

London Borough of Hackney  
Governance and Resources Scrutiny Commission  
Municipal Year 2013/14  
Date of Meeting Wednesday, 9th April, 2014

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

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<b>Chair</b>	<b>Councillor Robert Chapman</b>
<b>Councillors in Attendance</b>	<b>CLlr Tom Ebbutt, CLlr Rick Muir and CLlr Deniz Oguzkanli</b>
<b>Apologies:</b>	<b>CLlr Emma Plouviez, CLlr Simche Steinberger and CLlr Louisa Thomson</b>
<b>Officers In Attendance</b>	<b>Gareth Wall (Head of Overview and Scrutiny) and Ian Williams (Corporate Director of Finance and Resources)</b>
<b>Officer Contact:</b>	<b>Gareth Wall</b> ☎ 020 8356 3029 ✉ <a href="mailto:gareth.wall@hackney.gov.uk">gareth.wall@hackney.gov.uk</a>

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## Councillor Robert Chapman in the Chair

### 1 Apologies for Absence

- 1.1 Apologies were received from Commission Members Cllrs Steinberger, Plouviez and Thomson. Further apologies were received from CLlr Lloyd, Chris Hudson (Assistant Director Procurement and Fleet) and Edward Mason of Five Points Brewery.

### 2 Urgent Items / Order of Business

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

### 3 Declarations of Interest

- 3.1 There were no declarations of interest.

#### 4 Minutes of the Previous Meeting

- 4.1 One correction to the [draft minutes](#)<sup>1</sup> of the previous meeting was noted. The second bullet point of paragraph 5.1 should read “During the procurement process, the Council had requested submission of two prices against one new service specification... “ rather than “ ...against two different service specifications... ”.

<b>RESOLVED</b>	<b>That the minutes be agreed as an accurate record of the meeting, subject to the amendment noted above.</b>
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- 4.2 There were no Matters Arising but, in relation to a question at the previous meeting regarding the contractor’s policy on Trade Union recognition, it was noted that the Council had discussed with Unions the importance of ensuring that there was no use of blacklisting nor similar practices.

#### 5 London Living Wage: Local Businesses

- 5.1 The Head of Overview and Scrutiny summarised his meeting with Edward Mason of the [Five Points Brewing Company](#)<sup>2</sup>, based at Hackney Downs.
- 5.2 The Brewing Company was a local employer that had decided to pay its staff at or above the London Living Wage. Both permanent and Part-time staff were paid at this salary, although apprentices were subject to a different arrangement. The Company was the first Brewery in the country to adopt this approach and others had followed since, including the Hackney Brewery in Haggerston.
- 5.3 Following the meeting with Mr Mason, contact had been made with the Hackney Branch Manager for London Citizens, which promoted the London Living Wage campaign. The Branch Manager had shared a list of local employers accredited for the scheme and offered to work with Councillors in future should they choose to look into the issue of local employers paying the London Living Wage.
- 5.4 The Commission asked the Chair to draft a letter to the Cabinet Member for Finance, summarising its findings about London Living Wage and any relevant recommendations.

<b>ACTION</b>	<b>That the Chair, in consultation with the Commission, write to the Cabinet Member for Finance outlining its findings and recommendations in relation to London Living Wage.</b>
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<sup>1</sup> Web address - <http://bit.ly/1ed9D8P>

<sup>2</sup> Web address - <http://fivepointsbrewing.co.uk>

## 6 Budget and Finance Update

6.1 The Chair welcomed Ian Williams, Corporate Director of Finance and Resources, to the meeting and invited him to summarise the financial position at the end of the Municipal Year. The following points were noted.

- No material changes to the Financial position were predicted in the final outturn for 2013/14 from those presented in the agenda report which reflected the position at the end of January 2014.
- Despite Hackney having the highest benefits caseload in London, and the known pressures on the Revenues and Benefits Service including Council Tax collection, it was anticipated that there would be an increase in the proportion and amount of Council Tax collected in 2013/14 compared to the previous year. A similar increase was anticipated for business rate collection.
- The Benefits Service had been set a target of processing claims and changes within 20 days. The performance average for 2013/15 was, in fact, 12.68 days. Commission Members supported the Corporate Director's view that immense credit for this was due to officers in that service, led by Kay Brown, Fiona Darby and David Umney. Administering Revenues and Benefits was a service that touched on every resident and business, including Hackney's most vulnerable residents.

