

London Borough of Hackney
Governance and Resources Scrutiny Commission
Municipal Year 2014/15
Date of Meeting Monday, 13th October, 2014

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

Chair	Councillor Rick Muir
Councillors in Attendance	Cllr Deniz Oguzkanli, Cllr Laura Bunt, Cllr Rebecca Rennison and Cllr Nick Sharman
Apologies:	Cllr Will Brett
Co-optees	
Officers In Attendance	Bruce Devile (Head of Business Analysis and Complaints), Michael Honeysett (Assistant Director Financial Management), Joanna Sumner (Assistant Chief Executive) and Ian Williams (Corporate Director of Finance and Resources)
Other People in Attendance	Councillor Geoff Taylor (Cabinet Member for Finance)
Members of the Public	
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Councillor Rick Muir in the Chair

- 1 Apologies for Absence**
 - 1.1 Apologies from Cllr Will Brett.

- 2 Urgent Items / Order of Business**
 - 2.1 None.

- 3 Declarations of Interest**
 - 3.1 None.

4 Minutes of the Previous Meeting

4.1 The minutes of the meeting held on 13th October 2014 were agreed.

RESOLVED	Minutes	were
	approved.	

5 Annual complaints Enquires Report 2013/14

- 5.1 The Chair welcomes Bruce Devile, Head of Business Analysis and Complaints.
- 5.1.1 The report on pages 15-30 of the agenda provides details on the key developments in improving the complaints, member's enquiry process and information about the volume of complaints and enquires for 2013/14. Previously the report was submitted to Standard Committee. The key points highlighted from the report were:
- 5.1.2 The complaints and members enquiry process was reviewed following concerns about quality and customer satisfaction levels. The emphasis in the new process is to obtain a resolution to the problem as opposed prioritising issuing a response to the customer.
- 5.1.3 The process was changed in 2013 with the significant change being a move from a 3 stage complaints process to a 2 stage process.
- 5.1.4 An additional step was introduced to the process. This is the sign-off of a complaint by the relevant Assistant Director (AD) for the service area.
- 5.1.5 The volume of complaints escalating from stage 1 to stage 2 has dropped from 14% to 7%.
- 5.1.6 Performance targets for complaints and members enquire is based on the average number of days to resolve. This was introduced as an incentive to staff to resolve straight forward complaints quicker.
- 5.1.7 In 2013/14 the Housing Ombudsman Services (HOS) assumed responsibility for local authority housing complaints from the Local Government Ombudsman (LGO). To date only the Local Government Ombudsman has produced a report and the HOS are reported to be taking 8-9 months to complete casework.
- 5.1.8 Reports on the volume of complaints from LGO for London boroughs on page 25 of the agenda outlines the volume of complaints referred. It was highlighted that London Borough of Hackney (LBH) is low in comparison and the volume of complaints upheld on Council decision was a healthy 83%.
- 5.1.9 In relation to Members enquires cases, these remained open until the complaint is resolved. This means cases can take longer to close especially cases related to Hackney Homes.

5.2 **Discussion, comments and responses**

a) Members raised the following queries in relation to the members enquiry process:

- Why a response was always received on the 10th day not before or after?
- Why a response was not being sent to the resident when a Member requested it? Members queried if this related to the service area not wanting the resident to see the response they gave, because it disputed the facts stated by the resident.
- Responses could be inconsistent especially Hackney Homes cases.
- Response time to an urgent enquiry was unsatisfactory. Members suggested these queries should have a different process because they required a quicker response time than 10 days.
- Members highlighted although the process had changed. Their interaction with the service remained the same. Members asked when they would have the ability to track the progress of an enquiry.

The Officer confirmed urgent cases did not have a separate process. In the meantime the Head of Service offered for urgent cases to be sent to him and he would ensure they were processed quickly.

In relation to sending a response to the resident, the officer advised they were aware some service areas were not responding to this request and did remind them to do this. The Head of Service asked Members to inform him of the service areas and this would be taken up with the relevant service area.

In relation to receiving the response, the Head of Service noted this comment and advised LBH officers should be responding to straight forward queries quicker because the focus was on the resolution rather than sending a response. An addition to the process is the sign-off of each complaint by the relevant AD, but this should only cause a minor delay.

Access to Covalent for Members is still in progress. The Councils ICT infrastructure is being upgraded to My Office 2013 in December 2014. Business Analysis and Complaints were waiting for the release of the new web based version of the Covalent system (that can be used on tablets) and the ICT upgrade before implementing these changes for Members. The new roll out date was expected to be in the 1st quarter of 2015.

