

Meeting of the

# OVERVIEW & SCRUTINY COMMITTEE

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Wednesday, 24 January 2018 at 6.30 p.m.

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## SUPPLEMENTAL AGENDA

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9. PRE-DECISION SCRUTINY OF UNRESTRICTED CABINET PAPERS	3 - 16

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Item 5.1 - The Council's 2018-19 Budget Report and Medium Term Financial Strategy 2018-21	Responses
<p>Further to the comment's made at O&amp;S on the 24<sup>th</sup> on the reduction in government grant funding: in the Strategic School Improvement Fund as against the Education Services Grant. Para 3.4.30 &amp; Para 3.4.31 of the Cabinet 30<sup>th</sup> January Document Pack. The reduction in government grant funding: in the Strategic School Improvement Fund as against the Education Services Grant. Para 3.4.30 &amp; Para 3.4.31 of the Cabinet 30 January pack is £2.7million Core Grant of 17/18 is being replaced by £0.2million in 2018/19:</p> <p>I. Request that this reduction be examined and verified as correct; and</p> <p>II. Request clarification on what level of expenditure is proposed to meet the reduction</p>	<p>I. The reduction in government grant set out in the report is correct. £200k will be received directly by the council, whilst there has been no change to the Council's statutory duties in this area. A school improvement fund has been announced by the government which will need to be bid for by local teaching school alliances working within the Tower Hamlets Education Partnership if this funding is to be made available for school improvement in the borough.</p> <p>II. The funding available through the new fund is not equal to that which has been removed by the government and the bid being submitted for one school is circa £70k. Schools are expected to make a financial contribution to their</p>

<p>in Government Grant Funding for the Strategic School Improvement Fund.</p>	<p>own improvement. The current expenditure is being supported through the Council's budget as Education Services Grant has been treated as a core grant. The level of expenditure will be maintained whilst the plans for school improvement are developed during the next financial year.</p>
<p><b>Item 5.2 - Community Engagement Strategy</b></p>	<p><b>Responses</b></p>
<p>How do we ensure that the strategy is delivered and executed effectively?</p> <p>For example the recent Isle of Dogs speed hump consultation</p> <p>Leaflets not delivered to every affected address - the larger and more difficult to access buildings did not get it Not advertised on the Council website anywhere including on the consultation page Not advertised on the Councils Facebook page. Tweeted twice but once with the wrong end date (5th Jan rather than 21st) Brief mention in the East London Advertiser</p> <p>So what was a promising consultation exercise did not deliver fully due to poor execution of that consultation. How do we avoid that?</p>	<p>We acknowledge that there is much that we could do better when we engage with local people. The strategy sets out our plans to make the council more transparent and accountable and to encourage more local people to get involved in shaping their neighbourhoods, council services and the future of the Borough. We have made a commitment in the strategy to simplify, improve and coordinate our engagement activities.</p> <p>The delivery plan contains a number of improvements which we will introduce over the next three years. These include setting out minimum standards and guidance for all of our public engagement activities and introducing an involvement calendar and tracker (p.5-6 of delivery plan). We also want to improve our use of social media and the internet. To support these changes we will provide training and tools for council staff to raise the quality of involvement activity (p.8 of delivery plan).</p>

Item 5.3 - Consultation on an Additional Licensing Scheme for Houses in Multiple Occupation	Responses
<p>I. When a planning application is submitted that could mean a property could then become useable an HMO, is it not possible for the Council to take a view that it will not accept any future application for the property to become an HMO; and</p>	<p>I. When a planning application is submitted that could mean a property could then become useable an HMO, is it not possible for the Council to take a view that it will not accept any future application for the property to become an HMO; and</p> <p>The Coalition Government in October 2010 modified the current planning regulations surrounding HMO's. Planning permission is now automatically granted by the General Development Order where an existing single family dwelling (C3) is used as a small HMO (within class C4) or vice versa. Any house or flat rented out in the private rented sector which is not occupied by a family, where the number of occupants is between 3 and 6 the planning permission is automatically granted.</p> <p>For these purposes "family" is defined in the same way as under the Housing Act 2004 for housing/environmental health purposes. Thus the 2004 Act definition of a HMO now applies for planning purposes as well. What this means therefore is that shared houses/flats lived in by unrelated persons were taken out of C3 and together with small bedsits (where there are between 3 and 6 occupants) now have their own use class (C4). Those properties which were already used in this way as at 6th April 2010 were automatically transferred into this new use class C4. Single family homes/flats remain in the modified class C3.</p> <p>Therefore planning permission is required for HMO's with 7 or more occupants – this is a use on its own, termed "sui generis"..</p> <p>Where planning permission is required, the Council cannot refuse to accept a planning application as it has a statutory duty to receive and determine planning</p>

