative | What are the positive and/or negative impacts? | How will potential benefits be enhanced or negative impacts be eliminated or reduced? |
|-------------------------|---------------------------|--|--|
| Race or ethnicity | Positive and Negative | <p>While there are some differences between the proportion of children from specific ethnic groups compared to the borough average, these are based on small numbers of pupils and are not statistically significant.</p> <p>Pooles Park has a high proportion of Somali pupils and the proposal could potentially widen and strengthen community bonds as children move to neighbouring schools.</p> <p>As Pooles Park has a particularly high percentage of pupils with English as an Additional Language, it is likely that a considerable proportion of parents would also not have English as their first language. This may form a barrier when informing parents about the changes.</p> | <p>We mitigated this by translating the proposal document into the most common second languages as advised by the school.</p> <p>We also arranged a specific parent and carer meeting with Arabic, Somali, Spanish, and Turkish interpreters so that parents and carers were able to express their views in their main language.</p> <p>We supported an individual parent who contacted us with translating the proposal document into Punjabi. We will offer further support to any parent or carer or their advocates who contacts us as we move to the formal consultation stage.</p> <p>Parents will benefit from other schools in the area having surplus capacity, which could create the opportunity for all existing pupils to move to one school, should parents want this.</p> |

| Characteristic or group | Positive/Neutral/Negative | What are the positive and/or negative impacts? | How will potential benefits be enhanced or negative impacts be eliminated or reduced? |
|--|---------------------------|--|---|
| Religion or belief (include no faith) | Neutral | Pooles Park is a non-religious school. The neighbouring schools' welcome students from diverse communities and faiths. | |
| Gender and gender reassignment (male, female, or non-binary) | Neutral | There should not be any difference in the impact on different genders. The school and its neighbouring schools are mixed gender. | |

| Characteristic or group | Positive/Neutral/Negative | What are the positive and/or negative impacts? | How will potential benefits be enhanced or negative impacts be eliminated or reduced? |
|-------------------------|---------------------------|--|---|
| Maternity or pregnancy | Negative | Any staff who are pregnant or on parental leave may not have had the opportunity to take part in the consultation or in the staff meetings organised by our HR service during the consultation | Any staff on parental leave will receive all statutory support and protections. As with all staff, our HR service will support affected staff through CV and interview workshops and supporting applications for placements in other Islington schools. |

| Characteristic or group | Positive/Neutral/Negative | What are the positive and/or negative impacts? | How will potential benefits be enhanced or negative impacts be eliminated or reduced? |
|-------------------------------|---------------------------|--|---|
| Sex and sexual orientation | Neutral | | |
| Marriage or civil partnership | Neutral | | |

| Characteristic or group | Positive/Neutral/Negative | What are the positive and/or negative impacts? | How will potential benefits be enhanced or negative impacts be eliminated or reduced? |
|--|---------------------------|---|--|
| Other - deprivation (e.g. people living in poverty, looked after children, people who are homeless or refugees) | Neutral | <p>The school has relatively high levels of Free School Meal eligibility, however this is similar to the borough average. Neighbouring schools have slightly higher levels of FSM eligibility.</p> <p>The mapping of pupils' home residences shows that most pupils live within 500m of the school. There are three nearby primary schools within 500m of Pooles Park and an additional seven within 1 km. This is important as moving schools should not lead to additional travel costs or times.</p> | Pupils will be offered places in alternative good and sustainable local schools, all of which are within walking distance. |

4. How do you plan to mitigate negative impacts?

Please provide:

- An outline of actions and the expected outcomes
- Any governance and funding which will support these actions if relevant

All pupils will have continued access to Ofsted rated 'Good' local provision following the school's closure. Current surplus places within all Islington Primary School planning areas mean that future pupils will continue to have access to local provision and that the provision will be more sustainable in the longer term by reducing the excessive surplus places.

The SEND team will work with any family whose child with special educational needs may be affected by these proposals. The team will further consider with the family and those who support the child any additional supports that might need to be put in place to support transition. Full consideration will be given to travel, friendship groups and any access needs.

The School Admissions team will offer open surgeries and individual sessions at the school to provide advice to families. Full consideration will be given to travel, friendship groups and any access needs in considering alternative schools for pupils.

These surgeries will be arranged with the school to consider any groups who may be impacted differently, for example translation or interpreters will be arranged for those for whom English is an additional language.

The School Admissions Team will also liaise directly with Children's Social Care to ensure that any Child In Need, Looked After Child or child with a protection plan is given full support from their allocated Social Worker to ensure they understand processes to be followed, and to support visits.

There are many Social, Emotional and Mental Health services already operating with the school that may be affected by these proposals. These include the School Wellbeing Service and CAMHS in Schools, as well as pastoral care. These services will be informed of any change so they can ensure support can be targeted at this school, where pupils may have increased anxiety around the changes.

The feedback from the community during the informal consultation highlighted the importance of the school's community garden. We are proposing that the council make a commitment to retain and develop the community garden into a Forest School provision that can be accessed by local schools in the area as part of their curriculum offer during school time and to also develop a clear plan for the ongoing use and management of the garden as a community garden.

These arrangements will be kept under review by the School Organisation Project team that will be overseeing all aspects of any transition, including for example premises, staffing and transfer of records.

5. Please provide details of your consultation and/or engagement plans.

Please provide:

- Details of what steps you have taken or plan to take to consult or engage the whole community or specific groups affected by the proposal
- Who has been or will be consulted or engaged with
- Methods used or that will be used to engage or consult
- Key findings or feedback (if completed)

To close a school authority (Local Authority, Governing Body/Diocese, Trust, or Foundation) is required to complete a statutory process.

This includes both an informal consultation/listening period and then a formal statutory consultation period if the council intends to propose closure.

We have completed an informal consultation that lasted five weeks. The proposal was shared with the school community who were invited to share their views on the proposal to close the school and asked whether they agree or disagree with the proposal.

We translated the proposal into the most common languages spoken by parents/carers at the school and held parent/carer meetings at the school premises, including one with interpreters, to explain the proposal and to seek verbal feedback. Parents/carers and members of the community were also invited to submit written comments by email or by post.

We received 231 responses to the proposal and 83 people attended six consultation meetings. Approximately 16% of respondents said they were parents of children at Pooles Park Primary School and 6% said they were staff members. Most respondents (77%) selected 'other'.

We also received a petition with 133 signatories asking that a school remain on the site and that all staff remain part of that school. Most of the signatories on the petition stated they were parents, and we do not know if they also submitted a response to the proposal.

As expected with any proposed school closure, respondents were overwhelmingly opposed to the proposal and most shared their positive personal and family experiences of the school and the important role the school plays in the local community.

The key theme emerging from the responses was the community garden with 65 respondents raising this: respondents expressed how much their children and the wider community had benefited from this asset in an area with little or no green or outdoor space and the daily educational benefits this brought to all pupils at the school. Respondents also commented on the numbers of children with Special Educational Needs and Disabilities and other children with vulnerabilities and the detrimental impact closing the school would have on these groups.

