



Capital Update and Property Disposals and Acquisitions Report

Key Decision No - FCR R94

**CABINET MEETING DATE
(2021/22)**

14 March 2022

CLASSIFICATION:

Open

WARD(S) AFFECTED

All Wards

CABINET MEMBER

Philip Glanville, Mayor of Hackney

KEY DECISION

Yes

REASON

Spending or Savings

GROUP DIRECTOR

Ian Williams, Finance and Corporate Resources

1. CABINET MEMBER'S INTRODUCTION

- 1.1 This report on the capital programme updates members on the programme agreed in the 2021/22 budget.
- 1.2 The recommendations contained in this report demonstrate our continued commitment to meeting our manifesto pledges and the Council's revised Corporate Plan to Rebuild a Better Hackney. This includes our work to give our young people the best start in life and ensuring that staff have the right equipment to support residents in an efficient and effective way in the post pandemic world.
- 1.3 This month approval is sought for significant investment in our schools, ensuring that our young people continue to attend well maintained facilities, with £1.455m of investment proposed in maintenance works at primary schools and children's centres and a further £1.398m on our secondary and special schools. Works include essential health and safety works, upgrades to fire alarms and fire doors, lighting, windows and doors, works to playgrounds, and feasibility works for new schemes.
- 1.4 The increasing numbers of young people with high needs in the borough is well reported along with the pressure this brings on both families and professionals. This month we propose £1m of investment to create circa 98 additional places for young people with High Needs in schools in the borough across four schools - Side by Side School, Nightingale Primary School, Simon Marks Primary School and Petchey Academy. As well as ensuring that more young people can be supported closer to home, this investment should also reduce costs to the Council going forward.
- 1.5 In order to deliver effective and efficient services to our residents, we need to ensure that our staff have the right equipment. Our resources have been stretched during the Covid period due to Government directives to work at home when you can. The Council has mitigated the financial impact of these changes by reusing existing equipment, minimising the need to make unplanned spend and ensuring that our staff have been able to continue to deliver their services. As we move out of the pandemic and adapt our workspace arrangements, we now require investment in devices that will replace equipment we have redeployed and enable greater flexibility, support hybrid working, and enable future rationalisation and efficiencies across the Council's office estate. We propose investment of £1.142m in ICT equipment for Council's Core Campus Offices, rebalancing the number of workstations so that more staff are able to work in the Council's offices and increasing the number of meeting rooms with equipment for access to on-line meetings. We are also investing £0.275m in a refresh programme to replace Council mobile phones for Staff members that are at the end-of-life or beyond economical repair as part of cyclical investment in essential equipment.
- 1.6 This report also proposes the transfer of a 9m² piece of land to the front of 83 Redwald Road, London, E5 0JQ at nil value to the householder. This

allows more amenity space for the householder and removes the requirement for the Council to maintain a small and awkwardly situated piece of land which also has potential community safety implications should it be retained.

- 1.7 Finally, this report proposes the application of £460k of S106 to fund the Cultural Programme for the current year. The funding has enabled the Council to deliver key cultural initiatives such as the Hackney Carnival and Discover Young Hackney. It has also enabled a wide range of other significant projects to be delivered in line with the Council's Arts and Cultural Strategy, in partnership with diverse local communities and the voluntary sector, including the Windrush programme, Hackney Pride 365, Black History Month and the Hackney Circle, to name just a few. The cultural programme supports and develops opportunities for Hackney residents, and the local economy, to benefit both from Hackney's rapid regeneration and extraordinary cultural offer, delivered through the five dividends of the Arts and Cultural Strategy: community cohesion, education, health and wellbeing, employment and the economy.
- 1.8 I commend this report to Cabinet.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1 This report updates Members on the current position of the Capital Programme and seeks spending and resource approval as required to enable officers to proceed with the delivery of those schemes as set out in section 11 of this report.
- 2.2 This report also seeks approval to dispose of land to the front of **83 Redwald Road, London, E5 0JQ.**
- 2.3 Prior to the construction of the Daubeney Road development, it was discovered that once the scheme was completed, there would be a gap of 9m² between the boundary wall of the newly built plot 1 and the border of 83 Redwald Road's front garden. Due to the small size of this land limiting its development potential and the fact that the maintenance and upkeep ramifications of this piece of land would prove uneconomical for the Council, it was decided by the Project team that the gap should not be left but rather, the front entrance of 83 Redwald Road could be extended to meet the boundary wall of the newly built plot 1.
- 2.4 A transfer of the land described would be mutually beneficial to the householder and the Council. The householder would enjoy larger residential amenity space and the Council would be free of future maintenance responsibilities on a piece of land that will probably only ever be used by this single householder
- 2.5 The transfer of the small piece of land at the end of the development would provide an economic benefit to the Council as the Council would not be required to pay for the maintenance and upkeep of this area. There is an

