

Meeting of the

CABINET

Wednesday, 2 December 2009 at 5.30 p.m.

A G E N D A – SECTION ONE

VENUE

Committee Room, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG

Members:

Councillor Lutfur Rahman (Chair)	– (Leader of the Council)
Councillor Joshua Peck (Vice-Chair)	– (Deputy Leader of the Council)
Councillor Ohid Ahmed	– (Lead Member, Resources and Performance)
Councillor Rofique U Ahmed	– (Lead Member, Culture and Leisure)
Councillor Anwara Ali	– (Lead Member, Health & Wellbeing)
Councillor Abdul Asad	– (Lead Member, Children's Services)
Councillor Marc Francis	– (Lead Member, Housing and Development)
Councillor Rania Khan	– (Lead Member, Regeneration, Localisation and Community Partnerships)
Councillor Oliur Rahman	– (Lead Member, Employment and Skills)
Councillor Abdal Ullah	– (Lead Member, Cleaner, Safer, Greener)

[Note: The quorum for this body is 3 Members].

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact:

Louise Fleming, Democratic Services,

Tel: 020 7364 4878, E-mail: louise.fleming@towerhamlets.gov.uk

LONDON BOROUGH OF TOWER HAMLETS

CABINET

WEDNESDAY, 2 DECEMBER 2009

5.30 p.m.

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST (Pages 1 - 2)

To note any declarations of interest made by Members, including those restricting Members from voting on the questions detailed in Section 106 of the Local Government Finance Act, 1992. See attached note from the Chief Executive.

3. UNRESTRICTED MINUTES

PAGE
NUMBER
3 - 26

WARD(S)
AFFECTED

To confirm as a correct record of the proceedings the unrestricted minutes of the ordinary meeting of the Cabinet held on 4th November 2009.

4. DEPUTATIONS & PETITIONS

To receive any deputations or petitions.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's advice of Key Issues or Questions in relation to Unrestricted Business to be considered

To receive any advice of key issues or questions in relation to the unrestricted business of the Cabinet, arising from the meeting of the Overview and Scrutiny Committee held on 1st December 2009.

5.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee

(Under provisions of Article 6 Para 6.02 V of the Constitution).

Nil items.

UNRESTRICTED REPORTS FOR CONSIDERATION

6. A GREAT PLACE TO LIVE

6 .1 **Bishopsgate Goodsyrd: Draft Interim Planning Guidance (CAB 081/090)** **27 - 64**

Appendix 2 to the report has been circulated in conjunction with this Agenda on a compact disc to members of the Cabinet and made available in the four Group rooms, Council Website, put on deposit at the Town Hall Mulberry Place and the five Area One Stop Shops. Should members of the Authority or members of the public wish to have a full copy of this Appendix they should contact Mr P Buckenham Principal Planner (Development Schemes) Major Project Development, on the following number 020 7364 2502 or by e-mail paul.buckenham@towerhamlets.gov.uk

6 .2 **Local Development Framework: Annual Monitoring Statement (CAB 082/090)** **65 - 168**

6 .3 **Ocean Estate Tender (CAB 083/090)**

6 .4 **Response to the recommendations of the Scrutiny Review Working Group on Affordable Home Ownership (CAB 084/090)** **169 - 194**

6 .5 **Building Britain's Future - Round Two (CAB 085/090)** **195 - 204**

6 .6 **Mayor for London's Cycle Revolution (CAB 086/090)** **205 - 212**

7. A PROSPEROUS COMMUNITY

7 .1 **Corporate Match Funding - New Approaches (CAB 087/090)**

8. A SAFE AND SUPPORTIVE COMMUNITY

8 .1 **Early Intervention, Child Protection - Responses to the recommendations of the Scrutiny Review Working Group (CAB 088/090)** **213 - 246**

8 .2 **Mainstream Grants 2010-13 - Funding Priorities (CAB 089/090)**

9. A HEALTHY COMMUNITY

Nil items.

10. ONE TOWER HAMLETS

- 10 .1 Strategic Plan and Corporate Budget Monitoring report 2009/10 - Performance to 30th September 2009 (CAB 090/090)
- 10 .2 Use of Wellbeing Powers in Property Transactions (CAB 091/090) 247 - 254
- 10 .3 Procurement of Council Insurances via a Consortium of London Councils (CAB 092/090) 255 - 260

11. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

12. UNRESTRICTED REPORTS FOR INFORMATION

Nil items.

- 12 .1 2009/10 Capital Programme: Capital Monitoring Report as at 30th September 2009 (Q2) (CAB 093/090) 261 - 278
- 12 .2 Exercise of Corporate Director Discretions (CAB 094/090) 279 - 284

13. EXCLUSION OF THE PRESS AND PUBLIC

In view of the contents of the remaining items on the agenda, the Committee is recommended to adopt the following motion:

“That, under the provisions of Section 100A of the Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985, the Press and Public be excluded from the remainder of the meeting for the consideration of the Section Two business on the grounds that it contains information defined as Exempt in Part 1 of Schedule 12A to the Local Government, Act 1972”.

EXEMPT/CONFIDENTIAL SECTION (PINK)

The Exempt / Confidential (Pink) Committee papers in the Agenda will contain information, which is commercially, legally or personally sensitive and should not be divulged to third parties. If you do not wish to retain these papers after the meeting, please hand them to the Committee Officer present.

14. EXEMPT / CONFIDENTIAL MINUTES

PAGE NUMBER	WARD(S) AFFECTED
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To confirm as a correct record of the proceedings the exempt / confidential 4th November 2009.

15. OVERVIEW & SCRUTINY COMMITTEE

15 .1 Chair's advice of Key Issues or Questions in relation to Exempt / Confidential Business to be considered.

To receive any advice of key issues or questions in relation to the unrestricted business of the Cabinet, arising from the meeting of the Overview and Scrutiny Committee held on 1st December 2009.

15 .2 Any Exempt / Confidential Decisions "Called in" by the Overview & Scrutiny Committee

(Under provisions of Article 6 Para 6.02 V of the Constitution).

Nil items.

EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION

16. A GREAT PLACE TO LIVE

16 .1 Ocean Estate Tender Decision (CAB 095/090)

17. A PROSPEROUS COMMUNITY

Nil items.

18. A SAFE AND SUPPORTIVE COMMUNITY

Nil items.

19. A HEALTHY COMMUNITY

Nil items.

20. ONE TOWER HAMLETS

Nil items.

21. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT

22. EXEMPT / CONFIDENTIAL REPORTS FOR INFORMATION

Nil items.

SCRUTINY PROCESS

The Overview and Scrutiny Committee, at its meeting on **Tuesday 12th January 2010** may scrutinise provisional decisions made in respect of any of the reports attached, if it is “called in” by **five** or more Councillors except where the decision involves a recommendation to full Council.

The deadline for “Call-in” is: Friday 11th December 2009 **(5.00 p.m.)**

The deadline for Deputations is: Wednesday 6th January 2010 **(5.00 p.m.)**

Councillors wishing to “call-in” a provisional decision, or members of the public wishing to submit a deputation request, should contact:

John Williams
Service Head Democratic Services:
020 7364 4205

Agenda Item 2

DECLARATIONS OF INTERESTS - NOTE FROM THE CHIEF EXECUTIVE

This note is guidance only. Members should consult the Council's Code of Conduct for further details. Note: Only Members can decide if they have an interest therefore they must make their own decision. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending at a meeting.

Declaration of interests for Members

Where Members have a personal interest in any business of the authority as described in paragraph 4 of the Council's Code of Conduct (contained in part 5 of the Council's Constitution) then s/he must disclose this personal interest as in accordance with paragraph 5 of the Code. Members must disclose the existence and nature of the interest at the start of the meeting and certainly no later than the commencement of the item or where the interest becomes apparent.

