

London Borough of Islington

**Executive - 18 July 2024**

Minutes of the meeting of the Executive held in the Council Chamber, Town Hall, Upper Street, N1 2UD on 18 July 2024 at 7.00 pm.

**Present:**                    **Councillors**    Kaya Comer-Schwartz, Ward, Santiago Bell-Bradford, Rowena Champion, Sheila Chapman, Una O'Halloran, Flora Williamson and John Woolf

**Also**                        **Councillor:**    Caroline Russell

**Councillor Kaya Comer-Schwartz in the Chair**

**248        APOLOGIES FOR ABSENCE**

Received from Councillor Michelline Safi-Ngongo.

**249        DECLARATIONS OF INTEREST**

None.

**250        MINUTES OF PREVIOUS MEETING**

**RESOLVED:**

That the minutes of the meeting held on 27 June 2024 be confirmed as an accurate record of proceedings and the Chair be authorised to sign them

**251        SUMMER MEDIUM TERM FINANCIAL STRATEGY UPDATE**

**RESOLVED:**

(a) To note the latest Medium-Term Financial Strategy (MTFS) contained in Section 3 of the report of the Executive Member for Finance and Performance, and the changes to the medium-term budget gap compared to the forecast in the 2024/25 budget report, as summarised in Table 2 of the report.

To note the following:

- 2% pay inflation per annum pay inflation over the entire forecast period. The previous assumption was 3% per annum in years one and two, followed by 2%.
- £4.000m being added to the 2025/26 MTFS pay inflation to provide some headroom for the possibility of some pay 'catch-up' being required over and above the 3% 2024/25 final budget report pay estimate.

- Updated demography estimates for the five-year forecast period to reflect current best estimates, to be reviewed and updated throughout the budget process.
  - Revised directorate non-pay inflation estimates for the forecast period, to be reviewed and updated throughout the budget process.
  - An additional £3.000m Inflation, Energy and Demand risk buffer in 2025/26 and over the medium term. Together with the restoration of the base Inflation, Energy and Demand contingency to 2023/24 levels in the 2025/26 budget, bringing the total Inflation, Energy and Demand contingency to £8.000m over the forecast period.
  - In recognition of the Second Homes Premium planned to be introduced for Council Taxpayers from 2025/26, an extra ~0.3% taxbase increase has been included in the MTFS, representing an estimated additional £0.388m income.
  - An estimated additional £2.678m of social care funding being made available to Islington in 2025/26. This was based on forecasts provided by the council's external financial advisors and was in line with the £0.500bn additional, national allocation announced by the government between the provisional and final 2024/25 local government finance settlements. This would be reviewed in the Autumn MTFS Update Report, as 2025/26 core funding projections became clearer.
  - In addition to the social care funding assumed above, a continuation of Adult Social Care council tax precept flexibilities was considered probable for 2025/26 and was assumed, for financial planning purposes, at 2% in the latest budget forecast.
- (b) To note the high-level context, objectives and timeline for the 2025/26 budget setting process.
- (c) To note the latest position in relation to the earmarked reserves and balances and that reserves forecasts did not assume use of the Flexible Use of Capital Receipts Strategy in the financial year 2024/25.
- (d) To note the Housing Revenue Account update.
- (e) To note the capital programme update.

Reasons for the decision – to enable members to monitor the Council's budget.

Other options considered – all as detailed in the report of the Executive Member for Finance and Performance.

Conflicts of interest / dispensations granted – none

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## 252 **ISLINGTON TOGETHER: NEXT STEPS**

### **RESOLVED:**

1. To endorse the way forward set out in the report of the Leader of the Council.
2. To agree to the Islington Together Delivery Plan 2024 to 2026, as outlined in Appendix A to the report, and note that the associated performance

indicators would be reported quarterly to the Executive, from the autumn of 2024.

3. To note the business planning framework that was being designed and piloted for implementation in late 2024/early 2025, as outlined in section 3.8 and Appendix B of the report.

4. To agree to the establishment of an Islington Together Change Programme and governance.

5. To note the response to the requirement for local authorities to produce Productivity Plans, as outlined in the report.

6. To note the top-level structure for the Council's Corporate Management Team, subject to formal consultation with affected colleagues.