added social benefit to transferring ownership of this piece of land as it will prevent it from becoming a cul-de-sac 'dead space' which could attract anti-social behaviour and fly-tipping.

- 2.6 Furthermore, this cul-de-sac area would create the possibility for someone to hide behind the wall, introducing risks to public safety. The Secure by Design officer explicitly required this condition to be avoided as a requirement for the Secured by Design Gold standard, which is a Planning requirement.
- 2.7 Additionally there is a general design benefit associated with this transfer as the proposal is to improve access to the property at 83 Redwald with the installation of a new front garden gate in keeping with the other front entrances in the cul de sac. The metal fence which marked the previous boundary has since been demolished and should the transfer not go ahead, we would be required to reinstate the metal fence which will incur additional cost to the Council and this may have programme implications to the project.
- 2.8 Were we not to transfer the land, the resident at 83 Redwald Road would be unable to access his property without cutting across the ransom strip of land. We would therefore need to enter into an easement agreement to permit right of access.
- 2.9 As an informal agreement has previously been reached with the resident surrounding this issue, any deviation from this agreement may result in him submitting a complaint which may require a review of the existing Party Wall agreement, a change to the design and the additional fees and costs associated with the above as well as knock on project programme implications.

3. RECOMMENDATION(S)

3.1 That the scheme for Children & Education as set out in section 11.2 be given approval as follows:

School Asbestos Programme 2022/23: Virement and spend approval of **£55k in 2022/23** is requested for the programme of removal of asbestos in our Education Schools Estate.

Schools AMP Works Programme 2022/23: Virement and spend approval of **£1,455k in 2022/23** is requested to fund the lifecycle maintenance work at 5 schools (primary and children's centres).

School Lifecycle Works Programme 2022/23: Virement and spend approval of **£1,398k in 2022/23** is requested to fund the lifecycle work at 10 schools (secondary and specialist schools).

Phase 1A SEND Projects: Resource and spend approval of **£1,000k (£808k in 2022/23 and £192k in 2023/24)** is requested to commence

Phase 1A works for the Additional Resource Provision (ARP) for 4 school sites.

3.2 That the scheme for Finance and Corporate Resources as set out in section 11.3 be given approval as follows:

End-User ICT Devices and Meeting Rooms: Spend approval of **£1,142k (£174k in 2021/22 and £968k in 22/23)** is requested for the procurement of ICT equipment to increase the number of workstations available for staff to work across the Council's Core Campus Offices and the necessary equipment for meeting rooms to enable access to on-line meetings.

Mobile Phone Refresh: Virement and spend approval of **£275k (£100k in 2021/22 and £175k in 2022/23)** is requested for the refresh programme to replace Council mobile phones for Staff members that are at the end-of-life or beyond economical repair.

3.3 That the CIL Revenue Funding summarised below and set out in section 11.4 be approved:

CIL	2021/22 £'000
Revenue	460
Total CIL Revenue for Approval	460

3.4 To authorise the disposal of 9m² area of land in the front garden of 83 Redwald Road at the edge of the Daubeney Road development (Appendices 1 and 2, 83 Redwald Road - land edged in red).

3.5 To delegate authority to the Group Director of Finance and Corporate Resources to settle all the commercial terms of the transaction.

3.6 To authorise the Director of Legal and Governance to prepare and sign the necessary legal documentation and any ancillary documentation required in order to implement the recommendation.