You have a **personal interest** in any business of your authority where it relates to or is likely to affect:

- (a) An interest that you must **register**
- (b) An interest that is not on the register, but where the well-being or financial position of you, members of your family, or people with whom you have a close association, is likely to be affected by the business of your authority more than it would affect the majority of inhabitants of the ward affected by the decision.

Where a personal interest is declared a Member may stay and take part in the debate and decision on that item.

What constitutes a prejudicial interest? - Please refer to paragraph 6 of the adopted Code of Conduct.

Your personal interest will also be a prejudicial interest in a matter if (a), (b) and either (c) or (d) below apply:-

- (a) A member of the public, who knows the relevant facts, would reasonably think that your personal interests are so significant that it is likely to prejudice your judgment of the public interests; AND
- (b) The matter does not fall within one of the exempt categories of decision listed in paragraph 6.2 of the Code; AND EITHER
- (c) The matter affects your financial position or the financial interest of a body with which you are associated; or
- (d) The matter relates to the determination of a licensing or regulatory application

The key points to remember if you have a prejudicial interest in a matter being discussed at a meeting:-

- i. You must declare that you have a prejudicial interest, and the nature of that interest, as soon as that interest becomes apparent to you; and
- ii. You must leave the room for the duration of consideration and decision on the item and not seek to influence the debate or decision unless (iv) below applies; and

- iii. You must not seek to improperly influence a decision in which you have a prejudicial interest.
- iv. If Members of the public are allowed to speak or make representations at the meeting, give evidence or answer questions about the matter, by statutory right or otherwise (e.g. planning or licensing committees), you can declare your prejudicial interest but make representations. However, you must immediately leave the room once you have finished your representations and answered questions (if any). You cannot remain in the meeting or in the public gallery during the debate or decision on the matter.

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE CABINET

HELD AT 5.30 P.M. ON WEDNESDAY, 4 NOVEMBER 2009

**COMMITTEE ROOM, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE
CRESCENT, LONDON, E14 2BG**

Members Present:

Councillor Lutfur Rahman (Chair)	(Leader of the Council)
Councillor Ohid Ahmed	(Lead Member, Resources and Performance)
Councillor Rofique U Ahmed	(Lead Member, Culture and Leisure)
Councillor Abdul Asad	(Lead Member, Children's Services)
Councillor Marc Francis	(Lead Member, Housing and Development)
Councillor Rania Khan	(Lead Member, Regeneration, Localisation and Community Partnerships)
Councillor Joshua Peck (Vice-Chair)	(Deputy Leader of the Council)
Councillor Oliur Rahman	(Lead Member, Employment and Skills)
Councillor Abdal Ullah	(Lead Member, Cleaner, Safer, Greener)

Other Councillors Present:

Councillor Stephanie Eaton	(Leader Liberal Democrat Group)
Councillor Peter Golds	(Leader Conservative Group)
Councillor Sirajul Islam	(Chair, Overview & Scrutiny Committee)
Councillor A A Sardar	(Scrutiny Lead Member: A Prosperous Community)
Councillor David Snowdon	

Others Present:

Abid Hussain	(Interim Chief Executive, Ocean NDC)
Christine Whatford	(Chair of Interim Executive Board, St Paul's Way Community School)

Officers Present:

Kevan Collins	– (Chief Executive)
Lutfur Ali	– (Assistant Chief Executive)
Isobel Cattermole	– (Acting Corporate Director, Children, Schools & Families)
Aman Dalvi	– (Corporate Director, Development & Renewal)
Isabella Freeman	– (Assistant Chief Executive [Legal Services])
Stephen Halsey	– (Corporate Director, Communities, Localities & Partnerships)

	Culture)
Chris Naylor	– (Corporate Director, Resources)
Deborah Cohen	– (Acting Service Head, Commissioning and Strategy)
Jackie Odunoye	– (Service Head Strategy Regeneration and Sustainability, Development & Renewal)
Ashraf Ali	– (Scrutiny Policy Officer)
Alan Finch	– (Service Head, Corporate Finance, Resources)
Eloise Clarke	– (Communications Officer, Corporate Communications, Chief Executive's)
Kate Bingham	– (Acting Service Head (Resources) Children Schools and Families)
Afazul Hoque	– (Scrutiny Policy Manager, Scrutiny & Equalities, Chief Executive's)
Mark Hutton	– (Team Leader, Development Design & Conservation)
Vicki Lambert	– (Conservation Officer, Development Design and Conservation)
Richard Parsons	– (Service Head Procurement and Corporate Programme)
Jennifer Richardson	– Interim Strategic Planning Manager, Development & Renewal)
Alison Thomas	– (Private Sector and Affordable Housing Manager)
Jodie Semp Blaskey	– (Policy and Partnerships Officer, SSP, SSFD)
Chris Worby	– (Service Head, Housing Regeneration, Development & Renewal)
Louise Fleming	– (Acting Executive Team Leader, Democratic Services)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Councillor Anwara Ali, Lead Member Adult Health and Wellbeing
- Ms Helen Taylor, Acting Corporate Director Adult Health and Wellbeing, for whom Ms Deborah Cohen, Acting Service Head Commissioning and Strategy was deputising.

Noted.

2. DECLARATIONS OF INTEREST

Councillor Rofique Uddin Ahmed declared a personal interest in Agenda item 6.5 “Ocean NDC Succession Strategy 2010 and Beyond” (CAB 064/090). The declaration of interest was made on the basis that the report contained recommendations relating to the Ocean NDC. Councillor Ahmed was still a resident of the Ocean Estate and a former Board Member of the NDC.

Councillor Rofique Uddin Ahmed declared a personal interest in Agenda item 7.4 “Determination of School Admission Arrangements for 2011/12” (CAB 069/090) as his daughters attended Ben Johnson and Central Foundation Girls Schools.

Councillor Abdul Asad declared a personal interest in Agenda item 8.5 “Smashed Alcohol Misuse amongst Young People: Report of the Scrutiny Review Working Group” (CAB 074/090) as the report related to the LAP 4 area, within which the Councillor was employed.

Councillor Sirajul Islam declared a personal interest in item 6.4 “Building Britain’s Future – Council Bid to Commence Council House Building” (CAB 063/090) as it related to Tower Hamlets Community Housing for which he was a board member and in item 7.2 “Grouped Schools and Mulberry School PFI Schemes – Progress Report” (CAB 067/090) as his daughter attended Mulberry School.

Councillor Rania Khan declared a personal interest in item 7.1 “Update on Consultation on Proposals for a National Challenge Trust at St Paul’s Way Community School” (CAB 066/090) as she was a member of the Interim Executive Board.

Councillor Lutfur Rahman declared a personal interest in item 7.2 “Grouped Schools and Mulberry School PFI Schemes – Progress Report” (CAB 067/090) as his daughter attended Mulberry School.

Councillor Oliur Rahman and **Councillor Abdal Ullah** declared personal interests in Agenda items 7.2 “Grouped Schools and Mulberry School PFI Schemes – Progress Report” (CAB 067/090) and 7.3 “Update on Building Schools for the Future Programme and Acceptance of Capital Estimates for Early Works Agreement” (CAB 068/090) as the report related to schools within their Ward.

Councillor Abdal Ullah declared a personal interest in Agenda item 7.1 “Update on Consultation on Proposals for a National Challenge Trust at St Paul’s Way Community School” (CAB 066/090) as a Governor of Queen Mary University.

Noted.

3. UNRESTRICTED MINUTES

The Chair **Moved** and it was

Resolved

That the unrestricted minutes of the ordinary meeting of the Cabinet held on 7th October 2009 be approved and signed by the Chair, as a correct record of the proceedings.

