Hackney

MINUTES OF A MEETING OF THE CABINET

HELD ON MONDAY, 16TH DECEMBER, 2019 AT COUNCIL CHAMBER HACKNEY TOWN HALL, MARE STREET, LONDON E8 1EA

Present: **Mayor Philip Glanville in the Chair**

Councillors
Deputy Mayor Anntoinette Bramble (Vice-Chair)
Cllr Christopher Kennedy
Cllr Jon Burke
Cllr Guy Nicholson
Cllr Caroline Selman
Cllr Carole Williams

Also in Attendance:

Officers: **Tim Shields, Chief Executive**
Ian Williams, Group Director of Finance & Corporate Resources
Anne Canning, Group Director of Children and Adults and Community Health
Ajman Ali, Interim Group Director of Neighbourhoods & Housing
Dawn Carter-McDonald, Head of Legal and Governance
Tess Merrett, Governance Manager.

1	**Apologies for Absence**
	Mayor Glanville welcomed everyone to the meeting. He congratulated Meg Hillier and Diane Abbott for their successful re-election to Parliament at last week's General Election. He also congratulated Deputy Mayor Clark for her successful election as MP for Enfield North. Apologies for absence were received from Deputy Mayor Clark and Cllrs Rennison, McKenzie and Moema.

2	**Urgent Business**

	There were no items of urgent business. **NOTED**

3	**Declarations of interest - Members to declare as appropriate**
	There were no declarations of interest. **NOTED**

Notice of intention to conduct business in private, any representations received and the response to any such representations

5	**Questions/Deputations**
	There were no questions/deputations. **NOTED**

6	**Unrestricted minutes of the previous meeting of Cabinet held on 18 November 2019**
	RESOLVED **That the unrestricted minutes of the Cabinet meeting held on 18 November 2019 be approved as a true record.**

7	**Unrestricted minutes of Cabinet Procurement Committee held on 7 October 2019**
	RESOLVED **That the unrestricted minutes of the Cabinet Procurement Committee held on 7 October 2019 be received and noted.**

8	**Schedule of Local Authority School Governor appointments**
	There were no School Governor appointments. **NOTED**

9	**Capital update report - Key Decision No. FCR Q1**
	The Mayor introduced the report which showed a commitment to investment in infrastructure. The Mayor highlighted the capital approval for the Children's Centre at Woodberry Down. Cllr Kennedy welcomed the investment in this project which included a view platform over the reservoir providing a learning environment for the children. The Mayor also commented that the centre was a facility for a very diverse community.

RESOLVED

i. **That approval be given to the schemes for Finance and Corporate Resources as set out in section 9.2 of the report, and as follows:**

ICT Development of Cloud Based REST Application Program Interfaces (API)s: Virement and Spend approval of **£1,200k (£600k in 2019/20 and £600k in 2020/21)** to fund the Council's Corporate ICT development of cloud based APIs (connectors to system databases) to enable secure real time integration of data over the internet.

ii. **That approval be given to the allocation of resources for the S106 schemes as set out in section 9.3 of the report and summarised below as follows:**

S106	**2019/20 £'000**	**2020/21 £'000**	**Total**
	£'000	**£'000**	**£'000**
Capital	0	1,271	1,271
Total S106 Resource and Spend approvals	**0**	**1,271**	**1,271**

iii. **That the schemes outlined in section 9.5 of the report be noted.**

REASONS FOR DECISION

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

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

DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

None.

10 Overall financial position, property disposals and acquisitions report (October 2019) - Key Decision No. FCR Q2

The Mayor introduced the report. He highlighted the continued pressure on Children, Adult Social Care and Community Health and managing this would be challenging. Despite the publication of the 2019 Spending Review, there was still significant uncertainty about future funding and particularly its sustainability. Ian Williams highlighted the regularisation of the position regarding the acquisition of a long leasehold for De Beauvoir Square.

RESOLVED

i. That the overall financial position for October, covering the General Fund and the HRA, and the earmarking by the Group Director of Finance and Corporate Resources of any underspend to support funding of future cost pressures and the funding of the Capital Programme be noted;

ii. that the acquisition of a long leasehold interest in De Beauvoir Square (land shown edged red in Appendix 1) be authorised;

iii. that authority be delegated to the Group Director of Finance and Corporate Resources to settle all the commercial terms of the transaction; and

iv. that authority be delegated to the Director of Legal and Governance to settle and enter into all legal agreements necessary to conclude the matter.

REASONS FOR DECISION

To facilitate financial management and control of the Council's finances and to approve the property proposal.

