

London Borough of Hammersmith & Fulham

Policy and Oversight Board Minutes



Wednesday 5 February 2025

PRESENT

Committee members: Councillors Lisa Homan (Chair), Jacolyn Daly, Natalia Perez, Helen Rowbottom, Nikos Souslous, Nicole Trehay, Rory Vaughan and Victoria Brocklebank-Fowler

Other Councillors

Councillor Rowan Ree (Cabinet Member for Finance and Reform)

Officers

Matthew Sales (Assistant Director, Programmes, Assurance and Analytics)

Sukvinder Kalsi (Executive Director for Finance and Corporate Services)

James Newman (Assistant Director – Finance)

Andre Mark (Head of Finance – Strategic Planning and Investment)

Alex Pygram (Head of Finance – Corporate Services)

David Abbott (Head of Governance)

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

Apologies for lateness were received from Councillors Natalia Perez (who entered the room at 7.05pm) and Nikos Souslous (who entered at 7.07pm).

2. DECLARATIONS OF INTERESTS

There were no declarations of interest.

3. MINUTES OF THE PREVIOUS MEETING

The Board agreed the minutes of the meeting held on 25 November 2024 as an accurate record.

4. 2025/26 REVENUE BUDGET AND MEDIUM TERM FINANCIAL STRATEGY (MTFS)

Presentation and questions on the Corporate Budget

Councillor Rowan Ree (Cabinet Member for Finance and Reform) addressed the Board and gave a presentation on the proposals for the 2025/26 revenue budget, risks, financial resilience, and the impact of those proposals.

Councillor Ree thanked his Cabinet colleagues and officers for their hard work putting together the budget. He gave particular thanks to the Finance team, including Andre Mark, Alex Pygram, James Newman and Sukvinder Kalsi.

Councillor Ree started by setting the context for the budget noting that funding from central government had reduced by 54% in real terms from 2010. In addition to funding reductions there was a challenging economic environment, changing demographics, and increased demand for council services. The Government's budget in October included new spending items for local government including an extension to the household support fund, £1.8m to spend on support to the most vulnerable, the Extended Producer Responsibility (that ensured companies producing packaging waste paid for some of cost of cleaning it up), and the Homelessness Prevention Grant.

The Council's priorities were keeping residents safe, protect statutory services and additional services like free Home Care and free breakfasts for primary school children, the Law Enforcement Team, and the council tax support scheme which supported 4 in 10 households. He said the Council wanted to run efficiently and effectively to deliver these priorities while preserving low council tax.

Looking ahead to 2026/27, he said the Council planned to boost economic growth, deliver transformation programmes to modernise service delivery, generate further CIL/Section 106 funds, and secure additional grants through national programmes like green funding. Councillor Ree explained that, following the Policy and Accountability Committees and the Policy and Oversight Board, the budget would go to Cabinet, then on to Full Council on the 26th of February for final approval.

Councillor Victoria Brocklebank-Fowler asked why the Council was moving funding for the Law Enforcement Team (LET) from CIL to the general fund. Councillor Ree said it secured the future of LET team. Councillor Brocklebank-Fowler asked what the money being proposed for the LET would have been spent on otherwise. Councillor Ree said the LET was a priority for the Council, so it was being invested in.

The Chair added that the reason the LET was a priority for the Council was due to concerns that the police were not as responsive as residents wanted, due to changes in their command structure. She noted that in her ward, Conningham, there had been 49 occasions where local officers had been pulled away to protests and events in central London, showing the necessity for support from the LET. Councillor Ree said feedback to the LET was very positive. They were visible and approachable and could solve issues directly for residents.

Councillor Rory Vaughan welcomed the budget. He noted that the £3.4m from the CIL fund previously spent on the LET would now be available for other priorities. He commended the Cabinet Members and officers for ensuring the Council had the funds for important services like the LET and free Home Care. Councillor Ree recommended a report on CIL and Section 106 funding as it represented millions of pounds that could be put towards good projects like affordable housing, parks, and place shaping.

Councillor Nicole Trehy said the presence of the LET on the streets had a positive effect on the safety of women and girls. She also raised the recent street harassment public spaces protection order (PSPO) and asked for more information on it. Councillor Ree noted the Council had invested £250k combatting violence against women and girls, funding specialist courts to improve prosecution levels. Regarding the PSPO, he said Hammersmith & Fulham was the first borough in country to put a ban on street harassment and he hoped it made a big difference.

Councillor Jacolyn Daly welcomed the budget and said it was impressive to see this level of investment given the challenging economic climate. She raised the new spending for climate change in the budget and asked if this included money raised from the Council's green bond initiative. Councillor Ree said the green investment bond funded capital projects such as sustainable drainage schemes and retrofitting buildings. The money in the budget was for the Council's climate team to ensure they were as effective as possible when applying for green grants. He noted that grants often required match funding so this would allow the Council to bid for more pots of money to spend on climate issues.

Councillor Daly noted the additional £0.3m spend on Upstream London, the Council's industrial strategy and asked if there had been an analysis on return on investment to date. She also asked what the expectations were for the project over the medium and long term. Councillor Ree said the investment this year was new but to date the strategy had helped attract £6 billion of investment to the borough. The goal was to incubate smaller businesses and kickstart innovative businesses, while also ensuring children in the borough could take part in and benefit from the growth created.