4. REASONS FOR DECISION

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

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

- 4.3 To facilitate financial management and control of the Council's finances and to approve the property proposal.
- 4.4 The transfer of the land to the front of 83 Redwald Road would be beneficial to the Council for a number of reasons. There is an economic benefit as the Council would not be required to pay for the maintenance and upkeep of this area which would result in reduced costs overall for the Council. There are added social and public safety benefits as by preventing this area from becoming a cul-de-sac 'dead space', this in turn will lead to the reduction of anti-social behaviour and crime and will also enable the Council to meet its planning obligations and achieve the Secure by Design Gold standard accreditation. Additionally, there is an environmental benefit linked to eliminating the potential for fly-tipping in this area.

5. BACKGROUND

5.1. Policy Context

The report to recommend the Council Budget and Council Tax for 2021/22 considered by Council on 22 February 2021 sets out the original Capital Plan for 2021/22. Subsequent update reports considered by Cabinet amend the Capital Plan for additional approved schemes and other variations as required.

5.2 Equality Impact Assessment

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

5.3 Sustainability

As above.

5.4 Consultations

Relevant consultations have been carried out in respect of the projects included within this report, as required. Once again details of such consultations would be included in the relevant detailed reports to Cabinet or Procurement Committee.

5.5 Risk Assessment

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

project based risk registers as appropriate.

6. DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 6.1 **Proposed transfer of land to the front of 83 Redwald Road, London, E5 0JQ:** The alternative to this acquisition by 'do nothing' approach has been rejected, as not transferring the land would put the area at risk of anti-social behaviour, fly-tipping, increased maintenance costs for the Council as well as inability to achieve the Secure by Design Gold accreditation required by Planning.

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

- 7.1 The gross approved Capital Spending Programme for 2021/22 currently totals **£166.380m (£59.908m non-housing and £106.471m housing)**. This is funded by discretionary resources (borrowing, capital receipts, capital reserves (mainly Major Repairs Reserve and revenue contributions) and earmarked funding from external sources.
- 7.2 The financial implications arising from the individual recommendations in this report are contained within the main report.
- 7.3 If the recommendations in this report are approved, the revised gross capital spending programme for 2021/22 will total **£166.380m (£59.908m non-housing and £106.471m housing)**.

Current Directorate	Revised Budget Position	March 2022 Cabinet	Updated Budget Position
	£'000	£'000	£'000
Chief Executive's (Non-Housing)	2,279	0	2,279
Adults, Health & Integration	0	0	0
Children & Education	11,422	0	11,422
Finance & Corporate Resources	21,930	0	21,930
Neighbourhood & Housing (Non)	24,278	0	24,278
Total Non-Housing	59,908	0	59,908
Housing	106,471	0	106,471
Total	166,380	0	166,380

- 7.4 **Proposed transfer of land to the front of 83 Redwald Road, London, E5 0JQ:** Disposing of this small piece of land will avoid future issues around Planning (secure by Design), ASB and resident access and will remove the cost of maintenance moving forwards.

7.5 Whilst there is a value attached to the land, it is small enough to be outweighed by the issues above. Also due to the size, shape and location of the land, there does not appear to be a better alternative use.

8. COMMENTS OF THE DIRECTOR OF LEGAL

8.1 The Group Director, Finance and Corporate Resources is the officer designated by the Council as having the statutory responsibility set out in section 151 of the Local Government Act 1972. The section 151 officer is responsible for the proper administration of the Council's financial affairs.

8.2 In order to fulfil these statutory duties and legislative requirements the Section 151 Officer will:

- (i) Set appropriate financial management standards for the Council which comply with the Council's policies and proper accounting practices, and monitor compliance with them.
- (ii) Determine the accounting records to be kept by the Council.
- (iii) Ensure there is an appropriate framework of budgetary management and control.
- (iv) Monitor performance against the Council's budget and advise upon the corporate financial position.

8.3 Under the Council's Constitution, although full Council set the overall Budget it is the Cabinet that is responsible for putting the Council's policies into effect and responsible for most of the Councils' decisions. The Cabinet has to take decisions in line with the Council's overall policies and budget.