4.2 CHILDREN, ADULT SOCIAL CARE AND COMMUNITY HEALTH (CACH)

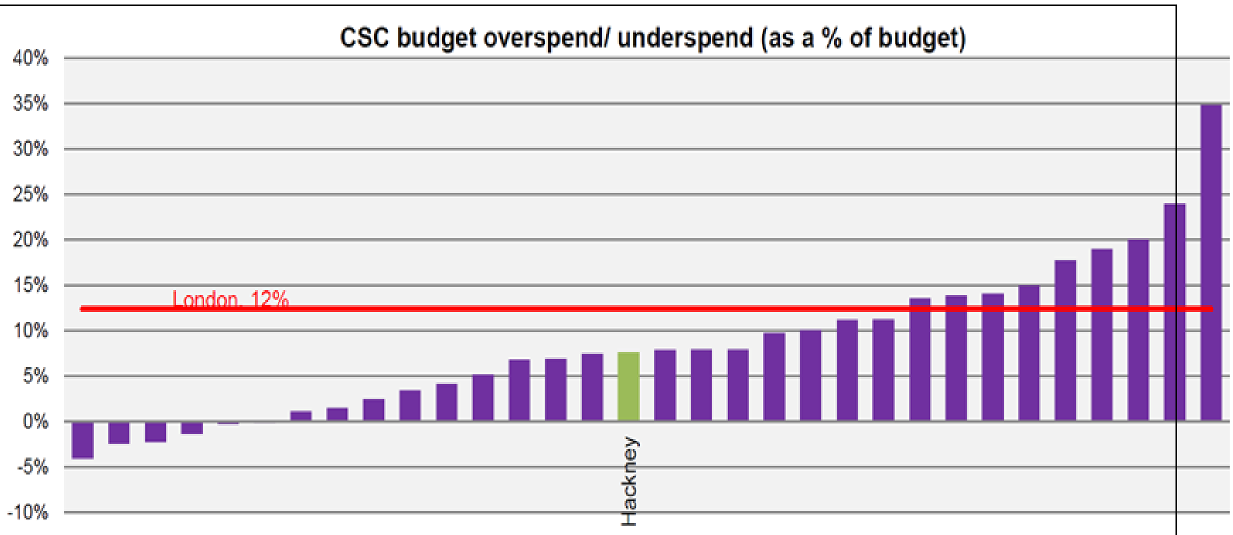
The CACH directorate was forecasting an overspend of £5,261k after the application of reserves and drawdown - an unchanged position from previous month.

Children & Families Service

Children & Families Service (CFS) was forecasting a £1,562k overspend against budget after the application of reserves and grants. The draw down from reserves included:

- £2,300k from the Commissioning Reserve, set up to meet the cost of placements where these exceeded the current budget.
- £1,100k for additional staffing required to address a combination of increased demand across the service and management response to the Ofsted focused visit earlier in the year.
- £460k was drawn down to offset pressures in relation to the increase in young people currently held on remand.

The sustained pressure on CFS budgets was a position that was not unique to Hackney, as shown by the results of a survey on Children’s Social Care spend carried out jointly by the Society of London Treasurers (SLT) and the Association of Directors of Children’s Services (ADCS). The graph below shows how Hackney’s year end position for 2017/18 (before the use of reserves) compared to other London boroughs for Children’s Social Care.



A similar survey was currently underway in relation to 2018/19 outturn and this would be reported as soon as it was available.

The main budget pressures in CFS were in relation to looked after children (LAC) placements within Corporate Parenting, young people held on remand within Youth Justice and staffing in several areas across the services. Further details are set out below.

Corporate Parenting was forecasting to overspend by £1,133k after the use of £2,300k of commissioning reserves and £280k one-off staffing reserves. This position also included the use of £1,200k of non-recurrent Social Care funding that was announced in the October 2018 Budget. Spend on LAC and LC placements (as illustrated in the table below) was forecasted at £20.3m compared to last year's outturn of £18.3m – an increase of £2m.

