

Scrutiny Panel

All Members of the Scrutiny Panel are requested to attend the meeting of the group to be held as follows

Monday, 7th October, 2019

7.00 pm

Room 102, Hackney Town Hall, Mare Street, London E8 1EA

Contact:

Tracey Anderson

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Tim Shields

Chief Executive, London Borough of Hackney

Members: Cllr Ben Hayhurst, Cllr Mete Coban, Cllr Margaret Gordon, Cllr Sharon Patrick, Cllr Sophie Conway, Cllr Sade Etti, Cllr Yvonne Maxwell and Cllr Polly Billington

Agenda

ALL MEETINGS ARE OPEN TO THE PUBLIC

- 1 Apologies for Absence**
- 2 Urgent Items / Order of Business**
- 3 Declaration of Interest**
- 4 Minutes of the Previous Meeting** (Pages 1 - 22)
- 5 Annual report on Complaints and Members Enquires** (Pages 23 - 34)
- 6 Sustainable Procurement Strategy** (Pages 35 - 76)
- 7 Update on Overview and Scrutiny Communications Support** (Pages 77 - 78)
- 8 Work Programme 2019/20** (Pages 79 - 86)
- 9 Any Other Business**

Access and Information

Getting to the Town Hall

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Further Information about the Commission

If you would like any more information about the Scrutiny Commission, including the membership details, meeting dates and previous reviews, please visit the website or use this QR Code (accessible via phone or tablet 'app')

<http://www.hackney.gov.uk/individual-scrutiny-commissions-health-in-hackney.htm>



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Providing oral commentary during a meeting is not permitted.

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Scrutiny Panel 7th October 2019 Item 4 - Minutes and matters arising	Item No 4
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OUTLINE

Attached are the draft minutes of the meeting of the Scrutiny Panel held on 18 July 2019.

MATTERS ARISING FROM JULY MEETING

Action at 7.18

ACTION 1: Group Director, Finance and Corporate Resources

To circulate financial statement showing the funding sources making up total Capital Programme fund.

A written briefing will be circulated in October 2019.

Action at 6.26

ACTION 2: Head of Scrutiny and Ward Forums

To seek attendance of Director Communications, Culture and Engagement at Scrutiny Panel meeting of 7th October 2019 to update Panel on Division's support of Scrutiny.

This is item 7 on the agenda.

ACTION

Members are asked to agree the minutes and note the matters arising.

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London Borough of Hackney
Scrutiny Panel
Municipal Year 2019/20
Date of Meeting Thursday, 18th July, 2019

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

Chair Councillor Margaret Gordon

Councillors in Attendance Cllr Ben Hayhurst, Cllr Mete Coban, Cllr Sharon Patrick and Cllr Yvonne Maxwell

Apologies: Cllr Sophie Conway, Cllr Sade Etti and Cllr Polly Billington

Co-optees

Officers In Attendance Ian Williams (Group Director of Finance and Resources)

Other People in Attendance

Members of the Public

Officer Contact: Tracey Anderson
☎ 0208 3563312
✉ tracey.anderson@hackney.gov.uk

Councillor Margaret Gordon in the Chair

1 Election of Chair and Vice Chair

- 1.1 The Scrutiny Officer opened the meeting and called for nominations for Chair. Cllr Coban proposed Cllr Gordon and Cllr Maxwell seconded. There were no other nominations and the vote was carried unanimously.
- 1.2 Cllr Gordon took the Chair. She advised that the majority opposition were still currently not engaging with the Scrutiny process. She hoped that this would change. With the Vice-Chairship of the Panel allocated to the majority opposition party, she advised that the position would not be elected to at this time.

2 Apologies for Absence

- 2.1 Apologies for absence had been received from Cllrs Billington, Etti and Conway. Cllr Patrick had sent apologies for lateness.

3 Urgent Items / Order of Business

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

4 Declaration of Interest

4.1 There were no declarations of interest in items in the agenda.

5 Minutes of the Previous Meeting

5.1 The minutes of the meeting of 29th April were agreed as an accurate record.

5.2 On actions emerging from the previous meeting, the Chair noted that the Group Director, Finance and Corporate Resources had provided briefings to Members on three areas, as covered under action 1.

5.3 Action 2 had been completed, with responses having been provided by Officers to members of the public who had submitted questions regarding April's item on the Council's Advice Services Review.

5.4 Actions 3 and 4 were for the Joint Trade Unions to provide further background information to the Panel, further to its submission to the April meeting. The Chair advised that the Unions were currently preparing this information and would submit this when it was available.

6 Quarterly Finance Update

6.1 The Chair welcomed the Group Director, Finance and Corporate Resources for the item.

6.2 She advised there were four papers in the agenda packs for this item. She suggested that the main focus would be on the first three of these; the Overall Financial Position (OFP) Report, an update on the Capital Programme, and a report setting out the Council's preparations for 2020/21 budget setting.

6.3 The fourth paper provided the findings of the most recent State of Local Government Finance survey, run by the LGiU and The MJ. This had been enclosed to provide wider context on the financial pressures facing local government.

6.4 The Group Director thanked the Chair. Highlighting the OFP Report, he made the following substantive opening points:

- This was the first OFP for 2019/20. This set out the Council's current and forecast position around its major funding sources - the General Fund, Housing Revenue Account and Schools Budgets – and other areas.
- In line with previous position statements, and with other local authorities, this latest statement continued to project significant cost pressures, particularly in relation to Adult Social Care, homelessness and temporary accommodation, and Special Educational Needs.

- Projected surpluses in other areas did enable the Council forecast a near-balanced budget; with a £4,028k overspend projected for year end.
 - However, it was important to be clear on the cost pressures in particular areas. It was also important to note that the surpluses expected in some areas in 2019/20 - which would help fill gaps elsewhere - could not be presumed to be in place for future years also.
 - This meant there needed to be a continued focus on addressing overspends. The Council was progressing this agenda. Discussions were ongoing with City and Hackney Clinical Commissioning Group (CCG) around greater funding support from the Health Service for activities currently financed by the Council. These had been largely encouraging.
 - The 2018/19 end of year accounts showed the scale of the challenge around SEND funding. 2018/19 saw SEND activity costs at £9.5 million above agreed budget level. The Council had been able to put in measures to handle these pressures, but it was not sustainable for the longer term. Furthermore, 2019/20 was currently projected to see spending increase by £2 million compared with 2018/19.
 - As with Adult Social Care – and as Members were aware - this was an issue which was affecting all Councils. He did note that officials from the Ministry of Housing, Communities & Local Government had seemed to have a greater grasp of the issue; ie the significant increases in the numbers of Education and Health Care Plans (EHCP) in place not being matched with a corresponding increase in funding. He hoped that this translated into a new settlement.
 - The update also summarised measures to better secure the financial viability of a number of Council assets.
 - This included agreeing a new 125 lease for 3-10 Bradbury Street, which was effectively required in order for the leaseholder to access finance with which to carry out substantial improvements to the property, and to continue to deliver objectives in line with the Council's, including around inclusive growth.
 - Another measure had been the agreement of a loan to the operators of the Rio Cinema to deliver improvements which would increase their financial sustainability over the longer term. This would help secure a popular cultural venue at a Council owned site, at a far lower cost than would be incurred by Council in the event of it needing to take over its management.
- 6.5 A Member noted the points around the £9.5 excess of budget spend on special educational needs activities and the projected £2 million increase in 2019/20. He asked how the Council had successfully met this funding gap, and what its plans were going forward.
- 6.6 The Group Director, Finance and Corporate Resources said the gap was filled by a number of aspects, including a drawing down from Hackney Learning Trust reserves, and savings made across other Hackney Learning Trust departments.

- 6.7 Future costs were difficult to predict as this would depend on the numbers of new EHCPs emerging, and the nature of these. However, he had confidence that the methodology and modelling in place – which predicted an increase in spending by £2 million (across SEND activities) in 2019/20 – was more robust than in many other areas. It was currently projected that this would help result in the HLT reserves being fully utilised by year end. In terms of plans going forward, the HLT and the whole Council continued to investigate ways that expenditure could be brought greater under control. The challenge was vast – however – and would only be truly solvable through revised funding proposals from Government.
- 6.8 Cllr Sharman, Chair of Audit Committee agreed with these points. The Audit Committee had carried out a study around budget forecasting and management within the SEND area, which had included benchmarking with other local authorities. It had applied this level of focus given that it was one of the largest threats to the authority's ability to set balanced budgets.
- 6.9 Through the work the Committee had reached a view that – within the context of unviable levels of funding with which to deliver statutory duties – there were sound understandings and practices in place in Hackney in terms of the current position, future projections, and planning moving forward.
- 6.10 The findings had made clear that – without Government action to close the funding gap – the authority would be left with very difficult choices in the near future around how shortfalls would be met.
- 6.11 The Chair thanked Cllr Sharman. The SEND working group of which she was a member and which included community representatives, had reviewed the Audit Committee report and found it informative and useful.
- 6.12 The Chair asked whether efficiencies secured from the Integrated Commissioning Programme and from the further integration of Hackney Learning Trust with the Council generally, could be used to fill part of the funding gap in SEND.
- 6.13 The Group Director, Finance and Corporate Resources said this was a good point. However, in terms of Integrated Commissioning, the reality was one of already considerable pressure in the system; including around Learning Disability Services and Workforce costs. The Council was engaging NHS partners around areas which might be appropriate for greater contributions from Health Services. However, in relation to SEND services, he felt that partners would be more likely to see this as falling to schools as the appropriate funder.
- 6.14 On the point around savings from the move of the Hackney Learning Trust into the Council, efficiencies had been and continued to be achieved. These had been used to partly offset the SEND overspend. However, any future savings secured through back office changes were unlikely to make a significant dent on the unfunded spend.
- 6.15 A Member noted that on Integrated Commissioning, the partnership had come from a place of having its own Clinical Commissioning Group receiving a block grant from Government of around 0.5 billion a year. Due to the demographic

weighting applied to the funding, Hackney had been a recipient of relatively high levels of funding for these services, compared to some other boroughs.

- 6.16 However – in terms of the health side – there was a move to greater pressure for integration on a North East London level. There was some concern that this brought the risk of funds leaving the borough. In addition to this, the Government's Framework around governance of health funding was around a move from an arrangement where Hackney had a dedicated Single Accountable Officer and a Single Financial Officer, to one where this role would be focused on the North East London level arrangement. He asked what extent these changes were impacting on the day to day ability to shape and achieve a single health and social care system for Hackney.
- 6.17 The Group Director of Finance and Corporate Resources said the Council and NHS partners had entered the Integrated Commissioning Programme in a good place in terms of relationships. However, the effective bringing together of seven separate arrangements into one, did bring challenges. This said, even without these changes, there had already been a shift in terms of greater central command and control impacting on the flexibilities which did exist previously. NHS partners did not have the flexibilities afforded to the Council as a local authority around being able to follow more innovative pathways, although it was important to note they were not facing the same scale of financial constraint.
- 6.18 There was a continued need to work more closely and to drive out opportunities. There was work which could be further built on. One example was the Council's Property Services Division having provided support which had enabled the CCG to end an arrangement where it was meeting particular void charges for sites within the NHS estate which were empty, rather than this being met by wider budgets. From a relatively small investment, this work would result in around £1 million a year being available to invest on local health and social care services, which was not previously.
- 6.19 Moving on to the Capital Update Report, the Corporate Director, Finance and Resources said this provided an update on the current position of the Capital Programme. The report had also sought and received approval from Cabinet for the allocation of resources to the delivery of projects within the programme, where this was required.
- 6.20 The Council's projected capital programme for 2019/18 stood at just over £350 million, which was likely to be one of the highest in London. The final figure included £7.7 million of slippage from the previous year. This was an extremely low proportion compared to many other local authorities.
- 6.21 Appendix 1 of the report provided a breakdown of the projects funded by the Programme. This made clear the significant allocations to schools, given that many were of Victorian age, and brought significant maintenance costs. Lifecycle works were also required on schools rebuilt or refurbished within the Building Schools for the Future Programme (BSF).
- 6.22 The Chair asked if there had been any recent investment from the capital programme into improving specialist provision for students with Special Educational Needs. She appreciated that in-borough provision could in some

cases stop children from having to make long journeys to access education, and also make provision less costly for the Council.

- 6.23 The Group Director, Finance and Corporate Resources said it was important to note the strength of Hackney's offer in this area. The BSF Programme had built a legacy of the Council having 3 of the best specialist-provision facilities in London.
- 6.24 In terms of additional provision to this, proposals would be coming forward for the delivery of a new facility on the site of the current Pupil Referral Unit (PRU) on Ickburgh Road. This would be further to the PRU itself moving to a new and improved dedicated facility on Nile Street. The existing and new provision would leave Hackney in a relatively very strong position in terms of specialist provision, and did mean that there would be more opportunities for families not needing to access sites outside of the borough. However, it was important to note that while these developments would be expected to help mitigate the current funding gap in SEND, they would not come anywhere near to solving the issue.
- 6.25 A Member noted the allocation of the £357 million in the Capital Programme, which the report broke down by Council Directorate and by project. He asked if an overview could be provided of the funding / income elements which made up the £357 million.
- 6.26 The Group Director advised that the funds were made up from a range of sources, including capital receipts, Government grant support, and the Housing Revenue Account. There was a financial statement available which provided fuller details on the profile of Capital Programme funding sources. He offered to share this with Members.

<p>ACTION 1: Group Director, Finance and Corporate Resources To circulate financial statement showing the funding sources making up total Capital Programme fund.</p>
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- 6.27 A Member noted from previous items that the Council had achieved a position of securing greater income from its properties. He asked what flexibility there was around usage of these funds.
- 6.28 The Group Director, Finance and Corporate Resources confirmed that the Council had and was drawing greater levels of income from its commercial portfolio. Examples included rental streams from Keltan House and another building on Mare Street. This income would be incorporated into the Council's Commercial Property income stream, which would then feed into the Council's Base Budget. There was general flexibility around allocations of this. This was not the case with some other forms of property, including units managed within the Housing Revenue Account.
- 6.29 The Member asked what share of the budget was now accounted for by income from commercial property.
- 6.30 The Group Director, Finance and Corporate Resources confirmed that over recent years the share of income which was provided by commercial property had increased, and now stood at approximately £10 million a year. He recalled

a previous presentation around income from the Council's commercial estate. He said that he could provide again at a later meeting, if this would be useful.