<p>II. What additional capacity is being introduced to increase the Councils ability to undertake enforcement measures against unlicensed HMO</p>	<p>applications. The Council cannot be pre-determined on whether a HMO use is acceptable or not and has to determine each case on its own merit taking into account the Councils planning policies and the specific circumstances surrounding the case. Generally, we tend to resist HMO's that involve the loss of family housing. Where they are acceptable, they should be located in or around a town Centre with good access to public transport and services</p> <p>II. What additional capacity is being introduced to increase the Councils ability to undertake enforcement measures against unlicensed HMO</p> <p>The Council will shortly be consulting on introducing an additional licensing scheme, which if adopted, will require all HMO's within the Borough that have three or more renters to be licenced. The licensing fee will be used to increase the staffing within the Environmental Health and Trading Standards – these staffing resources will be used to carry out enforcement and compliance inspections on HMO's. In addition, under the Tenants Charter commitment, the Mayor has agreed to employ a further Environmental Health Officer and Trading Standards Officer during 18/19 – which will support general enforcement against landlords and managing agents the operate HMO's.</p> <p>Should the HMO also constitute an unlawful change of use under planning law then the Planning Compliance Team will be able to take any planning enforcement action necessary to remedy any identified harm. We will do this in partnership with our Environment Health Teams sharing information as we go on.</p>
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Item 5.4 – Requesting approval of the allocation of S106 funding and approval for the adoption of a capital budget in respect of the following projects: Oval Public Space PID; and Leisure Facility Improvement PID	Responses
<p>Question relates only to the Oval.</p> <p>I. Why is approval being sought after the opening of the Oval by Mayor John Biggs to spend money when the money has already been spent;</p> <p>II. The £105,000 increase in costs - what is the breakdown of that cost</p>	<p>In response to the queries raised below please note</p> <p>I. The original design of the landscaping works for the Oval were based on estimated works. Works began in January 2018, with the process of clearing the site from abandoned and parked vehicles, only then could contractors undertake ground surveys. The findings of these surveys led to a redesign for which we only received the more accurate estimated costs in August 2018. It was decided to continue with the works whilst we apply for the additional funds, as stopping all works and securing the site would only have led to the site once again being used for unauthorised parking and other ASB activities. A PID for the additional funds was drafted and presented to IDSG on 4<sup>th</sup> October 2017, however, at the meeting further information was requested, and therefore approval was deferred until this information was provided. Had IDSG approved the PID then the matter would have been decided at the IDB taking place 14<sup>th</sup> November 2017 prior to the completion of the works. Instead the matter was deferred to the IDSG taking place on 7<sup>th</sup> December 2017. A delay in the works would have encountered significant additional costs. It should be noted that project closure and final payment is only due in March 2018.</p> <p>II. In relation to the additional costs incurred please find below a breakdown :</p>

increase from £230,000 to £335,820 (**Page 202 1.2 (b) refers**);

14	Supply and planting of trees	£14,850	November 17
15	Installation of furniture	£21,000	November 17
16	Supply and installation of bins	£2,888.34	December 17
17	Works completed	£40,962.66	January 18
18	Contingency	£5,631.06	January 18
19	Final Payment Planning, Architectural and Project Management Fees	£21,800.85	March 18
20	Launch of new public open space by the Mayor	£0.00	December 17/January 18
21	Project Closure	£0.00	March 18
	<b>Sub Total</b>	<b>107,132.91</b>	
	<b>Total</b>	<b>335,820.00</b>	

III. What is the cost per square meter of the work done and how does that compare with other similar projects; and

IV. S106 contributions (**PA/06/02068**) - were they subject to the 7 year rule and when was that money received by LBTH. (**Page 267; Paragraph 6.3.2 refers**)

III. The cost per square meter for delivering the Oval (incl) fees is £507.58. Actual construction cost is £421.21/sq.m  
We do not have another similar site to which we can compare the cost per square meter, as this required a specific design that would prevent it being used for unauthorised parking

IV. The expiry date of an s106 contribution is determined by the s106 legal agreement, which varies depending on the development. As such there is not standard seven year rule. The Council received full payment of the contribution in question on 13/06/2017, the legal agreement outlines that funds should be expended within five years of full payment. Consequently, the expiry date of this contribution is 13/06/2022.