Table 2: Placements Summary for LAC and Leaving Care

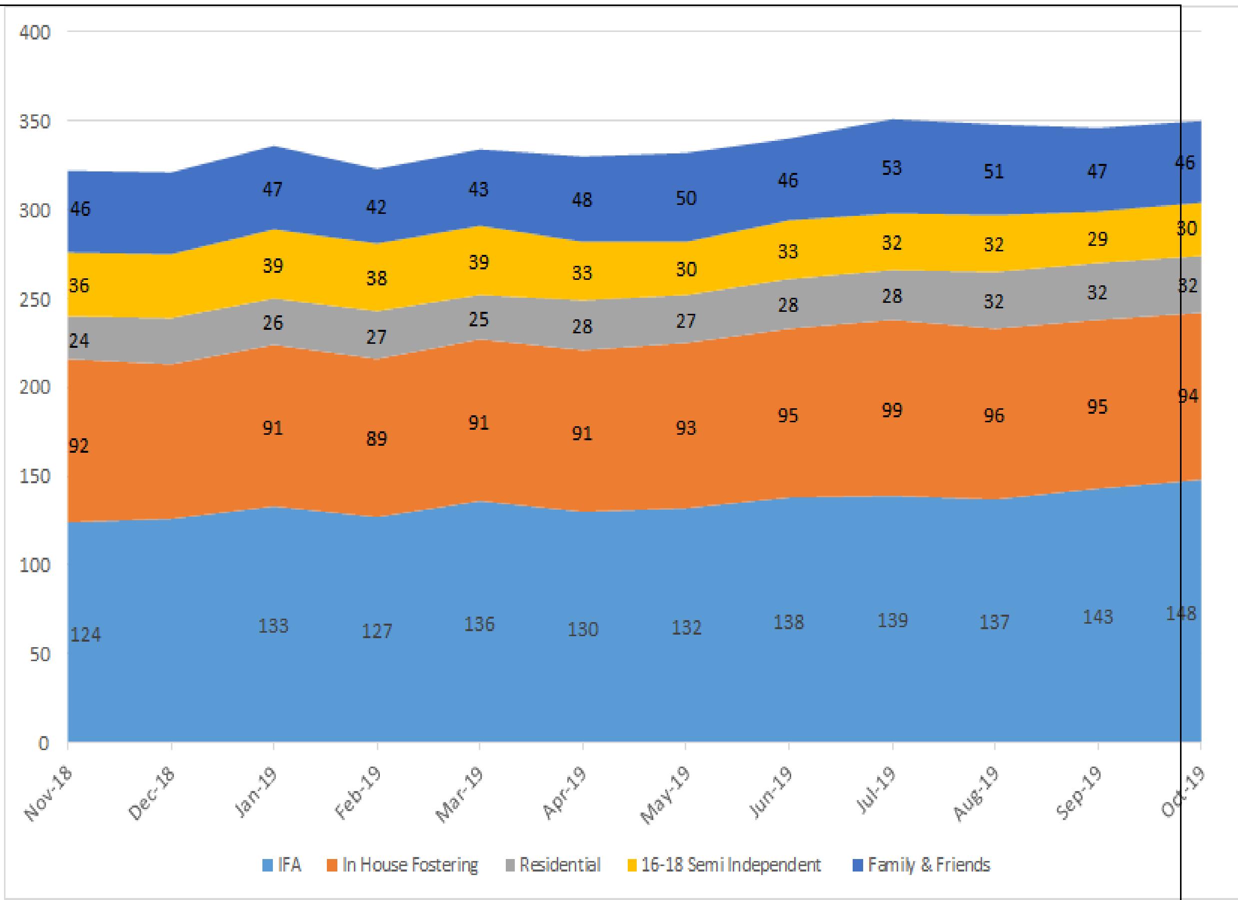
Service Type	Budget	Forecast	Forecast Variance	**Budgeted** Placements*	Current Placements	Management Actions
Residential	4,331	5,320	989	21	31	There are a number initiatives in place to whic seek to contain these co pressures, for example th Family Learning Interventio Project (FLIP), the Edge Care workers, the Residenti project and re-negotiation high cost placements. The fir two of these have been in tra for some time and tracking the financial impact undertaken on a case by cas basis. Evidence from th tracking suggests significa costs avoided suggesting th cost pressure would b significantly greater if thes were not in place. We will continue to monit residential placement move and the resulting effect o
Secure Accommodation (Welfare)	-	140	131	-	1	
Semi-Independent (Under 18)	1,570	1,867	297	26	30	
Other Local Authorities	-	216	216	-	5	
In-House Fostering	1,800	2,167	367	77	94	
Independent Foster Agency Carers	6,488	6,957	469	136	148	
Residential Family Centre (M&Baby)	-	135	135	-	-	
Family & Friends	569	850	281	30	46	

Extended Fostering	-	29	29	-	1	other placement types across future periods. The impact of Mockingbird, the extended family model for delivering foster care with an emphasis on respite care and peer support, and new arrangements for implementing Supported Lodgings will also be reviewed going forwards.
Staying Put	200	357	157	13	23	
Overstayers	290	458	168	17	21	
Semi-independent (18+)	1,370	1,816	446	71	108	
Total	16,618	20,312	3,685	391	508	

**based on average cost of placements. Residential budget also includes one-off social care funding of £1.2m)*

The table below shows the trend in LAC placements over the past 12 months.

