

LONDON BOROUGH OF HACKNEY COUNCIL

CABINET DECISION NOTICE - 28 FEBRUARY 2022

This document outlines the decisions taken at the above Cabinet meeting.

Unless otherwise indicated, executive decisions listed in this document will come into force and may then be implemented 5 working days after publication of this document unless the decision is called in. During that period the Director of Legal & Governance may call-in a decision for scrutiny if so required by no fewer than 5 Members of the Council (Part 4 of the Council's Constitution; Scrutiny Procedure Rules: Call-in Procedures).

Date of Publication:

1 March 2022

Last Date for Call-In:

9 March 2022

Contact:

Jessica Feeney

Governance Officer

Jessica.feeney@hackney.gov.uk

6 Unrestricted minutes of the previous meeting of Cabinet held on 24 January 2022

RESOLVED:

That the minutes of the previous meeting of Cabinet held on 24 January 2022, be approved.

7 2022/23 Budget And Council Tax Report - Key Decision No FCR R93

RESOLVED:

- I. That the Cabinet considered the report and made the following recommendations to Council for approval:
- II. Council is recommended:
- III. To bring forward into 2022/23 the Council's projected General Fund balances of £15.0m and to note the Housing Revenue Account (HRA) balances of £12.3m
- IV. To agree for approval the directorate estimates and estimates for the General Finance Account items set out in Table 2.
- V. To note that the budget is a financial exposition of the priorities set out

within the Corporate Plan included at Section 6 below.

- VI. To note that in line with the requirements of the Local Government Act 2003, the Group Director, Finance and Corporate Resources, is of the view that:

The General Fund balances of £15.0m and the level of reserves, particularly in relation to capital, are adequate to meet the Council's financial needs for 2022/23 and that considering the economic uncertainty they should not fall below this level. This view takes account of the reserves included in the Council's latest published 2020/21 Accounts and the movements of those reserves since that date – which have been tracked through the Overall Financial Position (OFP) Reports, and the latest OFP projections. Note also, that the projections in the HRA Budget to maintain the balance at £12.3m by 31 March 2022 are also considered to be adequate at this point in time but will need to continue to be reviewed in the light of the challenges facing the HRA. In 2020/21 the HRA balance reduced from £15m because of the need to set up a provision for Thames Water agency refunds. There is a plan to get back up to £15m through the savings programme over the medium term to replenish reserves and in 2021/22 we were able to increase the HRA balance by £1.1m to £12.3m.

The General Fund estimates are sufficiently robust to set a balanced budget for 2022/23 This takes into account the adequacy of the level of balances and reserves outlined above and the assurance gained from the comparisons of the 2021/22 budget with the projected spend identified in the December 2021 OFP. The overall level of the corporate contingency has been set at £2m.

- VII. To approve the proposed General Fund fees and charges as set out in Appendix 8 for implementation from 1st April 2022.
- VIII. To continue the policy requiring the Group Director, Finance and Corporate Resources to seek to mitigate the impact of significant changes to either resources or expenditure requirements.
- IX. To note the summary of the HRA Budget and Rent setting report agreed by Cabinet on 24th January 2022.
- X. To authorise the Group Director, Finance and Corporate Resources to implement any virements required to allocate provision for demand and growth pressures set out in this report subject to the appropriate evidence base being provided.
- XI. To approve:
- a. The allocation of resources to the 2022/23 Non-Housing capital schemes referred to in Section 24 and Appendix 7.
 - b. The allocation of resources to the 2022/23 Housing indicative

capital programme referred to in Section 24 and Appendix 7, including the HRA approvals previously agreed by Cabinet on January 24th 2022.

