

DRAFT MINUTES

# DRAFT MINUTES

Meeting ID	3910
Committee	Leadership Team
Date	12/02/2025
Attendees	<p>Cllr Elizabeth Campbell (Chair)</p> <p>Cllr Kim Taylor-Smith (Vice-Chair)</p> <p>Cllr Sarah Addenbrooke (Committee Member)</p> <p>Cllr Catherine Faulks (Committee Member)</p> <p>Cllr Cem Kemahli (Committee Member)</p> <p>Cllr Sof McVeigh (Committee Member)</p> <p>Cllr Josh Rendall (Committee Member)</p> <p>Cllr Johnny Thalassites (Committee Member)</p> <p>Cllr Emma Will (Committee Member)</p> <p>All Councillors (Notify)</p> <p>Toyin Shobowale (Officer)</p> <p>Maxine Holdsworth (Officer)</p> <p>LeVerne Parker (Officer)</p> <p>Mike Curtis (Officer)</p> <p>David Hughes (Officer)</p> <p>Lisa Taylor (Officer)</p> <p>Dan Hawthorn (Officer)</p> <p>Neil Isaac (Officer)</p> <p>Beth Kay (Officer)</p> <p>Liam McCusker (Officer)</p> <p>Joe Philp (Officer)</p> <p>Christine Addison (Officer)</p> <p>Phil Triggs (Officer)</p>

Item ID	7474
Item Title	Apologies for Absence
Summary	Apology received from Cllr Mary Weale, Chair of Overview and Scrutiny.

Item ID	7475
Item Title	Declarations of Interest
Summary	No Members made any declaration of interest.

Item ID	7476
Item Title	Minutes of Previous Meeting
Summary	Leadership Team confirmed and the Leader signed as a correct record the minutes of the meeting held on 22 January 2025.

Item ID	7026
Item Title	Draft Budget 2025/26 - Revenue Budget 2025/26, Capital Programme 2024/25 to 2027/28, Council Tax 2025/26 KD1010726
Summary	<p>Cllr. Elizabeth Campbell, Leader of the Council (Chair), introduced the report, which outlined the background to the proposed decision. She stated that the report presented the latest position on the revenue budget for 2025/26, ahead of Full Council setting the Council Tax and Budget for 2025/26 at the meeting on 5 March 2025.</p> <p>Cllr. Johnny Thalassites, Lead Member for Finance, Customer Services &amp; Net Zero, said he was satisfied with the balanced budget for the forthcoming financial year. He stated that the General Fund would be used to fund service areas such as inflation, service demand, temporary accommodation, inflationary pressures within social care, non-social care inflation, and the impact of the increase in employers' national insurance on the Council's contracts.</p> <p>The Leadership Team was advised that, over the period from 2024/25 to 2027/28, the Council planned to invest capital expenditure of £195.619m in the borough's housing needs, schools and early years provision, highways, transport, environment and open spaces, and Council buildings and digital infrastructure.</p> <p>Cllr. Campbell welcomed the report and thanked the Lead Member for Finance, Customer Services &amp; Net Zero, as well as the officers who had worked hard to put together a comprehensive budget report. She then read out a short statement on behalf of the Chair of Overview and Scrutiny regarding the Working Group report's which was included in Appendix 7.</p> <p>The Leadership Team noted the recommendations in the Overview and Scrutiny Working Group report.</p> <p>The Leadership Team RESOLVED, for the reasons set out in paragraph 3.1 and elsewhere within the report, that the recommendations at paragraph 2.1 (i- xvii) to 2.2 (i-ix) be adopted.</p> <ol style="list-style-type: none"> <li>1. The Leadership Team: <ol style="list-style-type: none"> <li>i. Approved the revenue budget estimates for submission to Council as summarised in Appendix 1 of this report.</li> <li>ii. Noted the findings of the budget consultation with residents, local businesses, the voluntary sector, the Select Committees and Overview and Scrutiny Committee as set out in Appendix 6 and Appendix 7.</li> <li>iii. Noted the risks and uncertainties relating to the 2025/26</li> </ol> </li> </ol>

budget as set out in Section 28.

- iv. Approved the increase in fees and charges as set out in Section 22 and Appendix 15, with the full schedule available on the council website.
- v. Approved the revised Capital Programme for the period 2024/25 to 2027/28. Full details are set out in Appendix 12 and Appendix 13.
- vi. Delegated the decision for the funding of the Capital Programme to the Section 151 Officer to fund the programme in the most cost-effective way for 2025/26 and all future years. The indicative assumed funding is set out in Table 13 and Table 14.
- vii. Noted the allocation of the Dedicated Schools Grant to the schools, High Needs and Early Years Budget as set out in Section 32.
- viii. Agreed the planned use of reserves as set out in Section 29.
- ix. Noted the advice of the Executive Director of Resources, who is the Council's Section 151 Officer, on the level of reserves and robustness of estimates in setting the budget as required by Section 25 of the Local Government Act 2003 (Section 35 of the report).
- x. Agreed that the Executive Director of Resources continue to be given delegated authority to make transfers to and from earmarked reserves up to £100,000.
- xi. Agreed that the Executive Director of Resources continue to be given delegated authority, following consultation with the Lead Member for Finance, Customer Services and Net Zero, to make transfers to and from earmarked reserves from £100,000 up to £250,000 in each instance.
- xii. Retained the current premium for second homes at zero for 2025/26.
- xiii. That the Council continue with the same additional premium as agreed for the financial year 2024/25 for long term empty properties on top of the standard Council Tax for properties which have been empty for more than one year as detailed in paragraph 17.10.

