

**DRAFT MINUTES OF A MEETING OF THE CABINET  
MONDAY, 24 JULY 2023**

THE COUNCIL CHAMBER, HACKNEY TOWN HALL,  
LONDON, E8 1EA

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

**Deputy Mayor Anntoinette Bramble (Vice-Chair), Cllr Robert Chapman, Cllr Mete Coban, Cllr Susan Fajana-Thomas, Cllr Christopher Kennedy, Cllr Clayeon McKenzie, Cllr Guy Nicholson, Cllr Carole Williams and Cllr Caroline Woodley**

Officers in Attendance:

**Mark Agnew, Governance Officer  
Dawn Carter-McDonald, Director of Legal, Democratic and Electoral Services  
Rickardo Hyatt, Group Director, Climate, Homes and Economy  
Helen Woodland, Group Director Adults, Health and Integration**

**1 Apologies for Absence**

1.1 No apologies for absence were received.

**2 Urgent Business**

2.1 There was no urgent business for consideration.

**3 Declarations of Interest - Members to declare as appropriate**

3.1 In relation to agenda item 10, Hackney a Place for Everyone – Voluntary and Community Sector Grants Programme, the Mayor, along with Cllr Fajana-Thomas and Cllr Kennedy, confirmed their membership of the London Community Credit Union. Deputy Mayor Bramble confirmed her membership of the Board of Trustees of Hackney Playbus.

3.2 The Director of Legal, Democratic and Electoral Services advised that after declaring their interest members could remain during the vote.

**4 Notice of Intention to Conduct Business in Private, Any Representations Received and the Response to Such Representations**

4.1 No representations were received.

**5 Questions/Deputations**

5.1 No questions were received.

**6 Unrestricted Minutes of the Previous Meeting of Cabinet**

**RESOLVED:** That the minutes of the previous meeting of the Cabinet held on 26 June 2023 be agreed as a true and accurate record of proceedings.

**7 Unrestricted Minutes of Cabinet Procurement and Insourcing Committee**

**RESOLVED:** That the minutes of the previous meeting of the Cabinet Procurement Insourcing Committee held on 5 June 2023 be noted.

**8 FCR S201 2023/24 Overall Financial Position Report - May 2023**

8.1 The Cabinet Member for Finance, Insourcing and Customer Service, Cllr Chapman, introduced the report and confirmed the continued difficult financial pressures that the Council faced, but highlighted two early proposals for savings relating to increased parking income and efficiency measures in Estates Management.

8.2 The Mayor thanked Officers for their work on the proposals and confirmed that any income from parking would be spent on transport related work.

**RESOLVED:**

- 1. To agree to the purchase of the property detailed in Exempt Appendix 1 - Temporary Accommodation.**
- 2. To delegate authority to the Group Director of Finance and Corporate Resources to settle all the commercial terms of the transaction.**
- 3. To pay the stamp duty (SDLT) due on the purchase.**
- 4. To authorise the Director of Legal, Democratic and Electoral 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.**
- 5. To agree the Estate Management savings proposal at 2.11 above.**
- 6. To agree the Parking Income proposal at 2.11 above.**
- 7. To approve the granting of an Agreement for Lease to SBSK to allow for the works to be completed at Springfield Hydrotherapy Pool leading to the grant of a 15 year lease, at an initial rent of £2,500.00 p.a. subject to an RPI rent review on the 1st April each year.**
- 8. To delegate to the Group Director of Finance and Corporate Resources and the Director of Strategic Property Services authority to determine**

the most cost effective options in terms of disposing of the lease in ways that represent best value on the part of the Council.

9. To delegate authority to the Director of Legal, Democratic and Electoral Services to negotiate, sign, settle and complete the contracts and all other relevant and ancillary legal documents arising thereto on behalf of the Council.
10. To approve the granting of an Agreement for Lease in respect of 2 Hillman Street, to DWP with the proposed rent free and break clauses to allow continuity of occupation of the building from January 2024.
11. To approve the grant of a 10 year lease, at an initial rent of £711,000pa subject to a rent review on the 5th anniversary of the term.
12. To delegate to the Group Director of Finance and Corporate Resources and the Director of Strategic Property Services authority to agree to the lease and ensure that it represents best consideration.
13. To delegate authority to the Director of Legal, Democratic and Electoral Services to complete the lease and all other relevant and ancillary legal documents arising thereto on behalf of the Council.
14. To note the overall financial position of the Council as at May 2023 as set out in this report.