- 6.31 A Member noted the reference to a refurbishment of the Median Road facility. He asked if there was any prospect of this site being re-established for use for providing intermediate care, in-borough.
- 6.32 The Group Director, Finance and Corporate Resources confirmed that Officers were currently exploring options for in-house, in-borough delivery of intermediate care provision. However, the viability of returning the Median Road site back to use for this would be questionable, given that it was now providing temporary accommodation for homeless families and that adaptations had been made to make it suitable for that purpose. The site was playing an important role in the Council's work to maximise in-borough temporary accommodation provision for the very high numbers of households in need of this.
- 6.33 Now asked to introduce the paper summarising the Council's preparations for budget setting for 2020/21, the Group Director, Finance and Corporate Resources said it was intended to help answer a range of questions asked in other forums.
- 6.34 A key message was that there was very significant uncertainty on funding levels from Government, both in terms of the general funding grant and specific government grants. In the context of the wider political environment, there was a concern that the picture would not be made clearer until December 2019, and the release of the Local Government Finance Settlement. The uncertainty was exacerbated by the Government still being expected to apply revised calculations to allocations of General Grant Funding (Top Up Grant); Hackney was expected to be a net loser in this arrangement (Fairer Funding), but the extent of this was unknown.
- 6.35 Combined, this had left this Council and others in the most uncertain position – in regards to the funding picture for next year - which had been seen whilst he had been a Finance Director.
- 6.36 The Council was working as effectively as was possible within these constraints to produce well informed forecast budgets and expenditure estimates. A good start had been made. Robust estimates around Council Tax income had been built into planning.
- 6.37 The Chair said it was a shocking position that the Government had announced a new general funding arrangement for Councils yet - with less than 9 months until they impacted - had not released details of what the results would be.
- 6.38 She noted the lack of information around grants for specific aspects – for example for Social Care – and the impact that this had on councils being able to plan and shape the functions which supported their most vulnerable residents.
- 6.39 She had found the breakdown on 2019/20 revenue streams for the Council's General Fund, very useful. She asked what certainty there was around the different elements of these for 2020/21.

- 6.40 The Group Director, Finance and Corporate Resources said one area of greater certainty was around Council Tax income. He did not expect to see any large change in the Council Tax recovery rate, meaning that quite robust forecasts were possible. For 2020/21, there would be options around increasing Council Tax (the extent of this was not fully clear), although as had been discussed in detail in the past, the overall share of the budget which was sources from Council Tax was low – at less than 10%.
- 6.41 There was less certainty around other streams. This was in particular relation to Business Rates, General Grant Funding (Top Up Grant), and Specific Government Grants; the levels of which would only be made clear when the Comprehensive Spending Review and the Local Government Finance Settlement were available.
- 6.42 The Chair of Audit Committee noted the scale of the unknown funding picture. He asked if there was a worst case scenario which was being worked to, and what this was.
- 6.43 The Group Director, Finance and Corporate Resources confirmed the Council was currently forecasting a budget gap of £30million between 2020/21 to 2022/23, based on the difference between the total resources forecast (from all sources), and the total expenditure estimate across the Council. There was now a focus on closing this gap.
- 6.44 It needed to be acknowledged that - in the event of Hackney being impacted particularly badly via the Fairer Funding changes - there was a risk of savings requirements being found to be larger than this. It was not yet fully clear the measures which would inform allocations and how these measures would be defined; for example the extent and nature of any weightings around population density and levels of deprivation.
- 6.45 However – there was a good degree of confidence that the £30 million savings requirement forecast, would not be found to be an underestimate. There had been significant testing around this. The assumptions used in Hackney had been sense tested and found to have been consistent with those being used in other boroughs.
- 6.46 A Member noted that the Council had announced a new Voluntary Redundancy Scheme. He noted that the success of schemes in delivering long term savings for organisations could rely on quite difficult decision making during the assessment of applications. This was in terms of best ensuring that post deletions resulting from the process, were sustainable in the longer term. He asked about the Council's readiness to deliver a scheme which would deliver savings.
- 6.47 The Group Director, Finance and Corporate Resources accepted this point. There was a clear need for decisions within the process to be fully informed by organisational need. He felt the Council was in a strong position, having already delivered and learnt from two similar programmes in recent years.
- 6.48 A Member noted the recent announcement that the Group Director of Neighbourhoods and Housing was to leave the Council to become Chief

Executive of the London Borough of Lewisham. He asked if any update could be given on succession plans.

- 6.49 The Group Director, Finance and Corporate Resources said that discussions were ongoing on a way forward, with the opportunity being used to consider all options.
- 6.50 The Chair said she wished to give consideration to future Scrutiny Panel meetings being shaped broadly around particular themes. She suggested that Municipal Entrepreneurialism might form one of these. She knew that other Members in addition to herself had an interest in this area. She said that she would discuss with the Head of Overview and Scrutiny how an item might be delivered in the next meeting on the 7th October, which included an outward look at what other authorities were doing in this area, and what could work well.
- 6.51 The Group Director, Finance and Corporate Resources suggested that an item might explore the Commercial Waste Service in Hackney, including consideration of any expansion of the offer to businesses outside of the borough.
- 6.52 He also knew that Members were familiar with the developments around the Council's establishment of an Energy Company. He said that an item might explore the balance to be achieved between gaining and delivering benefits for residents from entrepreneurial activity, whilst also ensuring an ongoing focus on delivering and maintaining high quality public services to residents of Hackney. For example, consideration around delivering waste services in other areas would need to be made with caution; it would be important to ensure that this would not be at any detriment to the high environmental standards achieved in the borough.
- 6.53 A Member asked whether the Energy Company would deliver energy outside of the borough.
- 6.54 The Group Director, Finance and Corporate Resources envisaged the Energy Company delivering an offer to households outside of the borough. However, predominantly the focus would be on Hackney. Close working with other services would help enable build-up of a local customer base. An example was around working with Housing Services to achieve a situation where the Hackney company was made the default energy provider in newly let Council homes. Another would be close working with Communications on an effective marketing campaign. This would help best ensure a good customer base which benefitted from low and sustainable energy.
- 6.55 A Member asked whether the Council's development of a Housing Company might be another area to explore, in terms of its selling of properties.
- 6.56 The Group Director, Finance and Corporate Resources said that his understanding was the Housing Company would be letting out a number of homes procured through the Council's housebuilding programme. These would be at a mixture of market, and London Living Rent levels.
- 6.57 In response to being asked about the latest developments with the Housing Company, the Group Director, Finance and Corporate Resources advised that

properties were now coming online or approaching this. This included units at a regenerated estate in Homerton.

- 6.58 The Chair of Audit Committee noted points around entrepreneurialism. He felt caution should be applied to any view that these activities were an answer to budget challenges. There were real challenges; success was reliant on in depth knowledge of the market, having a level of expertise on the area, and also an acceptance that it was likely to take a considerable period for schemes to become fully established.
- 6.59 On a broader level, he worried that schemes and activities being delivered by local authorities could end up competing with one another, producing a zero-sum gains where residents did not benefit. His own view was that focus should continue in the areas where there had been proven success, including commercial property.
- 6.60 As a final question, the Chair advised the next item would see a discussion on the Government's release of new statutory guidance on Overview and Scrutiny in local government. She noted that the guidance included advice around the need to ensure a clear division of responsibilities between the functions of Audit and Scrutiny, and that the authority's section 151 Officer should advise scrutiny on how to manage this dynamic. As the Council's section 151 Officer, she asked if the Group Director, Finance and Corporate Resources had a view on this.
- 6.61 The Group Director, Finance and Corporate Resources said that he had always been committed to providing the types and levels of information which both Audit Committee and the Overview and Scrutiny functions requested. Audit had a clear role and it was now a particularly active forum under the Chairing of Cllr Sharman. He and colleagues would continue to give maximum flexibility around their servicing of the different functions. This would include helping to cater for in depth sessions outside of the formal meeting structure, if Members deemed this to be required.
- 6.62 The Chair of Audit Committee agreed with these points. However, the Audit function did – in his view – perform a scrutiny role. Its role included scrutinising the management of major risks and finance aspects. As an increasingly active group, it was producing in depth reviews/investigations, as had been the case with the recent exploration of budget setting and management within the SEND area.
- 6.63 He felt that the work of the Commissions and the Audit Committee could best complement each other and avoid duplication through regular dialogue. He would continue to attend Scrutiny Panel whenever he was able so that Audit and Scrutiny Chairs could be aware of each other's areas of focus.
- 6.64 A Member agreed with these points. He did not see any particular issue in terms of great duplication or collision between the functions. Indeed, he felt that if both offered forums in which a wider range of Members could get an insight into and interact with key issues and decisions, this was a strength.

7 Review of the Statutory Guidance on Overview and Scrutiny in Local Government

- 7.1 The Chair introduced Members to the revised Government guidance on Overview and Scrutiny in Local Government.
- 7.2 She advised the guidance sought to ensure local authorities were aware of the purpose of overview and scrutiny, what effective scrutiny looked like, how it could be conducted effectively, and that they understood the benefits it could bring.
- 7.3 She said the two over-arching questions asked of Councils by the guidance were those below:
- Is scrutiny working as well in as it could, and is there any actions that could be taken to improve scrutiny?
 - Are there areas of improvement for the constitution, procedure rules and protocols?
- 7.4 She noted that the guidance focused on six areas. The key messages emerging from these were those below:
- Organisational culture – The guidance noted the need for the whole Council to be engaged with Scrutiny, rather than only Scrutiny Councillors and Scrutiny Officers. The culture should encourage Scrutiny to be challenging, uncomfortable and potentially politically difficult. This required the council and Members to have clarity on the role and function of scrutiny
 - Resourcing of the scrutiny function – this included but was not limited to budget for the function and Officer time. In addition this aspect paid regard to the need for effective support from the wider organisation to help scrutiny carry out its function.
 - Selecting committee members – this focused on the need for Members to have the necessary skills, expertise, commitment and the ability to act impartially to fulfil its functions. She suggested this was not an issue in Hackney.
 - Access to information – setting out the need for access to relevant information and to receive it within good time, including exempt and confidential information
 - Work programme planning – this set out the need for scrutiny work to have impact. This could be achieved partly through recommendations being achievable and tangible, and scrutiny having a clear role and function.
 - Establishment of protocol – the guidance recommended the creation of an Executive – Scrutiny protocol. This was in order to achieve full clarity on roles, relationships, expectations and operational processes in advance.
- 7.5 The Chair advised this item had been preceded by a discussion among some Chairs the previous week around the guidance. This had been particularly

focused on the last of the points above and on whether there was a need to bring in some more formal processes to the function in Hackney.

- 7.6 Invited to comment at this point, the Head of Scrutiny and Ward Forums said that the discussion the previous week and this one were set in a context where there was not a dedicated, detailed protocol in place.
- 7.7 The Council's Constitution did provide a framework around processes. This included aspects around roles, relationships, expectations, and operational processes.
- 7.8 However, it did not cover all elements and was not prescriptive on all of those that it did. This had led to a discretionary approach being taken in a number of areas. These included aspects around the role of the public in the audience at scrutiny meetings, the layouts of meeting rooms, and the arrangements around how items for the scrutiny work programmes were prioritised and planned.
- 7.9 Given the guidance around the adoption of a formal protocols, the discussion at the meeting last week had focused on whether there was a need for these, including on aspects currently not covered by the Constitution. This would be intended to better enable mutual understandings between the Executive, Officers, and Scrutiny Members on the format and approach of Scrutiny.
- 7.10 A Member thanked the Head of Scrutiny and Ward Forums. He had attended the meeting she mentioned. He agreed there was an ongoing need to review and improve approaches. He would be generally supportive of an internally-focused guidance document which set out the different options which Chairs might utilise in the work of their Commission.
- 7.11 However, he would have concern around a formal protocol if this prescribed the way that meetings and other evidence gathering sessions should be run and managed. This included any set criteria about the role of members of the public in meetings. He saw the flexibility in the ways Commissions were able to adjust the formats of their meetings as a strength.
- 7.12 Another Member agreed and said it was important that Commissions had flexibility in the way that it managed its meetings. There were some in which the topic lent weight to the public playing a leading role; for example when the Living in Hackney Commission sought to hold Thames Water to account when water main bursts had impacted on residents. For other items which asked questions of Officers and others, there was less of a role for public involvement. This was particularly for items held during reviews when Commissions were developing an understanding of complex topics and providing challenge to these. In these cases, there might be other dedicated forums which sought the views of the public.
- 7.13 The Chair agreed with the Member. She recalled that the Advice Review item in the previous meeting had raised some comments from the public in attendance around the discussions being quite inaccessible in nature. However, with that item, there had been a need for Members to review information in advance of the meeting and then seek to get to the bottom of a complex area during the discussion. This was one of the purposes of scrutiny.

- 7.14 Another Member agreed with this point. She had now been a member of three of the four Commissions, and felt that each had adapted their meetings in ways which had been appropriate. Another agreed with this point, and felt that introducing what he saw as greater rigidity, would not improve a model which already worked well.
- 7.15 The Chair thanked Members. She said that one area she saw for improvement was the information available on the Scrutiny webpages, both in terms of how they could be found, and their content. Members agreed with this point.
- 7.16 A Member said he would welcome further discussions on the support and nature of Communications support to the Commissions. Efforts by him to take a lead on communicating and creating material to promote engagement in his Commission's work, had been met with some concern, given the need for communication styles to be broadly consistent across the organisation. He understood and appreciated this. However, offers by Communications to provide support to enable consistently branded materials to be released, had not always ended in timely delivery.
- 7.17 He noted that the enhanced support provided by Communications did now mean that a dedicated Officer linked with the Commission. They had been helpful and proactive. However, on a wider level, this had not always translated into a more rapid turnout of publicity material, nor information being made quickly available online.
- 7.18 The Chair thanked the Member. Members agreed with her suggestion that the Director of Communications, Consultation and Engagement be invited to the next meeting on the 7th October to present on the offer from her Division to Scrutiny, including details on the enhancements made.

ACTION 2: Head of Scrutiny and Ward Forums

To seek attendance of Director Communications, Culture and Engagement at Scrutiny Panel meeting of 7th October 2019 to update Panel on Division's support of Scrutiny.

- 7.19 As a final question, a Member asked what the budget was for Ward Forums, what share of this was used.
- 7.20 The Head of Scrutiny and Ward Forums confirmed that each Ward was able to call on funds of around £900 per year to deliver Ward Forum activities. Currently, around 50% was not used.

8 Review of the Overview and Scrutiny Work Programmes for 2019/20

- 8.1 The Chair said this item had been scheduled in order for Members to gain an insight into the emerging work programmes for each of the Commissions for the current municipal year.
- 8.2 She asked each Commission Chair to set out the likely key items of their work programmes (she would provide this update for the Children and Young People's Commission, as Vice Chair). Cllr Hayhurst, Chair of Health in Hackney Scrutiny Commission advised that the Commission's substantive review for 2018/19 had explored the emergence of digital access to primary care, and

wider impacts. Digital services enabled patients were able to register with new (often private) providers offering access to remote (online) consultations and appointments with GPs.

- 8.3 The review had included an exploration of the impact of these developments on GP practices, from whom patients (and the per-patient funding linked to them) would be automatically removed following their registration with the remote provider. In crude terms evidence pointed to practices being disadvantaged via this development, as the patients they lost through this were disproportionately made up of less intense users of practice services. The report and recommendations which would be drafted shortly were likely to ask that the CCG took action to help bring some redress to this.
- 8.4 For 2019/20, the Commission was expected to look broadly at health inequality, and the extent to which these were manifested in a range of specific areas (for example rates of cancers and harm from air pollution). The scoping stage would need to ensure that the review was appropriately focused.
- 8.5 The Commission also wished to continue to explore the rationale and impact of migrant charging for health services. This was in a context where local providers were required by central Government to take action around recoveries of costs. He was in dialogue with the Department of Health around the rationale for this position and any impacts including any reduced propensity of vulnerable people coming forward for treatment. He was also seeking input from local health services around their experiences, including impacts in terms of administration and case management.
- 8.6 The topics above were in addition to a wide range of items focusing on the fast developing and changing health and social care landscape.
- 8.7 Cllr Coban, Chair of the Skills, Economy and Growth Scrutiny Commission said the Commission was intending to follow the same arrangement as last year, when it dedicated whole meetings to focusing on particular topics within the areas of its remit.
- 8.8 It had recently held its July meeting when it fed into the consultation on the Inclusive Economy Strategy. Future meetings would be shaped around themes including the cost of living, any implications for recruitment in the public sector and strategies to address this, and the future of the night time economy.
- 8.9 For its review for 2019/20, the Commission wished to look at 'Just Transition'. This would be focused on how the Council and partners supported residents through changes to the economy, labour market, and wider environmental policy which would impact on the types of jobs and opportunities which were available. He noted that the Council had now passed a motion to do all within its power to achieve net zero emissions by 2040. Work within this covered a range of areas, including the support of just transition for workers and users. The Commission would play a part in exploring how this could be achieved. This was in order to help ensure that all residents – for example those currently working as motor vehicle mechanics – were fairly supported so they could flourish within a greener economy.

