

Executive - 8 February 2024

Minutes of the meeting of the Executive held in the Council Chamber, Islington Town Hall, Upper Street, London N1 2UD on 8 February 2024 at 7.00 pm.

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

Also present: **Councillors** Benali Hamdache and Ernestas Jegorovas-Armsrong

Councillor Kaya Comer-Schwartz in the Chair

194 **APOLOGIES FOR ABSENCE**
Received from Councillor Roulin Khondoker.

195 **DECLARATIONS OF INTEREST**
None.

196 **MINUTES OF PREVIOUS MEETING**

RESOLVED:

That the minutes of the meeting held on 11 January 2024 be confirmed as an accurate record of proceedings and the Chair be authorised to sign them

197 **BUDGET PROPOSALS 2024/25 AND MEDIUM-TERM FINANCIAL STRATEGY**

RESOLVED:

The General Fund Budget 2024/25 and Medium Term Financial Strategy (MTFS)

(1) To agree and recommend to Council the latest assumed MTFS and 2024/25 budget, including the underlying MTFS principles, latest in-year monitoring position and the budget assumptions, as detailed in the report of the Executive Member for Finance, Planning and Performance.

(2) To agree and recommend to Council the proposed 2024/25 net budgets by directorate, as detailed in the report.

(3) To agree and recommend to Council the 2024/25 savings detailed in the report, noting that individual savings might be subject to individual consultation before they could be implemented.

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(4) To note the funding assumptions following the announcement of the Provisional Local Government Settlement on 18 December 2023.

(5) To note that the fees and charges policy and the General Fund fees and charges from 1 January 2024 were as agreed by Executive on 30 November 2023.

(6) To agree an amendment to the fees and charges schedule in respect of the previously agreed Green Waste Charge, approved by the Executive on 11 January 2024, to include a concessionary rate at 50% for residents in receipt of Council Tax Support.

(7) To agree to amend the fees and charges schedule in respect of GLL activities and memberships, as detailed in paragraph 3.63 of the report.

(8) To agree and recommend to Council that the Section 151 Officer be delegated responsibility for any technical adjustments required for the 2024/25 budget (in line with the Council's Financial Regulations).

(9) To agree and recommend to Council that centrally held demographic growth be allocated to service budgets in-year once a more evidenced assessment was available and had been approved by the Section 151 Officer.

Reserves and Balance Sheet Strategy and CIPFA Financial Management Code Assessment

(10) To agree and recommend to Council the Reserves and Balance Sheet Strategy, including proposed minimum reserves levels, and agree the movements to/from earmarked reserves assumed as part of the 2024/25 revenue budget, as detailed in the report.

(11) To note the assessment of compliance against the CIPFA Financial Management Code and that this would be re-visited annually as part of the budget process, with any actions or recommendations implemented on an ongoing basis.

(12) To note the balance sheet analysis, which provided a snapshot of the Council's financial position detailing assets, liabilities and reserves, and aided understanding of the underlying financial position of the Council.

The Housing Revenue Account (HRA) Budget and Medium Term Financial Strategy (MTFS)

(13) To agree and recommend to Council the balanced HRA 2024/25 budget and note the latest estimates over the 3-year MTFS period.

(14) To agree the HRA rents and other HRA fees and charges for 2024/25, as detailed in the report.

(15) To agree and recommend to Council the 2024/25 savings and note that individual savings might be subject to individual consultation before they could be implemented.

(16) To agree and recommend to Council the updated HRA 30-year business plan.

Capital Investment and Treasury and Investment Management

(17) To agree and recommend to Council the proposed 2024/25 to 2026/27 capital programme and latest indicative capital programme for 2027/28 to 2033/34, noting the changes since the previous version.

(18) To agree and recommend to Council the funding of the 2024/25 to 2033/34 capital programme and to delegate authority 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.

(19) To agree and recommend to Council the Capital Strategy, Minimum Revenue Provision Policy Statement, Treasury Management Strategy, Investment Strategy and Flexible Use of Capital Receipts Strategy

(20) To agree and recommend to Council the Flexible Use of Capital Receipts Strategy for 2024/25, detailed in Appendix F6 of the report, up to a maximum of £20m, whilst noting that approving the Strategy does not commit the Council to using it.

