

PRESENT

Committee Members

Cllr Elizabeth Campbell (Chair)
Cllr Kim Taylor-Smith (Vice-Chair)
Cllr Sarah Addenbrooke, Lead Member for Communities & Community Safety
Cllr Catherine Faulks, Lead Member for Family & Children's Services
Cllr Cem Kemahli, Lead Member for Planning & Public Realm
Cllr Sof McVeigh, Lead Member for Housing Management, Housing Safety & Building New Homes
Cllr Josh Rendall, Lead Member for Adult Social Care & Public Health
Cllr Johnny Thalassites, Lead Member for Finance, Customer Services & Net Zero Council
Cllr Emma Will, Lead Member for Property, Parks & Leisure

Others Present

Cllr Mary Weale, Chair, Overview and Scrutiny Committee

Council Officers

Toyin Shobowale, Senior Governance Co-Ordinator
Maxine Holdsworth, Chief Executive
Douglas Campbell, Governance Manager
Mike Curtis, Executive Director for Resources
Joyce Golder, Principal Solicitor (Litigation)
Amanda Anerville, Head of Financial Management
Sophie Evans, Director of Customer Delivery • Customer Access
Doug Goldring, Director of Housing Management (Grenfell)
Graham Hart, Head of Economic Development • Economic Development Team
Dan Hawthorn, Executive Director for Housing and Social Investment
Pinakin Patel, Strategic Head Policy and Resilience
Robert Wahl, Resilience Manager

1 APOLOGIES FOR ABSENCE

No apologies were received.

2 DECLARATIONS OF INTEREST

No declarations of interest were made.

3 MINUTES OF PREVIOUS MEETING

The Leadership Team noted that paragraph 3 of the minutes of item 4, VCS Development and Investment Programme should be amended to read 'The proposal would use £2.35m over the next three years to build skills and capacity through a co-production approach so the work would continue.' and not 'The proposal would use £2.3m over to build skills and capacity through a co-production approach so the work would continue' as printed in the draft minutes.

The minutes of the meeting held on 7 February 2024 as amended were confirmed as a correct record.

4 Q3 FINANCIAL MONITORING REPORT 2023/24 KD1004417

Cllr. Johnny Thalassites, Lead Member for Finance, Customer Services, Net Zero Council, introduced the report and set out the background to the proposed decision.

He said, overall, the Council's financial position was generally strong but cautioned that the Council must continue to be prudent in spending and managing of risks associated with funding uncertainties by developing robust service plans that support the delivery of savings. He explained that whilst this may be a difficult decision, the Council needed to double its effort.

Cllr. Mary Weale, Chair of Overview & Scrutiny Committee expressed concern over the percentage of budget not achieved to date but acknowledged that there were some pressures on the budget. She suggested that more transparency and attention be paid to these in the future.

The Leadership Team RESOLVED, for the reasons set out in paragraphs 3.1 and elsewhere within the report, that the recommendations at paragraphs 2.1 and 2.12 be adopted.

The Leadership Team:

- a) Noted the General Fund revenue budget forecast overspend of £2.778m, which includes a forecast overspend of £1.463m across service budgets.
- b) Noted the Housing Revenue Account (HRA) forecast transfer of £2.560m to the capital programme in section 23.
- c) Noted the General Fund Capital Programme forecast underspend of £10.992m set out in section 24.
- d) Agreed the proposed rephrasing of capital budget slippage to future years set out in section 24, table 14.
- e) Agreed the new capital funding requests set out in section 24, table 15.
- f) Agreed the proposed capital virements within directorates set out in section 24, table 16, and the corresponding amendment of 2023/24 budgets that will result.

- g) Noted the HRA Capital Programme forecast underspend of £2.959m set out in section 25.
- h) Noted the savings position as set out in section 28 and detailed further in appendix 1.
- i) Noted the reserves position set out in section 29 and detailed further in appendix 2.
- j) Agreed the movements between reserves set out in section 29, paragraphs 29.5 – 29.8.
- k) Noted the new requests for additional funding from reserves under £250k in section 29, table 24.
- l) Agreed the new requests for additional funding from reserves above £250k in section 29, table 25.

Action by: Executive Director of Resources

5 RENEWING THE JOINT VENTURE AGREEMENT - CENTRAL LONDON FORWARD KD1008933

Cllr. Josh Rendall, Lead Member for Adult Social Care & Public Health introduced report.

Officers advised that the Central London Forward (CLF) was the largest of four sub-regional partnerships across Greater London that act as a conduit between the boroughs and London government. Adding that whilst it was not a legal entity, CLF was created to champion the strategic interests of central London's residents and businesses and to provide a platform for public policy and collaboration.

The Leadership Team agreed that the annual subscription fee of £40,000 was good value for money because it provided additional services beneficial to the borough residents and communities and promotes inclusive and sustainable growth.

The Leadership Team RESOLVED, for the reasons set out in paragraphs 3.1-3.4 and elsewhere within the report, that the recommendations at paragraph 2.1 – 2.2 be adopted.