<b>Item 5.6 – Article 4 Direction - Office (B1a) to Residential (C3)</b>	<b>Responses</b>
<p>I. Why does the Isle of Dogs Article 4 map not match the Central Activities Zone area established in the draft Local Plan? As a result may send mixed messages;</p> <p>II. Why does it not include existing office space at the end of Millharbour i.e. Greenwich View and offices like Northern &amp; Shell near Crossharbour DLR but does include large areas which are wholly residential?</p>	<p>I. The area in the east of the borough currently covered by an exemption has been defined by the Isle of Dogs CIL Charging area</p> <p>II. These areas are covered by the principles of a site allocation (Millharbour South and Crossharbour TC respectively) which include the provision of housing and essential infrastructure, e.g health facility and education.</p>
<b>Item 5.7 – Annual Infrastructure Statement 2018/19</b>	<b>Responses</b>
<p>I. How does this document relate to the following documents Infrastructure Delivery Plan October 2017 - part of the draft Local Plan Current Capital Programme part of the Budget Pack when the structure and layout for all three is so different and the GLA IoD and South Poplar Opportunity Area Planning Framework Development Infrastructure Funding Study - Draft copies of which LBTH has</p>	<p>I. The Infrastructure Delivery Plan (IDP) identifies the infrastructure needed to support the delivery of the Local Plan over a 15 year plan period and lists currently known projects proposed to meet that need. Similarly the GLA's Isle of Dogs and South Poplar Opportunity Area Planning Framework Development Infrastructure Funding Study (DIFS) will identify infrastructure needs to support development over a 25 year period in that area. These two documents have been developed alongside each other and are broadly consistent. That said, infrastructure needs and planned projects develop over time and therefore information in the current documents and any future versions of the IDP (which is proposed to be updated regularly) will need to present the most up to date information available.</p> <p>The Annual Infrastructure Statement (AIS) sets the course of direction for the</p>