8.4 The recommendations include requests for spending approvals. The Council's Financial Procedure Rules (FPR) paragraphs 2.7 and 2.8 cover the capital programme with 2.8 dealing with monitoring and budgetary control arrangement

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

8.6 **S106/CIL Approvals:** With regard to the allocation of monies from agreements under section 106 of the Town and Country Planning Act 1990, s.106 permits anyone with an interest in land to enter into a planning obligation enforceable by the local planning authority. Planning obligations are private agreements intended to make acceptable developments which would otherwise be unacceptable in planning terms. They may prescribe the nature of the development (for example by requiring that a percentage of the development is for affordable housing), secure a contribution to compensate for the loss or damage created by the development or they may mitigate the development's impact. Local authorities must have regard to Regulation 122 of the Community Infrastructure Levy Regulations 2010.

Regulation 122 enshrines in legislation for the first time the legal test that planning obligations must meet. Hackney Council approved the Planning Contributions Supplementary Planning Document on 25 November 2015 under which contributions are secured under S106 agreements. Once completed, S106 agreements are legally binding contracts. This means that any monies which are the subject of the Agreement can only be expended in accordance with the terms of the Agreement.

8.7 The disposal of land pursuant to the Hackney Mayoral Scheme of Delegation of January 2017, is reserved to the Mayor and Cabinet.

8.8 Section 123(1) of the Local Government Act 1972 provides the Council with the power to dispose of land and property, provided such disposal is made for the best consideration reasonably obtainable. However, the General Disposal Consent 2003 removes the requirement for local authorities to seek specific consent from the Secretary of State for any disposal of land where: the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of: (i) the promotion or improvement of economic well-being; (ii) the promotion or improvement of social well-being; (iii) the promotion or improvement of environmental well-being; and the “undervalue” (i.e. the difference between the unrestricted value of the interest to be disposed of and the consideration accepted) is £2 million or less. Where the case does not fall within the terms of this General Consent then an application to the Secretary of State for Communities and Local Government for a specific consent is required. Furthermore, the General Consent Order 2003 specifies that it is the responsibility of the Council to satisfy itself that the land is held under powers which permit it to be disposed of under the terms of the 1972 Act.

8.9 The Director of Strategic and Property Services is satisfied the consideration which is an “undervalue” is £2 million or less.

8.10 The disposal of the land will fall within the terms of the General Consent of the Secretary of State for Communities and Local Government- General Consent Order 2003.

9. COMMENTS OF THE DIRECTOR OF STRATEGIC PROPERTY SERVICES

9.1 **Proposed transfer of land to the front of 83 Redwald Road, London, E5 0JQ:** This disposal of the 9m² strip shown in Appendix 1 and 2 has been valued at £8k. The report makes it clear that the transfer will be for no commercial value therefore it is a sale at an undervalue. The best consideration requirements of s.123 of the Local Government Act are moderated by the ‘Local Government Act 1972 general disposal consent (England) 2003 disposal of land for less than the best consideration that can reasonably be obtained’, which allows for disposals below best consideration up to the value of £2 million. As this proposed disposal is below this threshold I am satisfied that the statutory requirements have

been met.

10. VAT IMPLICATIONS ON LAND & PROPERTY TRANSACTIONS

- 10.1 **Proposed transfer of land to the front of 83 Redwald Road, London, E5 0JQ:** As a local authority, if the Council gives something to someone for no consideration it is a non-business supply. Therefore on the basis that there is nothing that the Council is getting in return, no VAT would be due. It is assumed that the Council has not opted to tax the land such that it is disposing of an asset that would be taxable. If the Council had opted to tax the treatment should be no different provided no consideration is received. If the Council was not a local authority there is a risk that if an option to tax had been made then this was a business gift such that the Council would be required to account for VAT on the value of the land but HMRC do not generally see such provisions applying to a local authority.