#### REASONS FOR DECISION

The reasons for the decision were included in the printed decisions, published on the 25 July 2023, and can be [found here](#).

#### DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

This budget monitoring report is primarily an update on the Council's financial position.

With regards to the property proposal detailed in Exempt Appendix 1, the Benefits and Housing Needs Service is facing a shortage in the supply of Council owned and / or leased accommodation for use as emergency / temporary accommodation, especially within the borough. This has resulted in the increased use of expensive nightly paid accommodation, plus the increasing use of out of borough accommodation. Purchasing the block of flats will be less expensive than the alternatives, which are likely to be largely out of the borough; and allow more residents to be offered temporary accommodation in the borough.

With regards to the Springfield proposal, the do nothing option will mean that responsibility for the Hydrotherapy Pool stays within the Adventure Playground lessees who have no funds to bring it back into use and its deterioration will continue, and cost of repair will continue to escalate. The offer from SBSK is currently the only offer to bring the Pool back into use.

On the DWP proposal, the Council could consider rejecting this proposal, taking the property back in January 2024, and then marketing the building openly. The DWP would have to relocate to another privately owned building within Hackney. This option has been rejected because the cost of security, business rates and other ancillary costs, excluding marketing costs and re-letting incentives, is estimated at £585,280 per annum. A typical void period of a building of this type and location is estimated at 18-24 months, but the loss of rent could extend much further depending on the rent free negotiated by the incoming tenant.

## 9 CED S226 Equality Plan - Consultation Draft

- 9.1 The report was introduced by the Cabinet Member for Employment, Human Resources and Equalities, Cllr Williams, who noted the challenging times and that the proposed plan would help achieve the best possible outcomes for residents most affected by the cost of living crisis, Hackney's Black and Global Majority residents, and LGBTQI residents.
- 9.3 Cllr Williams thanked Officers for their work on the Equality Plan, which had given Hackney a solid foundation on equalities and anti-racism work. Mayor Glanville and Cllr Williams also both thanked Officers and members of the community for their work on Pride and the Trans motion considered by Council earlier in the year.

### RESOLVED:

#### To approve:

- **Appendix 1: an initial set of equality objectives at summary level, describing the objectives, why they are being proposed and an outline of key actions (a designed version will be used in consultation and engagement)**
- **Appendix 2: the anti-racism action plan**
- **Appendix 3: the LGBTQIA framework**

### REASONS FOR DECISION

The reasons for the decision were included in the printed decisions, published on the 25 July 2023, and can be [found here](#).

### DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Option 1 - only do what is statutorily required and develop draft objectives and consult on these without developing the more detailed plans that flow from these objectives. This has been rejected because tackling inequality is a complex process that needs to be underpinned by a broad cross cutting plan which has been developed by a range of stakeholders.

Option 2 - develop a full equality plan and consult rather than undertaking a more detailed engagement exercise This has been rejected because:

- We are unlikely to reach beyond those most likely to respond to consultation documents and to reach the residents most impacted by inequality, if we only consult
- The Council is committed to putting residents first and co-designing solutions with residents because we want to develop the right responses; to tackle inequality effectively, we need to engage residents with lived experience who can share their insight into what is driving inequality and what needs to change.
- As outlined in paragraph 1.4, trust and confidence in the Council is low for some groups including black and global majority residents and social housing tenants. These are groups who face greater inequality and can be poorly served by statutory services. We need to adopt an engaging approach that builds trust and confidence.
- Tackling inequality is an issue that attracts public interest and scrutiny from a wide range of stakeholders and we want to create the right engagement to respond to this interest and invite ideas

## 10 **CED S195 Hackney a Place for Everyone – Voluntary and Community Sector Grants Programme Updates and Recommendations 2023/24**

- 10.1 Introducing the report, the Cabinet Member for Health, Adult Social Care, Voluntary Sector and Culture, Cllr Kennedy, confirmed that this followed on from previous Cabinet decisions that had approved the basic structure of the grants programme and then approved £1m worth of advice grants and £750k worth of strategy grants to core organisations.
- 10.2 Cllr Kennedy highlighted some of the organisations that would receive the proposed grants and the process that was undertaken to allocate the proposed grants. Deputy Mayor Bramble, Cabinet Member for Education, Young People and Children's Social Care, spoke in support of the grants programme.

