

London Borough of Hackney
Council
Municipal Year 2016/17
Date of Meeting Wednesday, 2nd March, 2016

Minutes of the proceedings of
Council held at Hackney Town
Hall, Mare Street,
London E8 1EA

**Councillors in
Attendance:**

Mayor Jules Pipe, Cllr Kam Adams, Cllr Soraya Adejare,
Cllr Dawood Akhoon, Cllr Brian Bell,
Cllr Anntoinette Bramble, Cllr Will Brett, Cllr Jon Burke,
Cllr Robert Chapman, Cllr Mete Coban, Cllr Feryal Demirci,
Cllr Michael Desmond, Cllr Tom Ebbutt, Cllr Sade Etti,
Cllr Susan Fajana-Thomas, Cllr Philip Glanville,
Cllr Margaret Gordon, Cllr Michelle Gregory,
Cllr Katie Hanson, Cllr Ben Hayhurst, Cllr Ned Hercock,
Cllr Abraham Jacobson, Cllr Michael Levy,
Cllr Sophie Linden, Cllr Richard Lufkin,
Cllr Clayeon McKenzie, Cllr Jonathan McShane,
Cllr Rick Muir, Cllr Ann Munn, Cllr Guy Nicholson,
Cllr Harvey Odze, Cllr Deniz Oguzkanli, Cllr M Can Ozsen,
Cllr Sharon Patrick, Cllr James Peters, Cllr Clare Potter,
Cllr Tom Rahilly, Cllr Ian Rathbone, Cllr Anna-Joy Rickard,
Cllr Rosemary Sales, Cllr Caroline Selman, Cllr Ian Sharer,
Cllr Nick Sharman, Cllr Peter Snell, Cllr Simche Steinberger,
Cllr Geoff Taylor and Cllr Jessica Webb

Apologies:

Cllr Christopher Kennedy, Cllr Rebecca Rennison,
Cllr Vincent Stops and Cllr Carole Williams

Officer Contact:

Emma Perry, Governance Services

Councillor Sade Etti [Speaker] in the Chair

1 Apologies for Absence

- 1.1 Apologies for absence from Members are listed above. An apology for absence was also received from Charlotte Graves, Chief Executive Hackney Homes.
- 1.2 Apologies for lateness were received from Councillors Gordon, Sharer and Thomson.

2 Speaker's Announcements

- 2.1 The Speaker referred to her newsletter which had been circulated at the meeting and informed Members that in the last few months since the last full Council meeting she had attended 38 events.

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- 2.2 The Speaker regretfully advised Members that former Councillor Harold Shaw, Mayor of Hackney from 1992 to 1993 had recently died, and a minute silence was held in his memory.
- 2.3 The Speaker was pleased to announce that the Council had won 3 awards at the recent London Planning Awards. The Awards, organised in partnership with the Mayor of London, London First, the Royal Town Planning Institute and London Councils, recognised and rewarded best practice in planning in the Capital. The Council won the following awards:-

Best Community Led Project – Stamford Hill Area Action Plan
Best Town Centre Project – BL NK Curtain Road
Best Project 5 years on – Hackney Marshes Centre

3 Declarations of Interest

- 3.1 There were no declarations of interest.

4 Minutes of the previous meeting

- 4.1 **RESOLVED** that the minutes of the previous meeting held on 27 January 2016 be approved, subject to the following amendment:-

- Insert between 8.3 and 8.4:

‘Councillor Steinberger maintained that the cuts to which the Mayor had referred had been imposed by a government that had the support of the voters. Councillor Taylor intervened to point out that the Conservative government had been elected with the support of only 37% of those voting; 63% had voted against the Conservatives. Councillor Steinberger acknowledged that that was how the first-past-the-post voting system worked.’

5 Deputations

- 5.1 Councillor Peters introduced the deputation, as a Governor for the Garden School. Councillor Peters explained that the Garden School received an outstanding rating from Ofsted in 2014. He highlighted the concerns raised that once a child reached 16 years of age, suitable educational provision for children with a diagnosis of autism and severe learning difficulties disappeared in Hackney. Councillor Peters introduced Mr Lowry to the meeting.
- 5.2 Mr Lowry explained that the Garden School catered for children and young people from 4-16 with a diagnosis of autism and who have severe learning difficulties. Both the parents and the carers of the Garden’s pupils and its staff were deeply concerned by the fact that, once a child reached 16 years of age, suitable educational provision disappeared in Hackney. A proposed solution was to extend the educational offer to 16-19 olds, however the existing school did not have the capacity to provide a sixth form on site. Discussions had taken place with the Learning Trust who were in support of the proposals, subject to suitable accommodation being found.

