

Scrutiny Panel

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

Monday 1 February 2021

7.00 pm

Until further notice, all Council meetings will be held remotely

Contact:

Tracey Anderson

☎ 0208 3563312

✉ tracey.anderson@hackney.gov.uk

Tim Shields

Chief Executive, London Borough of Hackney

Members: Cllr Ben Hayhurst, Cllr Margaret Gordon (Chair), Cllr Sharon Patrick, Cllr Sophie Conway, Cllr Polly Billington, Cllr Peter Snell, Cllr Mete Coban and Cllr Sade Etti

Agenda

ALL MEETINGS ARE OPEN TO THE PUBLIC

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|----------|--|------------------|
| 1 | Agenda Papers | (Pages 5 - 92) |
| 2 | Minutes of the Meeting and Previous Meeting | (Pages 93 - 120) |

Access and Information

Getting to the Town Hall

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Further Information about the Commission

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



Public Involvement and Recording

Scrutiny meetings are held in public, rather than being public meetings. This means that whilst residents and press are welcome to attend, they can only ask questions at the discretion of the Chair. For further information relating to public access to information, please see Part 4 of the council's constitution, available at <http://www.hackney.gov.uk/l-gm-constitution.htm> or by contacting Governance Services (020 8356 3503)

Rights of Press and Public to Report on Meetings

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Overview & Scrutiny

Scrutiny Panel

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Monday, 1 February 2021

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<https://youtu.be/cFul4SrJmKk>

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Tim Shields

Chief Executive, London Borough of Hackney

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	Cllr Sharon Patrick	Cllr Sophie Conway	Cllr Sade Etti
	Cllr Polly Billington	Cllr Peter Snell	

Agenda

ALL MEETINGS ARE OPEN TO THE PUBLIC

1	Apologies for Absence	7.00pm
2	Urgent Items / Order of Business	7.03pm
3	Declarations of Interest	7.04pm
4	Chief Executive Question Time	7.05pm (55 mins)

In the municipal year the Scrutiny Panel will hold a question time sessions with the Chief Executive to ask questions about strategic direction of the Council, performance and decision-making within the Council. This session will cover the following:

1. Harassment and bullying
2. Cyber attack
3. Recovery plan from Covid-19.

5	Quarterly Finance Update	8.00pm (55 mins)
	The finance update and reports attached will cover: <ol style="list-style-type: none">1. Presentation about the Council Budget for 2021/20222. Council's Monthly Overall Financial Position (OFP) Report - This report provides information about the Council's latest budgetary position in 2020/21. Report to Follow3. Capital Programme report - This report provides information about the Council's Capital Programme.4. Housing Revenue Account budget 2021/22 including tenants rents and service charges.	
6	Minutes of the Previous Meeting	8.55pm (5 mins)
	To agree the minutes of the meeting held on 5 th October 2020.	
7	Scrutiny Panel Work Programme	9.00pm (5 mins)
	To agree or amend the work programme for the remainder of municipal year 2020/2021.	
8	Any Other Business	9.05pm (5 mins)

To access the meeting please click in the link <https://youtu.be/cFul4SrJmKk>

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Scrutiny Panel 1st February 2021 Item 4 – Chief Executive Question Time	Item No 4
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Outline

In the municipal year the Scrutiny Panel will hold a question time sessions with the Chief Executive to ask questions about strategic direction of the Council, performance and decision-making within the Council.

The Chief Executive is given advance notice of the topic areas which will be the focus of the question time session. The Scrutiny Panel agreed this session will cover the following:

1. Harassment and bullying
2. Cyber attack
3. Recovery plan from Covid-19.

Invited guest

- **Tim Shields**, Chief Executive

Action

The Commission is asked to note the responses and ask the Chief Executive questions.

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Scrutiny Panel 1st February 2021 Item 5 – Quarterly Finance Update	Item No 5
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Outline

The finance update and reports attached will cover:

1. Presentation about the Council Budget for 2021/2022
2. Council's Monthly Overall Financial Position (OFP) Report - This report provides information about the Council's latest budgetary position in 2020/21. **Report to Follow**
3. Capital Programme report - This report provides information about the Council's Capital Programme.
4. Housing Revenue Account budget 2021/22 including tenants rents and service charges.

In addition to the main reports the Group Director Finance and Corporate Resources will give a presentation on the Council Budget.

The reports in the agenda provide the following information:

1. The Overall Financial Position (OFP) **report is to follow.**
2. The Capital programme report updates Members on the current position of the Capital Programme with the delivery of those schemes as set out in section 9 of this report. Key recommendations for capital investment are detailed below.
 - a. This report recommends investment into more Hackney based SEND provision and in Hackney schools generally.
 - b. This report recommends improving the public realm in particular through tree planting and green screen programmes – '21st Century Street' programme launched in response to growing demands in Dalston to address the air quality and road safety impact of motor vehicles, improve the look and feel of streets, and increase the amount of green space and tree canopy cover.
 - c. This report recommends continued investment in parks - £1m in park depots which are vital in ensuring that Parks Operational staff have a secure and safe environment in which to carry out their work. There are plans to integrate these staff with grounds maintenance staff from Hackney Housing and improve both how the sites are laid out and the facilities on site to accommodate the increase in staff numbers.

- d. This report recommends work continues on the road safety programme with investment to reduce traffic on residential streets, creating low-traffic neighbourhoods so more people can walk and cycle as part of their daily routine. Ensuring the highways are well and sustainably lit will reduce the Council's energy consumption through street lighting and reducing the Council's carbon footprint and generating savings.
 - e. This report recommends continued investment in highways maintenance in upgrading drainage to improve safety and mitigate flooding risk and continue our bridge maintenance programme
3. The report recommends a budget for the Housing Revenue Account (HRA) for 2021/22 and rents for our Council homes. This report sets out the proposed budget and rent levels for the forthcoming financial year. The rent increase is proposed at CPI + 1% which is in line with Government policy.

The HRA Business Plan, approved by Cabinet in March 2019 as part of the Asset Management Strategy sets out the savings requirements to ensure that the investment in the existing housing stock can be maintained to ensure the housing stock is sustainable in the long term. The necessary savings identified for 2021/22 are included in this proposed budget.

This year, the pandemic has had a huge impact on the budget for managing and maintaining Council homes, with more tenants put into financial difficulty and struggling to pay their rent, higher costs from providing additional support to those residents most in need, and less extra income from other sources such as hiring out community halls.

Attending for this item will be:

- **Ian Williams**, Group Director Finance and Corporate Resources

Action

The Commission is requested to give consideration to the reports and presentation and ask questions.

Capital Update Report KEY DECISION NO. FCR R.30	
CABINET MEETING DATE 25 January 2020	CLASSIFICATION: Open If exempt, the reason will be listed in the main body of this report.
WARD(S) AFFECTED All Wards	
CABINET MEMBER Philip Glanville, Mayor of Hackney	
KEY DECISION Yes REASON Spending or Savings	
GROUP DIRECTOR Ian Williams Finance and Corporate Resources	

1. CABINET MEMBER'S INTRODUCTION

- 1.1 This report updates members on the capital programme agreed in the 2020/21 budget.
- 1.2 The recommendations contained in this report reflect our continued commitment to meeting our manifesto pledges - to invest in more Hackney based SEND provision and in our schools generally. In particular, the Garden School Post 16 and expansion project (additional £0.2m taking the budget to £2.24m) at the old Ickburgh site will increase provision for young people with Autistic Spectrum Disorder (ASD) and Severe Learning Difficulties (SLD) and the continuation of our facades programme (£4.68m) to a further 13 primary schools help to ensure that our young people are educated in a fit for purpose environment.
- 1.3 This report also demonstrates our continued commitment to improving the public realm in particular through tree planting (£1.750m) and green screen programmes (£0.7m) - whilst Colvestone Crescent has been selected as the location for Hackney's first inaugural '21st Century Street' programme (£0.3m) launched in response to growing demands in Dalston to address the air quality and road safety impact of motor vehicles, improve the look and feel of streets, and increase the amount of green space and tree canopy cover.
- 1.4 We continue our investment in our parks - £1m in park depots which are vital in ensuring that Parks Operational staff have a secure and safe environment in which to carry out their work. There are currently plans in place to integrate these staff with grounds maintenance staff from Hackney Housing and there is a need to improve both how the sites are laid out and improve the facilities on site to accommodate the increase in staff numbers.
- 1.5 Work continues on our road safety programme with a £0.3m investment to reduce traffic on residential streets, creating low-traffic neighbourhoods so more people can walk and cycle as part of their daily routine. We also want to ensure our highways are well and sustainably lit, and meet our pledge to replace all our street-lights with energy-saving LED bulbs. So far 63% of street-lights have been replaced, and the £1.250m of investment set out in this report will help us replace the remaining 37%. This will reduce the Council's energy consumption through street lighting by 40%, reducing the Council's carbon footprint and generating savings – helping us to further meet our goal to prevent a climate emergency.
- 1.6 Finally to ensure our infrastructure is maintained we continue to invest in highways maintenance (£2.280m) including £0.280m in upgrading drainage to improve safety and mitigate flooding risk and a further £0.2m to continue our bridge maintenance programme.
- 1.6 I commend this report to Cabinet.

2. GROUP DIRECTOR'S INTRODUCTION

2.1 This report updates Members on the current position of the Capital Programme and seeks spending and resource approval as required to enable officers to proceed with the delivery of those schemes as set out in section 9 of this report.

3. RECOMMENDATION(S)

3.1 **That the schemes for Children, Adults and Community Health as set out in section 9.2 be given approval as follows:**

The Garden School Post 16 and Expansion: Resource and Spend approval of **£200k in 2021/22** is requested to increase the existing budget and fund the expansion at The Garden School a school for pupils with Autistic Spectrum Disorder (ASD) and Severe Learning Difficulties (SLD).

London Schools Board (LSB) Façade Repair Programme: Virement and spend approval of **£4,677k (£3,672k in 2021/22 and £1,005k in 2022/23)** to continue the programme of health and safety remedial works to the facades of 23 London School Board (LSB) schools that began in 2017.

3.2 **That the schemes for Neighbourhoods and Housing (Non) as set out in section 9.4 be given approval as follows:**

Parks Depots: Spend approval of **£1,000k (£350k in 2020/21 and £650k in 2021/22)** is requested to fund the enabling works to the Council's Parks Depots

Developing Borough Infrastructure: Spend approval of **£300k in 2021/22** is requested to fund to improve the public realm on Dalston's Colvestone Crescent. Colvestone Crescent has been selected as the location for Hackney's first inaugural '21st Century Street' programme.

Bridge Maintenance Schemes 2019/20: Spend approval of **£200k in 2020/21** is requested for the continuation of the 5 year Bridge Maintenance Programme in the borough.

Road Safety Programme: Spend approval of **£300k in 2021/22** is requested to fund the continuing road safety works on the borough's roads.

Highways Street Lighting LED Upgrades 2020/21: Spend approval of **£1,250k (£635k in 2020/21 and £615k in 2021/22)** is requested to continue the upgrade of the highways street lighting across the entire borough.

Parks Trees 2020/21: Spend approval of **£200k in 2020/21** is requested to continue the essential maintenance work on existing trees around the Borough.

Tree Planting Programme: Resource and spend approval of **£1,750k (£1,500k in 2020/21 and £250k in 2021/22)** is requested to fund the programme to increase tree canopy cover around the borough.

Green Screens Programme: Resource and spend approval of **£700k (£100k in 2020/21 and £600k in 2021/22)** is requested to deliver the Greens Screens programme over two years.

Highways Surface Water Drainage 2020/21: Spend approval of **£280k in 2020/21** is requested to facilitate the delivery of the 2020/21 water drainage programme at various locations across the borough.

Highways Planned Maintenance 2020/21: Spend approval of **£2,000k in 2020/21** is requested to continue to deliver the 2020/21 Planned Maintenance Highways Programme.

3.3 That the re-profiling of the budgets as detailed in para 9.4 and Appendix 1 be approved as follows:

Summary of Phase 2 Re-profiling	To Re-Profile 2020/21	Re-Profiling 2021/22
	£'000	£'000
Non-Housing	2,225	(2,225)
Housing	(3,035)	3,035
Total	(810)	810

3.4 That the capital programme adjustments summarised below set out in detail in para 9.5 be approved accordingly.

Summary of Capital Adjustments	Budget 2020/21	Change 2020/21	Updated 2020/21
	£'000	£'000	£'000
Non-Housing	4,092	(191)	3,901
Housing	23,284	(480)	22,805
Total	27,377	(671)	26,706

4. REASONS FOR DECISION

4.1 The decisions required are necessary in order that the schemes within the Council's approved Capital programme can be delivered as set out in this report.

4.2 In most cases, resources have already been allocated to the schemes as part of the budget setting exercise but spending approval is required in order for the scheme to proceed. Where however resources have not previously been allocated, resource approval is requested in this report.

5. DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

None.

6. BACKGROUND

6.1 Policy Context

The report to recommend the Council Budget and Council Tax for 2020/21 considered by Council on 26 February 2020 sets out the original Capital Plan for 2020/21. Subsequent update reports considered by Cabinet amend the Capital Plan for additional approved schemes and other variations as required.

6.2 Equality Impact Assessment

Equality impact assessments are carried out on individual projects and included in the relevant reports to Cabinet or Procurement Committee, as required. Such details are not repeated in this report.

6.3 Sustainability

As above.

6.4 Consultations

Relevant consultations have been carried out in respect of the projects included within this report, as required. Once again details of such consultations would be included in the relevant detailed reports to Cabinet or Procurement Committee. As referenced above the feasibility work in both Dalston and Hackney Central will be subject to further community engagement and eventually consultation.

6.5 Risk Assessment

The risks associated with the schemes detailed in this report are considered in detail at individual scheme level. Primarily these will relate to the risk of the projects not being delivered on time or to budget. Such risks are however constantly monitored via the regular capital budget monitoring exercise and reported to cabinet within the Overall Financial Position reports. Specific risks outside of these will be recorded on departmental or project based risk registers as appropriate.

7. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

7.1 The gross approved Capital Spending Programme for 2020/21 currently totals **£219.625m (£111.746m non-housing and £107.880m housing)**. This is funded by discretionary resources (borrowing, capital receipts, capital reserves (mainly Major Repairs Reserve and revenue contributions) and earmarked funding from external sources.

7.2 The financial implications arising from the individual recommendations in this report are contained within the main report.

- 7.3 If the recommendations in this report are approved, the revised gross capital spending programme for 2020/21 will total **£220.503m (£116.138m non-housing and £104.365m housing)**.

Current Directorate	Revised Budget Position	Capital Adjustments	Phase 2	Jan 2020 Cabinet	Updated Budget Position
	£'000	£'000	£'000	£'000	£'000
Children, Adults & Community Health	7,461	(543)	(621)	0	6,298
Finance & Corporate Resources	73,570	352	9,436	0	83,358
Neighbourhoods & Housing	30,714	0	(6,590)	2,358	26,482
Total Non-Housing	111,746	(191)	2,225	2,358	116,138
Housing	107,880	(480)	(3,035)	0	104,365
Total	219,625	(671)	(810)	2,358	220,503

- 7.4 On 1 November 2020 the Chief Executive's new senior management structure came into effect. The summary table above is reporting the budgets based on the old Council's organisation structure. The budget will be reported on the old structure to the end of the financial year 2020/21 and then the new structure will be reported from 1 April 2021.

8. COMMENTS OF THE DIRECTOR OF LEGAL

- 8.1 The Group Director, Finance and Corporate Resources is the officer designated by the Council as having the statutory responsibility set out in section 151 of the Local Government Act 1972. The section 151 officer is responsible for the proper administration of the Council's financial affairs.
- 8.2 In order to fulfil these statutory duties and legislative requirements the Section 151 Officer will:
- (i) Set appropriate financial management standards for the Council which comply with the Council's policies and proper accounting practices, and monitor compliance with them.
 - (ii) Determine the accounting records to be kept by the Council.
 - (iii) Ensure there is an appropriate framework of budgetary management and control.
 - (iv) Monitor performance against the Council's budget and advise upon the corporate financial position.
- 8.3 Under the Council's Constitution, although full Council set the overall Budget it is the Cabinet that is responsible for putting the Council's policies into effect and responsible for most of the Council's decisions. The Cabinet has to take decisions in line with the Council's overall policies and budget.
- 8.4 The recommendations include requests for spending approvals. The Council's Financial Procedure Rules (FPR) paragraphs 2.7 and 2.8 cover the capital programme with 2.8 dealing with monitoring and budgetary control arrangement

8.5 Paragraph 2.8.1 provides that Cabinet shall exercise control over capital spending and resources and may authorise variations to the Council's Capital Programme provided such variations: (a) are within the available resources (b) are consistent with Council policy.

9. CAPITAL PROGRAMME 2020/21 AND FUTURE YEARS

9.1 This report seeks spending approval for schemes where resources have previously been allocated as part of the budget setting process, as well as additional resource and spending approvals for new schemes where required.

9.2 Children, Adults and Community Health:

9.2.1 **The Garden School Post 16 and Expansion:** Resource and Spend approval of **£200k in 2021/22** is requested to increase the existing budget and fund the expansion at The Garden School a school for pupils with Autistic Spectrum Disorder (ASD) and Severe Learning Difficulties (SLD). The Government has committed £365m of capital funding, the Special Provision Capital Fund (SPCF), to help local authorities create new school places and improve existing facilities for children and young people with SEND. The funding is intended for children and young people who have an education, health and care plan (EHP) for whom the local authority is responsible. Hackney Council has been allocated an overall £3.375m from the SPCF. The Council consulted with the local community to complete a plan showing how they plan to invest their funding. The proposal for developing Post-16 provision at The Garden School was identified and evaluated through the development of the SEND Provision Capital Plan of Intent, outlining how the LA intend to invest the special provision fund allocation.

The original allocation for this project of £2.038m was approved by Cabinet in October 2019. That is £1.538m from the Special Provision Capital Fund to support this proposal with an additional £500k contribution from The Garden School's budget. The Ickburgh Road site, until last year occupied by New Regent's College and now being secured through Corporate Property's Guardian contract, has been identified as the most suitable site available for refurbishment to accommodate this provision. The site was formerly used by Ickburgh school (a school for pupils with profound and multiple needs). A feasibility study was undertaken in 2019, the design has been developed and the project has been approved to go to tender. Hackney's special provision capital fund plan included a £200k contingency for this project (in addition to the £2.038m). The preferred option and the design developed from this requires the additional £200k to meet the requirements of the scheme.

Census data and roll figures confirm that there are increasing numbers of young people with Autism Spectrum Disorder (ASD) in Hackney. Over recent years the number of children and young people with Statements of SEN/Education, Health and Care Plans has increased significantly, approximately 36% over the last 5 years, with an average annual growth of 6.1%. The requests for post-16 places year-on-year have grown due to the raised age of participation age, extension of the offer of education under the SEND reforms, and also the raised expectations for young people's outcomes. In Hackney, Autistic Spectrum Disorder is by far the

most prevalent reason for a young person in year 9 to age 20 having an Education, Health and Care Plan (EHCP).

This capital project supports all 5 Priorities of the Council’s 2018-2028 Sustainable Community Strategy, by providing education for SEN pupils within the borough enabling local pupils to access local education, helping them to develop the skills and preparation for adulthood and providing links to the community through the development of the post 16 curriculum. The project also involves the replacement of the roof and upgrading the insulation of the building to help improve the energy efficiency of the building. This approval will have no net impact on the capital programme as these resources will be fully funded by grant.

9.2.2 **London Schools Board (LSB) Façade Repair Programme:** Virement and spend approval of **£4,677k (£3,672k in 2021/22 and £1,005k in 2022/23)** to continue the programme of health and safety remedial works to the facades of 23 London School Board (LSB) schools that began in 2017. The table below sets out the list of 13 schools for the next stage of work.

No	School
1	Daubeney
2	Mandeville
3	Morningside
4	Springfield
5	Southwold
6	Tyssen
7	De Beauvoir
8	Orchard
9	Harrington Hill
10	Colvestone
11	Princess May
12	Grasmere
13	Woodberry Down

In December 2017 Cabinet authorised spend approval of £4,601k, resource and spend approval of £6,308k in December 2018, and a further spend approval £1,796k in January 2019. The programme was instigated by falling masonry at two schools. Following these incidents the Council commissioned detailed conditions surveys of the facades of all similar schools, to assess the health and safety risks and potential scope of remedial works. The resulting scope was then prioritised in varying degrees of priorities and works are being procured and delivered in line with these priorities.

Following the experience of delivery of the first two projects (Shoreditch Park and Gainsborough Primary Schools) the Council procurement strategy is to procure contractors who are specialists in maintaining the facades of heritage and listed buildings. Where schemes are less complex, a smaller individual value per school,

and do not involve heritage and listed buildings (or where the risk issues associated with the same are manageable), it is more appropriate to seek a larger contractor that can oversee multiple sites being worked on in parallel.

This capital project supports all 5 Priorities of the Council's 2018-2028 Sustainable Community Strategy, by creating local job opportunities on the Facade School repair programme, it contributes towards making Hackney 'a borough where everyone can enjoy a good quality of life and the whole community can benefit from growth'. It also makes Hackney 'a borough where residents and local businesses fulfil their potential and everyone enjoys the benefits of increased local prosperity and contributes to community life' by encouraging better learning ability at first class schools through well run school programmes assisted by local council. The health and safety programme at these schools promotes the wellbeing of all citizens of Hackney borough. The Facade programme will connect Hackney communities with working partnerships to promote community cohesion and build a greener and environmentally sustainable community which is prepared for the future. The overall funding of the scheme is a combination of Section 106 funding and capital contribution. This approval will have no net impact as the resources already form part of the capital programme.

9.3 Neighbourhoods and Housing (Non):

9.3.1 **Parks Depots:** Spend approval of **£1,000k (£350k in 2020/21 and £650k in 2021/22)** is requested to fund the enabling works to the Council's Parks Depots set out in the table below. These 7 depots are currently spread across the various parks. All of which are vital in ensuring that Parks Operational staff have a secure and safe environment in which to carry out their work. There are currently plans in place to integrate these staff with grounds maintenance staff from Hackney Housing and there is now a need to improve both how the sites are laid out and improve the facilities on site to accommodate the increase in staff numbers. All of the sites have suffered from a chronic lack of investment over the years. As part of the review by the Cross Cutting Public Realm Programme Board in 2018 looking at how to integrate Housing Grounds Maintenance with Parks and Green Spaces Grounds Maintenance a number of recommendations were made. One of which was a programme of works to improve the Parks Depot infrastructure to support the integration of staff.

