
London Borough of Hackney
Scrutiny Chairs Group
Municipal Year 2015/16
Date of Meeting Monday, 21st March, 2016

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

Chair	Councillor Clayeon McKenzie
Councillors in Attendance	Cllr Christopher Kennedy, Cllr Richard Lufkin, Cllr Tom Rahilly, Cllr Rebecca Rennison and Cllr Carole Williams
Apologies:	Cllr Ben Hayhurst, Cllr Ann Munn and Cllr Sharon Patrick
Co-optees	
Officers In Attendance	Tim Shields (Chief Executive) and Ian Williams (Corporate Director of Finance and Resources)
Other People in Attendance	Mayor Jules Pipe (Mayor of Hackney)
Members of the Public	
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Councillor Clayeon McKenzie in the Chair

1 Apologies for Absence

- 1.1 Apologies had been received from:
- Cllr Hayhurst
 - Cllr Munn
 - Cllr Patrick

2 Urgent Item / Order of Business

- 2.1 There were no urgent items and the order of business was as laid out.

3 Declarations of Interest

- 3.1 There were no declarations of interest.

4 Minutes of the Previous Meeting

4.1 The Minutes of the meeting of the 14th October 2015 were agreed as an accurate record.

4.2 The follow up actions were noted.

5 Cabinet Question Time - Mayor of Hackney

5.1 The Chair thanked the following guests who were in attendance for this item:

- Mayor Jules Pipe
- Tim Shields, Chief Executive, Hackney Council
- Ian Williams, Corporate Director, Finance and Resources, Hackney Council

5.2 The Chair advised that a range of questions had been provided in advance. He invited the Mayor to give any opening statement before setting out responses to the pre-asked questions.

5.3 The Mayor noted that the majority of questions were related to housing, and temporary accommodation in particular. As an opening point, he said that he was pleased that the Council had responded to the growing demand for temporary accommodation units with the purchasing of more of its own units, based within the borough. It was a priority to support families to remain in Hackney when they wanted to wherever possible. Some other London councils were following approaches of placing families outside of their boroughs.

5.4 This said, there was an ongoing and increasing financial and availability challenge around temporary accommodation. Despite the purchasing of new units, the Council still needed to rely heavily on the private sector. Rents for these units were rising, while further revisions to the benefit cap would increase by millions the amount with which the Council would need to subsidise the running of this accommodation. There was also a significant risk of levels of need for this accommodation increasing, with the Housing Bill containing measures which would further drive down the availability of permanent homes for social rent for people to move from temporary accommodation into. This Council and others operating in London were facing challenges which in the current environment they would not be able to build their way out of.

5.5 At this point, the Mayor addressed the questions that had been submitted.

Question 1 - Members would like information about the quality and type of temporary accommodation provided

5.6 The Mayor advised that there were around 2,400 households housed in temporary accommodation at the end of February 2016. He said that 8 different types of units were used to provide housing to these households.

5.7 These ranged from hostels owned or rented by the Council, to accommodation leased from housing associations, through to bed and breakfast units and self-contained annexe accommodation. The latter two were generally rented on a nightly basis by the Council, and there were around 700 of these in total.

5.8 In terms of quality, the Mayor said that it differed within the accommodation types themselves, and between the different types. He said that the quality was most variable and difficult to monitor within the nightly rented options. This,

along with these arrangements being significantly more expensive than hostel accommodation made this the least preferred option for the Council.

- 5.9 He said that standards in these nightly-rented units varied considerably, and that with the need for the service to obtain units at short notice to meet an emergency need, that it was not possible to inspect the properties prior to a family being placed. Quality was best in units where they were managed or maintained by the Council.

Question 2 - In addition, Members would like information about the provision and support available for families/individuals in temporary accommodation e.g. how are the needs of children doing exams taken into consideration? What support is offered to people in temporary accommodation?