<p>had for 7 months;</p> <p>II. With 4 different infrastructure related documents available which is the master document;</p> <p>III. How do we ensure that they are consistent documents in terms of naming and values (different documents have different £ totals for the same project);</p> <p>IV. Can a breakdown of the CIL by ward be made available (I think this is all Canary Wharf ward anyway);</p> <p>V. What is the latest CIL balance in the bank account? and what is the total value of CIL from approved planning applications and as a</p>	<p>allocation and expenditure of CIL over the next 15 months. The information included is based on the broad outputs of the IDP and DIFS as well as more up to date information where appropriate, such as the latest forecast CIL income for 2018/19.</p> <p>The AIS makes broad indicative allocations of CIL funding to infrastructure themes, to encourage and enable the development of projects using this funding. It also identifies the broad indicative use of Local Infrastructure Fund monies. The Capital Programme is more, specific, identifying those projects that are scheduled for delivery over the period 2017-2031. Projects developed using funding identified in the AIS will feature in the capital programme when it is appropriate to do so.</p> <p>II. The four documents each have a different purpose and therefore none of them will be a 'master' version for all purposes.</p> <p>III. As infrastructure projects/programmes develop and further work is undertaken, cost estimates can be refined; therefore each document will need to reflect the most up to date information available. It is important that the naming of projects is consistent and any mistakes rectified. Documents are cross-checked to ensure consistency.</p> <p>IV. The overall breakdown by Ward can be provided in a written up date to follow.</p> <p>V. As at 31<sup>st</sup> December 2017</p> <p>CIL Balance = £37.49m CIL from approved planning applications, but funding not yet due to Council (i.e.</p>
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<p>subset from those planning applications which have started construction;</p> <p>VI. Can a summary of the public consultation carried out from the 27th June to 8th August 2017 be made available including questions asked;</p> <p>VII. Proposed Allocation of CIL% how does that match the other documents listed above where a list of specific projects is provided? Which one takes precedence?</p> <p>VIII. Why no mention of the CIL policies currently under Regulation 16 consultation of the Isle of Dogs Neighbourhood Plan - either the policies themselves or their legal implications</p> <p>IX. Why no mention of Reg 59C section b in the "The Community Infrastructure Levy (Amendment) Regulations 2013"?</p> <p><i>Application of CIL by Local Councils</i>  <i>59C. A local council must use</i></p>	<p>CIL Liability Notice issued) = £5.76m  CIL from approved planning applications that have commenced construction, but funding not yet due to Council (i.e. CIL Demand Notice issued) = £2.39m</p> <p>VI. Officers are considering the detailed responses on both LIF priorities and projects received as part of the LIF Consultation held from June to August 2017. A consultation summary is being prepared and will be made available in the first half of 2018.</p> <p>VII. The projects listed in the IDP, DIFS and Capital Programme are likely to be funded by a range of sources, some including CIL and some not. The allocation of funding in the AIS to infrastructure themes is indicative and does not require any spend on specific projects. Given this, the documents are linked, but not interdependent and therefore neither document needs to take precedent.</p> <p>VIII. Paragraph 7.17 of the AIS makes reference to the use of LIF funding in LIF Area 4 to support 'local people and construction through non-capital means'. This paragraph recognises the draft proposals in the Isle of Dogs Neighbourhood Plan for the use of CIL for these purposes. Further discussion with the Neighbourhood Forum will need to follow to understand the detail behind the proposals.</p> <p>IX. In London and hence in LB Tower Hamlets, Regulation 59F supersedes Regulation 59C. Regulation 59F is quoted in paragraph 7.3 of the AIS providing the necessary context for the section on LIF.</p>
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<p><i>CIL receipts passed to it in accordance with regulation 59A or 59B to support the development of the local council's area, or any part of that area, by funding—</i></p> <p><i>(a) the provision, improvement, replacement, operation or maintenance of infrastructure; or</i></p> <p><i>(b) anything else that is concerned with addressing the demands that development places on an area.</i></p>	
<p><b>Item 5.8 Strategic Performance Monitoring 2017/18 Q2</b></p>	<p><b>Responses</b></p>
<ul style="list-style-type: none"> <li>• Why has staff sickness increased in <b>Quarter 2</b>?</li> </ul>	<p>The overall sickness statistic takes account of the last 12 months of sickness absence. The difference between 2017/18 Q1 (9.72 average FTE days lost per FTE employee) and Q2 (10.27 average FTE days lost per FTE employee) indicates that long-term absence has increased slightly and that short-term has remained the same across the council.</p> <p>The number of incidence of sickness absence has decreased and this indicates that the most likely reason for the overall increase is that some short term absences have become long term.</p> <p>Stress is the main reason for sickness absence, with musculo-skeletal issues being the next highest reason.</p>

Significant work has been undertaken over the last 6 months to ensure an organisation-wide, well-connected and holistic approach to staff wellbeing – with a clear intended outcomes that the Council *has ‘A well workforce, taking responsibility for its own health and with lower levels of sickness absence’*. A number of key interventions have already taken place including:

- Applying an ‘outcomes based accountability’ methodology to the issues
- Undertaking an Employee Wellbeing survey
- Drawing up a Wellbeing Provisions Plan
- Reviewing the Council’s Occupational Health delivery model
- Implementing an Employee Assistance Programme and Career Transitioning Support
- Delivering targeted training for managers to drive up compliance with the sickness management procedure and associated data recording
- Reviewing and agreeing new key performance indicators (KPIs), which include performance measures relating to the introduction of employee wellbeing plans, agency spend arising from sickness absence, and days lost to sickness absence
- Setting up a reporting dashboard to track those KPIs
- Ensure monthly scrutiny of dashboards at all Directorate Management teams and through Performance Improvement Board and Corporate Leadership Team
- Drafting and commencing a trial in the use of ‘Wellbeing Plans’ in the handling of informal and formal sickness cases.

We will review these actions on a regular basis as part of our outcomes based accountability approach to ensure they are achieving our objectives and delivering the agreed outcomes that reduce sickness absence and improve wellbeing.