(21) To approve and recommend to Council that responsibility for the adoption of the Flexible Use of Capital Receipts Strategy be delegated to the Section 151 Officer, if it was considered appropriate to do so at the end of the financial year, in the context of the Council's overall financial position.

(22) To note that inclusion of a scheme in the capital programme did not in itself necessarily grant permission to commit expenditure against the approved capital budget. This remained subject to any additional approval requirements of the Council's Constitution, Financial Regulations and Procurement Rules.

(23) That the Section 151 Officer be authorised to incorporate any further changes to capital grants in the capital programme in the final version of the budget report to Council.

(24) That the Section 151 Officer be authorised to approve the business case to accept grant funding offers for decarbonisation requiring match funding. If grant funding offers were not received or accepted, the budget would be subject to review as part of the quarterly updates to the Executive.

Council Tax and Retained Business Rates

(25) To agree and recommend to Council the calculations required for the determination of the 2024/25 council tax requirement and the level of council tax as detailed in Section 8 of the report and summarised below:

- The 2024/25 council tax requirement of £118,220,685.65
- The relevant basic amount of Islington Band D council tax of £1,449.41, a 4.99% increase compared to 2023/24 (comprising 2% specifically for expenditure on adult social care and 2.99% for all expenditure), and that this is not 'excessive' in accordance with the council tax referendum principles for 2024/25.
- The basic amount of Islington Band D council tax for dwellings to which no special item relates (i.e. outside of the Lloyd Square Garden Committee area) of £1,449.13.
- The amount of 2024/25 council tax (excluding the GLA precept) for each valuation band over each of the council's areas.
- The total amount of 2024/25 council tax (including the GLA precept) for each valuation band over each of the Council's areas

(26) To note the Council's estimated retained business rates funding in 2024/25, as per the 2023/24 NNDR1 return estimate.

(27) To note the council's forecast NNDR surplus/(deficit) for 2023/24

Matters for consideration in setting the Budget

(28) That the following be noted:

- The need 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.
- The Monitoring Officer comments.
- The Equality Impact Assessment and the need to take it fully into account in approving the overall budget and related proposals.
- That the Council note the summary of responses received from residents and business rate payers (or representatives of business rate payers) in Islington in response to the invitation comment on the draft 2024/25 budget proposals in the report, as required under Section 65 of the Local Government Finance Act 1992.

(29) To agree and recommend to Council the Retail Relief Scheme for 2024/25

(30) To agree and recommend to Council the Annual Pay Policy Statement for 2024/25,

2. That officers across the Council be thanked for their work on the budget

3. To note the comments of the Policy and Performance Scrutiny Committee (18.1.24) on the budget proposals

Reasons for the decision – to agree draft proposals in respect of the Council's 2023/24 budget and level of council tax and the latest assumed medium term financial position, for approval by Council as appropriate

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

Conflicts of interest / dispensations granted – none

198

PROCUREMENT STRATEGY FOR FINANCIAL SYSTEM REPLACEMENT

RESOLVED:

(a) To approve the procurement strategy for the replacement of the current financial system, using the Crown Commercial Services Framework RM6194 Lot 1 Back Office Software (without system integrator).

(b) That the Corporate Director of Resources be authorised to approve the contract award, following consultation with the Executive Member of Finance, Planning and Performance.

Reasons for the decision – The Council's current financial systems did not meet business requirements and needed to be replaced. The contract for the current systems was almost at an end and afforded the Council the

opportunity to procure a right-sized solution that delivered the Council's business needs and, through preference for an Enterprise Resource Solution, would allow future integrations with other core business systems. In addition, the preferred procurement route would ensure a timely procurement at low cost.

Other options considered – Eight options in total were considered, all as detailed in the report of the Executive Member for Finance, Planning and Performance.

Conflicts of interest / dispensations granted – none

199 TREASURY MID YEAR REVIEW

RESOLVED:

That the report of the Executive Member for Finance, Planning and Performance, reviewing the activities of the Council's treasury management function over the half year period ended 30 September 2023, be noted.