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- 5.3 Mr Lowry requested that Councillor Bramble and relevant officers from the Council and the Learning Trust meet with representatives from the Garden School to help identify a suitable site in time for the coming school year.
- 5.4 Councillor Sharer welcomed the deputation and identified with the problems raised. In response to his question, Mr Lowry advised that a suitable space within an alternative school had been identified however the application had been refused by the Governors of the school.
- 5.5 Councillor Sales also welcomed the deputation and questioned whether the school had looked at the possibility of providing support post 19 years. In response, Mr Lowry stated that the option to provide support beyond 19 years had been looked at and would be beneficial, however they would consider this option once they had secured provision from 16-19 year olds.
- 5.6 Councillor Bramble responded to the deputation and stated that both the Council and Hackney Learning Trust were committed to ensuring there was adequate post 16 provision for young people with autism and severe difficulties with learning. Councillor Bramble recognised the significant support that the Garden School provided to this young people and had also visited the school and witnessed the great work being done.
- 5.7 Councillor Bramble explained that Hackney Learning Trust have initiated a SEN strategy review, exploring the issues involved in ensuring that young people have opportunities for progression not just from 16-19 but potentially up to the age of 25. The review was due to be completed by August 2016. Hackney Learning Trust have been in discussions with the school about developing a pre-school provision on site for 10 young people aged 2 to 4. The proposal was for this provision to open in January 2017.
- 5.8 Councillor Bramble advised that unfortunately, the Council and Hackney Learning Trust were not in a position to commit to finding an off-site venue to house a sixth form from September 2016, however she has happy to meet with representatives from the school to discuss. The Council and Hackney Learning Trust were committed to exploring with the Garden School a range of options such as a partnership or franchised approach, to use venues of other providers, or review the current school organisation to explore on-site provision.

6 Questions from Members of the Public

- 6.1 From Christopher Sills to the Mayor:
“Since it is likely that the Council will be putting up the Council Tax next year which will hit Hackney’s working class very hard, please can I have an assurance that you will not make it harder for working people who depend on their car to get to work by putting up parking charges or extending controlled parking zones.

Would you not agree that Council officers’ time saved on fewer consultations would be better spent seeking ways to improve public transport in Hackney so that residents do not have to use their car.”

Response from Councillor Demirci (on behalf of the Mayor):

Councillor Demirci told Council that Hackney had been hit hard by government cuts and has had to make difficult choices. She said that following a government decision, Councils could now increase Council Tax. The decision to increase the level of Council Tax was difficult but the Council was running out of options. Council noted that the additional revenue of approximately £1.3m could only be used to fund adult social care. Also, revenue from parking controls cannot be used to support other areas. She stated that the Council has a duty to manage the demand for parking within the borough under the Road Traffic Regulation Act, 1984, and to ensure that the needs of all road users within the borough are balanced fairly. Further, there was a duty to ensure flow of traffic. She said that she would be happy to explore this matter with Transport for London.

7 Questions from Members of the Council

7.1 From Councillor Sharon Patrick to the Cabinet Member for Housing

Could the Cabinet Member for Housing please update members on what plans Hackney has for building new Council homes. Can the Cabinet Member also update members on works to replace kitchens and bathrooms and the timescales for this?

Response from Councillor Glanville:

Councillor Glanville explained that, as part of the Estate Regeneration Programme, the Council had built 300 new homes, 300 in construction, and hundreds more starting construction over the next year. Over half of the homes to be built as part of this 2,760 home programme would be for social rent or shared ownership. Councillor Glanville confirmed that proposals for the new Housing Supply Programme (HSP) had been approved at Cabinet on 29 February 2016

The HSP would deliver additional new build homes on Council owned sites currently occupied by non-residential uses. The HSP had the potential to deliver over 400 new homes across the Borough, with more than half for Council social rent and shared ownership. They would be made available through both a local lettings policy and the Choice Based Lettings process. The proposed tenure mix of 70% Council rent and shared ownership and 30% private sale homes was amongst the best in London.

Councillor Glanville advised that as part of the Decent Homes Programme, Hackney had invested £326m in making 14,413 Council homes in the borough decent between 2004 and 2015. This work included the installation of 6,269 kitchens, 6,316 bathrooms and windows to 3,373 homes between 2009 and 2015. The Hackney Investment Programme would continue the work of the Decent Homes Programme, with a further 2,500 kitchens and bathrooms installed in homes by the end of March 2017.

In response to a supplementary question, Councillor Glanville referred to the recent Housing and Planning Bill and reiterated the need to provide Council housing in the Borough. He also referred to the work of the Living in Hackney Scrutiny Commission regarding this matter.

7.2 From Councillor Vincent Stops to the Cabinet Member for Regeneration:

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To ask the Cabinet Member for Regeneration whether he thinks is it not outrageous that a Conservative Government are proposing to take away the democratic right by which local councillors and a local community can decide through the planning system, if fracking for gas should take place in their own backyard?

(Councillor Stops was not in attendance at the meeting, therefore a written response would be provided, as attached at Appendix One).

7.3 From Councillor Clare Potter to the Cabinet Member for Finance:

There is concern that the adoption of TTIP might impose new and onerous restrictions on the Council's procurement policy. Can I ask the Cabinet Member for Finance whether, if it were to have such implications, Hackney Council should investigate the extent of these potential impacts; and communicate any concerns arising from this investigation, to the relevant decision making bodies?

