Hackney

London Borough of Hackney – Decisions taken by the Cabinet on Monday, 20 January 2020

Decisions listed below that are Key Decisions will come into force and may then be implemented on the expiry of 5 clear working days after unless called-in by at least 5 non-executive members in writing and submitted to the Monitoring Officer.

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Part A – Items considered in public

1	Apologies for Absence	There were no apologies for absence. **NOTED**
2	Urgent Business	There were no items of urgent business. **NOTED**
3	Declarations of interest - Members to declare as appropriate	Mayor Glanville declared a non-prejudicial interest in Item 12 – A Place for everyone – LB Hackney Main Grants 2020/21 and 2021/22 – as an account holder with the London Community Credit Union, and as a Board Member at the Shoreditch Trust. Deputy Mayor Bramble declared a non-prejudicial interest in Item 12 – A Place for everyone – LB Hackney Main Grants 2020/21 and 2021/22 – as a Board Member at Hackney Playbus. Councillor Kennedy declared a non-prejudicial interest in Item 12 – A Place for everyone – LB Hackney Main Grants 2020/21 and 2021/22 – as an account holder with the London Community Credit Union, and also an ordinary member of Hackney Wick FC. Councillor Rennison declared a prejudicial interest in Item 12 – A Place for everyone – LB Hackney Main Grants 2020/21 and 2021/22 – as the Chair of Chats Palace Ltd – and advised

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		that she would leave the proceedings for the duration of the item when considered. **NOTED**
4	Notice of intention to conduct business in private, any representations received and the response to any such representations	There were no representations received. **NOTED**
5	Questions/Deputations	There were no questions or deputations. **NOTED**
6	Unrestricted minutes of the previous meeting of Cabinet held on 16 December 2019	**RESOLVED** **That the unrestricted minutes of the Cabinet held on 16 December 2019 be confirmed as an accurate record of the proceedings.**
7	Calculation of the 2020/21 Council Tax Base and Local Business Rate income - Key Decision No. FCR Q45	**In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014 which require Local Authorities to record in the minutes how each Councillor voted (including any abstentions) when determining the Council's Budget, and the level of Council Tax to be levied, on a roll call vote there being nine for – Mayor Glanville, Councillors Bramble, Burke, Kennedy, McKenzie, Nicolson, Rennison, Selman, and Williams, nil against and no abstentions it was:** **RESOLVED** **i. That it be agreed to recommend to Council that in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the amount calculated by Hackney Council as its Council Tax Base for 2020/21 be**

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		74,386 Band D equivalent properties adjusted for non-collection, representing an estimated collection rate of 95.5%. ii. That it be agreed to recommend to Council that in accordance with The Non-Domestic Rating (Rates Retention) Regulations 2013 Hackney's non- domestic rating income for 2020/21 be £149,750,650 subject to completion of the NDR1, and comprising three elements; ● £54,074,195 which is payable in agreed instalments to the Greater London Authority ● £44,040,077 which is retained by Hackney Council and included as part of its resources when calculating the 2018/19 Council Tax requirement. ● £51,636,378 which is payable in agreed instalments to Central Government iii. that it be noted that changes proposed to the current CTRS scheme in 2020/21 will be reported at agenda item 8 of the agenda; iv. that it be agreed to recommend to Council that the Council Tax Empty Property Premium on properties that have been empty for 5 years or more be increased from 100% to 200%; v. that the recommendations on the proposed 2020/21 Business Rates Pool as set out in Appendix 2 of the report be agreed. **REASONS FOR DECISION**

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		Council Tax Base The rules for calculating the Council Tax Base are set out in the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. The calculation is based on the valuation list and other information available on the 26th November 2019. Firstly, the authority must estimate the number of properties in each band after allowing for exempt properties. These figures are also adjusted to allow for discounts (e.g. single person discount and Council Tax Reduction Scheme) and the impact of changes in discounts and exemptions which allow the Council to charge additional Council Tax to the owners of empty homes and second homes. A formula is then used to calculate the total number of Band D equivalent properties. This gives a higher weighting to properties in bands above Band D and a lower weighting to properties in bands below Band D. This can therefore be thought of as the average number of properties liable to pay Council Tax. The calculation is set out at **Appendix 1.** The Authority then must estimate what percentage of the total Council Tax due for the year it will be able to collect. This is usually referred to as the collection rate. This percentage is then applied to the total number of Band D equivalent properties to give the tax base to be used for setting the Council Tax. Another way of considering the tax base is that it represents the amount of Council Tax income that will be received from setting a Band D Council Tax of £1. There are a number of factors to be considered when assessing the likely ultimate collection rate for 2020/21. 2013/14 marked the first year of the new Local Council Tax Reduction Scheme and significant changes in the level of discounts allowed for second homes and empty properties, which in turn led to increased volatility regarding the eventual collection rate to be achieved, particularly as the Council was often issuing bills for monies it has not had to previously collect. In the event, collection rates have held up very well since this time and it is

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		anticipated, given the recent trend in in-year collection performance, that a budgeted collection rate of 95.5% is achievable in 2020/21 and is sustainable going forwards. This is 0.5% higher than that was applied in 2019/20. In 2013/14 the actual rate was 95.3%, which increased to 95.7% in 2016/17 and then to 95.9% in 2018/19. This will increase our budgeted income by c. £0.46m in 2020/21. If actual collection in the forthcoming year exceeds the budgeted collection rate this is likely to generate a surplus in the Collection Fund which would provide additional one-off resources available for use in 2021/22 and beyond, either for one-off revenue or the Capital Programme. A collection rate of 95.5% will result in a tax base of **74,386** Band D equivalents, as shown in the table below.

2020/21 TAX BASE/COLLECTION RATE

	2020/21
Aggregate of Band D Equivalents Estimate	77,892
of Collection Rate	95.5%
Tax Base (Band D Equivalents)	**74,386**

This compares to a tax base of 72,552 Band D equivalents used in the 2019/20 budget setting. Most of the increase in the tax base has already occurred during 2019/20.

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		BUSINESS RATES AND THE LOCAL BUSINESS RATES RETENTION SCHEME The Local Business Rate Retention Scheme came into effect from 2013/14 as part of the changes to local government funding in the local government finance act 2012. In essence the scheme allowed Local Government to keep 50% of any business rate growth from its baseline position. For Hackney and all other London boroughs the remaining 50% share was split on a 60/40 basis with the Greater London Authority (GLA). in 2017/18 these proportions were amended to: - the GLA 37%; Central Government 33% and London boroughs 30%. A change to the system was made in 2018/19 with the introduction of the London 100% Business Rates Retention and Pooling Pilot scheme. Under this scheme Hackney retained 64% of the rates raised and the GLA kept 36% with no Government share. Yet another change was made in 2019/20 with the introduction of a 75% London Business Rates Retention and Pooling Pilot scheme. Under this scheme, Hackney retains 48% of the rates raised, the GLA retains 27% and Central Government 25%. The Government has decided it will not provide for the continuation of the 75% London Business Rates retention and pooling pilot scheme in 2020/21 and that the 2017/18 shares of business rates income will apply, i.e. GLA 37%; Central Government 33% and London boroughs 30% . This will reduce the amount of business rates retained by Hackney from 48% to 30% but the losses in income will be mitigated to some extent by additional government funding. In October 2019, the London Councils Leaders' Committee agreed to continue the London business rates pool in 2020/21, despite the loss of pilot status. the 2017/18 shares will still apply but London Councils have estimated that the anticipated financial benefit of the pool is approximately £25 million, all of which will be distributed to boroughs following the mayor's agreement to forego any financial benefit, and Leaders'