- 8.10 Cllr Patrick, Chair of Living in Hackney, advised that in its first meeting of the new municipal year the Commission had held an item looking at the dedicated resident engagement function within Housing Services. This had been timed prior to a planned review of the area, in order for the Commission to help inform any service changes.
- 8.11 For its review, the Commission intended to explore a range of areas around housing management. Within this – and in broad terms – Members would seek to identify good practice, amongst both Councils and Registered Housing Providers.
- 8.12 This work needed to be scoped, but she envisaged that it would be focused on how different providers best met standards set by the Regulator for Social Housing. These covered aspects around tenant involvement and empowerment, keeping homes safe and in a good state of repair, lettings homes in fair and transparent ways, helping promote social, environmental and economic well-being, and working with others to tackle anti-social behaviour.
- 8.13 The Commission also intended to dedicate a meeting to exploring the Hackney Carnival, in relation to the costs, the benefits and disbenefits of direct delivery, and the social value that it provided for Hackney residents.
- 8.14 Other items would include gauging the steps taken by the Council further to the agreement of the Reduction and Recycling Plan by Cabinet in June (which among other measures set the intention to consider the introduction of fortnightly residual waste collections), stop and search activity by the police, and the police's engagement work with the community.
- 8.15 The Chair thanked the Scrutiny Chairs for the summaries of their emerging work programme. Giving the update for the Children and Young Peoples Scrutiny Commission, she advised the Commission was in the process of setting its work programme for the year.
- 8.16 As with the other Commissions – and due to Officers having needed to give focus to Budget Scrutiny Task Group work – there was still a need for the substantive review of the previous municipal year to be completed. The Commission's review had focused on school exclusions which had included an exploration of the alternative provision on offer in the borough.
- 8.17 In terms of the structure of the work programme for the new year, the Chair and herself wished to draw learning from the themed approach followed by the Skills, Employment and Growth Commission, where this was practical.
- 8.18 This had been aided by Martin Bradford, the Scrutiny Officer supporting the Commission, who had produced a paper grouping the approximately 90 suggestions gathered from stakeholders during the work programme consultation, into thematic areas. This paper had been used as the basis of meetings involving the Chair and Vice Chair, relevant Cabinet Members, Senior Officers, and representatives of the community and voluntary sector. This had led to a number of proposed themes which were likely to be taken forward this year.

- 8.19 On the theme of safeguarding, the Commission would continue to receive annual updates from the City and Hackney Safeguarding Children Board. It also hoped to explore the Contextual Safeguarding programme in the same meeting. This was within an aim of gaining an understanding of how this was being embedded across social care practice, and its early impact.
- 8.20 Children's Social Care was likely to be the focus of the Commission's substantive review. Whilst this was still to be scoped, thought was being given to exploring the Whole Family Approach and the way that a range of relevant services and support functions interacted with this including the areas of mental health, housing, domestic violence and substance misuse.
- 8.21 The Commission also intended to consider Child and Adolescent Mental Health Services, in the context of service usage increasing. Members intended broadly to explore the drivers for these increases, and the Council's and partners' responses to them.
- 8.22 The consultation showed significant calls for the Commission to look at SEND, in particular provision for young people at post 16 within the context of the authority having a duty to set out its offer for those up to age 25. It was intended that an item explored support across a range of areas including housing, employment and education support.
- 8.23 Another area for consideration was a focus on serious youth violence, especially as it had been put forward as a suggestion of young people during the consultation. Consideration was being given to how young people themselves could take a lead in this item.
- 8.24 During the previous year the Commission had held an item which explored the support available for LGBT children in school, which had led to a set of findings and recommendations being produced. A discussion item this year would explore the response of the Cabinet Member to this. It was suggested that this item be held at the same time as a separate one looking at the Council's and schools' preparedness for the introduction of new duties around Sexual and Religious Education, due to come into force in 2020.
- 8.25 The Commission was very keen for a broad item which captured and championed the voices of young people directly. This might be framed around an exploration of what a child-friendly borough was and how this could be fully achieved. This could involve a wide range of Council and wider services, in addition to young people directly including via Young Hackney and the Young Futures Commission. In terms of format, it was hoped that young people themselves could take a lead in delivery of the meeting.
- 8.26 In regards to health, items for consideration included exploring the impact and successes of local interventions on childhood obesity steering group, and on the coverage and take up of immunisations. Any moving forward on these would involve dialogue with the Health in Hackney Scrutiny Commission.
- 8.27 At this point, the Chair of Audit advised that the Committee planned to explore the approach to insourcing, in terms of both the criteria applied, but also performance management. On the latter, he noted the failure of some contracts in the past. He said this had left the Committee with a view that providing

scrutiny to the way that the Council performance and (where applicable) contract managed those delivering services, would be timely. This was in relation to both internal and external delivery.

- 8.28 The Committee would also explore agency staff; including in terms of how staff were managed and their terms and conditions monitored and reviewed.
- 8.29 The Committee was also intending to explore the Council's approaches and positions towards its reserves. He said there appeared to be a wide range of practice by local authorities, with some holding very significant levels of reserves and other running very close to zero balances. He had a high degree of confidence in the approaches in place in Hackney. However, this item would explore plans going forward in the context of likely continued and increasing financial pressure over forthcoming years.

9 Work Programme 2019/20

- 9.1 The Chair advised that this item would seek suggestions on areas which might be explored by the Scrutiny Panel this year.
- 9.2 However, she suggested that prior to this, that there might be a discussion seeking the views and experiences of Members who had been involved in the work of the four Budget Scrutiny Task and Finish Groups. These had been established by the Scrutiny Panel during the previous municipal year.
- 9.3 The findings of the groups were expected to be summarised at the next Scrutiny Panel meeting in October. However, she had suggested that a discussion at this point on any learning from these groups, would be timely. This was in relation to the processes around the selection of topics, the arrangements around evidence gathering, and the interaction within them between the Task Group and the Executive.
- 9.4 She welcomed Cllr Garasia. Cllr Garasia was a Member of the Early Years' Service Task Group and was in attendance for this item on behalf of the Chair Cllr Woodley, who had another commitment. The Chair said she was aware of the depth of evidence gathering which had been carried out by the Task Group under the leadership of Cllr Woodley for which she was grateful.
- 9.5 Invited her to make any comments on the experiences of the Task Group, Cllr Garasia advised that Cllr Woodley wished to report back on a number of points around the process, and suggested learning from this.
- 9.6 The first of these was around there having been some lack of clarity amongst Members around the focus of the group. There had been inconsistency between the initial mandate (agreed via Scrutiny Panel) and the ultimate focus of the work of the Task Group. This led to some concerns about the legitimacy of the subject focus.
- 9.8 The second point was around the depth of information provided to the Task Group. Whilst fully recognising the financial context in which they were operating, the Group were not – in its view - supplied with thorough enough information to enable full and effective scrutiny of options.

- 9.9 Specifically, the Task Group was presented with what it felt to be a short-term savings plan. This was rather than a medium-term financial proposal supported by a clear vision and strategy for Children's Centres, which would – in its view – have allowed for more informed consideration.
- 9.10 Combined, the factors above led to a situation where – after a third meeting – the Group remained unclear on the overall vision and strategy behind any planned changes. This had led to the need for an additional meeting (which would be held in the summer) to be arranged, and a resulting delay in the reporting process.
- 9.11 In terms of the running of the meetings themselves, the Group had found the Officers providing insight to the meetings to have been helpful, and their contributions informative. However, papers were only tabled at the meetings themselves rather than being shared in advance for Members to review and digest.
- 9.12 As a final note, the Chair and Group wished to place on record their thanks to Martin Bradford, Scrutiny Officer. Martin had provided excellent, very high quality support throughout the process.
- 9.13 A Member thanked Cllr Garasia. He felt there was a risk of Budget Scrutiny processes having their potential value reduced, if they were sought to be used as mechanisms to review but quite quickly endorse, already developed plans. He felt Groups could add value by fuller explorations of a range of detailed options.
- 9.14 Cllr Patrick was a Member of the Fees and Charges Task Group and acted as an advisor to the North London Waste Authority / Recycling & Waste Task Group. She felt they had generally been very useful.
- 9.15 In terms of the ways they had operated, it had taken some time to obtain the information for the Fees and Charges group in order to reach well informed views. However, ultimately this had been provided. She noted that the work of this group was being taken further forward by a working group, as Members felt there were more potential areas where fees and charges might be reviewed.
- 9.16 The level of information provided to the Waste and Recycling Task Group had been very strong.
- 9.17 She did agree with a point made previously; she felt that Groups could have been convened at earlier points in order to help fully shape and consider a range of proposals, rather than to review the proposed way forward at the final stages.
- 9.18 However, she did feel that they had been very valuable. This was in terms of providing a sense check of proposals, and also enabling a wider range of Members to gain in depth knowledge of likely developments in quite contentious, high profile areas, and the reasoning for them.
- 9.19 The Chair thanked Members. She noted that the findings of the groups were due to be reported at the meeting in October.

Thursday, 18th July, 2019

- 9.20 Moving onto suggested items for the Scrutiny Panel work programme – she noted points made earlier around the next meeting in October having items on the approaches of this Council and others to municipal entrepreneurialism, and communications support to Overview and Scrutiny. That meeting was also due to receive the Annual Complaints report.
- 9.21 In addition to these, she suggested that the October meeting seek an update on the implementation of the Council's Sustainable Procurement Strategy.
- 9.22 On future meetings, she advised that the annual standing items of the Question Time sessions for the Mayor and the Chief Executive would be scheduled into the work programme.
- 9.23 She suggested that the April 2020 meeting would be an opportune time for the Panel to receive items on the Corporate Equalities Programme (covering workstreams to address identified equalities issues in workforce diversity, staff satisfaction, and hidden inequalities), and on the impact of the new assessment framework for advice services grants. These would be timed one year on from previous items on these.
- 9.24 She also noted the Council was in the process of developing a Poverty Reduction Strategy for Hackney and suggested that the Panel should be involved in the consultation on this.
- 9.25 Further to seeking views on these suggestions and others, a Member said she would support exploring the Council's response to increased poverty and financial hardship. She suggested that this should include consideration of the Council's approach to debt recovery.
- 9.26 She would also welcome an item exploring the approach to the whole organisation meeting its corporate parenting role. She suggested that this might form one of the Chief Executive's Question Time topics.
- 9.27 The Chair thanked Members.

10 Any Other Business

10. There was no other business.

Duration of the meeting: 7.00 - 9.30 pm

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Scrutiny Panel 7th October 2019 Item 5 - Annual Report of the Council's Complaints and Members' Enquiries service	Item No 5
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OUTLINE

This report is in accordance with the Scrutiny Panel's remit to monitor the Council's Complaints and Members Enquiries process.

Attached is the Annual Report of the service for 2018/19. It provides an analysis of the volume of complaints received, the performance of the service, and progress being made with improvement work and quality assessment from the complaints and enquiries received in order to ensure that there is learning from the service and that the learning is being adequately shared.

Attending for this item will be:

Bruce Devile, Head of Governance and Business Intelligence

ACTION

Members are asked to give consideration to the report.

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INTRODUCTION

1.1 This report provides headline data related to complaints and enquiries to the Council during 2018/19.

2. RECOMMENDATION(S)

2.1 The Scrutiny Panel is recommended to: -

1. note the trends and related commentary with regards to complaints and enquiries managed during 2018/19

3. BACKGROUND

3.1 This report is in accordance with the Scrutiny Panel's remit in monitoring the Complaints and Enquiries process.

4. COMMENTS OF THE GROUP DIRECTOR OF FINANCE & CORPORATE RESOURCES

4.1 There are no additional financial implications arising from this report. The cost of staff dealing with complaints across the Council is met from within the relevant revenue budgets, as are any compensation payments made. The cost of complaints monitoring is met within the approved revenue budget of the Business Analysis and Complaints Team (BACT).

4.2 Such costs, however, can be minimised by ensuring that complaints are dealt with successfully at the first stage, thus reducing the numbers that proceed to later stages.

5. COMMENTS OF THE DIRECTOR OF LEGAL SERVICES

5.1 This report informs Members of progress with the complaints process. Whilst there are no direct legal implications, some significant and unresolved complaints could result in legal action. An example is disrepair if a tenant complains of failure to carry out landlord's obligations to do essential repairs.

5.2 The report also refers to the role of the Ombudsman in managing complaints. By law if the Ombudsman intervenes and produces a formal report setting out significant failings by the Council, this would need to be reported to Full Council and the Ombudsman's report made available to the public. The Council and the complainant also have recourse to judicial review proceedings if they disagree with the Ombudsman's findings.

5.3 The report has not identified any issues of major concern to the Council with a risk of legal intervention.

APPENDICES

1 – Complaints and Enquiries Annual Report 2018/19

BACKGROUND PAPERS

In accordance with Section 100D of the Local Government Act, 1972 - Access to Information a list of Background Papers used in the preparation of reports is required.

Description of document	Location	Date

Report Author	Simon Gray Tel: 020 8356 8218 Email: Simon.Gray@hackney.gov.uk
Comments of the Group Director of Finance and Corporate Resources	James Newman Tel: 020 8356 5154 Email: James.Newman@hackney.gov.uk
Comments of the Director of Legal Services	Dawn Carter-McDonald Tel: 020 8356 4817 Email: dawn.carter-mcdonald@hackney.gov.uk

Appendix 1

Complaints and Enquiries Annual Report 2018-19

1. Introduction

- 1.1 This report provides an overview of the Complaints & Enquiries received in 2018/19 with a focus on volume and performance in managing and learning from them.