Response from Councillor Taylor:

Councillor Taylor explained that the Transatlantic Trade and Investment Partnership (TTIP) was a series of bi-lateral trade negotiations being carried out between the European Union and the United States, aimed at reducing regulatory barriers to trade between the two economic blocs. Councillor Taylor reported that the concept of Best Value articulated in the Local Government Act 1999 allowed international suppliers equal access to UK markets, which was already expected to apply uniformly to all Council procurements.

Councillor Taylor advised that whilst parts of the Local Government Act 1988 had been repealed or amended, section 17 remained in force, which required the Council to let contracts without reference to "non-commercial" considerations. It was understood that the Transatlantic Trade and Investment Partnership (TTIP) would not require that any public services were made subject to competitive tender. Councillor Taylor added that impact for the Council could be felt in Public Health, where currently most competition comes from within parts of the NHS itself, rather than external providers.

7.4 From Councillor Peter Snell to the Cabinet Member for Neighbourhoods and Sustainability:

Please can the Cabinet Member for Neighbourhoods and Sustainability update members on the Council's response to initial Crossrail 2 proposals?

Response from Councillor Nicholson:

Councillor Nicholson told Council that consultation had been carried out on Crossrail2 to which the Council had made representations of support. Representations had been made to Crossrail2 to ensure that the station and the station entrance work are brought forward. Pressure would continue to be placed on Crossrail2 to ensure that Hackney's voice does not get lost and is actively involved in the process. He told Council that work was ongoing on setting out a plan of work with Crossrail2 and the Borough's Planning Department.

Councillor Snell stated that some local people and businesses were not aware of the Crossrail2 development and that there needed to be greater communication with the public on this.

7.5 From Councillor Soraya Adejare to the Cabinet Member for Health, Social Care and Culture:

To ask the Cabinet Member for Health, Social Care and Culture what assessment has been made of the potential impact of the Government's benefit cap on the provision of supported housing in the borough?

Response from Councillor McShane:

Councillor McShane advised that the Government had confirmed that the 1% Rent Reduction which was due to come into effect on the 1st April 2016 would not apply to supported housing for a year, which delayed the impact but did not solve the problem.

Councillor McShane stated that there were approximately 3,200 vulnerable people in Hackney who were in supported living. Currently there was limited detail on the intended implementation of the proposals, so it was not possible to confirm how many of those residents would be affected. There continued to be a risk that the move to a discretionary pot of funding may lead to providers, currently in the sector, being reluctant to house the most vulnerable groups, or to obtain financing to do so). Consequently, this could reverse the recent progress made in supporting independent living.

7.6 From Councillor Susan Fajana-Thomas to the Cabinet Member for Health, Social Care and Culture:

Can the Cabinet Member for Health, Social Care and Culture provide me and the people of Stoke Newington with a brief update regarding Abney Park Cemetery since the Council took over its maintenance in 2015? What plans, if any, are there to engage local people and to improve safety in this unique space?

Response from Councillor McShane:

Councillor McShane described Abney Park as a unique and fantastic place with a mix of built and natural beauty. He stated that the Abney Park Board membership is made up of representatives from the Council and a number of other organisations. He stated that the Council had been undertaking a lot of work in the Park, including;

- the appointment of an Abney Park Manager
- work on the stabilisation works to the Chapel
- repair work to the perimeter wall
- completion of tree and memorial works
- ongoing restoration of the historic main gates
- working with both the Terrance Higgins Trust and Thames Reach to tackle some of the anti-social behaviour associated with the site.

7.7 From Councillor Nick Sharman to the Cabinet Member for Regeneration:

Will the Cabinet Member for Regeneration add his support to Wick Councillors endorsement of the Hackney Wick Neighbourhood Centre Masterplan?

Response from Councillor Nicholson:

Councillor Nicholson provided his full support for the principle of the Hackney Wick Masterplan. The general principles contained in the Masterplan for the Hackney Wick area were supported by the Council and were in accordance

with the policy aspirations established for the area in the, now superseded, Hackney Wick Area Action Plan. Council officers, as well as Ward Councillors, were continuing to work with their counterparts at London Legacy Development Corporation (LLDC) on ensuring the Masterplan was deliverable.

Councillor Nicholson advised that the land uses proposed in the Masterplan were supported, as well as the amount of affordable workspace, which was 36% of the total employment offer. Due to viability reasons the scheme did not currently propose any affordable housing, however it had been suggested that a further viability review would be carried out five years after the adoption of the Masterplan to capture any increase in property/land values, in order to transfer this financial increase to an affordable housing scheme.

In response to a supplementary question, Councillor Nicholson explained that the after two years the planning function for the LLDC would cease after all the work was completed. After this time the relevant areas of land would revert back to the Council. Conversations would take place before this time to determine the management of these spaces.

(Due to time constraints, questions 7.8 and 7.9 were not taken at the meeting and the Speaker advised that Members would receive a written response. These response are attached as Appendix One).

8 Elected Mayor's Statement (standing item)

- 8.1 It was agreed that the Mayor would deal with his statement as part of the budget debate and he allowed some flexibility within that debate to allow both Minority Group Leaders (or their deputies) to respond to what the Mayor had to say as part of that debate.