4. DEPUTATIONS & PETITIONS

At this juncture the Chair:

- Informed members of the Cabinet that the Assistant Chief Executive had received one valid request as follows:
 - Local residents from Cardigan Road, E3 and representatives of businesses on the Roman Road in respect of item 6.1 “Conservation Area Character Appraisals and Management Guidelines – Adoption of the Drafts (CAB 061/090)

Accordingly the Chair **Moved** the following motion for the consideration of members of the Cabinet, and it was: -

Resolved

1. That the deputation be received; and
2. That business be considered in accordance with the order of business detailed in the agenda.

At this juncture the Chair informed members of the Cabinet that a statement had been **Tabled** by the deputation, a copy of which would be interleaved with the minutes.

Following receipt of the deputation, points of clarification sought from and given and a short address from Councillor Francis, Lead Member Housing and Development, the Chair thanked the deputation for coming to address the Cabinet and then **Moved** the following motion for the consideration of members of the Cabinet and it was: -

Resolved

1. That the following deputation be formally received and noted: -

Mr A Tucker of Cardigan Road Residents, in respect of Agenda item 6.1 “Conservation Area Character Appraisals and Management Guidelines – Adoption of the Drafts (CAB 061/090).”
2. That the points raised by the deputation be given consideration during the Cabinet deliberation of the item of business to which the deputation related; and
3. That any outstanding issues raised by the deputation be referred to the Corporate Director Development and Renewal for attention and response in writing within 28 days, in accordance with the Authority’s Constitution (Part 4, Rules of Procedure, Section 4.1 Council Procedure Rules, Rule 20 Deputations).

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's advice of Key Issues or Questions in relation to Unrestricted Business to be considered

The Chair informed Members that Councillor Sirajul Islam, Chair of the Overview and Scrutiny Committee, had **Tabled**:

- A sheet of questions arising from the deliberations of the Overview and Scrutiny Committee, held on 3rd November 2009, in respect of the unrestricted business contained in the agenda for consideration (pre-scrutiny questions).
- A sheet detailing the advice / comments relating to the Budget and Policy Framework report to be considered: Agenda item 8.1 "Gambling Act 2005 – Three year review of Gambling Policy" (CAB 070/090).

Councillor Islam, Chair of the Overview and Scrutiny Committee, addressed the members of the Cabinet:

- Thanking Councillor Joshua Peck, Deputy Leader of the Council, for attending the Overview and Scrutiny Committee the previous evening for the "Scrutiny Spotlight"; and outlined the key issues which the discussion focussed.
- Reporting consideration of a report on the Gambling Policy and outlined the issues raised.
- Reporting consideration of a report on the Third Sector Strategy, thanking Councillor Rania Khan, Lead Member for Regeneration, Localisation and Community Partnerships, and outlining the issues raised.
- Updating Members on the outcome of the Dangerous Dogs Scrutiny Challenge Session.
- Key Issues or Questions (Pre Scrutiny)
Informing members of the Cabinet that he had nothing to add to the questions/comments raised by the Overview and Scrutiny Committee, as set out in the tabled paper regarding:
 - Item 6.2 "Amendment to the Statement of Community Involvement" (CAB 061/090)"
 - Item 8.1 "Gambling Act 2005 – Three year review of gambling policy (CAB 070/090)
 - Item 10.1 "Procurement Developments" (CAB 076/090)
 - Item 10.3 "Accelerating Delivery of key priorities" (CAB 078/090)

The Chair thanked Councillor Sirajul Islam for presenting the contribution of the Overview and Scrutiny Committee; and then **Moved**, and it was

Resolved

That the questions/ comments/ advice of the Overview and Scrutiny Committee be noted, and that these be given consideration during the

Cabinet deliberation of the items of business to which the questions/ comments/ advice related.

5.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee

Nil items.

Councillor Joshua Peck **Moved** the following motion for the consideration of members of the Cabinet, and it was

Resolved

That the order of business be varied to consider item 10.3 "Accelerating Delivery of Key Priorities" (CAB 078/090) first, and then the rest of the business in the order it appeared on the agenda.

(For the purposes of the minutes, the items will appear as listed on the agenda.)

6. A GREAT PLACE TO LIVE

6.1 Conservation Area Character Appraisals and Management Guidelines – Adoption of the Drafts (CAB 061/090)

Councillor Marc Francis, Lead Member Housing and Development, at the request of the Chair in introducing the report summarised the salient points and addressed the points raised in the Deputation as follows:

- There were issues surrounding the regeneration of Roman Road and more work was needed. It was important to secure a retail anchor for the area, such as a supermarket, which would attract more visitors to the area and help with the regeneration. It was also recognised that work needed to be done with developing the smaller businesses on the Roman Road.
- The wording of the report could be amended to reflect the inclusion of a 4 storey building in the area.

Councillor Joshua Peck, Deputy Leader of the Council, outlined the initiatives for the regeneration of the Roman Road and highlighted the need to secure a retail anchor in the area.

The Chair **Moved** the recommendations set out in the report and it was

Resolved

1. That the responses to the public consultation undertaken by the Authority in respect of the draft Conservation Area Appraisals and Management Guidelines for the 7 newly designated conservation areas, be noted;
2. That the 25 new and modified Conservation Area Character Appraisals and Management Guidelines, attached at Appendix C to the report (CAB 061/090) be approved as planning guidance, subject the amendment to reflect the four story buildings on the Roman Road, to support the broader conservation policies contained with the Local Development Framework, now adopted by the Authority as Interim Planning Guidance; and
3. That it be noted that officers will create a leaflet for public distribution based on the adopted character appraisals and management guidelines.

6.2 Amendment to the Statement of Community Involvement (CAB 061/090)

Councillor Marc Francis, Lead Member Housing and Development, at the request of the Chair in introducing the report summarised the salient points.

Ms Jennifer Richardson, Interim Strategic Planning Manager, responded to the questions tabled by the Chair of the Overview and Scrutiny Committee as follows:

- The Neighbourhood Manager could be added to the list of people notified about major planning applications and planning policy consultation. Any comments would need to be received within the specified consultation period.
- Summary versions of the Statement of Community Involvement could be provided.
- The Community Planning and Liaison Officer would further improve the consultation process.

The Chair **Moved** the recommendations set out in the report and it was

Resolved

That the amended Statement of Community Involvement, including the minor amendments made following the consultation period, as set out in paragraph 4 of the report (CAB 061/090), be adopted.

6.3 Progressing the Local Development Framework: Local Development Scheme (CAB 062/090)

Councillor Marc Francis, Lead Member Housing and Development, at the request of the Chair in introducing the report summarised the salient points, in particular highlighting the progress with the Fish Island Action Plan.

The Chair **Moved** the recommendations set out in the report and it was

Resolved

1. That the updated LDS set out in Appendix 1 of the report (CAB 062/090) be approved for submission to the Secretary of State, via the Government Office for London, and to the Mayor of London, via the Greater London Authority;
2. That the updated LDS shall have formal effect four weeks after submission to the Secretary of State, provided that the Secretary of State does not propose to issue a call-in direction; and
3. That the Corporate Director of Development and Renewal be authorised to make factual changes or minor changes to the approved scheme if so directed by the Secretary of State via Government Office for London.

6.4 Building Britain's Future - Council Bid to commence House Building (CAB 063/090)

Councillor Marc Francis, Lead Member Housing and Development, at the request of the Chair in introducing the report summarised the salient points as follows:

Funding had been made available by the Government's Housing Minister to build 17 new homes.

The Council had made a bid for £8.7m from the Homes and Communities Agency in the second round for a further 88 homes.

Members welcomed the report and expressed the wish to commence building without delay as it would improve the lives of many Borough residents.