The exact works at each site is still to be determined but the overarching remit of this project is to provide adequate staff welfare for both the current and the newly integrated teams, better facilities and storage for equipment, materials and vehicles. It should be noted that costs for specific sites are not finalised at this stage and will only be confirmed once detailed plans are developed for each of the sites. Improving the various depots spread throughout the Borough will assist the Parks Operational teams to contribute to Priority 1 of the Council's Community Strategy 'A borough where everyone can enjoy a good quality of life and the whole community can benefit from growth' and Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This capital spend demonstrates the Council's commitment to invest in, maintain and protect the parks and green spaces we have and work with residents and grassroots groups to enhance these existing green spaces to build Hackney's resilience to climate

change, improve local air quality and to create pleasant and safe walking and cycling routes which will also encourage greater physical activity amongst people who live and work in the borough. This approval will have no net impact as the resources already form part of the capital programme.

No	Depot
1.	Clissold Park
2.	Hackney Downs
3.	Hackney Marshes
4.	Haggerston Park
5.	London Fields
6.	Millfields
7.	Springfield

9.3.2 Developing Borough Infrastructure: Spend approval of **£300k in 2021/22** is requested to improve the public realm on Dalston's Colvestone Crescent. Colvestone Crescent has been selected as the location for Hackney's first inaugural '21st Century Street' programme. The 21st Century Streets Programme has been launched in response to growing demands in Dalston to address the air quality and road safety impact of motor vehicles, improve the look and feel of streets, and increase the amount of green space and tree canopy cover. Whilst the exact design of the space is yet to be determined, the broad vision is for a new, large green space, secure cycle storage, cycle and dockless cycle parking, a School Street, electrical vehicle charging and an increase of ten-year tree canopy cover to 40 per cent of the street. This approach will also incorporate the principles of the forthcoming Child Friendly Borough planning document to ensure children and young people have the power to influence change; can have doorstep play, can move around safely; have connections with nature; have inclusive, vibrant and healthy open spaces.

This capital spend demonstrates the Council's commitment towards improving quality of life for our residents. The aspiration is for Hackney's transport system to be exemplar for sustainable urban living in London and to transform Hackney's places and streets into the most attractive and liveable neighbourhoods in London. Creating a better balance between pedestrians, cyclists and motor vehicles is therefore critical if we are to make our neighbourhoods more attractive and liveable for everyone. This capital project supports Hackney's Community Strategy Priority 1 'A borough where everyone can enjoy a good quality of life and the whole community can benefit from growth', Priority 3 'A greener and environmentally sustainable community which is prepared for the future', Priority 4 'An open, cohesive, safer and supportive community' and Priority 5 'A borough with healthy, active and independent residents'. This approval will have no net

impact on the capital programme as these resources will be funded by discretionary resources held by the local authority.

9.3.3 Bridge Maintenance Schemes 2019/20: Spend approval of **£200k in 2020/21** is requested for the continuation of the 5 year Bridge Maintenance Programme in the borough. This capital resource will significantly help in reducing long-term maintenance on these structures, which is required to maintain and improve the Streetscene for the people that live, work and travel in Hackney. This capital expenditure is continuing the 5-year bridge maintenance programme within the borough. The works to Temple Mills Bridge include the removal of corroded and defective steelwork. The application of anti-corrosion coating to the soffit and parapets. The removal of corroded ends for bridge deck and the renewal of anti-slip surfacing. The works to Eastway Bridge include the works to the soffit of the deck extension; the installation of Pigeon Deterrent and repair to Jack arch soffits caused by leaching. This capital expenditure supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

9.3.4 Road Safety Programme: Spend approval of **£300k in 2021/22** is requested to fund the continuing road safety works as set out in the table below. It is essential to reduce traffic on residential streets, creating low-traffic neighbourhoods so more people can walk and cycle as part of their daily routine. The proposed road closures could also assist in addressing some of the difficulties faced in social distancing on various streets within the borough. By reducing traffic volumes, this increases walking and cycling space. This can particularly be helpful for those taking their exercise and encountering pedestrians coming in the other direction, as it will improve safety if pedestrians need to move into the road to pass at safe distances. The road closures will reduce the dominance of the private vehicle and would contribute to achieving the Council wider aspirations of reducing overall traffic flows should help to improve air quality, reduce traffic casualties and make our neighbourhoods more pleasant places to walk, play and cycle in. This capital expenditure supports Priorities 3 in the Hackney's Sustainable Community Strategy 2018-2028 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on resources as they already form part of the capital programme.

No	Location	
1	Kings Park Area	Road Closures at Ashdean and Meeson Road to create a Low Traffic Neighbourhood by preventing vehicles rat running through the area to avoid Homerton High Street.
2	Richmond Road Area	Bus filter on Richmond Road along with closures alongside the eastern side of the A10 in order to create a Low Traffic Neighbourhood.
3	Victoria Park Road	Continuation of safety improvements along the road, particularly at junctions with side roads

4	Shepherdess Walk	Shepherdess Walk just south of Murray Grove together with Nile Street and Ebenezer Street junctions with Provost Road.
5	Low Traffic Neighbourhoods - Modal Filters and schemes that prioritise walking and cycling	Road safety and Public Realm Improvement at various locations in the borough.

9.3.5 **Street Lighting Upgrades 2020/21:** Spend approval of **£100k in 2021/22** is requested to fund the continuing street lighting upgrade programme to remove inefficient high energy consuming items. The new lighting will improve the distribution, quality and colour of light, improving visibility and object detection for both motorised and sustainable forms of transportation. The new lighting will also significantly improve the Streetscene for the people that live, work and travel in Hackney. The program to date has focused on secondary and residential roads, this phase of the project will target street lighting on our principal road network (Mare Street and Well Street) and the higher output luminaires and upgrade the existing street lights located across the entire borough. The works will consist of the replacement of traditional high pressure sodium luminaires with modern LED street lighting technologies. This lighting improvement scheme will reduce energy consumption and carbon emissions; reduce sky glow and night time pollution; and improve lighting levels. This demonstrates the Council's focus to lead growth in the social environment and night time economy and to help to reduce crime and fear of crime for all users. It will make it safer to walk, spend time and play on our streets. This will make our streets safer, welcoming, more accessible and more inclusive for disabled people, older people and families with young children. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

9.3.6 **Highways Street Lighting LED Upgrades 2020/21:** Spend approval of **£1,250k (£635k in 2020/21 and £615k in 2021/22)** is requested to continue the upgrade of the highways street lighting across the entire borough. This capital expenditure is continuing the street lighting upgrade programme to remove inefficient high energy consuming items. The new lighting will improve the distribution, quality and colour of light, improving visibility and object detection for both motorised and sustainable forms of transportation. As of 31 March 2020, approximately 63% of the Public Highway lighting stock has been upgraded to LED. This capital investment will continue to upgrade the remaining 37% (set out in the table below). With the expansion of cycling links across London, the new lighting will also make it safer to cycle on our streets and encourage more people to use this form of transport to reduce car dependency and improve the air quality and general health and wellbeing of our residents. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

New Ward	Numbers
Brownswood	144

Cazenove	85
Clissold	129
Dalston	123
De Beauvoir	101
Hackney Central	106
Hackney Downs	145
Hackney Wick	130
Haggerston	68
Homerton	141
Hoxton East and Shoreditch	130
Hoxton West	66
Kings Park	0
Lea Bridge	134
London Fields	137
Shacklewell	0
Springfield	124
Stamford Hill West	148
Stoke Newington	123
Victoria	136
Woodberry Down	35
Total	2205

9.3.7 **Parks Trees 2020/21:** Spend approval of **£200k in 2020/21** is requested to continue the essential maintenance work on existing trees around the Borough. This includes conservation, treatment of disease, improving the structure, removal of dangerous or defective branches. Since the pandemic and the extra pressures placed on our Parks and Open Spaces the capital expenditure will ensure that this tree resource is protected and enhances the tree resource for the future. With increased planting planned in line with the Council's aspirations to increase the borough's canopy cover as a response to climate emergency. This capital expenditure will significantly benefit the successful maintenance of the London Borough of Hackney's 58 parks and open spaces totalling 282 hectares, of which 27 currently are Green Flag award winners. Hackney prides itself on these high quality green spaces and they greatly contribute to the identity of the borough. Hackney is the third most densely populated area in the country (after Islington and Kensington and Chelsea), and this can put pressure on the availability of the green space that residents use for leisure, relaxation and sports, all of which contributes to good emotional and physical wellbeing and creates opportunities for social interaction. The multitude of positive environmental services provided by trees are invaluable to Hackney and enrich the lives of people in the local area. From the sequestration of carbon and the production of oxygen to the trapping of harmful pollutants Hackney's parks trees contribute to the overall air quality experienced by the borough's human population. Their ability to naturalise the urban environment through the provision of food and habitat for wildlife and normalisation of the hydrological cycle contributes to an improved quality of life for the local area. This capital expenditure supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

- 9.3.8 **Tree Planting Programme:** Resource and spend approval of **£1,750k (£1,500k in 2020/21 and £250k in 2021/22)** is requested to fund the programme to increase tree canopy cover around the borough. The Council is looking to meet the demanding targets set out in our climate emergency motion and has committed to a range of decisive infrastructural changes and improvements to achieve this. This includes increasing on-street canopy cover in Hackney by 50% through the planting of 5,000 new street trees and 1,000 trees in parks across parks and open spaces and housing land. Increasing on-street canopy cover from 20% to 30% by 2022. The Council is focused on tackling the urgent issue of poor air quality on its streets caused by emissions of NOx, CO2 and particulates and 50% of which comes from transport. The planting of trees is a key part of the Council's 'nature-based solution' of increasing green infrastructure and significantly reducing carbon dioxide emissions, reducing global warming and protecting and conserving biodiversity. The benefits of increased canopy cover during the hottest summer months through shading and evaporative cooling, may help reduce heat-related hospital admissions and energy demand for cooling. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.
- 9.3.9 **Green Screens Programme:** Resource and spend approval of **£700k (£100k in 2020/21 and £600k in 2021/22)** is requested to deliver the Greens Screens programme over two years. The requested funding will deliver 29 green screens at primary schools in Hackney. The installation of vegetated screens at these schools will provide a barrier between the air pollution from busy roads and the school, blocking air pollution reaching the school and improving local air quality. The chosen schools have been assessed for need and those who would benefit the most from the intervention have been selected based on a number of factors affecting air quality and the expected impact of the green screen. The Council have already installed 3 green screens at schools in the borough as part of the Green Screens programme. The plan is to install green screens at a further 29 selected schools, bringing the total number of schools with green screens to 32. Not only will this absorb and screen harmful pollutants, it will also contribute to the overall level of green infrastructure in the borough which can help lock-in carbon dioxide, and provide a wide range of biodiversity, cooling, and drainage benefits. The Council is focused on tackling the urgent issue of poor air quality on its streets caused by emissions of NOx, CO2 and particulates and 50% of which comes from transport. Greening Screens is also a key part of creating healthy streets and liveable neighbourhoods. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as it will be funded by discretionary resources held by the authority.
- 9.3.10 **Highways Surface Water Drainage 2020/21:** Spend approval of **£280k in 2020/21** is requested to facilitate the delivery of the 2020/21 water drainage programme at various locations across the borough. This bid will deliver 48 new road gullies out of 100 identified locations. Gullies are upgraded by installing new

concrete gully pots, new hinged grates and replacing the pipework in the line to the main sewer if required. Many gullies in Hackney are of an older type constructed of brick that are being gradually replaced when they are no longer operational as part of the capital drainage programme. Ineffective gullies lead to water holding on the carriageway, which can accelerate carriageway deterioration and can be a problem to both cyclists and pedestrians and in extreme cases can contribute to property flooding. The cyclical gully cleaning programme identifies the location where a gully may need replacing. The service gives priority in targeting defective gullies in flood risk areas. This capital resource will enhance the environment and contribute to the green infrastructure of the borough ensuring the area is accessible and welcoming. All sections of the community will benefit from an improved streetscene. Walking and cycling will be more attractive and therefore car use should be reduced leading to a healthier community. A better environment will lead to more people out and about which in turn will lead to an improved economy. Improvements to walking will also assist people with disabilities making travelling around the borough more attractive. Safety improvements will lead to less accidents and less casualties, helping the Council meet our national and local accident reduction targets. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources already form part of the approved programme.

Gully Replacement Programme 20/21		
Road Name	Location	Ward
Queens Drive	5 Aston Court, 64	Brownwood
Cazenove Road	87	Cazenove
Northwold Road	57	Cazenove
Northwold Road	53	Cazenove
Osbaldeston Road	74	Cazenove
Stoke Newington Church Street	271A	Clissold
Albion Road	67B	Clissold
Allen Road	35A	Clissold
Howard Road	77	Clissold
Springdale Road	34	Clissold
Lansdowne Drive	LC40	Dalston
Downs Park Road	83	Hackney Central
Geldeston Road	33-39	Hackney Downs
Kenninghall Road	25	Hackney Downs
Jenner Road	15	Hackney Downs
Downs Road	28	Hackney Downs
Kenton Road	Opp 25	Hackney Wick

Trowbridge Road	Opp LC14	Hackney Wick
Wallis Road	Opp LC12	Hackney Wick
Penn Street	28	Hoxton East
Penn Street	26	Hoxton East
Rivington Street	1	Hoxton East
Falkirk Street	394	Hoxton East
Falkirk Street	394	Hoxton East
Falkirk Street	394	Hoxton East
Wenlock Road	5	Hoxton East
Hoxton Street	119	Hoxton East
Branch Place	4	Hoxton East
Shaftesbury Street	JO Shepherdess Walk. 106	Hoxton West
Brunswick Place	20	Hoxton West
Brunswick Place	47	Hoxton West
Brunswick Place	20-26	Hoxton West
Shepherdess Walk	121	Hoxton West
Murray Grove	55	Hoxton West
Powerscroft Road	84	Lea Bridge
Westgate Street	LC10	London Fields
Dunn Street	7D	Shacklewell
St Andrews Grove	14	Stamford Hill
West Bank	7	Stamford Hill
Amhurst Park	29	Stamford Hill
Lordship Road	127	Stamford Hill
Lordship Road	191	Stamford Hill
Dynevor Road	2	Stoke Newington
Shore Road	20	Victoria
Shore Road	29-35	Victoria
Well Street	11	Victoria
Victoria Park Road	163	Victoria
Victoria Park Road	206	Victoria

9.3.11 **Highways Planned Maintenance 2020/21:** Spend approval of **£2,000k in 2020/21** is requested to continue to deliver the 2020/21 Planned Maintenance Highways Programme as set out in the tables below. This follows the £2,000k approved by October 2020 Cabinet. Hackney's highway asset network has been gradually deteriorating over the years and in order to stem this decline, it is essential that the highway network is adequately maintained and accorded

sufficient priority for funding. A well-maintained network is essential to provide an acceptable level of service and ensure maximum benefit is obtained from the existing highway infrastructure and in particular cyclists and pedestrians. This bid will also assist in reducing highway-related insurance claims, reduce the costs associated with reactive maintenance works and as stated above, significantly improves the street scene for the people that live, work and travel in Hackney. It is also important to recognise that additional trees (borough-wide 5000 trees, separate programme) will be planted during each of footway upgrade schemes to ensure that no abortive works are completed in the future and therefore keep costs to a minimum. This capital resource will enhance the environment and contribute to the green infrastructure of the borough ensuring the area is accessible and welcoming with pleasant spaces to walk, play, cycle with managed flow of traffic. This capital project links in with the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future' and Priority 4 'An open, cohesive, safer and supportive community'. This approval will have no net impact as the resources already form part of the capital programme.

Minor Footway schemes	
Road	Location
Chart Street	Southern small section from East Road
Pearson Street	J/W Appleby Street to Ombsy Street, southern section of footway
Bevenden Street	Small section adjacent to new development
Dynevor Road	Various small sections
Rectory Road	Various Small sections
Meynell Gardens	Small sections of old PCC Paving cracked throughout
Daubeney Road	From new ASP slabs at the junction of Redwald Road to Colne Road
Major Footway Scheme	
Road	Location
Southborough Road	Whole Road
Atherden Road	Whole Road
Homeleigh Road	Whole Road
Southgate Road	Various sections Existing material a mixture of modular/old PCC paving. Numerous trip hazards. Countles tree root problems
Egerton Road	Various sections
Baches Street	York stone paving. Take up and relay. Many uneven slabs. Trip hazards.
Sigdon Road	All modular paving. Tree root problems causing trip hazards.
Major Carriageway Scheme	
Road	Location
Drysdale Road	Whole road. Surface rutting/cracking. Numerous trenches. Large depressions.

Albion Road	From the zebra crossing at the junction of Stoke Newington Church Street to the junction of Hawksley Road. Surface cracking/crazing. Wheel track rutting. Subsidence.
Wardle Street	Whole road- Major reconstructions including ancillary footway works
Brownswood Road	From Junction with Queens Drive to Green Lanes
Alvington Crescent-Section 1	From St Marks Rise to House No.8 Alvington Crescent. Ponding issues. Numerous trenches. Deterioration of surface course. Undulations.
Alvington Crescent- Section 2	From House No.56 to the speed table at the junction of Shacklewell Lane. Surface crazing. Numerous trenches. Deterioration of surface course.
Ayrsome Road	From the junction of Painsthorpe Road to House No.90 Ayrsome Road. Surface cracking/crazing. Numerous potholes. Drainage issues. Ponding issues in channels outside House No.15-House No.17.
Batley Road	Whole road. Surface rutting/cracking. Numerous trenches. Large undulations/subsidence at the junction of Leswin Road.
Bethnal Green Road	From the junction of Ebor Street to the junction of Shoreditch High Street (red route). Surface rutting. Large depressions/undulations. Principal Road.
Colberg Place	Whole road. Surface cracking/crazing. Wheel track rutting in several sections of the carriageway.
Colvestone Crescent	From the junction of St Marks Rise to the junction of Cecilia Road. Surface crazing and cracking. Large depressions/undulations. Multiple patch repairs. Church located close by.
Lordship Road	From St Kildas Road to Manor Road/Lordship Road junction. Surface cracking/crazing. Deterioration of surface course. Numerous trenches.

9.4 Re-Profiling of the Capital Budgets:

9.4.1 The capital programme is re-profiled twice each year to ensure that the budgets reflect changes in the anticipated development and progress of schemes within the approved programme. This helps to enhance capital budget monitoring and associated financing decisions. The table below summarises the re-profiling of the capital programme between years, the full details of which are shown in **Appendix 1**.

Summary of Phase 2 Re-profiling	To Re-Profile 2020/21	Re-Profiling 2021/22
	£'000	£'000
Children, Adults & Community Health	(621)	621
Finance & Corporate Resources	9,436	(9,436)
Neighbourhood & Housing (Non)	(6,590)	6,590
Total Non-Housing	2,225	(2,225)
Housing	(3,035)	3,035

Total	(810)	810
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9.5 Capital Programme Adjustments:

9.5.1 Capital Programme adjustments are requested in order to adjust and reappropriate the 2020/21 approved budgets to better reflect project delivery of the anticipated programme. The full details for the required changes are set out in the table below.

Capital Adjustments	Budget 2020/21	Change 2020/21	Updated 2020/21
	£	£	£
Children, Adults & Community Health			
Queensbridge Primary	110,000	60,000	170,000
Benthal AMP	341,872	86,010	427,883
Betty Layward AMP	121,000	(45,890)	75,110
Holmleigh AMP	110,000	(110,000)	0
Lauriston AMP	110,000	(9,880)	100,120
AMP Contingency	216,480	19,760	236,240
Stoke Newington BSF Life Cycle	147,000	(371,922)	(224,922)
Clapton Girls BSF Life Cycle	283,166	557,674	840,840
Cardinal Pole Lifecycle	0	(37,999)	(37,999)
Our Ladys School Lifecycle	24,334	(45,334)	(21,000)
Urswick School Lifecycle	26,000	(52,798)	(26,798)
Ickburgh School Lifecycle	55,000	16,500	71,500
Haggerston School Lifecycle	394,843	100,530	495,373
Haggerston Science Lab	0	(72,873)	(72,873)
The Garden Lifecycle	24,333	(12,777)	11,556
Stormont House Lifecycle	0	(58,000)	(58,000)
Thomas Fairchild Lifecycle	0	(23,000)	(23,000)
Finance & Corporate Resources			
15-49 Chapman Road Car Pound	1,763	(1,763)	0
Clapton Common Fr Toilet Refurb	62,456	(14,652)	47,804
Acquisition Gd Flr Retail DWC	3,850	14,652	18,503
Mixed Use Development			
Tiger Way Development	540,943	(540,943)	0
Neighbourhoods & Housing			
Highways Planned Maintenance	1,519,263	351,808	1,871,071
Housing			
Estate Lighting	300,000	(50,000)	250,000
Replace Play Equipment	200,000	(149,999)	50,001
Road & Footpath Renewals	200,000	(99,999)	100,001
H & S and Major Replacement	800,000	(299,999)	500,001

Lift Renewals	500,000	(300)	499,700
Boiler Hse Major Works	400,000	77,363	477,363
Fire Risk Works	6,000,000	(1,000,000)	5,000,000
Lightning Conductors	350,000	50,000	400,000
Hardware Smoke Alarms	50,000	10,479	60,479
Gascoyne Comm Hall refurb	32,196	(32,196)	0
Bridport	400,000	1,015,000	1,415,000
B/wide Housing under occupation	1,000,493	231,007	1,231,500
Hostels - Major Repairs	345,161	(447,533)	(102,372)
55 Albion Grove Hostel Re-Fit	49,474	216,526	266,000
Estate Renewal Implementation	8,269,909	373,044	8,642,953
Marian Court Phase 3	2,265,630	(408,052)	1,857,579
Frampton Park Regeneration	881,634	29,832	911,466
Lyttelton House	1,239,810	5,176	1,244,985
Total	27,376,610	(670,549)	26,706,061

9.6 For Noting:

- 9.6.1 Delegated powers report dated 3 December 2020 gave resource and spend approval for the acceptance and grant from Historic England's Covid-19 Emergency Heritage at Risk Fund to fund necessary structural works, general repairs and cleaning of the wall. The capital expenditure of **£23k in 2020/21** will fund the works at **North Wall to the Churchyard of St Leonard's Church**. The Council is liable for the upkeep and maintenance of a number of former parish burial grounds, typically closed to new burials by Order in Council in 1858. One such is the public park at St Leonard's Churchyard, which was the parish burial ground of the Church of St Leonard, Shoreditch. This sits within the South Shoreditch Conservation Area and is part of the setting and curtilage of the Grade I listed Church of St Leonard. The open space is bounded by various walls and railings, those to the east, north and west sides being Grade II listed in their own right. The wall retains the soil of the burial ground and abuts the public pavement. The wall is partly early 18th century and partly 19th century, with various piers and railings of various dates and is a prominent feature of the local streetscape. It has been in poor condition for many years and has been included in Historic England's Heritage at Risk Register for some years. The listed wall is currently in a dilapidated state of disrepair and works are urgently needed. The wall is listed, has some structural issues and is in need of refurbishment and therefore doing nothing is not an option. Due to the listed nature of the wall the works will need to be carried out using as many of the existing materials as possible. The works will be craft based and use conservation best practice techniques including the use of lime mortar. Tenders will avoid the use of herbicides and pesticides in wall cleaning. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact on the capital programme as the resources are fully funded by grant.

APPENDICES

One.