- 5.10 In response to this question, the Mayor firstly said that a household having school age children would be taken into account when decisions were being made around where to place a family. In particular where children were of exam age, the Council tried hard to place families in housing close to children's current schools. It needed to be acknowledged that this was not always possible – he was aware of a case of a family being moved to Ilford where there was a child in Stoke Newington School. However, in cases where it had not been immediately possible to source local temporary accommodation despite children being of school (and particularly exam) age, every effort was made to move families back into units within the borough as soon as possible.
- 5.11 A Member noted this response and the earlier point around the Council working to enable families to remain in Hackney by placing them in temporary accommodation within the borough. He said that the Children and Young People's Scrutiny Commission in a discussion with Headteachers had heard concerns around children being moved some distances away from their schools. They said that the extra journeys that pupils needed to make to school impacted on their capacity to learn and also their levels of engagement in extra-curricular activities. He asked if there was an indication available on the numbers of households placed in temporary accommodation outside of the borough. He also asked if there was a policy position in terms of maximum amounts that the Council would pay for a temporary accommodation unit of various sizes in the borough, before it accepted that it needed to explore out of borough options.
- 5.12 The Mayor said that the accelerating costs of temporary accommodation units compared to the Local Housing Allowance of around £300 per week which Housing Benefit paid up to, meant that the Council continued to need to subsidise the renting of units.
- 5.13 In terms of any limit on the amount that the Council would pay, the Corporate Director, Finance and Resources said that this would depend on individual circumstances. He said that the Temporary Accommodation Team was under significant pressure to find units for families at very short notice, from a reducing stockpile. Despite this, he said that an analysis had shown that where the Council had needed to place families outside of the borough, that it had been relatively successful in securing units close to the borough's boundary. He invited Members to visit the Temporary Accommodation Team on a Friday afternoon (when service demand was at its peak) to gain a further insight into

the work, and the efforts which were made to source suitable accommodation for residents in need of urgent accommodation.

- 5.14 On the general support which was offered, the Mayor advised that an assessment of a household's support needs formed part of the allocation of temporary accommodation process. Those with longer term, challenging circumstances were supported through the Council's own services (Social Services) and through One Housing's One Support Service on the Council's behalf. In addition, other initiatives such as healthy eating programmes were promoted to those with lower levels of need.

Question 3 - How many families/individuals are in temporary accommodation?

- 5.15 The Mayor advised that there were 2,423 households (families) housed in temporary accommodation at the end of February 2016. This equated to approximately 4000 individuals.

Question 4 - Is it likely that if families/individuals were housed outside of London they would receive better support and provision?

- 5.16 The Mayor reminded Members that, in regards to the households placed in temporary accommodation outside of the borough (and the very few placed outside London), the Council remained responsible for the provision of support. While the Council did put in place arrangements to make sure that support was available to these households, there was a greater risk that standards fell below acceptable thresholds due to monitoring from afar being more difficult.
- 5.17 There was a view from both the Mayor and the Corporate Director of Finance and Resources that households independently moving to areas outside of London and ending their association with the Council, would not be likely to find better service offers in these areas. They felt services in London, and in Hackney especially, to be relatively strong. A household may find a quality of life improvement through the securing of a larger property, or a home with a garden. However, wider public services - schools and health care for example - would generally not be as good.
- 5.18 In response to a related question as to whether the Council had seen much desire from households living in temporary accommodation for moves outside of London, the Corporate Director of Finance and Resources said that they had not. He said that in some instances there were safety reasons for the Council to support out of London moves, including particular cases involving gang issues and domestic violence. In addition, in some cases residents had wanted to move for changes in lifestyle; the Council had recently helped a resident who wanted to leave a temporary accommodation unit in Hackney to relocate to Brighton and train as a bus driver. Assistance with set up costs was given to the resident to allow for the move. Despite these examples however, the numbers who had chosen to make moves from temporary accommodation in Hackney to outside of London, were in single figures.

Question 5 - Members would like an update on the set up and progress of the Council's housing letting agency

- 5.19 The Mayor advised that 2014/15 had seen the social lettings agency secure 100 properties. The 9 months of 2015/16 to December had seen an additional 65 achieved. The Mayor felt that a position of an average of around 2

properties joining per week, could be seen as a success story in the context of an increasingly difficult market situation.

- 5.20 The scheme could be a challenge to sell to landlords; the rental income that they would receive was likely to be lower than that they might gain elsewhere in the market. However, through selling the benefits of the scheme – in particular options around rental guarantees and full management – they had been able to persuade landlords to join. This would continue to be developed as an avenue through which the Council could in part meet its duties to provide temporary accommodation, in a relatively cost-effective way.

Question 6 - What is the Council's strategy on the prevention of homelessness?