The Leadership Team:

- a) Agreed that the Council enters into a renewed partnership agreement for Central London Forward for the period 1 April 2024 to 31 March 2028,
- b) Agreed to pay an annual subscription, which has been frozen at the current level of £40,000.

Action by: Executive Director of Resources

6 COUNCIL COMPLIANCE WITH THE SOCIAL HOUSING (REGULATION) ACT 2023 KD1009076

Councillor Sof McVeigh, Lead Member for Housing Management, Housing Safety and Building New Homes introduced the report and gave a brief overview of the major legislative changes introduced by the Social Housing (Regulation) Act 2023 and the new enforcement and regulatory powers of the Regulator for Social Housing.

Cllr. Elizabeth Campbell - Leader of the Council (Chair), noted that implementing these policy and legislative changes aligns with the Council Plan.

Officers stated that Housing Management had already made significant, multi-year improvement in response to the Grenfell tragedy and challenges put to us by the bereaved, survivors, and the wider community. They reiterated that the Council would continue to work hard to improve its service standards to meet the needs of the community.

The Leadership Team RESOLVED, for the reasons set out in paragraphs 3.1 - 3.6 and elsewhere within the report, that the recommendations at paragraph 2.1 - 2.3 adopted.

The Leadership Team:

- a) Noted the overview of the Social Housing (Regulation) Act 2023, 'Awaab's Law', the Building Safety Act 2022 and the work underway to ensure adherence to the requirements.
- b) Endorsed the comprehensive arrangements made by the Council to meet the requirements of the new regulatory regime, as detailed in section 5 of the report, including the fact that housing management has focused, so far, on delivering against the draft standards released in October 2023.
- c) Agreed that the statutory Health and Safety Lead Officer under the Social Housing (Regulation) Act 2023 for the functions described in section 7 and in paragraph. 4.19 of the report, is the Director of Housing Management.

Action by: Executive Director of Housing and Social Investment

7 ANNUAL RESILIENCE REPORT - STANDARDS FOR LONDON SELF ASSESSMENT KD1008930

Cllr. Elizabeth Campbell - Leader of the Council (Chair) introduced the report, setting out the background to the proposed decision.

The Leadership Team discussed the report. They commented on several points such as, the Council's continuing work to bolstering its resilience preparedness arrangements; the Council's self-assessment in relation to the Resilience Standards for London; and the Council's increased capacity to respond to incidents by training, equipping, and empowering more officers for emergency roles.

The Leadership Team RESOLVED, for the reasons set out in paragraph 3.1 and elsewhere within the report, that the recommendations at paragraphs 2.1 and 2.3 be adopted.

The Leadership Team:

- a) Approved the Annual Resilience Report for 2023.
- b) Agreed the current position statement for each resilience standard in the Resilience Standards for London (Appendix 2).
- c) Noted the areas that have already improved (see sections 5, 6 and 7 of the report) following learning from Module 4 of the Grenfell Public Inquiry and those areas which continue to develop in line with the Council's continuous improvement programme, such as Resilience training and exercising for all emergency roles, strengthening of the emergency rota and on-call cover and greater community resilience.

Action by: Executive Director of Environment and Neighbourhoods

8 IMPLEMENTATION OF THE ENTERPRISE RESOURCE PLANNING (ERP) SOLUTION - ORACLE - REVISED ARRANGEMENTS KD1009102

Cllr. Johnny Thalassites, Lead Member for Finance, Customer Services, Net Zero Council, introduced the report setting out the background to the proposed decision. He explained that this report was a follow-on from the Oracle Programme report that was approved by Leadership Team in February 2023.

Officers explained the four options explored in the report and explained why option three was deemed to be the most appropriate measure to take as it was the safest option for the Council with the fewest negative risks. Officers added that choosing this option would help to overcome the issues referred to in the report, such as the transfer of data from Hampshire County Council and the implementation of Oracle Redwood from commencement of the programme.

Councillor Weale, Chair of Overview & Scrutiny Committee agreed with the recommendations and thanked officers for the clear report and for the early presentation to Overview & Scrutiny Committee. However, she expressed concern over the significant increase in budget and suggested that the lessons learnt would mitigate against such a situation in the future.

The Leadership Team RESOLVED, for the reasons set out in paragraph 3.1- 3.7 and elsewhere within the report, that the recommendations at paragraph 2.1 - 2.12 to be adopted.

The Leadership Team

- a) Noted the risk associated with the current 'Go Live' date of October 2024 and the mitigating factors proposed to manage this risk and enable delivery of a successful programme.
- b) Agreed to the new April 2025 'Go Live' date for the reasons detailed in this report.