Table 3: Headcount Data for LAC



There was an increase in Independent Fostering Agency placements (net increase of 5) since September, which had led to an additional pressure of £169k in the forecast this month. As illustrated in Table 3 above, since this time last year there had been a favourable movement in the ratio between IFA and in-house placements (although this has declined in the last few months). This was driven primarily by the in-house foster carer recruitment which had seen some success and the matching officer post which had been in the structure since 2018. At around £50k per annum the cost of a child placed in independent foster care was double that of a placement with one of Hackney's own foster carers.

One of the main drivers for the cost pressure in Corporate Parenting continued to be the rise in the number of children in costly residential placements and the number of under 18s in high-cost semi-independent placements. Where children in their late teens were deemed to be vulnerable, and in many cases were transitioning from residential to semi-independent placements, they may still require a high-level of support and in extreme circumstances bespoke crisis packages. The Service was also noticing the number of IFA placement was rising again.

In the current year there had been significant pressures on staffing. This was mainly due to posts additional to the established number, recruited to meet the increase in demand (e.g. rise in caseloads), additional capacity to support the response to the Ofsted focused visit earlier in the year and cover for maternity/paternity/sick leave and agency premiums.

<u>Children in Need</u> was forecasted to overspend by £491k. The overspend was mainly due to staffing overspends relating to supernumerary social worker posts to meet service pressures from high caseloads and response to the Ofsted

focused visit, maternity cover, agency premiums associated with covering vacant posts and these items collectively total £503k. Underspends in non-staffing expenditure totaled £12k.

The Disabled Children's Service was forecasted to overspend by £438k. Staffing was projecting an overspend of £222k due to additional staff brought in in response to increased demand in the service. The remaining overspend was attributed to care packages (£326k, including Home Care, Direct Payments and Residential respite) and £38k on other expenditure. This was offset by a £148k reserve drawdown.

The Adoption Service was forecasted to overspend by £285k. Primarily the overspend related to the Regional Adoption Agency which were operated with the neighbouring boroughs. This had incurred transitional costs in staffing, inter-agency services and IT costs. There was a projected overspend of £61k from the Adoption Support Fund which was related to high cost cases which required match funding contributions from the Council.

Parenting Support Services was forecast to overspend by £81k which related to staff covering 2 maternity leavers, 2 long term sick leavers and one over-established family support practitioner within the service.

The Youth Justice Service was forecasting a balanced position after the use of £434k of remand reserves and an additional £27k of reserves which had been repurposed from an existing reserve to offset pressure in the service due to a major incident resulting in three young people held on remand earlier this year.

Overspends across the service were partly offset by an underspend in the Directorate Management Team.

Directorate Management Team was forecasted to underspend by £575k. This was due to the utilisation of additional reserves within the service to offset staffing pressures, including those in Children in Need and Parenting Support service referred to above.

Hackney Learning Trust (HLT)

The Hackney Learning Trust (HLT) forecast was consolidated into the Children and Families position. As part of the delegated arrangements for HLT, any overspend or underspend at year end would result in a drawdown-from or contribution-to the HLT reserve and expenditure was reported 'on budget'.

HLT were forecasting a significant drawdown on the HLT reserve (between £4.0m and £5.0m), mainly due to pressures in special educational needs. This forecast had been updated following the latest funding updates announced by the government in July 2019. The forecast would continue to be adjusted as data on any new demands on HLT services were to become known throughout the year.

Special educational needs activities cost £9.5m in excess of agreed budgets in 2018/19; and expenditure was currently expected to increase by a further £2.0m in 2019/20. Within the HLT forecast, the SEND over-spend was partly offset with savings made across other HLT departments. Costs associated with special educational needs had complex cost drivers and senior leadership across HLT and the wider Council continued to look into ways where the Council might be able to bring expenditure under control. Recent reports submitted to HLT SLT estimated that HLT reserves would be fully utilised in 2019/20.