### **RESOLVED:**

#### **Cabinet to :**

- 1. Approve the allocation of Community Infrastructure Grant £79,200 across the four organisations as outlined in Appendix 1.**
- 2. Delegate to the Head of Policy and Strategic Delivery decisions in regards to £25,000 carried over development funding for capacity building and training for Community Infrastructure organisations.**
- 3. Note the awards of project-based grants to organisations, including those funded through a budget that in previous years has been deployed for one-off commissioning of youth activity by the Children and Families Service and Healthier Hackney grants in Appendix 2. Approval of these grants was delegated by Cabinet in January 2023 to the Head of Policy and Strategic Delivery.**

4. Delegate to the Head of Policy and Strategic Delivery decisions in regards £20,000 to the development of advice services in the north of the borough and £25,000 for advice services to develop a convening role for the advice system as set out in 4.5 below
5. Approve a grant of £40,000 to London Community Credit Union in addition to the £40,000 set aside from last year's grant budget, as part of the package of support established with partner Councils Newham and Tower Hamlets

#### REASONS FOR DECISION

The reasons for the decision were included in the printed decisions, published on the 25 July 2023, and can be [found here](#).

#### DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Given the budgetary pressures facing the Council the future of the VCS Grants Programme is regularly reviewed. However consideration has been given to the reductions in public spending through welfare cuts and reduced grants to local government which can lead to increased demands upon the VCS. The unique position of the VCS to respond to the needs of the most vulnerable and disadvantaged residents as well as its ability to deliver added value e.g. through inward investment and volunteering necessitates a grant programme that ensures that the sector can continue to thrive and build resilience to mitigate the impacts of the pandemic and in the face of further budget reductions.

Whilst commissioning helps to support the VCS, the investment through the Council's grants programme helps to maintain a thriving third sector and a wide range of suppliers. Funding the sector through grants ensures that it can identify new needs and new ideas and innovate and test new solutions. It enables added value activity that complements direct or procured service delivery and can fund open universal activity. The sector is also able to use grant funding to respond to specific challenges in regards to community cohesion by providing grassroots community based activity that builds cohesion and community action and the support that is needed by our most disadvantaged and vulnerable residents.

- 11 **CHE S227 Main Contractor for Social Housing Decarbonisation Fund (SHDF) 'part grant funded' capital works to Hackney owned homes; and associated actions**
  - 11.1 Cllr McKenzie, Cabinet Member for Housing Services and Resident Participation thanked Officers for the work they undertook to submit the bid to the Department of Levelling Up, Housing and Communities and confirmed that the award would make a huge difference to several hundred households across the Borough allowing residents to live in warm, sustainable housing, that also reduced Hackney's carbon emissions.



11.2 Cllr Coban, Cabinet Member for Climate Change, Environment and Transport, shared his support for the report and the contribution it would make to Hackney's climate action work.

**RESOLVED:**

**Cabinet is recommended to:**

- 1. Accept the Department of Energy Security & Net Zero (DESNZ) grant of c. £4.5 million (together with all of the associated conditions)**
- 2. Approve expenditure of associated match funding for the above grant and add to the Housing Capital Programme.**
- 3. Approve the business case for these works and the procurement strategy to undertake a Direct Award of the Social Housing Decarbonisation Fund (SHDF) works contract to a supplier from an external framework, namely South East Consortium (SEC) or National Housing Maintenance Frameworks.**
- 4. Delegate the contract award for the works for up to £20m to the Group Director, Climate Homes and Economy, following consultation with the Group Director, Finance and Corporate Resources, and the relevant Cabinet Members, Housing Services & Resident Participation, and Insourcing & Customer Services.**
- 5. To note that the report on the contract award for these works will be reported to the Cabinet Procurement and Insourcing Committee (CPIC).**
- 6. To approve that the recharge of cost of these works to leaseholders are waived (a maximum of nine).**

**DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

In order to consider options for this procurement exercise, officers considered some key decisions relating to contract types in the context of the wider housing strategy; this report considers these, and explores the various available options.