- b) Members raised concern about the quality of case responses. Members suggested the Business Analysis and Complaints team could obtain the view of Councillors if they sent a quick 2/3 question survey to Councillors with each completed case response. This would help them to identify the directorate with the poor quality response quickly.
- c) Members enquired if Business Analysis and Complaints had identified if there was a particular demographic or respondent that did not complain. If not how did the team plan to obtain this information and identify this group?
- d) The Head of Service confirmed the complaint form was online and using this mechanism for submitting complaints has not impacted on the number of complaints from Hackney Homes residents.

A changing trend noted was the increase in the number of complaints from the newer resident demographic moving into the borough.

- e) Members referred to point 4.3 and asked for clarification in relation to increase in the number of complaints for review / stage 3 in 2012/13, reduction in the number of complaints from stage 1 to the new review stage (stage2).

The Head of Service explained the decrease related to the number of complaints progressing from stage 1. The increase reported related to the stage 2 (that no longer existed) progressing to stage 3.

- f) Members asked if the complaints data was used to identify trends and used to help service areas improve.

Members were informed complaints data is analysed and if a trend is identified from resident complaints, this information is passed onto the service area. It was noted the Business Analysis and Complaints were identifying trends quicker to support service area improvements.

- g) Members enquired if there were regular complainants or a mixture of people. The officer advised it was a mixture both regular and new complainants. It was noted they did not seek to dismiss regular complainants as vexatious because often there are genuine issues and sometimes it can take a while to identify the real issue behind a large number of complaints from one person.

- h) Members referred to an independent appeals process that a Housing Association operates. This process involves having a panel of residents who review cases that are difficult to resolve. Members pointed out this appeared to be a successful process because a resident in dispute with the organisation may be more inclined to accept the decision of a resident panel. An example was cited of one case that was a long standing dispute between a resident and the organisation, which was resolved because the individual accepted the decision of fellow residents.

The officer confirmed this was quite a common process used by housing associations. Members were informed Hackney does not operate this process, instead has a designated person for cases of this nature. The Cabinet Member for Housing is Hackney's designated person. It was reported the volume of cases progressing through this process was very small approximately 1 or 2 a month.

The Assistant Chief Executive for Programme Projects and Performance explained the complaints system was used systematically in service area reviews to support improvements and is instrumental to the review work looking at housing repairs service.

- i) Members were encouraged to hear about the changes to the system and the positive outcomes achieved from the new process implemented.

Members challenged the officers to progress towards providing a service that meets the needs of people too. Members were informed the housing repairs review was aimed at moving the service area away from looking at repairs in

isolation. Instead to take a holistic view of the processes from beginning to end using the resident's experience of the service from first point of contact to completed repair to inform improvements.

6 Governance Review Executive Response

- 6.1 The Chair referred Member to the Executive response (on pages 33-37 of the agenda) received, related to the Commissions recommendations made about the Council's review of its governance structures.
- 6.1.1 The recommendations were supported.
- 6.1.2 The Chair referred to recommendation 4 and informed the first debate was scheduled for Full Council meeting in January 2015.
- 6.1.3 Members expressed support for joining up neighbourhood meetings. The Assistant Chief Executive for Programme Projects and Performance advised Lea Bridge Ward was scheduled to trail a joint meeting date unfortunately the CAP was postponed due to a police emergency. This has been rescheduled.
- 6.1.4 A Member of the Corporate Committee asked if the scrutiny commission could review the role and responsibility of this Committee. It was highlighted that Members were confused about their role and the purposed of the committee outside the financial remit. The Cabinet Member for Finance suggested the commission reviewed the Share Intelligence Report produced by the consultant who conducted the review, to understand the recommendations made on the role and purpose of the Committee.

The Chair agreed review this matter further and suggested the Commission invited the Corporate Director of Legal HR and Regulatory Services and the Chair of the Corporate Committee to discuss the role and remit of the Corporate Committee as outlined in the constitution.

Members agreed.

- 6.1.5 Executive response to the Commissions recommendations was noted.

Action	Members agreed to invite the Corporate Director of Legal HR and Regulatory Services and the Chair of the Corporate Committee to discuss the role and remit of the Corporate Committee.
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7 Public Spend Review

7.1 The Chair welcomed the Cabinet Member for Finance, Councillor Geoff Taylor and Corporate Director for Finance and Resources, Ian Williams to the meeting. Also in attendance was the Assistant Chief Executive for Programme Projects and Performance, Joanna Sumner.