11. CAPITAL PROGRAMME 2021/22 AND FUTURE YEARS

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

11.2 Children & Education:

- 11.2.1 **School Asbestos Programme 2022/23:** Virement and spend approval of **£55k in 2022/23** is requested for the programme of removal of asbestos in our Education Schools Estate. The Council has a legal responsibility under the control of asbestos regulations 2012 to ensure that the buildings are managed safely and that do not put building occupants at risk of exposure to asbestos fibres. The council monitors the rolling programme of Asbestos Management surveys that have been undertaken by the Council's Corporate Property Service. Any surveyors recommended actions listed in these surveys will need to be undertaken and the asbestos removed if required. This budget is for the removal of asbestos as recommended by the surveyor as part of the management surveys. The Council also needs to fund Refurbishment and Demolition surveys which are undertaken as part of any works at the schools and remove any asbestos found by the surveyor. This budget will also fund any ad hoc discovery of asbestos which needs to be removed. The proposed works supports the Council's 2018-2028 Sustainable Community Strategy Priority 1 In line with Hackney's Community Strategy 'A borough where everyone can enjoy a good quality of life and the whole community can benefit from growth and Priority 3 'A greener and environmentally sustainable community which is prepared for the future'. This approval will have no net impact as the resources already form part of the capital programme.

- 11.2.2 **Schools Asset Management Programme (AMP) 2022/23:** Virement and spend approval of **£1,455k in 2022/23** is requested to fund the continuation of the annual maintenance of primary school assets and children' centres

estate. The asset maintenance programme is the borough’s cyclical and periodic yearly maintenance programme. The works are prioritised on the basis of the existing condition survey data, supported by rolling site inspections which take place over a 3 year period. Some of the work identified is still under review and further detail will be provided, however, approval is required now so the works can be programmed and procured to meet school holiday planning cycles. As a result the final list of schools and works may be subject to change. It is intended that urgent work will be carried out at the following schools set out in the table below. The broad overview of the type of works required covers essential health and safety works, mitigation works, upgrades to fire alarms, lighting, windows and doors, works to playgrounds, fire doors and compartments, feasibilities on new schemes and an emergency works contingency budget. This capital project links in with the Council’s 2018-2028 Sustainable Community Strategy Priority 1 ‘A borough where everyone can enjoy a good quality of life and the whole community can benefit from growth’ and Priority 2 ‘A borough where residents and local businesses fulfil their potential and everyone enjoys the benefits of increased local prosperity and contributes to community life’. This approval will have no net impact as the resources already form part of the capital programme.

No	Name of Schools & Children's Centre
1	Benthal Primary School
2	Colvestone Primary School
3	Morningside Primary School
4	Parkwood Primary School
5	Mapledene Children's Centre

11.2.3 School Lifecycle Works Programme 2022/23: Virement and spend approval of **£1,398k in 2022/23** is requested to fund the lifecycle work at 10 schools (secondary and specialist schools). The Lifecycle Programme is the Borough’s cyclical and annual maintenance programme for its secondary and special schools that received BSF investment, and Thomas Fairchild which was rebuilt, as set out in the Council’s Capital Programme. The works which form the basis for this application are informed by condition surveys undertaken on an annual basis, and planned maintenance proposals that were identified when the schools became operational. The works will include lighting upgrades, new fire doors and emergency lighting to 10 schools. The lifecycle programme enables the ongoing sustainability of the various schools to be maintained and improved. The ongoing delivery of works ensures that the teaching environment provided is conducive to improving the student, staff and visitor experience. The proposed works will also significantly contribute to keeping students, staff and visitors safe and secure and providing an environment that enables all occupants of the various premises to gain maximum benefit from highly maintained facilities. This capital project links

in with the Council's 2018-2028 Sustainable Community Strategy Priority 2 'A borough where residents and local businesses fulfil their potential and everyone enjoys the benefits of increased local prosperity and contributes to community life'. This approval will have no net impact as the resources already form part of the capital programme.