Councillor Nikos Souslous asked about the digital inclusion strategy and how the investment there would help tackle fraud. Councillor Ree said digital inclusion was more important than ever, with more and more services moving online. This work would bring together support already available through the third sector and businesses. The Council wanted to ensure that help was getting to people who needed it the most. Fraud was the fastest growing crime in the country, partly due to many more people going online, but not everyone had the skills to spot potential hazards. The Council wanted to give people those skills.

Councillor Natalia Perez commended Councillor Ree and the finance team on the budget. She said it protected the services that residents relied on such as combatting violence against women and girls, the council tax support scheme, and Family Hubs. She then asked how the Council was using the Household Support Fund. Councillor Ree said Family Hubs had been a real success and was pleased to

put more investment into them to deliver council services in the community. Regarding the Household Support Fund, he said £1.8m was going towards hardship grants – payments of up to £900 for people struggling to pay their bills.

Councillor Brocklebank-Fowler asked for a breakdown in the increase in central government grants and asked if that included a grant for the increase in employers' national insurance. Councillor Ree said there had been an increase of £7.8m in Government grants which did include compensation for the employers National Insurance increase. Andre Mark noted this was around £2.2m but officers were still working through the detail.

Councillor Brocklebank-Fowler asked how the National Insurance issue affected contracted services. Councillor Ree said current contractors would have built contingencies into their contracts and the Council had built increases to contracted services into the budget.

The Chair asked about the risks associated with the Extended Producer Responsibility for waste collection and disposal costs. Sukvinder Kalsi said there was a national programme for local authorities that would impose extra costs on some organisations and businesses to dispose of packaging they supply. He said the Council would work with the Government to ensure it was fairly balanced.

Presentation and questions on the Finance and Corporate Services Departmental Budget

Alex Pygram (Head of Finance – Corporate Services) addressed the Board and gave a presentation on the budget proposals for the Finance and Corporate Services department. The following points were noted:

- The new department, created in May 2024 was responsible for £53m expenditure and had a controllable budget of £36m. 66% of the budget was spent on staffing.
- The department incorporated a wide range of services including the Finance team, Procurement team, the Audit, Anti-Fraud, Risk and Insurance teams, Policy and PMO, the Business Intelligence team, Elections, Resident Services (contact centres), Democratic Services, Registrars and Coroners, the Benefits team, Digital Services (IT), Communications, Legal Services, and People and Talent (HR).
- There were proposed savings of £510k – these included bringing local support payments in-house, increasing income, a reduction in mobile phone contracts, and removal of vacant community engagement posts.
- The proposals included growth of £124k which represented investments in the digital inclusion strategy, money to address a shortfall due to increases in insurance premiums, contract inflation, and third sector investment budgets.
- Future plans included a corporate redesign, digitalisation programme, and maximising council tax and business rates collection.

Councillor Brocklebank-Fowler asked for more information on the proposed £750k savings from 'corporate redesign'. Sukvinder Kalsi said his goal was to provide the

best services and be as efficient as possible. As part of that the department was always looking to minimise the staffing required. The department had achieved some of its savings targets by reducing senior management costs and that would continue. He added there would be further reductions to staffing through natural turnover.

Councillor Brocklebank-Fowler asked how much money was spent on leaving packages. Sukvinder Kalsi said that would be reported in due course.

Councillor Brocklebank-Fowler asked if the deficit under legal services included external legal services used by the Council. Sukvinder Kalsi said the total spend was recharged out to services. The figure included external advisory services where the Council needed specialist advice to protect its position. Alex Pygram noted the Council's in house legal team was in net surplus due to additional planning income.

Councillor Vaughan noted that cyber security was a major issue and said he was glad more money was being spent to combat it. He asked if the Council had increased its resilience in light of the problems faced by other councils and public services recently. He also asked if residents would benefit when they interacted with the Council online. Councillor Ree said there were a huge number of attacks focused on the public sector and these issues could be very costly. The Council was very aware of the threat and recognised how important it was to put systems and training in place to mitigate it.

Councillor Vaughan asked if there was training and clear reporting routes for staff. Councillor Ree said there was, and noted Councillors were also provided with training.

The Chair noted the service transformations already discussed by the Board – REAP, AI, and the Council's digital strategy – and said the Board would continue to track them and ensure they were working as intended.

The Chair noted that vacant community engagement posts were being removed and asked whether the posts were useful if the Council wanted to do more co-production. Councillor Ree said the digital inclusion strategy came with specific funding for engagement, rather than having generic community engagement staff.

Councillor Souslous asked for more information on bringing local support payments in house. Councillor Ree said the payments were an important part of the support provided to vulnerable residents. In emergencies people could get in touch and the Council would provide the support they needed. Making this change ensured as much of the money as possible went to residents. Under the old arrangement with RBKC (a legacy of the Tri-Borough) it cost £1 to distribute £3 but it could be done much more efficiently in house.

The Chair thanked Councillor Ree and officers for a very positive budget, particularly given the challenging financial climate.

RESOLVED

1. That the Policy and Oversight Board considered the budget proposals and made recommendations to Cabinet as appropriate.
2. That the Board considered the proposed changes to fees and charges and made recommendations as appropriate.

5. WORK PROGRAMME

The Board's draft work programme was presented for discussion and noting.

RESOLVED

1. The Board noted the draft work programme.

6. DATES OF FUTURE MEETINGS

The following dates of future meetings were noted:

- 6 May 2025
- 17 September 2025
- 24 November 2025
- 4 February 2026
- 29 April 2026

Meeting started: 7.00 pm
Meeting ended: 8.15 pm

Chair

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