Although not directly related to this proposal, respondents were keen to share their disagreement with the recent Ofsted grading, which judged the school to be inadequate. Some are hopeful that the

Please provide:

- Details of what steps you have taken or plan to take to consult or engage the whole community or specific groups affected by the proposal
- Who has been or will be consulted or engaged with
- Methods used or that will be used to engage or consult
- Key findings or feedback (if completed)

Department for Education will appoint an academy sponsor as it would avert closing the school. The Department for Education is the decision-maker about whether to convert the school to an academy.

The information received through the consultation has now been analysed and written and verbal comments shared with the Executive.

Based on the feedback received, we are proposing that the council make a commitment to retain and develop the community garden into a Forest School provision that can be accessed by local schools in the area as part of their curriculum offer during school time and to also develop a clear plan for the ongoing use and management of the garden as a community garden. We will also ensure all parents are supported with transitioning their children to other local schools, including providing support through Bright Futures – our early help family support service – and from our SEND team.

The Executive will consider this feedback before deciding whether to proceed with the proposal.

If the Executive agrees to proceed, we will issue a statutory notice informing of our intention to close Pooles Park school and a second, formal consultation period will run for exactly four weeks. This notice will be shared in a local newspaper, on the council website and with the school community. Anyone will be able to submit their views on the proposal in this four-week period.

The Executive will then consider any feedback and make a final decision about the proposal. They can then proceed with the proposal, make amendments to it, or withdraw it.

6. Once the proposal has been implemented, how will impacts be monitored and reviewed?


Please provide details in the table below.

| Action | Responsible team or officer | Deadline |
|---|-----------------------------|-----------|
| We will review admissions data, budgetary details, and educational attainment data in the planning area through regular monitoring channels | Learning and Achievement | Ongoing |
| We will communicate with and provide support to schools that displaced pupils move | Learning and Achievement | July 2024 |

| Action | Responsible team or officer | Deadline |
|--|-----------------------------|----------|
| to, to ensure pupils are settling in and offer any additional support as required | | |
| We will monitor the work around developing a Forest School provision to ensure it is accessed equally by all local schools and the local community | Learning and Achievement | Ongoing |

Please send the completed EQIA to equalities@islington.gov.uk for quality checking by the Fairness and Equality Team. All Equality Impact Assessments must be attached with any report to a decision-making board and should be made publicly available on request.

This Equality Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

| Member | Name | Signed | Date |
|-----------------------------------|------------------|--|--------------|
| Staff member completing this form | Matthew Beevor |  | 12 June 2023 |
| Fairness and Equality Team | Sydney Alexander |  | 12 June 2023 |
| Director or Head of Service | Alison Cramer |  | 13 June 2023 |

Draft Statutory Proposal for the closure of Pooles Park Primary School

Notice is given, in accordance with Section 15 of the Education and Inspections Act 2006 (as amended by the Education Act 2011) and the School Organisation (Establishment and Discontinuance of Schools) Regulations 2013, that Islington Council intends to discontinue Pooles Park Primary school with effect from 31 December 2023.

- **Name, address, and category of school proposed to be discontinued:** Pooles Park Primary School, Lennox Road, N4 3NW
- **Date on which it is proposed to close the school:** 31 December 2023

Reason for closure of Pooles Park Primary School

The proposal is due to a fall in pupil numbers and the associated impact on the future viability of the school. Pooles Park Primary School has been acutely impacted by reduced pupil demand in the area.

This notice is an extract from the full proposal, details of which are published online at <http://www.islington.gov.uk/poolespark>.

Procedure for making representations (objections and comments)

Within four weeks from the date of publication of this proposal, any person may object or make comments on the proposal by:

- **Email:** poolespark@islington.gov.uk
- **Post:** Future of Pooles Park Proposal, Compton Room, Laycock Centre, Laycock Street, London N1 1TH

The closing date for responses is 27 July at 11.59pm.

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**Community Wealth Building
Islington Town Hall, London N1 2UD**

Report of: Executive Member for Finance, Planning & Performance

| Meeting of: | Date: | Ward: |
|-----------------------|--------------|---------------|
| Executive | 22 June 2023 | Finsbury Park |
| Delete as appropriate | | Non-exempt |

Appendices 2 and 3 to this report are exempt and not for publication

**SUBJECT: Letting of Platform, The Laundry, Hornsey Road Baths, 2
Tiltman Place, Islington, London N7 7EE**

1. Synopsis

- 1.1 The Council has the long leasehold of this building, a former Grade II listed Victorian bath house with later additions. The building has, in recent years, been primarily used for the provision of youth services, along with other ad hoc users renting space, generally for community focused events and programmes.
- 1.2 The building was run, until the beginning of 2022, by a service provider as part of wider commissioning of youth services. Following a review, the Council decided to cease provision of universal youth services from the building and all costs and liabilities now sit with the Council. A location plan identifying the building is attached at Appendix 1 (non-exempt).
- 1.3 Under the previous arrangements all building costs fell to the service provider who offset a proportion of the running cost and service provision with a modest income derived from the room hire. There was no cost to the council in respect of the maintenance and operation of the building. There are no budgets in place for the maintenance and operation of this building and as such it is a significant revenue pressure.
- 1.4 In parallel to the review of service provision and budget pressures, a property solution has also been explored to consider opportunities to alleviate the budget pressures, whilst supporting wider council strategies. A working group including officers and members was established to support the process as well as help shape the youth offer in the north of the borough following the decision to cease providing universal youth services from Platform.
- 1.5 Given the financial pressures associated with Platform, the Council is proposing to enter into a long term lease for the building with a tenant.
- 1.6 This strategy has four objectives:
 - eliminate the Council's liability for building related costs
 - optimise the building's specialist facilities by identifying a tenant from the performing or creative arts sector
 - enable local providers currently using the space to continue doing so, as well as potentially accommodating other local arts providers

- secure additional social value through the underlease to ensure wider benefits to residents and local communities (including young people)

1.7

The Executive is therefore asked to authorise the granting of an underlease with Collective Acting Studio on the terms set out in the exempt Appendix 2, with any non-material amendments on the detailed lease terms delegated to the Corporate Director for Community Wealth Building.

2. Recommendations

- 2.1 To authorise the Corporate Director for Community Wealth Building, following consultation with the Corporate Director of Resources and Corporate Director, Children and Young People, to grant an underlease of Platform the Laundry Hornsey Road on the terms set out in exempt Appendix 2.