9 Report from Cabinet: Budget and Council Tax Report 2016/17

- 9.1 The Speaker reminded Members that legislation now required that full Council must have a recorded vote on any decision relating to the budget or council tax.
- 9.2 Alternative budget proposals from the Conservative Group and the Liberal Democrat Group were tabled at the meeting.
- 9.3 Mayor Pipe introduced the budget and thanked the Corporate Director Finance and Resources and his staff for their assistance.
- 9.4 Mayor Pipe was pleased to announce that for the 14th year the Council had finished the financial year within budget, which had been achieved without closure of vital public services. Mayor Pipe advised that since 2010 the Government had introduced a total of £152 million in cuts to the Council's budgets. Mayor Pipe stated that he would continue to lobby Government regarding these cuts, as if they continued the Council would have to make difficult choices in order to continue to provide vital public services.
- 9.5 Mayor Pipe reported that this year had been the first in over a decade in which the Council had raised Council Tax, as a result of the proposed social care precept, which was an additional council tax charge of 2% used to fund the increasing costs of Adult Social Care services.

- 9.6 Mayor Pipe stated that, despite the ongoing cuts by the Government, the proposed budget would allow the Council to continue to protect front line services and strive to provide a better future for residents of the Borough.
- 9.7 Councillor Steinberger thanked the Corporate Director of Finance and Resources and his staff and presented the Conservative Group's alternative budget, as tabled at the meeting. Councillor Steinberger expressed his disappointment that the Council Tax had been raised this year, however recognised that it was becoming increasingly harder to provide vital services with increasing cuts to the budget. Councillor Steinberger proposed a number of measures set out within the tabled paper, amounting to a total reduction of £2,400. The Conservative Group's alternative budget was seconded by Councillor Levy.
- 9.8 Councillor Sharer thanked the Corporate Director of Finance and Resources and his staff and presented the Liberal Democrat Group's alternative budget, as tabled at the meeting. Councillor Sharer believed that further cuts to budgets from the Government would result in further increases to Council Tax. Councillor Sharer proposed a number of measures set out within the tabled paper, including an increase in support to residents with difficulties paying Council Tax via the Local Hardship Fund. The Liberal Democrat Group's alternative budget was seconded by Councillor Jacobson.
- 9.9 Councillor Demirci spoke in support of the Mayor's budget and suggested that the proposals set out in the alternative budgets from both opposition groups were very similar to previous years. Councillor Demirci explained that the graffiti removal team carried out important work by removing 20,000 pieces of graffiti from across the Borough last year. She added that the traffic calming measures carried out by the Council had resulted in a reduction of 50% in road injuries and casualties throughout the Borough.
- 9.10 Councillor Taylor spoke in support of the Mayor's budget. He criticised the budget proposals of opposition parties for failing to put forward bold alternative approaches to the budget, instead recycling inconsequential changes. Councillor Taylor stated that the Council only increased the Council Tax if they really had to and confirmed that the Mayor's budget would allow the Council to continue to deliver front line services.
- 9.11 Councillors Snell, Hercock, Glanville and Muir also supported the Mayor's budget.
- 9.12 Councillor Jacobson suggested that the Liberal Democrat group's alternative budget provided an opportunity to make the life of residents of the Borough better by proposing a further 1.99% increase in the Hackney element of the Council Tax.
- 9.13 Mayor Pipe then responded to the debate and the alternative budget proposals from the Conservative Group and Liberal Democrat Group. Mayor Pipe referred to the continued proposal to end the publication of Hackney Today and explained that the Council still had a requirement to publish statutory notices, which the Council would continue to publish in Hackney Today whilst it was the cheapest method of achieving this.

The Speaker then invited Council to vote on the Conservative group alternative budget proposals.

For: Cllrs Levy, Odze and Steinberger (3)

Abstentions: None (0)

Against: Mayor Pipe and Cllrs Adams, Adejare, Bell, Bramble, Burke, Chapman, Coban, Demirci, Desmond, Ebbutt, Etti, Fajana-Thomas, Glanville, Gordon, Gregory, Hanson, Hayhurst, Hercock, Jacobson, Lufkin, McKenzie, McShane, Muir, Munn, Nicholson, Oguzkanli, Ozsen, Patrick, Peters, Potter, Rahilly, Rathbone, Rickard, Sales, Selman, Sharer, Sharman, Snell, Taylor, Thomson and Webb (42)

Not Present: Cllrs Akhooon, Brett, Buitekant, Bunt, Cameron, Kennedy, Linden, Mulready, Papier, Plouviez, Rennison, Stops and Williams (13)

The vote was not carried.

The Speaker invited Council to vote on the Liberal Democrat Group alternative budget proposals.

For: Cllrs Akhooon, Jacobson and Sharer (3)

Abstentions: None (0)

Against: Mayor Pipe, Cllrs Adams, Adejare, Bell, Bramble, Burke, Chapman, Coban, Demirci, Desmond, Ebbutt, Etti, Fajana-Thomas, Glanville, Gordon, Gregory, Hanson, Hayhurst, Hercock, Levy, Lufkin, McKenzie, McShane, Muir, Munn, Nicholson, Odze, Oguzkanli, Ozsen, Patrick, Peters, Potter, Rahilly, Rathbone, Rickard, Sales, Selman, Sharman, Snell, Steinberger, Taylor, Thomson and Webb (43)

Not Present: Cllrs Brett, Buitekant, Bunt, Cameron, Kennedy, Linden, Mulready, Papier, Plouviez, Rennison, Stops and Williams (12)

The vote was not carried.