- 5.21 The Mayor advised that the Council launched its new Homelessness Strategy in October 2015. A key part of this was focused on the prevention of homelessness.
- 5.22 The strategy included, among other identified activities, a drive to better signposting, the use of floating support services, and achieving better collaboration with a range of non-housing agencies to help identify those at risk and deliver support.

Question 7 - Is it fair to say that following the demands for cuts linked to the austerity agenda; with Hackney being efficient and delivering each time, this could lead to the expectation that more cuts can be found?

- 5.23 The Mayor said that the analysis of the Comprehensive Spending Review showed that the Council was facing Government funding reductions of £38 million by 2020. This was in addition to needing to deliver savings of £20million to help deal with additional cost pressures – from demands for temporary accommodation and the level of need for Adult Social Care services for example.
- 5.24 He said that, coupled with the £100 million cuts already seen since 2010 that effective reductions of a further £58 million would not be possible without a substantial effect on the range and quality of services delivered.
- 5.25 Other forms of income would not come close to filling this void. The Council Tax rise recently announced would raise around £2 million. While the Council would be able to keep greater shares of the business rates that it raised the announcement by Government that many small business would be moved out of business rate charges would disproportionality effect Hackney given its high density of micro businesses
- 5.26 On the need to tackle any view that reductions on this scale might be possible with little impact, the Mayor said that it was vital that the Council reached a definitive articulated position on what the organisation would and would not be able to deliver, post a reduction in funding of £58 million. This would include detail on the impact of shaving further amounts from one remaining function to help deal with a shortfall in another to demonstrate that this was not a solution.
- 5.27 He said that this work would help shape a response to the DCLG Efficiency Plan due for release in October 2016. It would also be used as the basis for discussions with Government and with residents and businesses around what

the Council would like to deliver compared to what in reality it would be able to post the delivery of these savings.

- 5.28 The Corporate Director, Finance and Resources advised that another issue on the horizon which could put the local authority under still greater strain was the Fairer Funding initiative which the Government was currently carrying out a first stage consultation on. This was likely to have an impact on school funding in the borough. The second stage of the consultation (to be released after the 23rd June 2016) would contain the key details around the proposed weighting to be applied when calculating the per-pupil funding for different areas. However, at this point the Corporate Director, Finance and Resources predicted that the proposal in relation to Hackney was likely to be a reduction in per-pupil funding from around £7,000 per year to £6,000. This, coupled with other changes already delivered – including the loading of greater shares of pension costs away from Government and onto Schools – would have a large and detrimental impact.
- 5.29 In response to a question, the Corporate Director, Finance and Resources confirmed that the new model was due to be determined during the financial year 2016/17, for implementation from the start of the financial year 2017/18.
- 5.30 The Mayor confirmed that the Council was and would continue to lobby very hard to reduce the scale of the impact which Hackney would suffer from. On a London wide level (and with the capital as a whole set to be detrimentally effected), he was also raising the issue within his role as Chair of London Councils.
- 5.31 A Member noted that the Children and Young People’s Commission had been advised that the proposed changes in funding formula included a removal of mobility as a characteristic to which extra funding might be applied. Given the discussion earlier around the scarcity of temporary accommodation in the borough bringing instances of the Council needing to house families outside of the borough for particular periods, he suggested that there might be an active form of challenge on this element of the proposal.
- 5.32 Again around education, the Corporate Director, Finance and Resources also reminded Members of the recent announcement by Government around its move to obligate all remaining maintained schools, to academise. Full details and timelines were not yet known. However, the proposal could have a huge impact on current arrangements, in which the Hackney Learning Trust provided a range of commissioned services to local authority schools paid for through the retention of a share of Department of Education funding.
- 5.33 The Chair thanked the Mayor and Officers in attendance.

6 Overview and Scrutiny Services Review

- 6.1 Following a discussion around the Member-led review which the Scrutiny Officer was not present for, Members asked that the following points be noted:
- That the Members in attendance felt it very important that all Scrutiny Chairs and Vice Chairs (in addition to any other Members wishing to) participated in

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discussions with the consultants carrying out the review, before the work reached concluding or finding stages.

