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London Borough of Islington

Policy and Performance Scrutiny Committee - 3 December 2020

Non-confidential minutes of the virtual meeting of the Policy and Performance Scrutiny Committee held on 3 December 2020 at 7.30 pm.

Present: **Councillors:** Debono (Chair), Gallagher (Vice-Chair), Chapman, Chowdhury, Cutler, Gantly, Heather, Hyde, Jeapes, O'Sullivan, Picknell, Poyser, Russell and Wayne
Also Present: **Councillor:** Gill

Councillor Theresa Debono in the Chair

235 **APOLOGIES FOR ABSENCE (Item A1)**

Councillor Bell - Bradford

236 **DECLARATION OF SUBSTITUTE MEMBERS (Item A2)**

None

237 **DECLARATIONS OF INTEREST (Item A3)**

None

238 **MINUTES OF THE PREVIOUS MEETING (Item A4)**

RESOLVED:

That the minutes of the meeting of the Committee held on 22 October 2020 be confirmed as a correct record of the proceedings and the Chair be authorised to sign them

239 **CHAIR'S REPORT (Item A5)**

RESOLVED:

That future virtual meetings of the Committee commence at 7.00 p.m. with effect from the meeting on 28 January 2021

240 **PUBLIC QUESTIONS (Item A6)**

The Chair outlined the procedure for Public questions

241 **COVID 19 UPDATE - LOCAL ECONOMY/EMPLOYMENT (Item C1)**

Stephen Biggs, Project Consultant and Caroline Wilson, Head of Inclusive Economic Development were present and outlined the report, and made a presentation thereon, copies interleaved

During the presentation the following main points were made –

- A significant minority of Islington's workforce, and employed residents were in a vulnerable economic position prior to the pandemic, working in low paid insecure jobs

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- Many residents were running small micro businesses are disproportionately owned by women and people from BAME communities
- After COVID hardest hit sectors were predominantly, but not exclusively, classed under Accommodation and Food sectors and Arts, Entertainment and Recreation
- London's unemployment rate has risen faster than other regions, and Islington's unemployment rate has risen from 3% of the workforce to 7.3% in October, lower than the London average.
- Youth unemployment appeared to be lower than average rate for the borough but has risen by 14% on May figures
- An increase in vacancies in August, across the board, was perhaps an early sign of recovery, however the situation remains unstable
- Despite encouraging signs local people are likely to experience deteriorating economic conditions, and enduring market uncertainties, however the Chancellor's announcement of the furlough scheme came too late with many employees already receiving redundancy notices
- In Islington unemployment has more than doubled since the pandemic began, and the number of workers on furlough rose 36% between June and August to 31000 people
- In addition to enhancing existing work programmes there are four key strategic lines of response to support Islington's residents and workers – Prioritise policies that support health and incomes of already disadvantaged people, support people into employment, strengthen the Council's role as an economic agent, and continue to pioneer an inclusive, fairer local economy
- Community wealth building – core component of Council's Fairness Commission focusing on tackling economic inequality and disadvantage. This strengthens the Council's role as an economic agent, in order to use its assets to build an inclusive local economy, and provide an opportunity for local residents. Also to engage local partners, and ensure the Council is well placed to challenge the challenges of COVID, have an impact on the local economy and employment, and support a strong and sustained economy
- Noted that the Council is working hard to support LBI residents and businesses in a fast changing climate of economic challenge and uncertainty
- The health and care sector has been least affected by COVID
- The Council's response is to prioritise support for those disadvantaged residents who lose their jobs and to support people into work
- Strengthen the Council's role as an economic agent, and continue to support fairer, more inclusive economy
- Noted that there is a good working partnership with the Health and Care sector, and that the Council were looking at green jobs in consultation with industry, and working with other Boroughs to create economic clusters as to how young people are better able to target jobs, and a new employability programme had been established
- Affordable workspaces have also been created, and work is taking place with the fashion industry in this regard. City University is moving into the Farringdon workspace
- In response to a question, it was stated that there is a need to ensure that employers paid at least the minimum wage, and this needed to be enforced. Members were informed that the Council did work with HMRC, and had lobbied them in this regard, to ensure that businesses met their obligations. Where the Council had direct influence they ensured that the LLW was paid by employers, and that further details of how the Council dealt with the minimum wage enforcement would be reported to Members
- In response to a question, it was stated that the Council did provide assistance to small businesses, as they often found it difficult to bid for Council contracts, In the New Year the Business Development Programme would look at how small