- XII. To note that the new capital expenditure proposals match uncommitted resources for the year 2022/23.
- XIII. To agree the prudential indicators for Capital Expenditure and the Capital Financing Requirement, the Authorised Limit and Operational Boundary for External Debt, the Affordability prudential indicators and the Treasury Management Prudential Indicators for 2022/23 as set out in Section 24 and Appendix 3.
- XIV. To confirm that the authorised limit for external debt of £598m agreed above for 2022/23 will be the statutory limit determined under section 3(1) of the Local Government Act 2003. Further reassurance about the robustness of the budget is the confirmation that the Council's borrowings are within the boundaries of prudential guidelines.
- XV. To continue to support the approach of using reserves to manage emerging risks and liabilities and to note the latest reserve position.
- XVI. To note that at its meeting on 26th January 2022 the Council agreed its Council Tax Base for the 2022/23 financial year as 73,981 in accordance with regulations made under section 33(5) of the Local Government Finance Act 1992. The Council Tax Base is the total number of properties in each of the eight council tax bands A to H converted to an equivalent number of band D properties.
- XVII. To agree that the following amounts be now calculated by the Council for the year 2022/23 in accordance with Sections 31A to 36 of the Localism Act 2011.
- XVIII. The authority calculates the aggregate of: (in accordance with Section 31A (2) of the Act)
 - (a) £1,258.507m being the expenditure which the authority estimates it will incur in the year in performing its functions and will charge to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices.
 - (b) £2m being such allowance as the authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices.
 - (c) £nil being the financial reserves which the authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure.

- (d) £nil being such financial reserves as are sufficient to meet so much of the amount estimated by the authority to be a revenue account deficit for any earlier financial year as has not already been provided for.
 - (e) £4.353m being the amount which it estimates will be transferred in the year from its general fund to its collection fund in accordance with section 97(4) of the 1988 Act, and
 - (f) £nil being the amount which it estimates will be transferred from its general fund to its collection fund pursuant to a direction under section 98(5) of the 1988 Act and charged to a revenue account for the year.
- XIX. The authority calculates the aggregate of: (in accordance with Section 31A (3) of the Act)**
- (a) £1,170.497m being the income which it estimates will accrue to it in the year and which it will credit to a revenue account, other than a BID Revenue Account, for the year in accordance with proper practices.
 - (b) £nil being the amount which it estimates will be transferred in the year from its collection fund to its general fund in accordance with section 97(3) of the 1988 Act.
 - (c) £nil being the amount which it estimates will be transferred from its collection fund to its general fund pursuant to a direction under section 98(4) of the 1988 Act and will be credited to a revenue account for the year, and
 - (d) £nil being the amount of the financial reserves which the authority estimates it will use in order to provide for the items mentioned in subsection (2) (a), (b), (e) and (f) above.
- XX. £94.363m being the amount by which the aggregate calculated under subsection (1) above exceeds that calculated under subsection (2) above, the authority calculates the amount equal to the difference; and the amount so calculated is its Council Tax Requirement for the year.**
- XXI. £94.363m being the amount at (3.2.17) divided by the amount at (3.2.14) above, calculated by the Council, in accordance with section 31A of the Act, £1,275.50 as the basic amount of its council tax for the year.**
- XXII. That the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council tax for 2022/23 for each part of its area and for each of the categories of dwellings.**

Valuation Bands Hackney

A	B	C	D	E	F	G	H
850.33	992.06	1,133.78	1,275.50	1,558.94	1,842.39	2,125.83	2,551.00

XXIII. That it be noted that for 2022/23 the Greater London Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below.

Valuation Bands GLA

A	B	C	D	E	F	G	H
263.73	307.68	351.64	395.59	483.50	571.41	659.32	791.18

XXIV. That having calculated the aggregate in each case of the amounts at 3.2.19 and 3.2.20 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for 2022/23 for each of the categories of dwellings as shown below.

Valuation Bands Combined Hackney/GLA

A	B	C	D	E	F	G	H
1,114.06	1,299.74	1,485.42	1,671.09	2,042.44	2,413.80	2,785.15	3,342.18

XXV. To agree, subject to the decision of Members on recommendations 3.2.15 to 3.2.18 that Hackney's Council Tax requirement for 2022/23 be £94.363m which results in a Band D Council Tax of £1,275.50 for Hackney purposes and a total Band D Council Tax of £1,671.09 including the Greater London Authority (GLA) precept. An analysis of the tax base total Band D Council Tax across Council Tax Bands is shown in 3.2.21 above and an exemplification of the taxbase and discounts by band, is shown in Appendix 5.

