

Cabinet

Minutes



Monday 3 February 2020

PRESENT

Councillor Stephen Cowan, Leader of the Council
Councillor Sue Fennimore, Deputy Leader
Councillor Ben Coleman, Cabinet Member for Health and Adult Social Care
Councillor Adam Connell, Cabinet Member for Public Services Reform
Councillor Larry Culhane, Cabinet Member for Children and Education
Councillor Wesley Harcourt, Cabinet Member for the Environment
Councillor Andrew Jones, Cabinet Member for the Economy
Councillor Lisa Homan, Cabinet Member for Housing
Councillor Max Schmid, Cabinet Member for Finance and Commercial Services

95. MINUTES OF THE CABINET MEETING HELD ON 6 JANUARY 2020

RESOLVED:

That the minutes of the meeting of the Cabinet held on 6 January 2020 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

96. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Sue Macmillan.

97. DECLARATION OF INTERESTS

Councillor Schmid declared a significant interest on Item 11 - School Budget Shares (Dedicated Schools Grant) 2020, as his sister is a head teacher at a school in the borough. He left the room during the consideration of the item and did not vote.

98. CORPORATE REVENUE MONITOR 2019/20 MONTH 7 - 31 OCTOBER 2019

RESOLVED:

- 1 To delegate authority to the Strategic Director Finance and Governance, in consultation with the Cabinet Member for Finance and Commercial Services, all decisions necessary to produce the final accounts.
- 2 That Directors and Cabinet members urgently identify and deliver actions that offset the forecast General Fund overspend of £8.9m in accordance with the Council's RFE Priority.
- 3 To approve the budget virement in appendix 9 and enter into an agreement with the GLA to receive £150,000 of funding from the Mayor's Young Londoners Fund over three years to deliver the Motor Vehicle Project for Young People at risk of offending or re-offending.
- 4 To note the HRA forecast overspend.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

99. CAPITAL PROGRAMME MONITOR & BUDGET VARIATIONS, 2019/20 (THIRD QUARTER)

RESOLVED:

1. To approve the proposed budget variations to the capital programme totalling £15.5m (summarised in Table 1 and detailed in Appendix 2).
2. To note the potential risks regarding the Housing Capital Programme, as summarised in section 5.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

100. TREASURY MANAGEMENT STRATEGY MID-YEAR REVIEW REPORT 2019/20

RESOLVED:

The Committee is asked to note the Treasury Management Strategy 2019/20 mid-year review.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

101. REVENUE BUDGET AND COUNCIL TAX LEVELS 2020/21

RESOLVED:

The Leader stated that after 10 years of austerity, significant cuts and loss of revenue, the Council not only had managed to keep the service flowing but also had improved it. He thanked all officers, specially Hitesh Jolapara, in this great achievement.

RESOLVED:

That Council, for the reasons set out in this report and appendices, agree:

1. To increase the Hammersmith & Fulham element of council tax by 1.99% for 2020/21.
2. To apply central government's modelled "adult social care precept" levy of 2% for 2020/21.
3. To set council tax for 2020/21 for each category of dwelling, as calculated in accordance with Sections 31A to 49B of the Localism Act 2011, as outlined in the table below and in full in Appendix A:

- (a) ***The element of council tax charged for Hammersmith & Fulham Council will be £792.42 per Band D property in 2020/21.***

(b) *The overall Council Tax to be set at £1,119.34 per Band D property in 2020/21 as follows.*

Category of Dwelling	A	B	C	D	E	F	G	H
Ratio	6/9 £	7/9 £	8/9 £	1 £	11/9 £	13/9 £	15/9 £	18/9 £
a) H&F	528.28	616.33	704.37	792.42	968.51	1,144.61	1,320.70	1,584.84
b) GLA	217.95	254.27	290.60	326.92	399.57	472.22	544.87	653.84
c) Total	746.23	870.60	994.97	1,119.34	1,368.08	1,616.83	1,865.57	2,238.68

4. To note the element of council tax charged by the Greater London Authority in accordance with Section 40 of the Local Government Finance Act 1992 will be £326.92 per Band D property in 2020/21.
5. To set the Council's own total net expenditure budget for 2020/21 at £121.003m.
6. To approve £8.3m of new investment on key services for residents.
7. To approve fees and charges as set out in paragraph 3.1 below including freezing charges in adult social care, children's services and housing.
8. To note the budget projections to 2023/24 made by the Strategic Director, Finance and Governance in consultation with the Strategic Leadership Team.
9. To note the statement of the Strategic Director, Finance and Governance, under Section 25 of the Local Government Act 2003, regarding the adequacy of reserves and robustness of estimates (section 10).
10. To approve the reserves strategy and realignment of reserves as set out in Appendix J and Appendix K.
11. To authorise the Strategic Director, Finance and Governance to collect and recover National Non-Domestic Rate and Council Tax in accordance with the Local Government Finance Act 1988 (as amended), the Local Government Finance Act 1992 and the Council's Scheme of Delegation.
12. To require all Directors to report on their projected financial position compared to their revenue estimates in accordance with the Corporate Revenue Monitoring Report timetable.
13. To authorise Directors to implement their service spending plans for 2020/21 in accordance with the recommendations within this report and the Council's Standing Orders, Financial Regulations, relevant Schemes of Delegation and undertake any further consultation required regarding the Equalities Impact Assessment.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