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businesses in the borough can be supported more effectively, and to ensure tendering processes were simpler, and how they could assist local businesses to tender for work. It was stated that a future report should be submitted monitoring progress in this regard, and how successful local businesses were in winning contracts

- A Member referred as to whether the Council had an Assets register, and it was stated that work is taking place in this regard, and that better data should be available in the New Year, and this would hopefully be available in 6 months time
- Members were informed that work is taking place with CANDI, and a jobs fair had been facilitated that had resulted in 80 live job opportunities. Work is taking place with City University on a skills recovery programme so that residents can be supported to be placed in the most suitable jobs
- In response to a question as to the effect on BAME self-employed residents/businesses, and those in domiciliary care, it was stated that there is an opportunity to look with Adult Social Care as to how opportunities for local businesses in domiciliary care could be assisted to bid for contracts, and work is taking place with L.B.Camden in this regard and that Members could be informed of progress in this regard
- In response to a question it was stated that there were a range of business support grants available to support business, and there were also discretionary grants available, and there is contact with businesses on a regular basis. There is an online form that businesses can complete to apply for grants ,and that details of these could be circulated to Members of the Committee
- A Member referred to the fact that market traders had not been eligible for grants during the first lockdown. It was stated that this was an area the Council had not initially got right, however eligibility would be more clearly explained in order that market traders could now apply for grants
- In response to a question, it was stated that work is taking place with the 'silicone roundabout' to ensure that opportunities are available for local residents, and that affordable workspaces were available in Bunhill ward to enable training opportunities to be accessed. Work is also taking place with the DWP, who are undertaking a recruitment campaign for work coaches and also work availability on the vaccinations programme, and to assist residents on how to complete application forms
- In response to a question as to whether there were discussions taking place with employers as to the working conditions e.g. available toilets, parking for delivery drivers, it was stated that the Council were engaging with local Ward Councillors in Finsbury Park ward, and the GLA and TfL on parking. In addition, discussions had taken place with McDonalds as to delivery drivers and also around the use of pedal bikes instead of mopeds, given the introduction of low traffic neighbourhoods
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- It was stated that in relation to housing contracts and major repairs a report had been submitted to the Executive recently in this regard, and it was stated that there is a need to ensure social value is paramount in letting of such contracts in the procurement process
- In response to a question as to whether the Council is addressing deprivation and job losses on deprived estates, such as the Marquess Estate, it was stated that residents needed to be supported to enable them to obtain employment, to provide crisis support, food where necessary, to maximise benefits, assist with debt support and that work is taking place in this regard

RESOLVED:

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- (a) That the report be noted and a report be submitted to a future meeting of the Committee as to the success of local businesses tendering for contracts, compared to the present
- (b) That details of the online form referred to above where businesses can apply for grants be circulated to Members