Reasons for the decision - Treasury risk management at the Council was conducted within the framework of the CIPFA Code, which required the Council to approve a treasury management strategy before the start of each financial year and, as a minimum, a semi-annual and annual treasury outturn report. This report fulfilled the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code.

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

Conflicts of interest / dispensations granted – none

200 PROPOSAL ON THE FUTURE OF DUNCOMBE AND MONTEM PRIMARY SCHOOLS

RESOLVED:

(a) To note the responses to the consultation on the proposal to amalgamate Duncombe and Montem Primary Schools, as detailed in the appendices to the report of the Executive Member for Children, Young People and Families.

(b) To proceed to the next stage and issue a statutory notice to amalgamate Duncombe and Montem Primary Schools on 31 August 2024.

(c) Based on the feedback received during the consultation, that the following commitments be made:

(i) To provide early, dedicated, professional support as part of a comprehensive needs led transition plan for pupils with Education, Health, and Care plans to support all aspects of transition. Additional resources would be allocated to the Special Education Needs and Disabilities Team to work with individual children and their parents/carers to support their transition should the proposal proceed.

- (ii) To facilitate a parent/carer group with representatives from both primary schools as part of the transition process and bringing the two school communities together.
- (iii) Officers to work with the parent/carer group and school staff to mitigate the risks of air pollution through developing safer walking routes to school.
- (iv) Dedicated Human Resources services would be provided to support any staff impacted by the proposed amalgamation.
- (v) To provide additional capacity to the Schools to support this process should the proposal proceed.
- (d) To note the draft statutory outline statutory notice attached as Appendix E to the report.

Reasons for the decision – Both Duncombe and Montem Primary Schools were two-form entry schools with 60 pupils in each year group, and both had a vacancy rate of over 50% in Reception. These numbers were expected to decline further in the coming years, meaning that either School had the capacity to absorb pupils from the other. This level of surplus created financial pressure for both Schools. The Local Authority had 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 attended good financially sustainable schools.

Other options considered – all as detailed in the report of the Executive Member for Children, Young People and Families.

Conflicts of interest / dispensations granted – none

201 **ADMISSION TO ISLINGTON COMMUNITY SCHOOLS 2025-2026**

RESOLVED:

- (a) To agree the co-ordinated schemes and timetables for admission to Islington primary, secondary schools, and academies in 2025-26, and in-year admission protocols for 2025-26 as set out in Appendices 1, 4, and 7 of the report of the Executive Member for Children, Young People and Families.
- (b) To agree the policy and oversubscription criteria for admission to community primary and secondary schools and Highbury Fields Sixth Form for 2025-26 as set out in Appendices 2, 5, 8 and 9 of the report.
- (c) To agree the admission numbers for Islington community primary and secondary schools and for external applicants to Highbury Fields Sixth Form for 2025-26 as set out in Appendices 3, 6 and 10 of the report.

Reasons for the decision – The proposed admission arrangements for both primary and secondary community schools and Highbury Fields Sixth Form promoted fair access to educational opportunity and were compliant with the mandatory provisions of the School Admissions Code, 2021.

Other options considered – all as detailed in the report

Conflicts of interest / dispensations granted – none

202 **PROCUREMENT STRATEGY FOR LIFT MODERNISATION SCHEMES**

RESOLVED:

(a) To approve the five-year strategy to procure individual call-off contracts for lift modernisation schemes, using the most suitable framework agreement selected from the options outlined in the report of the Executive Member for Homes and Communities.

(b) To note that the contractor for each call-off contract was to be selected using the mini-competition process set out in the chosen framework agreement, with the combined value of all contracts procured under the strategy estimated to be £25.195m.

(c) To note that the lift modernisation works were to be procured in packages over a period of three financial years, with each scheme tendered separately and providing an opportunity for different specialist lift contractors to undertake separate packages of work within the five schemes.

(d) To delegate authority to award the individual call-off contracts to the Acting Corporate Director of Homes and Neighbourhoods, following consultation with the Executive Member for Homes and Communities.

