Hackney

London Borough of Hackney
Governance and Resources Scrutiny Commission
Municipal Year 2015/16
Date of Meeting Wednesday, 8th July, 2015

Minutes of the proceedings of the Governance & Resources Scrutiny Commission held at Hackney Town Hall, Mare Street, London E8 1EA

Chair	**Councillor Rick Muir**
Councillors in Attendance	**Cllr Deniz Oguzkanli, Cllr Rebecca Rennison and Cllr Nick Sharman**
Apologies:	**Cllr Laura Bunt**
Co-optees	
Officers In Attendance	**Gifty Edila (Corporate Director of Legal, HR and Regulatory Services) and Tim Shields (Chief Executive)**
Other People in Attendance	**Councillor Geoff Taylor (Cabinet Member for Finance)**
Members of the Public	
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Councillor Rick Muir in the Chair

1 Apologies for Absence

1.1 Apologies for absence were received from Cllr Bunt.

1.2 Apologies for officer absence were received from Ian Williams, Corporate Director Finance and Resources.

2 Urgent Items / Order of Business

2.1 None.

3 Declarations of Interest

3.1 None.

4 **Minutes of the Previous Meeting**

4.1 Minutes of the previous meeting held on 8th July 2015 were approved subject to the following amendment.

4.2 Cabinet Member for Finance from London Borough of Hackney requested for the word 'view' on page 10 point (iv) to be changed to 'feelings'. Members agreed.

RESOLVED	Minutes were approved subject to the amendment noted in point 4.2.

5 **London Borough of Hackney Elections 2015**

5.1 The Chair welcomed Hackney Council's Election Returning Officer, Tim Shields and Deputy Returning Officer, Gifty Edila to the meeting.

5.2 The Returning Officer for London Borough of Hackney provided an update about the problems experienced on 7th May 2015 (General Election). In relation to the Individual Electoral Registration (IER) (the new online voter registration) system and postal votes.

5.3 The Commission was informed the formal investigation and data analysis was still ongoing therefore the Returning Officer was providing a verbal update on the findings to date.

5.4 The Officer provided background information about the IER system. The officer informed the Commission IER was implemented in 2014. IER was aimed at new voter applications. The IER system was implemented to help move away from paper based applications. The deadline for new application on IER was 20th April 2015 and the date of the Election was 7th May 2015. The officer highlighted that the timescale for processing and completing all new voter applications on the system was just under 3 weeks.

5.5 The officer explained IER issued all applicants with a unique number. At this stage the application is submitted to the Cabinet Office and the data from the application flows to the Department of Work and Pensions (DWP) and the relevant Local Authority. DWP carry out the verification process to match the information supplied with the data held for that individual. The officer explained that applicants assumed the unique reference number meant they were on the register. This was not the case. At the end of the process the application is rated green or red. Green meaning the individual was added to the register and Red meaning additional information was required.

5.6 LBH put in place a small team to manage the system applications. The officer highlighted, at this point, if the application has a spelling mistake or the applicant used a different name it would be rated red because DWP could not

match the record. Therefore a number of complex multiples can cause an application to not complete the verification process.

5.7 As part of the election planning process the Council is required to hold several planning meetings to review the risks, plans etc. These plans are approved by the Electoral Commission. The officer advised at no stage leading up to the election (and most notably the Tuesday before the election date) were potential problems highlighted or identified.

5.8 The Council started to become aware of a potential problem the day before the Election Day. It started with a local resident querying her electoral registration and providing evidence of her online application. The Council investigated this query and tracked the application through the system; to understand why the Council had not received the application submission. This process took some time to complete. Once they identified her application the Council found an electronic file of applications the Council's election team could not see on their system locally. Phone calls to the Cabinet Office and IDoc revealed the file was visible by them but not the LBH elections team.

5.9 This file held 1128 voter records. To access the information IDocs produced a spreadsheet with all the elector details and this information was used to confirm the electors. Eligible voters were issued with a temporary elector number. IDocs produced the information by 5pm on Election Day.

5.10 In addition to this another issue was the complex set of addresses and how they were printed on the elector sheet.

5.11 In response to these issues additional phone lines were set up and 7 additional staff members were trained to interrogate the system and answer queries from polling station staff. These staff were in addition to the current staffing levels. The telephone queries from polling stations ceased at 9.30pm.

5.12 The officer advised the majority of electors were found in the system when searched and the resident with the original query did get to vote.

5.13 **Question, Answers and Discussion**

(i) **Members asked how many of the 1128 managed to vote on Election Day.**

The Returning Officer advised Hackney has 187,000 voters on the register. The data analysis required to cross check and identify each individual voter would take significant resources. Therefore the decision was taken not to conduct this exercise but an independent review.