- c) Agreed to extend and vary the existing contract between the Council and Bramble Hub Ltd for the provision of Business Integrator Services for a term of up to 31 March 2025, and for the additional cost of up to £154,250 excluding VAT.
- d) Agreed to extend and vary the existing contract between the Council and Version 1 Solutions Ltd, for the provision of System Integrator Services for a term of up to 30 June 2025, and for the additional cost of up to £1,129,126 excluding VAT.
- e) Agreed to enter into a direct call off from the Oracle ERP Cloud Implementation - Digital Marketplace (a CCS framework) for additional and new work with Version 1 Solutions Ltd for a period of 15 months up to 30 June 2025, with a total value of up to £1,079,514 excluding VAT.
- f) Agreed to extend the current arrangement with Hampshire County Council for the provision of the IBC service from 1 October 2024 to 31 March 2025, at a cost of £1.2m excluding VAT.
- g) Delegated authority to the Executive Director of Resources following consultation with the Chief Solicitor and Monitoring Officer to approve and finalise the terms of the necessary agreements as set out in this paragraph 2.
- h) Agreed the additional internal resource requirements associated with moving the Go Live date, totalling £1.5m.
- i) Agreed to vary the existing contract with Insight Direct (UK) Limited for the purchase of additional Oracle licences at a cost of up to £800k excluding VAT.
- j) Agreed to reduce the programme contingency by £900k to £600k.
- k) Agreed that the additional costs of £1.924m as detailed in section 8 of this report associated with the revised programme timetable are funded from reserves and note that the contingency budget of £600k be earmarked as a reasonable and prudent allocation for utilisation should it be required.
- l) Noted that all of the variations detailed above total more than the additional budget requirement of £1.924m as the additional costs are compared to the actual contracts in place while the increase in budget required is compared to the original business case. When contracts were originally let not all of the original budget was fully utilised.

Action by: Executive Director of Resources

Cllr. Johnny Thalassites, Lead Member for Finance, Customer Services, Net Zero Council, introduced the report and advised that the Levelling Up and Regeneration Act 2023 gives Councils powers to apply a premium of up to 100% of the Council Tax charge to the owners of second homes in the borough.

The Leadership Team RESOLVED, for the reasons set out in paragraph 3.1 – 3.4 and elsewhere within the report, that the recommendations at paragraph 2.1 (i - ii) be adopted.

The Leadership Team:

- a) Agreed the option to allow the Council to make a decision in the future about whether to implement a Second Home Premium of up to 100% with effect from 1st April 2025 and agreed to make a determination in accordance with section 11C of the Local Government Finance Act 1992 and to publish the requisite notice. It was noted that a further decision on whether to implement a premium, if at all, will be made as part of the consideration of the budget and the setting of the council tax for 2025/26 or at any time before the end of the financial year 2024/25.
- b) Noted that the Leadership Team would receive and consider a further report and recommendations once guidance has been received.

Action by: Executive Director of Resources

10 HOUSEHOLD SUPPORT FUND UPDATE AND MITIGATIONS KD1009061

Cllr. Johnny Thalassites, Lead Member for Finance, Customer Services, Net Zero Council, introduced the report setting out the background to the proposed decision.

The Government's Household Support Fund (HSF), launched in October 2021, had provided over £2.5 billion to local authorities to assist vulnerable households with rising living costs, particularly food and energy, and had also been a critical part of the Council's Cost of Living response. To date, the Council had received £6m from this fund. The HSF targets low-income individuals and families unable to afford essentials, with local authorities having discretion in fund distribution.

The Leadership Team welcomed this report and were pleased that with this funding, the Council can continue to facilitate programmes desperately needed in the borough such as Free School Meals in School holidays for eligible children, the K&C Foundation Cash First scheme, Emergency Food provision and the Kensington and Chelsea Social Council Community Resilience support programme for another six months.

The Leadership Team RESOLVED, for the reasons set out in paragraphs 3.1- 3.2 and elsewhere within the report, that the recommendations at paragraph 2.1 – 2.2 be adopted.

The Leadership Team

- a) Agreed the 2024/25 6 month allocation of Household Support Fund to the following initiatives:-

Recommendation 1: Transfer funding to schools to support families eligible for Free School Meals with a meal offer for the remaining academic year (April 2024- 31 August 2024) at the current rate of £4 - £680,800.

Recommendation 2: Fund an Emergency food fund and support for vulnerable individuals and families whose needs are not met through the Council's existing Housing Management Financial Resilience Fund for 2024/25 - £45,000.

Recommendation 3: Fund the continuation of the Cash First Scheme run by the Kensington and Chelsea Foundation to support food insecurity and financial resilience in the Borough for 2024/25- £175,000.

Recommendation 4: Fund the Kensington and Chelsea Social Council Community Resilience Support Programme to further develop food insecurity support infrastructure in the borough for 2024/25 - £91,153.

b) Agreed that where there is a shortfall in the final HSF funding allocation, the final decision on funding allocations (e.g. utilising the Cost of Living Reserve Fund) will be delegated to the Executive Director of Resources, following consultation with the Lead Member for Finance, Customer Services and Net Zero.

Action by: Executive Director of Resources

11 ANY OTHER ORAL OR WRITTEN PUBLIC ITEMS WHICH THE CHAIRMAN CONSIDERS URGENT

There were no items considered urgent.

12 EXCLUSIVE OF THE THE PRESS AND PUBLIC

The Leadership Team did not consider any items without the press and public.

The meeting ended at 7.18 pm

Chair