The Speaker then invited the Council to vote on the recommendation in the substantive report.

For: Mayor Pipe and Cllrs Adams, Adejare, Bell, Bramble, Burke, Chapman, Coban, Demirci, Desmond, Ebbutt, Etti, Fajana-Thomas, Glanville, Gordon, Gregory, Hanson, Hayhurst, Hercock, Lufkin, McKenzie, McShane, Muir, Munn, Nicholson, Oguzkanli, Ozsen, Patrick, Peters, Potter, Rahilly, Rathbone, Rickard, Sales, Selman, Sharman, Snell, Taylor, Thomson and Webb (40)

Abstentions: None (0)

Against: Cllrs Akhooon, Jacobson, Levy, Odze, Sharer and Steinberger (6)

Not Present: Cllrs Brett, Buitekant, Bunt, Cameron, Kennedy, Linden, Mulready, Papier, Plouviez, Rennison, Stops and Williams (12)

RESOLVED:

1. To bring forward into 2016/17 the Council's projected General Fund balances of £15.0m and to note the Housing Revenue Account (HRA) balances of £10.2m.
2. To agree for approval the directorate estimates and estimates for the General Finance Account items set out in Appendix 2, and to take into account the comments arising from scrutiny of the budget by a meeting of the Governance and Resources Scrutiny Commission on 22 February 2016.
3. To note that the budget is a financial exposition of the priorities set out within the Corporate Plan and Business (Divisional-level) Plans.
4. To note that in line with the requirements of the Local Government Act 2003, the Corporate Director of Finance and Resources, is of the view that:

The General Fund balances of £15.0m and the level of reserves, particularly in relation to capital, are adequate to meet the Council's financial needs for 2016/17 and that in light of the economic uncertainty they should not fall below this level. This view takes account of the reserves included in the Council's latest audited Accounts as at 31 March 2015, the movements of those reserves since that date – which have been tracked through the Overall Financial Position (OFP) Reports, the financial data included in the quarterly reviews and the latest OFP projections. Note also, that the projections in the HRA to maintain the balance at £10.2m by 31 March 2016 are also considered to be adequate at this point in time but will need to continue to be reviewed in the light of the challenges facing the HRA.

The General Fund estimates are sufficiently robust to set a balanced budget for 2016/17. This takes into account the adequacy of the level of balances and reserves outlined above and the assurance gained from the comparisons of the 2015/16 budget with the projected spend identified in the December 2015 OFP. The overall level of the corporate contingency has been set at £2m.

5. To approve the proposed General Fund fees and charges as set out in Appendix 8 for implementation from 1st April 2016.
6. To continue the policy requiring the Corporate Director of Finance and Resources to seek to mitigate the impact of significant changes to either resources, such as Revenue Support Grant changes, or expenditure requirements.
7. To note the summary of the HRA Budget and Rent setting report agreed by Cabinet on 25 January 2016.
8. To authorise the Corporate Director of Finance and Resources to implement any virements required to finalise Directorate re-structures where necessary and to allocate provision for demand and growth pressures set out in this report subject to the appropriate evidence base being provided.

9. To approve:

The allocation of resources to the 2016/17 Non-Housing capital schemes referred to in Paragraph 24 and Appendix 7.

The allocation of resources to the 2016/17 Housing indicative capital programme referred to in Paragraph 24 and Appendix 7, including the HRA approvals previously agreed by Cabinet in January 2016.
10. To note that the new capital expenditure proposals match uncommitted resources for the year 2016/17.
11. To agree the prudential indicators for Capital Expenditure and the Capital Financing Requirement, the Authorised Limit and Operational Boundary for External Debt, the Affordability prudential indicators and the Treasury Management Prudential Indicators for 2016/17 as set out in paragraph 25, and Appendix 4.
12. To confirm that the authorised limit for external debt of £292m agreed above for 2016/17 will be the statutory limit determined under section 3(1) of the Local Government Act 2003. Further reassurance about the robustness of the budget is the confirmation that the Council's borrowings are within the boundaries of prudential guidelines.
13. To continue to support the approach of using reserves to manage emerging risks and liabilities and to note the latest reserve position.
14. To note that at its meeting on 25 January 2016 the Council agreed its Council Tax Base for the 2016/17 financial year as 66,624 in accordance with regulations made under section 33(5) of the Local government Finance Act 1992.
15. To agree that the following amounts be now calculated by the Council for the year 2015/16 in accordance with Sections 31A to 36 of the Localism Act 2011.
 - (1) The authority calculates the aggregate of: (in accordance with Section 31A (2) of the Act)
 - (a) £1,089.847m being the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices.
 - (b) £2.000m being such allowance as the authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices.
 - (c) £nil being the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure.
 - (d) £nil being such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.