2. Volumes and Performance

- 2.1 Further detail on volumes of complaints and enquiries received in 2018/19, the way they are managed and the intelligence they provide are set out in this report. In summary, 2018/19 saw the number of complaints fall 9% (2967 to 2701) compared to the previous year.
- 2.2 Although the top level number of complaints has fallen, there are some variances within services that have seen some increases and some reductions - para 3.7 below sets out which services. The volume of Reviews (second stage) has risen by 5% (161 compared to 153) this year, which may reflect an inability to resolve complainant's issues at the first stage or a growing determination to take complaints all the way. There has been a 9% increase (2077 from 1908) in the number of Members Enquiries compared to 2017/18 levels. In the two areas with statutory complaints procedures, volumes of complaints have fallen by 30% in Adult Social Care (120 to 84) but increased by 13% (83 to 94) in Children's Social Care. There has been a 2% fall (1900 to 1859) in the number of Mayor & Cabinet Enquiries.
- 2.3 161 of 2701 Resolution stage complaints went on to the Review stage giving an escalation rate of 6% (up from 5% in 2017/18). The number of Reviews escalating to become formal investigations by the Local Government & Social Care Ombudsman (LGSCO) and the Housing Ombudsman Service (HOS), at 61, is significantly higher than the 38 in the previous year and equates to around 38% (25% in 2017/18) of cases exhausting the Council's complaints process.
- 2.4 Of the 61 formal investigations undertaken by both the LGSCO and HOS, 37 (63%) were upheld, down from 74% last year. It should be noted that at the conclusion of the Council's investigation of a complaint there is either fault found or not. Regardless of whether fault is found or not, complainants can, and often do, still take their concerns to the Ombudsman. As such, in some of the cases where the Ombudsman upholds a complaint it may be the case that they are mirroring our earlier decision in finding fault. The remedy imposed by the Ombudsman, financial or action, could though differ from that offered by the Council.

3. Complaints and Enquiries Data Analysis (2018/2019)

3.1 The number of complaints received by the Council in 2018/19 has fallen 9% compared to the previous year. The number of Members Enquiries have increased by 9% in 2018/19 and Mayor & Cabinet Enquiry volumes fell by 2%.

3.2 Whilst any complaint received means the Council have, in the opinion of our residents, failed to provide an acceptable service, the numbers of complaints and those which are escalated should be viewed in the context of the size of the borough, the number of transactions and the complexity/nature of those transactions. Hackney has a population of 279,700 living in 119,971 households. Relevant to the areas with the highest volume of complaints we are the landlord for 21,722 homes and have an additional 9,351 leaseholders/freeholders, have more than 38,885 residents claiming in excess of £302m of benefits, with 160,000 changes in circumstances assessed per annum, have 124,973 visitors to the Hackney Service Centre asking for assistance on a wide range of services and issue more than 162,934 parking penalty charge notices.

Type	2014/15	2015/16	2016/17	2017/18	2018/19
Resolution Stage	2,964	2,649	3,005	2,967	2,701
Review Stage	196	132	130	153	161
Members Enquiries	1,993	1,632	1,676	1,908	2,077
Mayor & Cabinet Enquiries	1,597	1,614	1,775	1,900	1859

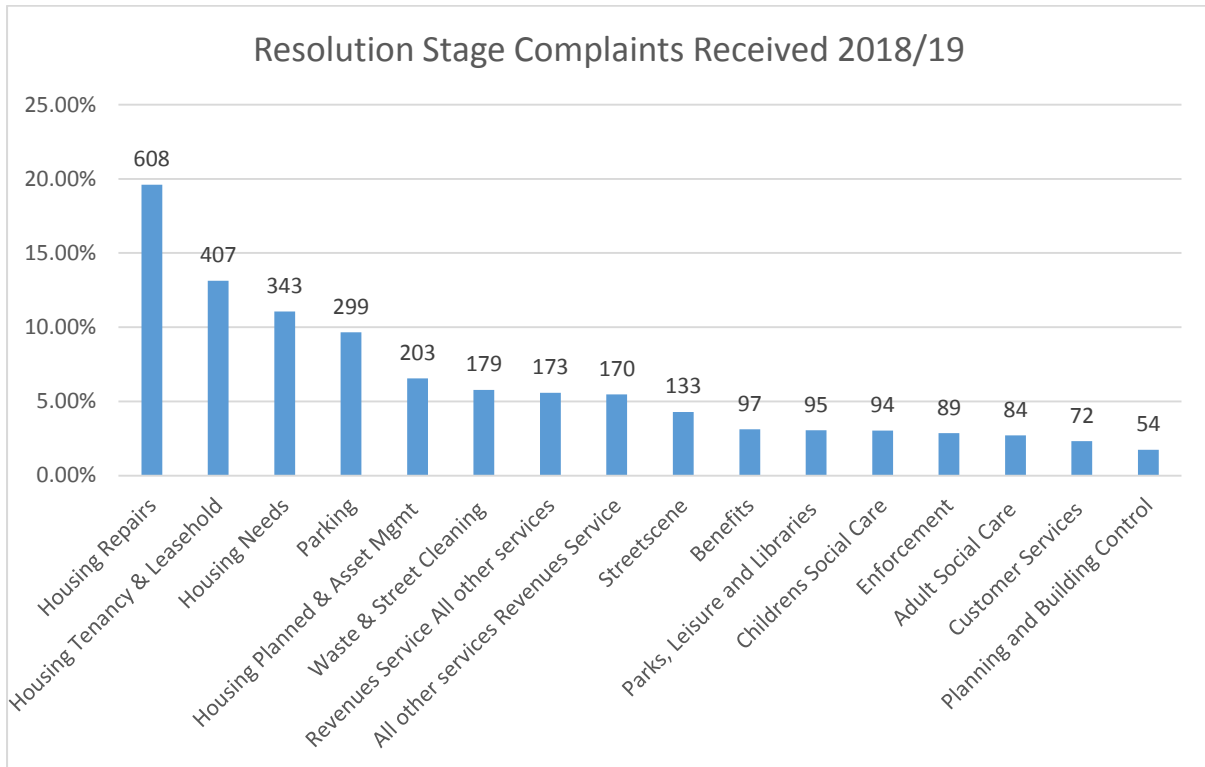
Average Response Times	2014/15	2015/16	2016/17	2017/18	2018/19
Resolution Stage Complaints	20.3 working days	21.2 working days	20.6 working days	17.7 working days	20.9 working days
Review Stage Complaints	19.2 working days	20 working days	19.5 working days	18.9 working days	20.2 working days

3.3 Whilst volumes of Resolution (stage 1) complaints have fallen compared to 2017/18, there was an increase of 3.2 days in the average time taken to respond. We do not set a rigid response standard, but do aim to respond on average within 15 working days, recognising some cases are more complex and will take longer to resolve.

3.4 There were 161 Reviews (stage 2) in 2018/19, a 5% increase compared to the year before with the majority distributed across the following services – Housing Tenancy & Leasehold 36 (22%), Housing Building Maintenance 35 (22%), Benefits/Housing Needs 32 (20%) and Parking 15 (9%).

3.5 Types of Complaints

3.6 The chart below sets out the services in the Council that receive the highest volumes of first stage complaints. It is based on 3100 (higher than the 2701 reported earlier in this report) as it includes Adult Social Care and Children’s Act complaints as well as complaints that are allocated to more than one service.



3.7 Although the volume of complaints in 2018/19 has fallen 9% compared to 2017/18 there have been some notable changes to volumes in some services;

Less complaints:

- Housing Repairs – down 13.8% (705 to 608)
- Adult Social Care – down 30% (120 to 84)
- Planning & Building Control – down 28% (75 to 54)
- Housing Needs – down 8% (373 to 343)
- Benefits – down 18% (118 to 97)

More complaints:

- Housing Tenancy & Leasehold - up 18% (345 to 407)
- Streetscene – up 39% (96 to 133)
- Enforcement – up 305% (22 to 89)

3.8 Adult Social Care and Planning have seen the greatest reduction in complaints in percentage terms compared to 2017/18. There has been a very slight reduction in Housing Service complaints overall in 2018/19 with a reduction in repair/cleansing related complaints but a similar volume increase in the Tenancy & Leasehold service. Benefits & Housing Needs have seen a combined overall 10% reduction in numbers.

3.9 Enforcement, although from a low base in 2017/18, has seen a dramatic rise in the number of complaints with almost half relating to failings in our management of noise nuisance cases. Streetscene continue an upward trend over the last three years with half of the complaints relating to traffic management schemes.

3.10 The current system set-up means that non-mandatory fields are not always completed on the Pentana Complaints Software system at Resolution stage meaning that only 40% identify the 'complaint type'. This is one of the learning areas to be improved through the planned upcoming introduction of a new system. Where 'complaint type' has been identified, it shows that people are complaining about service failure (32%), delays/missed appointments (13%), staff behaviour (13%), case management (13%) and disagreement with policy/decision (12%).

Ombudsman Complaints

3.11 Following conclusion of the Council's process, a complainant can approach one of two Ombudsman to ask for their case to be reviewed, either the Local Government & Social Care Ombudsman (LG&SCO) or the Housing Ombudsman Service (HOS). In addition, those making a landlord related housing complaint can ask a Designated Person, Cllr McKenzie in our case, to decide whether he can help in reaching resolution of the issue without the need for the Housing Ombudsman to be involved.

3.12 The LG&SCO has published their Annual Report for 2018/19 and report that they undertook 30 formal investigations in Hackney last year of which 21 (70%) were upheld. The rate of upheld cases has fallen from 74% in 2017/18 although the number of cases has risen from 27. The LG&SCO have only provided detail on 19 of the 21 upheld cases which are broken down as follows - Adult Social Care (2, same as last year), Housing (6, down from 8 last year), Education & Children (5, down from 6 last year), Highways & Transport (4, up from 2 last year), Community Safety (1, none last year) and Planning & Development (1, same as last year).

3.13 In addition it should be noted that in April 2019 the Council, as expected, were issued with two 'Public Reports' by the LG&SCO relating to investigations in 2017/18 Both 'Reports' relate to complaints against Hackney Learning Trust (HLT) in relation to Education, Health & Care Plan (EHCP) provision. These follow one Public Report regarding Adult Social Care issued in 2016/17 and one regarding Planning Enforcement in 2015/16, which was the first the Council had received since 2007. The table below sets out benchmarking data from neighbouring boroughs based on 2018/19 reports published by the Local Government & Social Care Ombudsman on all local authorities and shows how Hackney compares.

Council	Complaints received	Detailed Investigations	Upheld (rate)	Public Reports (last 5 years)
Hackney	137	30	21 (70%)	4
Haringey	166	53	37 (70%)	3
Islington	106	26	11 (42%)	1
Newham	199	35	27 (77%)	0
Tower Hamlets	95	20	15 (75%)	1
Waltham Forest	167	35	24 (69%)	0

3.14 There were 8 housing related cases where the complainant formally asked for Designated Person assistance in resolving matters following the conclusion of the Council's formal complaints process. This is a significant reduction on the 15 cases in 2017/18. In the majority of cases, the Designated Person determined that there was no more he could add to resolution already offered, allowing the complainant to approach the Housing Ombudsman if they wished to.

3.15 The Housing Ombudsman do not publish an annual letter or report and given their delays, often in the region of ten months, in dealing with cases and catching up on backlogs makes year on year comparison difficult. However, we had 29 formal investigations by them in 2018/19 which is a significant increase on the 11 in the previous year. 28 of the 29 cases investigated have been determined. Of the 28 complaints decisions, 9 found maladministration, 10 found service failure and 9 found no maladministration. The 9 cases finding maladministration is an increase on the 2 cases in 2017/18. The 9 maladministration cases relate to i) delays in undertaking and concluding repairs (7), ii) failure in dealing with ASB (1) and iii) failures in communication/complaint handling (1).

Maladministration is not the same as a formal 'Report' and indicates for example a failure to comply with legislation, codes of practice or our own procedures or for unreasonable delay, behaving unfairly or treating the complainant inappropriately.

Members' Enquiries

3.16 Members' Enquiries consist of a mixture of complaints, requests for service for residents and requests for information.

3.17 Average time taken to respond to Members Enquiries was 18 days in 2018/19, an increase of 2.5 days on the previous year which may be due in some part to the 9% increase in volume compared to the year before as shown in the table below.

3.18 A breakdown of Members Enquiries by type where identified shows that they are used to raise service requests (71%), information requests (14%), complaints (6%) and other requests (9%).

Members Enquiries	2014/15	2015/16	2016/17	2017/18	2018/19
Members Enquiries Received	1,993	1,632	1,676	1,908	2,077
Average time taken to respond	13 working days	15 working days	15.5 working days	15.5 working days	18 working days

The 9% increase in the number of Members Enquiries compared to 2017/18, relates to a spike in the earlier months of the year which may be due to increased activity during the lead up to European elections in May 2019.

Mayor and Cabinet Member Enquiries

3.19 Each Mayor and Cabinet Member's Enquiry represents a comprehensive, personal response sent from the Mayor or Cabinet member to what are often wide ranging and complex enquiries.

Mayor's & Cabinet Members Enquiries	2014/15	2015/16	2016/17	2017/18	2018/19
Enquiries received (inc referrals)	1,597	1,614	1,775	1,900	1,859
Average time taken to respond	18.6 working days	13.9 working days	19.9 working days	26.8 working days	27.9 working days

3.20 Responses from the Mayor and Cabinet are subject to extensive quality assurance by the Mayor & Cabinet Office and the Mayor or relevant Cabinet member before the response is sent, and drafts are returned to departments in cases where the resident's query has not been fully answered. Until a full response is obtained, the case will not be concluded, and therefore this process puts significant pressure on response times.

3.21 Further to the slight increase in volumes in 2017/18, the total number of enquiries received in 2018/19 has remained relatively consistent at 1,859 cases. While a focus on referring residents directly to service areas to negate an increase in volumes has continued, this has unfortunately not prevented a slight increase in response times to an average 27.9 days. This increase is in keeping with the increase in response times for complaints and Member enquiries across the Council.

3.22 The priority for Mayor and Cabinet casework continues to be resolving issues before responses are sent and ensuring a comprehensive and personal reply, and whilst this has meant that the quality of responses sent by the Mayor and Cabinet remains consistently high, this has had an ongoing impact on response times; the increasing complexity of cases raised with the Mayor and Cabinet, and ongoing demands on the Mayor and Cabinet Members' availability to sign-off responses, also has an impact.

3.23 It is hoped that an ongoing review of casework processes and the initiation of regular Council-wide Mayor and Cabinet Casework Forums to share knowledge and instigate a more honed approach to handling Mayor and Cabinet enquiries will improve response times in the coming year.

Adults Social Care & Children' Social Care Complaints

3.24 Processes for dealing with complaints relating to the social care of both adults and children are set down in specific legislation meaning they are managed differently from complaints about all other Council services. Although they are held on the corporate complaints system and are managed in line with all other complaints if they escalate to the Ombudsman, the different stages, timeframes and the confidential nature of investigations means they are handled separately by officers in those services.

Adult Social Care Statutory Complaints

3.25 The table below shows the figures related to complaints covered by the statutory Adult Social Care (ASC) process.

Complaints	2014/15	2015/16	2016/17	2017/18	2018/19
Numbers Received	118	96	127	120	84
Average time taken to respond	20 working days	33 working days	21 working days	28 working days	55 working days

3.26 There has been a 30% decrease in the volume of ASC cases compared to 2017/18. Despite the decrease in volumes, the average time taken to respond to complaints has increased significantly this year. However, it should be noted that there is no time limit for responding to ASC complaints with timeframes for responding negotiated with the individual making the complaint. As such, a large proportion of complaints closed in 2018/19 will have been concluded within the number of days agreed with the complainant.

3.27 The complaints received in 2018/19 were raised in relation to:

- The standard of care delivered (32%)
- The standard of service delivered (non-care) (21%)
- The outcome of an assessment or the care package implemented (9%)
- Communication (9%)
- ASC process (8%)
- Requests for service (5%)
- Delays (4%)
- Other (11%)

3.28 In 2018/19, 3 cases were escalated to the LG&SCO with 2 taken on as formal investigation with 1 upheld and 1 not upheld.