The Chair **Moved** the recommendations in the report and it was

Resolved

1. That the details of the recent bid for funding submitted to the HCA for Council House Building in Tower Hamlets set out in sections 7 to 9 of the report (CAB 063/090) ("the Bid") be noted;

2. That the Corporate Director of Development & Renewal upon confirmation that the Bid has been granted by the HCA and following consultation with the Assistant Chief Executive (Legal) and the Corporate Director Resources be authorised to agree terms and enter into a grant funding agreement with the HCA;
3. That the inclusion of the scheme within the capital programme be approved and a Capital Estimate for the sum of £3,522,000, be adopted;
4. That prudential borrowing of £1,352,237 as part funding of the scheme be approved;
5. That the Corporate Director of Development & Renewal following consultation with the Assistant Chief Executive (Legal) and the Corporate Director of Resources be authorised to invite and evaluate tenders for contracts required to carry out the development the subject of the Bid and where appropriate award contracts to suitable tenderers;
6. That the use of the council owned plots of land on the Greenways Estate, Approach Estate and Wapping Estate, as identified in section 7 of the report (CAB 063/090) for the development the subject of the Bid, be approved;
7. That the Corporate Director of Development & Renewal be authorised to approve the use of Council properties other than those identified in section 7 of the report (CAB 063/090) for the development the subject of the Bid should there be constraints preventing use of the presently identified sites; and
8. That it be noted that officers will work up a pipeline of schemes to position the Council for a round of bids to the HCA in October 2009.

6.5 Ocean NDC Succession Strategy 2010 and Beyond (CAB 064/090)

Councillor Rania Khan, Lead Member Regeneration, Localisation and Community Partnerships, at the request of the Chair in introducing the report summarised the salient points.

A discussion followed where Members welcomed the report and made the following points

- It was hoped that the good work carried out by the NDC would continue
- The CCAP Project was important as it would help residents into work.

The Chair in **Moving** the recommendations set out in the report

- Thanked Mr Abid Hussain, Interim Chief Executive of the Ocean NDC and the Board Members and that the recommendations were for important improvements to residents' lives.

and it was

Resolved

1. That the Ocean New Deal Communities Succession Strategy be approved on behalf of the London Borough of Tower Hamlets as the accountable body for the Ocean New Deal for Communities Programme; and
2. That the Corporate Director of Development and Renewal be delegated power to amend the Succession Strategy prior to its submission to the Department for Communities and Local Government.

6.6 Award of Contracts for THH Housing Capital Programme (CAB 065/090)

Councillor Marc Francis, Lead Member Housing and Development, at the request of the Chair in introducing the report summarised the salient points.

A discussion ensued, in which Members welcomed the report and made the following comments:

- There was a wish to see local contractors used where possible, but some concern that contractors should be vetted to prevent the employment of spurious contractors; and then monitored through the length of the contract.
- The process should be used to drive efficiency savings.
- Companies which had been fined by the Government for price fixing would not be included in the list of contractors.

Ms Jackie Odunoye, Service Head, Strategy Regeneration and Sustainability, responded to Members' concerns and gave assurances that Tower Hamlets Homes worked with criteria set by the Council and that it was required to monitor for Value for Money through the life of the contract. Members' concerns would be taken on Board and officers would report back to Members with the final list of contractors.

The Chair **Moved** and it was

Resolved

1. That the appointment of contractors to the frameworks be approved as follows:
 - 1.1.1 Asbestos – Woods Building Services Ltd trading as AA Woods (Asbestos Abatement); Erith Contractors Ltd; and K&K Industrial Services Ltd.
 - 1.1.2 Boosted Water – GEM Environmental Building Services Ltd; Kent Heating Services Ltd; and Thames Engineering & Maintenance Services Ltd.

- 1.1.3 Communal Decorations – Alfred Bagnall & Sons (Restoration) Ltd; Bell Decorating Group Ltd; and Connaught Partnerships Ltd.
- 1.1.4 Concrete Repairs – Alfred Bagnall & Sons (Restoration) Ltd; Connaught Partnerships Ltd; and Mulalley & Company Ltd.
- 1.1.5 Door Entry / CCTV – AJS Ltd; Cartel Security Systems Ltd; and Dennis Johns Electrical Ltd.
- 1.1.6 Electrical Rewiring – AJS Ltd; R Dunham UK Ltd; and PFL Electrical Ltd.
- 1.1.7 Lifts – Acre Lifts Ltd, Temple Lifts Ltd, 21st Century Lifts Ltd.
- 1.1.8 Roofs – Amber Construction Services Ltd; Asphaltic Ltd; and Breyer Group Plc.
- 1.1.9 Water Tanks – Hertel (UK) Ltd; Kent Heating Services Ltd; and Reef Water Solutions.
- 1.1.10 Windows & Doors – Anglian Windows Ltd; LSSD UK Ltd trading as Homesafe; and Sovereign Group Ltd.
- 1.1.11 General Refurbishment, including internal modernisation – Apollo Property Services Group Ltd; Connaught Partnerships Ltd; and Lakehouse Contracts Ltd.
- 1.2 The award of the contract for works to Rapley House to Maybrick Ltd in the sum of £325,000.
- 1.3 The award of the contract for works to Rhodewell Road to Kent Heating Services in the sum of £272,957.
- 1.4 The award of the contract for works to the Pitsea Estate (Billing House, Dowson House and Lipton Road) to Thomas Sinden Ltd in the sum of £1,795,524.
- 1.5 The award of the contract for works to Bracken House to Connaught Partnerships Ltd in the sum of £516,795.
- 1.6 The award of the contract for works to Wainwright House to Russell Trew Ltd in the sum of £131,222.
- 1.7 The award of the contract for new lifts at Ansell House to Acre Lifts Ltd in the sum of £625,816.
- 1.8 The award of the contract for new lifts at Clelland, Goodrich, Kemp and Piggott Houses to Patron Lifts Ltd in the sum of £588,940.

- 1.9 The award of the contract for new lifts at Yates, Danvers and Hanson Houses to Patron Lifts Ltd in the sum of £603,230.
- 1.10 Stock Condition Survey (para 6):
- (i) Review the Housing Investment and HRA Planned Maintenance programmes to assess the need for and viability of a full stock condition survey at a total cost of up to £2.045 million, and subject to the identification of compensatory HRA efficiency savings agree to undertake a programme of surveys as outlined in paragraph 6 of the report.
 - (ii) (ii) The award of the contract for the Stock Condition Survey to Savills plc in the sum of up to £1,995,000.
- 1.11 Grant Funded Insulation Scheme (Para 7)
- (i) The inclusion of the scheme in the Housing Capital Programme for 2009/10 and 2010/11, and the adoption of a capital estimate in the sum of £2,058,000 (£1,790,000 works costs; £268,000 fees & oncosts);
 - (ii) The award of contracts for grant funded insulation works to (a) Mark Group Ltd from the LHC framework up to a value of £1,490,000, and (b) Eaga Insulation from the LHC framework up to a value of £300,000.

7. A PROSPEROUS COMMUNITY

7.1 Update on Consultation on Proposals for a National Challenge Trust at St Paul's Way Community (CAB 066/090)

Ms Isobel Cattermole, Acting Corporate Director Children, Schools and Families, at the request of the Chair in introducing the report summarised the salient points and tabled an update on the consultation exercise in relation to proposals for a National Challenge Trust at St Paul's Way Community School. The overall response had been that parents were supportive of the proposals.

A discussion followed where Members welcomed the report and raised the following points:

- It was proposed that the decision relating to any proposal brought forward by the Interim Executive Board should be delegated to the Chief Executive and Acting Corporate Director Children, Schools and Families after consultation with the Leader of the Council and Lead Member for Children, Schools and Families, subject to no material changes being made.

- Parent Governors should live in and be representative of the Borough. It was therefore proposed to amend the numbers of elected Parent Governors in the proposed composition of the Governing Body.