XXVI. To agree that in accordance with principles approved under section 52ZB of the Local Government Finance Act 1992, and the new provisions included in the Localism Act 2011, the increase in the Council's Council Tax requirement for 2022/23 as shown at Appendix 9 is not excessive (3% or above) and therefore does not require the Council to hold a referendum.

XXVII. To agree the Treasury Management Strategy for 2022/23 to 2024/25, set

out at Appendix 3.

- XXVIII. To agree the criteria for lending and the financial limits set out at Appendix 3.
- XXIX. To approve the MRP statement setting out the method of calculation to be used, as set out in paragraphs 24.18-24.28 below.
- XXX. Approve the Audit Committee's proposal to accept the Public Sector Audit Appointments (PSAA) invitation to 'opt in' to the sector led option for the appointment of external auditors for five financial years commencing 1 April 2023.
- XXXI. Delegate authority to the Group Director of Finance & Corporate Resources to respond to the invitation and take the necessary steps to finalise the appointment itself following the PSAA procurement process.

REASON FOR DECISION

The Council has a legal obligation to set its Council Tax and adopt its annual budget. This report is seeking formal approval of the 2022/23 budget.

Previous decisions in this context relate to:

- The Overall Financial Position reports presented monthly to Council during 2021/22
- The Calculation of the 2022-23 Council Taxbase & Local Business Rates report approved by Council on 26th January 2022

- 8 **2021/22 Overall Financial Position that takes account of the estimated financial impact of Covid-19 and the on-going emergency - Key Decision No. FCR R91 - To follow.**

RESOLVED:

- I. That the Cabinet agreed that Hackney, as one of the ten Constituent Authorities of the LHC Joint Committee, withdraws from the LHC Joint Committee, resulting in its potential disbandment in December 2022 at the earliest.
- II. The Cabinet agreed that the Cabinet will consider in a future meeting the options for continued participation in the new LHC corporate entity when it is known in March 2022.
- III. That Members noted the update on the overall financial position for December covering the General Fund, Capital and HRA

REASONS FOR DECISION

To facilitate financial management and control of the Council's finances and to consider the LHC proposal.

9 Capital Update and Property Disposals and Acquisitions Report - Key Decision No. FCR R92

RESOLVED:

- I. That the scheme for Chiefs Executives as set out in section 11.2 be approved as follows: Hoxton Public Realm Improvement Project: Resource and spend approval of £292k in 2022/23 is requested for improvements to the public realm around Hoxton Street.
- II. That the scheme for Neighbourhood and Housing (Non) as set out in section 11.3 be approved as follows: Enforcement Strategy Database: Spend approval of £180k in 2021/22 is requested to procure a replacement of the ICT database system for the Council's Enforcement Strategy.
- III. That the S106 capital scheme summarised below and set out in section 11.4 be approved:

S106	2021/22 £'000	2022/23 £'000	Total
Capital	0	144	144
Total S106 Resource & Spend for Approval	0	144	144

- IV. That the S106 capital summarised below and set out in section 11.5 be noted.

S106	2021/22 £'000	2022/23 £'000	Total
Capital	45	285	331
Total S106 Resource & Spend for Noting	45	285	331

- V. That the schemes outlined in section 11.6 be noted.
- VI. That the re-profiling of the budgets as detailed in para 11.7 and Appendix 1 be approved.

Current Directorate	Re-pro filing	Re-pro filing	Re-pro filing	Re-pro filing

	21/22	22/23	23/24	24/25
	£'000	£'000	£'001	£'002
Total Non-Housing	(13,184)	6,253	3,877	3,054
Total Housing	3,817	(53,832)	(10,362)	60,378
Total	(9,367)	(47,579)	(6,485)	63,432

That the Cabinet:

- VII. Authorised the disposal of the land (shown for identification purposes only edged in red on the plan attached - Appendix 2) at Bangla House to Islington and Shoreditch Housing Association.**
- VIII. Authorised the acquisition of the land (shown for identification purposes only edged in red on the plan attached - Appendix 3) at the rear of 148-154 Stoke Newington Church.**
- IX. Delegated to the Corporate Director of Finance and Resources authority to settle all commercial terms relating to the disposal and acquisition of the Premises.**
- X. Delegated to the Director of Legal authority to agree and enter into all the legal documentation pursuant to the disposal and acquisition of the Premises.**
- XI. Authorised the Director of Legal to sign a settlement agreement and any court order in relation to the Premises.**

REASONS FOR DECISION

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.

