

Cabinet

Minutes



Monday 10 February 2025

NOTE: A recording of the meeting can be watched at on YouTube at:
<https://www.youtube.com/live/pU66z7ulszs?t=1621s>

PRESENT

Councillor Stephen Cowan, Leader of the Council
Councillor Wesley Harcourt, Cabinet Member for Climate Change and Ecology
Councillor Andrew Jones, Cabinet Member for The Economy
Councillor Sharon Holder, Cabinet Member for Public Realm and Lead Member for Inclusive Community Engagement and Co-production
Councillor Rebecca Harvey, Cabinet Member for Social Inclusion and Community Safety
Councillor Rowan Ree, Cabinet Member for Finance and Reform
Councillor Frances Umeh, Cabinet Member for Housing and Homelessness
Councillor Zarar Qayyum, Cabinet Member for Enterprise and Skills

ALSO PRESENT

Councillor Adronie Alford

1. MINUTES OF THE CABINET MEETING HELD ON 13 JANUARY 2025

RESOLVED:

That the minutes of the meeting of the Cabinet held on 13 January 2025 be confirmed and signed as an accurate record of the proceedings, and that the outstanding actions be noted.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Alex Sanderson and Councillor Bora Kwon.

3. DECLARATION OF INTERESTS

There were no declarations of interest.

4. UPDATE ON 'UPSTREAM LONDON': THE VISION FOR THE NEXT PHASE OF THE COUNCIL'S INDUSTRIAL STRATEGY

Councillor Andrew Jones, Cabinet Member for the Economy, introduced the report with an update on the development of the next phase of the Council's pioneering Industrial Strategy: *Upstream London*, launched in late November. This was the Council Industrial Strategy working in partnership in particular with Imperial College London, as well as many different partner institutions, educational and others in the borough and beyond. At the same event the Council also launched the Upstream Pathway Bond, a groundbreaking initiative giving people a clearer pathway into new careers and more opportunities to develop new skills.

Councillor Andrew Jones stated that since the inception of the Industrial Strategy, the Council had helped to generate £6 billion of high-growth business investment, creating over 13,000 jobs, increasing opportunities in the community through working closely with partners including anchor institutions, businesses and investors.

Councillor Zarar Qayyum, Cabinet Member for Enterprise and Skills, added that the report covered three main areas:

- Pathway - creating pathways for businesses to invest to provide opportunities for residents.
- Place – making Hammersmith and Fulham the best place to do business.
- Partnership - various partners across the globe had already signed up and there were many more to come.

The Leader, Councillor Stephen Cowan, praised the work done by Councillor Jones (who was also a professor with a background as an economic geographer) which led to a successful partnership with Imperial College London and to signing up a growth agreement.

The Leader stated that since the Industrial Strategy was launched in 2017 there had been the largest number of spin-offs emerging from Imperial College London than any other university in the UK. The second figure to note was the creation of over 13,000 jobs. The third point was the £6 billion of high-growth business investment. This successful model had generated interest from many people around the world willing to work with the Council. Therefore, the number of partners would increase, and the innovation districts would spread across the borough. This strategy was of upmost importance to the borough, bringing a vast number of opportunities.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

That Cabinet:

1. Notes the publication of the recently launched Upstream London 'white paper' vision document.
2. Notes the intention to develop and cost a delivery plan.

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.

5. H&F PRIVATE RENTED SECTOR POLICY

Councillor Frances Umeh, Cabinet Member for Housing and Homelessness, introduced the policy bringing a renewed focus to make private rented housing standards among the best in London. Private rented housing had increased significantly in the past two decades and local evidence showed that a significant number of them were poorly maintained and unaffordable for local residents. For many years, Hammersmith and Fulham had been delivering a comprehensive set of measures designed to improve the experience of private renting in the borough. The Private Rented Sector Policy (PRS) brought a renewed focus to how the Council could improve standards under the four strategic priorities described on the policy. It also set out a series of commitments under each of the four themes focusing on a range of approaches to create a fair housing market for residents.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

1. That Cabinet adopts the Private Rented Sector Policy for H&F (Appendix 1).
2. That Cabinet notes that a delivery plan will drive forward implementation of the policy.

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.