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		agreement not to have a strategic investment pot (sip) next year. London council's latest modelling estimates our share at £1.1m. Further details on the arrangement and the required recommendations which require **Cabinet approval only** are attached at **appendix 2 to the report.** It is anticipated that we will go back to the 2019/20 London Business Rates Retention scheme in 2021/22 with 75% local shares. To determine its budgetary position Hackney, along with all other Local Authorities has to complete an NDR1 form which includes the number of rateable local businesses (which is not limited to commercial organisations as it includes schools, churches and of course an authority's own civic estate) multiplied by the appropriate business rate multiplier to arrive at a total cash sum which is then adjusted for various allowable reliefs and discounts to give the final baseline position. This form is required to be completed and submitted to CLG by 31 January each year in respect of the following financial year. Up until 2013/14, the calculation within NDR1 had not required formal approval by Members as it has had no direct impact on the Council's finances. From 2013/14 onwards, under the current Council constitution, this does now require formal agreement by Members and as such is the subject of the formal recommendation at paragraph 3.2 and 3.6. It should be noted that we, at the time of writing this report, we are still in the process of completing the NDR1 form. The figures included within this report and recommendations are therefore based on officers' latest estimates of the figures to be included in NDR1 but it is anticipated that the final version of this will have been completed by the time of Cabinet and Council meetings. Members will be informed if there are any changes required to the estimate as a result of the completion of the form.

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		As part of the 2018 Autumn Budget, the Chancellor announced rate reliefs for all retailers with a rateable value of £51,000 or less that will receive a one third reduction in their business rates bill in 2020/21. In addition, in previous Budgets, the Government announced various other business rates reliefs which will be rolled forward into 2020/21. Also, the change to the inflation rate which was used in the calculations that were made in 2019/20 will also be rolled forward which will reduce the amount of business rates payable in 2020/21. In order that Local Authorities are not disadvantaged by these additional reliefs and the inflation rate change, an equivalent special grant will be payable to them. It is estimated that Hackney Council will receive £5.939m in s31 grant in this respect of previous national budgets and other Government policies. In addition to this, the Council retains a cost of collection allowance for the administration of the collection of business rates and for 2020/21, this allowance is **£572k** The total resources therefore available to the Council in respect of Non- Domestic Rates and to be included in the budget to be approved by Council in March will therefore be **£49.979m**, as follows:

Net rates yield retained by Hackney	44.160
Share of 2017/18 Surplus c/fwd.	-0.692
S31 grant re Budget reliefs	5.939
Cost of Collection allowance	0.572
Total NDR resources	**49.979**

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		200% COUNCIL TAX EMPTY PROPERTY PREMIUM Under the current statutory arrangements, the Government has provided us with a means of encouraging empty properties to be brought back into use by allowing us to levy a 100% premium on properties that are empty for more than two years as from 1st April 2019. We currently operate this policy. However, as from April 2020, a further power will be introduced which will allow us to levy a premium of 200% on properties that have been empty for more than 5 years. We propose that we take this power as it should further discourage property owners from using a property as a simple asset, rather than the home it was built for. **Council Tax Reduction Scheme (CTRS)** It is a statutory requirement that the Council approves the CTRS scheme each year. As stated above, changes are proposed to the current scheme which are covered by a separate report on this agenda. **DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED** The requirement to calculate the Council Tax base and business rates has been laid down by Statute. As such, there are no alternatives to be considered.
8	Housing Revenue Account Budget 2020/21 Including Tenants Rents and Service Charges Key Decision No. FCR Q.41	**RESOLVED** **i. That approval be given to the HRA budget proposals as set out in section 11 and Appendix A of the report ;** **ii. that approval be given to the increase in rent of 2.7% (CPI + 1%) in line with The**

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		Social Housing Regulator's rent standard and that it be agreed that rents would increase on average by £2.67 from £98.97 per week to £101.64 per week with effect from Wednesday 1st April 2020; iii. that approval be given to the increase in HRA fees and charges in line with inflation 1.7% as set out in Appendix B of the report; iv. that the level of tenant service charges as set out in paragraph 12.6, and the service charges for the Concierge service as set out in paragraph 12.7 of the report be agreed; v. that authority be delegated to the Group Director of Finance and Corporate Resources in consultation with the Lead Member for Housing in respect of the setting of communal heating charges to reflect the unit costs of utilities; and vi. that the Housing Capital Programme budget and spend approval as set out in Section 16 of the report be agreed. REASONS FOR DECISION The Local Government and Housing Act 1989 Section 76 requires local authorities with a Housing Revenue Account (HRA) to set a budget for the account, which is based on best assumptions, that avoids a deficit and furthermore to keep the HRA under review. Local authority rent setting powers are set out in section 24 of the Housing Act 1985, this provides that: (1) A local housing authority may make such reasonable charges as they may

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		determine for the tenancy or occupation of their houses. **(2) The authority shall from time to time review rents and make such changes, either of rents generally or of particular rents, as circumstances may require.** **DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED** **The budget has been built from reviewing the base budget and includes current experience with items of essential expenditure, maintenance and investment to preserve the housing service and its assets.** **The budget setting for the HRA continues to be challenging due to the previous Government policy to reduce rents by 1% for four years ending 2019/20. Although rents are now increasing by CPI + 1% the effects of the rent reduction policy are still being managed.** **Alternative rent increases were considered in setting the budget, but any reduction to the rent standard set by the Regulator of Social Housing would result in additional savings that would impact on services to tenants, and substantial savings for Central Government in the subsidy of Housing Benefit. This reduction would also have a long term impact on future rent levels and income.**
9	Changing the Council Tax Reduction Scheme - Key Decision No. FCR Q46	**RESOLVED** i. That the proposals for changing the Council Tax Reduction Scheme as detailed in the report together with the contents of the report and the financial implications attached to each of the options outlined within the report be noted, and that the report be referred to full Council; ii. that it be agreed to recommend to full Council that recognising the financial constraints

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		placed on the Council, to revise the Council's current Council Tax Reduction Scheme by reducing the minimum contribution which all working age CTRS claimants have to pay from 17% to 15% of their Council Tax liability; . iii. that commitment to campaigning for the return to a fully funded benefit, paid for by Central government be agreed; and iv. that the ambition that of a further reduce the maximum contribution to 10% by 2025/26 and move to a fully funded scheme by 2030 be noted. **REASONS FOR DECISION** When the Council agreed to amend the Council Tax Reduction Scheme in 2017 it also committed officers to undertake a review of the revised scheme in 2019. The Council has recognised the continued impact of welfare reform on some of our poorest communities. Some households with the least financial resources have been hardest hit by government cuts, changes to benefits, and increases in everyday living costs such as food, rent, and utilities. As a result some of our poorest residents are facing financial hardship and have found it difficult to pay contributions towards their Council Tax. Whilst seeking to provide additional financial support to low income households the scope for amending the scheme is constrained by the need to manage ongoing cuts in Central Government funding with the expectation that funding to Hackney Council from the Government will have decreased from £310 million to £140 million by 2022. The option of decreasing minimum contributions from 17% to 15% balances both the increasing financial pressures that our low income households face, against the ongoing cuts