- xiv. Agreed the Council Tax resolution as set out in Appendix 8.
- xv. Agreed that delegated authority be given to the Executive Director of Resources to make any necessary amendments to the budget, following consultation with the Leader and the Lead Member for Finance, Customer Services and Net Zero. This will take account of final levies and precepts including Garden Square special expenses, and to make any necessary amendments to the statutory determinations and council tax bands to take account of those changes and for these amendments to be submitted and therefore recommended to Council at its meeting on 5 March 2025.
- xvi. Noted the Dedicated Schools Grant (DSG) allocations totalling £135.368m and agree that the schools block, after the 0.5% transfer to the high needs block (in accordance with the Council's DSG deficit management plan) of £88.293m is allocated to schools using the local formula agreed by RBKC Schools Forum which moves 10% closer to the National Funding Formula factor values and meets DfE requirements.
- xvii. For future years, in order to allow the Council to implement a Second Home Premium of up to 100% with effect from 1st April 2026, to authorise making a determination in accordance with Section 11C of the Local Government Finance Act 1992 and publication of the requisite notice. 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 2026/27 or at any time before the end of financial year 2025/26.

**2. The Leadership team recommendation to Council:**

- i. A Council Tax requirement for 2025/26 of £108.586 million including Garden Squares special expenses.
- ii. A basic amount of Council Tax for 2025/26 at Band D of £1,079.08 excluding Garden Square special expenses as set out in Appendix 10. The headline figure including Garden Square special expenses is £1,101.21.
- iii. Garden Square special expenses of £2.298m as set out in Appendix 9.
- iv. Council Taxes for all bands in all areas for 2025/26 as set

	<p>out in Tables 5 &amp; 6 of this report and Appendix 10.</p> <ul style="list-style-type: none"> <li>v. Total Council Tax including the Greater London Authority precept for all Bands in all areas for 2025/26 as set out in Appendix 11.</li> <li>vi. The Council’s medium term financial position for the next four years as set out in Appendix 1, noting that there is an estimated budget gap of around £17m for the period 2025/26 to 2028/29;</li> <li>vii. The Capital Programme as set out in Appendix 12 and Appendix 13.</li> <li>viii. The continuation of the use of flexible capital receipts strategy detailed in paragraphs 27.21 and 27.22.</li> <li>ix. The continuation of the 100% discretionary council tax discount for care leavers up until their 25th birthday.</li> </ul> <p style="text-align: right;"><b>Action by:</b> Executive Director of Resources</p>
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Item ID	7293
Item Title	Housing Revenue Account Budget 2025/26 and Business Plan KD1011024
Summary	<p>Cllr Sof McVeigh, Lead Member for Housing Management, Housing Safety &amp; Building New Homes, introduced the report, which outlined the background to the proposed decision. She highlighted the challenges facing the Housing Revenue Account Budget (HRA) over the coming year and advised that, to meet these challenges and deliver high-quality decent homes, it was recommended that rents be increased by 2.7%, grounds maintenance by 10%, and caretaking and cleaning by 6.8%. Additionally, significant savings on both revenue and capital expenditure were proposed to deliver a balanced budget and business plan.</p> <p>Cllr Sof McVeigh, Lead Member for Housing Management, Housing Safety &amp; Building New Homes, spoke on the 5-year Capital Programme, advising that the Council was currently spending almost £400m on refurbishment works across all its Council estates to ensure they meet the Decent Homes Standard, which will benefit both residents and the Council in the future.</p> <p>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 to 2.6 be adopted.</p> <p>The Leadership Team:</p> <ul style="list-style-type: none"> <li>(i) Agreed a rent increase of 2.7% in line with the government rent standard and that service charges for Grounds</li> </ul>