BACKGROUND PAPERS

In accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012 publication of Background Papers used in the preparation of reports is required.

None.

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Summary of Phase 2 Re-Profiling - Appendix 1

Summary of Phase 2 Re-profiling	To Re-Profile 2020/21	Re-Profiling 2021/22
	£'000	£'000
Children, Adults & Community Health		
Median Road Refurbishment	(30)	30
Median Road Refurbishment	(100)	100
Shoreditch Park AMP	(202)	202
Laursiton AMP	(70)	70
AMP Contingency	10	(10)
Ickburgh BSF Ph3	(18)	18
Queensbridge ARP	51	(51)
The Garden School SEN	(60)	60
Gainsborough SEND	107	(107)
Woodberry Down	1	(1)
Shacklewell School	22	(22)
Façade Developmnt & Profes Cost	52	(52)
Gainsborough Façade Repair	13	(13)
Princess May Façade	(203)	203
Contingency Facade Repairs	(50)	50
De Beauvoir Façade	(134)	134
Grasmere Façade	(120)	120
Hoxton Gardens Façade	(360)	360
Mandeville Façade	7	(7)
Millfields Façade	(140)	140
Morningside Façade	(230)	230
Rushmore Façade	(42)	42
Stoke Newington BSF Life Cycle	453	(453)
Clapton Girls BSF Life Cycle	40	(40)
Clapton Portico	4	(4)
The Urswick School Expansion	115	(115)
Cardinal Pole Lifecycle	38	(38)
Our Ladys School Lifecycle	21	(21)
Urswick School Lifecycle	27	(27)
Haggerston Science Lab	73	(73)
The Garden Lifecycle	24	(24)
Stormont House Lifecycle	58	(58)
Thomas Fairchild Lifecycle	23	(23)
Finance & Corporate Resources		
HLT Restack	(15)	15
SFA - Stoke Newington Assembly	(252)	252
14 Andrews Rd Roof Renewal	(201)	201
HSC Lighting Upgrade	(203)	203

Appendix 1

LandlordWks12-14 Englefield Rd	24	(24)
Landlord wks 37-39 Leswin Road	16	(16)
Wally Foster Centre	(100)	100
Social Care Microfiche	(17)	17
Record Management Optimisation	(42)	42
End-user Mtg Rm Device Refresh	58	(58)
HLT G Suite	69	(69)
Financial Management System	0	0
E-Tendering System	(25)	25
Intallation of AMR's	(35)	35
Intallation of AMR's	(10)	10
PV Solar Panel	(45)	45
INVAC Project	(30)	30
Green Homes Fund	(90)	90
Solar Pilot (Leisure Centres)	(37)	37
Solar Project (Commercial)	(270)	270
Mixed Use Development		
PRU Nile Street	(485)	485
Britannia Site	13,345	(13,345)
Britannia Phase 2a	(2,219)	2,219
Neighbourhood & Housing (Non)		
Library Management System	(8)	8
Library Capital Works	(327)	327
Library Self-Issue Machines	(20)	20
Library Refurb Programme	125	(125)
Stoke Newington Library Refurb	(200)	200
Stamford Hill Library	(150)	150
Play Area Refurbishments	(250)	250
Clissold Park Paddling Pool	(400)	400
Drinking Water Fountains	(30)	30
Abney Park	(363)	363
Shoreditch Park	(75)	75
Fairchild's Gardens	(95)	95
Develop Borough's Infrac	(300)	300
H/ways Oakwharf (0040-08) S106	(81)	81
The Shoreditch Public Realm	(568)	568
Highway Wk BridgeHse&MarianCrt	(68)	68
Highway Wks 211-227 Hackney Rd	(100)	100
Highway Wks 35 Shore Road	(11)	11
Highway Wk 420-424 SevenSister	(81)	81
Highway Wk Sheep Lane Ion Hse	(22)	22
Public Realm New Inn Broadway	(726)	726

Appendix 1

Highway Wks Thirlmere House	(26)	26
Highway Wks King Edwards Road	(31)	31
Plough Yard Fit Out	(106)	106
Comm Vehicles Winter Maintenance	(251)	251
Streetspace (TFL)	(952)	952
Shoreditch CCTV Cameras	(370)	370
Hackney Wick Regeneration	37	(37)
80-80a Eastwy (GLA)	(300)	300
Ridley Road Improvements	(841)	841
Housing		
HiPs North West	(1,300)	1,300
HiPs Central	1,200	(1,200)
HiPs South West	(2,826)	2,826
Dom Boiler Replace/Cen Heating	236	(236)
Green initiatives	600	(600)
Recycling Scheme	73	(73)
Hostels - Major Repairs	448	(448)
Disabled Facilities Grant	149	(149)
General repairs grant (GRG)	22	(22)
Warmth & security grant (WSG)	(140)	140
Marian Court Phase 3	(242)	242
Kings Crescent Phase 3+4	(24)	24
Colville Phase 2C	(300)	300
Nightingale	(418)	418
Frampton Park Regeneration	370	(370)
Lyttelton House	473	(473)
Garage Conversion Afd Wrkspce	(162)	162
Housing Supply Programme	(116)	116
Gooch House	(278)	278
Murray Grove	35	(35)
Downham Road 1	(20)	20
Downham Road 2	(20)	20
Balmes Road	(20)	20
Pedro Street	(2,688)	2,688
Mandeville Street	(254)	254
Tradescant House	(43)	43
Rose Lipman Project	554	(554)
Woolridge Way	(25)	25
Daubeney Road	(898)	898
Herford Road	(20)	20
Other Heads	(50)	50
Phase2 & Other Heads	2,346	(2,346)

Appendix 1

Woodberry Down Phase 2-5	303	(303)
Total	(810)	810

TITLE OF REPORT- HOUSING REVENUE ACCOUNT BUDGET 2021/22 INCLUDING TENANTS RENTS AND SERVICE CHARGES	
Key Decision No. FCR R37	
CABINET MEETING DATE (2020/21) 25th January 2021	CLASSIFICATION: Open If exempt, the reason will be listed in the main body of this report.
WARD(S) AFFECTED All Wards	
CABINET MEMBER Councillor Clayeon McKenzie Housing Services	
KEY DECISION Yes REASON Affect two or more wards	
GROUP DIRECTOR Ian Williams Group Director of Finance and Corporate Resources	

1. CABINET MEMBER'S INTRODUCTION

- 1.1 The report recommends a budget for the Housing Revenue Account (HRA) for 2021/22 and rents for our Council homes. The budget proposals have been developed against a backdrop of unprecedented challenges for the Council and Hackney residents.
- 1.2 This year, the pandemic has had a huge impact on the budget for managing and maintaining Council homes, with more tenants put into financial difficulty and struggling to pay their rent, higher costs from providing additional support to those residents most in need, and less extra income from other sources such as hiring out community halls. Unlike other Council services central government funding has not been available to support the HRA in respect of the costs incurred directly as a result of the pandemic. .
- 1.3 Despite the challenges of the pandemic and from October the cyber attack we continue to deliver high quality services to our residents and progress investment and replacement of the housing investment contracts and the ICT system.
- 1.4 Last year the Government's plan set a longer term rent deal, which permits annual rent increases of up to CPI + 1% for a period of at least five years from April 2020. The policy will help to provide a stable financial platform for the Council to plan its financial resources, to invest in and maintain its assets and to provide excellent housing services to our residents. The Asset Management Strategy which we approved in March 2020 assumes that we adopt this rent policy to maintain investment in our Council homes. Therefore this budget proposes an increase to Council rents in line with this policy. A good, secure Council home will remain more important than ever as the Council rebuilds from the pandemic. A small increase in rent will help provide the vital funds to ensure these are protected.
- 1.5 I am pleased to announce that we will be holding most tenant service charges for another year; with increases only in cleaning and concierge. We are able to do this as we are making savings whilst maintaining and/or improving services to our residents. We are continuing to manage inflation and cost pressures with our savings strategy and continue to deliver improved value for money for our residents through service modernisation and integration of services. We will continue this strategy going forward.
- 1.6 From this year we are introducing a service charge for those residents that benefit from 24 hour CCTV monitoring for their estates. This is in line with the principle that only those households receiving a service pay for that service. The average charge per week for this service will be about 44p per week which represents good value to improve the security of peoples' homes.
- 1.7 I commend this report to Cabinet.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1 This report sets out the proposed budget and rent levels for the forthcoming financial year. The rent increase is proposed at CPI + 1% which is in line with Government policy.
- 2.2 The HRA Business Plan, approved by Cabinet in March 2019 as part of the Asset Management Strategy sets out the savings requirements to ensure that the investment in the existing housing stock can be maintained to ensure the housing stock is sustainable in the long term. The necessary savings have been identified for 2021/22 and are included in this proposed budget.

3. RECOMMENDATION(S)

- 3.1 **To approve the HRA budget proposals as set out in section 11 and Appendix A.**
- 3.2 **To approve the increase in rent of 1.5% (CPI + 1%) in line with The Social Housing Regulator's rent standard and agree that rents will increase on average by £1.52 from £101.58 per week to £103.10 per week with effect from Monday 1st April 2021.**
- 3.3 **To approve the increase in HRA fees and charges in line with inflation 0.5% as set out in Appendix B.**
- 3.4 **To agree the level of tenant service charges as set out in paragraph 12.6; and the service charges for the Concierge service as set out in paragraph 12.7.**
- 3.5 **To delegate to the Group Director of Finance and Corporate Resources in consultation with the Lead Member for Housing the setting of communal heating charges to reflect the unit costs of utilities.**
- 3.6 **To agree the Housing Capital Programme budget and spend approval as set out in Section 16.**

4. REASONS FOR DECISION

- 4.1 The Local Government and Housing Act 1989 Section 76 requires local authorities with a Housing Revenue Account (HRA) to set a budget for the account, which is based on best assumptions, that avoids a deficit and furthermore to keep the HRA under review.
- 4.2 Local authority rent setting powers are set out in section 24 of the Housing Act 1985, this provides that:
- (1) A local housing authority may make such reasonable charges as they may determine for the tenancy or occupation of their houses.
 - (2) The authority shall from time to time review rents and make such changes, either of rents generally or of particular rents, as circumstances may require.

5. DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 5.1 The budget has been built from the HRA Business Plan and reviewing the base budget, including current experience with items of essential expenditure, maintenance and investment to preserve the housing service and its assets.
- 5.2 The budget setting for the HRA continues to be challenging due to the previous Government policy to reduce rents by 1% for four years ending 2019/20. Although rents are now increasing by CPI + 1% the effects of the rent reduction policy are still being managed from the lower rental income levels.
- 5.3 Alternative rent increases were considered in setting the budget, but any reduction to the rent standard set by the Regulator of Social Housing would result in additional savings that would impact on services to tenants, and substantial savings for Central Government in the subsidy of Housing Benefit. A reduction to the rent standard would also have a long term impact on future rent levels and income. Any rent increase above the rent standard would place the Housing Benefit cost pressure on the General Fund and therefore was discounted.

6. BACKGROUND

6.1 Policy Context

- 6.1.1 The HRA budget has been set in line with the HRA Business Plan and the Council's budget setting process. The HRA Business Plan sets out the Council's plans for managing and maintaining its housing stock (including leasehold properties) and other assets held in the HRA. The HRA Business Plan financial model informs the budget setting and capital programme over the Business Plan period. Its fundamental purpose is to set out the resources required to ensure the effective and sustainable management of these housing assets.
- 6.1.2 The Social Housing Regulator set a new rent standard effective from 1st April 2020. The direction is to revert to a rent increase of CPI +1% over the next 5 years, in line with the rent policy before the recent rent reduction policy. This policy is intended to reestablish a stable financial platform for councils and registered providers to plan ahead.
- 6.1.3 The first HRA Business Plan was approved by Cabinet in December 2013. As a result of substantial changes to the capital investment profile, updates were approved by Cabinet in December 2014 and 2016. In order to reflect the Asset Management Strategy, approved by Cabinet in March 2019, a revised HRA business plan was included setting out the financial plan to manage and maintain the Council's Housing stock and other assets held in the HRA.
- 6.1.4 During the year the world has been dealing with a global pandemic, which has had a serious impact on the delivery of services to tenants, the cost of services and tenants ability to pay rent and other charges. Whilst there were

signs of recovery, the 2nd and 3rd lockdowns and the cyber attack on the Council's IT systems have further impacted on costs and income recovery.

- 6.1.5 Whilst the budget is set in line with the approved HRA Business Plan, much of the detail has changed. A revision of the business plan is required, but it would be more appropriate to wait until there are clearer signals of what services and cost will be after the pandemic. In addition, the Asset Management contracts will shortly be tendered and so cost assumptions may change. Therefore during 2021/22 the business plan will be revised and presented alongside the 2022/23 budget.
- 6.1.6 Whilst the HRA business plan is for a period of 30 years, more focus is on the medium-term (five years) as there is more certainty on costs, demands, resources and pressures, which will enable the prioritisation of housing investment. However, the view of the medium term is also considered in the light of the strategic objectives of the Council and the impact of Government policies on rents, disposals and regeneration.
- 6.1.7 The Council wishes to sustain its investment in its housing assets by ensuring all homes are maintained to a high standard, through a wide range of works and cyclical programmes that ensure compliance with legal and safety regulations and that protect against, and prevent deterioration of its buildings. Stock condition information is primarily based on historic works programmes and periodic survey data. An extensive stock condition survey was undertaken during 2018 in order to update information in the stock database and this has been used to inform the Asset Management Strategy and delivery plan. There are also wider Council ambitions to reduce the carbon emissions from the housing stock from investment in thermal and heating technologies, but there is currently no identified resource to fund this investment.
- 6.1.8 In addition to investment in existing properties, the Council continues to progress three extensive regeneration programmes within the borough: Woodberry Down, the Estate Regeneration Programme (ERP), and the Housing Supply Programme (HSP). The financial plans for the existing HRA stock and the regeneration programmes are presented and monitored separately to ensure the viability of each of the asset investments.
- 6.1.9 Under the self-financing system, introduced in April 2012, the Government calculated that Hackney's HRA could sustain £168m of debt. Whilst the debt cap has been removed, this figure is still a relevant measure of viability and so will be used as a guide. However, resources and delivery plans will be profiled to deliver effective investment plans and respond to issues, and so this benchmark may be exceeded for short periods provided prudent assumptions and forecasts are made on medium-term resources.
- 6.1.10 The HRA Business Plan financial model required savings of £1.0m over the period 2020/21 to 2022/23. However due to additional cost pressures the savings requirement has increased to £2.5m . This savings requirement is being monitored and may require increasing during 2021/22 to deal with the

lasting impact of the pandemic. The development of savings proposals is being undertaken in the context of the strategic objectives for housing services and the housing improvement plan and also to need to balance the competing priorities of

- Maintaining and improving the service we deliver to our tenants and leaseholders
- Maintaining the investment in our housing stock;
- Ensuring the safety of our residents in their homes
- The delivery of our housing regeneration programmes; and
- Sustainable borrowing for the HRA

6.2 Equality Impact Assessment

6.2.1 Under Section 149 of the Equality Act, the Public Sector Equality Duty, the Council has a duty to eliminate unlawful discrimination, harassment and victimisation and advance equality of opportunity between people who share a protected characteristic and those who do not. The protected characteristics cover age, disability, sex, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation. The Cabinet is required to consciously consider this duty at every stage of the decision making process.

6.2.2 Work has been undertaken to ensure that all savings proposals have had the appropriate Equality Impact Assessments undertaken, where applicable. The savings proposals protect frontline housing services and are therefore intended where possible to have either a neutral or beneficial impact on services, including for groups who share the protected characteristics under the Equality Act. A number of the proposals, in particular those relating to savings through base budget reviews and limiting inflation, ultimately mean the same service at less price.

6.2.3 In terms of the equalities impact of the proposed rent increase we are relying on the Government's impact assessment of September 2018. It concluded that they did not consider that any specific equalities impacts will arise.

6.2.4 The recommended budget will allow for capital resources as required by the HRA Business Plan to improve and maintain the quality of the Council's housing stock. Good quality housing is a generally accepted key determinant of health and general well-being and investment in the housing stock will have a positive impact on tenants including some of the most deprived people in the borough.

6.3 Sustainability

6.3.1 This report sets the overall HRA budget for 2021/22. The budget includes a significant contribution to capital which will enable the delivery of the 2021/22 capital programme. The capital planned maintenance budget will continue to include provision for sustainability. We will continue to explore external funding opportunities to invest in programmes to increase energy efficiency in the Council's housing stock.

6.4 Consultations

6.4.1 The Council consults with tenants on the levels of rent and service charge increases every year. This year, consultation has taken place via the Residents Liaison Group (RLG) and an article in Our Homes. The consultation runs until early January 2021 and any feedback will be reported at the Cabinet meeting.

6.5 Risk Assessment

6.5.1 There have been a number of significant announcements from the Government which impact upon the HRA budget and Business Plan. These are not always joined up to the extent that they often appear contradictory. While welfare reform remains a significant risk it is one that we have managed reasonably well for the last couple of years. Universal Credit was rolled out in Hackney in October 2018 on a full service basis which means that claimants with a change in circumstances or making a new claim are migrated onto Universal Credit. Claimants are expected to be digitally ready as they are required to manage their claim online and complete online tasks e.g. Job search activities.

6.5.2 During the year the impact of the global pandemic on the ability of tenants to pay their rent during lockdown, any financial difficulties they may have suffered and the impact of the cyber attack has resulted in a significant increase in the value of rent arrears. Rent arrears don't directly impact on the budgets but the provision for unpaid debt is based on the value of rent arrears. Additional provision for unpaid rent will be made in 2020/21 and an additional allowance has been made in the 2021/22 budget. However if the impact of the pandemic continues and the threat of eviction is not reintroduced, it is likely that arrears will continue to increase and additional provision will be required.

6.5.3 The budget provision for unpaid debt is £1.5m p.a.. Prior to the 2nd lockdown and cyber attack, the impact on arrears in 2020/21 is likely to require an additional £1.2m for tenants and £0.5m for commercial properties. However, this may increase further provision required before the end of the financial year and into 2021/22.

6.5.4 The number of new Universal Credit claimants in HRA properties increased by over 50% this year and due to the payment profile, they account for the largest proportion of the increase in rent arrears. Paying tenants arrears have also increased significantly, and whilst tenants on Housing Benefit account for a large proportion of arrears, this has not increased significantly during the year.

6.5.5 The Asset Management Strategy, approved by Cabinet in March 2019, set out the Council's long-term objectives for, investing in the Council's housing stock, ensuring we build on recent successes, and demonstrating continuous improvement. The strategy provides an overarching framework for investment decision-making across the Council's homes and estates. The finances from

the strategy have been used to inform the HRA Business Plan financial model.

6.5.6 The impact of covid restrictions has limited the amount and types of work that could be carried out by contractors during the year and so capital investment is forecast to be lower this year.

6.5.7 In addition to managing the costs/borrowing, there are operational risks to increasing the investment that need to be considered:

- Capacity and technical skills of the staff required to deliver an increased and complex capital programme.
- Appropriate governance is required to ensure efficient investment, value for money is delivered and that the programme does not overcommit resources.
- Expectation that there will be a need to manage what can be delivered in the transition period until appropriate contracts and processes are in place.

6.6 Modern tools for Housing

6.6.1 Working with IT, good progress has been made in developing and launching new services for housing. We are working closely with IT, Housing colleagues and residents to identify user needs, design user-friendly and straightforward customer journeys, test prototypes and launch new services.

6.6.2 These applications have reduced our use of Universal Housing (UH) through simple and elegant web-based user interfaces powered by Application Programming Interfaces (APIs), and are already delivering significant benefits to residents and users.

6.6.3 These systems have developed some reusable components to facilitate more flexible service delivery models across the Council. The technology has been designed in such a way that different business applications can safely access the same core data, thus providing a 'single view of the truth', which reduces errors and the need to duplicate work. As well as delivering direct benefits for residents and users, this work has given us clarity about our preferred technical approach and standards.

6.6.4 We have designed this new programme of work around some key objectives:

- migrate from UH quickly, safely and with the least possible disruption to essential business activities
- deliver a sustainable set of technology services with the skills in-house to support them
- use open-source software frameworks and hyper-scale cloud platforms to avoid supplier dependency
- conduct the programme in a manner consistent with Hackney's values
- complete the programme with a clear roadmap for further improvements and the budget and skills to achieve this.

6.6.5 The HRA business plan included £2m p.a. for investment/development of the housing system, but with the intense focus following the end of the civica support for UH and more recently the cyber attack, this budget has been increased to £3m p.a. for the next 3 years. This can be managed within the flexibility of the capital programme and will result in reduced budget provision in the future as we transition away from UH.

6.6.6 The Housing ICT board oversees and monitors the progress of the new systems, and approves smaller allocations of the approved budget in line with the progress and development of the new system to ensure a successful transfer is achieved.

6.7 Leaseholder Buybacks

6.7.1 In March 2000 Cabinet approved a £10m budget for the buyback of ex-Right to Buy leasehold properties in Council blocks as a way to increase the supply of affordable housing. The scheme is progressing well, although it has not been actively promoted and 5 properties have been acquired and let, a further 10 are in contract to be acquired in early January with agreement on a further 4. These property acquisitions total £10m.

6.7.2 In addition, there is agreement to purchase a further 25 properties from Local Space for which the Council currently has nomination rights. As part of this agreement, Local Space will acquire up to 48 properties outside of the borough for the Council to continue to have nomination rights.

6.7.3 The acquisition of properties for Social Rent is not financially viable, even with contribution from Right to Buy 1-4-1 funding. However the value of the properties are protected in any future Right to Buy application from the cost floor formula which sets the minimum sales value at the full cost paid.

6.7.4 In addition, the Council currently holds over £50m of RtB 1-4-1 receipts funding which if not spent in 3 years is returned to MHCLG and redistributed or reallocated. This funding can only contribute towards 30% of the cost of the property and so the remaining funding is required for other housing resources or borrowing.

6.7.5 A further £10m allocation has been provided for in the 2021/22 capital budget and officers are exploring opportunities to increase the resources available to support this programme, including s106 contribution, capital receipts and other disposals with an aim to maintain the number of properties in the housing stock and mitigate the reduction from RtB sales.

7. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

7.1 Finance comments are set out in the report.

8. VAT IMPLICATIONS ON LAND & PROPERTY TRANSACTIONS

Not Applicable

9. COMMENTS OF THE DIRECTOR, LEGAL & GOVERNANCE SERVICES

- 9.1 Section 74 Local Government and Housing Act 1989 requires the Council to keep a separate ring fenced Housing Revenue Account. Section 75 and Schedule 4 of that Act deal with the items to be credited and debited to the Account, which by virtue of Section 76 must not go into deficit. Subsection 76(2) requires the Council during January or February of each year to formulate proposals in relation to the likely income and expenditure to the Account to secure that the Account for the year does not show a deficit.
- 9.2 Section 24 of the Housing Act 1985 provides that a local housing authority may make such reasonable charges as they may determine for the tenancy or occupation of their houses and that the authority shall from time to time review rents and make such changes, either of rents generally or of particular rents, as circumstances may require. Under subsection 24(5) a local housing authority must have regard in particular to any relevant standards set out for them under Section 193 of the Housing and Regeneration Act 2008. Section 193 gives the Regulator of Social Housing (RSH) the power to set standards concerning amongst other things rent levels. To date the RSH has not set a rent level standard for the Council.
- 9.3 Section 23 of the Welfare Reform and Work Act 2016 provides that in relation to each relevant year, registered providers of social housing must secure that the amount of rent payable in respect of that relevant year by a tenant of their social housing in England is at least 1% less than the amount of rent that was payable by the tenant in respect of the preceding 12 months.
- 9.4 Section 102 of the Housing Act 1985 provides that a variation of tenancy conditions that relates to rent or to payments in respect of services provided by the landlord may be varied in accordance with a provision in the tenancy agreement. Condition 3.7 of the tenancy agreement provides that at least 4 weeks' notice of a rent and/or service charge increase will be given to tenants.
- 9.5 This report makes recommendations which are designed to fulfil the Council's duties as set out above and the Cabinet must be satisfied that the proposals recommended are reasonable and achievable and will not result in a deficit to the HRA.

10. HRA PROJECTED POSITION FOR 2020/21

- 10.1 The HRA budget is monitored monthly and reported to Cabinet in the Overall Financial Position reports. As at November 2020 the HRA is forecast to break even with additional contribution from reserves and a reduction in Revenue Contributions to Capital Outlay (RCCO) to mitigate the impact of covid and the cyber attack.
- 10.2 At the start of the year the HRA had £11.2m of revenue balances and £5.9m of earmarked reserves. Reserves have reduced significantly in the past 2 years and so it is proposed to take opportunities to steadily increase the

quantum of reserves over the medium term. This will allow flexibility in ensuring a sustainable level of borrowing in line with the HRA Business Plan assumptions.

11 2021/22 HRA BUDGET

11.1 The proposed 2021/22 HRA budget is shown in the table below and detailed in Appendix A.

HRA BUDGET SUMMARY 2021/22	
	£000's
Income	
Dwellings rent gross	(115,223)
Non dwellings rents gross	(4,954)
Tenant charges for services and facilities	(12,756)
Leaseholder charges for services and facilities	(11,668)
Other Charges for services and facilities	(2,995)
Gross income	(147,595)
Expenditure	
Repairs and maintenance	26,996
Services to Estates	15,564
Supervision and Management	45,472
Rents, Rates and Other Charges	1,289
Increase in provision for bad debts	2,554
Cost of Capital Charges	1,000
Depreciation	44,008
Gross Expenditure	136,883
Net Cost of Service	(10,712)
Revenue Contribution to Capital Outlay	10,712
Contributions to/from Reserves	0
Net HRA (SURPLUS) / DEFICIT FOR YEAR	(0)

12. INCOME

12.1 The HRA self-financing regime aim was to give the local authority financial certainty to develop longer term plans for the HRA. The assumptions in the self-financing settlement, set by the Government, were based on local

authorities continuing to implement rent restructuring and setting rent increases at RPI plus ½%. Following consultation in 2013 the DCLG amended the rent restructuring arrangements to allow for full convergence to take place in 2014/15 and to fix future rent increases to 1% above the Consumer Prices Index (CPI) for a period of ten years. Then the summer 2015 budget required a 1% rent reduction to be delivered for four years from 2016/17. It is estimated that the 1% rent reduction will have a cumulative impact on the HRA Business Plan of a £142m reduction in revenue over ten years, and £644m over the 30 year life of the HRA Business Plan.

- 12.2 Following the 1% rent reduction, from 2020 rent increases reverted to CPI+1% in line with the rent standard. This will result in an average rent increase of £1.52 from £101.58 per week to £103.10 per week.
- 12.3 Year on year the increase in income in 2021/22 arising from the 1.5% rent increase is £1.72m and this income will be used to invest in the Council's housing stock, and deliver improvements to services. Included in the HRA budget is an continuing investment in tenant sustainability services to support households maintain their tenancies through working in partnership across the Council, with the DWP, advice providers, and other partners to co-design ways to boost benefit take up and income maximisation (involving the local Universal Credit Partnership), prevent debt, as well as consolidating approaches to debt collection and preventing evictions. We are committed to working with tenants providing crisis support, income maximisation and debt support. We continue to work with partners to support the delivery of the Council's Poverty Reduction Strategic priorities.
- 12.4 Service charges for tenants are based on a pooled cost approach, where all tenants receiving a service are charged the same amount. We are proposing to only increase service charges for cleaning services to reflect the enhancement in services of deep clean and weekend services.

The proposed service charges for 2021/22 are as follows:

	2020/21 Service Charges £ per week	2021/22 Proposed Charge £ per week
Block Cleaning	5.63	5.71
Estate Cleaning	2.45	2.49
Grounds Maintenance	2.01	2.01
Landlord Lighting	1.36	1.36
CCTV monitoring	N/A	0.44

- 12.5 From 2021/22 it is proposed to introduce a CCTV monitoring charge to tenants and leaseholders. The HRA currently pays £263,000 for the monitoring of over 1,600 cameras on estates. This cost is an allowable service charge for both tenants and leaseholders and is eligible for housing

benefit for tenants. The average cost is £0.44 per week (£22.88 per year) and so this will be the charge to tenants. Leaseholders pay the actual cost of the service which can range from £5-£200 per year and so for its introduction leaseholders will be capped at three times the average charge of £68.64 per year.

- 12.6 For those blocks with a concierge service, Cabinet approved the ending of the subsidy for tenants and leaseholders in January 2016. Cabinet further approved in January 2018 that increases to charges for the concierge service, which now includes a requirement for the service provider to pay London Living Wage. This year's increase removes any subsidy from the cost of the service with future increases in line with contract price inflation which is linked to the increases to London Living Wage.

There are 823 households across 13 blocks receiving a concierge service and the proposed charges which are the same for all tenants and leaseholders for 2021/22 are as follows:

Block	2020/21 Charge £ per week	2021/22 Proposed Charge £ per week
Angrave Court	23.62	25.83
Bryant Court	23.33	25.23
Fellows Court	30.41	32.54
Gooch House	23.96	25.83
Granard House	28.78	30.99
Hugh Gaitskell House - Pathmeads	22.80	24.65
Laburnum Court	23.33	25.23
Regents Court	23.33	25.23
Seaton Point	35.16	38.74
The Beckers One	23.88	25.83
The Beckers Two	23.88	25.83
Vaine House	28.78	30.99
Welshpool House	23.30	24.28

- 12.7 The energy purchasing consortium that the Council is a member of has a contract year running from April to March. Therefore the unit prices for utilities will not be available until March. We are also currently undertaking a review of communal heating charges as the cost of providing communal heating is not being fully recovered. The charges to tenants and leaseholders will be reviewed once all data has been analysed. It is recommended to delegate authority to the Group Director of Finance and Corporate Resources, in consultation with the Lead Member for Housing Services, to approve the 2021/22 charges, calculated in line with the approved methodology.

- 12.8 Leaseholders' service charges reflect actual costs incurred for their block/estate. So their service charge will be different to that of a neighbour who is a tenant. The increase in income arising from Leaseholder service charges reflects the increase in the number of Right to Buys over the last year and the sale of private and shared ownership properties on completed regeneration estates. Leaseholder' service charges reflect actual cost incurred for the service to the block/estate. Therefore the savings included in the 2021/22 budget that impact on the service to leaseholders i.e. cleaning, will be passed on to leaseholders when calculating the actual service charge after year end.
- 12.9 It is proposed to increase fees and charges in line with inflation of 0.5%. It is proposed to increase garage rents by £1 per week to reflect the cost of maintaining them at a lettable standard and to bring them more in line with the local rental market. The proposed fees and charges for 2021/22 are shown in Appendix B.
- 12.10 Charges for Travellers sites are set in line with rent policy within the HRA Business Plan, so charges are proposed to be increased by CPI plus 1%. For 2021/22 this would be a 1.5% increase which would equate to an average increase of £1.85 per week.

13. EXPENDITURE

- 13.1 The budget setting assumptions are based on 0% inflation except in contractual cases. No budgetary provision has been made for the pay award as a result of the Government's announcement of a public sector pay freeze.
- 13.2 Energy costs have fallen over the past 6 months but are sensitive to volatility and the direction of price movements remains difficult to predict. Significant savings in energy costs have been made in previous years and with the introduction of an improved process for meter readings we have more accurate billing and are therefore able to reduce the budget for energy. Some of these savings have been offset by a reduction in recharges to tenants.
- 13.3 The number of Right to Buy sales reduced significantly in recent years with an estimated 36 sales this year. The impact on the HRA income is noted in paragraph 12.3, there are a number of budget adjustments made on the expenditure side of the budget to reflect the number of sales, and these are in line with the HRA Business Plan assumptions.

14. ROLL OUT OF UNIVERSAL CREDIT

- 14.1 Universal Credit (UC) was implemented in Hackney from 3 October 2018. UC moves from direct payment of Housing Benefit to cash collection from all tenants. Experience has shown an adverse impact on collection rates and increase in bad debt that need to be factored into the budgets.

- 14.2 The roll out of UC on a full service basis means that claimants with a change in circumstances or making a new claim are migrated onto UC and are expected to be digitally ready as they are required to manage their claim online and complete online tasks e.g. Job search activities. The impact on arrears has been significant with £1.5m of arrears relating to UC however in most cases arrears has been related to the increased administrative time in processing claims therefore should not fully translate into bad debt. Total UC arrears currently amount to 30% of total rent arrears. It should be noted that we have a very good collection rate compared to our peers – over 96% - which is an excellent position and we will continually review and refine our strategy to respond to changes as the roll out of UC continues.
- 14.3 The full roll out of UC in Hackney has been operational for just over a year and the figures show that there are increased levels of rent arrears which has the potential for increased levels of bad debt. Increasing rent arrears is not sustainable for housing services, therefore we are developing operational and procedural changes that minimise the build-up of arrears into the development of the new housing system and on-line rent accounts. Alongside these service developments, we carry out close monitoring of rent accounts and are in communication with other income services of the Council to support residents at risk of falling into debt.
- 14.4 We have been planning for the implementation of UC for a number of years and measures we have taken to mitigate the impact on residents are as follows:
- A strong income collection service that supports early intervention and identification of support needs.
 - Online rents portal, empowering customers and providing an effective communication channel.
 - Investment in in-house customer support services
 - Resident Sustainment team
 - Financial Inclusion team
 - A Council-wide welfare reform group drawing together services already supporting affected residents
 - Working closely with the local DWP delivery partner
 - Strong voice on the DWP local authority welfare steering group
- 14.5 During the year as a result of the financial impact of Covid, UC cases have increased by over 50%. Due to the timing of payment to claimants and then the collection of their rent, this has resulted in a disproportionate increase in rent arrears.
- 14.6 There is sufficient resource for the bad debt provision included in this HRA budget and the Group Director of Finance and Corporate Resources will ensure that an earmarked HRA reserve is maintained to assist with managing some of the impact of the introduction of UC albeit should be noted that this may not mitigate the substantial impact of policy.

15 SAVINGS STRATEGY

- 15.1 The 2021/22 savings strategy focuses on the integration of services and the sharing of resources to deliver the savings under the headings of; continued saving, reallocation or recharging and cashable savings. The savings also include base budget review.
- 15.2 For 2021/22 we are proposing savings of £3.474m offset with £0.950m of cost pressures to deliver the £2.5m savings requirement per the HRA business plan; these have been achieved without the need for compulsory redundancies and are set out in the table below.

	2020/21 £000
Previously agreed	
Increase garage rent by £1 per week	150
Removal of Concierge subsidy	50
Reallocation/Recharge	
CCTV service charge	240
Additional Refuse collection and Waste management on Estates (charge to leaseholders)	400
Review/reallocation of support charges	400
Major Works cost recovery	60
Council Tax (voids) charged to Regenerations scheme	200
Cost Savings	
Residents Participation restructure	60
Residents Safety restructure	50
Transformation Restructure	30
Finance restructure	75
Transfer of New build cost centres to Business as Usual	300
Base Budget Review	
Ground Rent income from new build	70
Transaction costs	80
Court Costs	50
Residual budgets	59
Insurance premiums (leaseholders)	300
Leaseholders Service charges	500
Interest Charges (debt balances not increasing)	400
Cost Pressure - Major Repairs Decant Accommodation	(150)
Cost Pressure - Bad Debt Provision	(800)
TOTAL	£2,524

- 15.3 These savings increase the productivity and efficiency of the Housing Service, deliver the business plan requirements and enable us to continue the investment in our stock and regeneration programmes. The savings strategy to ensure a financially sustainable business plan for 2021/2022 onwards is to develop proposals from service modernisation and commercialisation.

Savings will be delivered from proposals which will improve our business processes, improve outcomes and deliver value for money.

16. HOUSING CAPITAL PROGRAMME

- 16.1 The Housing Capital Programme 2021/22 has been developed with due regard to the Asset Management Strategy and the Housing Development Strategy approved by Cabinet in March and April 2019. The Asset Management Strategy sets out the Council's long-term objectives for investing in our homes and provides an overarching framework for investment decision-making across the Council's homes and estates. It also considers the values we have as an organisation, the relevant local and national policy context, set out the ambitions that Hackney has for the quality of its homes and the priorities that will be established to ensure that the limited available resources are directed at the greatest need.
- 16.2 The capital programme for housing covers the investment in HRA stock and assets managed by Housing Services, the housing regeneration programmes, investment in HRA hostels and housing grants managed by Housing Needs and Private Sector Housing.
- 16.3 The proposals in this budget allow for RCCO of £10.7m and the depreciation charge of £44.0m which will be used along with the relevant grant contributions, contributions from leaseholder for Major Works, and sales receipts from completed Regeneration properties (outright sale and shared ownership).
- 16.4 These sources of funding will be supplemented with borrowing to support the housing capital programme as reflected in the HRA Business Plan. The borrowing will be funded and repaid with future rental income from HRA and regeneration properties
- 16.5 The table below summarises the Housing Capital Programme for 2021/22 based on the HRA business plan model.

	2020/21 £'000
Asset Management Plan	64,175
Estate Regeneration Programme	38,394
Housing Supply Programme	18,638
Woodberry Down	6,262
Other	13,395
TOTAL EXPENDITURE	140,864

- 16.6 A main component of the capital programme is the investment plan for the housing stock. The Asset Management Strategy sets out proposals for a move from a previous component based approach, to an area/zone based

approach which takes a holistic view to the improvements of blocks and estates by considering all the elements/components in an area/zone. This approach has been used to develop the capital programme over the life of the HRA business plan.

- 16.7 The investment in existing stock follows a 7 year cycle, where properties are surveyed and works are consulted on in the preceding year, with the works programme extending to up to 18 month. Year 2 of the programme for 2021/22 is reduced due to the limited value of works that can be awarded under existing contracts and the re-procurement of these contracts which will commence in April 2022.
- 16.8 The Council’s response to the Grenfell Fire tragedy has been reflected in the capital programme with provision for the fire safety work that the Council knows of or anticipates will come from the Fire Risk Assessments.
- 16.9 The budget requirement for the Regeneration programmes reflects the current delivery programme, which is reported and monitored by the Housing Development Board. During the past year, with the uncertainty of Brexit and the impact of the pandemic, the cost, sales and programmes have been subject to fluctuation and extension due to the uncertainty. Whilst every effort is made to maintain the delivery and viability of the programme, there are many factors that impact on them and so by following the programme’s governance structure, decisions are made at the appropriate point about the programmes commitments, costs and delivery.

APPENDICES

Appendix A HRA Budget Proposals
Appendix B Fees and Charges Proposals

EXEMPT

None

BACKGROUND PAPERS

None

Report Author	Natalie Gasper 020 8356 3311 Financial Advisor Natalie.Gasper@hackney.gov.uk
Comments for and on behalf of the Group Director of Finance and Resources	Simon Theobald 020 8356 4304 Head of Finance for Neighbourhoods and Housing Simon.theobald@hackney.gov.uk

**Comments for and on
behalf of the Interim
Director of Legal &
Governance**

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Senior Lawyer - Housing
Chima.Obichukwu@hackney.gov.uk

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HOUSING REVENUE ACCOUNT BUDGET SUMMARY				APPENDIX A	
	2019/20 Outturn £000	Budget 2020/21 £000	Budget 2021/22 £000	Change from 2020/21 to 2021/22 £000	Change from 2020/21 to 2021/22 %
Income					
Dwellings rent gross	(111,866)	(113,504)	(115,223)	(1,719)	1.51%
Non dwellings rents gross	(4,681)	(4,555)	(4,954)	(399)	8.77%
Tenant charges for services and facilities	(12,811)	(12,450)	(12,756)	(306)	2.46%
Leaseholder charges for services and facilities	(11,947)	(11,134)	(11,668)	(534)	4.80%
Other Charges for services and facilities	(3,267)	(2,935)	(2,995)	(60)	2.04%
Gross income	(144,572)	(144,577)	(147,595)	(3,018)	
Expenditure (still to finalise)					
Repairs and maintenance	27,140	25,793	26,996	1,204	4.67%
Services to Estates	17,521	15,876	15,564	-313	-1.97%
Supervision and Management	52,005	46,685	45,472	-1,213	-2.60%
Rents, Rates and Other Charges	1,607	1,536	1,289	-247	-16.08%
Increase in provision for bad debts	1,844	1,754	2,554	800	45.61%
Cost of Capital Charges	3,567	1,593	1,000	-593	-37.24%
Depreciation	43,081	44,127	44,008	-119	-0.27%
Gross Expenditure	146,765	137,365	136,883	(481)	
Net Cost of Service	2,193	(7,212)	(10,712)	(3,500)	
Revenue Contribution to Capital Outlay	5,725	8,712	10,712	2,000	22.96%
Contributions to/from Reserves	(7,918)	(1,500)	0	1,500	-100.00%
Net HRA (SURPLUS) / DEFICIT FOR YEAR	0	(0)	(0)	0	

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HRA Fees and Charges

Appendix B

Description	Set by or in collaboration with third parties or by Statute	2021/22 Fees & Charges £	2020/21 Fees & Charges £	New for 2019/20	% increase/decrease	No increase	Reason for increase
Housing Management							
Parking Permits							Set by Parking Services
Parking Permits - Renewal							Set by Parking Services
Parking Permits - Visitor							Set by Parking Services
Copy Documents (Tenant Files)	Contract Price	10.22	10.17		0.5%		Increased by Inflation 0.5%
Replacement Key Fobs	Cost per Key Fob	20.44	20.34		0.5%		Increased by Inflation 0.5%
Carport	Cost per week	3.58	3.56		0.6%		Increased by Inflation 0.5%
Garages above ground	Cost per week	17.90	16.90		5.9%		Increased £1p.w as per savings plan
Garages Underground	Cost per week	13.75	12.75		7.8%		Increased £1p.w as per savings plan
Parking Space (Uncovered)	Cost per week	2.15	2.14		0.7%		Increased by Inflation 0.5%
Parking Space (Covered)	Cost per week	3.58	3.56		0.6%		Increased by Inflation 0.5%
Hire of Community Halls Managed by Housing Services							
New Lettings (Private functions and non community linked events)	Daily Rate	357.73	355.95		0.5%		Increased by Inflation 0.5%
New Lettings (Private functions and non community linked events)	Hourly Rate maximum of 5 hrs	30.66	30.51		0.5%		Increased by Inflation 0.5%
Community Bookings (community activities, provisions and functions)	Daily Rate	204.42	203.40		0.5%		Increased by Inflation 0.5%
Community Bookings (community activities, provisions and functions)	Hourly Rate maximum of 5 hrs	20.44	20.34		0.5%		Increased by Inflation 0.5%
Housing Service Related meetings (e.g. TRA Meetings, councillor surgeries, police meetings)		0.00	0.00				
Tenant Charges							
Grounds Maintenance	Cost per week	2.01	2.01			0.0%	no change
Block Cleaning	Cost per week	5.71	5.63		1.4%		Increase by 1.5% to fund enhanced service at weekends and deep clean
Estate Cleaning	Cost per week	2.49	2.45		1.6%		Increase by 1.5% to fund enhanced service at weekends and deep clean
Landlord lighting	Cost per week	1.36	1.36			0.0%	no change
CCTV monitoring				0.44			
Concierge	ave Cost per week	27.78	25.74		7.9%		Remove subsidy
Other Income							
Leaseholder Charges							
Processing applications to carry out alterations		£100 to £750	£100 to £750				Service and fees to be reviewed
Providing pre-sale information packs and reply to further enquires		200.00	250.00				Fee recently reviewed. Information provided to be extended to incorporate Capital Programme.
Providing mortgage packs and dealing with remortgage enquiries		£150-£400	250.00				Fee recently reviewed. Information provided to be extended to address cladding questions.
Registration of subletting		30.00	30.00				Records are out of date. Project commencing in December 2019 to bring records up-to-date.
Providing copies of lease/transfer agreement		30.00	30.00				
Advising on and processing requests to extend leases		£1500 or more	£1500 or more				These are legal and surveying fees
Advising on and processing enfranchisement applications		£1500 or more	£1500 or more				These are legal and surveying fees
Processing shared owners requests to staircase		£350 (LRTBS) £750 (Legal)	£350 (LRTBS) £750 (Legal)				Not all leases allow LBH to charge a fee
Providing enhanced range of services (including gas safety checks) that are not included under the terms of. NEW				Range of fees			Gas safety to be made available for 10 storeys and above properties from December 2019.
External Wall Survey Report (EWS1)				750.00			New requirement for mortgage applications

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Scrutiny Panel 1st February 2021 Item 6 - Minutes and matters arising	Item No 6
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OUTLINE

Attached are the draft minutes of the meeting of the Scrutiny Panel held on 5th October 2020.

Matters Arising

Written update from Strategic Director, Engagement, Culture and Organisational Development to the following actions.

1. the availability of training to create video excerpts and the feasibility of officers creating video highlights from scrutiny meetings
2. to discover the full extent of the information analytics available from the YouTube channels used for live streaming
3. to confirm if scrutiny's meeting videos on YouTube could be given their own section or be displayed in a more distinct way
4. explore the feasibility of media training for Scrutiny Panel Members
5. explore and implement the expansion of feedback form

ACTION

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

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London Borough of Hackney
Scrutiny Panel
Municipal Year 2020/21
Date of meeting Monday, 5 October, 2020

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

Chair Cllr Margaret Gordon

Councillors in Attendance: Cllr Sade Etti, Cllr Sharon Patrick, Cllr Ben Hayhurst, Cllr Peter Snell Cllr Mete Coban, Cllr Polly Billington, Cllr Sophie Conway

Apologies:

Officers in Attendance Ian Williams (Group Director of Finance and Corporate Resources), Bruce Deville (Head of Governance and Business Intelligence), Ian Chilvers (Special Projects Manager)

Other People in Attendance Mayor Philip Glanville and Cllr Nick Sharman

Members of the Public None

Officer Contact: Tracey Anderson
☎ 0208 356 3312
✉ tracey.anderson@hackney.gov.uk

Councillor Margaret Gordon in the Chair

1 Apologies for Absence

1.1 Apologies for lateness were received from: Cllr Sade Etti, Cllr Sophie Conway and Cllr Polly Billington.

2 Urgent Items/ Order of Business

2.1 There were no late items and the agenda was as published.

3 Declaration of Interest

3.1 Cllr Margaret Gordon declared that she was an Advisory Lawyer with the Department of Work and Pensions and would not participate in any discussions on benefits or pensions.