- (e) £nil being the amount which it estimates will be transferred in the year from its general fund to its collection fund in accordance with section 97(4) of the 1988 Act, and
- (f) £nil being the amount which it estimates will be transferred from its general fund to its collection fund pursuant to a direction under section 98(5) of the 1988 Act and charged to a revenue account for the year.
16. (2) The authority calculates the aggregate of: (in accordance with Section 31A (3) of the Act)
- (a) £1,020.429m being the income which it estimates will accrue to it in the year and which it will credit to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices.
- (b) £3.567m being the amount which it estimates will be transferred in the year from its collection fund to its general fund in accordance with section 97(3) of the 1988 Act.
- (c) £nil being the amount which it estimates will be transferred from its collection fund to its general fund pursuant to a direction under section 98(4) of the 1988 Act and will be credited to a revenue account for the year, and
- (d) £nil being the amount of the financial reserves which the authority estimates it will use in order to provide for the items mentioned in subsection (2) (a), (b), (e) and (f) above.
17. (3) £67.851m being the amount by which the aggregate calculated under subsection (1) above exceeds that calculated under subsection (2) above, the authority calculates the amount equal to the difference; and the amount so calculated is its Council Tax Requirement for the year.
18. £1,018.42 being the amount at (3.2.17) divided by the amount at (3.2.14) above, calculated by the Council, in accordance with section 31A of the Act, as the basic amount of its council tax for the year
19. That the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council tax for 2016/17 for each part of its area and for each of the categories of dwellings.

VALUATION BANDS							
A £	B £	C £	D £	E £	F £	G £	H £
678.95	792.10	905.26	1018.42	1244.74	1471.05	1697.37	2036.84

20. That it be noted that for 2016/17 the Greater London Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

VALUATION BANDS							
A £	B £	C £	D £	E £	F £	G £	H £
184.00	214.67	245.33	276.00	337.33	398.67	460.00	552.00

21. That having calculated the aggregate in each case of the amounts at 3.2.19 and 3.2.20 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for 2016/17 for each of the categories of dwellings shown below

VALUATION BANDS							
A £	B £	C £	D £	E £	F £	G £	H £
862.95	1006.77	1150.59	1294.42	1582.07	1869.72	2157.37	2588.84

Note subject to GLA confirmation of precept

22. To agree, subject to the decision of Members on recommendations 3.2.15 to 3.2.17 that Hackney's Council Tax requirement for 2016/17 be £67.851m which results in a Band D Council Tax of £1,018.42 for Hackney purposes and a total Band D Council Tax of £1,294.42 including the Greater London Authority (GLA) precept. An analysis of the total Band D Council Tax across Council Tax Bands is shown in 3.2.21 above and an exemplification of discounts is shown in [Appendix 6](#).
23. To agree that in accordance with principles approved under section 52ZB of the Local Government Finance Act 1992, and the new provisions included in the Localism Act 2011, the increase in the Council's Council Tax requirement for 2016/17 as shown at [Appendix 9](#) is not excessive (above 4%) and therefore does not require the Council to hold a referendum.
24. To agree the Treasury Management Strategy for 2016/17 to 2018/19, set out at [Appendix 4](#).
25. To agree the criteria for lending and the financial limits set out at [Appendix 4](#).
26. To approve the MRP statement setting out the method of calculation to be used, as set out in [Appendix 4](#)

10 Report from Cabinet: Children's Social Care Biannual Report

- 10.1 Councillor Bramble introduced the report and commended it to Council. Councillor Bramble told Council that Children's Social Care worked with families to support safe and effective parenting. The aim was to ensure that children were returned to their families. The Council, NSSPC and City and Hackney Clinical Commissioning Group had worked together to launch a helpline, listening to children in a non-judgmental way. She stated that the Council was looking at how to provide more specialised training for Foster Carers who foster teenagers.

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- 10.2 Councillor Bramble stated that the Council had received positive feedback from a recent OFSTED inspection and would continue to ensure that the current quality of care continued. Council noted that Hackney's GCSE results for looked after children and the percentage of Hackney's care leavers in higher education was higher than the national average.
- 10.3 Councillor Rahilly expressed thanks to the Children's Safeguarding Board for its work. In response to a question from Councillor Rahilly, Councillor Bramble explained that a joint targeted agency inspection had been carried out, looking at various services. Councillor Bramble advised that the feedback had been very positive and that the Council would continue to build on this positive feedback.
- 10.4 Councillor Patrick advised Council of the work of the Fostering Panel, on which she was a representative. She praised Council staff for the work that they do, together with the virtual school, one of the largest in the country.
- 10.5 Councillor Sharer also contributed to the debate.
- 10.6 Councillor Bramble took the opportunity to thank Councillor Patrick and other Members that had sat on the Corporate Parenting Board for their hard work and contributions. Councillor Bramble commended the report to Council.

RESOLVED:

That the Children's Social Care Bi-Annual Report be noted.

11 Report of the Chief Executive: Draft Programme of Meetings for 2016/17 Municipal Year

- 11.1 Councillor Patrick raised concern regarding a number of potential clashes regarding scrutiny commissions she may be sitting on in the Municipal Year 2016/17. Governance Services would look into this matter and determine whether any amendments could be made to the calendar to prevent any clashes.

