

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

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

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<b>Chair</b>	<b>Councillor Margaret Gordon</b>
<b>Councillors in Attendance</b>	<b>Cllr Ben Hayhurst, Cllr Mete Coban, Cllr Sharon Patrick and Cllr Yvonne Maxwell</b>
<b>Apologies:</b>	<b>Cllr Sophie Conway, Cllr Sade Etti and Cllr Polly Billington</b>
<b>Co-optees</b>	
<b>Officers In Attendance</b>	<b>Ian Williams (Group Director of Finance and Resources)</b>
<b>Other People in Attendance</b>	
<b>Members of the Public</b>	
<b>Officer Contact:</b>	<b>Tracey Anderson</b> ☎ 0208 3563312 ✉ tracey.anderson@hackney.gov.uk

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## Councillor Margaret Gordon in the Chair

### **1 Election of Chair and Vice Chair**

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

### **2 Apologies for Absence**

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

### **3 Urgent Items / Order of Business**

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

### **4 Declaration of Interest**

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

### **5 Minutes of the Previous Meeting**

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

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

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

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

### **6 Quarterly Finance Update**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

**ACTION 2: Head of Scrutiny and Ward Forums**

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

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

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

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

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

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

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



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

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

## **9 Work Programme 2019/20**

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

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

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

## **10 Any Other Business**

10. There was no other business.

Duration of the meeting: 7.00 - 9.30 pm