The grant funding has been provisionally secured against 556 homes. These may require work to up to 721 homes to be carried out because of the inclusion of blocks of flats where not all homes are eligible under the bid. While properties have been identified for the fund, this is based on desktop information and the process requires specific surveys to be undertaken to confirm eligibility. It is expected that within this number there are homes which prove to be ineligible. It is also expected that there are homes where it is not readily technically possible to achieve the required standard. Hackney Council have maximised the numbers in the bid to ensure that even after these aspects are taken into account the council can still deliver a meaningful programme of work.

The grant fund makes a number of requirements about how the work is delivered. Key to these is the use of a new PAS2035 standard, which is a process for how

retrofit works should be delivered to existing homes. This ensures that proper consideration is given to selecting measures which are suitable to the construction, are complimentary with one another, and which achieve the desired energy efficiency standard. There are also rules around monthly reporting to the department, rules on the selection of homes and funding levels, and requirements for risk assessments and other project management procedures to be in place. These are outlined in more detail in a presentation in Appendix 1.

*Contractor as Retrofit Coordinator:* Under PAS2035 it is possible to assign the role of Retrofit Assessor and Coordinator to the contractor. There are some advantages to this approach; it can be faster as the programme is almost entirely delivered within a single organisation, and it removes any ambiguity as to design responsibility in the works. However, a disadvantage is that it limits the ability of the council to ensure effective cost controls on the project. The appointment of a separate consultant to survey the condition of the properties and schedule the necessary works to bring the home to an EPC 'C' will offer an independent view to the contractor. In this model the consultant will be responsible for ensuring the selected measures are suitable and achieve the desired outcome; the contractor is responsible for any design work necessary for the selected measures.

*Existing Internal Contract:* A review of existing contracts was undertaken but none were suited to the scale and type of the work.

*Direct Procurement:* Consideration was given to carrying out a direct two stage procurement exercise. This was rejected as it would not be possible to complete this within the funding timetable.

*DLO for Heating Works:* Use of the Direct Labour Organisation (DLO) for heating related works; for most homes it is expected that there can be beneficial improvements to hot water cylinder insulation and heating controls. Detailed examination suggested that this does not fit within the PAS 2035 assessment and coordination process which requires the Client to deliver all the qualifying works to any property via a single Contractor.

#### *Success Criteria/Key Drivers/Indicators*

The success criteria / key drivers / indicators for this procurement exercise / contract award are:

- Improved energy efficiency of up to 556 homes, meeting the required EPC 'C' standard
- Ensuring residents benefit from improved thermal comfort and reduced energy bills
- Maximising claims on the available grant funding
- Pilot testing retrofit works to the new PAS2035 standard which is likely to be used more widely in future as part of the Net Zero target
- The contract will be subject to a range of KPIs similar to that on other capital projects



- Ensuring the most inefficient homes benefit from necessary improvements
- Delivering high quality work, with low defects rates and achieving high standards of resident satisfaction
- Ensure that this contract delivers social value to the local community and contribute to the Council's wider sustainability ambitions

#### *Whole Life Costing/Budgets*

The Asset Management Plan (AMP) element of the housing capital programme covers investment in all of the stock and assets managed by Housing Services. The distributed nature of predominantly street properties and estate houses raises added complexities to deliver these works.

#### *Options Appraisal and Business Case (Reasons for Decision)*

The proposed option is to select a contractor from a suitable external framework. These are pre-established frameworks which offer a range of appointment terms to contractors who have already gone through a public procurement tendering process to be selected. The council often makes use of such frameworks in appointing contractors; one main limitation of them is that they do not always enable consultation with leaseholders in accordance with Section 20 requirements in the Landlord and Tenant Act. This option will enable the council to enter into contract soon enough to carry out work within the funding window.

The selection of properties for this bid has focussed on homes. Some smaller blocks have been included. These include 9no. leaseholders. While these 9 homes are not included within the properties to be improved using the grant funding it may be necessary to carry out work to them to ensure that the neighbouring properties in the block can be brought to the EPC 'C' standard. For example it is possible to carry out internal insulation work to a single flat within a block but it is not readily possible to apply external wall insulation to only one flat.

Carrying out a Section 20 consultation process would not be possible within the timeframes for this funding bid. This is also a very minor aspect of the work with only 9 leaseholders of a total possible 721 properties. Consequently it is proposed that possible recharges to leaseholders are waived. Note that where leaseholders are included in the funding arrangements, the fund would require that their contributions are capped.