102. FINANCIAL PLAN FOR COUNCIL HOMES: THE HOUSING REVENUE ACCOUNT (HRA) FINANCIAL STRATEGY, 2020/21 HRA BUDGET, 2020/21 RENT INCREASE AND HRA 40 YEAR FINANCIAL BUSINESS PLAN

RESOLVED:

That Cabinet agrees:

1. To approve the Housing Revenue Account 2020/21 budget for Council homes as set out in Table 1.
2. To approve the 40-year Financial Plan for Council Homes for 2020/21 to 2058/59 as set out in section 5 of this report.
3. To approve a transfer of £17.2m from Housing Revenue Account earmarked reserves to general reserves as part of a reallocation of HRA resources following an assessment of the balance of earmarked reserves required and the financial pressures facing the HRA.
4. To approve the long-term HRA Financial Plan which includes plans to deliver on-going annual revenue savings of £0.5million per annum from 2020/21 rising to £4.0million per annum from 2023/24 (see Appendix 1).
5. To help fund the 40-year Financial Plan, including investment in better repairs and new homes, approve a rent increase of 2.7% (based on the Consumer Prices Index at September 2019 plus 1% in line with government policy) from April 6th, 2020 which equates to an average weekly increase of £2.90 in 2020/21.
6. To approve an increase to shared ownership rents of 2.7% (based on the Consumer Prices Index at September 2019 plus 1% in line with government policy) from April 6th, 2020.
7. To approve an increase in tenant service charges¹ of CPI (1.7% as at September 2019) from April 6th, 2020.
8. To approve an increase to the management fee for temporary on licence properties of CPI (1.7% as at September 2019) from April 6th, 2020.

¹ This includes general needs, sheltered and hostels properties.

9. To delegate authority to the Strategic Director for The Economy in conjunction with the Cabinet Member for Housing to agree the average increase in water charges.
10. To approve a freeze in the communal heating charges.
11. To increase garage charges by CPI (1.7% as at August 2019).
12. To note that any change to parking charges on housing estates will be considered in a separate report on the Council's parking plans.
13. To approve an increase in the Leasehold After Sale – Home Buy Fees from £155 to £160.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

103. FOUR YEAR CAPITAL PROGRAMME 2020/21 AND CAPITAL STRATEGY 2020/21

RESOLVED:

1. To approve the four-year General Fund Capital Programme budget at £492.2m for the period 2020/21-2023/24 (paragraph 2.1, Table 2 and Appendix 1).
2. To approve the four-year rolling programmes, set out in Table 3 (paragraph 2.2), funded from the Council's mainstream resources:

- Capital receipts and borrowing:

	£m
Planned Maintenance/DDA Programme [F&G]	2.40
Column Replacement [ENV]	0.10
Footways and Carriageways [ENV]	2.03
Total	4.53

- Contributions from revenue (Parking):

	£m
Controlled Parking Zones [ENV]	0.275
Column Replacement [ENV]	0.246
Total	0.521

3. To note the existing mainstream funded schemes previously approved, but now reprofiled to 2020/21 and future years as detailed in Table 3 (paragraph 2.2).
4. To approve the four-year Housing Capital Programme at £199.97m for the period 2020/21-2023/24 as set out in Table 5 (paragraph 3.2) and Appendix 1.
5. To delegate the potential application of capital receipts brought forward (up to £3.5m) under the Government's Flexible Use of Capital Receipts provisions to fund Invest to Save schemes in 2019/20 and 2020/21 (as identified in Appendix 5) to the Strategic Director, Finance and Governance, in consultation with the Cabinet Member for Finance and Commercial Services, as part of the closure of the 2019/20 and 2020/21 accounts.
6. To approve an additional budget envelope of £50m, from 2020/21 onwards, to provide operational flexibility, for taking forward the major projects set out in Capital Strategy Report. Use of this budget will be subject to Cabinet approval, agreement of funding sources and sign-off of an appropriate business case.
7. To approve Capital Strategy 2020/21, as set out in Appendix 4.
8. To approve annual Minimum Revenue Provision policy statement for 2020/21, as set out in Appendix 6.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

104. TREASURY MANAGEMENT STRATEGY STATEMENT 2020/21

RESOLVED:

1. That approval is given to the future borrowing and investment strategies as outlined in this report.
2. That the Strategic Director of Finance and Governance, in consultation with the Cabinet Member for Finance and Commercial Services, be delegated authority to manage the Council's cash flow, borrowing and investments in 2020/21 in line with this report.