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		in government funding. The change will affect working age households only as the Council is legally prevented from making any changes to the scheme that will reduce the level of support payable to a pensioner household. **DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED** As part of the review process, the Benefits & Housing Needs Service commissioned an external consultant, Policy in Practice, to carry out the analytical assessment of the revised scheme and to model the financial impact on the Council and on residents of four options for 2020/21 to 2021/22. These options were: Rolling forward the current scheme (with the maximum award of 83% of liability) in both years; Changing the scheme to provide a maximum award of 100% of liability in both years. This is equivalent to the award maximum prior to the Government's introduction of the localised system in 2013/14; Changing the scheme to provide a maximum award of 85% of liability in both years. This is equivalent to the award maximum in Hackney from 2013/14 to 2017/18; Changing the scheme to provide a maximum award of 70% of liability in both years; The initial modelling demonstrated that reducing the maximum award to 70% of the liability was significantly punitive to low income households and no further development of this option was undertaken. Additional analysis was undertaken with regard to changes to improve the parity between the Council Tax Reduction scheme and Universal Credit and to align the scheme with the default regulations:

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		Introduce the Employment and Support Allowance for the Work Related Activity Group (claimants who are disabled but capable of work) for all those in receipt of Universal Credit with Limited Access to Work. There will be a very small number of these claimants (c. 100) in 2020/21 but they will benefit. align non-dependent deductions with the default scheme. use Universal Credit as the maximum award for Universal Credit claims. Universal Credit uses slightly different applicable amounts to existing legacy benefits. The difference is very small, often only a couple of pence a week. Currently Hackney uses legacy applicable amounts to calculate Council Tax Reduction. But as more Council Tax Reduction claimants receive Universal Credit, this mismatch is causing confusion and becoming costly to administer. Mirroring our Council Tax Reduction Scheme to match the applicable amounts used in Universal Credit, makes the scheme more transparent, easier for claimants to understand, and simpler for the Council to administer. Any cost in aligning the applicable amounts in increased entitlement, is more than offset by the administrative saving achieved by aligning the two schemes) In carrying out the modelling, a 4% Council Tax increase in both 2020/21 and 2021/22 is assumed together with an estimation of the number of residents who will change from legacy benefits to Universal Credit as part of natural migration as their circumstances change. In addition, the modelling also includes probable changes to welfare reform support rates, minimum wages, tax allowances, Local Housing Allowance rates and known regulatory changes. Full migration to Universal Credit is currently forecast for 2023. If we roll forward the current scheme into 2020/21, it will increase the cost of discounts payable to CTRS recipients by £1m which is largely the result of the assumed 4% increase in Council Tax. However, in all Council Tax income modelling undertaken by Finance and Corporate Resources such as that presented in Finance Update reports and the Budget, the

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		Council's cost in terms of discount awards to CTRS claimants of a 4% increase is netted off by the increased Council Tax income totals. It follows that the key comparisons here are the cost of the 100% and 85% maximum awards in 2020/21 compared to the cost of the current scheme rolled forward into 2020/21. The comparisons are shown below:

	£m	Change in Cost £m
Cost of Current Scheme in 2020/21	27.7	n/a
Cost of Model 1: 100% Maximum Award	31.7	4.0
Cost of Model 2: 85% Maximum Award	28.2	0.5

So, if we introduced a 100% maximum award in 2020/21, it would cost the Council an estimated £4m more than if the current scheme was rolled forward into 2020/21. If instead we introduced an 85% maximum award, the equivalent cost increase would be an estimated £0.5m.

The comparative costs for 2021/22 as follows:

	£m	Change in Cost £m
Cost of Current Scheme in 2021/22	28.9	n/a
Cost of Model 1: 100% Maximum Award	33.1	4.2
Cost of Model 2: 85% Maximum Award	29.5	0.6

If we introduced a 100% maximum award it would cost the Council £4.2m more than the current CTRS scheme would cost for 2021/22. If instead we introduced an 85% maximum award, the equivalent cost increase would be £0.6m.

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		Impact on Average Awards 2020/21 If awards were based on 100% of Council Tax liability in 2020/21, the average working-age award would increase by £3.50/week compared to the roll forward of the current scheme - an increase of 22%. If awards were based on 85% of Council Tax liability in 2020/21, the average working-age award would increase by £0.41/week compared to the roll forward of the current scheme - an increase of 2.6%. **Distributional Impact 2020/21** If awards were based on 100% of liability in 2020/21, 6,020 households would see support increase by more than £5/week from current levels. If awards were based on 85% of liability 100 households would see support increase by more than £5/week from current levels Both the 100% and 85% options have a slightly greater impact on private tenants as these tend to be in higher Council Tax bands than social tenants. Both options see private tenants gain more support than social tenants. Couples with children gain the most and lose the most as the maximum award changes. This reflects the greater likelihood of work, and higher Council Tax bands of these households. For households in work, changes in the maximum award are proportionally greater compared to the amount of support received. In general, working households have lower awards of CTRS and so a scheme change based on amended maximum award leads to a proportionally greater change. Employed and self-employed households gain more than households in receipt of out of work benefits under both the 100% and 85% schemes.

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		Under both the 100% and 85% maximum award options, support increases with the Council Tax Band.
10	CAPITAL UPDATE REPORT - Key Decision No. FCR Q43	**RESOLVED** **i. That the schemes for Neighbourhoods and Housing (Non) as set out in section 9.2 of the report be approved as follows:** **Parks Equipment and Machinery:** Spend approval of **£74k in 2019/20** is requested to replace broken and end of life machinery of parks equipment and machinery used for grounds maintenance by the Council's Parks Operations Department. **Essential Maintenance to Leisure Centres and Leisure Development:** Virement and spend approval of **£750k (£375k in 2019/20 and £375k in 2020/21)** is requested to install a new sports hall floor for Clissold Leisure Centre, replacement of wetside floor tiles to Clissold Leisure Centre and to continue meeting the Council's landlord obligations in respect of on-going maintenance at Kings Hall Leisure Centre. **Parks Public Conveniences and Cafes:** Resource and spend approval for **£150k in 2019/20** and further resource approval for **£750k (£300k in 2020/21, £225k in 2021/22 and £225k in 2022/23)** is requested in order to meet the manifesto commitment in respect of increasing and enhancing the number of conveniences and cafes in the borough's parks and open green spaces. **Drinking Water Fountains:** Resource and spend approval for **£112k in 2019/20** is requested in order to meet the commitment to expand the number of water fountains in the borough located in parks, libraries, leisure centres and street locations.

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		Hackney Museum Refurbishment: Resource approval for **£350k (£150k in 2020/21 and £200k in 2021/22)** is requested in order to help meet the manifesto commitment to redevelop the Hackney Museum in order to ensure that it remains fit for purpose and to provide further opportunity for audience engagement and the use of digital technology. **London Fields Learner Pool**: Resource approval of **£4,500k (£200k in 2020/21, £2,150k in 2021/22 and £2,150k in 2022/23)** is requested in order to meet the manifesto commitment to develop a new learner/training pool to expand and complement the current offer in the main pool. **Stoke Newington Library Refurbishment:** Resource approval of **£4,500k (£2,686k in 2020/21 and £1,343k in 2021//22)** is requested in order to meet the manifesto commitment to bring forward improved facilities at the Stoke Newington Library in order that the facility remains fit for purpose in the future. **ii. that the re-profiling of the budgets as detailed in para 9.3 be noted and as detailed in Appendix 1 of the report be approved as follows:**

Summary of Phase 1 Re-profiling	To Re-Profile 2019/20	Re-Profiling 2020/21	Re-Profiling 2021/22	Re-Profiling 2022/23
	£'000	**£'000**	**£'000**	**£'000**
Non-Housing	(40,347)	39,290	200	857
Housing	(2,093)	2,093	0	0
Total	**(42,440)**	**41,383**	**200**	**857**

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		iii. That the capital programme adjustments summarised below set out in detail in para 9.4 of the report be approved accordingly:

Summary of Capital Adjustments	Budget 2019/20	Change 2019/20	Updated 2019/20
	£'000	**£'000**	**£'000**
Non-Housing	3,357	(234)	3,123
Housing	34,127	0	34,127
Total	**37,484**	**(234)**	**37,250**

iv. That the S106 schemes as set out in section 9.5 of the report and summarised below be given resource and spending approval as follows:

S106	2019/20 £'000	Total
	£'000	**£'000**
Capital	655	655
Total S106 Resource and Spend approvals	**655**	**655**

v. That the schemes outlined in section 9.6 of the report be noted.