Children's Social Care Complaints

3.29 The number of complaints reported on page 5 include all corporate complaints and Children's Act complaints made about the service whereas the figures below exclude pre-stage complaints and corporate complaints. The number of Stage 1 Children's Social Care complaints is the same as the previous year although the number escalating to stage 3 has increased significantly.

Children's Social Care Complaints	2014/15	2015/16	2016/17	2017/18	2018/19
Stage 1 Local Resolution	41	37	49	32	32
Stage 2 Investigation	5	8	9	10	9
Stage 3 Review Panel	6	2	2	1	5

3.30 In terms of the nature of complaints, issues related to communication, the assessment process and staff conduct were the most common reasons for complaints.

3.31 In 2018/19, 10 cases were escalated to the LGSCO with 7 taken on as formal investigation with 5 upheld and 2 not upheld.



Scrutiny Panel 7th October 2019 Item 6 – Sustainable Procurement Strategy	Item No 6
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OUTLINE

This report provides the following:

1. An update Scrutiny Panel on the implementation of the Council's Sustainable Procurement Strategy 2018-2022.
2. Outlines the Council's approach to enable local businesses to access procurement opportunities with the Council.
3. An update on delivery of the Hackney Labour Manifesto 2018 commitment in relation to review of contracted services for insourcing versus outsourcing.

In addition to the covering report are:

- Appendix 1 – London borough of Hackney's Sustainable Procurement Strategy
- Appendix 2 – The Sustainable Procurement Strategy Delivery Action Plan
- Appendix 3 - PRIMAS (Procurement Impact Assessment) template.

The Scrutiny Panel has invited a selection of organisations to participate in this discuss and talk about their experience in relation to the Council's procurement process.

Attending for this item will be:

Cllr Rebecca Rennison, Cabinet Member for Finance and Housing Needs - London Borough of Hackney

Dawn Cafferty, Strategic Procurement Manager - London Borough of Hackney

Rotimi Ajilore, Head of Procurement - London Borough of Hackney

Judith Davey, Chief Executive Officer – The Advocacy Project

Caroline Pope, Interim Chief Executive Officer – Carers First.

ACTION

Members are asked to give consideration to the reports.

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TITLE OF REPORT Sustainable Procurement Strategy 2018-22: Implementation Update	
SCRUTINY PANEL MEETING DATE 7th October 2019	CLASSIFICATION: If exempt, the reason will be listed in the main body of this report.
WARD(S) AFFECTED All	
CABINET MEMBER Cllr Rebecca Rennison	
GROUP DIRECTOR Ian Williams	

1. PURPOSE OF THE REPORT

- 1.1 To update Scrutiny Panel on the implementation of the Council's Sustainable Procurement Strategy 2018-2022.
- 1.2 To detail the Council's approach to enable local businesses to access procurement opportunities with the Council.
- 1.3 To update on delivery of the Hackney Labour Manifesto 2018 commitment in relation to review of contracted services for insourcing versus outsourcing.

2. RECOMMENDATION(S)

To note the contents of the report and progress on implementation of the Sustainable Procurement Strategy and delivery of the manifesto commitment regarding Insourcing of contracted services.

3. BACKGROUND

- 3.1 The Council's Sustainable Procurement Strategy 2018-2022 was approved by Cabinet in November 2018, and is provided for information at Appendix 1.
- 3.2 The Action Plan tracking objectives and progress to date is provided for information at Appendix 2.
- 3.3 The Strategy sets out three key themes for our approach to procurement, aligned to the Community Strategy and Mayor of Hackney's key strategic objectives:
 - Procuring Green
 - Procuring for a Better Society
 - Procuring Fair Delivery (Responsibly)

Within each of these themes are a set of clear commitments and measurement metrics for monitoring success.

An overarching Delivery Action Plan has been produced which sets high level objectives and specific actions and timescales across People, Procurement and Contract Management Processes, Monitoring and Measurements and Suppliers.

Engagement with external partners is crucial to the success of the strategy and is a key priority.

- 3.3 While the Strategy in general sets out the Council's ambition to secure wider community benefits through its contracting activities, the Procuring for a Better Society theme specifically sets out the Council's commitment and approach to enable local businesses to access our procurement opportunities.

- 3.4 The Hackney Labour Manifesto 2018 included a commitment to review all outsourced services, including in adult social care, with a view to bringing them in-house as well as looking at new forms of employee ownership and co-ops where this is not possible.

4 SUSTAINABLE PROCUREMENT STRATEGY 2018-22 IMPLEMENTATION

4.1 Past Achievements

- 4.1.1 Members will be aware that the Strategy approved in November 2018 by Cabinet is the third edition of the Council's Sustainable Procurement Strategy having delivered the first one in 2008.
- 4.1.2 Over the years the Council has used its contracting activities to lead by example in the delivery of environmental sustainability objectives, particularly in terms of the types of vehicles we procure and deploy for the delivery of the Council's essential services and in construction. We have continued to develop a robust procurement approach that allows us to increase the take-up of emerging fuel technology that is clean, efficient and which improves air quality within the borough and in construction ensures waste recycling and minimises energy consumption on our construction sites. Our consideration to whole life costing is integral to our processes. This helps us in the selection of energy efficient products and to deliver the construction of less energy consuming buildings.
- 4.1.3 Payment of the London Living Wage is now standard across all our service contracts.
- 4.1.4 The Council has developed our Procurement Impact Assessment (or "PRIMAS") tool. This is a standard document completed at Business Case stage for all Hackney procurement exercises valued £100k and above. The assessment primarily focuses on identifying the sustainability impacts - environmental, economic and social - of the proposed procurement, in order to address these early in the process. The current version is provided for information at Appendix 3.
- 4.1.5 Consideration is now routinely given to dividing larger contracts into smaller lots and a recent example is the procurement of the [Streetscene Highways Maintenance Contract](#) - An OJEU procurement for works with an estimated value of around £40m. The Business Case approved by Cabinet Procurement Committee in February 2019 proposed that the contract be awarded across 4 lots, civil engineering works, road resurfacing, road marking and street lighting to ensure access and participation of Small and Medium Enterprises (SMEs).
- 4.1.6 We have achieved more ambitious targets from construction works suppliers on waste management. For example, the Springfield Park Restoration project (Awarded June 2019) offered a number of initiatives including a site waste management plan, preference to materials with recycled content and preparation of a live environmental

impact assessment document to monitor and drive activity to minimise impacts.

4.2 External engagement on the delivery of the new Strategy

- 4.2.1 Following the approval of the Sustainable Procurement Strategy in November last year, the Hackney Procurement Service have worked with Consultation & Communications, and Policy & Partnerships leads to agree a programme of engagement with the Council's external partners, suppliers and specifically the local Voluntary and Community Sector.
- 4.2.3 A survey was issued via the Hackney CVS website during April 2019 to gauge levels and areas of interest in the Council's Sustainable Procurement Strategy.
- 4.2.4 A workshop open to the Voluntary and Community Sector, local businesses and other interested parties was held on 30th May 2019. This event generated valuable feedback on ways in which we might improve our procurement process and practice to make opportunities more accessible to the sector and deliver added social value.
- 4.2.5 Actions and feedback from the engagement events have been incorporated into an updated action plan for the Strategy. These include:
- Regular support sessions on use of our e-Tendering system,
 - Additional guidance for commissioners working with the third sector
 - Promoting a "Think Local" approach for lower value procurement

4.3 Update on Delivery Action Plan

4.3.1 People

- Appropriate financial and staffing resources have been put in place for the delivery of the Strategy. The Hackney Procurement Service has been restructured to include new resources to lead on strategy delivery. Strategic Procurement Manager and Strategic Procurement Officer posts have now been recruited to and both officers are working with Council officers on the implementation of key activities linked to the delivery of the Sustainable Procurement Strategy.
- A Modern Slavery and Human Trafficking statement has been drafted and internal consultation with stakeholder departments of the Council is complete. We are working towards the publication of the document once it is formally approved by the Mayor.
- The Council adopted the Co-operative Charter Against Modern Slavery in September 2018. Since then, a number of actions have been taken to ensure that we uphold the commitments of the Charter, including:
 - Production of the Modern Slavery Statement
 - Mandatory training of corporate procurement staff on Ethical Procurement
 - Updating of our standard procurement documents to require commitment from our contracted suppliers to adopt a

whistleblowing policy on Modern Slavery concerns and to ensure that there is Trade Union recognition in line with the Council's principle in this regards.

- Sustainable Procurement training, aimed at staff involved in procurement across the organisation, has been developed in conjunction with our external training provider. This includes bespoke elements referencing the Sustainable Procurement Strategy commitments and use of the PRIMAS tool, as well as a practical approach to capturing and celebrating individual and collective achievements with regards to the delivery of specific aspects of the Strategy. Workshops are running bi-monthly during 2019-20.

4.3.2 Procurement and Contracting Activities

- Procurement Category Leads (who are senior managers within the Procurement Service leading on procurement compliance and achievement of Value for Money in the Council's contracting activities) ensure that the PRIMAS is completed and approved for all procurements over £100k enabling the consideration of Sustainability/Social Value at the outset of the project and ensuring that the development of the tender documents takes account of the relevant sustainable issues associated with both procurement and delivery of the contracted service, product or works project.
- To improve the effectiveness of the PRIMAS tool for the delivery of the SPS commitments, new brief guidance notes have been produced with links to the SPS commitments. This is pending full redevelopment of the PRIMAS into a targeted and interactive tool
- A set of suggested questions that will help capture sustainability benefits from suppliers submitting tenders and the relevant KPIs linked to these and aligned to the strategy commitments, has been developed and is available to procuring officers from September 2019.
- Contracts paying LLW have been reviewed and amended for 2019/2020 in line with new LLW rates advised by the Living Wage Foundation
- To enable a more systematic approach to the delivery of Sustainable Procurement Strategy commitments, we are working with the Housing Service, as part of the procurement of the new planned and reactive maintenance contracts, to pilot two Social Value portals. Following this process, the portal that best meet the needs of the Council will be rolled out across all other contracting areas of the organisation

4.3.3 Monitoring and Measurements

- To ensure that we capture and record sustainability impacts of our procurement activities, a working group has been established with the Employment and Skills team to explore how we can adapt their existing mechanism for capturing social value in the context of competitive procurement and the broader sustainability agenda
- In pursuit of measures that would be implemented to manage, capture and report achievements a Contract Management System working group has been established and corporate protocol for contract management agreed. Build of the new system is currently underway in discussion with our provider.

4.3.4 Suppliers

- An engagement programme has commenced with the VCS (and wider SME) markets as detailed in 4.2 above.
- The Sustainable Procurement Training has been designed to include a practical element for delegates to commit to an action and feedback shortly after the workshop - this will provide us with case studies for sharing and celebrating success with our suppliers.
- The Procurement team is providing technical support for small local firms and third sector organisations via market engagement and meet-the-buyer events developed with individual service areas as detailed in 5.4 below.

5. ENABLING LOCAL BUSINESSES TO ACCESS PROCUREMENT OPPORTUNITIES

- 5.1 The commitments which support local businesses to access opportunities to supply to the Council are largely set out with the “Procuring for a Better Society” theme of the Sustainable Procurement Strategy.
- 5.2 A key opportunity for Hackney is to strongly focus on securing enhanced contractual benefits for the local area, economy and for the health and wellbeing of our residents. Therefore within the boundaries of regulatory requirements we state that we will be innovative in considering what economic benefits can be delivered through our contracting activities.
- 5.3 The new Strategy commitments specifically relevant to local businesses include:
- We will consider the size of the contract and assess whether it can be split into smaller Lots to make it more accessible
 - We will actively communicate with local suppliers to support their access to information on business opportunities
 - We will ensure that the Council’s eTendering system has links to other relevant advertising portals that are used by local suppliers in accessing contract opportunities
 - We will encourage prime contractors to subcontract elements of larger contracts to local businesses and the third sector
 - We will organise and participate in workshops and other supplier engagement events to familiarise potential supplies with Council requirements and procurement processes
- 5.4 The Council’s spend data shows a positive upward trend in expenditure with local suppliers increasing from £54M in 2014/15 to over £81M in 2018/2019, which represented just under a quarter (24.8%) of all organisations doing business with the Council, these figures will be used as our baseline for monitoring improvement in this area.
- 5.5 So far this year, the Procurement Team have lead on or attended four supplier engagement events to provide information to local suppliers on how to access the Council’s contracting opportunities and to educate

them on the Council's contracting processes for various thresholds set within the Council's Procurement Framework. We will continue to support local suppliers through similar events.

- 5.6 We are working on reviewing the procurement pages on the Council's website to improve relevance of and access to information for suppliers. This will enable local suppliers to contact the right people in the organisation for support on contracting opportunities and use of our procurement systems.

6. SPS - PLANNED ACTIVITY OVER THE NEXT 12 MONTHS

People

- Publish Modern Slavery Statement
- Raise awareness of the SPS at all levels across the Council. Presentation of key information to DMTs will commence in October 2019.
- Capture and share key achievements on Sustainable Procurement across the organisation

Procurement and Contract

- Redevelopment of PRIMAS tool
- Publish updated procurement documents including report templates capturing the SPS commitments as appropriate

Monitoring and Measurement

- Complete the development of a mechanism for establishing and monitoring of sustainability targets
- Use this mechanism to provide internal visibility on the Sustainable Procurement KPI targets in the projects identified as having 'high risk' sustainability impacts
- Publish the first annual report on the Council's achievements on the corporate website for suppliers and the wider public to share our progress and enforce our commitment to Sustainability standards

Suppliers

- Use annual spend reports to identify suppliers whose activities have high sustainability impacts/risks and opportunities
- Identify further mechanisms for sharing and celebrating success
- Plan targeted market development activity to support identified supplier groups (for example: local construction companies, social enterprises)

7. REVIEW OF ALL OUTSOURCED SERVICES WITH A VIEW TO BRINGING THEM IN-HOUSE

A VERBAL UPDATE WILL BE PROVIDED ON THIS SECTION DURING THE MEETING

APPENDICES

Appendix 1: Sustainable Procurement Strategy

[HDS9213 - Sustainable Procurement Strategy.pdf](#)

Appendix 2: SPS Delivery Action Plan

[Appendix 2: Updated SPS Action Plan 2018-22](#)

Appendix 3: PRIMAS (Procurement Impact Assessment) template

[PRIMAS Template 2019 v1.2](#)

Report Author	Dawn Cafferty
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Sustainable Procurement Strategy 2018-2022

Procuring green
Procuring fair delivery
Procuring for a better society

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Foreword by Cllr Rebecca Rennison

The Council spends around one third of its annual budget on externally purchased goods, services and works. The process through which these are obtained is called procurement. Hackney and indeed the world has changed since we published our last Sustainable Procurement Strategy.

We have always maintained that sustainable development for Hackney is about achieving balanced, sustainable communities and neighbourhoods which celebrate their diversity, share in London's growing prosperity and enable a good quality of life for all with improved air quality.

We have recently refreshed our Community Strategy which, in view of public sector budget pressures, sets out our ambition on:

How we aim to empower local communities and target diminishing resources at our most vulnerable residents; how we can make sure that economic growth benefits everyone; and crucially, how we can ensure that people from different backgrounds can continue to afford to live and work in Hackney and be able to take advantage of the opportunities that London's status as the world's greatest city brings.