(ii) **Members referred to the file with the incomplete voter applications and enquired if the queries from polling station related to this file only?**

The Returning Officer advised the polling station queries were a mixture of elector queries.

The Returning Officer explained some people applied through the IER system but they did not complete the application process before the deadline; therefore they were not added to the elector register. In cases of incomplete information,

the elector would have received a request for information and this correspondence would have advised them that until this was provided they could not be added to the register.

The two core problems in relation to electoral registration were:
- The LBH elections team not seeing the unprocessed data and;
- Having insufficient resources to deal with the rush of applications before the deadline date.

It was highlighted that the vast majority of queries over the phone were resolved and people were able to vote. In this situation discretion was used by issuing electors with a temporary number that enabled them to vote.

The next steps are to review the following:
- The team and training needs
- Renew the IDocs system – this is scheduled to be replaced over the summer.

(iii)   **Members enquired if this was human or system error**?

The Commission was informed IDocs could see the file but the LBH elections team could not see the file. Also if the file from the Cabinet Office and IDocs was crossed checked this could have highlighted the difference.

(iv)   **Members enquired about electors receiving duplicate voting cards with different elector numbers. One Member pointed out he did an IER application and received two voter cards. The Member advised he emailed to highlight this and requested for confirmation of the correct elector number. He expected the error to be rectified before the Election Day, but he was told to use one card and did not receive confirmation of the correct elector number.**

The Deputy Returning Officer explained the duplicate number occurred when an IER application is made and the individual is already on the elector register. The DWP check would have matched the records and completed the application. The data is then passed onto the Cabinet Office and they merge the information; this creates the duplicate record for the individual. The Commission was informed the team is aware of this issue and will be refreshing the system to remove duplicates.

The Returning officer explained this is a known problem with the IER system which needs to be resolved. The IER system will complete the application but it does not recognise if a person is currently registered. The Council has given a list of issues related to IER to the local MPs. These are:
- The inability to track the online application to review its progress in the system
- Duplicate records
- The deadline date for new applications combined with a bank holiday made the processing time to complete applications too short
- Issues within IER
- Issues with the paper based system.

(v)   **Members expressed concern that this was the second election where local residents' ability to vote was impacted - albeit a different set of problems this time. Members raised concerns about the reputational damage this incident caused to Hackney Council given all the work the Council has done over the years to rebuild the Council's reputation.**

(vi)   **Members enquired if the problems described were experienced by other Councils because the press headlines seem to indicate this was an isolated issue relating to Hackney Council.**

The Returning Officer advised his first priority on the day was to ensure that local residents could vote. The officer acknowledged there was potential reputational damage but he was confident that Hackney's reputation was strong now. It was pointed out Hackney Council attracts the press and this was compounded by the Town Hall reception being moved to the front of the Town Hall (during the refurbishment) which made the situation look worse than it was. The officer advised after speaking to other local authorities it appears they too experienced similar issues.

It was pointed out that the Electoral Commission would be issuing a report later in the year about the 2015 elections for the whole country.

(vii)   **Members asked if there would be closer supervision in the coming elections.**

(viii) **Members enquired if the Council should have oversight of the register and suggested the voters register was submitted to the Corporate Committee for risk review.**

The Returning Officer advised there would be some form of management action taken. The Council has a project plan and risk register which covers: running elections, implementing a new system and the electoral register.

The Commission was informed about the emerging findings from the independent review. This has highlighted that there were too many layers of management between the Returning Officer and the Elections team.

In response to the suggestion about the election register being submitted to the Corporate Committee for review. The Returning Officer confirmed it could be submitted but it is a very large register to review.

(ix)   **Members enquired if there would be a formal report issued following the review.**

The Returning Officer explained the Council would not be publishing a report. The independent review was looking at issues related to supervision and the culture within the team. The officer assured Members the lessons learnt would be implemented and residents who logged a complaint would receive a written response.

(x)   **Members urged the Council to consider publishing a public report to explain the incident to residents and that would address the issue of trust between the Council and local residents.**

The Returning Officer informed the Commission the Council had not received any further complaints related to the elections for the past week and a half. The next process due to commence shortly would be canvassing for the electoral register. If residents had queries the canvassing staff could answer their queries.

(xi)   **Members urged the Council to consider issuing some form of formal apology that would demonstrate the Council has learnt from the incident and was taking the matter very seriously.**

The Returning Officer advised the local residents registered after the deadline received a letter to confirm they are on electoral register. The officer offered to provide a formal response to Ward Councillors to give to residents if the Ward Councillor was receiving complaints.

The focus for the Council now was the next steps and implementing the improvements.

6   Hackney Council's Corporate Plan to 2018 - Update on the Cross Cutting Programmes

6.1   The Chair welcomed the Chief Executive of Hackney Council, Tim Shields to the meeting. The Chief Executive provided an update on the Council's cross cutting programmes.