3. In relation to the Council's overall borrowing for the financial year, to approve the Prudential Indicators as set out in this report and the revised Annual Investment Strategy set out in Appendix E.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

105. SCHOOL BUDGET SHARES (DEDICATED SCHOOLS GRANT) 2020

Councillor Schmid declared a significant interest on this item, as his sister is a head teacher at a school in the borough. He left the room during the consideration of the item and did not vote.

RESOLVED:

1. To approve the Local Authority formula for allocating resources to Hammersmith & Fulham schools for 2020/21 as set out in Appendix 1, the Authority Proforma Tool (APT) for setting school budgets.
2. To approve the National Funding Formula (NFF) transitional factors (as set out in Appendix 1) as the basis for calculating the 2020/21 schools funding formula, together with a 0.5% per pupil Minimum Funding Guarantee (MFG) protection for individual schools versus 2019/20 pupil led funding levels.
3. To approve the disapplication request to transfer £1.051m (1.0% of the total schools block allocation) from the schools block to the high needs block in the 2020/21 financial year as agreed by Schools Forum on 14 January 2020.
4. To approve the proposal to top-slice the 2020/21 Schools Block to the value of £0.1m or 0.01% of the total for the Falling Rolls protection fund in 2020/21 as agreed by Schools Forum on 14 January 2020.
5. To approve de-delegation budgets of £709,027 for maintained mainstream schools only and as approved by Schools Forum on 14 January 2020.

Area of expenditure	2020/21 (£)
Maintained Schools in Financial Difficulty/Contingency	200,000
Maintained Schools Trade Union Facilities Cover	30,000
Maintained Schools Maternity Cover	140,000
Maintained Schools Licence Fees	40,000
Behavioural Support (SEND)	32,027
Free School Meals Eligibility	32,000
Underperforming Ethnic Groups	125,000
Additional School Improvement	110,000
Total	709,027

6. To approve the education functions budgets of £323,024 for maintained mainstream schools only and as approved by Schools Forum on 14 January 2020.

Area of expenditure	2020/21 (£)
Finance	95,000
Asset management	95,000
Asbestos management and risk	50,000
SIMS support	32,100
Clothing grants	50,910
Total	323,024

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

106. WASTE COLLECTION, RECYCLING AND STREET CLEANSING SERVICES

RESOLVED:

That Cabinet:

1. Approve the extension and variation of the Waste Collection, Recycling and Street Cleansing Contract to 29 January 2023, noting that annual contractual inflation is still subject to agreement with the contractor.
2. Approve that Appendix 1 and 2 to the report are exempt from disclosure on the grounds that they contain information relating to the financial or business affairs of a particular person (including the authority holding that information)

under paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended.

3. Delegate authority to the Strategic Director for the Environment, in consultation with the Borough Solicitor and Cabinet Member for Environment, to finalise the Heads of Terms and Deed of Variation by 1 April 2020.
4. Approve the proposed capital investment as set out in the exempt appendix and delegate the final confirmation of funding to the Strategic Director of Finance, in consultation with the Cabinet Member for Finance and Commercial Services.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

107. ROUGH SLEEPING SERVICES PROCUREMENT STRATEGY

RESOLVED:

Councillor Sue Fennimore commended Mark Meehan, Julia Copeland and Glendine Shepherd for their extraordinary work. The contracts would be awarded based on a Price: Quality ratio of 20:80. The rationale for this ratio was that the quality of the service was critical to delivering the necessary outcomes and meeting the individual needs of the vulnerable people in the borough.

The Leader also congratulated officers on their work and the successful outcome.

RESOLVED:

That the Cabinet approves

1. In accordance with the Council's Contracts Standing Order (CSO) (18.1), the Business Case & Procurement Strategy for the procurement of three new Rough Sleeping Services contracts as set out in Appendix 1 attached.

Reason for decision:

As set out in the report.

Alternative options considered and rejected:

As outlined in the report.

Record of any conflict of interest:

None.

Note of dispensation in respect of any declared conflict of interest:

None.

108. FORWARD PLAN OF KEY DECISIONS

The Key Decision List was noted.

109. ANY OTHER BUSINESS

None.

Meeting started: 7.00 pm
Meeting ended: 7.07 pm

Chair

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