The SEND cost pressure was attributable to the increase in the number of Education and Health Care Plans (EHCPs) as the pupil population had grown significantly and there were growing demands on the system since the reforms introduced by the Children and Families Act 2014. The impact of those factors was that, in Hackney, the number of EHCP's had increased by more than 50% since 2011. With the exception of SEN transport, SEN costs should be met from the High Needs block of the Dedicated Schools Grant– however, despite the significant rise in numbers & costs there had not been an adequate increase to this funding source.

There was a risk of overspend within children's centre budgets due to fully implementing estimated savings attributable to the in-year (Sept 19) introduction of a new fees structure. Increased childcare charges were expected to result in significant savings. However, the impact of the changes in the fees structure was uncertain in terms of continued demand for childcare, particularly from those families that would be in higher fee bandings. The financial impact was currently being assessed in detail and would be finalised after analysing occupancy level reports from the centres. This work would result in an updated forecast.

Adult Social Care & Community Health

The service was forecasting a £3.669k overspend. The position for Adult Social Care last year was an overspend of £4,083k, however there had been adjustments for corporate growth items and additional use of non-recurrent funding at the start of this financial year. The revenue forecast included significant levels of non-recurrent funding including iBCF (£1,989k), Social Care Support Grant (£1,200k), and Winter Pressures Grant (£1,400k).

Recent announcements on social care funding as part of the Spending Review 2019 had provided further clarity on funding levels for 2020/21, however, it was still unclear what recurrent funding would be available for Adult Social Care post 2020/21. The non-recurrent funding was only intended to be a 'stop-gap' pending a sustainable settlement for social care through the Green Paper, however this was subject to ongoing delay. The implications of any loss of funding would continue to be highlighted in order that those can be factored into the Council's financial plans. This would include ensuring that it was clear what funding was required to run safe services for adults. Alongside this the service continued to take forward actions to contain cost pressures.

<u>Care Support Commissioning</u> (external commissioned packages of care) contained the main element of the overspend in Adult Social Care, with a £2,900k pressure. The forecast included £1,400k of the Winter Pressures grant to fund additional costs resulting from hospital discharges. It was anticipated that the grant funding would be released through the year to offset additional pressures from hospital discharges, however an analysis of information on discharge levels and care packages had identified that the full £1,400k had already been committed.

Service type	2019/20 Budget	October 2019 Forecast	Full Year Variance to budget	Variance from Sept 2019	Management Actions

	£k	£k	£k	£k	
Learning Disabilities	14,937	16,220	1,283	137	- ILDS transitions/demand management and move on strategy - Multi-disciplinary review of care packages (delivered £720k) - Three conversations - Review of homecare processes - Review of Section 117 arrangements - Personalisation and direct payments - increasing uptake
Physical and Sensory	12,843	13,584	742	110	
Memory, Cognition and Mental Health ASC (OP)	7,710	8,363	653	(82)	
Occupational Therapy Equipment	740	943	203	(1)	
Asylum Seekers Support	170	211	41	26	
Total	36,399	39,321	2,922	190	

The Learning Disabilities service was the most significant area of pressure with a forecast £1,300k overspend, which reflected a worsening of £137k on the September position. The adverse movement was primarily driven by increasing complexity of care needs for Learning Disability clients. The pressure was still significantly less than last year due to the application of both budget growth and one-off funds in this service area.

Work was ongoing with Clinical Commissioning Group (CCG) colleagues to embed the joint funding model for high cost Learning Disability packages as business as usual. There was an agreement between both parties for all packages to be reviewed for joint funding. A process of financial reimbursement would be managed through the Learning Disability Section 75 review group on behalf of the Planned Care Workstream. The CCG had committed to ring-fence £1,900k - £2,700k within their financial planning for 2019/20 and £1,900k had been factored into the forecast above. The partners also acknowledged that by implementation of the joint funding policy the amount paid for health need would be based on the assessment of patient/residents and that health needs for individuals could be potentially less or more than the initial identified range. Progress had been slow in embedding the joint funding model which resulted in fewer than expected cases going through the panel process to date. This was being closely monitored by all partners and measures were being taken to try to ensure the completion of all joint funding assessments by the end of the year, which included having dedicated project support to ensure the smooth day to day operation of the process, given its high priority and funding risk.

Physical & Sensory Support was forecasting an overspend of £742k, whilst Memory, Cognition and Mental Health ASC (OP) was forecasting an overspend of £653k. The cost pressures being faced in both service areas had been driven by the significant growth in client numbers as a result of hospital discharges in 2018/19, which had been partially mitigated by one-off funding from the Winter Pressures grant of £1,400k.