To delegate any decisions on non-material amendments to the detailed underlease terms to the Corporate Director of Community Wealth Building

3. Background

- 3.1 The responsibility and liability of Platform returning to the Council has created a substantial budget risk that needs to be addressed but also an opportunity to support the local education and creative arts sector, as well as deriving significant social benefits.
- 3.2 Following a market warming exercise the council received three formal proposals in respect of the letting of the building. All three organisations making proposals have fully engaged, demonstrating a desire to enter into an underlease with the council which would remove the unbudgeted financial costs currently falling to the council.
- 3.3 Discussions with prospective tenants have emphasised the Council's desire for the continued support of creative youth activities and delivering tangible social value. The social value commitments would form part of the underlease as well as the commitment to support existing users such as Gainctl, Company 3, Ambitious Academy and others.
- 3.4 Following a review of the proposals received the recommendation is to let the building to a single tenant, Collective Acting Studio on the terms set out in the Exempt Appendix 2.

The Executive is therefore asked to authorise entering into the agreement for lease and subsequent underlease on the terms set out in the exempt Appendix 2, with any non-material amendments to the detailed lease terms being delegated to the Corporate Director for Community Wealth Building.

4. Implications

4.1 Financial implications

- 4.1.1 Since the Council took back the building unbudgeted revenue costs have been incurred. The lease aims to strike a balance between financial and social value. Due to commercial sensitivity the full financial implications are set out in the first paragraph of Appendix 2.

4.2 Legal Implications

- 4.2.1 The Council has the power to grant the underlease on the proposed terms under s123 of the Local Government Act 1972 and s.1 of the Localism Act 2011
- 4.2.2 When disposing of an interest in its land the Council is required to obtain the best consideration that is reasonably obtainable. Neither the 1972 Act nor any guidance places an absolute duty on the Council to market the land or to follow a prescribed method of disposal to achieve best consideration.
- 4.2.3 The Council has a fiduciary duty to act in a fairly business-like manner with reasonable care, skill and caution and with due regard to the interests of rent and council taxpayers and the use of public funds. Part of discharging the fiduciary duty would be to act to mitigate any costs and liabilities from the unbudgeted revenue costs of the building
- 4.2.4 The exempt Appendix 2 confirms that the proposed letting terms reflect best consideration in accordance with current market conditions and that the Council has acted in accordance with its fiduciary duty.

4.3 Equalities Impact Assessment

- 4.3.1 The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.
- 4.3.2 An Equalities Impact Assessment is not required in relation to this report, because this matter relates to a commercial investment transaction in respect of property held for income generation. There are no Human Resources or equality implications in respect of this proposal.

4.4 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030

- 4.4.1 There are no adverse environmental or net zero implications associated with the proposal. The proposed use as an education and arts use, reflects the existing use.

5. Reason for recommendations

- 5.1 The letting removes a significant financial pressure for the Council whilst ensuring the building remains used, both supporting an education organisation and the wider creative arts community in the borough
- 5.2 The proposed letting, as set out in the exempt appendix, reflects market conditions, removes significant unbudgeted financial liabilities, and represents the best consideration reasonably obtainable. The social value secured from the grant of the underlease supports the councils' wider strategies for the community.

Appendices

- Non Exempt Appendix 1 Location Plan
- Exempt Appendix 2: Heads of Terms for the Underlease
- Exempt Appendix 3; Tenant Proposal

Final report clearance:

Authorised by:

Executive Member for Finance, Planning & Performance

Date: 9 June 2023

Report Author: Mark Grant
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**Platform, The Laundry, Hornsey Road Baths, 2 Tiltman Place,
Islington, London N7 7EE**



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Community Wealth Building
Islington Town Hall, London N1 2UD

Report of: Cllr Diarmaid Ward, Executive Member for Finance, Planning and Performance .

Meeting of: Executive

Date: 22nd June 2023

Ward(s): Bunhill

Subject: Redevelopment of Finsbury Leisure Centre

1. Synopsis

- 1.1 The redevelopment of Finsbury Leisure Centre aims to replace the existing leisure centre with new leisure facilities and 200 new homes of which 100 will be council homes. This is an increase on the 176 home scheme proposed at the point of the last report to Executive. The scheme creates a masterplan for the whole site and includes a new medical centre and much improved public spaces. The Council also plans to make parallel investments in the neighbouring Ironmonger Row Baths, Toffee Park Adventure Playground, and Radnor Street Gardens.
- 1.2 Since commencement of detailed design in May 2022, the project has materially developed such that consultancy fees have also increased. The project therefore seeks approval for additional spend given the expanded scheme, time related delays and necessary preconstruction services until the end of design stage 3. The detail is included in two appendices. These are exempt due to commercially sensitive content.
- 1.3 To help mitigate construction cost risk, it is also proposed the Council enters into a Pre-Construction Service Agreement (PCSA) for the project. Total fees (excluding PCSA) represent 12.6% of the current forecast construction costs of £86m. This is a reasonable industry rate and excludes the effect of contingency, inflation and optimism bias on the construction cost.
- 1.4 Given the importance and scale of the project, further papers will come to Executive seeking approval at the end of design stage 3 to submit a planning application, and at the end of design stage 4 to enter into a contract to build. Project level governance

includes ongoing viability and gateway reviews, with additional reporting to Executive as required.

- 1.5 Total scheme costs are currently forecast to be £131.757m excluding optimism bias. A full assessment will take place to calculate how much optimism bias should be applied to the project in line with HM Treasury's Supplementary Green Book Guidance on Optimism Bias. This would apply additional costs anywhere between 2% and 24% based on the standard buildings within the scheme, less any existing contingency. The forecast total scheme cost already includes a £10.9m inflation provision and a £12.9m general contingency based on a costed risk register. Given existing risk mitigations, the assessment is not expected to apply the full bias adjustment.
- 1.6 The paper also notes that should the scheme go ahead, further capital funding of up to £21.860m (assuming maximum optimism bias) could be required of which £12.191m relates to the general fund and £9.669m to the HRA. At the maximum level this would require further general fund revenue budget of up to £1.2m per year to cover the cost of borrowing and in terms of the HRA the £550k additional cost of borrowing cost per year. This HRA element would be met by existing budget provision within the HRA. Approval for this additional budget would need to be sought prior to committing to construction contracts.

2. Recommendations

- 2.1.1 Subject to ongoing gateway reports and financial viability assessments, Executive is asked to:
- a) approve commitment of up to £6.75m for fees and PCSA costs up until the end of design stage 3, including amounts already spent as described in Appendix 1 to this report, and summarised in Table 1. This represents an increase of £2.85m.
 - b) approve an increase in the capital budget of £2.65m in respect of fees up to design stage 2, reflecting an increase in budget from £1.6m to £4.25m funded by £0.200m from reduced costs of RIBA stage 3-4 and £2.450m additional borrowing.
 - c) approve the Council entering into a Pre-Construction Service Agreement, with an estimated value of £0.9m, subject to contract
 - d) note that additional Executive approval will be sought prior to submission of a planning application and prior to award of a construction contract.
 - e) note that the current estimated scheme cost through to construction is estimated at £131.757m (excluding optimism bias). There will be a need for additional funding to meet the optimism bias and this amount will be confirmed once a full assessment has taken place.