7.1.1 The Corporate Director Finance and Resources presented information on the financial challenge; budget and total public spend in Hackney. The main points noted were:

- The average person is still feeling the effects of the austerity.
- The UK suffered a deep recession from 2008, but is recovering well and has overtaken France.
- The Gross Domestic Product for the UK has fluctuated each quarter over the last few years.
- The current challenges result from limited investment in national services post 1945 and the development of a powerful social democratic that expects consistent services.
- The UK borrowing is increasing and national debt is rising at a speedy rate.
- UK government has prioritised four key areas of spend: international development, welfare, NHS and education. All other public sector spend areas are unprotected and will feel squeeze.
- Public sector employment has changed and started to fall.
- Public sector is expected to experience five more years of unprotected resources like the last four years, which means local government will experience further spending and staff reductions.
- Wider public sector change impacting on spend is:
 - NHS** - fragmentation and shortage of resources with a £30 billion gap
 - Schools** - new funding regime implemented meaning less council control,
 - Welfare reform** - universal credit roll out date changed and brought forward from 2016 to 2015
 - City regional policy** affecting urban areas.
- The high spend areas does not necessarily cover a large volume of people. The areas of high public sector spend cover a small percentage of the population.
- Public sector services will be required to find saving for 2015 and beyond as the gap between income and funding widens.
- Local government has a small proportion of the funding under its control. Funding that comes into Hackney is shared with public services: Police, Fire, College, Academies and Free Schools, Transport, NHS, Department of Work and Pensions.
- Emerging themes noted of challenge areas related to spend are work based benefits and housing pressures.

7.2 The Chair presented the Terms of reference and outlined the objectives of the review.

7.2.1 The aim of this review was to find ways to provide services that meet the needs of service users and local residents. Prevention focused to reduce need and build capacity within the Council.

7.2.2 The anticipated outcomes were noted to be:

- Practical recommendations from individual 'deep dives' into particular areas, that will describe the actions different services should take to reduce unnecessary demand/cost;
- A 'whole place' methodology for thinking differently about services that can be deployed across the council and beyond;
- The development of skills within the council, beyond scrutiny commission, so that this kind of thinking becomes embedded in how the council works.

7.2.3 A working group Chaired by the Chair of G&R was set up. This group will meet monthly to take the work forward with support from across the Council and with partners. The group would report back to G&R with regular updates on the progress.

7.2.4 The method of approach was outlined to be:

- Identification of areas of high spend/high need via a high level analysis of the areas of big spend, as well as borough level outcomes data;
- Selection of the first 'deep dive';
- Detailed work as part of that deep dive, involving speaking to service users, officers, all relevant service providers and expert witnesses;
- On-going learning about 'whole systems' approaches, via discussions with those who have carried out similar exercises;
- Produce a report from the 'deep dive' which will identify practical recommendations for all relevant stakeholders;
- Select further areas for additional 'deep dives'.

7.2.5 It was explained the review would be a continuous learning exercise and will involve looking at best practice and the work of other local authorities embarking on this type of work.

7.2.6 The areas presented in the matrix suggested for deep dives were extracted from the information presented in the 'State of the Borough' report in the agenda.

7.2.7 The deep dive categories presented in the TOR for consideration were:

- More people living independently in their homes
- More people able to work or volunteer
- Reducing child poverty
- Supporting young people in the transition to adulthood
- Reducing homelessness.

7.2.8 The Commission would aim to create a standard process for community engagement for a whole system review.

7.3 Discussion, comments and responses

a) Following the presentation by the Corporate Director Finance and Resources the following points were made:

- 1) The Cabinet Member for Finance explained the pending crisis has been building up over the last 30 – 40 years as a result of limited investment in public services. The financial constraints in the current climate and need to address shortfall in income can not be addressed by shifting resources from one sector to another.