<ul style="list-style-type: none"><li>• “<b>Support into Work</b>” shows as amber. How do you intend to make this green?</li></ul>	<p>At the end of Q2, the WorkPath partnership outturn was 416 against a target of 550. Historically around 30-35% of outstanding employment targets is driven through in last quarter; this forecasts to achieve between 1010-1087 job starts. The new WorkPath service launched in April 2017 is completing a number of additional engagement events and jobs events alongside working with new communities and client groups so there is a potential increase in job starts to reach the lower bandwidth target. The service will be driving to increase support and entry to this level with the actions below:</p> <p>Actions to support more people into employment include:</p> <ul style="list-style-type: none"><li>• The appointment of Training Provider to deliver construction training which began in Q2 and has already delivered training to 93 TH residents</li><li>• Pre-employment training is being delivered to continue previous sector specific and generic training i.e. Teaching Assistant, Mid Meal supervisor training, SIA (security industry) etc.</li><li>• Secured funding to increase the capacity of ESOL training delivered by the IDEA Stores and also a sector specific ESOL tutor has been recruited</li><li>• Delivery of working start programmes, including women into health, women into construction and women childcare alongside. Funding has been secured to extend the Women in Health programme, training packages are being developed and placement opportunities secured.</li><li>• Delivery of working start programmes, placements and apprenticeships including the Mayor’s Apprenticeship Commitment</li><li>• Supporting the roll out of the London Councils’ ESF Community Grants Fund focusing on support for specific target groups including Women, in particular Somali and Bangladeshi women and those who are economically inactive due to parental and/or caring responsibilities. WorkPath will have an integral part to play to support and work in partnership with the successful community organisations.</li><li>• ELBA has been appointed to deliver a project to specifically target Somali</li></ul>
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<ul style="list-style-type: none"> <li>• <b>Employment Rates</b> – (The gap between borough and London average employment rate) shows as amber. What is the Council doing to have greater confidence in the data?</li> </ul>	<p>Graduates and support them in finding and securing graduate opportunities.</p> <ul style="list-style-type: none"> <li>• Working with Renaisi to deliver project RISE (supporting Refugees Into Sustainable Employment) and will be introducing them to the New Resident and Refugee Forum. This project offers a holistic approach to breaking down the barriers that may prevent refugee communities accessing the work place. The service will support the project by engaging organisations and those residents with refugee status who could benefit from the project.</li> <li>• WorkPath Employment adviser assigned to Somali Integration Team to promote pre-employment, access to skills and job entry</li> <li>• The service is also working closely with the council’s Syrian family resettlement programme. The first family arrived at the end of November 2017. WorkPath will engage with those families once they are resettled and provide access relevant services relating to employment and skills</li> <li>• The WorkPath service is attending further engagement and jobs fairs events including East London Jobs Fair in Feb ; working with Improving Access to Psychological Therapies (IAPT) services from Feb; Clinical Commissioning Group (CCG) Jobs event in March.</li> </ul> <p>Data used for this performance measure is sourced from the Office for National Statistics’ Annual Population Survey. Whilst ONS publishes some information about the survey methodology, including the borough’s sample size, the Council does not have access to the raw data and there is little the Council can do to influence the methodology they use.</p> <p>As part of the refresh of the 18/19 Strategic Plan, this performance measure/data source will be retired in favour of a measure which is a directly reflects Council delivery and the numbers of residents supported into employment. An in-depth technical review of this performance measure and its data source has been carried to inform this</p>
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<ul style="list-style-type: none"> <li>• The Council only has one indicator on “<b>ASB</b>” and “<b>Adult Healthy Lives</b>”. As the Council is refreshing the strategic plan, are these indicators being reviewed?</li> <li>• Paragraphs 4.8.4 to 4.8.6 refer to “<b>White British Children</b>” and (in 4.8.6) “<b>White British Working Class Pupils</b>”. Please clarify which children are referred to in each cohort as they appear to be used interchangeably in the report. How is “working class” measured?</li> </ul>	<p>process. It also looked at other administrative data, such as out-of-work benefits claimants and Universal Credit claimants to establish whether there was a link between the number of claimants and the falling employment rate. Our analysis was inconclusive and showed that there has been no significant rise in the overall number of claimants but this is possibly because the period for reporting spans the roll out of UC and various other changes to the benefit rules. The Service is also proposing to write to ONS statisticians to seek an explanation for the significant decrease in the borough’s sample size and further information about the local response rates.</p> <p>The Council is reviewing all of the indicators in the Strategic Plan to align them with an ‘Outcomes Based Accountability’ approach. A wider set of measures relating to ASB and adult healthy lives are already available via the Anti-Social Behaviour Blueprint and Health &amp; Wellbeing Strategy and some of these will be incorporated into the refreshed Strategic Plan.</p> <p>‘White British’ refers to pupils of White British heritage, while ‘White British working class’ refers to those children of White British heritage also qualifying for the Pupil Premium / Free School Meals.</p>
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