RESOLVED:

That indicative approval of the programme of meetings for the Municipal Year 2016/17 be granted.

12 Appointments to Committees/Commissions (standing item)

- 12.1 There were no Appointments to Committees/Commissions.

Appendix One

- 7.2 From Councillor Vincent Stops to the Cabinet Member for Regeneration:
“Does the Cabinet Member for Regeneration think it is outrageous that a Conservative Government is proposing to take away the democratic right by which local Councillors and a local community can decide through the planning system, if fracking for gas should take place in their own backyard?”

Response from Councillor Nicholson:

In response I can confirm that, yes, I am extremely concerned about any proposals that take away from elected local Councillors their ability to make decisions about local Planning matters. This is without doubt an assault on local democracy and removes the ability of a community to shape their own neighbourhoods.

Perhaps more crucially, the proposals put forward by the Conservative Government weaken the current environmental safeguards, which are already seen by many as wholly inadequate. Whilst Hackney is not seen as an area of interest when it comes to potential gas deposits, the Council has reservations around Government interference in any local authorities’ ability to make a local decision about whether or not fracking should take place in their neighbourhoods.

The most recent example in Hackney of planning powers being taken away from Members has been the Bishopsgate Goods Yard Planning Application. The Mayor of London, at the request of the developers, has used his powers to call in this planning application and take the decision making process away from local Councillors and the community they serve.

The Mayor of London quoted amongst other reasons, that Hackney’s Planning Authority was unable to fulfil its role in determining this major Planning application and in the interests of expediency he would now determine the application himself.

This could not be further from the truth, at the time of writing Hackney would have already determined this planning application, it was recommended to be refused. The Mayor of London, meanwhile, is still to confirm the final date for the public hearing before he makes his decision.

- 7.8 From Councillor Adams to the Cabinet Member for Housing:
“In light of the new Housing and Planning Bill that the Government is trying to push through parliament, what does the Cabinet Member for Housing think the impact of this would be on affordable rent properties in Hackney?”

Response from Councillor Glanville:

The Housing & Planning Bill will have a major impact on both the future supply of new social housing and on the existing 22,382 rented properties that Hackney owns and manages, as well as the residents that have made them their home. The Government has not yet published details of the exact mechanisms by which many of these new policies will be implemented, despite the Bill already passing through the final stages of the Lords, so our assessment of the impact is based on the limited information currently available.

From what we know already I am deeply concerned about the impact of the proposed changes, both for the supply of new genuinely affordable rent properties in Hackney and indeed for the security of tenure and affordability of our tenants existing homes. I would stress that the impact of the Housing Bill would be particularly acute in an inner London borough like Hackney, due to the high value of property combined with the fact that 70% of all households have an income of less than £30,000.

A number of changes will impact on the supply of new social housing. Local authorities that own council stock will be forced to sell 'higher value' social rented homes as they become vacant. We understand that the mechanism will be an annual levy will be payable to Government that reflects the receipts generated from such disposals, placing the burden and decision of which properties to sell on local councils.

Based on what the Conservatives proposed at the time of the last election the Council estimates that we might have to sell 700 homes in the first five years of the policy.

I would note this does not take into account new homes built by the Council, which may have to be sold before a single tenant has lived in them and the receipts handed to the Treasury to compensate Housing Associations for the Right to Buy discount.

Every one of these so called 'high value homes', often two bed council flats that happen to be in expensive areas, is one less that the Council has available for those on the housing waiting list. The Council had 1,758 properties available to let to tenants every last year. As a direct result of Government policy we expect this number to sharply decline over the next few years. With over 11,000 people on the waiting list and around 2,300 in temporary accommodation this is a deeply irresponsible policy. This will mean many more families will spend longer in hostel accommodation or in overcrowded conditions.

The Government is implementing this forced sales policy in order to extend the RTB to 1.3m housing association tenants nationally, and has agreed a voluntary deal with associations through the National Housing Federation. The Government will compensate housing associations for the discounts to be offered using the resources raised through the forced sale of council homes. Through the voluntary deal, housing associations agreed to 1-for-1 replacement, but there is no guarantee that the replacement would be like for like in terms of location, affordability or number of bedrooms. This is an issue to continue to raise with Housing Associations through Hackney's Better Homes Partnership and directly when I meet with them.

As an example, a social rented home sold in Hackney could be replaced by a shared ownership home in outer London, or even elsewhere in the country. Locally, we are working with Housing Associations in the borough to try and mitigate the possible impact of this policy.

A proposed 1% reduction in social rents in each of the next four years would apply to all social housing providers, and will impact on the resources available to providers both to invest in the maintenance of the existing housing stock, and

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to invest in building new homes. The Council's HRA business plan is currently estimating a cumulative £100m loss after seven years, with £725m lost over 30 years as a direct result of lower rental income from April 2016. We have already seen a dramatic fall in plans for homes for social rent being built by Housing Associations in the borough.

There is also a proposal to place a duty on councils to promote 'Starter Homes'. They would be sold at a discount of 20% on the local market value to first time buyers under 40. The Government is proposing that local authorities would have to promote the provision of new Starter Homes on all sites of more than 10 homes and that, under national planning guidance, Starter Homes should be defined as 'affordable housing'.