No	Name of School
1	Stoke Newington School
2	Clapton Girls School
3	Cardinal Pole School
4	Our Ladys School
5	Urswick School
6	Ickburgh School
7	Haggerston School
8	The Garden School
9	Stormont House School
10	Thomas Fairchild School

11.2.4 Phase 1A SEND Projects: Resource and spend approval of **£1,000k (£808k in 2022/23 and £192k in 2023/24)** is requested to commence Phase 1A works for the Additional Resource Provision (ARP) for 4 school sites. December 2021 Cabinet approved the budget to appoint a multi-disciplinary team to consider the options required to meet the SEND needs in the borough and we are expecting to appoint a successful supplier to progress these. Phase 1A will aim to create a total of 98 places as set out in the table below. It should be noted that these estimates are for budgeting purposes only and will be tested through the feasibility stage and reviewed as the projects progress to tender. Given the urgency for priority Phase 1A places (ASD) and Severe Learning Difficulties (SLD), approval is sought from Cabinet to approve this scheme of work as soon as the feasibility studies are completed. These proposed priority projects would be focused on alleviating the pressure on the SLD and ASD demand which are causing most concern.

This first Phase will be funded through the remaining Special Provision Capital Fund (SEND). The funding for Side by Side School is intended to be by way of a grant provided to the School and will be subject to a formal funding agreement to be drafted in liaison with Side by Side School. Side by Side is an independent specialist school offering specialist educational and therapeutic intervention for children aged 2-19 within the Jewish community. The grant will be a contribution to the new school building that is nearing completion. All the children have Statements of Special Educational Needs. Simon Marks Jewish Primary School is a Voluntary Aided 1 form entry Primary school with space to accommodate an ARP provision within the main school building. Petchey Academy is a mixed

11-19 Secondary Academy with a separate building that could be adapted for use as an ARP. Nightingale Primary School is a modern primary school with space to accommodate ARP within the main school. The funding for the ARP Simon Marks School and the Petchey Academy will be determined following the feasibility studies to be completed but may also be the subject of a grant to the schools concerned through a formal funding agreement.

No	Name of School	Places	£'000
1	Simon Marks Primary School	12	150
2	Nightingale School	12	50
3	Petchey Academy	24	300
4	Side by Side School	50	500
Total		98	1,000

This investment will support the Government's priority to ensure that every child has the opportunity of a place at a good school, whatever their background. It demonstrates the Council's commitment to providing comprehensive education and supports our schools to provide a broad and inclusive environment for all young people. This capital funding helps to support Priority 2 of the Council's 2018-2028 Sustainable Community Strategy 'A borough where residents and local businesses fulfil their potential and everyone enjoys the benefits of increased local prosperity and contributes to community life'. This approval will have no net impact on the capital programme as the resources are funded by grant.

11.3 Finance and Corporate Resources:

11.3.1 **End-User ICT Devices and Meeting Rooms:** Spend approval of **£1,142k (£174k in 2021/22 and £968k in 22/23)** is requested for the procurement of ICT equipment for Council's Core Campus Offices and the necessary equipment for meeting rooms to enable access to on-line meetings. During the Coronavirus Pandemic the IT team distributed over 2,500 Chromebooks and Chromeboxes to staff members so that they could work from home successfully throughout the lockdown. These devices were redeployed from the Council's offices throughout the borough to mitigate the financial impact of the pandemic restrictions. As the Covid-19 restrictions ease, the Council is making arrangements for more staff to return to the office environment, expecting that the majority of staff whose roles include office-based working will work 2 days / week in the office and the remaining week from home. This will ensure that the Council remains 'place based' in Hackney and also enable further rationalisation and efficiencies from our office estate.

To support these future working arrangements the Council will continue to provide equipment for home based workers and will increase the number of workstations in the core campus offices (Hackney Town Hall, Hackney Service Centre and Technology & Learning Centre) to c 1,600 desks. There is also an immediate need to procure devices to meet requirements for staff

working at Tenant Management Offices (TMOs), Hubs, Hostels, Parking Services and smaller offices around the borough.

To facilitate hybrid working there is also a need to ensure that meeting rooms are equipped with devices that will enable access to online meetings (this will vary depending on the size of the meeting room, with smaller rooms being set up with Chromebox workstations with webcams and larger rooms having Google Meet video meeting equipment).