3. Background

3.1. Context

- 3.1.1 The Executive Key Decision Procurement Strategy for Design Team Appointment in January 2022 sanctioned the use of the Perfect Circle framework to appoint a design team based on an indicative programme, estimated cost and the associated viability assessment using an NEC 3 option G form of contract, as drafted by Pick Everard. It also provided delegated authority to the SRO. It also sanctioned the proposal to seek early contractor advice by way for example of a Pre-Construction Service Agreement (PCSA).

3.1.2 The project subsequently experienced material scope changes and programme extensions and which created a requirement for increased fee expenditure considered by the project board in February 2023.

3.2. Cost (Fees)

3.2.1 Appendix 1 (exempt section) sets out in detail the fee summary and proposal, based on a combination of known consultant fees and estimates of other services, covering design stage 0-3. It also indicates estimates consultancy service spend to RIBA stage 6.

3.2.2 The summary of costs is tabulated below and summarises the recommendation.

Table 1

| Design stage/item | £ Delegated award estimate May 2022 | £ Current Estimate (Actual and Quoted Estimates) April 2023 | £ PCSA ITT estimate April 2023 | £ Advised Total April 2023 | Notes |
|--|-------------------------------------|---|--------------------------------|----------------------------|--|
| RIBA stage 0/1 Strategic Definition / preparation and briefing | £3.9m | £4.25m | | £4.25m | |
| RIBA stage 2 concept design | | | | | Includes £0.1m Quantity Surveyor (QS) estimates. |
| RIBA stage 3 spatial co ordination | | £2.4m | £0.1m | £2.5m | Includes £1m QS estimates. ITT all QS estimated. Includes contingency. |
| RIBA stage 4 technical design | | £2.0m | £0.8m | £2.8m | All QS estimated. Includes contingency. |
| Overall RIBA Stages 0 - 4 | | £8.65m | £0.9m | £9.55m | |
| Sub-total 0 - 4 | | | £9.55m | | |
| RIBA stage 5 manufacturing and construction | | *£2.0m | | *£2.0m | * QS estimates pending substantiation & discussion with contractor once appointed. |
| RIBA stage 6 handover | | £0.2m | | £0.2m | |
| RIBA stages 4 – 6 | **£4.5m | £4.2m | £0.8m | *£5.0m | ** excl. other support services |

| | | | | | |
|--------------------------------|----------|---------|-----------------|----------|---|
| RIBA stages 5 & 6 | | *£2.2m | | | |
| RIBA stages 0 - 6 | ***£8.4m | £10.85m | £0.9m | *£11.75m | ***Delegated award indicated actual cost may be c.£9.2m |
| Total RIBA stages 0 - 6 | | | *£11.75m | | |

3.2.3 Cost Narrative

- Stage 0-2 fees are known in detail. They also include further stage 2 fees as a result of brief change and planning process delay and further work.
- Stage 2 spend to date is £2.8m. Quoted spend remaining is £1.45m including £100k of professional quantity surveyor (QS) estimates.
- Stage 3 fees are largely quoted but include QS estimates pending purchase during stage 3. Stage 3 fees include £1m of QS estimates.
- Stage 4 fees are QS estimates pending purchase during stage 4.
- Stages 3 & 4 also include a gross estimate of legal services which would be a call off service pending the availability of in-house resources. A net saving may be achieved. These are included as estimates in stage 3 & 4 spend.
- PCSA costs in stage 3 & 4 are QS estimates considered with the issue of the ITT pending tender return and purchase.
- Stage 5 client-side fees are estimated and include estimated support services. They have yet to be reviewed in detail and are subject to review.
- Stage 2 & 3 fee (contingency included stage 3 £0.105m) for additional services to support the current scheme.
- Stage 4 & 5 (contingency included at 10% £0.400m) within each of the stages 20% assumption of 12% total fees of construction cost.
- Total fees (excluding PCSA) represent 12.6% of the estimated construction costs of £86m (excluding optimism bias). This is a reasonable industry rate and excludes the effect of contingency and inflation on the construction cost.

3.2.4 Core consultant fees are based on the preferential Perfect Circle framework rates. Most of the appointments including support services are through the Perfect Circle framework.

3.2.5 Non-key officer (SRO) decisions are used for the small number of mini competition appointments i.e. PCSA and Legal Services.

3.2.6 Sensitivity analysis is ongoing with respect to construction inflation and open market sales rates.

3.3 Pre Construction Services Agreement

3.3.1 The project has developed a procurement strategy which has identified a preference for a two stage design and build tender. It has also identified the council's New Build Contractor Framework as the vehicle to appoint a contractor for the stage 1 Pre construction Service Agreement (PCSA).

3.3.2 The PCSA is parallel to consultancy fee activities but provides risk mitigation and additional cost certainty of the construction cost of the project by early non-binding engagement of contractor services. The service runs up until the end of stage 4, when an executive paper would be prepared advising the contractual construction cost (actual build) of the project.

3.4 Timetable

3.4.1 Please see table 2 below for the project timeline.

Table 2

| Item | Date | Comment |
|------------------------------|------------------------|--|
| Executive Report | June 2022 | Sanction of fees to end of stage 3 |
| Design Stage 2 | August 2023 | Including viability assessment |
| PCSA appointment | August 2023 | Stage 3 & 4 activity |
| Full Business Case (updated) | August 2023 | Initial, Interim and Full |
| Planning application | January 2024 | 13 week minimum determination |
| Design Stage 3 | January 2024 | Including viability assessment & Executive report |
| Design stage 4 | June 2024 | Including viability assessment & Executive Report. |
| Contractor appointment | July 2024 | Pending end stage 4 Executive report. |
| Construction | November 2024 – 2026/7 | Phased completion |
| Fit out | August 2027 | |

3.5 Business risks

3.5.1 Some design risk remains in stages 3 & 4. The risk register and costed risk register identify items that could have programme and cost implications.

3.5.2 Particular risk items include

- PCSA ITT returns higher than forecast.
- Planning – few remaining height & massing and daylight/sunlight items.
- Tenant & legal matters – lease closure required to mitigate fully risk of tenants requesting design change post stage 3, legal service estimate included in stage 3 & 4 fees.
- LBI decision process – programme delay may incur further work and/or cost.
- Programme – fast programme does not provide for unforeseen delays.

3.5.3 End of design stage 2, 3 & 4 each have a viability assessment. There is an opportunity to instruct cost savings at each of these stages. This in turn may reduce consultant fee costs in stages 5 & 6.

- 3.5.4 There is a consideration that should the scheme not proceed then costs up to £4.250m would need to be written off to the council's revenue budget. There is no budgetary provision for this so it will therefore reduce reserves by up to this amount.