Our Sustainable Procurement Strategy ("SPS"), which forms part of our wider procurement strategy, is developed to support these priorities and as a London Borough we understand the importance of working with our neighbours and contributing to regional and national sustainability goals to realise local benefits.

This is the third edition of our Sustainable Procurement Strategy and it does not only build

on some of our excellent achievements in past years, but also takes account of what we could improve on and gives consideration to new and emerging issues particularly with regards to legislative requirements and best practice

This strategy sets out our objectives to continue to promote: enhanced employment rights, ensure fair pay terms and conditions through our contracting activities and reduce inequality particularly with regard to pay.

Paying, as a minimum, London Living Wage remains an integral part of our commitment and we will continue to ensure that our contracted staff are treated fairly.

We will also continue to ensure that we minimise any negative environmental impacts of goods, services and works contracts procured and support the principles set out in our Environmental Sustainability Strategy.

We will use procurement to, as far as is possible under relevant procurement law, ensure that local businesses particularly Small and Medium Enterprises and third sector organisations can participate and benefit from the Council's contracting processes.

As we have done under previous strategies, we will not only ensure that our contracts deliver added social value benefits at little or no additional cost but we would also put in place a contract management tool that allows us to effectively monitor, track and report on the delivery of our objectives and derived benefits

I would like to thank Cabinet Member colleagues who have played active roles in supporting the development of this strategy and hope that it will help to deliver some of our aspirations over the next coming years.

Our Sustainable Procurement Strategy

This Sustainable Procurement Strategy is part of Hackney's wider procurement strategy which fundamentally seeks to drive a culture; of securing good value for money from our contracting activities, and one that ensures best outcomes for Hackney residents and customers

For us in Hackney, Sustainable Procurement means improving the efficiency of our commercial spend to deliver major social and environmental benefits within the local community and nationally; to the extent that we can use our purchasing power, either unilaterally or by combining with other public sector organisations to influence the supply market.

Furthermore, it is the process that takes account of the economic, social and environmental impacts of our purchased goods, services and works on people and communities whilst still delivering value to these communities.

Within this strategy, we are making it clear that we intend to significantly improve our contracting approach and change the way we engage with the market.

Whilst there are situations where contracting with a 'big' supplier to deliver a service will provide better control and process efficiencies, we also recognise that contracting with smaller, medium size organisations can enhance quality of service and provide better options for service users.

It is for this reason that we strengthening our commitment to work more closely with local and SME suppliers and seek to deliver more innovative solutions through this approach

This Sustainable Procurement Strategy (SPS) focuses on three main themes: environmental, economic and social sustainable developments and under each of these themes.

Our approach to procurement will include:

Procuring 'Green'

- Using renewable resources and preserving un-renewable ones
- Reducing, reusing and recycling, with particular reference to plastics
- Reducing CO2 emissions
- Diverting from landfill and incineration as far as practically possible
- Proactively sourcing low carbon and green energy
- Using "whole life" costing where practicable, taking account of the cost of disposal and decommissioning
- Purchasing sustainable timber products
- Adopting food and agriculture practices that enhance the health and welfare of people and animals.
- Minimizing negative impact of Freight associated with the Council's procurement and contracting activities.

Procuring for a Better Society

- Promoting social innovation
- Making payment on time to our suppliers
- Supporting local employment
- Encouraging local suppliers into the supply chain
- Looking to improve regeneration and integration of our local community
- Employment and skills initiatives including apprenticeships
- Procuring healthy and sustainable food

Procuring Fair Delivery (Responsibly)

- Fulfilling our public sector equality duty
- Ethical practices such as Fair Trade
- Diversity (community, supplier and workforce)
- Paying the London Living Wage
- Tackling Modern Slavery and Human Trafficking

Our achievements

The development of a sustainable community, celebrating diversity and sharing in London's growing prosperity is right at the heart of the Borough's Community Strategy 2008-18, with four of the six priority areas relating to sustainable communities and environment

The Council has a long standing view that Sustainable Procurement plays an important part in achieving its goals and objectives, whether this is in relation to significant individual projects or the many minor projects that contribute to our success.

The key to our past successes is making sustainability integral to our procurement process.

We have ensured that procurement activities are undertaken by well-informed Council officers with support from professional procurement staff, providing specialist support and advice

Sustainability is built into the process for design and construction. Regeneration works procurements take into account all aspects for sustainability when designing a building and surrounding landscape including whole-life costs, measures to prevent flooding, reduce energy and heating requirements and we specifically include a requirement for the installation and operation of Combined Heat and Power (CHP) where a development is expected to have more than 60 properties

Waste strategy plans form part of our tender requirements when engaging contractors for regeneration projects, helping minimise any waste produced. The delivery of the plan is actioned and monitored via weight certificates from landfill sites.

The Council is a large organisation and even within an environment of reduced public expenditure we will continue to spend significant sums on capital projects and on purchasing goods, services and works.

In recent years there have also been changes in the way we deliver services. We support a mixed economy of provision and recognise the value that third sector, small, local and BME businesses can offer.

The Council and partners have delivered many improvements to services and to outcomes for local people. However, we realise that there is still more that can be achieved.

In considering Best Value and our statutory procurement obligations, we also recognise that goods and services delivered by local businesses and the third sector support and boost the local economy and in some cases may reduce the economic and environmental impact and costs associated with transportation; **we therefore give consideration, where appropriate, to:**

- The need to have or establish a local base of operations for the effective delivery of a contract.
- The size of a contract so not to unnecessarily exclude small firms from bidding
- Proposals to engage local suppliers in the supply chain.
- Proposals to promote local jobs and training.

We advertise our low value contracts, on our website, to ensure that we specifically attract Small Medium Enterprises (SMEs) and Black and Minority Ethnic (BMEs) businesses and third sector organisations to the Council's contracting opportunities.

We also publish our procurement forward plan and contract register to allow them to have visibility of contracts where sub-contacting may be on offer. The summary of our achievements in the past few years is appended to this document as Appendix A.

Link with Community Strategy

The Council's Community Strategy for 2018-28 provides a clear vision for Hackney. As we navigate this challenging time of austerity we need to use the lessons of this period and our resilience to deliver our future ambitions for the Borough particularly with regards to ensuring that we empower our local communities and use our dwindling resources to benefit everyone.

In spite of reduced budgets across the public sector, the Council still need to ensure that its commercial spend on the procurement of goods, services and works is channelled towards making sure that we enhance the quality of life of people living, working or doing business in the Borough particularly the most vulnerable people in our communities.

This strategy therefore sets out the Council's procurement commitments aimed at supporting the actualisation of key objectives in the Community Strategy, which include:

- A borough continues where there is good quality of life and the whole community can benefit from growth,
- A borough with residents who are ambitious and engaging and want to contribute to community life
- A green and environmentally sustainable borough
- An open, cohesive and supportive community
- A borough with healthy, active and independent residents

Procurement has been a key enabler in the achievement of the priorities set out in the Community Strategy 2008-2018.

Following the publication of the strategy back in 2008, **we put in place our first main Sustainable Procurement Strategy which articulates our approach with regards to using our procurement activities to drive the delivery of major community objectives (2008-2018) which include:**

1. Reduce poverty by supporting residents into sustainable employment, and promoting employment opportunities.
2. Help residents to become better qualified and raise educational aspirations.
3. Promote health and wellbeing for all, and support independent living.
4. Make the borough safer, and help people to feel safe in Hackney.
5. Promote mixed communities in well-designed neighbourhoods, where people can access high quality, affordable housing.
6. Be a sustainable community, where all citizens take pride in and take care of Hackney and its environment, for future generations

It is evident both from documented benefits realisation reports for our major contracts and also from the information provided by Council officers, as part of the review of the existing Sustainable Procurement Strategy, that procurement has played a key role in delivering community benefits for the Borough over the past decade.



Link with Environmental Sustainability

Our vision for long term environmental sustainability in Hackney forms part of the Community Strategy and is further developed in the programme of work managed by the Sustainability Board.

The Council is increasingly placing environmental sustainability and its potential for improvements in quality of life at the heart its vision for the future of Hackney.

High quality green, open space; public realm green infrastructure; efficient waste services with a variety of recycling options; healthy, walkable streets; clean energy; and measures to address fuel poverty play an important role in fostering civic pride and sense of belonging amongst the residents and businesses of Hackney.

The impact of growth and development in Hackney is considered in the round – taking account of the impact of concentrated development on air quality, the Urban Heat Island Effect, recycling, cycling and walkways and general wellbeing.

We are a borough whose reliance on car usage has fallen significantly and Hackney's transport system is seen as an exemplar of sustainable urban living in London. It provides fair, safe, access to transport that works for residents, visitors and businesses.

Over the years the Council has used its contracting activities to lead by example in the delivery of environmental sustainability objectives, particularly in terms of the types of vehicles we procure and deploy for the delivery of the Council's essential services: we have continued to develop robust procurement approach that allows us to increase the take-up of emerging fuel technology that is clean, efficient and one which improves air quality within the borough.

Our construction procurements focus on ensuring waste recycling on construction sites and use of energy efficient products to deliver less energy consuming buildings.

This new strategy builds on our achievements in this area with particular emphasis on green energy procurement, increasing the purchase of electric vehicles and cleaner fuels in our fleet, reducing electronic and plastic consumption and waste, and making sure that our construction procurements and contracts deliver energy efficient civic and residential buildings.



Link to Best Value

Local authorities have a duty under the Local Government Act 2003 to obtain Best Value. This means that when planning the procurement of contracts, in accordance with the Best Value duty, the Council is obliged on a case by case basis, to weigh up the costs of the contract against the benefits it provides, including the costs and benefits of the London Living Wage.

Since 2012 each contracting requirement with a low paid workforce, has been and will continue to be considered separately and flexibly, with any impact on costs fully assessed and justified.

This strategy sets out our commitment to take into account, in a manner consistent with Best Value and our statutory procurement obligations as directed within Statutory Guidance 2011 and other relevant legislation, our duty to promote or improve the social, economic or environmental well-being of our communities within our contracting process.

It is recognised that some technologies or approaches may cost more to buy than less environmentally efficient alternatives. Nonetheless with whole-life consideration, it may be more cost effective to buy such products and services.

As environmental efficiency is always an integral part of our requirements, we believe that it is fully consistent with the principles of Best Value to pay a bit more if necessary to obtain these benefits.

Therefore, when we identify a need for a product or service we will seek to incorporate sustainability requirements that are consistent with this strategy to the extent that it is relevant and proportionate to the subject matter of the contract.

Best Value services are fit for purpose. This means that procurement will always be based on a business case that considers stakeholders. A contract can have primary and secondary objectives.

The purpose of a construction contract may be refurbished homes or a new school. However, the project can create local job opportunities or provide local training. The legacy of the project is therefore an improved physical and social infrastructure.

When considering service provision, we will seek to award contracts based on overall value (including Social Value) in line with the Public Services (Social Value) Act 2012¹ and the recently published guidance on National Themes, Outcomes and Measures System Framework for social value².

The Council is a long standing advocate of the London Living Wage (LLW) and obtained accreditation as a Living Wage Authority in 2016. This is in recognition of the Council paying at least LLW in all its contracts and also encouraging local schools and businesses to pay LLW as this level of pay is considered the minimum to provide adequate income to ensure economic and social wellbeing in London.

1 <http://www.legislation.gov.uk/ukpga/2012/3/enacted>
2 <https://socialvalueportal.com/national-toms/>



Legal considerations

The Council procures on the basis of accepting the Most Economically Advantageous Tender (MEAT) and not simply lowest price.

This is consistent with “Best Value” which is defined as the optimum combination of whole life costs and benefits to meet the customer’s requirement.

This approach enables sustainability matters to be included in what we take into account when assessing ‘quality’. For example, the consideration of whole life costs allows factors such as fuel efficiency and replacement cycles to be considered.

When making contract award decisions, the Council can only have regard to those environmental criteria that have a link to the subject matter of the contract.

This could include giving bonus points to products that are more energy efficient, that will last longer, that show circular procurement options that maximise value from products and services for as long as possible, or that will cost less to dispose of.

In case the environmental aspects do not bring an economic benefit to the Council, these aspects can only be taken into account at the beginning of the tender procedure, where we define the technical requirements of the contract. Furthermore the technical requirements must be consistent with the principles of Best Value.

Non-discrimination between competitors and the free movement of goods and services between member states are two of the fundamental principles of the EU procurement regulations and guidelines.

Whilst a requirement for a supplier to establish a local presence, where this is necessary for the discharge of the contract is permissible, a requirement that a supplier be based in any geographical location as a precondition of invitation to tender would be in breach of these principles.

It is permissible to take social aspects into account in the procurement process as part of the award criteria provided these are linked to the subject matter of the contract.

The procurement can be used as a means of encouraging social objectives. For example: Contracting Authorities can require the successful tenderer to comply with contractual clauses relating to the manner in which the contract is to be performed, which may include clauses in favour of certain categories of persons and positive actions in the field of employment or training.

For large and long-term projects many suppliers are willing and even enthusiastic to offer added value.

It is quite permissible to see what benefits can be obtained in the fields of employment and training during the bidding process. These can then be incorporated into contract conditions upon award.

The Equality Act 2010 put in place a public sector equality duty, which consists of a general equality duty, set out in section 149 of the Act 2010 to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

The Public Services (Social Value) Act 2012 became law on the 8th March 2012. The Act, which applies to the provision of services, or the provision of services together with the purchase or hire of goods or the carrying out of works, for the first time, places a duty on public bodies to consider social value ahead of a procurement.

The Act states that, as public sector organisation, we must consider:

- How what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area
- How, in conducting the process of procurement, it might act with a view to securing that improvement.

Most recurring service contracts or in-sourcing will constitute an “Undertaking” for TUPE purposes.

As part of our legal duty under TUPE, the Council will continue to promote the proper application of TUPE.

There will be appropriate consultation with staff and relevant Trade Unions when any transfer is envisaged, and the Council will facilitate the same for secondary and subsequent transfers.

The Modern Slavery Act (2015), which came into force in October 2015, is a global-leading piece of legislation which sets out how modern slavery and human trafficking is dealt with in the UK.

Section 54 of the Act specifically mandates corporate organisations to publish a statement annually to disclose the steps they have taken to ensure that slavery and modern people trafficking is not taking place in their operations or within their supply chain.

The Council's statement will ensure compliance with this requirement and other legislative requirements relating to the provision of Council services.



Procuring 'Green'

It is important that we define clear environmental benefits in our procurement in a way that is practicable and proportionate to the value and complexity of each individual contract.

The outputs and outcomes that we set and agree with our suppliers will be realistic and we will be proactive with regards to how we track our progress, making sure that the outcomes are realised and captured through robust contract management.

Our commitments in this area

For our construction procurement projects, including new build and refurbishment of existing buildings, we will aspire to deliver excellent or very good Building Research Establishment Environmental Assessment Method (BREEAM) standards or their equivalents.

We will seek to ensure the by-products or waste from a project e.g. building refurbishments are dealt with by applying the Waste Hierarchy³, and in the first instance reused or recycled. As far as practicably possible, Contractors will be required to re-use a certain percentage of the materials found on site. Disposal to landfill should be the last resort option.