Mr Kevan Collins, Chief Executive, responded to Members' questions and advised that the composition and appointment of the Parent Governors was the responsibility of the Trust. The Trust had undertaken to be representative of the Borough and all appointments would be made in an open and transparent way. However, the comments made by Cabinet Members would be relayed to the Interim Executive Board. There had been issues with poor governance at the school and it was felt that the proposals set out in the report would provide the maximum number of parent governors.

The Chair, in **Moving** the recommendations, welcomed the report and thanked Ms Christine Whatford, Chair of the Interim Executive Board, for attending the meeting. The Chair stressed that more community involvement in the running of the school was needed to make it more accountable to the community as a whole and it was

Resolved

1. That the results of the consultation process for establishing a National Challenge Trust at St Paul's Way Community School be noted;
2. Determine whether a recommendation should be made to the IEB of St Paul's Way to proceed to publish and consult on a statutory proposal for a National Challenge Trust at St Paul's Way; and
3. That it be noted that a further report will be brought to Cabinet in relation to any proposal brought forward by the IEB for information purposes only, with the decision to be delegated to the Chief Executive and Acting Corporate Director Children, Schools and Families after consultation with the Leader of the Council and Lead Member for Children, Schools and Families, subject to no material changes being made.

7.2 Grouped Schools and Mulberry School PFI Schemes – Progress Report (CAB 067/090)

The Chair **Moved** and it was

Resolved

That the contents of the report (CAB 067/090) be noted.

7.3 Update on Building Schools for the Future Programme and Acceptance of Capital Estimates for Early Works Agreement (CAB 068/090)

Ms Isobel Cattermole, Acting Corporate Director Children, Schools and Families, updated Members on the current position relating to the Bethnal Green Centre. Bethnal Green Centre would be used for decant purposes (school age pupils) from April 2010 for a period of 2-3 years to allow facilities nearby for school aged pupils whilst BSF building works were carried out. It was then intended that the College would return in accordance with a prescribed process.

The Chair **Moved** and it was

Resolved

1. That the Council be authorised to enter into Design and Build Contracts, ICT Services Contracts, Facility Management Agreements and Early Works Agreements (if considered necessary by the Corporate Director Children Schools and Families) with the Tower Hamlets Local Enabling Partner on Morpeth School, Sir John Cass School, Oakland's School and Ian Mikardo School, together with any documents incidental to these BSF schemes, the terms of each agreement or document to be agreed by the Corporate Director of Children Schools and Families, provided and conditional upon each scheme being within the Council's affordability envelope;
2. That the Corporate Director of Children Schools and Families be delegated the function of agreeing the terms of each agreement or document as referred to in paragraph 2.2 of the report (CAB 068/090); and
3. That the progress on the BSF Programme and in particular Partnership for Schools approval of Tower Hamlets BSF Outline Business Case for Wave 5 schools, be noted.

7.4 Determination of School Admission Arrangements for 2011/12 (CAB 069/090)

In considering the item, Members expressed a wish to enable parents in the Borough to gain admission for their children to Tower Hamlets schools. Ms Isobel Cattermole, Acting Corporate Director Children, Schools and Families undertook to look into the concerns raised by Members and report back to the Cabinet in the New Year.

The Chair **Moved** and it was

Resolved

That the annual consultation be undertaken in relation to:

- The co-ordinated schemes for admission to primary and secondary schools in 2011/12 and for 'In – Year' Admissions from 2010/11.
- The published admission numbers for community and voluntary controlled schools, as set out in Appendix E to the report (CAB 069/090)

8. A SAFE AND SUPPORTIVE COMMUNITY

8.1 Gambling Act 2005 – Three year review of Gambling Policy (CAB 070/090)

Mr Stephen Halsey, Corporate Director Communities Localities and Culture, at the request of the Chair in introducing the report summarised the salient points and addressed the questions and comments tabled by the Chair of the Overview and Scrutiny Committee and made the following points:

- There was a need to make the licensing process for transparent and to improve the Council's website.
- Officers would investigate the issues surrounding on-line gambling.

Members expressed concern over the number of betting shops in the Borough and questioned whether they were appropriate considering the number of visitors expected to the Borough during the Olympics. Officers undertook to consider the inclusion of a saturation policy. Members requested a monthly update on applications submitted to the Council under the Licensing Act 2003.

The Chair **Moved** and it was

Resolved

1. That it be noted that the Gambling Policy will be presented to Full Council on 9 December 2009;
2. That Full Council be recommended to approve the Gambling Policy;
3. That Members receive a monthly update on applications submitted to the Council under the Licensing Act 2003.

8.2 Tower Hamlets Safeguarding Adults Board Annual Report (CAB 071/090)

The Chair **Moved** and it was

Resolved

1. That the Annual Report of the Tower Hamlets Safeguarding Adults Board in Appendix 1 of the report (CAB 071/090) and the work of the Board, be noted; and
2. That a member champion for the work of Safeguarding Adults as referred to in paragraph 3.11 of the report (CAB 071/090), be nominated.

8.3 Extension of Service Agreements with domiciliary care – adult social care (CAB 072/090)

Councillor Joshua Peck, Deputy Leader of the Council proposed an amendment to ensure that all complaints and quality were reviewed.

The Chair **Moved** and it was

Resolved

1. That the extension of the Service Agreements listed in Appendix 1 of the report (CAB 072/090) up to 31 March 2011 be agreed subject to a review of complaints and quality; and
2. That it be noted that a further report will be presented to a future meeting of the Cabinet on proposals to tender domiciliary care provision.

8.4 Parental Engagement in Secondary Education: Report of the Scrutiny Working Group (CAB 073/090)

Councillor A A Sardar, Scrutiny Lead Member: A Prosperous Community, at the invitation of the Chair introduced the report and outlined the salient points.

The Chair, in **Moving** the recommendations welcomed the report and thanked Councillor Sardar and it was

Resolved

That the scrutiny review report as agreed at Overview and Scrutiny Committee in May 2009 (Appendix 1 to the report (CAB 073/090)) and the associated action plan (Appendix 2), be noted.

8.5 Smashed, Alcohol Misuse amongst young people: Report of the Scrutiny Working Group (CAB 074/090)

Mr Lutfur Ali, Assistant Chief Executive, at the request of the Chair in introducing the report summarised the salient points, in particular highlighting the need for further work to be done in communicating a message about sensible drinking to young people.

The Chair, in **Moving** the recommendations in the report thanked the Scrutiny Lead and the Scrutiny Review Working Group for the work carried out and it was

Resolved

That the scrutiny review report as agreed at Overview and Scrutiny Committee in April 2009 (Appendix 1 to the report (CAB 074/090)) and the associated action plan (Appendix 2) be noted.

9. A HEALTHY COMMUNITY

9.1 Integrated Health and Social Care Services in Tower Hamlets (CAB 075/090)

The Chair **Moved** and it was

Resolved

1. That the proposals for the further development of integrated health and social care services on a more localised basis, be noted
2. That the proposals going forward for informal consultation and further development as described in paragraphs 3.24 – 3.30 of the report (CAB 075/090) be agreed; and
3. That it be noted that a further report will be provided for Cabinet decision, setting out the final proposals for service integration and the detailed governance arrangements.

10. ONE TOWER HAMLETS

10.1 Procurement Developments (CAB 076/090)

Councillor Ohid Ahmed, Lead Member for Resources and Performance at the request of the Chair in introducing the report summarised the salient points, in

particular highlighting that the process should not add unnecessary bureaucracy.

Mr Richard Parsons, Service Head Procurement, responded to the question tabled by the Chair of the Overview and Scrutiny Committee. Mr Ali added that the Action Plan in the Third Sector Strategy took into account the issue of Procurement.