REASONS FOR DECISION

The decisions required are necessary in order that the schemes within the Council's approved

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		Capital programme can be delivered as set out in this report. In most cases, resources have already been allocated to the schemes as part of the budget setting exercise but spending approval is required in order for the scheme to proceed. Where however resources have not previously been allocated, resource approval is requested in this report. **DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED** None.
11	2019/20 OVERALL FINANCIAL POSITION, PROPERTY DISPOSALS AND ACQUISITIONS REPORT - Key Decision No. FCR Q4	**RESOLVED** **i. That the update on the overall financial position for November 2019, covering the General Fund and the HRA, and the earmarking by the Group Director of Finance and Corporate Resources of any underspend to support funding of future cost pressures and the funding of the Capital Programme be noted; and** **ii. That approval be given to the recommendations for the property proposal as set out in Exempt Appendix 1 of the report.** **REASONS FOR DECISION** To facilitate financial management and control of the Council's finances and to approve the property proposal. **CHILDREN, ADULT SOCIAL CARE AND COMMUNITY HEALTH (CACH)**

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		The CACH directorate is forecasting an overspend of £5,650k after the application of reserves and drawdown - an increase of £389k from the previous month. **Children & Families Service** Children & Families Service (CFS) is forecasting a £1,777k overspend after the application of reserves and grants and is an increase of £215k from the previous month. The draw down from reserves includes: ● £2,300k from the Commissioning Reserve, set up to meet the cost of placements where these exceed the current budget. ● £1,100k for additional staffing required to address a combination of increased demand across the service and management response to the Ofsted focused visit earlier in the year. ● £330k is drawn down to offset pressures in relation to the increase in young people currently held on remand. The sustained pressure on CFS budgets is a position that is not unique to Hackney, as shown by the results of a survey on Children's Social Care spend carried out jointly by the Society of London Treasurers (SLT) and the Association of Directors of Children's Services (ADCS). The graph below shows how Hackney's year end position for 2018/19 (before the use of reserves) compared to other London boroughs for Children's Social Care.

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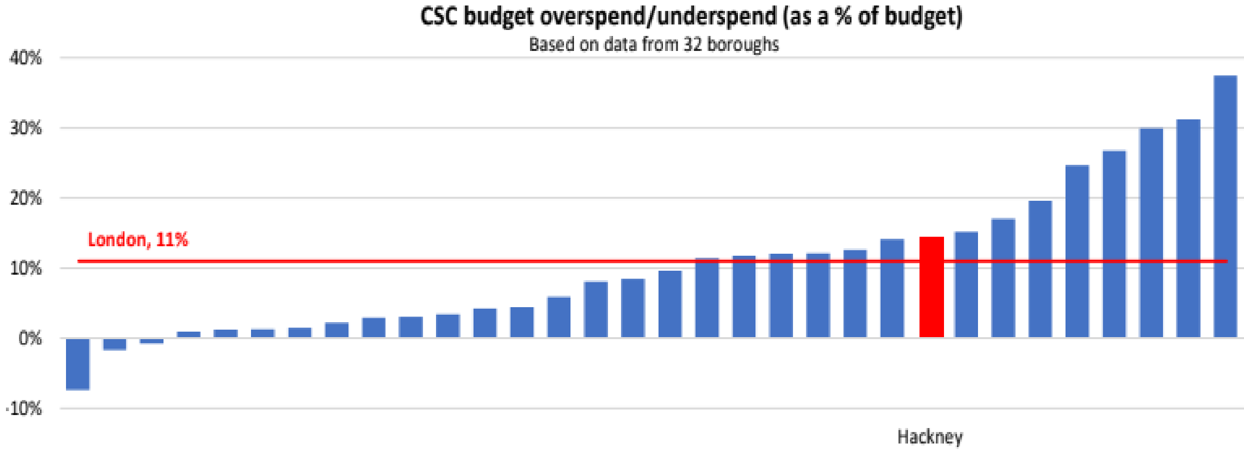

The main budget pressures in CFS are in relation to looked after children (LAC) placements within Corporate Parenting, young people held on remand within Youth Justice and staffing in several areas across the services. Further details are set out below.

Corporate Parenting is forecasting to overspend by £1,360k after the use of commissioning reserves and one-off staffing reserves. This position also includes the use of £1,200k of non-recurrent Social Care funding that was announced in the October 2018 Budget. Spend on LAC and Leaving Care (LC) placements (as illustrated in the table below) is forecasted at £20,500k compared to last year’s outturn of £18,300k – an increase of £2,200k.

Table 2: Placements Summary for LAC and Leaving Care

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Service Type	Budget	Forecast	Forecast Variance	**Budgeted** Placements*	Current Placements	Management Actions
Residential	4,331	5,315	984	22	31	There are a number of initiatives in place to seek to contain these cost pressures, for example the Family Learning Intervention Project (FLIP), the Edge of Care workers, the Residential project and re-negotiation of high cost placements. The first two of these have been in train for some time and tracking of the financial impact is undertaken on a case by case basis. Evidence from this tracking suggests significant costs avoided suggesting the cost pressure would be significantly greater if these were not in place. We will continue to monitor residential placement moves and the resulting effect on other placement types across future periods. The impact of Mockingbird, the extended family model for delivering foster care with an emphasis on respite care and peer
Secure Accommodation (Welfare)	-	140	140	-	1	
Semi-Independent (Under 18)	1,570	1,914	344	25	31	
Other Local Authorities	-	181	181	-	6	
In-House Fostering	1,800	2,134	334	76	88	
Independent Foster Agency Carers	6,488	6,998	510	134	145	
Residential Family Centre (M&Baby)	-	289	289	-	2	
Family & Friends	569	826	257	30	45	
Extended Fostering	-	30	30	-	1	
Staying Put	200	374	174	12	24	
Overstayers	290	495	205	16	23	

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Semi-independent (18+)	1,370	1,847	477	112	110	support, and new arrangements for implementing Supported Lodgings will also be reviewed going forwards.
Total	16,618	20,543	3,925	428	507	

**based on average cost of placements. Residential budget also includes one-off social care funding of £1.2m)*

The table below shows the trend in LAC placements over the past 12 months.