6.2   The Chief Executive referred to the report on pages 19-24 of the agenda and pointed out each programme was at a different stage. In addition to the report the following points were highlighted about each programme.

6.2.1   The Employment and Opportunities cross cutting programme has been in existence for some time and this programme is spilt into two areas (under 25s and over 25s). The cross cutting programme was split into two areas because the under 25s have more resource and this aspect of the programme is looking at how this can be better co-ordinated. The offer for over 25s varies and this programme is looking at provision. The second phase will be analysis.

6.2.2   The Enforcement cross cutting programme is looking at all enforcement services provided by the Council. This programme has a cost of £4 million and affects 200 staff members. This review is at the stage of identifying every process and staff member and clarifying each person's job role.

6.2.3   The Customer Service cross cutting programme is particularly focused at present on housing and housing repairs. This programme will establish principles for how the Council will provide better, more efficient services by responding more efficiently to demand.

6.2.4   The Public Realm cross cutting programme is reviewing all staff across the different teams. This is about a holistic view of all services. Phase 1 is looking at public realm estates and joining up services. Hackney Homes services are excluded at present and will be included after the transition; this is to ensure nothing impacts the transition back into the Council.

6.2.5   The Capital Investment Strategy cross cutting programme is focused on investment and sustainability. Initial thoughts are to review leisure estate investment. It was pointed out that alongside the budget cuts the Council is managing investment in infrastructure to meet future demand.

6.2.6   The Families cross cutting programme is at the scoping stage. It was pointed out, this is not a troubled families type review, it is a review to consider if there any gaps in provision around anti-social behaviour, truancy etc. This is taking a holistic view of the whole family.

6.2.7   The Procurement cross cutting programme will look at different approaches to and making use of demand management. This programme is a radical rethink about how the Council designs, procures, manages and operates services including digital systems.

6.3   The intended outcomes from these cross cutting programmes are:
- Better services
- Saving money
- Remove inefficiencies
- Better quality of services to local residents.

6.4   The Chair commented the Commission agrees with the thinking being undertaken by the cross cutting programmes and highlighted G&R's review would be feeding into the Employment and Opportunities cross cutting programme.

6.5   **Questions, Answers and Discussion**

(i)   **Members agreed with the approach being taken for the reviews and their aims and asked about the Council's key role. Members made the following comments and enquires:**
   a) **Asked for the rationale behind the areas selected for cross cutting programmes**
   b) **Asked officers to place emphasis on public sector outcomes**
   c) **Asked officers to include people as they review services and consider co-operative models**
   d) **Asked about the Council's future infrastructure plans and demand modelling for public sector services; and enquired if it takes into consideration estimated population increases**
   e) **Referred to the Trouble Families model and commented its approach is opposite to a council's traditional way of working**
   f) **Asked officers to consider different service delivery models for public sector services like Troubled Families**
   g) **Asked for Hackney Homes services to be included in the cross cutting programmes, given it is scheduled to transition back into the Council April 2016.**

The Chief Executive advised there was a project covering cleaning services. This project has a phased approach to ensure it does not stop or hinder the transition of Hackney Homes back into the Council. The officer pointed out the Council has previously, successfully, transitioned recycling services back into

the Council. The success was down to planning and a phased approach to reviewing services following integration.

The approach being taken is to review Council services first and join up services. Then the Council will review Hackney Homes services. The Chief Executive highlighted whilst the transition work was in progress, Hackney Homes resource capacity needed to be taken into consideration too. It is estimated that Hackney Homes will be included 9 months after the transition. In the meantime data analysis is being conducted.

In relation to infrastructure planning, the Chief Executive confirmed the Council has been doing planning work to estimate the number of schools, housing etc needed. The areas that are proving challenging to estimate are those managed by other public sector bodies (e.g. NHS). They are having discussions with the health economy about reshaping services over the next 4-5 years.

In addition the Council is doing scenario planning and having discussions with stakeholders and Members.

The Chief Executive confirmed they will be looking at different models and theory about how to change habits. This work includes how to change a person's habit and encourage them to take pride in the area they live in. It was highlighted they have used techniques such as nudge in areas like smoking cessation.

These cross cutting programme areas were selected because they cover the majority of the Mayor's manifesto commitments.

The Chief Executive did not disagree with the troubled families approach to service provision - inside out and having services wrapped around the individual.

(ii)	**Members asked why Adult Social Care was not included in the cross cutting programmes.**

The Chief Executive explained they have been working with adult social care services for approximately a year in relation to integrated care and this has involved a number of discussions with local health trusts.