6. REVENUE BUDGET AND COUNCIL TAX LEVELS 2025/26

Councillor Rowan Ree, Cabinet Member for Finance and Reform, introduced the Council's Revenue Budget for 2025/26 which was a budget to fund the fight against crime and anti-social behaviour in Hammersmith and Fulham, investing both in fighting crime but also fighting the causes of crime. Despite financial austerity, £12.3 million of new investment had been allocated to vital Council services, £3.4 million of that was going direct towards crime prevention through the Council's Law Enforcement Team and Gangs Unit, including additional investment to tackle Violence against Women and Girls, £2.8 million towards Adult Social Care, £2.2 million for Children Services, £1.8 million for Waste Collection and Disposal Services, and £1.2 million towards homelessness prevention.

Councillor Ree thanked Sukvinder Kalsi, Executive Director of Finance and Corporate Services, the finance officers and the Cabinet Members who had been involved in balancing the budget across the various departments, ensuring that the Council continued to offer a Ruthlessly Financially Efficient approach to managing its finances.

The Leader added that the Ruthlessly Financially Efficient approach started in 2014 following the government cuts in funding. As a result of new efficiencies, new technology, modernisation programs, harder negotiations with contractors and winning significant developer contributions, the Council had been able to provide new services. The Council introduced free breakfast for all school children, free adult social care and, most importantly of all, the Council's own Law Enforcement Officers. It was the Council's priority to keep its residents safe and fighting against crime.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

That Cabinet is recommended to consider this report, and make the following recommendations to Full Council for approval, for the reasons set out in this report and appendices:

1. To approve a balanced budget for 2025/26 as set out in the report, including the underlying principles and assumptions.
2. To approve **£12.3m** of new investment on key services for residents.
3. To increase the Hammersmith & Fulham element of Council Tax by 2.99% as modelled by the Government in its spending power calculations for local government.
4. To apply the Adult Social Care precept levy of 2% as modelled by the Government in its spending power calculations for local government.
5. To approve fees and charges, as set out in Appendix E, including freezing charges in adult social care, children's services, and General Fund housing.
6. To approve the Medium-Term Financial Strategy and to note the proposed funding reforms from 2026/27 onwards and budget projections to 2028/29 made by the Executive Director of Finance and Corporate

Services in consultation with the Strategic Leadership Team. (Appendix B)

7. To note the statement of the Executive Director of Finance and Corporate Services, under Section 25 of the Local Government Act 2003, regarding the adequacy of reserves and robustness of estimates (paragraph 66).
8. To approve the reserves strategy and forecast as set out in Appendix H.
9. 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.
10. To authorise Directors to implement their service spending plans for 2025/26 in accordance with the recommendations within this report, the council's Standing Orders, Financial Regulations, relevant Schemes of Delegation and undertake any further consultation required regarding the Equalities Impact Assessment.
11. Set the council's element of Council Tax for 2025/26 for each category of dwelling, as outlined in the table below and in full in Appendix A and calculated in accordance with Sections 31A to 49B of the Localism Act 2011.

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
H&F (£)	640.69	747.47	854.25	961.04	1,174.60	1,388.16	1,601.73	1,922.08

12. To note, based on the Mayor of London's draft consolidated budget, the element of Council Tax to be charged by the Greater London Authority in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings as shown in the table below.

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
b) GLA (£)	326.92	381.41	435.89	490.38	599.35	708.33	817.30	980.76

13. That the overall Council Tax to be set at £1,451.42 per Band D property 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 (£)	640.69	747.47	854.25	961.04	1,174.60	1,388.16	1,601.73	1,922.08
b) GLA (£)	326.92	381.41	435.89	490.38	599.35	708.33	817.30	980.76
c) Total (£)	967.61	1,128.88	1,290.14	1,451.42	1,773.95	2,096.49	2,419.03	2,902.84

14. To authorise the Executive Director of Finance and Corporate Services 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.
15. To note the Council's estimated position on the Collection Fund (as set out in paragraph 60).
16. To note the performance on the management of arrears across the Council on all debts due (as set out from paragraph 71).

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.

7. FOUR YEAR CAPITAL PROGRAMME 2025-29 AND CAPITAL STRATEGY 2025/26

Councillor Rowan Ree, introduced the report setting out the Council's four-year Capital program for the period up to 2029 and the schemes within the programme. The Council was investing £532.3m over the next four financial years to develop and enhance its assets (including council housing), to meet its strategic objectives and provide better outcomes for its residents, businesses, and visitors.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

1. To approve the four-year General Fund Capital Programme budget at £103.8m for the period 2025/26-2028/29 (presented in Table 2 and Appendix 1).
2. To approve the continuation of rolling programmes for 2025/26 funded from the Council's mainstream resources. For financial modelling purposes, these programmes are assumed to continue at the same level until 2028/29:

	£m
Corporate Planned Maintenance	2.400
Footways and Carriageways	2.030
Column Replacement	0.346
Total	4.776

3. To delegate approval of the detailed programmes for use of the rolling programmes, in recommendation 2, to the relevant SLT Director in consultation with the Executive Director, Finance and Corporate Services and the relevant Lead Cabinet Member.
4. To approve the four-year Housing (HRA) Capital Programme at £428.5m for the period 2025/26-2028/29 as set out in Table 6 and Appendix 1.
5. To approve the Capital Strategy 2025/26, as set out in the report.
6. To approve the annual Minimum Revenue Provision policy statement for 2025/26, as set out in Appendix 2.
7. To note the potential financial impact of a number of development schemes not included in the current programme but being in the various predevelopment stages.

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.

8. TREASURY MANAGEMENT STRATEGY STATEMENT 2025/26

Councillor Rowan Ree introduced the report setting out the Council's proposed Treasury Management Strategy Statement and Annual Investment Strategy for 2025/26. The report looked into how the Council managed money coming in and going out and ensured there was always enough to pay relevant bills.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

It is recommended that:

1. Approval be given to the future borrowing and investment strategies as outlined in this report.
2. The Strategic Director of Finance, in consultation with the Cabinet Member for Finance and Reform, be delegated authority to manage the Council's cash flow, borrowing and investments in 2025/26 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.

9. THE HOUSING REVENUE ACCOUNT (HRA) BUDGET (2025/26), RENTS & SERVICE CHARGES (2025/26) & HRA 10 YEAR BUSINESS PLAN (2025/26 - 2034/35)

Councillor Rowan Ree introduced the report setting out the HRA budget and the 10-year Business Plan for Council Homes. Over the following 10 years the Council was going to invest £0.85 billion on new housing across the borough as well as on its property stock, making sure they were efficient, green and comfortable. This was only possible due to successfully managing to get the HRA back onto a sustainable footing and eliminating the structural deficit. As a result, the Council was now able to reduce resident service charges, which was part of this budget.

Councillor Frances Umeh added that as part of this process there was an opportunity to discuss the business plan with residents at both the Sheltered Housing Forum as well as the Housing Representatives Forum and there was positive feedback related to how officers and the team had worked to ensure that there was Ruthless Financial Efficiency and effective management of resources. In addition to their comments on the rent and service charge, they wanted to be noted at Cabinet that they did commend this business plan and were grateful for the work.

Councillor Adronie Alford was pleased that the HRA budget was balancing for this year while using most of the contingency funds. However, she asked for reassurance that there would be enough funds on the budget for any eventuality the following year.

Councillor Ree stressed that every year, as part of the budget setting, they built in new contingencies to use for unforeseen circumstances such as repairs. It was a priority for the Council that residents could live in high quality housing.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

That Cabinet agrees:

1. To approve the Housing Revenue Account 2025/26 budget for council homes as set out in Table 1.

2. To approve the HRA 10-year Business Plan for Council Homes (2025/26 – 2034/35) as set out in paragraphs 3 - 4 of this report and Appendices 1 - 5.
3. To approve a rent increase of 2.7% from 7 April 2025 (in line with September 2024 CPI+1%), which equates to an average weekly increase for tenants of £3.65 in 2025/26.
4. To approve an increase to shared ownership rents of 2.7% from 1 April 2025 (in line with September 2024 CPI+1%).
5. To approve changes to tenant service charges to reflect the costs of providing communal services from 7 April 2025, which equate to an average weekly reduction for tenants of £1.32 in 2025/26.
6. To approve a reduction to charges for heating and hot water to reflect the costs of provision of the district heating service from 1 April 2025, which equate to an average weekly reduction for tenants and leaseholders on the scheme of £0.45 (communal heating), £1.99 (tenants' personal heating) and £3.80 (leaseholders' personal heating) in 2025/26.
7. To approve an increase to the management fee for temporary on licence properties of 1.7% (in line with September 2024 CPI) from 7 April 2025.
8. To approve an increase to the rent and service charges for hostels of 2.7% from 7 April 2025 (in line with September 2024 CPI+1%).
9. To increase garage charges for council tenants, resident leaseholders, and for other customers from 7 April 2025 by 1.7% (in line with September 2024 CPI).
10. To note that any change to parking charges on housing estates were considered separately with the Council's parking plans at Cabinet in January 2025.
11. To increase car space rental charges for all customers by 1.7% from April 2025 (in line with September 2024 CPI).
12. To approve an increase in the Leasehold After Sale – Home Buy fees by 1.7% from April 2025 from £232 to £237 (in line with September 2024 CPI).
13. To approve an increase in the Leasehold Property Alterations fees by 1.7% from April 2025.