This capital expenditure covers the investment needed for:

- Devices need to meet immediate needs identified by services;
- Workstations for small meeting rooms and Directors' offices;
- Google Meet video meeting equipment for larger meeting rooms which do not already have this;
- Equipment needed to scale up to 1,600 workstations in the campus offices as social distancing arrangements are eased.

This proposed plan has an expected service life of 4-5 years for end-user IT equipment. Equipment purchased in the previous refresh (2019/20) will therefore be due for refresh in 2024/25 and the equipment proposed in this business case will be due for refresh in 2025/26 - 2026/27. This procurement ensures smooth business operations across the Council by supporting teams and individuals to perform their roles. This capital expenditure supports all of the Priorities of the Council's 2018-2028 Sustainable Community Strategy Priority 1 'A borough where everyone can enjoy a good quality of life and the whole community can benefit from growth', Priority 2 'A borough where residents and local businesses fulfil their potential and everyone enjoys the benefits of increased local prosperity and contributes to community life', Priority 3 'A greener and environmentally sustainable community which is prepared for the future' and Priority 4 'An open, cohesive, safer and supportive community'. This approval will have no net impact as the resources already form part of the capital programme.

11.3.2 Mobile Phone Refresh: Virement and spend approval of **£275k (£100k in 2021/22 and £175k in 2022/23)** is requested for the refresh programme to replace Council mobile phones for Staff members that are at the end-of-life or beyond economical repair. The ICT Service currently manages an estate of c.2,000 mobile phones, with almost 60% of these distributed between Housing, Public Realm and Social Care. There is an immediate need to replace c.800 phones that are over three years old with newer devices so that colleagues are able to make use of the new modern digital tools that have been adopted such as 'Vonage' and 'Alloy'. There is also a need to hold a number of devices in stock to replace broken, faulty, lost or stolen devices. We anticipate that we will need c.300 replacement devices for this purpose in the next 12 months.

This particular proposal is a single-year investment, specifically to replace phones that are end-of-life or beyond economical repair; a separate

proposal for a rolling three year investment plan will be presented after this initial refresh has been completed. There will also be a new corporate mobile voice and data contract which will achieve savings of £200k per annum primarily through reducing the cost of line rental and increasing the quantity of data included with each line. The following ICT core principles for the provision and management of mobile phones are:

- These corporate smartphones will be provided to colleagues who:
 - Primarily work away from the office or home, often working outside or visiting the homes of residents to undertake their roles;
 - Undertake on-call duties outside typical working hours;
- Phones will have a predicted asset life of 3 years and those over 3 years old will be replaced on a rolling basis annually, where the recipient's role is in line with our criteria for providing a corporate smartphone;
- Phones will be purchased using a minimum device specification aligned to the current versions of the digital tools in use across the organisation;
- Protective cases will be provided to reduce the risk of accidental damage;
- A stock of phones will be held so that the team can be responsive to colleagues who need devices. Therefore will not be dependent on long lead times from suppliers;
- Ensure that devices are recovered from leavers and recycled and allocated to new starters
- Undertake fewer but larger procurements of devices to achieve the best possible unit price.

This capital expenditure supports all of the Priorities of the Council's 2018-2028 Sustainable Community Strategy Priority 1 'A borough where everyone can enjoy a good quality of life and the whole community can benefit from growth', Priority 2 'A borough where residents and local businesses fulfil their potential and everyone enjoys the benefits of increased local prosperity and contributes to community life', Priority 3 'A greener and environmentally sustainable community which is prepared for the future' and Priority 4 'An open, cohesive, safer and supportive community'. This approval will have no net impact as the resources already form part of the capital programme.

11.4 CIL Revenue For Approval

11.4.1 The s106/CIL board meeting dated 15 September 2021 considered the following bid for resource and spend approval for the delivery of the cultural programme in 2021/22. As a result **£460k** of CIL revenue funding has been spent in accordance with the terms of the compliance with broad interpretation of the CIL regulations and is consistent with decisions made previously by the Cabinet. The CIL regulations specify that the spending of Neighbourhood CIL should relate to either:

- The provision, improvement, replacement, operation and maintenance of infrastructure; OR
- Anything else that is concerned with addressing the demands that development places on an area;
- Whilst it is in line with Part B of the regulations, all neighbourhood CIL spend to date (circa £1.2m) has also qualified on this ground. It is noted that to date no permanent example of infrastructure has been delivered through the NCIL funding stream.
- This will be evident through our annually published infrastructure funding statement, which is open to scrutiny from members of the public and developers.