A discussion ensued in which Members welcomed the report and made the following comments:

- Local diverse suppliers should be encouraged and assurance was needed that equality assessments were included for local businesses.
- The process should deliver Value for Money.
- The relevant Corporate Director should not chair the Competition Board when that Director has a conflict of interest.

In response to Members' concerns officers advised that the Competition Board would act as a tollgate process and would rigorously scrutinise all potential high value suppliers. The Strategy would embed social objectives in the process.

The Chair, in **Moving** the recommendations asked officers to consider the concerns of the Lead Member and it was

Resolved

1. That the developments in the Council's Procurement, including the restructure of the Procurement & Corporate Programmes Service and the Competition Board, be noted
2. That the Corporate Procurement Strategy in Appendix One of the report (CAB 076/090) be agreed subject to an emphasis on encouraging diverse local suppliers;
3. That the Procurement Procedures in Appendix Two of the report (CAB 076/090) be agreed; and
4. That the Action Plan be developed to support the Procurement Strategy.

10.2 Third Sector Strategy (CAB 077/090)

Councillor Rania Khan, Lead Member Regeneration, Localisation and Community Partnerships, at the request of the Chair in introducing the report summarised the salient points.

Members welcomed the report and thanked the officers and Members involved. Mr Lutfur Ali, Assistant Chief Executive, addressed the points raised by the Overview and Scrutiny Committee, stressing that lessons had been

learnt from the previous Council for Voluntary Services and that the recruitment process would be fair and transparent.

The Chair **Moved** and it was

Resolved

That the Third Sector Strategy and Action Plan attached to the report (CAB 077/090), be approved.

10.3 Accelerating Delivery of Key Priorities (CAB 078/090)

Councillor Ohid Ahmed, Lead Member Resources and Performance, at the request of the Chair, in introducing the report summarised the salient points therein:

- The report set out proposals for using available one-off funding to produce real, measurable improvements in service delivery against the six key budget priorities identified by the Cabinet at its meeting on 29th July 2009.
- A total of £9.224m had been identified to fund the Local Priorities capital programme for 2010/11.

Councillor Rofique Ahmed, Lead Member for Culture and Leisure, advised that the proposals contained in the Leisure Facilities Strategy, which had been agreed at the previous meeting of the Cabinet, would help to deliver improvements to residents and that there would be an item reported to the next meeting setting out proposals for Poplar Baths.

A discussion followed, during which Members welcomed the report and thanked the Leader of the Council, fellow Lead Members and officers for their efforts to address the fundamental issues affecting residents of the Borough and deliver improvements which would make a difference to their lives. The following points were made:

- The additional money for Council housing was welcomed which would address the Cabinet priority of reducing overcrowding.
- The proposals surrounding Luncheon Clubs would make a difference to the lives of older people and the investment in tree planting would improve the quality of the public realm.
- The £100 Council Tax rebate for residents over the age of 60 would also make a difference to the lives of older residents.
- Indicative education results for 2008/09 showed that significant achievements had been made which were welcomed.
- Provision of laptops would help to improve GCSE results and ESOL classes would help students.
- Free swimming would be provided to families in the Borough from 7th November 2009.

The Chair moved that Council Procedure Rules be suspended to allow Councillor Peter Golds to speak, at which point he expressed overall support

for the recommendations contained in the report. Councillor Stephanie Eaton was also given the opportunity to speak.

Ms Deborah Cohen, Acting Service Head Commissioning and Strategy and Mr Chris Naylor, Corporate Director of Resources, responded to the questions tabled by the Chair of the Overview and Scrutiny Committee as follows:

- Consultation had taken place on the existing strategy and it was therefore no need to conduct further consultation on the luncheon club element.
- A breakdown of the bids impacting on a number of themes was provided, which were set out in the appendix to the report.

The Chair in **Moving** the recommendations set out in the report

- Thanked Cabinet colleagues and all officers involved and welcomed the proposals which would deliver important improvements and make a difference to the lives of all residents

and it was:

Resolved

1. That the proposals for accelerating delivery against key priorities as set out in the report (CAB 078/090), be agreed;
2. That the Council Tax payers where the person responsible for payment is over 60 years of age will be entitled to a £100 discount against their Council Tax bill for 2009/10, pro-rated for bills not covering the full year; and
3. That funding £270,000 be provided for the Third Sector Strategy by virement from other Council Third Sector budgets.

11. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil Items.

12. UNRESTRICTED REPORTS FOR INFORMATION

12.1 Exercise of Corporate Directors' Discretions (CAB 079/090)

The Chair **Moved** and it was

Resolved

That the exercise of Corporate Directors' discretions as set out in Appendix 1 to the report (CAB 079/090), be noted.

13. EXCLUSION OF THE PRESS AND PUBLIC

The Chair **Moved** and it was

Resolved:

That pursuant to regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the press and public be excluded from the remainder of the meeting:

- (a) As it was likely, in view of the nature of the business to be transacted in Section Two of the agenda, that if members of the public were present during consideration of this business there would be disclosure of exempt information.
- Exempt information is defined in section 100I and, by reference, Schedule 12A of the Local Government Act 1972 (“the 1972 Act”). To be exempt, information must fall within one of the categories listed in paragraphs 1 to 7 of Schedule 12A, must not fall within one of the excluded categories in paragraphs 8 and 9 and the public interest in maintaining the exemption must outweigh the public interest in disclosing the information.
 - Agenda item 15.1 “Demolition of 1-94 Cotall Street” (CAB 080/090) contained information relating to the financial or business affairs of any particular person (including the authority holding that information)”
- (b) As although there is a public interest favouring public access to local authority meetings, in this case the Cabinet concluded that given the information contained in:
- Agenda Item 15.1 “Demolition of 1-94 Cotall Street” (CAB 080/090) relating to the financial or business affairs of any particular person (including the authority holding that information) that the public interest in maintaining the exemption on the information outweighed the public interest in disclosing it.

14. OVERVIEW & SCRUTINY COMMITTEE

14.1 Chair's advice of Key Issues or Questions in relation to Exempt / Confidential Business to be considered.

Nil Items.

14.2 Any Exempt / Confidential Decisions "Called in" by the Overview & Scrutiny Committee

Nil Items.

15. A GREAT PLACE TO LIVE

15.1 Demolition of 1-94 Cotall Street (CAB 080/090)

Recommendations Agreed.

16. A PROSPEROUS COMMUNITY

Nil Items.

17. A SAFE AND SUPPORTIVE COMMUNITY

Nil Items.

18. A HEALTHY COMMUNITY

Nil Items.

19. ONE TOWER HAMLETS

Nil Items.

20. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT

Nil Items.

21. EXEMPT / CONFIDENTIAL REPORTS FOR INFORMATION

Nil Items.

The meeting ended at 7.57 p.m.

Chair, Councillor Lutfur Rahman
Cabinet

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Agenda Item 6.1

Committee: Cabinet	Date: 2 December 2009	Classification: Unrestricted	Report No: (CAB081/090)	Agenda Item:
Report of: Aman Dalvi Corporate Director, Development and Renewal Originating officer(s) Paul Buckenham, Principal Planner Development Schemes		Title: Adoption of Bishopsgate Goods Yard as Interim Planning Guidance Wards Affected: Weavers Spitalfields and Banglatown		

1. SUMMARY

- 1.1 Bishopsgate Goods Yard is a 4.7 hectare site lying across the boundary between the London Borough of Tower Hamlets and the London Borough of Hackney and is identified as an opportunity for major mixed use development in the Tower Hamlets Unitary Development Plan (UDP) and the draft Core Strategy (submission version 2009).
- 1.2 The Council, in partnership with LB Hackney and the Mayor of London, has produced 'Interim Planning Guidance' (IPG) to set out clear planning and design principles for the future comprehensive development of the site, including priorities for community benefits.
- 1.3 Cabinet approved the draft IPG for statutory public consultation on 14 January 2009. Public consultation commenced on 23 February 2009 for an initial period of six weeks, subsequently extended to ten weeks finishing on 8 May 2009. The purpose of this report is to feedback the main consultation responses to the draft IPG, how the document has been amended to take account of these and to seek approval of the revised document as interim planning guidance.
- 1.4 Following approval, the IPG will be a material consideration in the determination of future planning applications for the redevelopment of the site.