4 Annual report of Complaints and Members Enquires

- 4.1 The Annual Report of Complaints and Member Enquiries is a standing item on the Scrutiny Panel work programme. This report provides an annual summary of the council's complaints, Member Enquiry and Mayor and Cabinet casework processes.
- 4.2 The Head of Governance and Business intelligence introduced and highlighted key data within the report. In summary:
- Complaints overall fell by 14% in 2019/20. This continued a downward trend where the number of complaints have fallen by 23% since 2016/17;
 - Approximately 50% of complaints were concerned with the provision of housing services, the majority of which concern housing repairs;
 - The number of complaints has fallen across all service areas with the exception of children's social care (where there has been a significant increase) and housing repairs (marginal increase);
 - The number of complaints referred to the Ombudsman has also fallen and the outcomes have been more favourable to the Council's position;
 - High levels of Members Enquiries and Cabinet Casework were recorded in the report which is indicative of strong member engagement and support for residents.

Questions from members of the Panel

- 4.3 How does the Council ensure that the complaints service is productive and that individual service areas learn from public complaints about service provision?
- There is learning from the complaints process, which is indicative in the data presented in the report which shows a declining number of complaints.
- 4.4 How accessible is the complaints service to the public? Are the public aware of how to make a complaint and are satisfied with the outcomes of this service?
- Details of the complaints process is fully described on the council's website and this is the main medium through which complaints are submitted. Details of the complaints process are available in many of the council's public buildings with instructions on how to make a complaint.
 - At every stage in the progression of a complaint, complainants are provided with further information on the next stage and what options are available to them if they are not satisfied with the process (at end of Stage 1 or 2). At the final stage of the complaint process, complainants are given the opportunity to escalate their concerns with the relevant Ombudsman or Designated Person (for housing complaints).
- 4.5 Members were concerned that the time taken to process Members Enquiries which was now on average taking 24 days. Why had the time taken to process Member Enquiries increased and what was being done to reduce this processing time?
- The response time to Member Enquiries was of concern to the service and to the Mayor. The proposed review of this service would not only encompass how such enquiries could be dealt with quicker, but also ensure

that there is value added to the process so that the council further understood the nature of the complaint and how to resolve similar issues in the future.

- The review would also try to address how the Member Enquiry process could be adapted to respond to the varying nature of enquiries, which ranged from simple requests for information through to the resolution of very complex service issues. This would help to streamline and hopefully speed up the Member Enquiry process.

4.6 What is the public perception of the complaints service, is this regularly assessed?

- At present the only the housing service surveys complainants to assess their satisfaction with the process and outcomes of their complaint. Analysis from this survey is then fed back into the operation of the complaints system in the housing service.
- In May 2020 the housing service undertook a review of its procedures which led to a number of developments. New procedures have been put in place including that all complainants are contacted in person via telephone (or other preferred medium) within 3 days of making a complaint. This development has helped officers to better understand the nature of the complaint and more effectively support its resolution. Within the new procedure, the initial contact officer will also remain the sole point of contact for the complainant which helps to bring continuity to the process. It is hoped that these developments would also contribute to a speedier resolution of the complaint.
- New systems would be reviewed before the end of the year as this coincided with the need to provide a self-assessment to the Ombudsman to support compliance with the new Code for housing complaints.

4.7 The Mayor noted that the review of Member Enquiries and Casework was a manifesto commitment from 2018. The roll-out of the One-Case system (to manage all casework) would now take place in November 2020 (having been delayed to the impact of Covid). The new system would be more responsive and compatible to how the Mayor and Cabinet office was working. A member reference group had been established to provide member insight to guide and inform the development of the final system to be implemented. The new system would better enable the Council to use member insight to develop and improve services for the local community.

4.8 The Panel reiterated concerns about the length of time that Member Enquiries were taking to be processed and that it would maintain oversight of this in the coming year. The Chair thanked officers and the Mayor for responding to questions from the Panel.

5 Update on the Impact of Covid 19 on Hackney's Housing Service

5.1 The Mayor and Cabinet are held to account in public as part of a Cabinet Question Time Session. The Mayor's Question Time is the responsibility of the

Scrutiny Panel and the Mayor is given advance notice of the topic areas the Panel would like to focus questioning. The agreed areas for this session were:

- Lessons learned by the council and what could be done differently;
- Long term financial implications on our communities;
- How the council aims to reduce inequalities particularly systemic racism;
- How the council plans to engage the whole community in building back better.

5.2 The Mayor presented to the Panel highlighting responses to the questions posed above:

5.2.1 Lessons learned so far:

- What was clear from the outset was that the pandemic was not like other emergency situations, and that there would not be a return to 'business as usual' and that this issue would be all consuming for the Council and the borough as a whole.
- In this crisis, the council has frequently and consistently stepped in to deal with national policy and infrastructure failures. This has been seen in relation to PPE, testing and contact tracing. Although the council is in part reliant upon central government support to develop its local response (to establish the legal framework for actions and for funding), this has not stopped the council from stepping into the breach when such support has not been forthcoming, for example the initial humanitarian response to the pandemic.
- It was important to ensure that front line services were resilient and were able to operate effectively throughout the pandemic, particularly housing, waste collection, parks and other environmental services. It was also important to maintain the accessibility of contact services throughout the pandemic so that residents could continue to contact the council for the services they needed.
- The Council had also been very clear in its commitment to keeping staff and workplaces safe and effective arrangements have been put in place to help staff work from home.
- It was also important to maintain the council's commitment to democratic accountability even within the emergency response situation, and the Mayor and Cabinet held wide ranging consultation and engagement sessions within the community and have supported the continuation of scrutiny and other governance structures throughout this time.
- Developing a sub-regional response can be challenging given that the administrative structures and geographical footprints vary for different service areas, for example Inner North East London Health and the London Forward (economic regeneration).
- The Council is aware of the pressures that staff have been under for many months now and is very conscious to support their health and wellbeing. The Council is working on an autumn and winter plan to ensure that staff are fully supported and are able to work and continue to provide the services that local residents need.

- It was important to reiterate the Council's commitment to prioritise saving lives and not structures within the pandemic response, and that much had been learnt from the prioritising NHS capacity above all other services in the first part of this pandemic. Access to good local data on PPE, testing and a detailed knowledge of how the virus was spreading and impacting on local people remains critical to the boroughs effective response.
- Local partnerships in both the statutory and voluntary sector have been essential in helping to develop an effective borough wide response to the pandemic. The strength of the local community and voluntary sector has also helped to improve local resilience.

5.2.2 Long term financial implications

- It is accepted that the government's financial support to businesses, local residents and indeed to the Council assumed that financial impact of the pandemic would be contained in Q1 and Q2. As events unfold, it is clear that the financial impact has been far wider and likely to be more prolonged than initially anticipated. As a result there are serious funding questions which as of yet remain unanswered going forward.
- The Council had recently published its Inclusive Economy Strategy and would actively use all its assets and resources to deliver on its objectives. The council had numerous tools and processes at its disposal which can ensure that local residents and businesses get the help that they need (e.g. planning policy, community assets, job support).
- It was noted that the longer term financial issues to the council presented by Covid would be addressed more fully in the next item.

5.2.3 Reducing racial inequalities

- The Council aims to be a truly anti-racist Council were articulated within commitments given at Full Council in June 2020, and officers were actively working to ensure that positive and tangible measures were being taken to support these commitments.
- The Council had received external challenge on its plans to be an anti-racist council through local partners, including Hackney Community & Voluntary Sector.
- A community strategy sub-group had been established to help further develop antiracist practice and to support wider inclusion. This group would seek to identify and share good practice from across local agencies (e.g. ELFT and elsewhere) to help combat systemic and institutional racism.
- It was acknowledged that scrutiny had played an important role in highlighting local racial inequalities in terms of school exclusions, adverse childhood experiences and local stop and search policing. This work was important not only to highlight local racial inequalities but to hold leaders to account and to make improvements.
- It was hoped that a further update on this work to combat systemic and institutional racism would be presented at Full Council at its next meeting in October 2020.

5.2.4 Engaging the Community in building back better

- How communities will be engaged in the future has been set out in the revision to the Corporate Plan. The Council has sought to use co-production processes to support engagement in local service development and improvements and there were many examples of this across the Council which include the Ageing Well Strategy, the Young Futures Commission, Child Friendly Borough SPD and Shoreditch Park public realm improvement. At this time, the preferred approach of the Council would be to engage and involve the community around specific and distinct policies and services rather than a borough wide conversation.
- A larger borough wide conversation was expected to take place next year with the support of IPSOS Mori to gauge what local residents feel about the borough.
- The Council would not seek to reinstate its role in the distribution of food to vulnerable residents, for although it was recognised that this response was required in April, the Council had invested additional capacity building and coordination into the community and voluntary sector to empower them to deliver their own response and to support local resilience.
- New community facilities would be opening in the coming weeks including Clapton Common Community Centre (community resource) and the Marie Lloyd Centre on Queensbridge Road (hub for older people's services). Both these developments have been produced with the community and demonstrate how the council is using its assets for the wider benefit of local residents.

Questions from the Panel

5.3 Has there been any discussions with the government (central or regional) about the differing levels of lockdowns and how these may affect local residents? Are such lockdowns likely to be borough specific or London wide? How much notice would the borough be given?

- A London Escalation Framework has been developed to ensure that the Mayor of London, Secretary of State and London Councils are involved in what might happen next. There is weekly contact and support through London Councils to maintain regional oversight and to guide interventions.
- The government has proved to be an unreliable partner in what it asks of residents, businesses and local government where policies and practice have too frequently been implemented with no consultation and with little time given for relevant agencies, services or the public to prepare.
- In terms of a future emergency response and possible lockdown, there was a strong belief among stakeholders that London boroughs should move together in recognition that ward and borough boundaries were porous and that there is considerable cross borough traffic. Although there were varying levels of covid infection across London, it was likely that any escalation would be on a London wide basis rather than any singular ward or specific borough. It should be noted that in terms of the prevalence rate for Covid, London was still some way behind other areas of England.

- 5.4** What additional support will be available for businesses during the likely second wave of the pandemic? How is the council working with other local authorities to support its offer to local businesses?
- One of the reasons why London boroughs want to move together is to protect London's businesses and wider economy. The government has announced a series of support packages which the council has effectively distributed to local businesses. This direct support is due to end soon together with the furlough scheme. The problem with the new Job Support Scheme was that there is an expectation to pay part of employees' wages, which will still be very challenging for those businesses which have lost substantial parts of their income. Direct support for business for businesses is only triggered when there is a lockdown and businesses are required to close and would equate to payments of £1,500 per business every 3 weeks. The council's position is that more sector specific, and targeted support is necessary to help areas of business under particular strains (e.g. service sector and night time economy).
 - The extent to which local businesses have been impacted by the pandemic is illustrated by the fact that 44,000 people working in Hackney have been furloughed. The next weeks will be critical for these workers and businesses as the furlough scheme comes to an end.
- 5.5** Given the national problems with testing, is there scope for any testing work to be commissioned and provided locally?
- Although testing capacity reduced in the borough over the summer months, this has now returned with London being placed on a watch list. There are 4 sites across Hackney (Mare Street, Dalston and the mobile testing unit in Stamford Hill and Hackney Marshes). Given the ongoing digital divide and allocation of appointments, the Council believes that there is a need for a return to walk-in testing services. It is clear that the outsourced testing services have not been operating effectively and should be returned to the public sector. The Council was however reluctant at this time to endorse localised commissioning of testing.
- 5.6** How is the authority using local data on Covid transmission and infection to target preventative interventions?
- National messaging is critical in preventative initiatives. The biggest risks to transmission remain the same however, lack of social distancing, not wearing masks in public spaces and poor hand hygiene. The Public Health team continues to assess local outbreaks and monitor routes of transmission. It should be noted that the infection rates across the borough vary widely, and outside the Stamford Hill cluster, there were few consistent geographic patterns of infection. Pan London there have been notable clusters of infection among students though this had yet to develop in Hackney.

- 5.7** In response to an infection rate for covid of 50 cases per 100,000 population, the Mayor of Tower Hamlets recommended that households did not mix. Would a similar approach be taken in Hackney?
- Whilst the Council has been close to issuing such localised advice, this approach is problematic as it is not backed up by or corresponds with national messaging. This local approach can cause confusion among residents and is of course difficult to enforce. There is currently an infection rate of 65 cases per 100,000 population in Hackney which places alongside a small number of other boroughs with the highest rates of infection in London. There was however a much larger group of boroughs (10-13) who have a slightly lower rate of infection at around the 50 cases per 100,000 population.
- 5.8** Many structural problems remain in preventing covid cases occurring in care homes, including access to testing, low pay for staff and sick pay provision for care workers. The Council may however be able to influence the discharge practices of local hospitals into care homes which may prevent local transmission. How is the Council working with local hospitals on this issue as a second wave emerges?
- Much was learnt from how Covid 19 impacted on care homes in the first wave, and the Council is still pushing for regular monthly testing of staff to help them identify and contain cases. There are however many idiosyncrasies in working with housing with care and domiciliary care services.
 - The Mayor offered to give feedback on this issue more fully in writing as he did not have this information to hand.
- 5.9** The digital divide can be seen in relation in many spheres including access to GP services and on-line teaching in schools. Could an update be provided on the development of a borough wide strategy to extend Wi-Fi provision and the improve access to digital devices to the wider population?
- The Council alone cannot meet the local shortfall on the digital divide where it was estimated that over 3,000 digital devices were required locally. It was noted that schools have a new duty to provide their curriculum digitally from October, which would increase pressures for local devices and connectivity. The Council has helped deliver devices to local children and young people in need and a local appeal to recondition old devices has yielded over 200 laptops. The council hopes to establish some form of 'library service' for laptops for local residents in need.
 - The Council has progressed in its Wi-Fi extension strategy and plans to install free Wi-Fi in priority areas which include local hostels and community buildings.
- 5.10** In relation to BAME communities and a prospective second wave of infection, has there any additional messaging from national or local public health bodies to prevent transmission? Is there any other support we can provide to BAME communities locally?

- It was apparent that a number of people who were on the original shielding list were at lower risk than some who were omitted from that list. Using local data and analysis (e.g. GP lists), more bespoke advice was being provided to those groups of people at greater risk.
- The best precautions that could be taken were those measures which are used to protect ourselves from infection: maintenance of social distancing, wearing face masks and good hand hygiene. These core messages were important and residents should maintain these when they visit people's homes or have visitors at their homes. It was acknowledged that this was a significant leap in preventative behaviour.

5.11 In respect of local residents who have no recourse to public funding, are all located in temporary accommodation?

- The Council has a commitment to support people who have no recourse to public funding such as the homeless and rough sleepers. The council continues to support the Isolation Fund which provides funds to vulnerable groups to help them self-isolate in the event of a positive diagnosis.
- It should be remembered that those with no recourse to public funds were also likely to include those people who were until recently working and not just those who are left destitute by the asylum system.

5.12 How is the Council supporting those tenants who have gone into rent arrears having lost their job in the pandemic?

- The council's position is that it does not want to see local tenants who have accrued rent arrears arising from unemployment as a result of Covid to be evicted. The council was encouraging all tenants to contact them if they have fallen into rent arrears, whether this is the result of covid or other historical reasons to ensure that they can access support that they may need. Contact with the council would help tenants to develop agreements with the Council and if eligible, additional help could be made available in the form of discretionary funds. The council had also funded independent advice and guidance through the voluntary sector to help and support residents with rent arrears and other financial concerns.

5.13 How have the Mayor and Cabinet members found the process of lobbying central government, in particular through letters to ministers?

- Whilst writing to the central government is a useful tool to support policy change, it was not a panacea for effecting change. Also given the necessity for the Council to evidence such policy change requests, letters to the government were also a very resource intense way to make the case for change. The Mayor noted that scrutiny adopted a very similar approach, and would welcome similar contributions from the Chairs of scrutiny to help effect change to policy at the national level.

5.14 The government announced the start of the Kickstarter Programme to help develop youth employment opportunities. Can you provide further information on how this programme will work in Hackney, how the council intends to work

with local stakeholders and how the programme will embody council ambitions to develop an inclusive economy?

- The Council is still to determine its position in relation to Kickstart, and would want further reassurance about the principles and quality of the interventions within the scheme. The council's stated ambition is to create good quality jobs and apprenticeships and would like to see this embodied within the programme. The Council has developed Memorandum of Understanding with local colleges and further education to support this ambition and was investing in a new adult skills service (with the Education Service, Hackney Opportunities and Hackney Works).

5.15 How can the Council ensure that London Development Corporation is working to deliver clear outcome measures (e.g. employment opportunities) for its work in Hackney Wick?

- The Council is clear that whilst this is a four borough partnership local intelligence and information was needed at the local (ward level) to ensure that opportunities were maximized. The Council were reassured about the work that was taking place by its regeneration team and the engagement of partners for this work in Hackney Wick. Where appropriate, the Council would challenge the LDC to do more to measure the impact of its work.

5.16 What are the political implications of the longer term budget challenges?

- At the outset of the pandemic, government messaging to local authorities was to spend what was needed to support local communities. The Council has kept a very full and detailed record of additional expenditure incurred through responding to the pandemic as well as the loss of income from fees and charges. Whilst some funding has been recouped, further requests have been submitted.
- There are concerns as to how significant shortfalls expected within the Council's Collection Account (Council Tax and Business Rates) will be reconciled in this year's accounts and if this can be spread across future budget years.
- The national budget for this year had been postponed and it was not clear whether the national spending review would take place as planned. This lack of direction from the central government was giving rise to considerable financial uncertainty across local government. Given the ongoing financial uncertainty, it was likely that the government's current financial settlement for the Council would be rolled over for a further year.
- There were also still unresolved funding issues for local government which continued to place strains on local finances. The Council has continued to campaign and lobby for change in respect of SEND funding, residents who have no recourse to public funds and Public Health yet these funding issues remain unresolved. Due to sound financial management, the Council was however in a relatively strong financial position. The Council would however, alongside other local authorities, continue to lobby government for an improved settlement overall for the sector.

5.17 There is a local challenge to local policy development and implementation, particular in relation to proposed development on Morning Lane and the establishment of Low Traffic Neighbourhoods. How can the Council work better to ensure that the views of all sections of the community are represented and brought on board with such developments?

- Whilst the Council would always prefer to advance such initiatives through a process of co-production, in this instance this has had to be balanced with the need to act urgently. The pressure on major traffic routes in London is not unique to Hackney and is not the product of the introduction of Low Traffic Neighbourhoods. In south west London, Wandsworth had stepped back from LTN's yet traffic congestion was still prevalent and had impacted on local bus times. The Council had developed the LTN schemes and would now be engaging with local communities to understand how these were working in practice. This Mayor met regularly with the Cabinet member and officers to assess local traffic and other data to understand how the schemes were working. Residents were urged to feedback their views on the schemes, particularly those aspects of the schemes which were not working as could be expected, so schemes could be refined and improved.
- The biggest threat to community engagement and involvement in planning, regeneration and change was the prospective Planning Bill which would reduce the ability of local residents to shape the communities in which they live.

5.18 The Chair thanked the Mayor for attending and responding to questions from members of the Panel.

6 Quarterly Finance Update

6.1 The Group Director for Finance and Resources presented the Council's monthly Overall Financial Position (OFP) Report from July which sets out the latest budgetary position for 2020/21. The following key points were highlighted:

- Of the £3.7 billion grant the central government has paid to local government Hackney has received £21.35m.
- Under the previously notified scheme, the Council has submitted a return to central for the loss of income due to the pandemic. Within this scheme the council would bear the loss of the first 5% of any lost income and would be compensated for £0.75 for every £1.00 of losses thereafter.
- Although the necessary legislation had not yet been passed, it was expected that local authorities would be able to spread losses within the Collection Fund (Council Tax and Business Rates) over a three year period.
- There was no indication from the government if further funding would be provided to local government to support it through a likely second wave of the pandemic. The Council was also still awaiting notification of the funding that it would receive to support the administration of the Isolation Scheme.

- The General Fund position forecast for the end of the year was an overspend of £64.4m gross. After the application of the Government's emergency funding (£21.4m), the smoothing of losses from the Collection Fund over three years and anticipated compensation from the government for losses incurred, the Council was forecasting a £13m loss of which £9m was Covid related and £3.6m non-Covid related.
- The HRA is a ring fenced housing account and was facing a number of financial pressures resulting from Covid. The HRA was forecasting a loss of income from housing rents which would require a drawdown of £1.5m from reserves. Housing teams were working hard to mitigate expected losses.
- The Capital Programme Report detailed significant investments in feasibility studies as well as a range of capital investments.

6.2 The Deputy Mayor Cabinet Member for Finance, Housing Needs and Supply also highlighted a number of issues within the report and the work being undertaken to lobby central government.

- A key ask from central government was financial certainty. At present local authorities did not know what their financial settlement would be for 2021/22 or the amount for which they would be compensated for supporting local pandemic relief. The Council would need this information soon to support effective financial planning and in setting a balanced budget for 21/22.
- A partnership approach has been adopted with central government where it was accepted that the Council would step-up and deliver services to support the pandemic response and would incur and bear the costs of additional spending. This roll would become very challenging however if central government did not properly compensate local authorities or if there was a reduction in next year's financial settlement.
- For many years central government has reduced grant allocations to local authorities which has required them to find alternative sources of income. Therefore the losses that councils face as a result of failing revenues from these alternative income sources (waste, parking etc.) was significant worry to Hackney and other local authorities.

Questions from the Panel

6.3 In relation to 2.10 on page 55 of the OFP report, how would the £13.6m budget shortfall would be bridged? What impact would this have on reserves?

- The Council would use a range of measures to bridge this financial shortfall which included the use of contingencies, use of surpluses from the Collection Fund (funds collected above anticipated rate) and the use of reserves. The Council would also seek to defer spending on other 'investments' which would provide additional flexibility in responding to shortfalls.
- In relation to the Capital Programme, the Council was looking to pare back revenue spending to deal with the cost pressures within this programme. It was apparent that there were a number of projects which could not take

place due to Covid or staff working from home, which means that these allocated funds could be diverted elsewhere.

- Reserves in the General Fund are set at £15m. If there was any draw down on these reserves, the Council would need to replace this next year as this amount is required by auditors to maintain financial stability of the Council. Whilst there would be no draw down on the unallocated £15m reserve, other allocated reserves would be used.