7. To note the proposals on working with our partners, as outlined in the report, and suggested next steps through discussions with partners.

8. To note that naming conventions would need to change in the Constitution to reflect the new Corporate Management Team structure e.g. Financial Regulations and the Scheme of Delegation.

9. Agree to a Local Government Association Corporate Peer Review in late 2024.

Reasons for the decision – To take forward a new Islington Together Delivery Plan to ensure delivery against the Council's missions, underpinned by key organisational infrastructure, such as a revised business planning framework, performance management and change framework. An ongoing approach to working with the Council's communities and partners and within its own organisation would ensure the creation of a more equal future for Islington's communities.

Other options considered – a wide range of options was considered, all as detailed in the report.

Conflicts of interest / dispensations granted – none

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### **PROPOSAL FOR SPENDING TO ADDRESS FOOD INSECURITY FOR FAMILIES**

In the absence of the Executive Member for Children, Young People and Families, the report was introduced by Councillor Comer-Schwartz.

#### **RESOLVED:**

(a) To agree the proposals for the allocation of the Household Support Fund, as detailed in Table 4 of the report of the Executive Member for Children, Young People and Families.

(b) To agree the proposals for the allocation of the offset General Fund and Public Health grant, as detailed in Table 5 of the report.

(c) To delegate authority to the Corporate Director for Children and Young People to enter into grant agreements with the GLA for future rounds of the Mayor's Grant for Universal Free School Meals funding at Key Stage 2.

Reasons for the decision – The funding released in 2023/24 and 2024/25 by the receipt of the Mayor’s Fund was to be used to fund the proposals set out in Table 5 of the report, as they took account of the implications of the cessation of the Household Support Fund, addressed food insecurity for families and built capacity for households in the future when the grant funding was unknown.

Other options considered – A full range of options was considered, all as detailed in the report.

Conflicts of interest / dispensations granted – none

## 254 **MAJOR WORKS PAYMENT OPTIONS REVIEW**

### **RESOLVED:**

(a) To offer a 5-year, interest-free option to both resident and non-resident leaseholders, paying major works service charges.

(b) To reduce the threshold for 10-year payment plans from £10k to £6k, making bills more affordable for resident leaseholders.

(c) To introduce a longer payment term of up to 25 years for resident leaseholders with invoices of at least £15k.

(d) To continue offering voluntary charges for bills of at least £3k to resident leaseholders who are elderly or vulnerable or who could not afford any other payment option.

Reasons for the decision – To ensure that the Council’s payment terms reflected the best options offered by other inner London boroughs and to give leaseholders greater flexibility to choose an option that met their financial circumstances.

Other options considered – a range of payment options were considered, all as detailed in Appendix 1 to the report

Conflicts of interest / dispensations granted – none

## 255 **FINSBURY LEISURE CENTRE REDEVELOPMENT**

### **RESOLVED:**

That, subject to ongoing gateway reports and financial viability assessments, to:

(a) Note the increased project cost since Stage 2 and the project’s risk mitigation strategy including the retention of £32.7m in contingency (26% of net scheme cost), as detailed in the report of the Executive Member for Homes and Neighbourhoods.

(b) Approve proceeding to Stage 4 based on Stage 3 Design and Viability Assessment.

(c) Approve £4.6m additional funding for consultant and direct fees and PCSA fees until the end of Stage 4, mainly to cover increased requirements under

the Building Safety Act, noting total forecast fee spend to end of stage 4 was £14.55m.

(d) Note the costed risk included in the cost model, plus the addition of optimism bias to cover additional risk not fully mitigated within the costed risks.

(e) Note that, while the Finsbury Leisure Centre redevelopment scheme (FLCR) was based on a low carbon, policy compliant design, the gas[1]powered EC1 Energy Centre would be removed from the FLCR site, its future to be resolved as part of a separate strategy for a borough-wide heat network (including Bunhill) that would form a future report to Executive, noting also the issues set out in section 3.8 of the report.

(f) Note the intention to develop a wellbeing offer for local residents to take advantage of, the co[1]location of leisure and medical facilities.

(g) Note the full General Fund deficit of £31.029m and Housing Revenue Account deficit of £3.187m based on current total cost including all contingencies.