Discussions were being held with the service in order to develop a set of management actions to mitigate the ongoing cost pressure as a result of increased clients being discharged from hospital with more complex needs. These actions included the creation of a multi-disciplinary team (MDT) to facilitate the review of care packages, and this had delivered savings to date of £720k (full year effect). As a result of the savings achieved the MDT project had been extended for a further six months to the end of Jan 2020.

The Mental Health service was provided in partnership with the East London Foundation Trust (ELFT) and was forecasted to overspend by £570k. The overall position was made up of two main elements - a £715k overspend on externally commissioned care services and £145k underspend across staffing-related expenditure.

Provided Services was forecasting a £91k overspend, which was largely attributed to:

- Housing with Care overspend of £191k. The forecast included additional resources to respond to issues raised from the CQC inspection in December 2018. The service had recently been re-inspected in July 2019, and the service had now been taken out of ‘special measures’ and the rating had changed to ‘requires improvement’.
- Day Care Services were projected to underspend by £99k, primarily due to the current staff vacancies across the service.

Preventative Services was forecast to underspend by £245k. This variance represented an underspend on the Concessionary Fares’ budget due to a reduction in demand of £150k plus an on-going underspend of £220k within the Median Road Resource Centre budget which supported wider Care Management service expenditure. Cost pressures of £56k were linked to staffing challenges for which the Hospital Social Work Team included IBCF non-recurrent funds towards supporting staffing levels necessary to ensure hospital discharge targets were met.

ASC Commissioning was forecasting a £512k budget overspend which reflected an improvement of £224k on September position. The favourable movement this month was primarily driven by the delivery of Housing Related Support (HRS) savings of £140k in year, which was linked to the overall savings delivery plan for HRS. Delays in savings delivery from the Housing Related Support (HRS) service now represented £634k. In addition, there had been a cost reduction of £83k arising from reduced voluntary sector payment by results activity.

Public Health

Public Health was forecasting a breakeven position. There were pressures in the service due to the delay with implementing Public Health restructure and the review of physical activity for adults. However, this pressure was being managed within the overall budget and it was not anticipated to result in an overall overspend.

The Sexual Health forecast was updated to reflect the agreed increase of tariffs which commenced from 1 October 2019 across London following the recent Integrated Sexual Health Tariff (ISHT) review. There had been a 5% increase in sexual health costs, associated with PrEP activity (PrEP is Pre-Exposure Prophylaxis, the use of anti-HIV medication to keep HIV negative people from becoming infected) and a progressive uptake of e-services alongside clinical service provision. Both activities were subject to continuous review with commissioners to ensure sustainable future provision remained within the allocated sexual health budget in the current financial year.

4.3 NEIGHBOURHOODS AND HOUSING

The forecast position for Neighbourhoods and Housing Directorate as at October

2019 was a £36k overspend. This was due primarily to an increase in the income shortfall in planning, which was partially offset by a reduction in Streetscene net expenditure. These were discussed below. The forecast included the use of £1,900k of reserves, the majority of which were for one off expenditure/projects.

There was a forecast overspend in the Planning Service of £312k which was due to a projected shortfall against the planning application fee income target of £2,300k. The total shortfall against the income budget was £363k (which compares to £147k in September) but this was partly mitigated by additional income from other parts of the service. The Planning Service was currently re-modelling staff expenditure in the Major Applications Team, with an opportunity for Team Leaders to take on additional case load work for major applications whilst achieving cost savings. This would reduce staffing costs to mitigate the impact of reduced income.

The Building Control service was forecast to overspend by £63k, though it was important to note that Building Control income was significantly higher than in 2018/19. The service had embarked on a review of the staffing and fee structure that would culminate in a revised schedule of increased fees, to achieve full cost recovery without losing share of the Building Control market.

Streetscene was forecast to under spend by £346k due to additional income. There was an ongoing analysis of Street scene income to determine potential improvements in the outturn position for 2019/20, as initial figures indicated that due to increasing numbers of developments across the borough Street scene was likely to over achieve its income budget for the year resulting in an increased underspend for the full year. This analysis would also consider the sustainability of the additional income received in-year.

Parking, Leisure, Green Spaces and Libraries and Community Safety, Enforcement and Business Regulation were forecasting break-even positions, with Directorate Management continuing to forecast a marginal underspend.

Housing General Fund was forecast to be marginally favourable to budget at this stage, mainly due to underspends within staffing.

Regeneration was forecast to be on budget for this financial year.

4.4 FINANCE & CORPORATE RESOURCES

The forecast was an overspend of £370k.