3.6 Financial Viability/Affordability criteria

- 3.6.1 The scheme will be subject to a financial viability assessment at all gateway stages up to contract award. For the scheme to progress at each stage it must be deemed affordable, this means that sufficient general fund and HRA resources must be identified to fully fund the scheme in order for the scheme to proceed to the next stage.
- 3.6.2 An updated full financial business case will be produced to demonstrate Value for Money and affordability. The business case will follow an agreed format and will be delivered with the end of stage 2 viability assessment.

4 Implications

4.1 Financial Implications

- 4.1.1 The approved fees budget as at 23-24 budget setting, based on the most recent (November 2022) financial viability modelling, (which was informed by the cost consultant's assessment of construction costs and fees) is £8.400m. This covers all professional fees from stages 0 to 6.
- 4.1.2 This report at table 3.2.2 provides a revised estimate for all fees totalling £10.850m, leading to net growth/a budget gap of £2.450m. Note, this excludes the £0.900m of PCSA/ITT costs also included in the table at 3.2.2 as these costs are included in the construction cost budget.

| RIBA Stages | Budgeted £m | Revised £m | Variance £m |
|--------------------|--------------------|-------------------|--------------------|
| 0-2 | 1.600 | 4.250 | 2.650 |
| 3-4 | 4.700 | 4.400 | -0.300 |
| 5-6 | 2.100 | 2.200 | 0.100 |
| Total | 8.400 | 10.850 | 2.450 |

- 4.1.3 The main variance relates to an overspend arising as at RIBA stage 2 of £2.650m. Cumulative spend to date, up to RIBA stage 2 is £2.839m. The report indicates at 3.3 that the forecast fees to RIBA stage 2 totalling £4.250m represent a quoted detailed assessment of the final outturn position and as such the project management assume there is no anticipated risk of further overspends in respect of RIBA stage 2.
- 4.1.4 The report seeks approval (at recommendation 2.2) to increase the capital budget to accommodate the increase in RIBA stage 2 fees totalling £4.250m. The increase in budget will be split between the GF (General Fund) & HRA (Housing Revenue Account) based on the gross construction cost split

- 4.1.5 As the increase chargeable to the HRA will simply reduce the surplus in respect of open market sale receipts, this will reduce the amount available to contribute to the General Fund capital costs. As such the full impact of the RIBA stages 0-2 £2.650m increase will fall to the General Fund. Should further increases mean that the surplus in relation to Open Market Sales is fully utilised, then increases will start to impact on the HRA viability.
- 4.1.6 If the scheme does not proceed beyond RIBA stage 2 the above costs totalling £4.250m would need to be written off to revenue. There is no budget provision for this therefore £3.145m would need to be funded from HRA reserves and £1.105m from General Fund reserves.
- 4.1.7 There remains a significant risk that overspends could arise in the later stages. The report indicates at 3.2.3 that stage 3 includes £1.000m of estimated costs & £1.400m of costs based on a quoted detailed assessment of fees and is therefore reasonably certain. This leaves fees in respect of RIBA stages 3-5 currently estimated of £5.400m that are based on a less certain estimated assessment. These are more exposed to potential overspends. Albeit that the report indicates at 3.2.3 that a contingency allowance in the sum of £505k (9%) is included in these fee estimates (stages 3-5).
- 4.1.8 The RIBA stage 2 design freeze updated financial viability model will be submitted to the project board in due course. Progress of the scheme will be subject to meeting the affordability criteria as set out at paragraph 3.6.
- 4.1.9 Total budgeted and revised fees are split between the GF and HRA as follows based on gross construction cost split.

| Stages 0-6 | HRA (74%) £m | GF (26%) £m | Total £m |
|-------------------|-------------------------|------------------------|---------------------|
| Budgeted | 6.216 | 2.184 | 8.400 |
| Revised | 8.029 | 2.821 | 10.850 |
| Variance | 1.813 | 0.637 | 2.450 |

- 4.1.10 Whilst the recommendations at 2.1.1 seek to approve budgets and progress to incur expenditure in respect of RIBA stage 3 fees totalling £2.400m and PCSA costs to RIBA stage 4 totalling £0.900m, these approvals are subject to further gateway financial viability and affordability assessments.
- 4.1.11 If there is a decision not to proceed further with the scheme, all fees incurred prior to that point will be charged to revenue. At present, that total is around £4.250m. This will rise to £10.850m depending at which stage any decision was made.
- 4.1.12 The total estimated cost of the scheme is currently £131.757m (excluding optimism bias) The table below breaks down total scheme costs and illustrates the position.

| | Base Costs (excl Optimism Bias) £M |
|--------------------------------------|---|
| Construction | £85.873 |
| Fees | £10.800 |
| Internal Capitalised Salaries | £1.825m |
| Other Development Costs | £9.587 |
| Contingency | £12.881 |
| Inflation | £10.791 |
| TOTAL | £131.757 |

4.1.13 The revenue implications of the borrowing is an annual payment of £1.926m by the General Fund and £484m from the HRA.

4.2 Legal Implications

4.2.1 This Report seek authority to spend up to £6.75 million from the Capital budget up to design stage 3. Under RIBA stages this includes the following:

RIBA stage 0 strategic definition
RIBA stage 1 preparation and briefing
RIBA stage 2 concept design
RIBA stage 3 spatial co ordination

Executive are to note estimated spend as set out in paragraph 2.2-2.8 of this Report.

For value over £5million Capital spend a decision must be made by the Executive. The Key Decision process must be followed.

4.2.2 The council has powers under Section 19 (1) of the Local Government (Miscellaneous Provisions) Act 1976 to provide such recreational facilities as it thinks fit including Indoor sports centres. The council as a local housing authority also has powers to provide housing accommodation by erecting houses on land held or acquired for that purpose under Section 9 of the Housing Act 1985. The council may appoint consultants to assist in discharging these functions under s111 of the Local Government Act 1972 as well as under the General Power of Competence set out in section 1 of the Localism Act 2011. The council may enter into such contracts under section 1 of the Local Government

(Contracts) Act 1997. The Corporate Director of Community Wealth Building has authority to award contracts paid for using capital money over £5,000,000 of Islington Council spend where authorised to do so under the Constitution or by a specific Executive decision (Procurement Rule 18.1.4).

- 4.2.3 The proposed procurement route is to call-off from both the Perfect Circle framework and the Council's Construction Contractors Framework by way of mini-competition for the PCSA which are both in compliance with the Regulations and the council's Procurement Rules.
- 4.2.4 In deciding whether to approve the additional expenditure sought in this report Members should be satisfied that it represents value for money for the council and that the project has the potential to be viable.

4.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030

The Environmental implications relevant to this key decision report concerns the procurement strategy of the consultants only, which effectively focuses on the policy and practice of the consultant companies and their offices, whose services the council chooses to procure. It should be noted that the opportunity to report on the full environmental design implications of the project design would take place when the key decision paper for the appointment of the main contractor is carried out, i.e., on completion of the design stages 1-4. The completion of the design stages 1-4 are facilitated by this key decision report.