6.2 Other points that were noted in the debate included the following.

- Underspends in directorates such as Legal, HR, and Regulatory Services were largely a result of the policy to bring forward savings agreed for future years wherever practical.
- Gross expenditure in Adult Social Care was approximately £120m. It was vital that substantial savings were delivered in that area, and it had been agreed with that directorate to bring forward savings from 14/15 and deliver early due to its structural significance. Officers were confident that those savings would be delivered and the financial position showed good progress being made. £2m of savings identified for 14/15 were taken in 13/14, for example.
- The Council was exploring opportunities to bid for the [£410m funding](#)<sup>3</sup> announced by the Secretary of State for Local Government. This fund was stated to be for projects that brought local services together, such as "Whole Place Community Budgets" or the Troubled Families programme.
- The funding shortfall for Hackney from 2015/16-2017/18 was £71-2m. Significant changes were not expected in the short term although officers would await the 2015 Spending Review. The more immediate funding gap for 2015/16 was £29m.

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<sup>3</sup> [www.publicfinance.co.uk/news/2014/04/pickles-announces-410m-fund-for-service-integration](http://www.publicfinance.co.uk/news/2014/04/pickles-announces-410m-fund-for-service-integration)

7 Draft ICT Report

7.1 Members of the Commission made several observations about the report, and suggested the following improvements.

- There should be a recommendation for the Council to establish a Digital Advisory Board, comprising local experts from Tech City, who could advise the Council on new ICT developments and future strategy. The model for this Board would be the Education Advisory Group which had proved successful at fulfilling a similar role for the Hackney Learning Trust.
- The Commission should recommend that a key group of data analyst within the Council should be encouraged to meet regularly and use the approaches highlighted in the report (for example, predictive analysis) to help the authority look at new ways to deliver services or find savings. An alternative would be to hire a data scientist and ask them to explore the use of these approaches and save salary x5 per year NYC says it would work.
- The report should recommend that there is a simple interface through which people and businesses with interesting ideas about service delivery can interact with the Council. It was noted that a lot of good contacts existed with Tech City businesses via the Council's "Regeneration and Delivery" service but it was not clear how those businesses could offer to help the local authority with its own services, where there was interest in doing so from the sector.

Commission Members acknowledged that it could be a challenge for "digital hipsters" to engage with a formal council. There may also be off-putting elements such as long procurement cycles that were hard to engage with. Councillors suggested that there could be a way of informing local business about the way in which Local Authorities worked to help them understand. This would be similar, though perhaps less formal, than the 'meet the buyer' sessions hosted by the Procurement service.

- It was suggested that Recommendation Two be expanded to emphasise the importance of involving staff and service users in the design of services, including digital and technological solutions. It was noted that the Head of Business Analysis and Complaints had undertaken this approach with Members the previous night for a re-design of the approach to Member Enquiries.
- Further to Recommendation Three, there was potential to suggest that sector-wide organisations such as the LGA or London Councils could request clarity from Government about the drive to share "open data" and the regulatory regime around Data Protection.

7.2 It was agreed that these changes should be incorporated into the report and a final version to be circulated before submission to Cabinet by the new Commission in June 2014.

<b>ACTION</b>	<b>That the report be amended and a final version submitted to the Commission in June 2014</b>
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## 8 Governance Review final recommendations

8.1 The Commission agreed the following addition to recommendation 4, submitted in writing by Cllr Thomson.

8.1.1 "It will be important to get input from Cabinet in order to plan effectively for topics that it would be appropriate to discuss at an early stage. This could be achieved by arranging a Full Council Planning Meeting ahead of the Municipal Year where Scrutiny Chairs, Cabinet, Scrutiny Officer, Chief whip, etc. come together to map out the year ahead as much as possible. Council meetings could then be promoted actively well in advance via channels such as Hackney Today, Twitter, the Council website, etc."

8.2 The Commission agreed that the Chair should write to the Mayor, Deputy Mayor, Chief Executive and Monitoring Officer, setting-out these recommendations.

<b>ACTION</b>	<b>That the Chair set-out the recommendations, as amended above, and refer them to the Mayor, Deputy Mayor, and relevant officers.</b>
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## 9 Any Other Business

9.1 The Chair thanked Members, the Cabinet Member for Finance, and relevant officers for their contributions to the Commission's work throughout the year.

9.2 Members of the Commission noted the Chair's substantial contribution to the Commission and wider Overview and Scrutiny function during his tenure as Chair of the Governance and Resources Commission, and thanked him for his service.

Duration of the meeting: 7.00 - 8.30 pm