The Chair thanked Stephen Biggs and Caroline Wilson for their presentation

242 **CONTINGENT WORKFORCE (Item C2)**

The Director of Human Resources, Julie Foy, was present and outlined the report

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

- Noted that the Council had one of the lowest agency employment rates across London at 10.7%, with a target of 10%, and agency spend in October was the lowest since January, despite the need to employ extra staff during COVID
- There had also been a reduction of one third in staff employed on £450 per day or above
- A Member referred to the fact that whilst considerable achievements had been made in reducing spend, he felt that there needed to be a 'stretch target' set and more temp to perm appointments made. Reference was made to the fact that it needed to be recognised that the Council would always need to employ agency staff to ensure services remain fully operational, and that targets need to be flexible to reflect the needs of the organisation
- In response to a question it was stated that temp to perm was a priority in E&R, and that a number of the workforce is drawn from local residents
- In response to a question it was stated that HR did discuss with departments the data for agency staff spend, and the reasons for this, and to plan for future requirements
- It was stated that interim staff were often costly to employ, and it was noted that this was an area to be looked at in order to ensure that where staff can be appointed permanently to such posts that this is done as speedily as possible

RESOLVED:

That the report be noted and that future reports should include details of the number of interim posts and the length of time that these have taken to be converted into permanent appointments

The Chair thanked Julie Foy for her presentation

243 **COUNCIL SICKNESS (Item C3)**

The Director of Human Resources, Julie Foy, was present, and outlined the report for Members

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

- Noted that sickness levels were 8.5%, which is currently above target at 7.5%, but sickness levels had been affected by COVID
- Levels of stress, depression, mental health accounted for 25% of all sickness absence, however this was a similar figure to the rest of London Boroughs
- BAME staff had been more adversely affected by the events surrounding Black Lives Matter and appropriate counselling was being offered

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- In relation to muscular/skeletal injuries it was stated that a lot of work was taking place in relation to reducing this, and where necessary trying to redeploy staff to less manual work related posts if appropriate
- Reference was made to the figures for long term sickness absence of 50+ days, and whether managers were taking appropriate action in this regard. It was stated that there is a need to identify problem areas and ensure that where necessary referrals are made to Occupational Health. There is also a need to analyse and use the data available, and patterns of sickness, to reduce sickness levels. There is also a need to ensure appropriate training is provided for managers
- Noted that a lot of work is taking place in E&R to reskill staff, and to enable them to develop new skills. A new sickness policy had been introduced earlier in the year, following discussions with Trade Unions

RESOLVED:

That the report be noted

The Chair thanked Julie Foy for attending

244 **FINANCIAL MONITORING - MONTH 6 (Item C4)**

The Director of Finance, Paul Clarke, was present and outlined the report

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

- COVID 19 will have a significant ongoing impact on the Council's budget for the foreseeable future
- Overall the Council is currently estimating COVID 19 related budget pressures of approximately £59m, including HRA and potential Council Tax and Business Rates income losses that will impact future year budgets. The Council has received £18.5m as a contribution towards budget pressures which leaves a gap of £40m, before any funding the Council receives and still to be confirmed from the Government income loss scheme. Any residual shortfall not funded by Government would significantly weaken the Council's balances and reserves, which would then need to be replenished in future years
- There is currently forecast General Fund overspend of +£19.662m in 200/21. This is a net decrease of - £0.576m since the month 5 forecast
- The COVID 19 crisis is expected to lead to significant slippage of the 2020/21 capital programme into future years due to the pause in construction activity during the lockdown and ongoing social distancing measures. There is also a risk that it pushes up the overall costs of some construction projects
- Noted that the Council's financial accounts had been signed off
- Noted that the Government spending review funding allocation was in line with Council expectations
- In response to a question it was stated that the bulk of the income collection loss had resulted from losses in parking collection, business rates and Council Tax

RESOLVED:

That the report be noted

The Chair thanked Paul Clarke for attending

245 **MONITORING REPORT/WORK PROGRAMME ETC. (Item)**

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Discussion took place as to whether there should be a scrutiny review undertaken in relation to BAME, and it was felt that the Chair should discuss with the BAME group the possibility of presenting an item at a future meeting of the Committee to discuss areas that they would wish to the Committee to investigate. Members were of the view that this would be the most acceptable way of proceeding, rather than a specific scrutiny review topic being agreed

RESOLVED:
Accordingly

The meeting ended at 9.35 p.m.

CHAIR