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.

- 10 GLA Homes for Londoners: Affordable Homes Programme 2021-2026 - Acceptance of Grant - Key Decision No. CE S061**

RESOLVED:

That the Cabinet:

- I. **Agreed to enter into a funding agreement with the GLA in order to secure £17.5m grant funding through the Homes for Londoners: Affordable Homes Programme 2021-2026.**
- II. **Agreed to adopt the new shared ownership model and sign up to the Service Charges Charter as a condition of receiving the grant.**
- III. **Requested that a further report be brought to Cabinet, seeking approval for a new house building programme.**

REASONS FOR DECISION

The Council submitted a bid for £17.5m of GLA funding from the AHP 2021-2026 to support the delivery of 100 new social rented homes, and in October 2021 notification was received that this had been successful. In order to secure the funding allocation, the Council must enter into a standard form of contract with the GLA by March 2022.

One of the funding conditions of the GLA AHP 2021-2026, is that the Council must dispose of any shared ownership homes that have GLA funding using the new model shared ownership lease, which will provide consistent management across all tenures on a new development. The Council is also required to sign up to the new Service Charges Charter, with the aim of improving leaseholders' service experience spanning four key areas: Transparency, Affordability, Design and Challenge and Redress.

Work is underway to review land and building assets held in the Housing Revenue Account, to determine their best and future use. A number of sites have been appraised, with some identified as potentially suitable for housing development. Officers are currently working on developing a new house building programme to bring to Cabinet in late 2022.

11 Hackney Housing Company Limited - Annual Report of Directors - Key Decision No. FCR S044

RESOLVED:

That the Cabinet:

- I. **Noted the Directors' annual report in Appendix 1 and the Companies' Statement of Accounts 2020/21 in Appendix 2.**
- II. **Approved the loan of £1m to Hackney PRS Housing Company on commercial terms consistent with the original loan agreement.**

REASONS FOR DECISION

The Council is the sole company shareholder and the activities and plans proposed by the Directors should be based on the shareholders objectives and priorities.

The company requires the approval of a loan from the Council

12 Education Sufficiency and Estate Strategy - Key Decision No. CE S034

RESOLVED:

That Cabinet:

- I. **Noted the Education Sufficiency and Estate strategy paper and confirm approval of direction (appendix 1)**
- II. **Agreed that Phase 1A capital projects (appendix 2) - four schemes addressing the urgent need for Autistic Spectrum Disorder (ASD) and Severe Learning Disability (SLD) places, to be delivered within the existing SEND Capital grant to enable the projects to begin as soon as the feasibilities are concluded.**

REASONS FOR DECISION

Key Issues

- Requirement for an increase in SEND provision in borough
- Requirement for the solution for surplus school places from the primary school system

The Council has a statutory duty to ensure there is a sufficient number of school places for pupils and that places are planned effectively. It also has a statutory duty to keep under review educational provision, training provision and social care provision made both in and outside of its area for children and young people with SEN or a disability and for whom it is responsible.

The Education Sufficiency and Estate Strategy, to be considered by Hackney's Cabinet sets out the priorities for education provision in Hackney over the next 10 years and aims to provide a clear review of our current sufficiency and how our educational estate can support this together with a gap analysis of provision that we will require over the next five to ten years. Conclusions have been drawn to form a high level strategy to address the vision proposed to provide sufficient Hackney school places for all children and young people living in our Borough.

The strategy paper details that Hackney needs to address a two fold set of issues around our pupil population. The strategy proposes to review the current school estate alongside other Hackney owned land options in order to create more special provision places for children and young people with complex SEND in the borough. It also proposes to work with existing primary schools and secondary schools to seek more viable long-term solutions for them. Some schools are experiencing challenges with budgets due to falling pupil rolls. This paper does not list individual sites or address individual concerns.