6.4 There are significant cost pressures in children's social care, particularly in relation to residential placements (£4.4m projected overspend) and semi-independent placements (£3m projected overspend). What additional support – financial and otherwise – was being provided to Children & Families to help contain these cost pressures? Are there other alternatives to residential care which could be used to support looked after children?

- The provision of children's social care has seen increased demand over recent years as a result of austerity and declining support available through welfare systems. The council made additional investment in children's social care in relation to additional demand and to enable it to respond to requirements of the Ofsted inspection process. Additional reserves have been created to help the Children and Families Service manage the peaks and troughs of service demand, and to provide children with the necessary interventions to support their transition back to their families. The service has continued to need additional support from the corporate centre as it has not managed to implement such support as quickly as planned.
- Residential placements are a significant cost to the Council where approximately £6.5m is spent on a relatively small number of young people in its care (30-35). Where young people had very challenging needs which often required unique support, placements were consequently very expensive. It would be very difficult and expensive for the Council to directly provide such placements.
- It was suggested that Scrutiny may wish to consider further in depth scrutiny of this particular budget line.

6.5 If financial pressures resulting from Covid were to continue for the medium term, which services which are discretionary funded by the council would face closure? What worst case scenario planning was the Council undertaking?

- It was difficult to predict the financial position of the Council so far in advance given the range of financial uncertainty and of course the ongoing impact of Covid. The Cabinet member reassured members that the Council was not looking to achieve savings this year. The Council was also in a relatively strong financial position compared to other local authorities. The scale of the financial shortfall to local government should not be underestimated however.

6.6 The Panel noted that despite the immediate cost pressures within budgets, the Council continued to invest in future services for the community, particularly the development of council owned sites. What action would the Council take to campaign to acknowledge the leading role that local government has taken in

combatting the pandemic in the absence of a consistent and coordinated and funded response from central government?

- The Cabinet member noted that officers have invested considerable effort and resource into clearly researching and recording the impact of covid 19 on council budgets and this would be used to make the Council's case for additional funding from central government.
- The Mayor noted that Hackney was a campaigning council from both an officer perspective and a political perspective, and would continue to lobby government about the totality of funding as well as more discrete areas of funding (e.g. no recourse to public funds, SEND). Scrutiny can play a role in developing the evidence base to support these campaigns.

6.7 The Chair thanked officers for attending and responding to questions from the Panel.

7 Minutes of the Previous Meeting

7.1 The minutes of previous meetings held on 30th June 2020 and 23rd July 2020 were agreed.

7.2 The Panel was still awaiting a response from the Director of Communications in relation to further information requested at the last meeting. This information would now be provided in writing to the Panel.

RESOLVED:	Minutes of the meetings held on 30th June 2020 and 23rd July 2020 were approved.
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8 Living in Hackney Scrutiny Commission- 2020/2021 Work Programme

8.1 Scrutiny Panel

8.1.1 8.1.1 The Chair of Scrutiny Panel noted that there were two further meetings planned for the remainder of the municipal year. Key agenda items going forward included:

- Ongoing need for budget scrutiny and budget monitoring;
- Food poverty, where external speakers would be invited;
- Update on Advice Service Review
- Chief Executives Question Time.

8.1.2 The Chair requested that members of the Panel should contact her or the scrutiny officer if they wished to make time within the agenda to follow up on how the Council learns from the Complaints process.

8.2 Health in Hackney

8.2.1 The Chair of Health in Hackney noted that the Commission would remain reactive to the public health challenge of managing Covid. The Commission would also be scrutinising how the NHS is dealing with the backlog of elective surgery, in particular the establishment of 'elective hubs'.

8.2.2 The Commission would review plans to merge 8 Clinical Commissioning Groups across north east London which would raise a number of concerns for the integrity of a locally based health systems.

8.2.3 Hackney was expected to take over the operation of the North East London Scrutiny Commission in early 2021. This would be important to help understand the different approaches of individual boroughs to compare and contrast provision.

8.2.4 As the NHS was moving to a position of digital by default, there were genuine concerns about the digital divide and the accessibility of appointments and other services. The Commission would be assessing what support is being provided or planned to help local residents access such services.

8.3 Living in Hackney

8.3.1 The Chair of Living in Hackney noted that two meetings had already taken place, one of which had focused on the use of Stop and Search by the Metropolitan Police. The Commission had identified that BAME young men were disproportionately represented within stop and search figures and that the use of handcuffs had increased exponentially. The police were conducting an internal review which would be reported back to the Commission in December.

8.3.2 The Commission had yet to confirm its work programme for the year ahead but it would encompass how the Councils approach to 'building back better' in relation to local parks and green space (e.g. play areas, toilet facilities).

8.3.3 The Commission had previously reviewed Hackney Carnival and would revisit these in 2021 to ensure that these were being implemented ahead of the hoped for return in 2021.

8.3.4 The Commission would also look at the digital divide and the role that local community centres and libraries can play in developing digital access and internet connectivity to local communities in need.

8.4 Children & Young People Scrutiny Commission

8.4.1 The Chair of the Commission noted that the CYP work programme to September had focused on how education and children and young people's services have responded to Covid, in particular:

- How the most vulnerable children have continued to be supported, such as those in receipt of social care or with special educational needs
- The impact of school closures on children's studies and possibly contributing to widening educational inequalities
- Scrutinising plans to help children return to school safely.

8.4.2 For the remainder of the work programme to May 2020 the Chair noted that the following key areas of scrutiny:

- As the Covid response has had a significant impact on budgets, the Commission would be monitoring areas of high spend, in particular children's social care and residential placements, and of course SEND spending.

- Given that children and young people have missed a significant amount of schooling this year, the Commission would assess how local schools and the Council can help children catch up in their studies.
- It was clear that school closures have not impacted equally across the community and had exacerbated the local attainment gap between disadvantaged students and their peers. The Commission therefore will be looking at effective strategies to help close the education gap for disadvantaged students.
- The Commission would also maintain oversight of the Council's response to the recent Ofsted inspection of children's social care to ensure that it remains on track to improve to an outstanding service by 2022.

8.4.3 In terms of its in-depth review for the year ahead, the Commission has agreed to investigate the growing number of adolescents entering care at age 14 and above for its in depth policy review. The Commission was currently scoping this review, but would focus on adolescents' pathways into care to identify early help interventions from across the council which may prevent them from becoming looked after children.

8.4.4 As the pandemic is changing the way that people communicate with each other and with local public services, the Commission was reviewing the way it engages and involves local communities in its work. The Commission planned to develop new structures to support community engagement in the year ahead e.g. more site visits, newsletter and social media.

8.5 Skills, Economy & Growth

8.5.1 The Chair noted that the Commission has assessed the impact of covid on local business and has consulted a wide range of stakeholders to understand what support was needed to help them recover.

8.5.2 The Commission would also be scrutinising the Emergency Transport Plan to understand the principles of this approach and the likely impact it would have in the community. The timing of this had yet to be agreed given that local data was still being collated within local schemes.

8.5.3 The Commission would also assess how local high streets had been impacted by the pandemic and to ascertain the nature and level of support that these local community hubs might require from the council and its partners.

8.5.4 As Covid will have long term impacts on different industries, the Commission would be assessing what skill redevelopment offer could be offered by the Council and training partners to help the local workforce adapt.

8.6 Audit Committee

8.6.1 The Chair noted that the Audit Committee would continue to assess financial forward planning of the Council. There were two significant risks for the Council going forward which would be monitored by the Committee these being the risks posed by Covid on the general policy making function of the Council and Brexit.

8.6.2 A deep dive into Capital Estimates would take place in the forthcoming year to help develop wider understanding and expertise in the way that capital is managed across the council.

8.7 The Chair thanked Commissions for reporting back on their work programmes for 2020/21.

9 Any Other Business

9.1 There was no other business and the meeting closed at 9.30pm.

Duration of the meeting: 7.00 - 9.30 pm

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Response to Scrutiny Panel questions on video meetings and communications

Paper by: David Hardiman, Head of External Communications

Following her appearance at the Panel last year, members asked Polly Cziok, Strategic Director, Engagement, Culture and Organisational Development, to respond to the following questions in writing:

1. the availability of training to create video excerpts and the feasibility of officers creating video highlights from scrutiny meetings
2. to discover the full extent of the information analytics available from the YouTube channels used for live streaming
3. to confirm if scrutiny's meeting videos on YouTube could be given their own section or be displayed in a more distinct way
4. explore the feasibility of media training for Scrutiny Panel Members
5. explore and implement the expansion of feedback form

Response to members

1. The availability of training to create video excerpts and the feasibility of officers creating video highlights from scrutiny meetings

The Media & Campaigns team would be happy to offer a session of officer time to panel chairs and support officers to demonstrate hints and tips for video editing using software readily available on most smartphones and personal devices.

This would help panel chairs create their own excerpts for use on their own social media channels at their choice, once the video file of the broadcast is available for them from the IT team.

2. to discover the full extent of the information analytics available from the YouTube channels used for live streaming

YouTube's analytics are most useful for channels, rather than individual videos. The most useful analytic for individual videos is the number of views, which is already listed publicly under the video. The Council's IT team have provided [this detailed report](#) on all council meetings from July to November, which members may wish to view.

Analytics about watch time, average view duration, and the number of people who subscribed to the Hackney Council channel are also available, but would be of very limited use to panel chairs – especially as scrutiny meetings are hours long and are unlike the vast majority of other YouTube videos.

3. to confirm if scrutiny's meeting videos on YouTube could be given their own section or be displayed in a more distinct way

The vast majority of users do not access videos by visiting the Hackney Council channel and then searching for videos, but rather being linked to them from elsewhere, so this would have a very limited impact. However, we would be happy to create a playlist or folder if panel members wish.

4. explore the feasibility of media training for Scrutiny Panel Members

Professional media training is available after each local election, but is limited to the Mayor and Cabinet who are the Council's official spokespeople. If panel chairs have specific questions or would like guidance on using social media, the Media & Campaigns team are

happy to assist, and the team would be happy to offer a session of officer-led discussion and advice about how to manage the presence of media at scrutiny meetings . Any contact from journalists should be directed to the press office.

Broader guidance on using social media is available from the Local Government Association. The Council's Monitoring Officer has asked officers to draft a Use of Social Media guidance pack for members, which will be considered at Standards Committee this year. The Member Code of Conduct requires that Councillors abide by ICT policies, including the [Using Systems and Data Policy](#). This has guidance on social media usage under section 4.2.3.

5. explore and implement the expansion of feedback form

All virtual meetings have a feedback form link on the YouTube video for each scrutiny commission meeting. This feedback form was set up following the launch of virtual meetings, but is not managed by the Communications team. This form is still active. This feedback form is currently used to capture feedback for Governance and Scrutiny council meetings. The link to the feedback form is below.

Tell us about your experience. This will help us to improve. Fill out the feedback form:
<https://forms.gle/nnW5t7P422ZcC1y48>

ENDS

Scrutiny Panel 1st February 2021 Item 7 – Scrutiny Panel Work Programme 2020/21	Item No 7
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OUTLINE

Attached is the work programme for the Scrutiny Panel for 2020-21. Please note that this is a working document and regularly updated.

ACTION

The Scrutiny 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 May 2020 – April 2021

All meetings take place at 7.00 pm and will be virtual until further notice. This rolling work programme report is updated and published on the agenda for each meeting of the Panel.

Dates	Proposed Item	Directorate and officer contact	Comment and Action
<p>Wed 13th May 2020 Joint meeting with Living in Hackney</p> <p>Papers deadline: Fri 1st May</p>	<p>Living in Hackney on the Impact of Covid-19 in relation to Housing and Domestic Violence</p>	<p>Children, Adults and Community Health Directorate Director of Children and Families, Sarah Wright from LBH Borough Commander from Hackney MPS, Detective Chief Superintendent Marcus Barnett Neighbourhoods and Housing Directorate Interim Director Regeneration James Goddard from LBH</p>	<p>Discussion to cover:</p> <ul style="list-style-type: none"> • An update on domestic violence (locally) and the support available. • An update on the support services available to residents living in council housing and housing association properties in the borough.

Dates	Proposed Item	Directorate and officer contact	Comment and Action
	Cabinet Question Time Mayor Philip Glanville	Chief Executive's Directorate Mayor's Office Ben Bradley / Tessa Mitchell	Discussion to cover 1. The Council's preparations and response to the crisis particularly for vulnerable residents. 2. How the Council's is working with partners, voluntary sector, local businesses and trade unions. 3. To review the long term impacts of the pandemic on the Council and the community.
<p>Tues 30th Jun 2020 Special Meeting of the Scrutiny Panel</p> <p>Papers deadline: Thurs 18th Jun</p>	Call-in of a decision of the Executive	Monitoring Officer Dawn Cater-McDonald Neighbourhoods and Housing Directorate Group Director Neighbourhoods and Housing, Ajman Ali	<p>The call-in relates to the decision of Cabinet of 18 May 2020 in respect of Restricting Residual Waste (Key Decision No. NH Q47) to introduce fortnightly collections for residual waste to street level properties, using black 180l wheeled bins.</p> <p>The basis of the call-in is that:</p> <ul style="list-style-type: none"> • in making its decision Cabinet failed to consider relevant evidence; and • that the decision taken was not in the interests of the Borough's residents and a preferable alternative decision could be adopted.

Dates	Proposed Item	Directorate and officer contact	Comment and Action
Thurs 23rd Jul 2020 Papers deadline: Mon 8 th July	Quarterly Finance Update – Covid 19, Corporate and Medium Term Financial Update	Finance and Corporate Resources Directorate Group Director Finance and Corporate Resources Ian Williams	Finance update the financial position of the council and the affects that Covid-19 is having on the council's budget.
	Update on the impact of Covid-19 on Poverty and Inequalities in the Borough	Chief Executive's Directorate Strategy, Policy and Economic Development Head of Policy and Strategic Delivery Sonia Khan	The discussion will cover the following areas: <ul style="list-style-type: none"> • The analysis and assessment of the impact on poverty and inequalities in the borough • Information about the areas highlighted in a recent letter from Cllr Williams to a parliamentary inquiry on people and protected characteristics • Verbal update on the future plans and refresh of the Corporate Plan as a result of Covid-19.
	Communication and Scrutiny	Chief Executive's Directorate Director of Communications, Culture and Engagement	<ul style="list-style-type: none"> • Explore how scrutiny councillors can use different communication channels more effectively like You Tube videos or live streaming. • The communication strategy or system in place for non-executive Councillors • Explore how scrutiny councillors can make their work more publicly accessible through the communication channel of public choice. • Discuss the barriers and challenges that need to be overcome to enable scrutiny councillors to communicate more flexibly with the public.

Dates	Proposed Item	Directorate and officer contact	Comment and Action
	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 programmes for 2020/21. Update from each scrutiny commission Chair on their work programme for 2020/21.
Mon 5 Oct 2020 Papers deadline: Wed 23 rd Sept	Overview and Scrutiny Commission's Work Programme for 2020/21	Chief Executive's Directorate Overview and Scrutiny Team Tracey Anderson	Discussion and review of the Overview and Scrutiny function work programmes for 2020/21. Update from each scrutiny commission Chair on their work programme for 2020/21.
	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 2019/20
	Cabinet Question Time Mayor Philip Glanville	Chief Executive's Directorate Mayor's Office Ben Bradley / Tessa Mitchell	CQT session with the Mayor.
	Quarterly Finance Update	Finance and Resources Directorate Ian Williams	Finance Update

Dates	Proposed Item	Directorate and officer contact	Comment and Action
Mon 1st February 2021 Papers deadline: Wed 20 th Jan	Quarterly Finance Update	Finance and Resources Directorate Ian Williams	Finance Update
	Chief Executive Question Time	Chief Executive's Directorate Chief Executive Tim Shields	Question time session with the Chief Executive
	Scrutiny Panel Work Programme 2020/21	Chief Executive's Directorate Overview and Scrutiny Tracey Anderson	Review of the Scrutiny Panel work Programme for 2020/21
Mon 8th Mar 2021 Papers deadline: Wed 24 th Feb	Food Poverty Strategy	Chief Executive's Directorate Strategy, Policy and Economic Development Head of Policy and Strategic Delivery Sonia Khan	Update on the Food Poverty strategy and work to tackle food poverty in the borough.
	Update on the Advice Services Review	Chief Executive's Directorate Strategy, Policy and Economic Development Head of Policy and Strategic Delivery	Update following the implementation of the advice services review.

Dates	Proposed Item	Directorate and officer contact	Comment and Action
		Sonia Khan	
	Scrutiny Panel Work Programme 2020/21	Chief Executive's Directorate Overview and Scrutiny Tracey Anderson	Review of the Scrutiny Panel work Programme for 2020/21 and note any suggestions for the work programme in the new municipal year

To be scheduled

Information about how the learning from complaints is cascaded and used by service areas	TBC - All Group Directors	A briefing from each Group Director to explain how they use and cascade the learning from complaints to make improvements to services.
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London Borough of Hackney
Scrutiny Panel
Municipal Year 2020/21
Date of meeting Monday, 5 October, 2020

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

Chair Cllr Margaret Gordon

Councillors in Attendance: Cllr Sade Etti, Cllr Sharon Patrick, Cllr Ben Hayhurst, Cllr Peter Snell Cllr Mete Coban, Cllr Polly Billington, Cllr Sophie Conway

Apologies:

Officers in Attendance Ian Williams (Group Director of Finance and Corporate Resources), Bruce Deville (Head of Governance and Business Intelligence), Ian Chilvers (Special Projects Manager)

Other People in Attendance Mayor Philip Glanville and Cllr Nick Sharman

Members of the Public None

Officer Contact: Tracey Anderson
☎ 0208 356 3312
✉ tracey.anderson@hackney.gov.uk

Councillor Margaret Gordon in the Chair

1 Apologies for Absence

1.1 Apologies for lateness were received from: Cllr Sade Etti, Cllr Sophie Conway and Cllr Polly Billington.

2 Urgent Items/ Order of Business

2.1 There were no late items and the agenda was as published.

3 Declaration of Interest

3.1 Cllr Margaret Gordon declared that she was an Advisory Lawyer with the Department of Work and Pensions and would not participate in any discussions on benefits or pensions.

4 Annual report of Complaints and Members Enquires

- 4.1 The Annual Report of Complaints and Member Enquiries is a standing item on the Scrutiny Panel work programme. This report provides an annual summary of the council's complaints, Member Enquiry and Mayor and Cabinet casework processes.
- 4.2 The Head of Governance and Business intelligence introduced and highlighted key data within the report. In summary:
- Complaints overall fell by 14% in 2019/20. This continued a downward trend where the number of complaints have fallen by 23% since 2016/17;
 - Approximately 50% of complaints were concerned with the provision of housing services, the majority of which concern housing repairs;
 - The number of complaints has fallen across all service areas with the exception of children's social care (where there has been a significant increase) and housing repairs (marginal increase);
 - The number of complaints referred to the Ombudsman has also fallen and the outcomes have been more favourable to the Council's position;
 - High levels of Members Enquiries and Cabinet Casework were recorded in the report which is indicative of strong member engagement and support for residents.

Questions from members of the Panel

- 4.3 How does the Council ensure that the complaints service is productive and that individual service areas learn from public complaints about service provision?
- There is learning from the complaints process, which is indicative in the data presented in the report which shows a declining number of complaints.
- 4.4 How accessible is the complaints service to the public? Are the public aware of how to make a complaint and are satisfied with the outcomes of this service?
- Details of the complaints process is fully described on the council's website and this is the main medium through which complaints are submitted. Details of the complaints process are available in many of the council's public buildings with instructions on how to make a complaint.
 - At every stage in the progression of a complaint, complainants are provided with further information on the next stage and what options are available to them if they are not satisfied with the process (at end of Stage 1 or 2). At the final stage of the complaint process, complainants are given the opportunity to escalate their concerns with the relevant Ombudsman or Designated Person (for housing complaints).
- 4.5 Members were concerned that the time taken to process Members Enquiries which was now on average taking 24 days. Why had the time taken to process Member Enquiries increased and what was being done to reduce this processing time?
- The response time to Member Enquiries was of concern to the service and to the Mayor. The proposed review of this service would not only encompass how such enquiries could be dealt with quicker, but also ensure

that there is value added to the process so that the council further understood the nature of the complaint and how to resolve similar issues in the future.

- The review would also try to address how the Member Enquiry process could be adapted to respond to the varying nature of enquiries, which ranged from simple requests for information through to the resolution of very complex service issues. This would help to streamline and hopefully sped up the Member Enquiry process.

4.6 What is the public perception of the complaints service, is this regularly assessed?

- At present the only the housing service surveys complainants to assess their satisfaction with the process and outcomes of their complaint. Analysis from this survey is then fed back into the operation of the complaints system in the housing service.
- In May 2020 the housing service undertook a review of its procedures which led to a number of developments. New procedures have been put in place including that all complainants are contacted in person via telephone (or other preferred medium) within 3 days of making a complaint. This development has helped officers to better understand the nature of the complaint and more effectively support its resolution. Within the new procedure, the initial contact officer will also remain the sole point of contact for the complainant which helps to bring continuity to the process. It is hoped that these developments would also contribute to a speedier resolution of the complaint.
- New systems would be reviewed before the end of the year as this coincided with the need to provide a self-assessment to the Ombudsman to support compliance with the new Code for housing complaints.

4.7 The Mayor noted that the review of Member Enquiries and Casework was a manifesto commitment from 2018. The roll-out of the One-Case system (to manage all casework) would now take place in November 2020 (having been delayed to the impact of Covid). The new system would be more responsive and compatible to how the Mayor and Cabinet office was working. A member reference group had been established to provide member insight to guide and inform the development of the final system to be implemented. The new system would better enable the Council to use member insight to develop and improve services for the local community.

4.8 The Panel reiterated concerns about the length of time that Member Enquiries were taking to be processed and that it would maintain oversight of this in the coming year. The Chair thanked officers and the Mayor for responding to questions from the Panel.

5 Update on the Impact of Covid 19 on Hackney's Housing Service

5.1 The Mayor and Cabinet are held to account in public as part of a Cabinet Question Time Session. The Mayor's Question Time is the responsibility of the

Scrutiny Panel and the Mayor is given advance notice of the topic areas the Panel would like to focus questioning. The agreed areas for this session were:

- Lessons learned by the council and what could be done differently;
- Long term financial implications on our communities;
- How the council aims to reduce inequalities particularly systemic racism;
- How the council plans to engage the whole community in building back better.