Table 3: Headcount Data for LAC

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		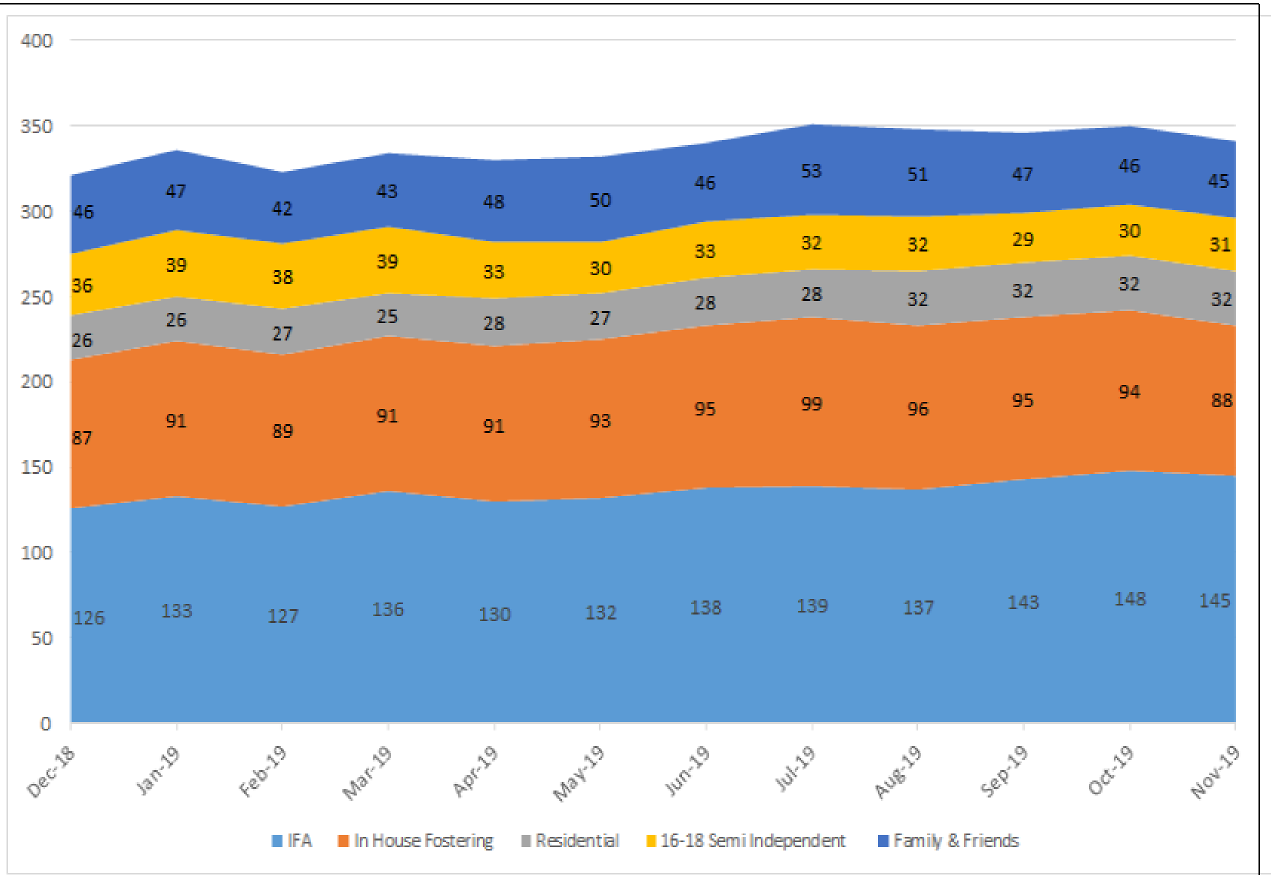 LAC and Leaving Care placements have increased by £144k and £87k respectively since October and these are primarily due to increases in Residential Family Centre

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		and Semi-independent placements. Since this time last year there has been an adverse movement in the ratio between IFA and in-house placements. There was a brief improvement during the year, however this has declined in recent months. The improvement was driven primarily by the in-house foster carer recruitment which has seen some success and the matching officer post which has been in the structure since 2018. At around £50k per annum the cost of a child placed in independent foster care is double that of a placement with one of our own foster carers. One of the main drivers for the cost pressure in Corporate Parenting continues to be the rise in the number of children in costly residential placements and the number of under 18s in high-cost semi-independent placements. Where children in their late teens are deemed to be vulnerable, and in many cases are transitioning from residential to semi-independent placements, they may still require a high-level of support and in extreme circumstances bespoke crisis packages. We are also noticing the number of IFA placements is rising again. This year we have seen significant pressures on staffing. This is mainly due to posts additional to those in the establishment which have been recruited to meet increase in demand (rise in caseloads), additional capacity to support the response to the Ofsted focused visit earlier in the year, cover for maternity/paternity/sick leave and agency premiums. The Children in Need Service is forecast to overspend by £497k. The overspend is mainly due to staffing, relating to supernumerary social worker posts to meet service pressures from high caseloads and response to the Ofsted focused visit, maternity cover, and agency premiums associated with covering vacant posts. These items collectively total £510k. Underspends in non-staffing expenditure total £13k.

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		The Disabled Children's Service is forecast to overspend by £509k. Staffing is projecting an overspend of £213k due to additional staff brought in to address increased demand in the service. The remaining overspend is attributed to care packages (£408k, including Home Care, Direct Payments and Residential respite) and £35k on other expenditure. This is offset by a £148k reserve drawdown. The Adoption Service is forecast to overspend by £266k. Primarily the overspend relates to the Regional Adoption Agency with our neighbouring boroughs, which has incurred transitional costs in staffing, inter-agency services, and on IT. A projected overspend of £36k from Adoption Support fund expenditure related to high cost cases that requires match funding contributions from the Council. Parenting Support Services is forecast to overspend by £107k which relates to staff covering maternity, long term sick and one family support practitioner additional to the number of established posts. Overspends across the service are partly offset by an underspend in the Directorate Management Team, Access & Assessment and Youth Justice Service. The Directorate Management Team is forecasted to underspend by £602k. This is due to the utilisation of additional reserves within the service to offset staffing pressures, including those in Children in Need and Parenting Support service referred to above. Access and Assessment is forecast to underspend by £72k. This is primarily from a lower forecast cost in Section 17 expenditure which is £58k less than the previous year's outturn. The Youth Justice Service is forecasted to underspend by £68k from delays in recruiting

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		Youth Justice practitioner posts. £425k from a combination of remand reserves and grant funding is used to offset pressure in the service due to a major incident resulting in three young people held on remand earlier this year. **HACKNEY LEARNING TRUST** The Hackney Learning Trust (HLT) forecast is consolidated into the Children and Families position. As part of the delegated arrangements for HLT, any overspend or underspend at year end will result in a drawdown-from or contribution-to the HLT reserve and expenditure is reported ‘on budget’. HLT are forecasting a significant drawdown on the HLT reserve (between £4.0m and £5.0m), mainly due to pressures in special educational needs. This forecast has been updated following the latest funding updates announced by the government in July 2019. The forecast will continue to be adjusted as data on any new demands on HLT services become known throughout the year. Special educational needs activities cost £9.5m in excess of agreed budgets 2018/19; and expenditure is currently expected to increase by a further £2.0m in 2019/20. Within the HLT forecast, the SEND over-spend is mostly offset with savings made across other HLT departments. Costs associated with special educational needs have complex cost drivers and senior leadership across HLT and the wider Council continue to look into ways where the Council might be able to bring expenditure under control. Recent reports submitted to HLT SLT estimate that HLT reserves will be fully utilised in 2019/20. The SEND cost pressure is attributable to the increase in the number of Education and Health Care Plans (EHCPs) as the pupil population has grown significantly and there are growing demands on the system since the reforms introduced by the Children and