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- 2) Local Government would need to think about how to reorganise services in the public sector as a whole, to co-ordinate all services not just their service provision.
 - 3) The UK wishes to carry on providing services but the allocation of resources will not willing to provide the resources to support the current provision.
 - 4) The factors that have created the crisis will not change. How public services are reorganised will be important and require some devolution power to local government to be successful. Through this work the scrutiny commission can help to demonstrate how local government can do things differently.
 - 5) This presented a future of local government providing fewer services. It will require local government to think different and devolution would help with this process.
 - 6) Members commented from the information presented local government was in the section that will continuously face budget reduction. This presented huge challenges ahead for local government.
 - 7) Recovery was more evident in the South of England. For local government to see improvements the North of England would need to show signs of a stronger recovery.
 - 8) Potential areas of work may not necessarily be the areas of big spend and the Commission should bear this in mind.
- b) Members discussed the draft TOR and the following points were made:
- 1) There could be contradictions between high spend and high need. Therefore it may be more appropriate to look at a specific service area like the troubled families work instead of taking a large topic area like health.
 - 2) The deep dives will need to reflect how citizens will be involved.
 - 3) A key issue is building capacity within the council to carry on the work on beyond pilot stage and chart the challenges throughout the process.
 - 4) This financial crisis should be viewed as an opportunity to do something different with public services.
 - 5) The review will start with the service user. It will be imperative continuously check the work remains focused on the issues from the needs of the individual.
 - 6) The work needs to include data from other organisations and not just Hackney Council data.
 - 7) Members were reminded that the process for the whole system review was a reiterative process and would involve returning to service users periodically to check the service redesign aligned with the service users needs.
 - 8) Members discussed inviting other local authorities in who have conducted pilots to get practical information about the challenges and conducting the process. Members talked about having an advisory group of key people (engaged in the review) that the Commission could consult about information and could give advice on service users needs. The Officer reminded Members the experts who attended in September cautioned against having a representative group, but continuously go back the service user to check the information. Members were informed Hackney has a citizen E Panel of approximately 3000 people which is a representative sample of local residents.

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- 9) Members suggested the working group looks at the types of community engagement and presents the options of engagement so they can identify the best model to use.
- 10) If looking at employment the review would need to distinguish the cohort it will focus on e.g.
 - working age people with a disability
 - long term unemployed who have developed mental ill health
 - unemployed person with mental ill health.
- 11) Members referred to childcare and noted this was a critical issue. It was agreed this was not an issue that could be solved locally but would require regional and national intervention.
- 12) Members raised young black men as a key issue. It was pointed out this was highlighted in a piece of work Community Safety Social Inclusion Scrutiny Commission (CSSI) conducted. Assistant Chief Executive for Programme Projects and Performance informed LBH Cabinet has commissioned a piece of work to look at young black men. The Terms of Reference cover this area of work could be circulated to the commission Members.

Action	Members agreed the TOR.
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- c) Members discussed the possible areas to look at in the deep dive and the following points were made:
- 1) Members discussed each deep dive category proposed in the TOR and agreed the area selected would need to be an area that has some degree of local control.
 - 2) Members discussed independent living and focusing on hospital discharge to enable more people to live independently.
 - 3) Members discussed long term unemployment and conducting a review on this area would make a big impact. The review could explore the possibility of the council setting up an employment brokerage service, working with local businesses, encouraging them to give back to the community. The Assistant Chief Executive suggested the Commission should talk to Lewisham, Lambeth and Southwark who were in the process of setting up a new integrated support into work service as part of a community budget pilot.
 - 4) This review will help the council to move away from working in silo and working more in partnership for delivery of public services.
 - 5) Members discussed focusing on the first two areas and suggested doing initial research on these topic areas to enable them to decide which one to focus on for the deep dive.
 - 6) Members discussed finding out the gross figures related to long term unemployed and number of people occupying hospital beds to hospital discharge delays.
 - 7) Members talked about including the service user journey in the scope of the review.
 - 8) The Assistant Chief Executive for Programme Projects and Performance suggested the commission talked to the Council's Ways into Work Team about their work and success with getting people into employment. To get an understanding of the support methods used that have been successful in Hackney.

- 9) Members agreed their deep dive area would be either long term unemployment or independent living. Members suggested the Steering Group clarifies the number of people long term unemployed and number of people occupying hospital beds due to a delay with hospital discharge.

d) The Chair summarised the following actions.

Action	Members requested for the O&S Officer to circulate to Members 1. Policy report on employment 2. Young black men TOR 3. Steering group to identify models for community engagement and present it to the commission 4. Invite Lewisham to the next G&R meeting to talk about their community budget work.
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8 Governance and Resources Scrutiny Commission - 2014/15 Work Programme

8.1 The work programme was noted.

9 Any Other Business

9.1 None.

Duration of the meeting: 7.00 - 9.45 pm