

London Borough of Islington

Executive - 17 January 2019

Minutes of the meeting of the Executive held at Committee Room 4, Town Hall, Upper Street, N1 2UD - Islington Town Hall on 17 January 2019 at 7.00 pm.

Present: **Councillors:** Watts, Burgess, Caluori, Comer-Schwartz, Hull, Shaikh, Ward and Webbe

Also Present: **Councillors:** O'Halloran and Russell.

Councillor Richard Watts in the Chair

569 **APOLOGIES FOR ABSENCE**
There were no apologies for absence.

570 **DECLARATIONS OF INTEREST**
None.

571 **MINUTES OF PREVIOUS MEETING**

RESOLVED:

That the Minutes of the meeting on 29 November 2018 be agreed as a correct record and the Chair be authorised to sign them.

572 **APPOINTMENTS TO BE MADE BY THE EXECUTIVE**

RESOLVED:

2.1 That Councillor Mick O'Sullivan be appointed as the non-Executive Member of the LHC (London Housing Consortium) until May 2022, or until a successor is appointed be agreed.

2.2 That Councillor Diarmaid Ward remains the Executive Member of the LHC (London Housing Consortium) following his appointment by the Executive on 14 June 2018 be noted.

Reason for decision – To enable members to represent the Council at LHC meetings.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none.

573 **IMPROVING AIR QUALITY - DIESEL SURCHARGE CHANGES**

Councillor Webbe introduced the report. Councillor Burgess expressed support for the policy from a health perspective.

Councillor Russell and a member of the public asked questions about the proposed decision and other areas of transport policy, which were responded to by Councillor Webbe.

RESOLVED:

- 2.1 That an increase in the diesel surcharge on paid for parking by £1 per hour with effect from 1st March 2019, as set out in paragraph 3.4 of the report, be agreed.
- 2.2 That, from 1st April 2019, a specific new resident's parking permit banding for electric vehicles will come into effect and that the annual permit cost for such vehicles should remain at zero, be agreed.
- 2.3 That, from 1 April 2019, a fee of £20 per annum for Band A resident permits will come into effect and that this band should apply to all vehicles with CO2 emissions of 1-100g/km, be agreed.
- 2.4 That, with effect from 1 April 2019, the fee for Band B permits will be increased to £22 per annum in order to align with 2.3 above and to maintain the differential charging structure for emissions based resident permits, be agreed.

Reason for decision – To continue to reduce harmful emissions within the borough and thereby mitigate their adverse impact on the health of residents.
Other options considered – none other than as specified in the report.
Conflicts of interest/dispensations granted – none

574 **FINANCIAL POSITION AS AT 30 NOVEMBER 2018**

Councillor Hull introduced the report and advised that, thanks to all the work and discipline displayed by colleagues in Finance and across the organisation, we are now forecasting a £0.7M underspend.

RESOLVED:

- 2.1 That the forecast revenue outturn for the General Fund (Table 1 of the report) of a gross underspend of £0.7m, before taking into account the ongoing corporate contingency budget of £2m (Paragraph 3.1 of the report), be noted.
- 2.2 That the breakdown of the forecast General Fund outturn by individual variance at Appendix 1 of the report and by service area at Appendix 2 of the report, be noted.

- 2.3** That the HRA forecast is a net break-even position (Section 5, Table 1 of the report), be noted.
- 2.4** That the latest capital position with forecast capital expenditure of £111.1m in 2018-19, be noted. That the slippage of capital resources between 2018-19 and future financial years be agreed and the allocation of £1.5m of Section 106 and Community Infrastructure Levy (CIL) funding collected from developments in Clerkenwell ward to transport and public realm improvements in Clerkenwell Green (Section 6, Table 2, and Appendix 3 of the report) be agreed.

Reason for decision – to allow Members to monitor the budget.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

575 **BUDGET PROPOSALS 2019-20**

Councillor Hull introduced the Budget Proposals, noting that a three-year budget gives a level of certainty to staff and residents that it has not previously been possible to achieve. Councillor Hull noted that the report will be submitted to the Policy and Performance Scrutiny Committee for comment.