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		Families Act 2014. The impact of these factors is that, in Hackney, the number of EHCPs has increased by more than 50% since 2011. With the exception of SEN transport, SEN costs should be met from the High Needs block of the Dedicated Schools Grant– however, despite the significant rise in numbers and costs there has not been an adequate increase to this funding source. There is a risk of overspend in children's centres due to the uncertain impact on demand for childcare following the September 2019 childcare fee increases. The financial impact is currently being assessed in detail and will be finalised after analysing occupancy-level reports from the centres. There is an estimated forecast overspend of £0.4m in this area incorporated into the overall HLT forecast. **Adult Social Care & Community Health** The forecast for Adult Social Care is a £3,873k overspend. The revenue forecast includes significant levels of non-recurrent funding including iBCF (£1,989k), Social Care Support Grant (£1,200k), and Winter Pressures Grant (£1,400k). Recent announcements on social care funding as part of the Spending Review 2019 has provided further clarity on funding levels for 2020/21, however, it is still unclear what recurrent funding will be available for Adult Social Care post 2020/21. The non-recurrent funding was only intended to be a 'stop-gap' pending a sustainable settlement for social care through the Green Paper, however this is subject to ongoing delay. The implications of any loss of funding will continue to be highlighted in order that these can be factored into the Council's financial plans. This will include ensuring that it is clear what funding is required to run safe services for adults. Alongside this the service continues to take forward actions to contain cost pressures. <u>Care Support Commissioning</u> (external commissioned packages of care) contains the

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		main element of the overspend in Adult Social Care, with a £2,900k pressure. The forecast includes £1,400k of the Winter Pressures grant to fund additional costs resulting from hospital discharges. It was anticipated that the grant funding would be released through the year to offset additional pressures from hospital discharges, however an analysis of information on discharge levels and care packages has identified that the full £1,400k has already been committed.

Service type	2019/20 Budget	November 2019 Forecast	Full Year Variance to budget	Variance from Oct 2019	Management Actions
	£k	£k	£k	£k	
Learning Disabilities	15,287	16,521	1,234	(49)	- ILDS transitions/demand management and move on strategy - Multi-disciplinary review of care packages (delivered £720k) - Three conversations - Review of homecare processes - Review of Section 117 arrangements - Personalisation and direct
Physical and Sensory	12,843	13,559	716	(25)	
Memory, Cognition and Mental Health ASC (OP)	7,710	8,367	657	4	
Occupational Therapy Equipment	740	1,028	288	84	

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Asylum Seekers Support	170	210	41	(1)	payments - increasing uptake
Total	36,749	39,684	2,935	13	

The Learning Disabilities service is the most significant area of pressure with a forecast £1,234k overspend, which reflects a small improvement of £49k on the October position. The movement results from an additional one-off application of non-recurrent funding which has partly offset increased care package costs - these increases are primarily driven by increasing complexity of care needs for Learning Disability clients. The pressure is still significantly less than last year due to the application of both budget growth and one-off funds in this service area.

Work is ongoing with CCG colleagues to embed the joint funding model for high cost Learning Disability packages as business as usual. There is an agreement between both parties for all packages to be reviewed for joint funding. A process of financial reimbursement will be managed through the Learning Disability Section 75 review group on behalf of the Planned Care Workstream.

The CCG have committed to ring-fence £1,900k - £2,700k within their financial planning for 2019/20 and £1,900k has been factored into the forecast above. The partners also acknowledged that by implementation of the joint funding policy, the amount paid for health need will be based on the assessment of patient/residents and that health needs for individuals could be potentially less or more than the initial identified range. Progress has been slow in embedding the joint funding model which has resulted in fewer than expected cases going through the panel process to date. This is being closely monitored by all partners and measures have been taken to try to ensure the

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		completion of all joint funding assessments by the end of the year, which includes having dedicated project support in adult services to ensure the smooth day to day operation of the process, given its high priority and funding risk. Physical & Sensory Support is forecasting an overspend of £716k, whilst Memory, Cognition and Mental Health ASC (OP) is forecasting an overspend of £657k. The cost pressures in both service areas have been driven by the significant growth in client numbers as a result of hospital discharges, which has been partially mitigated by one-off funding from the Winter Pressures grant of £1,400k. There is an increased forecast in the cost of Occupational Therapy Equipment resulting in a forecast overspend of £288k increasing by £84k from the previous period. Discussions have been held with the service in order to develop a set of management actions to mitigate the ongoing cost pressure as a result of increased clients being discharged from hospital with more complex needs. These actions include the creation of a multi-disciplinary team (MDT) to facilitate the review of care packages, and this has delivered savings to date of £757k (full year effect). As a result of the savings achieved the MDT project has been extended for a further six months to the end of Jan 2020. The Mental Health service is provided in partnership with the East London Foundation Trust (ELFT) and is forecast to overspend by £675k. The overall overspend is made up of two main elements - a £815k overspend on externally commissioned care services and £140k underspend across staffing-related expenditure. The increased overspend is

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		mainly as a result of new care packages and an increase in the estimated number of home care hours being commissioned across the year. <u>Provided Services</u> is forecasting a £91k overspend which is largely attributed to: ● A Housing with Care overspend of £191k. The forecast includes additional resources to respond to issues raised from the CQC inspection in December 2018. The service has recently been re-inspected in July 2019, and the service has now been taken out of 'special measures' and our rating has changed to 'requires improvement'. ● Day Care Services are projected to underspend by £99k, primarily due to the current staff vacancies across the service. <u>Preventative Services</u> is forecast to underspend by £595k which represents an underspend on the Concessionary Fares' budget due to a reduction in demand of £150k plus an on-going underspend of £220k within Median Road Resource Centre budget which supports wider Care Management service expenditure. Cost pressures of £77k are linked to staffing challenges for which the Hospital Social Work Team includes IBCF non-recurrent funds towards supporting staffing levels necessary to ensure hospital discharge targets are met. The remaining £350k decrease represents a virement from Commissioning to establish the Carers Redesign budget. <u>ASC Commissioning</u> is forecasting a £880k budget overspend which reflects an increase of £368k on the previous position. £350k of this increase represents a virement to Preventative Services to establish the Carers Redesign budget. The remaining £18k increase in the overspend results from the need for additional resources to be allocated to the brokerage service. Delays in savings delivery from the Housing Related Support (HRS) service are still forecast at £634k.

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		PUBLIC HEALTH Public Health is forecasting a breakeven position. There are pressures in the service due to the delay with implementing Public Health restructure and the review of physical activity for adults. However, this pressure is being managed within the overall budget and it is not anticipated to result in an overall overspend. The Sexual Health forecast has been updated to reflect the agreed increase of tariffs which commenced from 1 October 2019 across London following the recent Integrated Sexual Health Tariff (ISHT) review. There has been a 5% increase in sexual health costs, which is associated with PrEP activity (PrEP is Pre-Exposure Prophylaxis, which is the use of anti-HIV medication that keeps HIV negative people from becoming infected) and a progressive uptake of e-services alongside clinical service provision. Both activities are subject to continuous review with commissioners to ensure sustainable future provision remains within the allocated sexual health budget in future financial years **NEIGHBOURHOODS AND HOUSING** The forecast position for Neighbourhoods and Housing Directorate as at November 2019 is a £147k underspend - a reduction of £183k from the October position. The forecast includes the use of £2,000k of reserves, the majority of which are for one off expenditure/projects. There is a forecast overspend in the Planning Service of £312k which is due to a projected shortfall against the planning application fee income target of £2,300k. The total shortfall £423k against the income budget is partly mitigated by additional income from other parts of the service.