Reasons for the decision – Many of the lifts in Council residential buildings were coming to the end of their operational life and needed to be replaced. In order to ensure the lifts in the agreed modernisation programmes remained safe and compliant, improved reliability, lowered maintenance costs, and improvements in energy efficiency, it was necessary to procure a number of contracts to deliver the necessary works. It was considered that the most efficient way to undertake the necessary procurements was to undertake a programme of mini-competition exercises using existing framework agreements.

Other options considered – a total of six options were considered, all as detailed in the report.

Conflicts of interest / dispensations granted – none

203 **PROCUREMENT STRATEGY FOR RESPONSIVE REPAIRS AND MAINTENANCE CONTRACTS**

RESOLVED:

(a) To approve the procurement strategy for the following works, as outlined in the report of the Executive Member for Homes and Communities:

- General Build Repairs and Maintenance Works
- Electrical Repairs and Maintenance Works
- Roofing Repairs and Maintenance Works (with Provision of Scaffolding)
- Brickwork Repairs and Maintenance Works

(b) To approve the extension of the current General Build contract for seven months.

(c) To approve the extension of the current Roofing Repairs and Maintenance (including scaffolding) contract for seven months.

(d) To delegate authority to the Acting Corporate Director of Homes and Neighbourhoods, following consultation with the Executive Member for Homes and Communities, to appoint contractors to the relevant frameworks and award the Brickworks contract and authorise entering into the contract.

Reasons for the decision – The Council had an on-going requirement to procure a number of back-up and specialist contracts to support its in-house housing repairs and maintenance services. The procurement of contractors for General Build and Maintenance, Electrical repairs and Maintenance, Roofing Repairs and Maintenance and Brickwork Repairs and Maintenance was required to support the continuity of service.

Other options considered – Six options in total were considered, all as detailed in the report

Conflicts of interest / dispensations granted – none

204

EXECUTIVE RESPONSE TO THE RECOMMENDATIONS OF THE ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE - CIRCULAR ECONOMY AND JOBS

RESOLVED:

To agree the responses in paragraph 4 of the report of the Executive Member for Inclusive Economy and Jobs to the recommendations made by the Environment and Regeneration Scrutiny Committee in relation to the Council's approach to circular economy and green jobs through the Net Zero Carbon Programme.

Reasons for the decision – The report contained a response to each recommendation made by the Environment and Regeneration Scrutiny Committee and detailed how the Council intended to implement those recommendations. Whilst the Net Zero Carbon programme was under way and working to agreed action plans, it was continuously evolving and developing and therefore the Scrutiny Committee's recommendations would be built into the existing programme of work, by either incorporating them into existing activities, or scheduling them into forward plans.

Other options considered – The full range of options considered were as detailed in the report

Conflicts of interest / dispensations granted – none

205 **PROCUREMENT STRATEGY FOR ISLINGTON ADULTS COMMUNITY
EARLY INTERVENTION AND PREVENTION WELLBEING SERVICE**

RESOLVED:

(a) To approve the procurement strategy for the Wellbeing Service, as outlined in the report of the Executive Member for Health and Social Care.

(b) To approve a one-month extension to the current contract with Age UK Islington, from 1 September 2024 to 30 September 2024, with a value of £40,555, to provide sufficient time to implement the procurement strategy.

(c) To delegate authority to award the contract to the Director of Adult Social Care, following consultation with the Executive Member for Health and Social Care.

Reasons for the decision – Option 3 was approved for re-commissioning the ‘Wellbeing’ service through a competitive tender. This approach would secure best value for money and maximised opportunities to benefit residents. This would be achieved by including service enhancements and aligning the service with other Council and voluntary and community sector early intervention and prevention initiatives. Review findings and resident feedback would inform the service specification development to ensure resident voices were reflected in service design.

Other options considered – Three options in total were considered, all as detailed in the report

Conflicts of interest / dispensations granted – none

206 **PROPOSAL ON THE FUTURE OF DUNCOMBE AND MONTEM PRIMARY
SCHOOLS - EXEMPT APPENDIX**

Noted

MEETING CLOSED AT 7.30 pm