Financial Management and Control were forecasting an underspend of £326k due to vacancies across all services, while the Directorate Finance Teams were projecting an underspend of £103k.which mainly related to salaries and projected additional income from service fees

The overspend in Facilities Management (£370k) was primarily due to increases in business rates costs on council owned buildings in the borough which were partially offset by reserves. The largest increases were in Hackney Town Hall, Hackney Service Centre and Florfield Road.

In Property services, the cost pressure primarily results from: providing additional staffing resources within the service to address essential works; and the re-classification of a significant revenue item as a capital receipt. The service was currently reviewing their operations to address the former and the allocation of overall budget, both capital and revenue, needs to be reviewed to address the latter.

Revenues and Benefits and Business Support, Registration and Audit and Anti-Fraud were forecast to come in at budget.

Housing Needs was forecast to come in at budget after the application of the Flexible Homeless Grant and Homelessness Reduction Act Grant. Whilst there would be a continued receipt of the Flexible Homeless Grant, it was probable that this grant would reduce over time and there may be other calls on the Grant. Further, since April 2018 when the Homelessness Reduction Act was introduced there had been a 33.4% increase in approaches for housing advice, expected to result in significantly higher accommodation costs over time.

4.5 CHIEF EXECUTIVE

Overall the Directorate was forecasting to overspend by £413k after forecast reserves usage, which wais an increase of £317k from September which as can be seen below was largely due to a £250k increase in the net expenditure in Legal Services.

Communications, Culture & Engagement

The service was forecasting an overspend of £210k. £150k of this related to Hackney Today. This was an increase on last month’s projected overspend following a review of the expenditure and income so far. Hackney Today was published fortnightly for the first quarter of the year but following a court order was now only published once every 3 months with a new information publication ‘Hackney Life’ published in the months in between. Due to this, advertising income had dropped significantly, from around £33k pcm to £6k pcm. Although distribution and print costs had halved, these only saved £14k pcm. Staff costs were largely unaffected by the change in publication but had actually increased due to maternity leave.

This projection did not include any legal costs which were not yet charged to the service (and would be funded from reserves) nor did it include the impact of this decision on other services such as Planning which would now have to place statutory notices in other publications.

The remaining £60k was in relation to venues, primarily due to costs relating to Hackney House, which the council was no longer responsible for.

The Culture team spent a higher amount on the Carnival this year due to increasing numbers of attendees and the need to move the main stage to a new location due to this. It had been agreed for the funding to come from Neighbourhood Community Infrastructure Levy.

The rest of Communications including Design & Film were forecast to break even.

Legal & Governance

The combined Legal & Governance Service were forecasting an overspend of £186k on their budget.

There was an overspend reported in Governance which was primarily due to Internal Printing Recharges estimated at £34k which had no budget and £39k was for an unfunded Team Manager's post previously funded by HRA.

Recharge income and recharges to Capital were forecast to be under budget by £233k while External Income projections had been forecast to under-achieve by £28k. The management team was also reviewing current and future income to establish sources of additional income for the 2020/21 financial year.

There was additional income from Traded Services £19k and HLT £28k. This was used to fund an additional cost of £11k on Supplies.

All other services were forecast to come in at budget.

HRA

The projected outturn on the HRA was at budget.

Income

There was a surplus of £325k on Dwelling Rents which was due to a new lease agreement for properties rented to housing associations. The other major variance was a surplus of £949k for Other charges for services and facilities which is mainly due to the extension of LBH collection of water rates on behalf of Thames Water. The commission earned on the Thames Water contract was to pay for the staff that collected the money. LBH currently only needed to collect rent from about 60% of tenants, as about 40% were on full HB; but as LBH collected Thames Water charges from all tenants and leaseholders, there needed to be staff/process/systems to collect from the remaining 40% of tenants. This cost was paid for by the Thames Water commission. The surplus was due to the fact that the contract extension was negotiated after the HRA budget was set and so the income was not accounted for in the budget, but the income was accruing throughout the year.

Expenditure

Repairs and Maintenance was £1,190k over budget mainly due to reactive repair costs and an increase in legal disrepair expenditure. This was currently partly offset by vacant posts within the new R&M structure. The Special services overspend of was due to agreed increased costs within estate cleaning, but this was expected to reduce in 2020/21 as the effects from restructuring of the service were realised.

There was an overspend on Supervision and Management which was due to an increase in recharges from housing needs.

There was an increased cost of capital due to the interest costs on the returned 1-4-1 funding from the pooling of capital receipts, but this was offset by a reduction in the Revenue Contribution to Capital (RCCO).