5.2 The Mayor presented to the Panel highlighting responses to the questions posed above:

5.2.1 Lessons learned so far:

- What was clear from the outset was that the pandemic was not like other emergency situations, and that there would not be a return to 'business as usual' and that this issue would be all consuming for the Council and the borough as a whole.
- In this crisis, the council has frequently and consistently stepped in to deal with national policy and infrastructure failures. This has been seen in relation to PPE, testing and contact tracing. Although the council is in part reliant upon central government support to develop its local response (to establish the legal framework for actions and for funding), this has not stopped the council from stepping into the breach when such support has not been forthcoming, for example the initial humanitarian response to the pandemic.
- It was important to ensure that front line services were resilient and were able to operate effectively throughout the pandemic, particularly housing, waste collection, parks and other environmental services. It was also important to maintain the accessibility of contact services throughout the pandemic so that residents could continue to contact the council for the services they needed.
- The Council had also been very clear in its commitment to keeping staff and workplaces safe and effective arrangements have been put in place to help staff work from home.
- It was also important to maintain the council's commitment to democratic accountability even within the emergency response situation, and the Mayor and Cabinet held wide ranging consultation and engagement sessions within the community and have supported the continuation of scrutiny and other governance structures throughout this time.
- Developing a sub-regional response can be challenging given that the administrative structures and geographical footprints vary for different service areas, for example Inner North East London Health and the London Forward (economic regeneration).
- The Council is aware of the pressures that staff have been under for many months now and is very conscious to support their health and wellbeing. The Council is working on an autumn and winter plan to ensure that staff are fully supported and are able to work and continue to provide the services that local residents need.

- It was important to reiterate the Council's commitment to prioritise saving lives and not structures within the pandemic response, and that much had been learnt from the prioritising NHS capacity above all other services in the first part of this pandemic. Access to good local data on PPE, testing and a detailed knowledge of how the virus was spreading and impacting on local people remains critical to the boroughs effective response.
- Local partnerships in both the statutory and voluntary sector have been essential in helping to develop an effective borough wide response to the pandemic. The strength of the local community and voluntary sector has also helped to improve local resilience.

5.2.2 Long term financial implications

- It is accepted that the government's financial support to businesses, local residents and indeed to the Council assumed that financial impact of the pandemic would be contained in Q1 and Q2. As events unfold, it is clear that the financial impact has been far wider and likely to be more prolonged than initially anticipated. As a result there are serious funding questions which as of yet remain unanswered going forward.
- The Council had recently published its Inclusive Economy Strategy and would actively use all its assets and resources to deliver on its objectives. The council had numerous tools and processes at its disposal which can ensure that local residents and businesses get the help that they need (e.g. planning policy, community assets, job support).
- It was noted that the longer term financial issues to the council presented by Covid would be addressed more fully in the next item.

5.2.3 Reducing racial inequalities

- The Council aims to be a truly anti-racist Council were articulated within commitments given at Full Council in June 2020, and officers were actively working to ensure that positive and tangible measures were being taken to support these commitments.
- The Council had received external challenge on its plans to be an anti-racist council through local partners, including Hackney Community & Voluntary Sector.
- A community strategy sub-group had been established to help further develop antiracist practice and to support wider inclusion. This group would seek to identify and share good practice from across local agencies (e.g. ELFT and elsewhere) to help combat systemic and institutional racism.
- It was acknowledged that scrutiny had played an important role in highlighting local racial inequalities in terms of school exclusions, adverse childhood experiences and local stop and search policing. This work was important not only to highlight local racial inequalities but to hold leaders to account and to make improvements.
- It was hoped that a further update on this work to combat systemic and institutional racism would be presented at Full Council at its next meeting in October 2020.

5.2.4 Engaging the Community in building back better

- How communities will be engaged in the future has been set out in the revision to the Corporate Plan. The Council has sought to use co-production processes to support engagement in local service development and improvements and there were many examples of this across the Council which include the Ageing Well Strategy, the Young Futures Commission, Child Friendly Borough SPD and Shoreditch Park public realm improvement. At this time, the preferred approach of the Council would be to engage and involve the community around specific and distinct policies and services rather than a borough wide conversation.
- A larger borough wide conversation was expected to take place next year with the support of IPSOS Mori to gauge what local residents feel about the borough.
- The Council would not seek to reinstate its role in the distribution of food to vulnerable residents, for although it was recognised that this response was required in April, the Council had invested additional capacity building and coordination into the community and voluntary sector to empower them to deliver their own response and to support local resilience.
- New community facilities would be opening in the coming weeks including Clapton Common Community Centre (community resource) and the Marie Lloyd Centre on Queensbridge Road (hub for older people's services). Both these developments have been produced with the community and demonstrate how the council is using its assets for the wider benefit of local residents.

Questions from the Panel

5.3 Has there been any discussions with the government (central or regional) about the differing levels of lockdowns and how these may affect local residents? Are such lockdowns likely to be borough specific or London wide? How much notice would the borough be given?

- A London Escalation Framework has been developed to ensure that the Mayor of London, Secretary of State and London Councils are involved in what might happen next. There is weekly contact and support through London Councils to maintain regional oversight and to guide interventions.
- The government has proved to be an unreliable partner in what it asks of residents, businesses and local government where policies and practice have too frequently been implemented with no consultation and with little time given for relevant agencies, services or the public to prepare.
- In terms of a future emergency response and possible lockdown, there was a strong belief among stakeholders that London boroughs should move together in recognition that ward and borough boundaries were porous and that there is considerable cross borough traffic. Although there were varying levels of covid infection across London, it was likely that any escalation would be on a London wide basis rather than any singular ward or specific borough. It should be noted that in terms of the prevalence rate for Covid, London was still some way behind other areas of England.

- 5.4** What additional support will be available for businesses during the likely second wave of the pandemic? How is the council working with other local authorities to support its offer to local businesses?
- One of the reasons why London boroughs want to move together is to protect London's businesses and wider economy. The government has announced a series of support packages which the council has effectively distributed to local businesses. This direct support is due to end soon together with the furlough scheme. The problem with the new Job Support Scheme was that there is an expectation to pay part of employees' wages, which will still be very challenging for those businesses which have lost substantial parts of their income. Direct support for business for businesses is only triggered when there is a lockdown and businesses are required to close and would equate to payments of £1,500 per business every 3 weeks. The council's position is that more sector specific, and targeted support is necessary to help areas of business under particular strains (e.g. service sector and night time economy).
 - The extent to which local businesses have been impacted by the pandemic is illustrated by the fact that 44,000 people working in Hackney have been furloughed. The next weeks will be critical for these workers and businesses as the furlough scheme comes to an end.
- 5.5** Given the national problems with testing, is there scope for any testing work to be commissioned and provided locally?
- Although testing capacity reduced in the borough over the summer months, this has now returned with London being placed on a watch list. There are 4 sites across Hackney (Mare Street, Dalston and the mobile testing unit in Stamford Hill and Hackney Marshes). Given the ongoing digital divide and allocation of appointments, the Council believes that there is a need for a return to walk-in testing services. It is clear that the outsourced testing services have not been operating effectively and should be returned to the public sector. The Council was however reluctant at this time to endorse localised commissioning of testing.
- 5.6** How is the authority using local data on Covid transmission and infection to target preventative interventions?
- National messaging is critical in preventative initiatives. The biggest risks to transmission remain the same however, lack of social distancing, not wearing masks in public spaces and poor hand hygiene. The Public Health team continues to assess local outbreaks and monitor routes of transmission. It should be noted that the infection rates across the borough vary widely, and outside the Stamford Hill cluster, there were few consistent geographic patterns of infection. Pan London there have been notable clusters of infection among students though this had yet to develop in Hackney.

- 5.7** In response to an infection rate for covid of 50 cases per 100,000 population, the Mayor of Tower Hamlets recommended that households did not mix. Would a similar approach be taken in Hackney?
- Whilst the Council has been close to issuing such localised advice, this approach is problematic as it is not backed up by or corresponds with national messaging. This local approach can cause confusion among residents and is of course difficult to enforce. There is currently an infection rate of 65 cases per 100,000 population in Hackney which places alongside a small number of other boroughs with the highest rates of infection in London. There was however a much larger group of boroughs (10-13) who have a slightly lower rate of infection at around the 50 cases per 100,000 population.
- 5.8** Many structural problems remain in preventing covid cases occurring in care homes, including access to testing, low pay for staff and sick pay provision for care workers. The Council may however be able to influence the discharge practices of local hospitals into care homes which may prevent local transmission. How is the Council working with local hospitals on this issue as a second wave emerges?
- Much was learnt from how Covid 19 impacted on care homes in the first wave, and the Council is still pushing for regular monthly testing of staff to help them identify and contain cases. There are however many idiosyncrasies in working with housing with care and domiciliary care services.
 - The Mayor offered to give feedback on this issue more fully in writing as he did not have this information to hand.
- 5.9** The digital divide can be seen in relation in many spheres including access to GP services and on-line teaching in schools. Could an update be provided on the development of a borough wide strategy to extend Wi-Fi provision and the improve access to digital devices to the wider population?
- The Council alone cannot meet the local shortfall on the digital divide where it was estimated that over 3,000 digital devices were required locally. It was noted that schools have a new duty to provide their curriculum digitally from October, which would increase pressures for local devices and connectivity. The Council has helped deliver devices to local children and young people in need and a local appeal to recondition old devices has yielded over 200 laptops. The council hopes to establish some form of 'library service' for laptops for local residents in need.
 - The Council has progressed in its Wi-Fi extension strategy and plans to install free Wi-Fi in priority areas which include local hostels and community buildings.
- 5.10** In relation to BAME communities and a prospective second wave of infection, has there any additional messaging from national or local public health bodies to prevent transmission? Is there any other support we can provide to BAME communities locally?

- It was apparent that a number of people who were on the original shielding list were at lower risk than some who were omitted from that list. Using local data and analysis (e.g. GP lists), more bespoke advice was being provided to those groups of people at greater risk.
- The best precautions that could be taken were those measures which are used to protect ourselves from infection: maintenance of social distancing, wearing face masks and good hand hygiene. These core messages were important and residents should maintain these when they visit people's homes or have visitors at their homes. It was acknowledged that this was a significant leap in preventative behaviour.

5.11 In respect of local residents who have no recourse to public funding, are all located in temporary accommodation?

- The Council has a commitment to support people who have no recourse to public funding such as the homeless and rough sleepers. The council continues to support the Isolation Fund which provides funds to vulnerable groups to help them self-isolate in the event of a positive diagnosis.
- It should be remembered that those with no recourse to public funds were also likely to include those people who were until recently working and not just those who are left destitute by the asylum system.

5.12 How is the Council supporting those tenants who have gone into rent arrears having lost their job in the pandemic?

- The council's position is that it does not want to see local tenants who have accrued rent arrears arising from unemployment as a result of Covid to be evicted. The council was encouraging all tenants to contact them if they have fallen into rent arrears, whether this is the result of covid or other historical reasons to ensure that they can access support that they may need. Contact with the council would help tenants to develop agreements with the Council and if eligible, additional help could be made available in the form of discretionary funds. The council had also funded independent advice and guidance through the voluntary sector to help and support residents with rent arrears and other financial concerns.

5.13 How have the Mayor and Cabinet members found the process of lobbying central government, in particular through letters to ministers?

- Whilst writing to the central government is a useful tool to support policy change, it was not a panacea for effecting change. Also given the necessity for the Council to evidence such policy change requests, letters to the government were also a very resource intense way to make the case for change. The Mayor noted that scrutiny adopted a very similar approach, and would welcome similar contributions from the Chairs of scrutiny to help effect change to policy at the national level.

5.14 The government announced the start of the Kickstarter Programme to help develop youth employment opportunities. Can you provide further information on how this programme will work in Hackney, how the council intends to work

with local stakeholders and how the programme will embody council ambitions to develop an inclusive economy?

- The Council is still to determine its position in relation to Kickstart, and would want further reassurance about the principles and quality of the interventions within the scheme. The council's stated ambition is to create good quality jobs and apprenticeships and would like to see this embodied within the programme. The Council has developed Memorandum of Understanding with local colleges and further education to support this ambition and was investing in a new adult skills service (with the Education Service, Hackney Opportunities and Hackney Works).

5.15 How can the Council ensure that London Development Corporation is working to deliver clear outcome measures (e.g. employment opportunities) for its work in Hackney Wick?

- The Council is clear that whilst this is a four borough partnership local intelligence and information was needed at the local (ward level) to ensure that opportunities were maximized. The Council were reassured about the work that was taking place by its regeneration team and the engagement of partners for this work in Hackney Wick. Where appropriate, the Council would challenge the LDC to do more to measure the impact of its work.

5.16 What are the political implications of the longer term budget challenges?

- At the outset of the pandemic, government messaging to local authorities was to spend what was needed to support local communities. The Council has kept a very full and detailed record of additional expenditure incurred through responding to the pandemic as well as the loss of income from fees and charges. Whilst some funding has been recouped, further requests have been submitted.
- There are concerns as to how significant shortfalls expected within the Council's Collection Account (Council Tax and Business Rates) will be reconciled in this year's accounts and if this can be spread across future budget years.
- The national budget for this year had been postponed and it was not clear whether the national spending review would take place as planned. This lack of direction from the central government was giving rise to considerable financial uncertainty across local government. Given the ongoing financial uncertainty, it was likely that the government's current financial settlement for the Council would be rolled over for a further year.
- There were also still unresolved funding issues for local government which continued to place strains on local finances. The Council has continued to campaign and lobby for change in respect of SEND funding, residents who have no recourse to public funds and Public Health yet these funding issues remain unresolved. Due to sound financial management, the Council was however in a relatively strong financial position. The Council would however, alongside other local authorities, continue to lobby government for an improved settlement overall for the sector.

- 5.17** There is a local challenge to local policy development and implementation, particular in relation to proposed development on Morning Lane and the establishment of Low Traffic Neighbourhoods. How can the Council work better to ensure that the views of all sections of the community are represented and brought on board with such developments?
- Whilst the Council would always prefer to advance such initiatives through a process of co-production, in this instance this has had to be balanced with the need to act urgently. The pressure on major traffic routes in London is not unique to Hackney and is not the product of the introduction of Low Traffic Neighbourhoods. In south west London, Wandsworth had stepped back from LTN's yet traffic congestion was still prevalent and had impacted on local bus times. The Council had developed the LTN schemes and would now be engaging with local communities to understand how these were working in practice. This Mayor met regularly with the Cabinet member and officers to assess local traffic and other data to understand how the schemes were working. Residents were urged to feedback their views on the schemes, particularly those aspects of the schemes which were not working as could be expected, so schemes could be refined and improved.
 - The biggest threat to community engagement and involvement in planning, regeneration and change was the prospective Planning Bill which would reduce the ability of local residents to shape the communities in which they live.

5.18 The Chair thanked the Mayor for attending and responding to questions from members of the Panel.

6 Quarterly Finance Update

- 6.1** The Group Director for Finance and Resources presented the Council's monthly Overall Financial Position (OFP) Report from July which sets out the latest budgetary position for 2020/21. The following key points were highlighted:
- Of the £3.7 billion grant the central government has paid to local government Hackney has received £21.35m.
 - Under the previously notified scheme, the Council has submitted a return to central for the loss of income due to the pandemic. Within this scheme the council would bear the loss of the first 5% of any lost income and would be compensated for £0.75 for every £1.00 of losses thereafter.
 - Although the necessary legislation had not yet been passed, it was expected that local authorities would be able to spread losses within the Collection Fund (Council Tax and Business Rates) over a three year period.
 - There was no indication from the government if further funding would be provided to local government to support it through a likely second wave of the pandemic. The Council was also still awaiting notification of the funding that it would receive to support the administration of the Isolation Scheme.

- The General Fund position forecast for the end of the year was an overspend of £64.4m gross. After the application of the Government's emergency funding (£21.4m), the smoothing of losses from the Collection Fund over three years and anticipated compensation from the government for losses incurred, the Council was forecasting a £13m loss of which £9m was Covid related and £3.6m non-Covid related.
- The HRA is a ring fenced housing account and was facing a number of financial pressures resulting from Covid. The HRA was forecasting a loss of income from housing rents which would require a drawdown of £1.5m from reserves. Housing teams were working hard to mitigate expected losses.
- The Capital Programme Report detailed significant investments in feasibility studies as well as a range of capital investments.

6.2 The Deputy Mayor Cabinet Member for Finance, Housing Needs and Supply also highlighted a number of issues within the report and the work being undertaken to lobby central government.

- A key ask from central government was financial certainty. At present local authorities did not know what their financial settlement would be for 2021/22 or the amount for which they would be compensated for supporting local pandemic relief. The Council would need this information soon to support effective financial planning and in setting a balanced budget for 21/22.
- A partnership approach has been adopted with central government where it was accepted that the Council would step-up and deliver services to support the pandemic response and would incur and bear the costs of additional spending. This roll would become very challenging however if central government did not properly compensate local authorities or if there was a reduction in next year's financial settlement.
- For many years central government has reduced grant allocations to local authorities which has required them to find alternative sources of income. Therefore the losses that councils face as a result of failing revenues from these alternative income sources (waste, parking etc.) was significant worry to Hackney and other local authorities.

Questions from the Panel

- 6.3** In relation to 2.10 on page 55 of the OFP report, how would the £13.6m budget shortfall would be bridged? What impact would this have on reserves?
- The Council would use a range of measures to bridge this financial shortfall which included the use of contingencies, use of surpluses from the Collection Fund (funds collected above anticipated rate) and the use of reserves. The Council would also seek to defer spending on other 'investments' which would provide additional flexibility in responding to shortfalls.
 - In relation to the Capital Programme, the Council was looking to pare back revenue spending to deal with the cost pressures within this programme. It was apparent that there were a number of projects which could not take

place due to Covid or staff working from home, which means that these allocated funds could be diverted elsewhere.

- Reserves in the General Fund are set at £15m. If there was any draw down on these reserves, the Council would need to replace this next year as this amount is required by auditors to maintain financial stability of the Council. Whilst there would be no draw down on the unallocated £15m reserve, other allocated reserves would be used.

6.4 There are significant cost pressures in children's social care, particularly in relation to residential placements (£4.4m projected overspend) and semi-independent placements (£3m projected overspend). What additional support – financial and otherwise – was being provided to Children & Families to help contain these cost pressures? Are there other alternatives to residential care which could be used to support looked after children?

- The provision of children's social care has seen increased demand over recent years as a result of austerity and declining support available through welfare systems. The council made additional investment in children's social care in relation to additional demand and to enable it to respond to requirements of the Ofsted inspection process. Additional reserves have been created to help the Children and Families Service manage the peaks and troughs of service demand, and to provide children with the necessary interventions to support their transition back to their families. The service has continued to need additional support from the corporate centre as it has not managed to implement such support as quickly as planned.
- Residential placements are a significant cost to the Council where approximately £6.5m is spent on a relatively small number of young people in its care (30-35). Where young people had very challenging needs which often required unique support, placements were consequently very expensive. It would be very difficult and expensive for the Council to directly provide such placements.
- It was suggested that Scrutiny may wish to consider further in depth scrutiny of this particular budget line.

6.5 If financial pressures resulting from Covid were to continue for the medium term, which services which are discretionary funded by the council would face closure? What worst case scenario planning was the Council undertaking?

- It was difficult to predict the financial position of the Council so far in advance given the range of financial uncertainty and of course the ongoing impact of Covid. The Cabinet member reassured members that the Council was not looking to achieve savings this year. The Council was also in a relatively strong financial position compared to other local authorities. The scale of the financial shortfall to local government should not be underestimated however.

6.6 The Panel noted that despite the immediate cost pressures within budgets, the Council continued to invest in future services for the community, particularly the development of council owned sites. What action would the Council take to campaign to acknowledge the leading role that local government has taken in

combatting the pandemic in the absence of a consistent and coordinated and funded response from central government?

- The Cabinet member noted that officers have invested considerable effort and resource into clearly researching and recording the impact of covid 19 on council budgets and this would be used to make the Council's case for additional funding from central government.
- The Mayor noted that Hackney was a campaigning council from both an officer perspective and a political perspective, and would continue to lobby government about the totality of funding as well as more discrete areas of funding (e.g. no recourse to public funds, SEND). Scrutiny can play a role in developing the evidence base to support these campaigns.

6.7 The Chair thanked officers for attending and responding to questions from the Panel.

7 Minutes of the Previous Meeting

7.1 The minutes of previous meetings held on 30th June 2020 and 23rd July 2020 were agreed.

7.2 The Panel was still awaiting a response from the Director of Communications in relation to further information requested at the last meeting. This information would now be provided in writing to the Panel.

RESOLVED:	Minutes of the meetings held on 30th June 2020 and 23rd July 2020 were approved.
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8 Living in Hackney Scrutiny Commission- 2020/2021 Work Programme

8.1 Scrutiny Panel

8.1.1 8.1.1 The Chair of Scrutiny Panel noted that there were two further meetings planned for the remainder of the municipal year. Key agenda items going forward included:

- Ongoing need for budget scrutiny and budget monitoring;
- Food poverty, where external speakers would be invited;
- Update on Advice Service Review
- Chief Executives Question Time.

8.1.2 The Chair requested that members of the Panel should contact her or the scrutiny officer if they wished to make time within the agenda to follow up on how the Council learns from the Complaints process.

8.2 Health in Hackney

8.2.1 The Chair of Health in Hackney noted that the Commission would remain reactive to the public health challenge of managing Covid. The Commission would also be scrutinising how the NHS is dealing with the backlog of elective surgery, in particular the establishment of 'elective hubs'.

8.2.2 The Commission would review plans to merge 8 Clinical Commissioning Groups across north east London which would raise a number of concerns for the integrity of a locally based health systems.

8.2.3 Hackney was expected to take over the operation of the North East London Scrutiny Commission in early 2021. This would be important to help understand the different approaches of individual boroughs to compare and contrast provision.

8.2.4 As the NHS was moving to a position of digital by default, there were genuine concerns about the digital divide and the accessibility of appointments and other services. The Commission would be assessing what support is being provided or planned to help local residents access such services.

8.3 Living in Hackney

8.3.1 The Chair of Living in Hackney noted that two meetings had already taken place, one of which had focused on the use of Stop and Search by the Metropolitan Police. The Commission had identified that BAME young men were disproportionately represented within stop and search figures and that the use of handcuffs had increased exponentially. The police were conducting an internal review which would be reported back to the Commission in December.

8.3.2 The Commission had yet to confirm its work programme for the year ahead but it would encompass how the Councils approach to 'building back better' in relation to local parks and green space (e.g. play areas, toilet facilities).

8.3.3 The Commission had previously reviewed Hackney Carnival and would revisit these in 2021 to ensure that these were being implemented ahead of the hoped for return in 2021.

8.3.4 The Commission would also look at the digital divide and the role that local community centres and libraries can play in developing digital access and internet connectivity to local communities in need.

8.4 Children & Young People Scrutiny Commission

8.4.1 The Chair of the Commission noted that the CYP work programme to September had focused on how education and children and young people's services have responded to Covid, in particular:

- How the most vulnerable children have continued to be supported, such as those in receipt of social care or with special educational needs
- The impact of school closures on children's studies and possibly contributing to widening educational inequalities
- Scrutinising plans to help children return to school safely.

8.4.2 For the remainder of the work programme to May 2020 the Chair noted that the following key areas of scrutiny:

- As the Covid response has had a significant impact on budgets, the Commission would be monitoring areas of high spend, in particular children's social care and residential placements, and of course SEND spending.