- Members appreciated that efforts had been made to interview Cllrs Rahilly and Rennison (and perhaps others) but that they had not always been available due to their day time commitments. They also noted that the briefing circulated prior to this meeting had stated that round up interview sessions would be done after the Easter break.
- However, Members were keen that all Chairs and Vice Chairs were able to participate in interviews during the evidence gathering stages of the review. If it made arranging the interviews easier, Members (particularly Cllr Rahilly) would be happy to do them over the phone.
- In terms of the questions the review would seek to answer, Members asked that it explored how Scrutiny Commissions might ensure that they continued to be able to set their own agendas and to drive policy work, whilst also ensuring that they were able to and did, hold the executive to account. They also felt that the review needed to explore how the Scrutiny function could best work with policy areas of the Council and services.

6.2 The Scrutiny Officer thanked Members for their comments and advised that he would raise these with the appropriate officers.

7 Overview and Scrutiny Commissions Work Programme 2015/16

7.1 As the first element of this item, Cllr Rennison advised Members that the January Governance and Resources Commission (for which she was Vice Chair) had held a discussion in January around any future Budget Scrutiny Task Groups which they felt that the Scrutiny function might carry out.

7.2 These would be in addition to the groups which met in late 2015 to review budget savings proposals for the financial year 2016/17.

7.3 There was a view from the Governance and Resources Commission that other Members had been enthusiastic and positive about the previous set of sessions, and that there was appetite for them to continue.

7.4 Further to this discussion, Cllr Rennison had been in dialogue with the Assistant Chief Executive. She now had a proposed set of four Task Groups with separate remits, as per below:

- Commercialisation and Income Generation
- Preventative Spend on Vulnerable Residents
- Housing revenue Account Savings
- Targeted Services

7.5 Cllr Rennison advised Members that she wished to receive a view tonight around whether the groups should run again, whether they should be established for a one year period or for a longer term, and whether the areas proposed were acceptable to Members.

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- 7.6 Cllr Rennison reminded Members that one point of learning from the previous set of meetings had been that they should have been set up at an earlier point of the year. This would enable the groups to fully help to shape the proposals for savings, rather than working more to review the options put forward. She therefore proposed that if the activity was to go ahead, that meetings should start during the summer.
- 7.7 Cllr Rennison also advised Members that a decision on whether the Scrutiny function should again support the Budget Scrutiny Task Groups would need to be made alongside a consideration of the resources available and how these would be prioritised. The previous set had been delivered as an add-on to the general workloads of the Scrutiny Team. She said that this arrangement was not necessarily sustainable for the longer term, particularly as there appeared to be a view among Members that any further set(s) of Task Groups should conclude with the production of a report (which the previous set did not). She said that a decision to re-establish a set of Task Groups with reports to be produced might impact on the ability of Officers to also support Scrutiny reviews of the different Commissions.
- 7.8 There was a general view among the Chairs and Vice Chairs that the previous set of Task Groups had been useful and worthwhile. There was a majority that these should continue, although there was also a view from one Member that any agreement on their continuation should be subject to the work of Scrutiny Commissions not being undermined.
- 7.9 At the end of the discussion, the following was agreed:
- That there was an agreement in principle that Budget Scrutiny Task Groups be established, but that this was contingent on the findings of the Member-led Scrutiny Review.
 - That the groups should be delivered initially as a short term set of meetings (1 year or less), but with a remit of looking over a longer term (3 years).
 - That Cllr Rennison would explore any scope for additional resources for supporting the groups with the Assistant Chief Executive.
 - That Cllr Rennison would circulate to Members the proposals for the remits of the four groups, for discussion outside of the meeting.
 - That Cllr Rennison would liaise with the Head of Scrutiny and Ward Forums to set provisional dates for meetings.
 - That Cllr Rennison would liaise with Cllrs Chapman and Munn around Governance arrangements.
- 7.10 The Chair noted that there were only 3 possible Full Council meetings in 2016/17 to which Scrutiny Commissions might send reports from the reviews that they carried out during 2015/16. He invited Chairs and Vice Chairs to advise of any reports that they felt should be submitted to Full Council.
- 7.11 Cllr Williams (Chair, Community Safety and Social Inclusion Scrutiny Commission) advised Members that her Commission was close to publishing its report from its 'Anti-social behaviour, crime and policing bill: Measures for

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tackling ASB' review. There was agreement that this should be submitted to Full Council.

- 7.12 Other Chairs and Vice Chairs agreed that they would consult with Members of their Commissions on the items that should be submitted to Full Council.

8 Any Other Business

- 8.1 There was no other business.

Duration of the meeting: 7.00 - 9.35 pm