The report sets out the evaluation criteria used in the tender process of prospective consultants. Associated with this are the scope of service and consolidated brief requirements. Within these, the council sets out its expectations with regard to consultant office policy and practice.

Specifically, the council expects that the offices will as a minimum be ISO 9001 and ISO14001 compliant. This is significant as it indicates that the company is able to quality assure its work and that its working practice uses an environmental management system (EMS) that indicates that it is environmentally ethical. The office should be able to demonstrate how its EMS helps establish policy and practice with quantifiable deliverables within the office. Neither of these however is a guarantee that the office is net zero. The council will ideally wish to see other office initiatives or circular economy practices relevant to achieving net zero carbon emissions actively engaged with e.g., DfT cycle to work scheme; rail card loan salary sacrifice scheme; environmental charity engagement. It would also include employment practice.

Specific requirements to be assessed as part of the Social Value evaluation will include

- Recruitment: recruitment practices highlight the significance of environmental design in the make-up of the organisation offering an attractive career path.
- Apprenticeships/professional practice - the expectation is that staff are encouraged to undertake vocational training that includes environmental and net zero awareness and skill sets.
- Work experience/supporting young people - the expectation is that this activity will also include environmental awareness and net zero activities (including outreach activities).
- Investing in staff - the expectation is that vocational training of all staff (including administration and support) will include environmental and net zero carbon.

Specific requirements to be assessed as part of the Social Value evaluation will include

- Structure & quality of proposed staff resources - the expectation is that the staff resources will include roles which require qualifications in environmental design or related.
- Demonstrated ability to deliver similar projects in the last 5 years - that staff will have demonstrated their ability to design and deliver environmental and low energy (net zero carbon) projects.
- Ability to fully meet the requirement and delivery date - programme related rather than environmental but allows the company to express its comprehension of the entire client brief, both in terms of specific design elements the entire project vision and strategic objectives.
- Environmental design and low energy design approach - clear evidence of that the approach is embedded within the office and tangibly delivered on.
- Health & Safety design - this evaluation is largely health and safety related though with tangible environmental concerns e.g., off gassing.

To enable the appropriate responses, the council has also written a Brief Consolidation Report, which outlines the designer's scope. This information will form part of the Invitation to Tender and the Employer's Requirements. The substance of the report concerns environmental factors as follows; low kWhr/m2/pa requirements; low co2 emission requirements; Passivhaus accreditation (tbc); Bream Outstanding; product environmental conformity; circular economy demonstration. It should be noted that implicit in low energy requirements is the use of onsite renewable energy; approach to including the Bunhill CHP strategy and use of low co2 mains infrastructure.

The gateway process of the design stages 1-4 and their outcomes will enable the council to conduct extensive peer reviews of the above criteria as a set of key performance indicators (KPIs), which will in turn enable the key decision reporting at the end of stage 4 in order to appoint a main contractor to build the project.

4.4 Equalities Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

Through discussion with the Equalities team, an Equalities Impact Assessment is not required at this stage. It is noted that as the design progresses through the design stages, a Full Equalities Impact Assessment should be developed ready for the key decision that will be required at the end of stage 4, before a contractor is appointed to build the project.

5 Conclusion and reasons for recommendations

- 5.1 The decision is recommended to enable the proposed design programme, upon which the fees and costs are based, to proceed until the end of design stage 3 with no further delay and any associated costs that may incur.

- 5.2 It is essential that the design stages are fully funded stage by stage, notwithstanding the viability assessment sanction process at end of each stage. The recommendations ensure this clarity is provided.
- 5.3 The PCSA is parallel to consultancy fee activities but provides risk mitigation and additional cost certainty of the construction cost of the project by early non-binding engagement of contractor services. The service runs up until the end of stage 4, when an executive paper would be prepared advising the contractual construction cost (actual build) of the project.

Appendices:

- Pick Everard Fee Summary Note Revision 25 April 2023 Revision 17(exempt)
- LBI paper - Commentary on Costs to End of Stage 3 – May 2023

Final report clearance:

Authorised by:

Cllr Diarmaid Ward, Executive Member for Finance, Planning and Performance

Date: 14 June 2023

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Legal Services, Law & Governance
7 Newington Barrow Way
London
N7 7EP

Report of: Interim Director of Law & Governance and Monitoring Officer

Meeting of: Executive

Date: 22 June 2023

Ward(s): N/A

Subject: Report in Public by the Local Government & Social Care Ombudsman (LGSCO): Investigation into Stage 2 of the Corporate Complaints Procedure

1. Synopsis

- 1.1. On 2 May 2023, the Local Government & Social Care Ombudsman (LGSCO) wrote to the Council's Chief Executive to confirm that after consideration of a complaint they had received about the council's corporate complaints procedure, the LGSCO had decided to issue their findings as a public report.
- 1.2. In accordance with the Local Government Act 1974, there is a requirement for the public interest report to be considered in full by the Council's Executive.
- 1.3. The [LGSCO's public interest report](#) was published on 8 June 2023.

2. Recommendations

- 2.1. It is recommended that the Executive notes the following:
 - (a) The contents of this report and the LGSCO's public report dated 2 May 2023 and the recommendations made by the LGSCO, as set out in **Appendix 1**;

- (b) The requirement for the public report to be considered in full by the Executive in accordance with the Local Government Act 1974;
- (c) Note the agreed remedial actions already taken by officers in response to the LGSCO's recommendations (see paragraph 3.6 below).
- (d) Note and approve the proposal to progress the completion of those agreed remedial actions which are yet to be completed by officers (see paragraph 3.6 below).

3. Background

- 3.1. During the course of another investigation, the LGSCO became aware that the Council had a significant backlog of complaints waiting for investigation at stage two of its corporate complaints' procedure. 44 people had open stage two complaints and had been waiting longer than the Council's policy of 20 working days. 23 of the 44 have been waiting between six months and one year. The LGSCO held that these delays were likely to have caused frustration and uncertainty and, in some cases, meant the substantive issues complained about remained unresolved.
- 3.2. This report presents the Public Report dated 8 June 2023 issued by the LGSCO upon conclusion of its investigation (**Appendix 1**). The Report details: the background to the complaint, how the LGSCO considered its Report; what they found; their conclusions and recommendations.
- 3.3. The LGSCO recognises in the Report that Councils have seen unprecedented pressure in the past decade. Budget cuts, increasing demand for adult social care and special educational needs support and the COVID-19 pandemic have all created a challenging environment in which to operate. This has inevitably led to increased complaints.
- 3.4. The Council's published policy says it will investigate and respond to stage two complaints within 20 working days. The LGSCO Report covers the period from September 2020 to September 2022. Over those two years, 189 people made a stage two complaint. 157 received the Council's response to their complaint late; on average they waited four months. Many of those people waited significantly longer. This is evidenced by the average wait time of eight and a half months for the 26 people who complained in September 2021.
- 3.5. The LGSCO has made a finding of fault causing injustice on the basis of this performance and has made the following recommendations to the council:

- a) To consider the Report and confirm within 3 months the action it has taken or proposes to take, including consideration of the report by the Executive in accordance with the Local Government Act 1974.
- b) To remedy the injustice caused by the faults and to prevent them from recurring, the Council has agreed:
 - i. within one month: to write to each of the 44 people identified by the Council who have open stage two complaints to apologise and explain steps taken in mitigation;
 - ii. within two months: write to the LGSCO to update on the backlog of stage two complaints

3.6 At the time of writing, the following work is currently underway with a view to completing the LGSCO's recommendations:

- a) A letter of apology has been sent to the 44 identified complainants.
- b) All 44 complainants have received their determination.
- c) All backlogs were cleared on 16 May 2023.
- d) Section 30 of the Local Government Act 1974 requires the Council to place two public notices in two local newspapers and/or newspaper websites. within two weeks of the LGSCO's publication of the public interest report. Notices have been published during the week commencing **12 June 2023** in two local newspapers,.