2. RECOMMENDATIONS

- 2.1 To note the results of statutory public consultation and the amendments made to the draft Interim Planning Guidance.
- 2.2 To approve the planning guidance for Bishopsgate Goods Yard as Interim Planning Guidance for the purposes of development control.

- 2.3 To authorise the Corporate Director of Development & Renewal (or their nominated officer) to make any minor amendments to the Interim Planning Guidance in discussion with the Leader and Lead Members, including those contained in the key recommendations of the Sustainability Appraisal (Appendix 4), prior to its formal approval.

3. BACKGROUND

- 3.1 Bishopsgate Goods Yard is a 4.7 hectare site, located between Brick Lane and Shoreditch High Street (Hackney), and bounded to the north by Sclater Street and Bethnal Green Road and to the south by rail lines into Liverpool Street Station (see site plan in Appendix 1). Approximately 3.6 hectares of the site falls within LB Tower Hamlets, the remainder falls within LB Hackney.
- 3.2 The site has been derelict and largely unused for over forty years since the former railway goods yard was destroyed by fire. Shoreditch High Street Station on the extended East London Line is being constructed on part of the site and will open to passengers in June 2010. The site includes some important listed historic structures including the Braithwaite Viaduct with arches below (Tower Hamlets) and the former entrance gate, forecourt wall and oriel (Hackney).
- 3.3 The Council, the London Borough of Hackney and the Mayor of London recognise the need to ensure that re-development of Bishopsgate Goods Yard occurs in a comprehensive manner. The guidance is being prepared now given that the opening of the East London Line in 2010 is likely to be a catalyst for re-development of the site and the authorities are keen to avoid piecemeal development.
- 3.4 The IPG will set out a clear development framework for the site which will help to give the private and public sectors and the local community certainty and confidence about future regeneration proposals and provide the framework to ensure that the necessary supporting infrastructure is delivered.
- 3.5 The planning guidance will be used by planning officers when determining planning applications on the site and will supplement existing planning policies in Tower Hamlets UDP (until superseded by the Council's Local Development Framework), emerging LDF Core Strategy and the London Plan to provide an additional level of detailed planning and design guidance for the site.
- 3.6 The IPG for Bishopsgate Goods Yard is consistent with the policies contained in the draft LDF Core Strategy submission version approved for public consultation on 2 September 2009. The process of preparing the IPG has followed the requirements of national planning legislation, including public consultation, for the production of supplementary planning documents (SPDs)

in order that it can form part of the Council's Local Development Framework following the adoption of the Core Strategy (anticipated autumn 2010).

4. SUMMARY OF THE KEY ELEMENTS OF THE IPG

- 4.1 The key objectives of the Bishopsgate Goods Yard IPG are to ensure that re-development of the site, whilst responding to the access opportunities created by the new Shoreditch High Street Station, occurs in a comprehensive manner so that new development is of the highest standard, is sustainable and integrates with the surrounding area.
- 4.2 In summary, the interim planning guidance sets out the local, historic and planning context for the site, explains the key physical constraints that would need to be addressed and provides a vision for a mixed use development including housing, employment, retail, leisure, community facilities and public open space based on a framework of sustainable urban design principles.
- 4.3 The IPG shows how the urban design principles and existing policies come together to create a new and integrated place structured around a place to live, a place to work and a place to enjoy.
- 4.4 The key opportunities for Tower Hamlets that will arise from re-development include:
- Provision of up to 2000 new homes with an emphasis on affordable and family homes, towards the east of the site, taking into account existing Tower Hamlets, Hackney and GLA housing policies and Tower Hamlets emerging housing strategy. This will secure a minimum of 35% affordable housing.
 - A network of new pedestrian and cycle routes through the site, reconnecting the surrounding communities.
 - Opening up access to the new Shoreditch High Street Station, including new links from Brick Lane, improving public transport and promoting sustainable transport options.
 - Provision of large areas of publicly accessible open space for the local community (approximately 1.7 hectares), falling mainly within Tower Hamlets, including a new green park on top of the Braithwaite Viaduct.
 - Potential to link the new open spaces within the site to existing green spaces nearby such as Allen Gardens, creating a linked chain of green spaces.

- Opportunities to provide accommodation for small businesses, for example within refurbished space in the railway arches.
 - Provision of new community infrastructure to support new and existing communities including a new primary care health centre.
 - New large scale office development on the western part of the site (predominantly in LB Hackney)
- 4.5 Detailed guidance is included on the location and design of tall buildings, with the key principle that tall buildings should be located towards the west of the site (Shoreditch High Street) with development reducing in height eastwards towards Brick Lane, reflecting the context of the surrounding area.
- 4.6 Clear guidance is provided on the phasing of the development of Bishopsgate Goods Yard. The IPG promotes delivery of some or all, of the new park as part of the first phase of development as a major opportunity to deliver community benefits early on in the re-development process. The IPG also provides the basis to secure temporary access routes to Shoreditch High Street Station to ensure ongoing safe and convenient public access throughout the re-development process.
- 4.7 The IPG lists priorities for the negotiation of community benefits and the necessary social and physical infrastructure required to support development of the site. Examples include affordable housing, primary health care centre, sustainable transport measures, contributions to education facilities, access to employment opportunities and environmental improvements to the surrounding areas. The Council will work with the London Borough of Hackney to prepare a joint framework for determining planning obligations ahead of the submission of any planning application for the site.

5. PUBLIC CONSULTATION

Consultation strategy

- 5.1 Preparation of the Bishopsgate Goods Yard IPG has taken place through an ongoing consultative process beginning in January 2008 involving the local authorities, the Mayor, lead members, ward councillors, the local community, land owners, statutory bodies and internally within the Council.
- 5.2 The consultation strategy for the IPG aimed to engage with the widest possible cross section of the local community and offer different opportunities for comments to be made. The consultation that has been undertaken has exceeded the requirements set out in national planning legislation and the Council's own Statement of Community Involvement (SCI).

- 5.3 Details of the overall consultation programme and findings are set out in the Consultation Summary Report (Appendix 4). The response to the preliminary consultation which informed the draft IPG was reported to members in the January 2009 cabinet report.
- 5.4 A summary of the key elements of the statutory public consultation undertaken between February and May 2009 is provided below:
- The initial six week period extended to ten weeks.
 - The consultation was advertised on Tower Hamlets and Hackney websites, East End Life and Hackney Today and in the local ethnic minority press.
 - Copies of the draft IPG, sustainability appraisal and equalities impact assessment were available to view on the Council's website, all borough libraries and Idea Stores and at the Town Hall.
 - Three public drop in events were held at accessible locations close to the site in Tower Hamlets and Hackney during the daytime, evening and at the weekend.
 - Members were invited to attend the drop in sessions through the Members Bulletin
 - Five focussed workshops were held with stakeholders including local business organisations, young people, older people, open space users, tenants and residents associations and OPEN Shoreditch.
 - Statutory consultees were notified in writing.
- 5.5 Interested parties were able to make comments in writing, on-line, by completing a feedback form or taking part in a workshop.

Statutory Public consultation response

- 5.6 A total of 70 written responses were received raising a total of 304 individual comments. Of these 35% were in support of the draft IPG, 53% objected and 12% did not state support or objection. 142 people attended the public drop in sessions. The most popular being at Spitalfields Market on Sunday 22 March 2009.
- 5.7 70 people attended the focussed workshops with the most popular being the workshop with local business representatives.