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.

10. SCHOOL BUDGET (DEDICATED SCHOOLS GRANT) 2025/26

The Leader introduced the report, on behalf of the Deputy Leader who had sent her apologies, requesting approval of the final proposed 2025/26 schools block allocation and funding to schools through the schools funding formula for the financial year ending 31 March 2026. Hammersmith and Fulham Schools Forum had agreed the model for 2025/26 budget shares on 21 January 2025. Due to the timing of the 2024 General Election, it was not possible for Schools Forum to agree a provisional model at the Schools Forum on the 12 November 2024. Therefore, it now required political endorsement by Cabinet of the decision to agree the budget.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

3. Schools Block Budget 2025/26 Financial Year:

- a. To approve the Local Authority formula for allocating resources to Hammersmith & Fulham schools for 2025/26 as set out in Appendix 1 the Authority Proforma Tool (APT) for setting school budgets.
- b. To approve the National Funding Formula (NFF) funding formula factor rates (as set out in Appendix 1) as the basis for calculating the 2025/26 schools funding formula, together with a minus 0.25% per pupil Minimum Funding Guarantee (MFG) protection for individual schools versus 2024/25 levels with respect to pupil led funding. Minus 0.25% represents the affordable protection achievable within the grant funding allocation confirmed.
- c. To approve the transfer of £1.23m being 1.0% of the total schools' block allocation from the schools' block to the high needs block in the 2025/26 financial year. This is to support high needs education expenditure for special educational needs in Hammersmith and Fulham. This is subject to Ministerial agreement from the Department of Education which is expected in February 2025.
- d. If the 1% block transfer is rejected by the Minister of State in February 2025, to approve the budget allocation as per the alternative model as set out in Appendix 2 with a reduced 0.5% block transfer to High Needs.

- e. To approve de-delegation budgets of £0.555m for maintained mainstream schools only as confirmed by Schools Forum on 21 January 2025.
 - f. To approve the education functions budgets of £0.289m for maintained mainstream schools only, as confirmed by Schools Forum on 21 January 2025.
4. Central Services Schools Block Budget 2025/26.
- a. To approve the proposed budget allocation for Central Services Schools Block DSG totalling £1.939m.

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.

11. EARLY YEARS BUDGET (DEDICATED SCHOOLS GRANT) 2025/26

The Leader introduced the report requesting approval of the 2025/26 Early Years Block of the Dedicated Schools Grant, which covered the existing childcare entitlements in addition to the expanding entitlements for working parents of 2-year-old children and children from 9 months up to 2 years old. It was important to ensure that children got the right level of budgeting into their early years' development.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

- 5. To approve the 2025/26 budget of £12.920m for 3 and 4-year-olds in line with grant conditions and according to the detailed model outlined in the report.
- 6. To approve the 2025/26 budget of £3.781m for 2-year-olds in line with grant conditions and according to the detailed model outlined in the report.
- 7. To approve the 2025/26 budget of £3.611m for children from 9 months to 2 years old in line with grant conditions and according to the detailed model outlined in the report.
- 8. To note the Department for Education Grant for Maintained Nursery School Supplementary funding estimated at £1.103m for 2025/26.

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.

12. CAPITAL PROGRAMME MONITOR AND BUDGET VARIATIONS 2024/25 (QUARTER 3)

Councillor Rowan Ree introduced the regular monitoring report for the capital program. The capital expenditure forecast for the third quarter of 2024/25 was £226.6 million and included building new affordable housing, improving public realm, and maintaining the existing council assets.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

1. To note the overall forecast of £226.6m for 2024/25 capital expenditure which is a net decrease of £47.5m in comparison to the second quarter forecast of £274.1m.
2. To approve the updated four-year capital programme for 2024-2028 of £666.2m, as detailed in Appendix 1. This is a net increase of £89.8m in comparison to the four-year programme of £576.4m approved at Full Council in February 2024.
3. To note the revenue impact of any additional borrowing, as outlined in the Economic and Strategic Overview section.
4. To approve the net increase in budget for the four-year Housing Capital Programme of £30.1m funded from HRA borrowing, as detailed in the table in Appendix 5
5. To note the prudential indicators presented in Appendix 4, as per Prudential Code requirements.

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.

13. FORWARD PLAN OF KEY DECISIONS

The Key Decision List was noted.

Meeting started: 7.00 pm

Meeting ended: 7.34 pm

Chair