Where cleaning services and products are

3. www.gov.uk/government/publications/guidance-on-applying-the-waste-hierarchy

sourced, the contractual requirement will be for the use of biodegradable and plant-based products, fully-recyclable packaging, and/or the use of alternative cleaning methods, such as steam-cleaning to be employed. Alternatives would only be considered whereby the above would be justified to be unreasonable.

We will, where suitable natural alternatives are available, only purchase those products for use on our mechanical sweeping vehicles and by our manual cleansing staff. If a suitable natural product is not immediately available, we will work with our suppliers to source these products.

We will encourage reduced packaging for products and the use of recycled and recyclable packaging over less desirable alternatives such as polystyrene. We will seek to minimise and ultimately bring to an end the use of plastics at the earliest opportunity.

We will strictly prohibit all avoidable plastic, disposable, and non-recyclable catering materials for Council operations. Energy efficient products will reduce the carbon intensity of the local authority's functions through decreased energy consumption.

We will actively consider the energy consumption, emissions levels, and other vital energy related sourcing requirements when we procure equipment and devices.



We will also ensure electronic waste is minimised and, when produced, disposed of in a way that maximises re-use and/or recycling.

Consideration will be given to products which are more durable and do not need to be replaced as frequently, improving cost effectiveness and reducing the amount of material going to landfill and Energy from Waste. We believe it is worthwhile spending more on a product that will last and remain effective for appreciably longer.

So far as it is permissible under EU procurement regulations and is relevant, we will promote the purchase of goods which have been transported over long distances and also work with suppliers to limit the frequency of delivery of purchased goods as this reduces carbon emissions and particulates from vehicle exhausts, reducing our general environmental impact and providing significant public health benefits.

For our vehicle procurements, we will choose products which cause relatively lower levels of pollution, either through their manufacture, usage or disposal. This could relate to the actual vehicles meeting the relevant EU emission standards but also with specific reference to the fuel technology deployed for operating the vehicles

Our approach for energy procurement will be to secure 50% of our total consumption from renewable sources as part of the 2019/20 procurement process and ensure that we maintain sustained growth of 'green' electricity in our energy contracts over the next four years.

The reduction of the frequency of delivery of purchased products by suppliers supplying to the Council will have positive impact on air quality in the borough. To this end, we will work with our suppliers to ensure that delivery schedules are reduced to the lowest possible frequencies.

We will encourage suppliers to adopt processes and procedures to reduce their environmental impact, for example through certification to independent environmental accreditation schemes such as ISO14001, BES6001, others as relevant, including emerging standards, or their equivalent, where relevant and proportionate.

Measurement Metrics for this area

Our procurement activities and each procurement projects would be expected to have specific targets against these measures:

1. BREEAM standard achieved per development
2. % of FSC timber used in a given product
3. % of material recycled or utilised on site
4. % reduction in water consumption
5. Energy saved (KWh) comparing product A to B
6. Reduction in carbon emissions (tonnes)
7. Whole life cost (including disposal)



Procuring for a Better Society (Everyone)

A key opportunity for Hackney, as part of our commitments to obtain maximum value from contracted services and our wider spend with external organisations, is to strongly focus on securing enhanced contractual benefits for the local area, economy and for the health and wellbeing of our residents.

We aim to achieve more from our expenditure on services. As such we will, within the boundaries of regulatory requirement, be innovative in considering what economic benefits can be delivered through our contracting activities.

Our commitments in this area

We will consider the size of contract and assess if it can be split into smaller lots to make it more accessible to smaller and local businesses and the third sector without necessarily increasing costs or reducing quality control.

For Works and Services contracts, we consider their capacity to provide jobs and training opportunities for local people.

Where relevant, we will ask suppliers about their proposals for using local suppliers, their methods for achieving them and the expected results. The results will be included as targets within the contract.

We will promote economic regeneration through active communication with local suppliers to support their access to information on business opportunities, how to do business with the Council and identifying who is responsible for different spend categories.

The gateway for local suppliers to accessing contract opportunities is through various local, regional and national advertising portals.

With this in mind, we will ensure that the Council's e-tendering system has links to relevant portals that would allow easy access to our contracts.

As far as it is practicable to do, we will advertise contracts above the £25K threshold via our e-tendering system. Some contracts, by their nature are better packaged as relatively large contracts either because of their complexity or as part of securing efficiencies.

Where this is the case, large suppliers will be encouraged to sub contract elements to local businesses and the third sector.

Where the delivery of a service contract requires a supplier to have or to establish a local base for delivery, the supplier will be expected to demonstrate as part of the selection process that they will not only establish a local base but that they will also be encouraged to recruit locally.



We will actively seek to secure jobs, skills training and apprenticeships opportunities for our residents through our supply chain.

In particular, where appropriate, contracting expenditure with a threshold of £1M and extends beyond 12 months, and contracts with a significant workforce element will be required to deliver a minimum of one apprentice place, skills training, work placement or work experience for local students.

We will continue to support our business community and third sector by organising and participating in workshops and other supplier engagement events to familiarise potential suppliers with Council requirements and procurement processes.

We will ensure that the contracts for food or catering services that the Council procures includes adherence to the Government Food Standard for Buying Food and Catering Services, to ensure that food catering procured by the Council is as healthy and sustainable as possible.

Measurement Metrics for this area

Our procurement activities and each procurement projects would be expected to have specific targets against these measures.

1. Number and percentage of local people employed on the contract
2. Number and percentage of local people offered training and apprenticeships
3. Amount and percentage of spending with local subcontractors
4. Amount and percentage of direct spend with local suppliers
5. Amount and percentage of direct spend with Small and Medium Size Enterprises
6. Amount and percentage spend of direct spend with the third sector
7. Number and percentage of council contracts that adhere to the Government Buying Standard for Food and Catering Services



Procuring Fair Delivery

The Modern Slavery Act which came into force in October 2015 further highlights the need to tackle unfair treatment of contracted staff across the whole spectrum of an organisation's supply chain.

We have, in the past, delivered on our equalities duties and have been proactive in ensuring that workers' rights are preserved as part of the procurement of new contracts and when a decision is made to in-source a service.

We will build on these achievements and take account of emerging issues and legislative demands in this area.

Our Commitments in this area

We will ensure that our procurement activities supports the Councils ethos of valuing diversity and that our contracted services are accessible to everyone whatever their circumstances.

We will use innovative approaches to support local priorities, creating greater opportunity and prosperity for narrowing economic, environmental and health inequality; we will evaluate the impact of our projects and use what have learned to improve and further develop our services.

Where the Council makes a decision to either renew its contracts or outsource any of its services to the private or voluntary sector, we will consider workforce issues and human rights with a view to deal with them on a case by case basis as allowed under EU procurement, local government and other relevant legislation. Specifically, we will seek to address the issues below.

We require our suppliers to offer wages and benefits that as a minimum meet relevant industry benchmarks and nationally required standards and to consider pay and workforce conditions in its services and works contracts in a manner consistent with Best Value ensuring that pay rates are at least equivalent to the London Living Wage.

We will promote the use of Fair Trade (and equivalent) products within our contracts and specifically for catering services delivered within the Council owned premises where Fair Trade (and equivalent) products will be solely served.

Businesses with an annual turnover of at least £36M⁴ which contract with Hackney will be required to show that they have complied with

⁴ Under the Transparency in Supply Chain clause of the Modern Slavery Act, all companies with a turnover of more than £36m operating in the UK are required to publish an annual statement setting out what they have done to eradicate slavery and human trafficking from their supply chains and operations.



the fundamental requirements of the Modern Slavery Act (2015) or risk facing exclusion at the qualification stage of a tender exercise. This will be in addition to existing requirements on equalities and non-discrimination of workforce.

Our contract managers will ensure that annual Slavery and Human Trafficking Statements of our contracted suppliers are submitted, checked and demonstrate improvements over the previous year.

We will promote consideration of Trade Union recognition as part of the operation of our contracted services and there will be early consultation with relevant Trade Unions before we embark on the procurement of outsourced services to ensure that issues such as the transfer and treatment of staff under TUPE as well as terms & conditions, including pay, training and pension provision are fairly negotiated.

Once contracts are in place between the Council and suppliers, there are limitations both in terms of intervention and the extent of it by the Council, in dispute matters between contracted suppliers and staff working under these contracts.

It is general practice that all employees should raise all concerns, problems or complaints with their employer. The Council will ensure that its suppliers have a grievance procedure in place where such complaints can be dealt with fairly, consistently and efficiently.

The Council will also require its suppliers to establish a whistleblowing process that allows contracted staff to report concerns about how their employer deals with workforce matters in their workplace, particularly if the issue being reported is widespread within the organisation.

Measurement Metrics for this area

Our procurement activities and each procurement projects would be expected to have specific targets against these measures.

1. Number and percentage of the Council's identified 'equality groups' using the services delivered under the contract
2. Number and percentage of the Council's identified 'equality groups' employed on the contract
3. Number and percentage of the Council's identified 'equality groups' offered training and apprenticeships
4. Amount and percentage of corporate spend with BME subcontractors
5. Amount and percentage of spend with BME suppliers
6. *Number of service contracts delivering LLW
7. Number of complaints from contracted staff
8. Percentage of staff complaints and issues that are addressed satisfactorily

*We will expect all our contracts to be paying as a minimum LLW

Delivery of this strategy

This document will not be complete without a clear plan for the delivery of our vision and key sustainable procurement commitments which form part of this overall Sustainable Procurement Strategy for Hackney over the next four years.

Our approach for delivery will be holistic and will encompass; provision of relevant training for and working with, various stakeholders including elected Members and officers of the Council as well as our customers and suppliers to enhance our existing processes and documents for tendering and contract management.

Some degree of awareness raising, including information and/or training on the importance and value of specifying and buying sustainably is essential for everyone in the organisation, and organisational procedures and our delivery plan will reflect this.

Sustainable procurement will come about only if the organisation and those within it understand, and are committed to, operating sustainably. In addition, relevant tools for capturing results and monitoring progress of achievement of our objectives will be put in place and our achievements, in the coming years, will be widely communicated within the organisation and externally.

Impact of Brexit on Strategy delivery

Following the referendum on EU membership in 2016, the Government served formal notice under Article 50 of The Treaty on European Union to terminate the country's membership of the EU on 29 March 2017 with the main implication being that EU Treaties shall cease to apply to the UK once it exits the EU by March 2019.

The final date of exit is obviously subject to the unlikely possibility of the withdrawal agreement being concluded sooner or an extension of the period by all Member States.

There are very little details about the likely impact of Brexit of national, regional and specific local economies in the UK and it is unclear how the planned exit will impact on how public procurement is governed in the immediate and long term.

We will continue to keep our eyes on emerging information and directives on Brexit and ensure that we revise our sustainable procurement strategy in line with any new rules that may impact on how we procure the Council's contracting requirements.



	High Level Objectives	Action	Responsible Officer	Timescales
People	Making appropriate Financial and Staff Resources available	Review current resources to ensure adequate staffing and budgetary consideration to current establishment	Group Director of Finance & Resources / Head of Procurement	September 2018
	Slavery and Human Trafficking statement ratified by Cabinet	Produce, ratify and publish the slavery and human trafficking statement	Head of Procurement	Annually
	Council adopts Charter Against Modern Slavery	Council adopts Charter Against Modern Slavery Ensure mechanisms in place to uphold responsibilities/ commitments of the Charter including: Staff training on modern slavery Regular spend analysis to identify potential issues Publishing the Council's whistle blowing system for suspect issues of modern slavery Engagement with suppliers and supply chain Annual publicity of Councils commitment	Mayor Glanville Head of Procurement	September 2018 January 2019 and annually
	Staff involved in procurement provided with appropriate training on Sustainable Procurement	Deliver sustainable procurement training bi-monthly to include knowledge on how to use the revised Procurement Impact Assessment tool (PRIMAS) and include the SPS commitments in specifications for contracts Run sustainable procurement workshops on an ongoing basis Provide an e-learning Sustainable Procurement module for staff via the intranet.	Procurement Systems and Strategy Lead & Procurement Category Leads	February 2019 and ongoing
			Procurement Category Leads / Strategic Procurement Manager	July 2019 and ongoing
			Procurement Systems and Strategy Lead	October 2019
	Commissioning staff provided with guidance on working with the Third Sector	Provide specific guidance for commissioners working with the Third Sector, to improve communication and access to opportunities in line with the VCS Compact principles.	Procurement Category Leads/Strategic Procurement Manager	November 2019 and ongoing
Key achievements on Sustainable Procurement shared widely across the organisation	Publish the key achievements of the various departments on the intranet for recognition and to allow other departments to learn from what has been achieved	Procurement Systems and Strategy Lead and Internal Communications & Engagement Mgr.	Bi-annually	

Procurement and Contract Management Processes	Substantiality/Social Value is considered at every stage for all procurement projects with anticipated spend of £100k and above.	Ensure PRIMAS completed and approved for all procurements over £100k Ensure PRIMAS is used to identified sustainability considerations and develop performance indicators that will ensure continued effectiveness in capturing and managing sustainability issues and monitoring outcomes throughout the procurement process	Procurement Category Leads	February 2019 and ongoing
	Improve the effectiveness of the PRIMAS tool for the delivery of the SPS commitments	Develop the PRIMAS template into an interactive tool for staff, incorporating best practice guidance for staff on processes and productions, and performance indicators Provide focus training on the use of the new PRIMAS tool, for key procurement staff	Procurement Systems and Strategy Lead/Procurement Category Leads Procurement Systems and Strategy Lead/Procurement Category Leads	From February 2019 October 2019
	Ensure contracts paying LLW are reviewed annually in line with rates advised by the Living Wage Commission	Carry out an annual review of service contracts and undertake negotiation with suppliers to implement the latest LLW rate	Procurement Category Leads & Contract Managers	January each year
	All Procurement documents including report templates to capture the SPS commitments as appropriate	Review all procurement templates including SQs, ITT and Committee report templates and refresh them with appropriate guidance for officers to enable them consider sustainable matters as an integral part of the procurement process	Procurement Systems and Strategy Lead and Contract Lawyers	January 2019 and ongoing
Monitoring and Measurements	Detailed appraisal of the sustainability impacts of the procurement activity.	Develop a mechanism for establishing and monitoring sustainability targets.	Head of Procurement & Procurement Systems and Strategy Lead	April 2019
	Measures implemented to manage capture and report achievements	Implement the contract management system to include section for capturing and reporting on Sustainability Targets Provide internal visibility on the Sustainable Procurement KPI Targets the projects identified as having 'high risk' sustainability impacts	Head of Procurement & Systems & Procurement Systems and Strategy Lead Procurement Systems and Strategy Lead	June 2019 June 2019

		Publish the Council's achievements on the corporate website for suppliers and the wider public to share our progress and enforce our commitment to Sustainability standards	Procurement Systems and Strategy Lead and Communications	Annual
Suppliers	Networking externally with suppliers to ensure that the principles of the SPS is shared with the supply market	In collaboration with Economic Development Team, run workshops for the supplier community(particularly SMEs) and ensure their understanding of Hackney's SPS commitments	Procurement Systems and Strategy Lead & Head of Employment and Skills	Quarterly
	Develop a 'partnership' with VCS group and other Public Sector Bodies in Hackney to share best practice and experience with other organisations	Engage with HCVS to undertake consultation with the voluntary and community sector and proactively develop shared policy objectives Using existing connections, set-up sustainable procurement forums with other PSBs and VCS groups	Head of Procurement & Head of Policy	Quarterly
	Provide technical support for small local firms and third sector organisations	Ensure tendering support for contracts with potentially strong interest from local supplier and the third sector are supported with capacity building and e-tendering guidance Deliver a programme of ProContract training and drop-in sessions for suppliers to address specific technical difficulties and queries with the eTendering process and system	Procurement Category Leads/ Procurement Systems and Strategy Lead Procurement Systems and Strategy Lead/Strategic Procurement Manager	Ongoing September 2019 and ongoing
	Promote a "think local" approach for lower value (below £100k) procurement	Through guidance and templates, for lower value contracts (which are potentially more accessible to smaller organisations) actively encourage buyers to seek quotes for from local suppliers and the third sector. Through partnership with the sector, identify any lists/databases of local suppliers as resources to support this.	Procurement Systems and Strategy Lead/Strategic Procurement Manager	September 2019 and ongoing
	Celebrate achievements	Investigate opportunities to celebrate councils achievements' by publishing case studies, articles etc on the Council's website	Procurement Systems and Strategy Lead	Ongoing

	<p>Annual spend reports used to identify suppliers with high impacts/risks and opportunities</p>	<p>Use spend reports to identify suppliers whose activities have a high sustainability impact. Use this analysis to investigate opportunities for increased outcomes by influencing supply chain processes, materials used etc.</p> <p>Use category analysis and collaboration with partners to specifically identify where risks relating to modern slavery are likely to occur within our supply chains, with a view to putting in place mitigating actions.</p>	<p>Procurement Category Leads</p> <p>Strategic Procurement Manager/Procurement Category leads</p>	<p>Ongoing</p> <p>November 2019 and annually</p>
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Procurement Impact Assessment [PRIMAS]

For Equalities, Environmental and Efficiency Assessment of Hackney Procurements

Please read the notes below before completing the PRIMAS

The London Borough of Hackney adopted an updated Sustainable Procurement Strategy in November 2018 This is aligned to our Sustainable Community Strategy and Mayor's key strategic objectives.