Councillor Watts requested an additional recommendation is added to the report to be submitted to the next meeting, to note that the government's proposals to remove deprivation from the funding formula, as part of the Fair Funding Review, will have a detrimental impact on future funding for all urban areas.

RESOLVED:

The General Fund Budget 2019-20 and MTFS (Section 3)

- 2.1** That the 2019-20 net Council cash limits as set out in Table 1 (Paragraph 3.8) of the report and the MTFS at Appendix A of the report, which include the 2019-22 revenue savings at Appendix B of the report, and the 2019-20 revenue growth proposals at paragraph 3.7 of the report, be agreed.
- 2.2** That the fees and charges policy and agree the 2019-20 fees and charges (Paragraphs 3.13-3.14 and Appendices C1-C3 of the report), be agreed.
- 2.3** That the estimated use of the Council's earmarked budget reserves (including the creation of a new Transformation Reserve), the Council's policy on the level of General Fund balances, with an increase in General Fund balances of £2m in 2019-20, and an increase in the ongoing contingency budget of £3m in 2019-20 (Paragraphs 3.15-3.18 and Table 2 of the report), be agreed.

The HRA Budget and MTFS (Section 4)

- 2.4 That the balanced HRA 2019-20 budget, including savings and growth proposals, within the HRA MTFS at Tables 4-5 and Appendix D1 of the report, be agreed.
- 2.5 That the 2019-20 HRA rents, fees and charges (Tables 6-9 and Appendix D2 of the report), be agreed.

The Capital Programme 2019-22 (Section 5)

- 2.6 That the 2019-20 capital programme be agreed and the provisional programme for 2020-22 (Paragraph 5.1, Table 10 and Appendix E of the report), be noted.
- 2.7 That the Section 151 Officer applies capital resources to fund the capital programme in the most cost-effective way (Paragraph 5.2 of the report), be agreed.

Treasury Management and Investment Strategy (Section 6)

- 2.8 That the Treasury Management and Investment Strategy will initially be considered by Audit Committee on 31 January 2019 and then be included for agreement within the final budget report to the Executive on 7 February 2019 and Council on 28 February 2019, be noted.

Council Tax and Retained Business Rates (Section 7)

- 2.9 That the detailed, statutory council tax calculations and the recommendations for the final 2019-20 council tax level, including the Greater London Authority (GLA) precept, will be included in the budget report to the Executive on 7 February 2019 and Council on 28 February 2019 (Paragraph 7.1 of the report), be noted.
- 2.10 That the following be agreed in relation to the Council's proposed participation in the London Business Rates Pilot Pool (Paragraphs 7.2 to 7.6 of the report):
 - 2.10.1 That the designation by the Secretary of State as an authority within the London Business Rates Pilot Pool pursuant to 34(7) (1) of Schedule 7B Local Government Finance Act 1988 be accepted and agreed.
 - 2.10.2 That participation in the London Business Rates Pilot Pool with effect from 1 April 2019 to 31 March 2020 be agreed.
 - 2.10.3 That the authority's administrative functions as a billing authority pursuant to the Non-Domestic Rating (Rates Retention) Regulations 2013 be delegated to the City of London Corporation acting as the

Lead Authority, be agreed.