(iii)	**Members enquired about the Council's plans to engage with Members and the different scrutiny commissions in relation to the progress of the cross cutting programmes and their findings.**

The Chief Executive confirmed they would be engaging with scrutiny commission Members.

(iv)	**Members enquired how the cross cutting programmes related to the budget process?**

The Chief Executive explained the programmes are not automatically part of the budget savings programme. As each programme acquires more detail they

can assess the estimated savings. When the detail about potential savings become clear they will feed into the budget process.

(v) **Members referred to the Capital Investment Strategy and enquired why schemes have different approaches to consultations - some engaged and collated local residents wishes and others did not. The Members explained the different approaches undermine community confidence in the process and leave Ward Councillors trying to explain why each one is different, even though they are carried out by the same organisation. Members highlighted that where this happens and the various strategies do not align it creates tension within the community.**

The Chief Executive informed Members that for housing and leisure amenities capital programmes they have a holistic plan. The differences occur when there are schemes like Building Schools for the Future (BSF) which use a different methodology and their approach can cause some contention. The officer explained projects like these have time constraints and deadlines such as building a new school by 2020. It can take 2 years to build a school and it can take 3 years to plan, design and build. The officer advised this is a complex process that is difficult to explain to residents.

The Chair agreed it was a challenging message to get across to residents.

7   Devolution and Public Service Reform

7.1   The Chair welcomed the Chief Executive, Tim Shield from Hackney Council to the meeting. The Chief Executive provided an update on the devolution discussions for London.

7.2   The Chief Executive referred to the report on pages 27-35 of the agenda. Page 30 of the report outlined the areas being discussed for devolution for London. Page 34 of the report provides a summary of the requests under each theme area.

7.3   The pan London discussions to date have agreed a set of areas London Councils would like devolved powers. They are starting to work out the detail behind each theme for London in consultation with other boroughs. It was pointed out London has a number of governance layers to consider before being able to progress this work.

7.4   The areas of Employment and Skills will provide local authorities in London with the power to commission across areas and the opportunity to address local need. Housing has a number of complex issues to overcome such as rent levels and land values. The biggest risk is taking on the health economy in London because of its size. It is likely this would be taken on, in a phased approach.

7.5   London is confident a devolution deal for London can be achieved. Local Authority leaders are cautious about the risks devolution poses but despite the potential threats and opportunities it will be crucial to find the right balance.

7.6   In relation to Manchester's devolution, the detail of their deal was unclear.

7.7   **Questions, Answers and Discussions**

(i)   **Members enquired if local authorities were better placed to build housing and if the devolution proposals would provide an opportunity to get a better deal.**

The Chief Executive advised local authorities were still speculating about the impact of the Government's announcement concerning right to buy. The potential challenge these changes pose to Hackney are house prices and land value. There have been discussions about London having a different set of proposals. It is recognised there is an opportunity to do more in the area of skills development and right to buy.

Westminster City Council is building housing outside of the borough. Hackney Council has undertaken the role of building housing.

The development of a pan London approach is complex but does offer opportunities. Devolution could for example present an opportunity to expand into building housing for other areas, but LBH would need to further develop its house building skill sets.

(ii)   **Members hoped the devolution discussions for London would find the right scale and level of responsibility to be devolved. Members commented that Manchester had a solid political message in relation to devolution and the powers they wanted. Members hoped London was clear about the risks they were taking on for commissioning and understanding the whole person.**

(iii)   **Members enquired if the Work Programme would be a feature of the devolution discussions and in its request regarding employment. Members pointed out this programme has not been successful in supporting people to progress into employment.**

(iv)   **Members wanted to understand if London was considering taking on commissioning for Health and DWP locally. Members enquired if the DFE proposals related to commissioning rather than taking on the responsibility for DFE.**

(v)   **Members enquired about the plans to get all East London boroughs together, given their political differences and asked if there have been discussions about governance arrangements.**

The Chief Executive advised the whole spectrum of ambition and landscape would need to go through political discussions to get the devolution deal sealed. This included political discussions about potential governance arrangements.

The Chief Executive agreed the Work Programme has room for improvement and pointed out skills and employment may be the uncontentious areas for London to acquire and deliver under a devolution deal.

8   **Governance and Resources Scrutiny Commission - 2015/16 Work Programme**

8.1   The work programme for G&R on pages 37 - 44 of the agenda was noted for information.

8.2   The Chair informed the Commission, invitations were sent to:
- Renaisi
- Shaw Trust
- Core Arts
- Peter Bedford Housing Association
- Hackney Community College;

asking them to participate in a workshop with the Commission. This workshop would review the research findings and ask frontline staff for their views.

8.3   A date for the workshop was in the process of being agreed.

9   **Any Other Business**

9.1   None.

 Duration of the meeting: 7.00 - 9.05 pm