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		The Planning Service is currently re-modelling staff expenditure in the Major Applications Team, with an opportunity for Team Leaders to take on additional case load work for major applications whilst achieving cost savings. This will reduce staffing costs to mitigate the impact of reduced income. However, it must be noted that the construction cycle is very consistent, with the planning and building control experiencing falls in income every 5 years as the construction industry periodically slows before recovering. The Building Control service is forecast to overspend by £63k, though it is important to note that Building Control income is significantly higher than in 2018/19. The service has proposed a new staffing and fee structure that will improve income generation and achieve full cost recovery without losing share of the Building Control market. Streetscene is forecast to under spend by £544k which is an improvement of £198k from the previous month which is due to additional income. There is ongoing analysis of Streetscene income to determine potential improvements in the outturn position for 2019/20, as initial figures indicate that due to increasing numbers of developments across the borough, Streetscene is likely to over achieve its income budget for the year resulting in an increased underspend for the full year. This analysis will also consider the sustainability of the additional income received in-year. Parking, Leisure, Green Spaces and Libraries and Community Safety, Enforcement and Business Regulation are forecasting break-even positions, with Directorate Management continuing to forecast a marginal underspend. Housing General Fund is forecast to be marginally under budget at this stage, mainly due to underspends within staffing.

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		Regeneration is forecast to be slightly over budget, a variance of less than 0.5%. **FINANCE & CORPORATE RESOURCES** The forecast is an overspend of £303k. Financial Management and Control are forecasting an underspend of £400k due to vacancies across all services, while the Directorate Finance Teams are projecting an underspend of £103k which mainly relates to salaries and projected additional income from service fees The overspend in Facilities Management (£370k) is primarily due to increases in business rates costs on council owned buildings in the borough which are partially offset by reserves. The largest increases are in Hackney Town Hall, Hackney Service Centre and Florfield Road. In Property services, the cost pressure primarily results from: providing additional staffing resources within the service to address essential works; and the re-classification of a significant revenue item as a capital receipt. The service is currently reviewing their operations to address the former and the allocation of overall budget, both capital and revenue, needs to be reviewed to address the latter. Revenues and Benefits and Business Support, Registration and Audit and Anti-Fraud are forecast to come in at budget. Housing Needs is forecast to come in at budget after the application of the Flexible

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		Homeless Grant and Homelessness Reduction Act Grant. Whilst we will continue to receive the Flexible Homeless Grant, it is probable that this grant will reduce over time and there may be other calls on the Grant. Further, since April 2018 when the Homelessness Reduction Act was introduced there has been a 33.4% increase in approaches for housing advice, expected to result in significantly higher accommodation costs over time. **CHIEF EXECUTIVE** Overall the Directorate is forecasting to overspend by £396k after forecast reserves usage, which is a decrease of £17k from October. **Communications, Culture & Engagement** The service is forecasting an overspend of £210k. £150k of this relates to Hackney Today. Hackney Today was published fortnightly for the first quarter of the year but following a court order is now only published once every 3 months with a new information publication 'Hackney Life' published in the months in between. Due to this, advertising income has dropped significantly, from around £33k pcm to £6k pcm. Although distribution and print costs have halved, these only save £14k pcm. Staff costs are largely unaffected by the change in publication but have increased due to maternity leave. This projection does not include any legal costs which are not yet charged to the service (and will be funded from reserves) nor does it include the impact of this decision on other services such as Planning which will now have to place statutory notices in other publications.

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		The remaining £60k is in relation to venues, primarily due to costs relating to Hackney House, which the council is no longer responsible for. The Culture team have spent a higher amount on the carnival this year due to increasing numbers of attendees and the moving of the main stage to a new location to take account of this. It has been agreed for the funding to come from Neighbourhood CIL. The rest of Communications including Design & Film are forecast to break even. The reserves usage is in relation to Hackney Young Futures Commission which is a manifesto commitment and Dalston Engagement. The Dalston engagement reserve is made up of income received by the service last year and set aside for this purpose. **Legal & Governance** The combined Legal & Governance Service are forecasting an overspend of £186k on their budget. There is an overspend reported in Governance which is primarily due to Internal Printing Recharges estimated at £34k which has no budget and £36k is for an unfunded Team Manager's post previously funded by HRA. Recharge income and recharges to Capital are forecast to be under budget by £260k. The management team is also reviewing current and future income to establish sources of additional income for the 2020/21 financial year. The overspends are partially offset by underspend in Legal salaries (£35k) and external legal advice (£60k) There is an additional income from Traded Services £19k and HLT £30k.

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		All other services are forecast to come in at budget. **HRA** The projected outturn on the HRA is at budget. Income There is a surplus of £369k on Dwelling Rents which is due to a new lease agreement for properties rented to housing associations. The other major variances are a surplus of £948k for Other charges for services and facilities which is mainly due to the extension of LBH collection of water rates on behalf of Thames Water; and a surplus of £777k on Additional Leaseholder income which is due to the closing of accounts and the release of actual leaseholder service charges. The commission earned on the Thames Water contract is to pay for the staff that collect the money. We currently only need to collect rent from about 60% of tenants, as about 40% are on full HB; but as we collect Thames Water charges from all tenants and leaseholders, we need to have staff/process/systems to collect from the remaining 40% of tenants. This cost is paid for by the Thames Water commission. The surplus is due to the fact that the contract extension was negotiated after the HRA budget was set and so the income is not accounted for in the budget, but the income is accruing throughout the year. Expenditure Repairs and Maintenance is £1,306k over budget which is mainly due to reactive repair costs and an increase in legal disrepair expenditure. This is currently partly offset by vacant posts within the new R&M structure. The Special services overspend of £986k is

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		due to agreed increased costs within estate cleaning, but this is expected to reduce in 2020/21 as the effects from restructuring of the service are realised. There is an overspend on Supervision and Management which is due to an increase in recharges from housing needs. There is an increased cost of capital due to the interest costs on the returned 1-4-1 funding from the pooling of capital receipts, but this is offset by a reduction in the Revenue Contribution to Capital (RCCO). **DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED** This report is primarily an update on the Council's financial position and there are no alternative options here. The details of the exempt leasehold proposal are included in Exempt Appendix 1.
12	HACKNEY A PLACE FOR EVERYONE - VOLUNTARY AND COMMUNITY SECTOR GRANTS PROGRAMME 2020-2021/22 - Key Decision No. CE Q27	**RESOLVED** **i. That the schedules of grant awards totalling £2,164,785 as listed in Appendix 1 of the report, for 2020/21 be agreed;** **ii. that approval be given in principle for a second year of funding for some organisations receiving a Main Grant 2020/21, as set out in Appendix 1 of the report, and subject to future budget availability;** **iii. that approval be given to the extension of the Specialist Grants to ensure future alignment with the VCS Strategy following the forthcoming review of grants, as set out in Appendix 1 of the report;**

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		iv. that approval be given to the second year of Advice Grants totalling £761,406 and additional transition funding totalling £18,922 for three Advice Service providers; **v. that it be agreed that £170,000 be ring-fenced for Small Grants including Holiday Playschemes and Community Chest;** **vi. that it be agreed that £131,932 from the programme be invested in maximising the outcomes for the grant and the wider sector through additional officer support;** **vii. that it be agreed that the Council wwould additionally contribute to the London Boroughs Grant Scheme 2020/21, and that it be noted that the contribution would be in the region of £209,346; and** **vii. that it be noted that approximately £400,000 would be carried forward to increase the available budget for the Main Grants open programme for 2021/22 and to respond to the findings of Grants Review which would be carried out in 2020.** **REASONS FOR DECISION** **A Place for Everyone open grants programme** The recommendation to launch a Voluntary Sector Grants Programme was agreed by Cabinet on 17 June 2019 based on the budget for 2020/21. In order to accommodate the Council's budget setting timetable, recommendations approved at Cabinet on 20 January 2020 will be subject to the approval of the Council's budget in February 2020.