The preferred approach will be to use a partnering form of contract in line with the approach used on other council capital projects. This will be proposed as a two year contract, during which time projects can be instructed as 'Task Orders'. Rather than award a single contract for the full value and volume of work, this allows a phased approach and limits the amount of work instructed to a contractor at any one time. Typically task orders are expected to contain works to about 50 homes. This approach enhances the council's ability to manage performance as terms can be established to ensure that successive projects are only issued once a certain standard is demonstrated and maintained.

Hackney Council is a member of the South East Consortium (SEC) which has two potential framework agreements:

A Major Refurbishment Lot 1b (+ £1 million): This framework covers multi-trade refurbishment works which are to be delivered by a single contractor. While it has not been established with the specific intent of retrofit works, the measures typically required to bring a home to an EPC 'C' (e.g. roof and wall insulation, heating upgrades, window renewal) would typically be covered by major refurbishment works.

A Zero Carbon Solutions | Delivery Framework (Sept 21): This framework is more specifically established to deliver retrofit works and contractors have been assessed against PAS 2035 requirements to secure a place on the framework.

Another suitable framework is the NHMF (National Housing Maintenance Framework NHMF Framework). Similar to the SEC there is a framework for planned maintenance and one for Net Zero works, both of which are likely to be suitable for the works proposed.

During this period Housing Services will continue to procure their Main Contractor Framework which offers future potential for an element of the grant funded works to be delivered via this alternative route, if required.

The outlined approach potentially allows for a contract to be awarded in autumn 2023, with some works starting in the 2023/24 financial year. There will need to be some allowance in the programme for mobilisation and pre-contract surveys and pricing. While this timetable does mean that there is a risk to delivering 40% of the work in Year 1, this is unavoidable in the circumstances and it will put the council in a good place to maximise delivery in 'Year 2'.

The use of an external framework attracts a fee of up to 1.5%.

## 12 **Proposed alteration to change Our Lady's Catholic Girls' school to a co-educational Catholic School, by 1st September 2024.**

12.1 Deputy Mayor Bramble celebrated the transformation of Hackney's schools, which were some of the best in the country, and which provided opportunities that Hackney's children deserved. Deputy Mayor Bramble also highlighted that the report recommended an approach that would allow the school to proactively mitigate against the possibility of future falling rolls.

**RESOLVED:** That Cabinet approve the proposal put forward by the Governing Body of Our Lady's Catholic Girls' School to change from a single sex girls' school to a co-educational (mixed) school, from September 2024. The proposal is subject to formal approval from the Archbishop of the RC Diocese of Westminster, Hackney Local Authority and the Schools' Adjudicator.

REASONS FOR DECISION

The reasons for the decision were included in the printed decisions, published on the 25 July 2023, and can be [found here](#).

**13 Cabinet Response to the Scrutiny Panel Task and Finish Group review of the Council Tax Reduction Scheme**

13.1 Cllr Chapman thanked all the Councillors and Officers involved in the original Scrutiny Commission that produced a thorough report with recommendations focused on support, simplification, and consultation.

13.2 The Cabinet response highlighted the work the Council was undertaking, including the successful results from the Money Hub and the upcoming consultation on the Council Tax Reduction Scheme.

**RESOLVED:**

**1. That Cabinet is asked to approve the Executive response, found in Appendix 1, to the Scrutiny Panel Task and Finish Group Review of the Council Tax Reduction Scheme.**

**2. That Cabinet notes that the Council will be shortly undertaking a consultation exercise with Hackney Residents on the proposal to reduce the maximum contribution to 10% for 2024/2025.**

**REASONS FOR DECISION**

The reasons for the decision were included in the printed decisions, published on the 25 July 2023, and can be [found here](#)

**14 Exclusion of the Press and Public**

**RESOLVED: THAT the press and public be excluded from the proceedings of the Cabinet during consideration of Exempt items 15 - 16 on the agenda on the grounds that it is likely, in the view of the nature of the business to be transacted, that were members of the public to be present, there would be disclosure of exempt information as defined in paragraphs 1 and 2 of Schedule 12A to the Local Government Act 1972 as amended.**

**15 FCR S201 2023/24 Overall Financial Position Report - May 2023 - Exempt Appendices**

15.1 The Cabinet agreed that no further consideration of the exempt appendices in relation to agenda item 8 was required.

**16 New items of Exempt Urgent Business**

16.1 There were no new exempt items for consideration.

**Duration of the meeting: 5.00pm – 5.32pm**