- Given that children and young people have missed a significant amount of schooling this year, the Commission would assess how local schools and the Council can help children catch up in their studies.
- It was clear that school closures have not impacted equally across the community and had exacerbated the local attainment gap between disadvantaged students and their peers. The Commission therefore will be looking at effective strategies to help close the education gap for disadvantaged students.
- The Commission would also maintain oversight of the Council's response to the recent Ofsted inspection of children's social care to ensure that it remains on track to improve to an outstanding service by 2022.

8.4.3 In terms of its in-depth review for the year ahead, the Commission has agreed to investigate the growing number of adolescents entering care at age 14 and above for its in depth policy review. The Commission was currently scoping this review, but would focus on adolescents' pathways into care to identify early help interventions from across the council which may prevent them from becoming looked after children.

8.4.4 As the pandemic is changing the way that people communicate with each other and with local public services, the Commission was reviewing the way it engages and involves local communities in its work. The Commission planned to develop new structures to support community engagement in the year ahead e.g. more site visits, newsletter and social media.

8.5 Skills, Economy & Growth

8.5.1 The Chair noted that the Commission has assessed the impact of covid on local business and has consulted a wide range of stakeholders to understand what support was needed to help them recover.

8.5.2 The Commission would also be scrutinising the Emergency Transport Plan to understand the principles of this approach and the likely impact it would have in the community. The timing of this had yet to be agreed given that local data was still being collated within local schemes.

8.5.3 The Commission would also assess how local high streets had been impacted by the pandemic and to ascertain the nature and level of support that these local community hubs might require from the council and its partners.

8.5.4 As Covid will have long term impacts on different industries, the Commission would be assessing what skill redevelopment offer could be offered by the Council and training partners to help the local workforce adapt.

8.6 Audit Committee

8.6.1 The Chair noted that the Audit Committee would continue to assess financial forward planning of the Council. There were two significant risks for the Council going forward which would be monitored by the Committee these being the risks posed by Covid on the general policy making function of the Council and Brexit.

8.6.2 A deep dive into Capital Estimates would take place in the forthcoming year to help develop wider understanding and expertise in the way that capital is managed across the council.

8.7 The Chair thanked Commissions for reporting back on their work programmes for 2020/21.

9 Any Other Business

9.1 There was no other business and the meeting closed at 9.30pm.

Duration of the meeting: 7.00 - 9.30 pm

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Chair	Councillor Margaret Gordon
Councillors in Attendance	Cllr Mete Coban, Cllr Peter Snell, Cllr Ben Hayhurst, Cllr Sade Etti, Cllr Sophie Conway, Cllr Sharon Patrick
Apologies:	Cllr Polly Billington
Officers in Attendance	Tim Shields (Chief Executive), Ian Williams (Group Director Finance and Corporate Resources), Deirdre Worrall (Director Neighbourhoods and Housing Finance), Rob Miller (Director of ICT), Tracey Anderson (Head of Scrutiny and Ward Forums), Jarlath O'Connell (O&S Officer)
Other People in Attendance	Mayor Philip Glanville, Cllr Rebecca Rennison (Cabinet Member for Finance, Housing Needs and Supply), Cllr Nick Sharman (Chair of Audit Committee)
Members of the Public	
YouTube link	https://youtu.be/cFul4SrJmKk
Officer Contact:	Tracey Anderson <input type="checkbox"/> 020 8356 3312 <input type="checkbox"/> tracey.anderson@hackney.gov.uk

Councillor Margaret Gordon in the Chair

- 1 Apologies for Absence**
 - 1.1 An apology for absence was received from Cllr Billington.
- 2 Urgent Items / Order of Business**
 - 2.1 There was no urgent business and the order of business was as on the agenda.

3 Declarations of Interest

3.1 There were none.

4 Chief Executive's Question Time

4.1 The Chair stated that a key element of the scrutiny function is to hold the Mayor, Cabinet and senior officers to account in public as part of a Cabinet Question Time Sessions. The Chief Executive Question Time is the responsibility of the Scrutiny Panel. He had been given advance notice of the topic areas which would be:

- Harassment and bullying policy
- Ongoing impact of the Cyber attack
- Recovery plan from Covid-19.

4.2 Chair welcomed to the meeting:

- Tim Shields (TS), Chief Executive

Harassment and bullying policy

4.3 TS stated that the Scrutiny Panel had been interested in this topic in the past but that had related to an issue in a specific service and much work had been done on this issue since. Subsequent to that more intensive work on tackling the issue has been done by managers across the organisation. For this item he wanted to speak more broadly about the subject. He suggested there was scope for the unions to be more involved in relation to aspects such as micro aggressions as well as bullying and harassment and they've worked with the unions' BME groups and with the Council's own Equalities Champions. One issue of focus was ensuring that the common standards are also applied to agency workers and this is made clear to them.

4.3 TS added that, more broadly, the pandemic had of course changed how the Council works in every respect. Senior managers have held numerous webinars and Q&A sessions with staff on Covid impacts, on working from home as well as on the bullying and harassment policy linked to supporting staff in terms of their mental health. The Council has introduced diversity champions who have trained senior managers across the organisation and, just that day, introduced new Mental Health Champions. The organisation is now more focused on supporting the workforce throughout covid. There has also been a gradual increase in the staff survey results with good feedback on the support received from senior managers. The survey results were demonstrating that managers do care and were flexible and so the Council would be in a good position to progress. There has also been a renewed commitment to greater diversity in senior roles.

Cyber Attack

4.4 TS stated that the attack in October was a major and sophisticated criminal act. Many systems were still unavailable. The council's investment in modern cloud technology had paid off and meant that it was able to carry on with essential functions. Teams had worked tirelessly through it all. He cautioned that the nature of the work to be done in recovering lost systems and data will be lengthy and slow. Workarounds had been put in place, housing benefit was

being paid and housing repairs actioned. Some systems were already recovered and others on their way to being restored or replaced and they continue to update the website on what is available. They had now also published the Electoral Register following a huge amount of work on processing a backlog of electoral information into a new system. He added that he shared residents' and businesses anger at this attack and the huge disruption it has caused. The focus is on bringing all systems back and recovering data and they have risk managed the data theft aspect. They were working closely with the National Crime Agency and the Metropolitan Police on that. The data that had been published on the dark web was relatively small compared to what the Council holds and the Information Commissioner was consulted throughout and has been complimentary of the Council's efforts.

Recovery plan from Covid-19

- 4.5 TS reflected that they had thought recovery would be in Sept 2020 which of course hadn't happened. The impacts for example on young people and on businesses, just two examples, were immense and the Council had continued to provide services whether it be support to business through grants, to residents through food parcels or prescription deliveries, it all involved teams of staff working in completely different ways.
- 4.6 Regarding the financial implications, TS stated that budget proposals were being brought at the end of February for 21/22. The strain on the council's finances was immense despite the positive support received from central government. In the short term, everyone has to wait for lockdown to ease but the Council now knows more about how to start up services again quickly. There is still great uncertainty re timelines and when recovery can begin. Schools had been set to re-open on 8 March but this seems unlikely. Other issues such as the travel corridors and Brexit would also impact. In the longer term, the impact on mental health, on social care and on the economy will be great. While it is clear what support is needed now it is not clear what the long term impacts really will be. As soon as national timelines are clarified they will immediately start to work with schools and businesses etc. He concluded that the Council has in its back pocket a number of worked up plans which would kick in should they need them but it was not realistic at present to have one master plan to deal with everything.

Q&A

- 4.7 All Members in their responses paid tribute to the Chief Executive, who had recently announced his retirement, thanking him for his immense contribution over the years and for being a bedrock of stability for the Council.
- 4.8 The Chair welcomed that the Pulse study had shown an improvement and asked how that compared with past results, what the trends were and how many grievances there had been recently. TS replied that the concerns originally related to one particular team. He was only aware of 1 or 2 cases per year before 2020. During 2020 case loads had dropped considerably, most likely because staff were working from home. The main focus of the recent survey therefore was on mental health relating to home working and barriers to home working. He'd been very impressed by the collaboration across Directorates in the aftermath of the pandemic.

- 4.9 The Chair asked what reassurance would be given to the public on data published following the leak. TS replied that a recovery plan was put in place for each of the systems and data sets accounting for what might be lost or subsequently published elsewhere. This was devised with the National Crime Agency and the National Cyber Security Centre. When the data dump happened in Jan the response focused on any use of people's bank details as part of that and where any personal information was compromised those individuals were immediately contacted. The scale of the 'data dump' was small and involved a lot of rather mundane information such as HR manuals. Staff worked tirelessly to risk assess the loss and give assurances. Postal voters were written to for example asking for a refresh of their signatures and dates of birth as that data had become locked and inaccessible. Ian Williams added that all data that had been published had since been taken down.
- 4.10 A Member asked what action the Chief Executive was taking to ensure a stable transition as two new Group Directors would be starting soon and he would also be departing. TS commented, re institutional memory, that he could always be contacted for advice if needed. He stated he promoted the restructure which had begun in November and Ajman Ali had been confirmed in his post as GD for Neighbourhoods and Housing and Helen Woodland would be joining in March as the GD for Adults, Health and Integration. By the time he departs the GD of Children's and Education would also be in place and the appointment process of his replacement would be advanced. In the next tier, Directors of Legal and Governance and of Housing and of Adult Services would be filled in the next few weeks. When he leaves his role would be the only substantive senior appointment to be filled and he was confident that a smooth transition would be in place.
- 4.11 A Member praised the transparency and candour of the Council after the cyber attack and asked whether the attack had been worse than expectations and how the Council would resist any similar attack in future and how it would up its game. TS replied that the intention was, being a public sector body, to be as transparent as possible, whereas that would not be the case in the private sector. The Information Commissioner had been contacted immediately and they were very open with them. The attack had greatly impacted on the Council's legacy system and the aim now is to move as much as possible to a cloud system. As they addressed the legacy systems the aim is to strengthen security even more and the Director of ICT has been very open with colleagues in other public bodies to make sure that everyone is better protected.
- 4.12 A Member praised the ongoing capability and success of the Volunteer Hub and its ability to deploy volunteers at short notice and asked how library staff and others had been adapting to their changed roles during lockdown. TS thanked Members for their comments and added that the volunteering had been a great success in the Vaccination Centres for example. The usage of volunteers was still variable and he praised the staff that had stepped up in Parking, Libraries etc. In the first wave they had struggled with the Shielding Nest work because the data had not been as good as it could have been, so much work had gone into better identifying vulnerable people, matching the government's shielding lists with local health bodies' lists. The government had also now narrowed the Shielding Nest to the Clinically Extremely Vulnerable. Supermarkets and Pharmacies had also stepped up and provided many more slots and more delivery options. In terms of re-deployments there had been

great work around distribution of PPE and on food delivery in the first wave but the second wave was quite different however. Large numbers of re-deployed staff were being used and there had been a Skills Assessment done for the majority of the staff which had aided with planning.

- 4.13 A Member asked what the timeframe was for finalising the Bullying and Harassment Policy and asked whether diversity would increase at senior level following the restructure. TS undertook to provide the exact date for the launch. It was currently with the Diversity Champions for review, he added. Re senior level diversity, he added that a specialist Consultancy had been engaged to help redesign and improve the senior management recruitment process. They had changed the language, the advertising and the whole approach in order to make it more inclusive. This was a difficult area in which to bring about change, but he was looking forward to their report and the learning from it would be cascaded down to inform other management recruitment within the organisation. He added that those Members invited onto senior management selection panels will already have noticed the change of approach.

ACTION:	Chief Executive to confirm the date for the launch of the new Bullying and Harassment policy
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- 4.14 Members asked for the outgoing Chief Executive's advice to councillors on areas where they need to hold his successor to account. TS replied that he'd suggest they hold the new CE to account on the vital need to support businesses and the local economy. Covid has placed huge burdens on the Treasury and one thing councillors should do is to keep talking about supporting local businesses. He added that councillors needed to keep doing what they did as they were not generally valued enough by the public. They did this work in their spare time and it was hard work and they often received abuse. He added that his response to critics often was that they had a choice and if they didn't like the approach of the councillors they could always try to get themselves nominated and elected.
- 4.15 A Member asked about the need to rebuild the local economy. TS replied that Hackney doesn't have high streets containing massive retail chains which are currently in trouble and instead had smaller, more niche, businesses. During Covid the Finance Dept had to flip from collecting revenue from businesses to paying out business grants to keep them afloat and there had been amazing work done here by the finance and grants teams. New schemes had kept coming on stream with changing grant conditions. The critical thing was to get those grants out quickly so that the businesses are in a position to start up quickly after lockdown. He added that the campaigns to Shop Local were also crucial here.
- 4.16 Members asked what the CE was most proud of during his tenure at Hackney. TS replied that there were a number of things but he recalled in particular getting the Woodberry Down development moving again. Also the work around the Building Schools for the Future which got £167m for schools. He also mentioned the Pembury Estate project and the Young Black Men project. Creating a borough that was safe, has less crime, better housing, fantastic education had been the goal. The Council was hugely resourceful and was

now strong. It was also a nice place to work as evidenced by how many who leave and later return.

- 4.17 The Chair thanked the Chief Executive for his attendance and all Members again thanked him for his contribution to the Council.

RESOLVED: That the discussion be noted.
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5 Quarterly Financial Update

- 5.1 The Chair welcomed to the meeting:

- Mayor Glanville
- Deputy Mayor Rebecca Rennison (RR), Cabinet Member for Finance, Housing Needs and Supply
- Ian Williams (IW), Group Director Finance and Corporate Resources

- 5.2 Members gave consideration to the following reports:

1. Tabled presentation on the *Council Budget* for 2021/2022 from the Group Director
2. Council's *Monthly Overall Financial Position (OFP)* Report - This report provides information about the Council's latest budgetary position in 2020/21.
3. *Capital Programme* report - This report provides information about the Council's Capital Programme.
4. *Housing Revenue Account* budget 2021/22 including tenants rents and service charges.

- 5.3 In introducing the item the Deputy Mayor stated that the papers contained a lot of tracking data on the development of the finances during the pandemic but that she'd like Members to focus on the need to plan early for the 2022/23 budget. She thanked Scrutiny Members for their input so far on the development of the budget. She added that more detail on the Government's spending commitments had just come in.

Q&A

- 5.4 A Member asked about the Housing Revenue Account budget and how sustainable projections can be, considering the current financial situation many residents find themselves in. She asked how HRA Capital Budget spending decisions were made and how proportions were allocated e.g. repairs, vs buy back vs building new council properties.

IW replied that the HRA was one of the most challenging parts of the budget – the cash element of housing income. The Council had put in place a package of support to tenants around employment and further work is ongoing. Where tenants have difficulties the aim is to ensure that they are not chased separately by each part of the Council and that instead help is offered and he's discussed this with the other Group Directors. Overall the level of rent arrears is increasing which is a concern but in terms of the overall sustainability of the HRA it is in a much better place in Hackney than in other boroughs.

On borrowing, the focus is to borrow to invest and they do not borrow for Revenue expenditure. He described the recent reports on the council property buy-back scheme which had involved 25 properties. The sources for funding this are a challenge in terms of rules around Right to Buy receipts so they are looking for schemes where they can utilise those receipts better. Over the last year they had done detailed analyses with Members on the challenge of funding HRA so that the distinction between what the choices are can be better understood. RR added that the Council could cover only 1/3 of buy backs on receipts and overall there was no magic fix to these funding challenges.

5.5 A Member asked for clarification on the funding gap, whether it was £11m and if it had been bridged by items other than a council tax rise. RR replied that the gap had started at £22m and they had found £8m in corporate savings from a range of areas. The government had just come in with additional Covid related funding for the coming year which has now effectively bridged that gap. There were no sudden financial decisions that needed to be taken but ongoing savings discussions must continue with Directorates and it was unfortunate that government was requiring councils to make savings in the middle of a pandemic.

5.6 Members asked whether the £3.4m Council Tax Reduction Scheme funding was for one year. RR replied that it was, and she wanted therefore to use it as creatively and constructively as possible. She added that CTRS was structured very tightly in legislation so the Council could not change it in the short term even if it wanted to. The priority now was to have a scheme that can get this money out the door as quickly as possible. She added that when the Council took the scheme on they'd hoped to take the related mapping work over this year. Changes to the caseload and government alterations to the scheme itself meant they couldn't do that. There was a need for the government to make the parameters, in terms of spending, clearer.

On the 22/23 budget the gap had been closed by finding more savings and then a late announcement from the government. For the following year the concern is the government's decision on the Fair Funding issue and she wanted to make sure that the process for next year's budget begins now. After a decade of austerity finding any further savings would not be easy, she added. IW added that the final budget papers would clarify the medium to long term financial plan.

5.7 A Member asked that with the end of the Britannia project in sight what capacity was there to move on to other major capital projects such as King's Hall.

IW replied that Britannia is on track but Phase 2a and 2B were yet to be done. A Capital Management Review was taking place to determine which capital project might be next and they were conscious of the need to be ahead of the game. Resources, people and project management capacity need to be in place as well as the finances. Mayor Glanville added re King's Hall that it was not as easy a site to develop as it is a heritage site and would be more challenging to cross subsidise. There needed to be a plan first on how to fund the work but the priority in the short term was to keep it open and safe.

- 5.8 A Member asked about the transformation of the property portfolio and the need for a uniting vision for supporting both the voluntary sector and the business sector in terms of accommodation.

IW replied that the challenges faced by local high street were considerable but much work was going on by a range of council teams to support them. The first tranche of business grants had been completed. There was an Asset Management Review taking place in conjunction with the Voluntary Sector Lettings Policy to ensure that the Council was deploying its assets better and this involved Property Services, Regeneration, Finance and relevant Service departments. After the first lockdown a programme of support for commercial/VCS tenants was put in place and the Commercial Team had evolved their relationships with those tenants he added. So far, no tenant had to return their keys and the support from the Council was being acknowledged. This work has to be continually developed, however. The pandemic aftermath meant that the Council has to be mindful of the new challenges and to think more about what support can be put in place and to consider carefully the social value aspects. There were many examples of good practice out there, he added.

Mayor Glanville added that Hackney had seen a net increase in the VCS 'affordable use' space and referred to Clapton Common and the Marie Lloyd Centre examples. When the Council received assets back it had to consider carefully how to best deploy them. The first instinct with Hackney Wick developments for example wasn't about maximising income but rather how to best contribute to the wider regeneration of the area and how those assets can contribute to local culture and local VCS economy. This represented a shift in culture, he added. Across the VCS portfolio they had regularised the leases from 2011. They had put in place £4/sq ft rents which hadn't changed since. The Review however has to be completed this financial year because most of the leases with VCS sector are set to expire in 2022. The challenging bit relates to those leases which are in between commercial and VCS rent and about how to scope out value and balance VCS and community uses

- 5.9 A Member asked whether the new senior management structure would have budget implications and what the main budget challenges were from now on.

IW replied that this was the third restructure he had overseen and it was made clear from the outset that costs couldn't increase. There had, prior to this restructure, been a 40% reduction in senior management costs and so an need for increased productivity. There had also been savings from the Voluntary Redundancy Scheme and the savings from both of these meant they could bring in this senior management restructure as cost neutral.

On the next immediate challenges IW stated that, notwithstanding the pandemic and the impact of the cyber attack, there would be pressures in Children's Social Care. The austerity welfare reforms and the cuts to school budgets would also impact as there still weren't any national solutions on the level of the dedicated schools grant and or on SEND and the Council wanted a commitment that that be properly funded. Adult Social Care would continue to be a huge challenge which requires a national decision on funding. Temporary Accommodation remains a challenge and there will need to be more spent to bring back the local high streets. RR added that the challenge was immense.

She stated that there had been great discussions with Scrutiny Members over the past year and these needed to continue. She added that it would be easy to just focus on one or two key areas, but the Council had to look at services as a whole. Rough Sleeping for example represented a failure of statutory services generally. The key point was that it was not possible to just pick up one or two big ticket items in isolation.

- 5.10 Cllr Sharman (Chair of Audit Committee) congratulated the Cabinet Member on bringing the 21/22 budget in during such trying conditions saying it was a good result and a good process. He endorsed IW's point on the importance of securing 3-year projections from government. Coming out of Covid would create great challenges for a range of groups who have been adversely affected by it, he added, and there is a need to work towards a three-year budget plan rather than too many quick short-term solutions.

RR replied that they had put additional resources into the budget to plan exactly for this and she thanked IW and his team for rising to the challenge of budget forecasting in the current environment. Reflecting on the situation in Croydon and the Section 114 notice they had to make, she stated that the Auditor Report on it made clear how vital it was to be aware of how issues can build. We have to face the austerity challenge set by government she added, but we also have to be resilient. Finally, she cautioned that many of the new programmes that people want to take forward will have high recurring costs.

- 5.11 Cllr Sharman asked how best to take forward the successful work thus far between Audit and Scrutiny. RR replied that the Working Group had been very useful and had helped inform the budget setting process for the coming year. How do we get to balance the overall financial oversight role with Scrutiny Members wanting to get into the detail of savings proposals needs to be considered and she suggested that she would take a steer from the Chair of Audit and Scrutiny Panel Chair on how this balance might operate.

- 5.12 A Member asked about to build resilience in the voluntary sector and in local businesses and how to be on the front foot on these challenges.

RR replied that she wanted to reassure members that the Council needed to be strict with itself and realistic about building in all the necessary contingencies and fall backs. They had set a balanced budget now and also got resources to fall back on if needed.

Mayor Glanville commented on supporting the local economy to be resilient. He stated that teams in the Council were now working more closely, that communications and engagement was good, and progress was being made in place-based regeneration and housing delivery and this all linked into planning across the Town Centre teams. Teams were increasingly good at making Business Cases to Finance, for example on the enhancement of Hackney Central station. There was a huge amount of resilience in integrated education services regarding the skills offer and back to work schemes for those who will have had a long period of unemployment and he commended the Kickstart programme. adding that the Council needed to maintain investment in these. The Hackney Opportunities Service underpinned by S106 investments was another example. The point here was about making long term investments and this investment can be maintained for now.

- 5.13 The Chair thanked the Mayor, the Cabinet Member and Group Director for their contributions and for making time to attend.

RESOLVED:	That the presentation and reports be noted.
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8 Minutes of the Previous Meeting

- 8.1 Members gave consideration to the draft minutes of the meeting held on 5 October and noted the matters arising.
- 8.2 Members noted a response from the Director of Communications, Culture and Engagement on the issue of social media training and the Chair undertook to take this forward with officers and Scrutiny Panel members.

ACTION:	Head of Scrutiny and Ward Forums to set up a session with Comms officers and Scrutiny Panel to progress the social media use training.
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RESOLVED:	That the minutes of the meeting held on 5 October be agreed as a correct record and that the matters arising be noted.
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9 Work Programme 2020/21

- 9.1 Members' gave consideration to the updated work programme for the Panel. The Chair stated that the next meeting would include a discussion panel on food poverty and an update on the Advice Services review.

RESOLVED:	That the updated work programme be noted.
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10 Any Other Business

- 10.1 There was none.

Duration of the meeting: 7.00-9.05 pm