

London Borough of Islington

Executive - 16 January 2020

Minutes of the meeting of the Executive held at Committee Room 4, Town Hall, Upper Street, N1 2UD - Islington Town Hall on 16 January 2020 at 7.00 pm.

Present: **Councillors:** Watts, Burgess, Champion, Comer-Schwartz, Hull, O'Halloran and Ward

Councillor Richard Watts in the Chair

673 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Shaikh.

674 DECLARATIONS OF INTEREST

None.

675 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the Minutes of the meeting on 28 November 2019 be agreed as a correct record and the Chair be authorised to sign them.

676 FINANCIAL POSITION AT 30 NOVEMBER 2019

RESOLVED:

- 2.1 That the forecast revenue outturn for the General Fund of an overall underspend of (-£2.572m) compared to a forecast underspend of (-£0.634m) in the previous reported position be noted.
- 2.2 That management action is required over the course of the financial year to bring forecast overspends back to within agreed cash limited budgets where possible be noted.
- 2.3 That the breakdown of the forecast General Fund outturn by individual variance at Appendix 1 and by service area at Appendix 2 be noted.
- 2.4 That the schedule of additional budget risks that are not included in the current forecasts be noted.

- 2.5 That the latest position on the delivery of agreed 2019/20 savings and the earmarked corporate transformation reserve be noted, and that it be noted that a risk-based review of the savings programme is currently underway.
- 2.6 That it be noted that the HRA forecast is a net break-even position.
- 2.7 That the latest capital position and key capital variances with forecast capital expenditure of £142.591m in 2019/20 against the existing 2019/20 capital budget of £154.595m be noted.

677 BUDGET PROPOSALS 2020-2021

RESOLVED:

- 2.1 That the assumed MTFS and budget gap be noted, and that the comments of the Section 151 Officer in Section 8 regarding the additional medium-term budget risks that are not currently factored into the budget gap (Paragraph 3.6, Table 1 and Appendix A of the report) be noted.
- 2.2 That the revised 2020/21 to 2022/23 savings and income generation programme (Paragraph 3.18 and Appendix B of the report), and the revenue budget growth and additional/expanded service provision funded from existing budgets and external funding be agreed (Paragraphs 3.22-3.23, Table 5 and Appendices C1-C2 of the report).
- 2.3 That the risks around the savings currently assumed in the MTFS be noted, and that it be noted that a risk-based review of all assumed savings is currently underway and will inform the next review of budget assumptions at the outset of the 2021/22 budget setting process (Paragraphs 3.19-3.21 of the report).
- 2.4 That the 2020/21 net budgets by directorate be agreed (Paragraph 3.24, Table 7 and Appendix A of the report).
- 2.5 That the variables that could still significantly affect the 2020/21 budget be noted (Paragraph 3.25 of the report).
- 2.6 That the latest Dedicated Schools Grant (DSG) assumptions following the provisional DSG settlement for 2020/21 be noted (Paragraphs 3.26-3.33 of the report).
- 2.7 That the General Fund fees and charges policy be noted and the 2020/21 fees and charges be agreed (Paragraphs 3.35-3.36 and Appendices D1-D4 of the report).

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2.8 That the budgeted movements to/from earmarked reserves assumed as part of the 2020/21 revenue budget (including the creation of a new Social Care Funding reserve) be agreed, and the unchanged policy on the minimum level of General Fund balances be noted (Paragraphs 3.38-3.40 and Table 8 of the report).

2.9 That it be agreed that any underspends at the end of the financial year should be used to increase General Fund balances and/or earmarked reserves in order to provide further resilience going into a very uncertain medium-term budget cycle from 2021/22. That it be agreed that should there be any advantageous changes to 2020/21 budget assumptions before finalising the final version of this report to the Executive on 6 February 2020 and Council on 27 February 2020, that this is used to increase the corporate contingency budget (Paragraph 8.11 of the report).

The HRA Budget and MTFs (Section 4)

2.10 That the balanced HRA 2020/21 budget be agreed and the latest estimates over the 3-year MTFs period be noted (Paragraph 4.3 and Appendix E1 of the report).

2.11 That the 2020/21 HRA rents and other fees and charges be agreed (Tables 10-13 and Appendix E2 of the report)

The Capital Programme 2020/21 to 2022/23 (Section 5)

2.12 That the 2020/21 to 2022/23 capital programme be agreed (Paragraph 5.1, Table 14 and Appendix F of the report).

2.13 That further work will be required to allocate the additional capital investment pot and that a revised capital programme will be set out in a report to Council during 2020/21 be noted (Paragraph 5.4 of the report).

2.14 That authority be delegated to the Section 151 Officer, where necessary, to apply capital resources to fund the capital programme in the most cost-effective way for the Council (Paragraph 5.6 of the report).