(h) Approve the re-allocation of £6.55m of General Fund capital programme borrowing to FLCR, as set out in para 3.7.20 of the report, to mitigate additional revenue pressures of up to £0.711m per annum.

(i) Note the intention to engage with the GLA to assess any opportunities to secure additional grant to support the affordable housing within the scheme.

(j) Note that additional Executive approval would be sought prior to the award of a construction contract at RIBA Stage 5.

Reasons for the decision – To enable the proposed design programme to proceed until the end of design Stage 4 with no further delay and associated costs that might incur from a delay. The project would deliver significant benefits, subject to planning consent and ongoing viability, including 100 new council homes (of which 24 would be 3-bed homes and one 4-bed home), 98 sale homes to help pay for them, a brand new leisure centre, a new home for City Road Medical Practice and transformed public spaces with improved greenery, planting, pedestrian, and cycle paths.

Other options considered – a full range of options covering all aspects of the redevelopment were considered, as detailed in the report.

Conflicts of interest / dispensations granted – none.

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## **RENEWAL OF LEASE - UNITS 9 AND 10 BUSH INDUSTRIAL ESTATE**

### **RESOLVED:**

(a) To approve renewal of the lease for Units 9 and 10 Bush Industrial Estate, on the terms set out in Exempt Appendix 1 of the report of the Executive Member for Finance and Performance.

(b) To approve a sub lease for Unit 10 with the successful materials supply tender, also on the terms set out in Exempt Appendix 1 of the report of the Executive Member for Finance and Performance.

(c) To delegate authority to enter into a new lease and to award a sub-lease to the Corporate Director of Community Wealth Building, after consultation

with the Executive Member for Finance and Performance and the Corporate Director of Resources.

Reasons for the decision – To support the ongoing delivery of the in-house joinery service, as well as supporting the approved procurement strategy for the provision of construction and building materials.

Other options considered – All possible alternatives were considered when coming to the decision of renewing the lease of Units 9 and 10, including the option of utilising existing space within our current premises, or partnering with an external vendor to provide specialist counter service.

Conflicts of interest / dispensations granted – none

**257**      **EXTENSION TO THE EXISTING CONTRACT FOR PARKING ENFORCEMENT**

In response to a question from Councillor Russell, Councillor Champion undertook to look into the question of whether a provision could be included in the contract extension to cover enforcement of engine idling.

**RESOLVED:**

To approve the extension of the existing parking enforcement services contract from 1 September 2024 until 31 March 2025.

Reasons for the decision – A seven month extension to the parking enforcement services contract was approved in order to allow sufficient time to achieve a successful procurement of the new parking services contract from 1 April 2025.

Other options considered – none.

Conflicts of interest / dispensations granted – none

**258**      **ADOPTING THE PEOPLE-FRIENDLY STREETS INDIVIDUAL EXEMPTION POLICY**

The Executive received a deputation from members of the public on the impact on persons with disabilities of the Individual Exemption Policy.

**RESOLVED:**

(a) To note the results of feedback received during the trial implementation period set out in Appendix 2 of the report of the Executive Member for Environment, Air Quality and Transport.

(b) To agree to adopt the Individual Exemption policy, with minor amendments as set out in paragraph 3.11 and Appendix 1.

(c) To agree that once adopted, any further changes to the Individual Exemption policy considered necessary and justified be approved by the Director for Climate Change and Transport, following consultation with the Executive Member for Environment, Air Quality and Transport, under delegated authority.

Reasons for the decision – Adopting the Individual Exemption policy, with the amendments outlined in the report of the Executive Member for Environment, Air Quality and Transport, was considered to achieve a fair and reasonable balance between providing genuinely needed exemptions on a case-by-case basis and preserving the integrity of Low Traffic Neighbourhoods for all, aligning with the goals of the Islington Together priorities for a more equal future strategic plan

Other options considered – A full range of options was considered, as detailed in the report.

Conflicts of interest / dispensations granted – none

**259**      **FINSBURY LEISURE CENTRE REDEVELOPMENT - EXEMPT APPENDICES**

Noted.

**260**      **RENEWAL OF LEASE - UNITS 9 AND 10 BUSH INDUSTRIAL ESTATE - EXEMPT APPENDICES**

Noted.

The meeting closed at 7.39 pm.