We aim to improve the efficiency of our commercial spend to deliver major social and environmental benefits within our local community and nationally; using our purchasing power to address any adverse impact on our communities and delivering added value (social, economic and environmental benefits to our people and communities).

The key themes of the new Strategy are:

Procuring Green

Procuring for a Better Society

Procuring for a Fair Delivery

The sustainable procurement strategy summary

https://docs.google.com/document/d/1OmpL6bcShnVUUSLIqVgiSuiDbUNA4kGQrD_2FkrQsqc/edit

The Public Services (Social Value) Act 2012 became law on the 8th March 2012. From 31st January 2013 the Act is 'live' and commissioners and procurers must adhere to it.

The Act applies to the provision of services or the provision of services together with the purchase or hire of goods or the carrying out of works; and places a duty on public bodies to consider social value ahead of a procurement.

The Act states that.. the authority must consider how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and how, in conducting the process of procurement, it might act with a view to securing that improvement.

The Act can be found at the following website:

<http://www.legislation.gov.uk/ukpga/2012/3/contents/enacted>

Procurement Officers and Commissioners are reminded that consideration must be given to the Social Value and the Best Value Statutory Guidance since it was introduced in September 2011. Further information on the Best Value Statutory Guidance can be found at the following website:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5945/1976926.pdf

HACKNEY PROCUREMENT HUB

Procurement Impact Assessment [PRIMAS]

For Equalities, Environmental, Economic and Efficiency Assessment of Hackney Procurements

Please refer to Best Practice Guide No 3 (Risk and Impact) for guidance on completing document

Directorate							
Service Area							
Contract being assessed							
Officer conducting assessment, including Tel Ext							
Date of assessment							
Main Reason for Assessment (Tick the appropriate box)							
New Contract	<input type="checkbox"/>	Contract Renewal	<input type="checkbox"/>	Change In specification	<input type="checkbox"/>	Contract Extension	<input type="checkbox"/>

Question	Y	N	Do n't Know	Details	Guidance
FAIR DELIVERY (Equalities Impact)					
Q1. Has the service/policy to be procured already been subject to a Corporate Equalities Impact Assessment? Please add Hyperlink. If YES, go to Q7 below. If NO, go to Q2 below.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		If YES please provide details
Q2. Could this procurement have a positive impact on people or groups due to their age, disability, ethnicity, gender, religion/ belief, sexual orientation and/or other characteristics? If yes, explain if this impact can be justified. Please provide details.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		This may be inherent in the subject matter of the contract, if this is not the case, think about the wider impacts on people who come into contact with the contractor/ service/ building/product

<p>Could this procurement have a negative impact on people or groups due to their age, disability, ethnicity, gender, religion/belief, sexual orientation and/or other characteristics? If yes, please provide details and explain if this impact can be justified.</p>				<p>Examples might be: A service which relies on customer communication via an IT system may alienate older people or people from particular religious communities. In industries with typically high numbers of low skill staff, some communities may be disproportionately impacted by salaries which do not afford a reasonable standard of living</p>
<p>Q4. Can the procurement be altered (in terms of objectives or specification) to eliminate the adverse impact and still meet the overall aims.</p>				<p>There may be impacts on different groups which are beyond our influence, so this should be identified here too.</p>
<p>Q5. Has the possibility of Modern Slavery, Forced Labour and Human Trafficking within the Supply Chain been investigated? If so, state whether there is considered to be a significant risk to be managed.</p>				<p>We ask all relevant suppliers to confirm compliance with the Modern Slavery Act, and all contractors to confirm that they have a whistleblowing policy in place for staff. However, it may be appropriate to include additional checks or contract clauses within industries where there is a known risk (eg: where high volumes of lower skilled staff are employed).</p>
<p>Q6. Is this procurement preventing corruption, fraud, bribery and exploitation, with initiatives such as Fairtrade, active worker representation, paying a living wage, provision of social benefits (healthcare, schooling, nutrition, etc.) Please provide details.</p>				<p>Refer to the Sustainable Procurement Strategy for details of our commitments relevant to your procurement and confirm that these have been considered.</p>

FAIR DELIVERY PERFORMANCE INDICATORS/QUALITY TARGETS					Align these to the targets in the Sustainable Procurement Strategy
Q7. What Performance Indicators/quality targets are to be included in the contract to cover Equalities issues? Give brief description. a) b) c)					
PROCURING GREEN (Environmental impact)					
Q8. Does this procurement have a positive environmental impact - through purchase, usage, delivery or disposal?					This may be direct (eg: procurement of electric vehicle charging points) or indirect (eg: re-procurement of a service which includes replacing traditional paper-based functions with electronic processes).
Q9. What, if any, are the negative environmental impacts?		N/A			For example: Fuel usage/travel miles, use of disposable plastics.
Q10. Can the impact be mitigated through the policy, specification or tendering process (use whole-life costing to assess)					Consider durability of products or equipment - can we buy equipment with a longer life without prohibitive cost increases or compromising quality?
Q11 a. Specify the risk rating (Low, Medium, High) for each impact.					
PROCURING GREEN PERFORMANCE INDICATORS/QUALITY TARGETS					Align these to the targets in the Sustainable Procurement Strategy.
Q12. What Performance Indicators/quality targets are to be included in the contract to cover Environmental issues? Give brief description. a) b) c)					
BETTER SOCIETY (Economic Impact)					
Q13. Does this procurement have an impact on the Local Community or Economy?					Are people employed specifically to deliver the contract? Could the procurement be an opportunity for local businesses?

Q14. Could the impact amount to an adverse impact?					Is the requirement/contract value too large for smaller providers to be in a viable position to compete?
Q15. Can the impact be mitigated through the policy, specification or tendering process					E.g Break down the contract into smaller Lots to encourage SMES and local providers to bid or consider opportunities for subcontracting to local businesses.
BETTER SOCIETY PERFORMANCE INDICATORS/QUALITY TARGETS					
Q16. What Performance Indicators/quality targets are to be included in the contract to cover Economic issues? Give brief description. a) b) c)					Align these to the targets in the Sustainable Procurement Strategy.
HEALTH AND SAFETY					
Q17. Does this procurement have an impact on Health and Safety					E.g What vehicles or machinery will be used by the contractor? Are any hazardous substances used in delivery of the service? Will the contractors employees be working at height?
Q18. Could the impact amount to an adverse impact?					What are the implications if appropriate procedures are not in place (Eg: Could a member of staff or the public be seriously injured?)
Q19. Can the adverse impact be mitigated through the policy, contractor checks/accreditation, specification or process?					Requirements for specific Health and Safety measures and processes should be included in your Specification. Relevant Health and Safety method statements may be requested as part of your tender process, to ensure that the

					contractor understands and will meet your requirements.
<p align="center">HEALTH AND SAFETY PERFORMANCE INDICATORS/QUALITY TARGETS</p> <p>Q20. What Performance Indicators/quality targets are to be included in the contract to cover Health and Safety issues? Give brief description.</p> <p>a) b) c)</p>					<p>Number and severity rating of accidents Number of improvement notices service user/public complaints relating to H&S</p>
PROCUREMENT AND FINANCIAL IMPLICATIONS					
<p>Q21. Does this procurement impact on the delivery of "cashable" or "non-cashable" savings?</p>					<p>Also consider whether any 'non-cashable' savings are expected, eg: Less frequent of delivery reducing fuel costs Consolidated invoicing reducing processing time and cost</p>
<p>Q22. Does the contract deliver business critical services? If Yes, confirm that Business Continuity Planning requirements will form part of the contract specification and the following have been considered/undertaken, if necessary:</p> <ul style="list-style-type: none"> ● Business Impact Analysis; ● Critical Function Priority List; ● Resources Requirement for Recovery; ● Emergency Response Checklist. 					<p>Business critical services are those identified in the Council's Business Continuity Plan and critical function priority list such as: ICT Infrastructure Emergency Planning Waste Disposal Main Council offices (HSC and Town Hall) Vulnerable Adults services Vulnerable Children's services Environmental Health Schools etc.. Take advice from your procurement Category Team if unsure how to assess and incorporate the requirements into your specification and tender pack.</p>
OTHER COMMENTS/CONSULTATION					

Officer Name		Category Lead Manager		Date:
Signed		Signed		Date:

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Scrutiny Panel 7th October 2019 Item 7 – Update on Overview and Scrutiny Communications Support	Item No 7
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OUTLINE

The Scrutiny Panel has requested for an update from the Director of Communications, Culture and Engagement about the offer from the Division to Scrutiny, including details on the enhancements made in relation the communication support since implementation in municipal year 2018/19.

Attending for this item will be:

Polly Cziok, Director of Communications, Culture and Engagement

ACTION

Members are asked to give consideration to the update.

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Scrutiny Panel 7th October 2019 Item 8 – Work Programme 2019/20	Item No 8
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OUTLINE

Attached is the updated work programme for the Panel for the year. Please note that this is a working document.

ACTION

The Panel is asked for any comments, amendments or suggestions for the work programme.

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Overview & Scrutiny

Scrutiny Panel Scrutiny Commission

Rolling Work Programme June 2019 – April 2020

All meetings take place at 7.00 pm in Hackney Town Hall unless stated otherwise on the agenda. This rolling work programme report is updated and published on the agenda for each meeting of the Commission.

Dates	Proposed Item	Directorate and officer contact	Comment and Action
Mon 18th Jul 2019 Papers deadline: Mon 8 th July	Quarterly Finance Update	Finance and Corporate Resources Directorate Group Director Finance and Corporate Resources Ian Williams	Finance update to cover: 1. Update on council budget 2. Update on the Council's preparations for the new budget and revenue streams available to councils.
	Overview and Scrutiny Commission's Work Programme for 2019/20	Chief Executive's Directorate Overview and Scrutiny Team Tracey Anderson	Discussion and review of the Overview and Scrutiny function work programme for 2019/20. Update from each scrutiny commission Chair on their work programme for 2019/20.
	Scrutiny Panel Work Programme 2019/20	Chief Executive's Directorate Overview and Scrutiny Tracey Anderson	Discuss and agree the Scrutiny Panel work Programme for 2019/20

Dates	Proposed Item	Directorate and officer contact	Comment and Action
	Review of the Statutory Guidance for Overview and Scrutiny in Local Government	Chief Executive's Directorate Overview and Scrutiny Team Tracey Anderson	Discussion about the statutory guidance issued to overview and scrutiny in local government by the Ministry of Housing, Communities and Local Government (MHCLG) following the Communities and Local Government Select Committee's inquiry into overview and scrutiny and a commitment by Government in early 2018.
Mon 7 Oct 2019 Papers deadline: Wed 25 th Sept	Update on Overview and Scrutiny Communications Support	Chief Executive's Directorate Director Communication, Culture and Engagement Polly Cziok,	Update on the offer from the Division to Scrutiny, including details on the enhancements made in relation the communication support since implementation in municipal year 2018/19.
	Annual report on Complaints and Members Enquires	Chief Executive's Directorate Business Analysis and Complaints Team Bruce Devile	Annual report of the Council's Complaints and Members Enquires for 2017/18.
	Scrutiny Panel Work Programme 2019/20	Chief Executive's Directorate Overview and Scrutiny Tracey Anderson	Review of the Scrutiny Panel work Programme for 2019/20
	Sustainable Procurement Strategy	Finance and Corporate Resources Directorate	Discussion to cover 1. The new sustainable procurement strategy 2. Delivery of the manifesto commitment in relation to the review of contracted services for in sourcing vs out sourcing.

Dates	Proposed Item	Directorate and officer contact	Comment and Action
			3. The criteria used to assess if a contract should come back in house or continue as a contracted service. 4. The council's approach to enable local businesses (SMEs in Hackney) to access procurement opportunities with the Council.
Mon 3rd February 2020 Papers deadline: Wed 22 nd Jan	Quarterly Finance Update	Finance and Resources Directorate Ian Williams	Finance Update
	Cabinet Question Time Mayor Philip Glanville	Chief Executive's Directorate Mayor's Office Ben Bradley / Tessa Mitchell	CQT session with the Mayor.
	Equalities Strategy	Chief Executive's Directorate Policy and Partnerships Head of Policy and Partnerships Sonia Khan	Update on the Council's Equalities Strategy
	Scrutiny Panel Work Programme 2019/20	Chief Executive's Directorate Overview and Scrutiny Tracey Anderson	Review of the Scrutiny Panel work Programme for 2019/20

Dates	Proposed Item	Directorate and officer contact	Comment and Action
Mon 27 April 2020 Papers deadline: Wed 15 Apr	Quarterly Finance Update	Finance and Corporate Resources Directorate Group Director Finance and Corporate Resources Ian Williams	Finance Update
	Chief Executive Question Time	Chief Executive's Directorate Chief Executive Tim Shields	Question time session with the Chief Executive
	Update on the Advice Services Review	Chief Executive's Directorate Policy and Partnerships Head of Policy and Partnerships Sonia Khan	Update following the implementation of the advice services review.
	Scrutiny Panel Work Programme 2019/20	Chief Executive's Directorate Overview and Scrutiny Tracey Anderson	Review of the Scrutiny Panel work Programme for 2019/20
	Poverty Strategy	Chief Executive's Directorate Policy and Partnerships Head of Policy and	Update on the poverty strategy.

Dates	Proposed Item	Directorate and officer contact	Comment and Action
		Partnerships Sonia Khan	

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