2.15 That the Council's Capital Strategy, in compliance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities, will be included within the final budget report to the Executive on 6 February 2020 and Council on 27 February 2020 be noted (Paragraph 5.7 of the report).

Treasury Management and Investment Strategy (Section 6)

- 2.16 That the Treasury Management and Investment Strategy will be considered initially by Audit Committee on 28 January 2020 and included within the final budget report to the Executive on 6 February 2020 and Council on 27 February 2020 be noted (Paragraph 6.1 of the report).

Council Tax and Retained Business Rates (Section 7)

- 2.17 That the detailed, statutory council tax calculations and the recommendations for the final 2020/21 council tax level, including the Greater London Authority (GLA) precept, will be included for agreement in the final budget report to the Executive on 6 February 2020 and Council on 27 February 2020 be noted (Paragraph 7.1 of the report).
- 2.18 That matters relating to the proposed London Business Rates Retention (Non-Pilot) Pool in 2020/21 will be included for agreement in the final budget report to the Executive on 6 February 2020 and Council on 27 February 2020 be noted.

Matters to Consider in Setting the Budget (Section 8)

- 2.19 To have regard to the Section 151 Officer's report on the robustness of the estimates included in the budget and the adequacy of the proposed financial reserves when making decisions about the budget and the level of council tax, as required under Section 25(2) of the Local Government Act 2003 (Paragraphs 8.1-8.10 of the report).
- 2.20 That the comments of the Monitoring Officer be noted (Paragraphs 8.11-8.15 of the report).
- 2.21 That the Resident Impact Assessment (RIA) on the budget proposals be noted (Appendix G of the report).

678 FINSBURY SQUARE PROJECT

RESOLVED:

- 2.1 That the proposal from Hondo Enterprises to Finsbury Square to redevelop the underground car park and open space as shown in the indicative outline design CGI (attached as exempt Appendix 1a) be noted;
- 2.2 That it be noted that a Task and Finish Group was established chaired by the Executive Member for Environment and Transport and involving other Executive members and officers to consider the proposal and options for the redevelopment of Finsbury Square;

- 2.3 That the Heads of Terms negotiated with AG Finsbury Square BV (attached as exempt Appendix 1b) be noted, and that authority be delegated to the Corporate Director for Environment & Regeneration to make any amendments to and finalise the Heads of Terms following consultation with the Executive Member for Environment & Transport;
- 2.4 That working in partnership with Hondo Enterprise be agreed, and to create development plans for Finsbury Square Open space and the enhanced use of the underground space including public consultation for the Council's approval and the commencement of pre-application planning discussions, be agreed;
- 2.5 That the development pre-conditions that must be satisfied in order for the developer to proceed (as detailed in section 3.12.1) be noted, and entering into a Conditional Agreement with AG Finsbury Square BV in order to support the submission of a planning application be agreed;
- 2.6 That it be noted that the Council's costs will be met by Hondo Enterprises including all reasonable legal costs.

679 **GP SURGERIES SCRUTINY - EXECUTIVE MEMBER'S RESPONSE TO THE HEALTH AND CARE SCRUTINY COMMITTEE'S RECOMMENDATIONS**

RESOLVED:

- 2.1 That the findings of the GP Surgeries Scrutiny review be welcomed;
- 2.2 That the responses to the recommendations of the Health and Care Scrutiny Committee, as set out in section 4 of the report, be agreed;
- 2.3 That officers report back on progress to the Health and Care Scrutiny Committee in 12 months' time be agreed.

680 **PROCUREMENT STRATEGY/ CONTRACT AWARD FOR HOUSING, REVENUES & BENEFITS AND INFORMATION@WORK**

RESOLVED:

That the procurement strategy for Housing, Revenues & Benefits and information@work applications that are hosted in the cloud via G-Cloud be approved, as outlined in the report submitted.

681 LONDON BOROUGH'S' GRANTS COMMITTEE - LEVY 2020-21

Councillor Watts noted that he had accepted this item as an urgent item of business. The report had been circulated in the additional despatch of papers. The reason for urgency was that London Councils required formal agreement of the contribution from participating boroughs no later than 31 January 2020. The item would ordinarily have been considered by the Voluntary and Community Sector Committee, however the committee was not due to meet until 3rd February. The report had been accepted as an item of urgent business to ensure that the council was able to comply with the deadline set by London Councils.

RESOLVED:

2.1 That the LBGC proposed 2020/21 annual budget of £6.668m be agreed;

2.2 That Islington's estimated contribution of £179k in 2020/21 be agreed, an increase of £1k on the 2019/20 contribution.

682 FINSBURY SQUARE PROJECT - EXEMPT APPENDICES

Noted.

683 PROCUREMENT STRATEGY/ CONTRACT AWARD FOR HOUSING, REVENUES & BENEFITS AND INFORMATION@WORK - EXEMPT APPENDIX

Noted.

MEETING CLOSED AT 7.07 pm