	<p>Maintenance be increased by 10%, and for caretaking and cleaning and portage and supervision by 6.8% with the remaining service charges to be increased by 2.7%, reflecting current estimates of costs to be incurred.</p> <p>(ii) Noted a reduction in the average communal heating charge.</p> <p>(iii) Recommended to Council to approve the HRA Budget for 2025-26 as set out in Appendix 1</p> <p>(iv) Approved the fees and charges for 2025/26 as set out in Appendix 2</p> <p>(v) Considered and recommend that Council approve the updated Medium Term Financial Plan for the HRA</p> <p>(vi) Noted the key assumptions in the business plan and the inherent risks and uncertainties as set out in sections 7 to 10 of this report.</p> <p><b>Action by:</b> Executive Director of Housing &amp; Social Investment</p>
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Item ID	7354
Item Title	Household Support Fund Tranche 6 -allocation update KD1011055
Summary	<p>Cllr. Johnny Thalassites, Lead Member for Finance, Customer Services &amp; Net Zero, introduced the report, which outlined the background to the proposed decision.</p> <p>The Leadership Team welcomed the report, and Members were pleased that with government funding for another six months, the Council could continue funding initiatives, such as providing Free School Meals during school holidays for eligible children, which were desperately needed in the borough.</p> <p>The Leadership Team RESOLVED, for the reasons set out in paragraph 3.1 – 3.2 and elsewhere within the report, that the recommendations at paragraph 2.1 to 2.3 be adopted.</p> <p>The Leadership Team agreed to:</p> <p>(i) Transfer funding to schools in the borough to support families eligible for Free School Meals with a meal offer for the February half term &amp; Easter holidays, at a total cost of £315,856.</p> <p>(ii) Use the remaining HSF funding (£575,304) to support a one-off cash payment to low-income households, principally all households on the Low-Income Family Tracker (LIFT)</p>

	<p>dashboard.</p> <p>(iii) Repurpose the Low-Income Support Payment underspend from 2024 (approximately £213,000) to further enhance our cash payment offer. Combining the remaining HSF funding with the repurposed Low Income Support Payment (LISP) underspend will take the total value of cash support to £50.</p> <p style="text-align: right;"><b>Action by:</b> Executive Director of Resources</p>
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Item ID	7472
Item Title	Treasury Management Strategy Statement 2025/26 KD1011183
Summary	<p>Cllr. Johnny Thalassites, Lead Member for Finance, Customer Services &amp; Net Zero, introduced the report, which outlined the background to the proposed decision.</p> <p>The Leadership Team RESOLVED, for the reasons set out in paragraph 3.1 and elsewhere within the report, that the recommendations at paragraph 2.1 (1- 3 (a-f)) be adopted.</p> <p>The Leadership Team recommend that the Council, having regard to the revised CIPFA Treasury Management in the Public Services Code of Practice:</p> <ul style="list-style-type: none"> <li>(i) Adopt the four clauses as part of the Council's Financial Procedure Rules as outlined in paragraph 1.1 of <b>Appendix 1</b>.</li> <li>(ii) Approve the Treasury Management Policy Statement as set out in <b>Appendix 1</b>.</li> <li>(iii) Approve the annual Treasury Management Strategy Statement, incorporating the Annual Investment Strategy for 2025/26, specifically: <ul style="list-style-type: none"> <li>a) the proposed Prudential Indicators which set maximum limits on treasury management activity as set out in <b>Appendix 2</b> of the report,</li> <li>b) the Minimum Revenue Provision (MRP) Policy 2025/26 as set out in <b>Appendix 3</b>,</li> <li>c) the proposed use of investment instruments as set out in <b>Section 6</b>,</li> <li>d) the use of specified and non-specified investments as set out in <b>Appendix 4</b>,</li> </ul> </li> </ul>

	<p>e) the governance arrangements as set out in <b>Appendix 6</b>, and</p> <p>f) the Creditworthiness Policy for 2025/26 as set out in <b>Appendix 5</b>.</p> <p style="text-align: right;"><b>Action by:</b> Executive Director of Resources</p>
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Item ID	7304
Item Title	Council Asset Strategy KD1010966
Summary	<p>Cllr. Emma Will, Lead Member for Property, Parks and Leisure, introduced the report, which outlined the background to the proposed decision. She explained that the Council uses its property portfolio primarily to support the delivery of Council services and the priorities of the Council Plan.</p> <p>Cllr. Will also explained that the Council Asset Strategy and Council Asset Management Plan would enable capital spending to be planned, while allowing the Council to review its property regularly to ensure it meets service and resident needs. Additionally, these plans would allow the Council to forecast potential financial savings or generate additional income through its property.</p> <p>The Leadership Team RESOLVED, for the reasons set out in paragraph 3.1 to 3.3 and elsewhere within the report, that the recommendations at paragraph 2.1 to be adopted.</p> <p>The Leadership Team approved the Interim Council Asset Strategy 2025 – 2030 as appended to this report.</p> <p style="text-align: right;"><b>Action by:</b> Executive Director of Housing &amp; Social Investment</p>

Item ID	7477
Item Title	ANY OTHER ORAL OR WRITTEN PUBLIC ITEMS WHICH THE CHAIRMAN CONSIDERS URGENT
Summary	There were no items considered urgent.

Item ID	7478
Item Title	EXCLUSION OF THE PRESS AND PUBLIC
Summary	The Leadership Team did not consider any items without the press and public.