

Cabinet

Minutes



Monday 6 November 2023

PRESENT

Councillor Ben Coleman, Deputy Leader
Councillor Wesley Harcourt, Cabinet Member for Climate Change and Ecology
Councillor Sharon Holder, Cabinet Member for Public Realm
Councillor Rebecca Harvey, Cabinet Member for Social Inclusion and Community Safety
Councillor Bora Kwon, Cabinet Member for Civic Renewal
Councillor Rowan Ree, Cabinet Member for Finance and Reform
Councillor Alex Sanderson, Cabinet Member for Children and Education
Councillor Frances Umeh, Cabinet Member for Housing and Homelessness

ALSO PRESENT

Councillor Andrew Dinsmore

APPOINTMENT OF CHAIR

In the absence of the Leader the Deputy Leader, Councillor Ben Coleman chaired the meeting.

1. MINUTES OF THE CABINET MEETING HELD ON 16 OCTOBER 2023

RESOLVED:

That the minutes of the meeting of the Cabinet held on 16 October 2023 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 Stephen Cowan and Councillor Andrew Jones.

3. DECLARATION OF INTERESTS

There were no declarations of interest.

4. FUNDING COMMUNITY BENEFITS THROUGH PLANNING OBLIGATIONS
DRAW DOWN REPORT 2022/23
RESOLVED:

Councillor Rowan Ree introduced the report setting out how the Council intended to spend the £19,160,905 contributions received through Section 106 (S.106) agreements or the Borough Community Infrastructure Levy (CIL) from new developments. They would address the social and physical infrastructure needs, including affordable housing, and would mitigate impacts flowing from those developments. The value was an increase of £1.5 million compared with the previous year's figure, which was a reflect of the effective approach the Council adopted to negotiate with developers.

Councillor Ben Coleman, the Chair, commended the report setting out investment in community safety initiatives, such as the Law Enforcement Team (LET) and the Gangs, Violence and Exploitation Unit, which was to be one of the largest areas of spend with nearly £2m proposed to be drawn down. The Council had invested in a force of 72 uniformed law enforcement officers to tackle issues across the Borough. The project to drive down anti-social behaviour and environmental crime claims was to be the biggest in London. He added that the LET was extremely popular with residents as it carried out knife searches and sweeps on Council Estates and was praised by the Police for its effectiveness. Other Councils across London were also recommending the introduction of a LET.

Councillor Andrew Dinsmore asked how the further investment in the LET would address violent crime in the Borough as they did not have powers of arrest nor to stop and search.

Councillor Ree replied that the LET provided vital assistance to the Police and were a visible presence to deter crime across the Borough. The Gangs Unit were particularly effective as they were working with young people to stop then getting involved with violent crime.

Councillor Dinsmore noted that, while it costed more to train a police officer, the annual salary of a police officer and a LET officer were broadly the same. He asked if the Council had considered the actual cost of increasing the number of police officers or ruled it out on ideological grounds.

Councillor Ben Coleman asserted that the Council operated on the basis of finding the most effective way to protect local residents and keep the streets in the Borough safe. The view of the residents was that the LET operating alongside the Police was very effective and provided a visible neighbourhood presence.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

That Cabinet approves the 2022/23 drawdown of Section 106 and Community Infrastructure Levy monies as set out in this report and in the 2022/23 Drawdown Report attached at Appendix A, to fund expenditure of £19,160,905 for a wide range of community benefits across the borough.

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. COMMUNITY INVESTMENT IN CLIMATE INITIATIVES

Councillor Ree introduced the report requesting approval for the launch of a green local authority security, enabling the Council to finance green initiatives from community investment. This was a loan from the community, allowing residents, local businesses, and anyone else to invest in H&F's climate change objectives. They were targeting a loan amount of up to £5m, the highest value green local authority security ever issued by a local authority. These were fixed rate loans, with interest rates set by the Council.

Councillor Ree added that following the updated Treasury Management Strategy Statement at Full Council on 1 November there had been a couple of changes to the published report to provide more clarity on the nature of the investment. The word "bond" was replaced with "local authority security" and the word "return" with "a low-risk investment with a fixed return", reflecting the correct terminology.

Councillor Wesley Harcourt added that the funds raised would be invested in green initiatives, including decarbonisation of the Council's corporate property portfolio (such as heat pumps, solar panels, electric vehicle charging points etc). The Council was working towards targeting net zero carbon and dealing with climate change, which required significant investment to achieve. A green local authority security was an effective way to finance some of the required investment .

Councillor Andrew Dinsmore noted that the interest rate would be set by the Council, fixed at above inflation rates, and asked whether any of the projects would lead to a return in capital that funded the interest paid back to the investors, and if not, how the Council would fund those levels of returns.