- 2.10.4 That the Lead Authority be authorised to sub-contract certain ancillary administrative functions regarding the financial transactions (payment of tariffs and top-ups) within the Pool to the GLA as it considers expedient, be agreed.
- 2.10.5 That authority be delegated to the Section 151 Officer to agree the operational details of the pooling arrangements with the participating authorities, in consultation with the Executive Member for Finance, Performance and Community Safety, be agreed.
- 2.10.6 That authority be delegated to the Section 151 Officer to make any amendments to the Memorandum of Understanding, attached at Appendix F to the report, as may be required by the Secretary of State, and to enter into the final Memorandum of Understanding on behalf of the authority, be agreed.
- 2.10.7 That the Leader of the Council be authorised to represent the authority in relation to consultations regarding the London Business Rates Pilot Pool as may be undertaken by the Lead Authority pursuant to the Memorandum of Understanding, be noted.
- 2.10.8 That authority be delegated to the Section 151 Officer, to consider such consultative reports as the Lead Authority may circulate and to respond on behalf of the authority with regard to any recommendations and, in particular, proposals for projects to be approved for funding from the Strategic Investment Pot, in consultation with the Executive Member for Finance, Performance and Community Safety, be agreed.
- 2.10.9 That authority be delegated to the Lead Authority to undertake the functions of assessment, due consultation and approval of projects eligible for funding from the Pool's Strategic Investment Pot following consultation with the participating authorities (provided that at least two thirds of such participating London Boroughs are (including the City of London Corporation) in favour of the relevant recommendation as well as the Mayor of London, and that no entire sub-region is in disagreement with the decision) on such terms and conditions as shall ensure value for money and compliance with the law, be agreed.

Matters to Consider in Setting the Budget (Section 8)

- 2.11 That the Section 151 Officer's and the Monitoring Officer's comments in their determination of the revenue and capital budgets for 2019-20 and the basis for the level of council tax, including the Section 151 Officer's report in relation to his responsibilities under Section 25 (2) of

the Local Government Act 2003, be noted.

- 2.12 That the Resident Impact Assessment (RIA) on the 2019-22 budget proposals (Appendix G of the report) be considered and noted.

Reason for decision – to allow Members to agree the budget decisions to be recommended to Council.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

576 PROCUREMENT STRATEGY FOR SUPPLY OF NATURAL GAS AND ELECTRICITY

Councillor Hull introduced the report which ensures good value for both the Council and residents. Councillor Russell enquired if using only renewable sources of power had been considered. Councillor Hull confirmed that suppliers are required to provide an environmental strategy. Councillor Watts commented that the procurement is weighted on price, to do what we can to protect residents from the rising cost of living.

RESOLVED:

- 2.1 That the procurement strategy for Gas and Electricity supply 2020-2024 – Contract 1819-0150 as outlined in this report be agreed.
- 2.2 That authority be delegated to the Corporate Director of Environment and Regeneration to award the contract, in consultation with the Executive Member for Finance, Performance and Community Safety be agreed.

Reason for decision – to ensure continuity of service and security of future supply without incurring additional costs.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

577 THE COUNCIL'S USE OF SURVEILLANCE UNDER THE REGULATION OF INVESTIGATORY POWERS ACT 2000

RESOLVED:

- 2.1 That the level of directed surveillance undertaken by the Council be noted.
- 2.2 That recent legal developments be noted.

Reason for decision – to allow Members to monitor the Council's use of surveillance.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

578 **CONFIRMATION OF THE OFFICE TO RESIDENTIAL ARTICLE 4 DIRECTION FOR THE CENTRAL ACTIVITIES ZONE**

Councillor Shaikh introduced the report advising that the permitted development rights to allow offices to change to residential not only has a very detrimental impact on jobs, it also means that the landlords of the new residential properties do not have to provide any affordable housing. It is therefore very important that we withdraw the right where possible and do all we can to protect jobs.

RESOLVED:

- 2.1 That confirmation of the Article 4 Direction on or after 20 March 2019, which will withdraw the permitted development right which allows B1(a) office units to change to C3 residential use without planning permission, be agreed. That the Direction covers Islington's portion of the Central Activities Zone (as indicated on the plan at Appendix 1 to the report), be agreed.

Reason for decision – to protect jobs, to accommodate expected future growth and to ensure that the CAZ maintains its status as a competitive and internationally important business location.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

579 **OFFICER DECISION SUMMARY JANUARY 2019**

RESOLVED:

- 2.1 That the decision taken on 22 November 2018 to approve receipt of funding for the Recladding of 251-253 Hungerford Road, London, N7 9LD and Braithwaite House, Bunhill Row, London, EC1Y 8NQ be noted.

Reason for decision – to comply with the requirement in the Constitution to report decisions taken using urgency procedures to the Executive.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none

MEETING CLOSED AT 7.35 pm

CHAIR