5.0 DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

This report was primarily an update on the Council's financial position and there were no alternative options. On De Beauvoir Square, the Council offered to purchase the freehold, but this was declined by the owner. The Council's only other option was to vacate the site and pass back management to the freeholder. This option was rejected as stepping away from the management would make the

	future of the square uncertain. The square had been managed by the Council for a long time and uncovering this legal anomaly should not prevent the Council continuing to maintain the square to the high standards it had achieved.

11	**Introduction of motorbike charging Key Decision No. NH P58**

Cllr Burke expressed his delight in bringing this report to Cabinet. It brought motor cycles into the charging regime and it was hoped that it would incentivise motor cyclists to switch to motor cycles with lower emissions.

RESOLVED

i. That approval be given to the commencement of consultation with the general public to take place for a period of twelve weeks from January 2020, on the motorcycle parking proposals, with the consultation to include the following proposals:

   a. that motorcycles will be required to hold a valid permit to park in any permit holder bays;

   b. that visiting motorcycles will be required to obtain an e-voucher to park in any permit holder bays at current visitor parking permit prices;

   c. that existing solo motorcycle bays will be converted into solo lockable pay and display bays for short stay parking with fees aligned to pay and display prices, with maximum waiting restrictions applying in line with other pay and display bays in certain areas to discourage commuting;

   d. That motorcycles will continue to be charged across the borough for using both pay and display along with shared use parking bays at standard rates; and

ii. That the consultation results be reported to Cabinet in autumn 2020 together with the final proposals on the introduction of the motorcycle parking strategy for reconsideration.

REASONS FOR DECISION

Rationale for the proposed changes

Hackney Council recognised more needed to be done to develop uniform parking policies in order to ensure that it delivers the overall objective of improving air quality across the borough for everyone. Hackney has a statutory obligation to improve local air quality and reducing emissions, being also an objective in the Road Traffic Regulation Act 1984.

Approximately five motorcycles could fit into one car space, therefore there was the potential for five times the current level of equivalent car pollution per car space.

Furthermore, research has shown that motorcycles emit nitrogen oxide (NO_x) within the range of petrol and diesel cars. In particular, we are keen to take action to improve the air quality in parking zone B towards the south of the borough near the city where there was a high demand for commuter motorcycle parking.

The Parking and Enforcement Plan (PEP) 2015-20 set out Hackney's current parking policies. It described the issues facing the Council and explained the recommendations over five years. The PEP had an approved recommendation to introduce motorcycle parking permits and was the basis for requesting to consult on wider proposals.

Additionally, the Air Quality Action Plan 2015-19 addressed how the Council planned to tackle air quality across the borough with recommendations designed to influence residents' businesses and visitor choice of transportation through emissions-based parking charges. This further supported the rationale behind the need to introduce permits for motorcycles, as currently, motorcycles did not need to pay for parking and were often used for commuting, especially in the south of the borough which was close to the city.

DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Do nothing – this was also rejected as it went against the Mayor's priorities to prioritise quality of life and the environment by tackling air pollution.

The removal of all solo motorcycle bays to discourage commuting to the borough and only allowing motorcycles to park in pay and display or shared use bays at the same price as other vehicles - this would be a fair approach to all motorists, but would be likely to be unpopular amongst motorcyclists. This approach was rejected as it may lead to problems with motorcyclists utilising whole spaces for vehicles instead of parking perpendicular to the kerb and may also increase parking pressure. There was also a significant cost associated with removing and changing the bay type.

Reviewing the CO_2 bands for all permit types – LB Hackney proposals to introduce motorcycles and scooters at the same fee as other vehicles, was driven by the vehicle's emissions, and was not its size. Therefore this would be entirely consistent with LB Hackney's policy. Changing the CO_2 bandings to take into consideration all types of polluting vehicles was also considered and would be taken forward as part of a separate project.

12 Appointments to Outside Bodies

There were no appointments to outside bodies.

NOTED

13 New items of unrestricted urgent business

There were no urgent items of unrestricted business.

NOTED

Exclusion of the press and public

	As there were no members of the press or public present at the meeting, the meeting did not move into an exempt session.

14	**Exempt minutes of Cabinet Procurement Committee held on 7 October 2019**
	RESOLVED **That the exempt minutes of Cabinet Procurement Committee held on 7 October 2019 be received and noted.**

15	**New items of exempt urgent business**
	There were no urgent items of exempt business. **NOTED**

Duration of the meeting: 6pm - 6.20 pm

Mayor Philip Glanville
Chair at the meeting on
Monday, 16 December 2019