However, Starter Homes would be far from affordable to those on moderate incomes in Hackney, and could force out more genuinely affordable types of housing such as shared ownership. Based on the current average price for a flat in the borough, we estimate that a household would need an income of some £71,000 to raise a sufficient mortgage to buy an average Starter Home, compared to the average income in Hackney of £33,400.

This Council support the aspiration to own your own home, and we have an extensive programme of development for shared ownership to support those on low and middle incomes into home ownership. Starter Homes are not a solution and are merely a subsidy for those that could already afford to purchase their own home. There will no longer be any central government funding for affordable homes to rent for the first time in over a century and all resources will be diverted to the new 'Starter Homes', unaffordable in Hackney to all but the richest few.

Other measures proposed in the Housing & Planning Bill would impact on tenants in social rented homes and potentially on the mix and sustainability of our existing communities. The Government intends to make it mandatory for councils to charge market rents to tenant households with incomes greater than £40,000 pa in London, a 'Pay to Stay' policy.

This income threshold is very low in London terms – not far above the average household income in Hackney (£33,400) or a couple each earning the minimum London Living Wage (£34,000). Indeed, two cleaners working for Hackney Homes would exceed the Pay to Stay cap.

While there have been positive indication that the level of household income where Pay to Stay may rise and a taper will be introduced the Council continues to hold the view that Council house rents should not exceed more than 33% of a person's gross income, which is a common definition of affordability.

It will be a disincentive to aspiration amongst tenants, as higher paid employment could result in a huge and unaffordable hike in rent of around 300% in Hackney. The policy might encourage some to exercise the RTB, further reducing the number of affordable homes available. The additional sums raised from higher rents would have to be paid to Central Government not retained by the Council, and we have no assurances we will be allowed to recover the estimated £500,000 a year to implement this policy from the

increased rents. Indeed we believe that the policy would actually cost both the DWP and councils to implement due to higher housing benefit and administration costs.

The Government also intends to phase out secure council tenancies in favour of mandatory fixed-term tenancies of 2-5 years for most new council lettings, with no automatic right to continue after the fixed term. Councils would be unable to offer secure lifetime tenancies in most cases. The Government has said that tenants who have to move as a result of regeneration or major works etc. will continue to have a lifetime secure tenancy after they move.

Combined, these legislative changes represent the most significant threat to current and future supply of social housing for a generation. We will continue to lobby the Government, MPs and Lords to seek changes to the Bill as it progresses, and to work with partners to mitigate the impact of the new policies as they are implemented.

7.9 From Councillor Sales to the Cabinet Member for Finance:

“From 1 April 2017, new Employment and Support Allowance claimants who are placed in the Work-Related Activity Group will receive the same rate of payment as those claiming Jobseeker’s Allowance, a weekly cut of £30. Could the Cabinet Member for Finance explain how this is likely to impact on residents with disabilities, including those with a learning disability?”

Response from Councillor Taylor:

The Employment and Support Allowance (ESA) was designed to offer advice and financial support, so that claimants could do appropriate work if they were able to. Individuals on main phase ESA are classified as being in either the ‘work related activity group’ (WRAG) or the ‘support group’. Which group they are assigned to depends on the result of their Work Capability Assessment. This in turn determines the value of the extra component paid on top of their basic ESA amount. Currently the rates payable are:

- Work related activity group - £102.15 per week
- Support group - £109.30 per week

If a resident were placed in a WRAG, they would have access to a specially trained personal adviser and a wide range of further services, including employment, training and condition management support to help manage and cope with their illness or disability at work. Residents placed in a support group get increased financial support, and will not be expected to prepare for a return to work. Individuals are placed in this group if their illness or disability severely limits what they can do, and therefore it is unlikely that they will return to work.

From April 2016, the main rates of working age benefits and tax credits will be frozen in cash terms for four years, meaning that in April 2017 Jobseekers Allowance will remain at £73.10 per week. However, when the WRAG restriction comes in from April 2017, new claimants will receive £29.05 less than existing claimants. The Government’s intention is to provide an incentive to those considered to be temporarily unfit to return to work as soon as possible. Internal Council modelling shows possibly 460 residents may be impacted annually by this change.

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The Council understands support to get this affected group back into work will remain in place in terms of the specially trained personal adviser. However, it cannot be disputed that the reduction in income will cause hardship, particularly in terms of paying domestic utility bills. The very nature of an individual's disability may mean that they have to spend more time at home, and therefore usage of electricity, gas and water will be higher than for someone who is out for most of the day looking for work. Additionally, a person's illness or disability may mean that they are unable to use public transport (which itself has a cost) and they may have additional expenditure on such things as alternative transportation, parking charges for hospital appointments if they drive, and also the cost of prescription or non-prescription medication.

Disabled people who are in receipt of ESA and are aged between 16 and 64, can supplement their income by applying for a Personal Independence Payment (PIP) to help with the extra costs caused by their disability. The payment can range from between £21.80 to £139.75 depending on how the claimant's condition affects them.

Duration of the meeting: 7.00 – 9.45pm