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		The Grants Programme also currently invests in a number of activities through Specialist Grants which are awarded directly to organisations. For the smaller organisations currently funded, the grants mostly provide security to give them space to address issues and undertake development work to move towards becoming more sustainable and less dependent on the Council in the future. For the organisations that have an infrastructure remit, the Specialist grant funding recognises their reach across the sector, and is more focussed on their strategic activities to support the Council's priorities. A full review of Specialist Grants was completed in 2017 which identified where investment should be focused in the future. Consideration was given to the impact of these grants through a set of high level questions and assessment against the new Community Strategy and emerging Voluntary and Community Sector Strategy, as a way of appraising and vetting future investment. Rather than review these grants separately from the forthcoming whole programme, these grants will continue for another year from April 2020. Any recommended changes will be reported to Cabinet in June 2021. In March 2019 Cabinet approved funding for two year grants for Advice Services. The associated delegated powers report set out how funding would be allocated including additional funding from the unallocated budget for the 2019/20 wider grants programme. This included a transition package of £50,000 for Hackney Community Law Centre which had been unsuccessful at securing a grant at the same level as in previous years. £15,000 was also directed towards transition and development arrangements for three organisations. The transition funding was not intended to help meet demand, recognising that the demand into all advice services is high, but instead took into account an assessment of the risk to service users within the context of the wider advice service.

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		The criteria to assess eligibility included where the level of funding would have a significant impact for the borough and service users. In regards to advice service organisations this would include financial viability over a year to 18 months and what would be needed to stabilise the organisation, the strength of the business/management model and the ability/ support needed to adapt. It would also assess capacity risks such as the current size and stability of organisation and need for support to grow and how much has it got to grow e.g. doing something new. Funding in the first and second years would therefore be to stabilise, not maintain. Two organisations were identified for funding in both years one and two and one (Praxis, funded in partnership with Hackney Migrant Centre) for funding in year two only (as funding in year one has been met through pro rata of the budget).

Organisation		Year 2
Day-Mer	Risk to continuing advice provision due to their current financial position and the importance of their contribution to the advice framework offering advice to Turkish and Kurdish communities.	£8640

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Hackney Chinese community services	Support needed to stabilise and grow to offer a new service to Chinese and Vietnamese populations not currently met by wider advice provision	£8258
Praxis (in partnership with Hackney Migrant Centre)	Support needed to grow and work in partnership to support a new way of working	£2024
Total		**£18,922**

In accordance with approval by Cabinet in June 2019, the 2019/20 VCS grants programme opened to Main Grant Applicants (including Holiday Playscheme applications) on the 3rd of July 2019 and closed on 16 th September 2019.

Improvements are being introduced to the way investment is managed and directed reflecting the new approach to investment outlined in the VCS Strategy. The strategy has identified that grant funding in itself is no longer sufficient to support the sector and has not resolved financial difficulties for some organisations who are having to use their reserves to maintain delivery, whilst at the same time lacking capacity to fundraise or look for alternative forms of investment.

The grants programme in the future needs to enable creative responses to some of the challenges the sector faces as well as influence changes to culture and approach as outlined in the strategy. Funding and investment into the sector needs to be better understood now in order to make strategic decisions about future investment not only from the grants programme

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		but across the Council. Support is needed to ensure early engagement with organisations to develop collaborative approaches to the Council's investment. This will help to build trust and collaboratively develop more creative and long term solutions for organisations and the residents they serve. The Council is not simply buying a service from the VCS when it grant funds, and the unique way the VCS works must not be overlooked. Grant resources need to be targeted more strategically, and the impact of grant funding extended by working with and supporting organisations to stretch their ambitions, abilities and capacity. These changes will require increased collaboration and the development of new relationships with the Council, which are mutually supportive and built on trust and openness. Targeted support is needed for this to ensure that the Council's investment enables the VCS to grow in a sustainable way. There is an opportunity now to make changes over the short and long term to develop a different approach to investment in the VCS that involves investing in purpose and longer term outcomes not just short term project based activity. In order to achieve these outcomes it is intended that £131,932 of the grants programme budget is used to fund two Senior Grants and Investment Officers within the Policy and Strategic Delivery Team. It is no longer sufficient for the Council just to understand the difference that is being made through its investment. A step change is needed to invest in working with the sector in a more insightful, supportive and enabling way that maximises the outcomes for the grant and ensures that it contributes towards the ongoing sustainability of the VCS. The intention is not just to expand the Grants Team within Policy and Strategic Delivery, but

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		revisit the way that grants management works, and the skills and competencies needed. By creating more strategic capacity the Council can become more outward facing which will ensure a greater flow of intelligence and more potential for collaboration. This will in turn mean that: ● relevant connections between grants investment and wider strategies are identified and forged ● the Council has a strategic overview of investment in the VCS across the organisation and in the borough, including grants, commissioning and subsidy and multiple funding arrangements ● a greater contribution to the understanding of investment in place and engagement with external funders on priorities for place, in line with the Community Strategy ● Engagement with other teams in the Council that work closely with funded organisations, to gather their perspective on delivery and impact **DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED** The list of recommended and non-recommended applications is appended to this report in appendices 1 and 2.
13	DRAFT PLANNING OBLIGATIONS SUPPLEMENTARY PLANNING DOCUMENT - Key Decision No. NH Q31	**RESOLVED** That approval be given to the draft Planning Obligations Supplementary Planning Document as detailed in Appendix 1 of the report for public consultation. **REASONS FOR DECISION**

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		Consultation with stakeholders and the public is integral to producing a supplementary planning document. It is also required in line with Regulations 12 and 13 of the Town and Country Planning (Local Planning) (England) Regulations 2012. Responses to the consultation will help inform and influence the final version of the Supplementary Planning Document. **DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED** There are no alternative options. The scope of the draft Supplementary Planning Document is defined by policies in the emerging Hackney Local Plan, LP33.
14	Schedule of Local Authority School Governor appointments	**RESOLVED** **That approval be given to the following nomination as set out below;** **Governing Body** / **Name** / **Date Effective** Betty Layward Primary School / Steve McConaghy (LA Gov) / **20 JANUARY 2020**
15	Appointments to Outside Bodies	**RESOLVED** **That approval be given to appointment of Councillor Polly Billington to the Abney Park Trust.**
16	New items of unrestricted urgent business	There were no unrestricted items of urgent business. **NOTED**

London Borough of Hackney – Decisions taken by the Cabinet on Monday, 20 January 2020

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17	Exclusion of the press and public	**RESOLVED:** That the press and public be excluded from the remainder of the meeting as the item 18 below contains exempt information, as defined under paragraph 3 of Part 1, schedule 12A of the Local Government Act 1972.
18	2019/20 OVERALL FINANCIAL POSITION, PROPERTY DISPOSALS AND ACQUISITIONS REPORT - Key Decision No. FCR Q4	**RESOLVED** **That exempt Appendix 1 in relation to agenda item 11 in the unrestricted part of the agenda be agreed and noted.**
19	New items of exempt urgent business	There were no exempt items of urgent business. **NOTED**