Project Description	2021/22 £'000
Cultural Development Team	460
Total S106 Capital for Approval	460

The Cultural Development Team delivers the objectives of Hackney's Arts and Cultural Strategy. The funding provided the resources to deliver key cultural initiatives led by the Council such as the Hackney Carnival and Discover Young Hackney, both of which are Manifesto commitments. It also enables a much wider range of projects to be delivered, led by both the Council and the voluntary sector, that employ culture to support the five dividends of the Arts and Cultural Strategy: community cohesion, education, health and wellbeing, employment and the economy.

The above dividends play a role in addressing the demands that development places on the borough, and contribute to the objectives of many of the borough's strategies such as the Inclusive Economy Strategy, Community Strategy, Ageing Well Strategy, Young Futures Commission and the Parks and Green Spaces Strategy.

Besides professional fees, materials, printing, marketing, space, theatre hire, equipment and transport, some of the projects that the CIL funding is spent on are as follows:

- Discover Young Hackney
- Hackney Carnival
- Windrush
- LGBTQI+ Community
- Hackney Social Radio
- Dementia Festival
- Renaming Review
- Holocaust Memorial Day
- Hackney Circle
- Gillett Square exhibition
- PlaySpace
- Christmas and Hanukkah

11.5 For Noting

11.5.1 The delegated powers reports dated 25 January 2021 gave spend approval to enable Council officers to proceed with play areas refurbishment. The Council has been successful in applying for external funding from the Veolia Environmental Trust to support the refurbishment of the two sites with the first phase of the project. As a result, **£86k** was approved to spend on this capital project. The funding will contribute to the planned refurbishment of the play areas in **Haggerston Park and Clapton Square**. In order to release the funding, a 10% payment of the grant value is required to the Veolia Environmental Trust as a third party contribution which will be paid to the landfill operator. The play areas in Haggerston Park and Clapton Square are in need of improvement in order to meet Hackney's play principles and support Hackney being a child-friendly borough. Landscape architects in conjunction with Council Officers have redesigned both play spaces and a public consultation was undertaken on the proposals. The public consultations supported the proposals with 91% of respondents loving or liking the designs at Clapton Square and 92% at Haggerston Park. The physical refurbishment works are due to commence in Spring 2022 and are fully funded as part of the Council's capital programme.

The Council is committed to making Hackney a child-friendly borough and has committed £2m to improve a series of park play areas ensuring that the borough's park play areas meet the needs of the borough's children. This external funding will increase budget flexibility in the capital programme, adding extra value to the council's initial investment. The Borough's parks are hugely important to the borough's residents and play areas are a key feature in attracting families to them. Good play spaces help to encourage physical activity amongst children and are important in helping to maintain children's physical and mental health. This capital project supports the Council's 2018-2028 Sustainable Community Strategy Priority 3 'A greener and environmentally sustainable community which is prepared for the future' and Priority 4 'An open, cohesive, safer and supportive community'. This approval will have no net impact on the capital programme as it will be funded by grant.

APPENDICES

Appendix 1 - 83 Redwald Road - land edged in red

Appendix 2 - Situation A - Land is gifted

BACKGROUND PAPERS

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

None.

Report Author	Samantha Lewis, Senior Accountant Tel: 020 8356 2612 samantha.lewis@hackney.gov.uk
Comments of the Group Director for Finance and Corporate Resources	Jackie Moylan, Director, Financial Management Tel: 020 8356 3032 jackie.moylan@hackney.gov.uk
Comments of the Director for Legal and Governance Services	Dawn Carter-McDonald, Director of Legal and Governance Services Tel: 020 8356 4817 dawn.carter-mcdonald@hackney.gov.uk