Copies of the Report are also available at the Town Hall and on the council's website.

4. Implications

4.1. Financial Implications

Section 3.4 identifies the steps the Council undertook to address the backlog of complaints.

The 44 identified complainants were offered a total of £16,218 compensation of which, £10,814 has been paid.

The Council allocated growth into the 2023/24 budget of £350,000 to Complaints to provide continued additional staffing resource. This is included in the gross expenditure budget of £530,217.

4.2. Legal Implications

The LGSCO investigates complaints about maladministration and service failure. In accordance with the Local Government Act 1974, there is a requirement for the

report to be considered in full by the Council's Executive. Where the LGSCO determines that a fault has caused an injustice, the LGSCO may suggest a remedy. The Council is required to consider the report and confirm the action it has taken or proposes to take in response to the LGSCO's report and recommendations.

4.3. **Environmental Implications and contribution to achieving a net zero carbon Islington by 2030**

There are no environmental implications as a result of this report.

4.4. **Residents Impact Assessment**

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

5. Conclusion and reasons for recommendations

- 5.1. In accordance with the Local Government Act 1974, there is a requirement for the public report to be considered by the Council's Executive.

Background papers: None

Final report clearance:

Authorised by: Marie Rosenthal

Interim Director of Law & Governance and Monitoring Officer

Date: 8 June 2023

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**Report by the Local Government and Social Care
Ombudsman**

**Investigation into a complaint about
Islington London Borough Council
(reference number: 22 007 259)**

2 May 2023

The Ombudsman's role

For more than 40 years the Ombudsman has independently and impartially investigated complaints. We effectively resolve disputes about councils and other bodies in our jurisdiction by recommending redress which is proportionate, appropriate and reasonable based on all the facts of the complaint. Our service is free of charge.

Each case which comes to the Ombudsman is different and we take the individual needs and circumstances of the person complaining to us into account when we make recommendations to remedy injustice caused by fault.

We have no legal power to force councils to follow our recommendations, but they almost always do. Some of the things we might ask a council to do are:

- > apologise
- > pay a financial remedy
- > improve its procedures so similar problems don't happen again.

Section 30 of the 1974 Local Government Act says that a report should not normally name or identify any person. The people involved in this complaint are referred to by a letter or job role.

Report summary

Corporate and other services

During the course of another investigation, we became aware the Council has a backlog of complaints waiting for investigation at stage two of its corporate complaints procedure. Currently, 44 people have open stage two complaints and have been waiting longer than the Council's policy of 20 working days for a response. 23 of the 44 have been waiting between six months and one year. The delays are likely to have caused frustration and uncertainty and, in some cases, mean the substantive issues complained about remain unresolved.

Finding

Fault found causing injustice and recommendations made.

Recommendations

The Council must consider the report and confirm within three months the action it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet or other appropriately delegated committee of elected members and we will require evidence of this. (*Local Government Act 1974, section 31(2), as amended*)

In addition, to remedy the injustice caused by the faults identified in this report, and prevent them occurring again, the Council has agreed to take the following actions.

Within one month of the date of this report the Council will write to each of the 44 people it has identified to apologise for its delay responding to their stage two complaints. The apology will:

- explain they have been identified following an investigation by us into another case;
- set out the steps the Council has taken to reduce its stage two complaints backlog, including the steps it took following an earlier draft of this report; and
- include that, once they receive the stage two response, they have the right to complain to us if they remain dissatisfied with the Council's response to the substantive matter they complained about. It will say that if we choose to investigate the main issue they complain about, we can also consider the Council's complaints handling and any payments for delay it has already made.

Within three months of the date of this report the Council will update us on the backlog for stage two complaint responses and its timeliness.

The complaint

1. During the course of another investigation, we became aware the Council has a significant backlog of complaints waiting for investigation at stage two of its corporate complaints procedure. As a result, 44 people have open stage two complaints and have been waiting longer than the Council's policy of 20 working days.

Legal and administrative background

The Ombudsman's role and powers

2. We investigate complaints about 'maladministration' and 'service failure'. In this report, we have used the word 'fault' to refer to these. We must also consider whether any fault has had an adverse impact on the person making the complaint. We refer to this as 'injustice'. If there has been fault which has caused an injustice, we may suggest a remedy. (*Local Government Act 1974, sections 26(1) and 26A(1), as amended*)
3. We may investigate matters coming to our attention during an investigation, if we consider that a member of the public who has not complained may have suffered an injustice as a result. (*Local Government Act 1974, section 26D and 34E, as amended*)

The Council's corporate complaints procedure

4. The law sets out how councils should respond to complaints about certain issues. This includes adult social care and some children's social care issues as well as complaints about councillors. Other concerns, such as school transport, can be addressed using appeal processes. Most other services provided by councils can be complained about using a process typically called the corporate complaints procedure. These might include planning, environment, housing benefit, council tax, customer services and housing needs and support.
5. The Council's corporate complaints policy says it will respond to stage one complaints within 10 working days. This response is sent by the service area responsible for the issues complained about.
6. If the person remains dissatisfied, the Council's policy says the complaint will be considered at stage two. The Corporate Central Complaints Team will complete this on behalf of the Chief Executive. It will do this within 20 working days.

How we considered this report

7. We produced this report after examining relevant documents from the Council. We also considered our 'Guidance on Good Practice Remedies'.
8. We gave the Council a confidential draft of this report and invited their comments. The comments received were taken into account before the report was finalised.