Councillor Ree replied that this would be a fixed rate 5-year local authority security not tied to the current inflation rates. The Council would benchmark interest rates at below that of the Public Works Loans Board (PWLB), therefore representing a cheaper means of external borrowing for the Council, compared

to external borrowing via PWLB. The Council's loan facilitator, Abundance Investment Ltd, would charge a small fee for their administration services, which would be deducted from the final rate offered to investors. The £5m would go directly to fund all the projects with no need to raise additional money.

Councillor Ree added that those projects were not meant to raise money but to invest in works that the Council would need to carry out to mitigate the effects of climate change. The returns to investors would come from the 4-year Capital project plan, approved by the Council.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

1. To approve the launch of the Hammersmith & Fulham green local authority security from November 2023, up to a maximum total value of £5m.
2. To delegate approval for the specific climate initiatives to be funded from the green local authority security (up to a maximum of £5m) to the Strategic Director of Environment, in consultation with the Cabinet Member for Finance and Reform, the Cabinet Member for Climate Change and Ecology and the Strategic Director of Finance.
3. To contract with Abundance Investment Ltd for the management and administration of the community loans, for the duration of the five-year loan period (estimated contract value of £100,000).

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 REVIEW 2023/24 - MONTH 4 (JULY 2023)

Councillor Ree introduced the report setting out the movements in the budget for Month 4 and any areas of pressure.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

1. To note the General Fund financial forecast at month 4.
2. To note that the position on the Housing Revenue Account (HRA) as set out in paragraph 15.

3. To note the in-year Dedicated Schools Grant High Needs Block forecasted surplus of £0.401m (thereby reducing the cumulative deficit).
4. To approve General Fund budget changes totalling £0.342m as detailed in Appendix 10. This is being funded using on-going and one-off contingencies (£0.120m) and one-off use of earmarked reserves (£0.222m).

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. HAMMERSMITH BRIDGE - TOLL ORDER AND ROAD USER CHARGING SCHEME

Councillor Sharon Holder stated that the Government expected the Council to fund a third of the total costs of the Bridge repair. Therefore, this report recommended the making of a toll order or road user charging scheme to meet the Council's share of the construction costs and pay for the continuing operation and maintenance of the Bridge.

Councillor Andrew Dinsmore asked when the Bridge would be fully open to all traffic.

Councillor Holder replied that the Council had given an update of every step of the Bridge repair. Given that there had not been a response yet from the Department of Transport regarding the Council's outline business case, they were not in a position to have a confirmed reopening date.

Councillor Dinsmore asked if the toll order or road user charging scheme led to a surplus of money how would that money be used.

Councillor Holder replied that the Council would not be directly responsible for providing the toll order or road user charging scheme. Negotiations would need to be discussed with the actual provider.

Councillor Ben Coleman added that this solution would mean that no services would need to be cut to pay for the Bridge. However, they would need full Government support.

AGREED UNANIMOUSLY BY THE CABINET MEMBERS:

1. To note that Appendix 1 to this report is not for publication on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings, as set out in paragraphs 3 and 5 of Schedule 12A of the Local Government Act 1972 (as amended).
2. To approve the making of one or more of the following legal instruments, subject to the outcome of the consultation referred to in recommendation 3 below:
 - a. A road user charging scheme under s295 of the Greater London Authority Act 1999;
 - b. A toll order under s6 New Roads and Street Works Act 1991 to authorise the levying of tolls for vehicles crossing Hammersmith Bridge in association with:
 - i. A special road scheme under s16 Highways Act 1980 to specify; Hammersmith Bridge as a special road and to designate the London Borough of Hammersmith and Fulham as the special road authority; and
 - ii. A supplementary order under s18 Highways Act 1980 to make ancillary provision to give effect to the toll order and special road scheme.
3. To approve the undertaking of consultation in relation to the above proposed instruments. The outcome of this consultation will be reported to Cabinet in a further report. If the consultation leads to the recommendations in paragraph 2 above being changed, this subsequent report will reflect those amended recommendations. The further report will recommend which of the above instruments should be approved. This will depend on the outcome of the consultation and further discussions with TfL.
4. To approve in principle that – if a toll order is made – tolls will be chargeable by a concessionaire.
5. To agree that the procurement strategy approved by the Cabinet on 10 October 2022 be amended so that the evaluation criteria will be 50% quality and 50% price.
6. To note the financial matters set out in the Financial Impact Section of the Report.

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. FORWARD PLAN OF KEY DECISIONS

The Key Decision List was noted.

9. DISCUSSION OF EXEMPT ELEMENTS (ONLY IF REQUIRED)

There was no discussion of exempt elements.

Meeting started: 7.00 pm
Meeting ended: 7.22 pm

Chair