This report proposes to ensure that we can expand and build the most urgently needed provision as soon as possible. Phase 1A capital projects are to be delivered within the existing SEND Capital grant. These projects will address

the urgent need for Autistic Spectrum Disorder (ASD) and Severe Learning Disability (SLD) places and enable this phase to begin as soon as feasibility studies are concluded.

13 Lease of Cape House for General Needs Temporary Accommodation - Key Decision No. FCRS048

RESOLVED:

That the Cabinet:

- I. Delegated authority to the Director of Strategic Property Services, in consultation with the Group Director of Finance and Corporate Resources, to agree the terms of the agreement for lease and lease.**
- II. Delegated authority to the Strategic Director, Customer and Workplace, in consultation with the Group Director of Finance and Corporate Resources, to agree the terms of the management agreement.**
- III. To pay the stamp duty (SDLT) due for the lease.**
- IV. Authorised the Director of Legal and Governance Services to prepare, agree, settle and sign the necessary legal documentation to effect the proposals contained in this report and to enter into any other ancillary legal documentation as required.**

REASONS FOR DECISION

As outlined within the report, there is a significant need to expand the stock of social housing in Hackney, and increase the provision of temporary accommodation.

As set out within Part 7 of the Housing Act 1996, the Council has a statutory duty to provide interim temporary accommodation to homeless households to whom it has a duty to provide permanent housing.

Currently, meeting this statutory duty requires using expensive nightly let and/or spot purchased accommodation.

The acquisition of the lease provides a hostel refurbished to meet the requirements of homeless residents.

14 Woodberry Down Phase 4 - Proposed Serving Of Demolition Notices, Suspension Of Right To Buy And CPO Preparatory Work - Key Decision No. FCR R93

RESOLVED:

That the Cabinet:

- I. Authorised the service and publishing of Initial Demolition Notices to suspend Council tenants 'Right to Buy' in relation to secure**

tenancies in Phase 4, as set out in the plan in Appendix 1, under Section 138A and Schedule 5A of the Housing Act 1985 as amended by the Housing Act 2004.

- II. Award Decant Status to secure tenants living in blocks within Phase 4, as set out in the plan in Appendix 1.
- III. Agreed the payment of home loss and disturbance payments to secure tenants in Phases 5 - 8 who move into homes that are newly built as part of Phase 3, or homes which have already been built in earlier phases of the Woodberry Down redevelopment.
- IV. Delegated authority to the Director of Regeneration to vary, after consultation with the Lead Member, the Secure Tenants' Offer Document and Leaseholders' Offer Document as necessary, in order to implement the recommendations set out in this report.
- V. Authorised the preparation of the necessary legal and other documentation required to make a Compulsory Purchase Order (CPO) for Phase 4.
- VI. Authorised the Director of Legal and Governance Services to deal with all necessary legal documentation to effect the proposals set out in this report.

REASONS FOR DECISION

This authority is required to ensure that the regeneration proceeds in accordance with the identified programme and in line with the Council's legal obligations contained within the Principal Development Agreement (PDA) for Phases 2 - 8. Berkeley Homes is currently constructing Phase 3, which will provide 117 social rented homes and 13 shared equity properties.

The detailed planning application for Phase 4 is due to be submitted to Planning in 2022. Demolition of Phase 4 is due to commence in Spring 2025. To accomplish this programme the blocks in Phase 4 must be vacant by this time. There are currently 200 occupied homes in Phase 4, including 33 Secure Tenants. The Phase 4 residential blocks affected are Lonsdale, Leighfield, Knaresborough, Kilpeck, Keynsham and Finmere House.

15 Appointment of Local Authority Governors - Non Key Decision

RESOLVED:

That the Cabinet approved the following nominations:

Governing Body	Name	Date Effective
Holmleigh Primary School	Nicholas De Haes	28 February 2022

Shoreditch Park Primary School	James Sheratt	28 February 2022
--------------------------------	---------------	------------------