What we found

What happened

9. During a previous investigation by us into anti-social behaviour (our case reference: 22 001 218), the Council told us it had a backlog of stage two corporate complaints. The complainant, Ms X, had asked for a stage two response in March 2022 and the Council said it would aim to start investigating her complaint in September 2022.
10. We found the Council at fault for its delay in beginning the investigation of Ms X's complaint. We also found it at fault for failing to keep Ms X appropriately informed about how long it would be before it would begin the stage two investigation.
11. We considered the complaint backlog may have caused an injustice to other members of the public and decided to investigate this further, using our powers under Section 26D of the Local Government Act 1974. We decided to open a separate investigation to consider whether a personal remedy to this wider group was appropriate for the injustice they suffered because of this fault. We investigated the period from September 2020 to September 2022 to gain a clear picture of the Council's stage two complaints handling.
12. The Council told us the following information:
 - As of February 2023, 44 people have been waiting over 20 working days for a stage two complaints response. Twelve of those people have been waiting between six and nine months and eleven have been waiting between nine months and one year.
 - In total, it received 189 stage two complaint requests between September 2020 and September 2022. Of those 189 complaints, over 80% were completed late. This equates to 157 complainants waiting longer than they should have. On average, those complainants waited four months for a stage two response.
 - The main cause of the backlog was the impact of COVID-19 and an increase in complaints about housing after the COVID-19 lockdowns eased. Complaint numbers dramatically increased in 2021 and although they have dropped since then, they remain significantly higher than they were before 2020.
 - It responded to stage two complaints received between September 2020 and February 2021 in just over 20 working days on average. It then saw a significant and sustained increase in the number of complaints. At its worst, it responded to the 26 complaints it received in September 2021 in an average of around eight and a half months.
 - People who complained at stage two between October 2021 and September 2022 waited on average almost five months.
 - Since October 2022, the wait time has substantially decreased, and it expected to clear the backlog to respond to new stage two complaints within the 20 working days timescale by the end of April 2023.
 - When it received a stage two request it sent an acknowledgement letter. If it had not begun investigation within four weeks, it sent a further update. It did not contact the complainant again until it began the investigation.
 - It prioritised complaints where the delay would cause the complainant harm.
 - It paid complainants at least £75 when they waited more than 20 working days for a response to their complaint. In total, it had paid £6,825 for the delays.

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13. We asked the Council what it had done to address the backlog. It told us the following:
- It hired one complaints officer in September 2021 and another in January 2022. In November 2022 it hired two more complaints officers.
 - In December 2022, it decided to bring in 10 temporary complaints officers to clear the backlog.
 - It hired a new complaints manager in July 2022, who had reviewed its complaints process with a focus on resolving complaints at stage one. It also developed a new way to monitor staff performance and quality and had introduced a system to track complaint progress.
 - After it received a previous draft of this report, it had commissioned an urgent comprehensive independent review of its complaints handling.
 - It also made numerous changes to its complaints procedures including creating an assessment team which was responsible for making early decisions on stage two complaints and creating a system to update complainants regularly while they are waiting for a stage two response.

Conclusions

14. Councils have seen unprecedented pressure in the past decade. Budget cuts, increasing demand for adult social care and special educational needs support and the COVID-19 pandemic have all created a challenging environment in which to operate. Many councils have had to make difficult decisions to continue providing the services they are duty-bound to offer.
15. Complaints have a key role in supporting councils to make the most of the resources they have. They provide a free, timely way for councils to gain feedback on the services they provide, driving improvements and increasing accountability.
16. The Council's published policy says it will investigate and respond to stage two complaints within 20 working days. This report covers the period from September 2020 to September 2022. Over those two years, 189 people made a stage two complaint. 157 received the Council's response to their complaint late; on average they waited four months. This was fault. Many of those people waited significantly longer. This is evidenced by the average wait time of eight and a half months for the 26 people who complained in September 2021.
17. Many of the 157 people received a payment of at least £75 from the Council to recognise the delay, funds which could have otherwise been used if the backlog had not developed to such an extent.
18. At present, 44 people have been waiting more than 20 working days for the Council to send them a stage two complaints response. Some of them have been waiting a very long time; 12 have already waited between six and nine months and 11 have waited between nine months and one year. This was also fault and is likely to have caused those complainants frustration and uncertainty. In some cases where the issue complained about is ongoing, the delay will prevent resolution and increase the person's injustice.

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19. In addition, we expect councils to keep complainants informed when there are delays in responding to complaints. On receipt of a stage two complaint request the Council sends an acknowledgement letter. If the Council has not begun its investigation within four weeks, the Council sends an update letter and then does not contact the complainant further until its investigation begins. For those complainants waiting the longest, this means they go many months without an update. This was not good administrative practice and was fault. The Council should be contacting the complainants at regular intervals with a meaningful update. This should include when it hopes to begin investigating. Its failure to do so is likely to cause the 44 complainants waiting for a stage two response further frustration and uncertainty.
 20. In September 2020, the start of the period we have investigated, the Council was still responding to complaints in around 20 working days. However, from early 2021, the Council received considerably more stage two complaints each month than it had previously. Many of these complaints were about housing and the initial increase in complaint numbers was likely linked to the end of the third national lockdown.
 21. The Council did not employ any additional complaints officers until it hired one in September 2021, by which time complainants could expect to receive a response eight and a half months later. The Council waited until January 2022 to hire another officer and did not have the new complaints manager in place until July 2022. That manager made some changes to the Council's complaints handling to reduce the backlog, including a new system to track complaint progress. However, the wait time and backlog remained significant and the Council did not hire any more officers until November 2022.
 22. This suggests the Council initially delayed taking action and when it did act, it did not do enough to address the issues. The stage two complaints backlog was allowed to develop without significant intervention. This failure of the Council to act sooner and sufficiently enough was fault.
 23. We welcome the efforts the Council has made to reduce the backlog and improve its complaints handling following a previous draft of this report. This includes temporarily hiring a further 10 complaints officers, arranging an independent review of its complaints processes and reviewing how it updates complainants who are awaiting a stage two investigation. It is positive the Council anticipates clearing the backlog and being able to respond to stage two complaints within 20 working days by the end of April 2023.
 24. Given the actions the Council has taken following our previous draft report, we have not made further recommendations to improve its practice. However, we have recommended the Council updates us on the backlog within three months of the date of this report to ensure its actions have been effective.

Recommendations

25. The Council must consider the report and confirm within three months the action it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet or other appropriately delegated committee of elected members and we will require evidence of this. (*Local Government Act 1974, section 31(2), as amended*). This will ensure Council leaders are aware of the fault we have identified and can consider what actions are needed.

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26. In addition, within one month of the date of this report, the Council will write to each of the 44 people it has identified to apologise for its delay responding to their stage two complaints. The apology will:
- explain they have been identified following an investigation by us into another case;
 - set out the steps the Council has taken to reduce its stage two complaints backlog, including the steps it took following an earlier draft of this report; and
 - include that, once they receive the stage two response, they have the right to complain to us if they remain dissatisfied with the Council's response to the substantive matter they complained about. It will say that if we choose to investigate the main issue they complain about, we can also consider the Council's complaints handling and any payments for delay it has already made.
27. Within three months of the date of this report, the Council will update us on the backlog for stage two responses and its timeliness.

Decision

28. We have completed our investigation and issued a public report. We have found fault and made recommendations to remedy the injustice those affected experienced and to improve Council services.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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