- 5.8 Key statutory consultees included English Heritage and the Environment Agency.
- 5.9 Diversity monitoring demonstrates that those who responded came from a range of backgrounds in terms of race, faith, age, disability, gender and sexuality. Further information is contained in the Consultation Report (Appendix 3).
- 5.10 Overall there is was a positive response and support for the preparation of planning guidance for Bishopsgate Goods Yard. Key issues that were raised were:
- Concern about the impact of tall buildings on the setting of adjacent conservation areas, living conditions and local environment;
 - Clearer guidance needed on appropriate height and mass, particularly for areas where tall building opportunities are identified;
 - Some concerns about the proposed overall scale and density of future development;
 - Strong support for the re-use of the arches beneath the Braithwaite Viaduct;
 - Support for health care facilities to be incorporated into the development;
 - Expectation that the development will contribute to improvements to local community facilities and public open spaces;
 - Concern about the impact of the cumulative impact of evening economy uses (bars and restaurants) on residential amenity;.
 - Support for the provision of affordable workspace that would benefit local small businesses and creative industries as part of a mix of employment space;
 - Requirement for the guidance to promote the need for affordable and family housing;
 - Support for the provision of new public open space above the Braithwaite Viaduct subject to access for all being achieved

6. AMENDMENTS TO THE IPG

- 6.1 The overall structure of the IPG for Bishopsgate Goods Yard has not changed. Several detailed areas of guidance have been amended to address the key issues raised through public consultation. Of the 160 responses raising objection, officers agreed, or part agreed with 64%, a further 10% were not supported. The remainder (26%) related to matters outside the scope of the IPG and were noted, but did not lead to an amendment. In summary, over half of the comments received led to amendments to the draft IPG.
- 6.2 The justification and assessment criteria for tall buildings has been strengthened and amended to follow more closely the guidance provided by Commission for Architecture and the Built Environment (CABE) and English Heritage. The IPG maintains the strategy for building heights, with the tallest buildings closest to Shoreditch High Street with a transition to lower scale development eastwards. The guidance has been amended to provide a robust assessment framework for considering tall building proposals taking into account environmental impacts, strategic views, local views, surrounding conservation areas and topography.
- 6.3 The guidance has been amended to provide more detail on appropriate townscape response to the adjoining conservation areas by drawing on adopted and draft conservation area management plans. The guidance on listed structures has been strengthened to require retention and re-use on site.
- 6.4 The guidance provides a balanced approach between residential density determined by access to public transport and the need for a high quality design response which takes into account local character and context.
- 6.5 Re-use of the Braithwaite arches has been an important principle the guidance from an early stage. The IPG has been amended to highlight the opportunity for re-use on a temporary basis – e.g. for commercial, community, arts, markets, events and festivals - between the opening of the new station and the commencement of the main development as the first phase of development activity on the site.
- 6.6 The guidance on restaurants, cafes, bars and other uses relating to the evening economy has been strengthened to restrict these to not more than 25% of overall retail floor space and to require developers to demonstrate that there would be no adverse impact on residential amenity.
- 6.7 The approach to phasing is amended to allow increased flexibility, recognising the impact of adverse market conditions but retaining the key requirement that open space is delivered within the initial phase of the main development,

7 COMMUNITY BENEFITS

- 7.1 Redevelopment of Bishopsgate Goods Yard has the potential to deliver important community benefits through re-development of the site itself or through benefits secured through planning obligations.
- 7.2 Redevelopment of the site would deliver a number of community benefits in terms of affordable housing, job creation, new public open space, including the park, a new local primary care health centre and re-using heritage assets by bringing the historic structures back into use with public access.
- 7.3 Major development of the scale anticipated at Bishopsgate would have other impacts which may require mitigation through contributions towards improvements to community infrastructure. The IPG identifies the main priorities as:
- improvements to existing public open spaces, such as Allen Gardens and improvements to the links between them;
 - contributions towards idea stores, libraries, sport and leisure facilities;
 - contributions to community facilities and projects;
 - contributions towards increasing the capacity of local schools;
 - environmental improvements to Brick Lane, Shoreditch High Street, Wheler Street and Bethnal Green Road;
 - environmental enhancements to surrounding conservation areas and listed buildings;
 - Local training and employment initiatives;
 - improvements to public transport services and facilities;
 - sustainable transport improvements, including cycle hire schemes;
 - opportunities for local biodiversity enhancements.
- 7.4 Any financial contributions would need to meet the requirements set out in national planning legislation and guidance. It should also be noted that the site is within the area subject to the Mayor's draft Crossrail Section 106 contributions Supplementary Planning Guidance (SPG).
- 7.5 The guidance recommends that a planning obligations framework is prepared by the Council, in partnership with LB Hackney, prior to the submission of any

planning application to set priorities, guide future negotiations around planning obligations and to ensure appropriate apportionment of community benefits across both boroughs.

8. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 8.1 Following the statutory public consultation that has recently been completed, Members are asked to approve the planning guidance for Bishopsgate Goods Yard as Interim Planning Guidance for the purposes of development control.
- 8.2 The consultation was undertaken jointly between the Council, the London Borough of Hackney and the Mayor of London, with the direct costs (e.g. advertising, printing, hiring venues) being funded by the joint venture developers. The only expense falling on the Authority was the cost of officer time.
- 8.3 The scale and location of the site will provide many key opportunities for the Authority. These are summarised in paragraph 4.4 and listed in paragraph 7.3. It is anticipated that significant Section 106 agreements will be entered into as part of the development process. These will be negotiated in accordance with national legislation and local Council requirements.

9. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 9.1 As noted at paragraph 3.6, the Bishopsgate Goods Yard interim planning guidance (IPG) will ultimately be adopted as a Supplementary Planning Document (“SPD”) in accordance with Regulation 19 of the Town and Country Planning (Local Development) (England) Regulations 2004.
- 9.2 SPDs will underpin the Council’s LDF Development Plan Documents (DPDs), which are not yet adopted. The Council is not proposing to adopt any SPDs in advance of adopting its DPDs, and therefore at this stage in the Council’s DPD programme it is recommended to Cabinet to adopt the Bishopsgate Goods Yard as Interim Planning Guidance.
- 9.3 Adoption as an IPG will see the planning guidance in the Bishopsgate Goods Yard IPG represent a material consideration to be taken into account in the development control process, as a statement of Council policy.

10. ONE TOWER HAMLETS CONSIDERATIONS

- 10.1 An Equalities Impact Assessment has been carried out and has been used to inform the drafting of the interim planning guidance. The IPG includes

measures that seek to reduce inequalities, for example through provision of affordable housing, improving local community facilities and creating access to employment opportunities.

- 10.2 The objectives of the IPG include providing new routes through the site, that will help to link up surrounding communities, provide opportunities to integrate new and existing communities and ensure strong community cohesion.
- 10.3 Local communities have been engaged during preparation of the IPG. The statutory development control process ensures that there will be further opportunities for the community to influence the re-development of the site.

11. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 11.1 An independent Sustainability Appraisal has been completed for the Bishopsgate Goods Yard Interim Planning Guidance, in accordance with statutory requirements. The objectives of the interim planning guidance were tested against 14 sustainability objectives and demonstrated a positive relationship in the majority of cases. Where the relationship is less certain, the Sustainability Appraisal includes recommendations for further improvements together with ongoing monitoring of the IPG. The key recommendations of the sustainability appraisal are listed in Appendix 4. Members are asked to approve changes to the IPG based on the recommendations of the sustainability appraisal, as stated in paragraph 2.3 of this report.

12. RISK MANAGEMENT IMPLICATIONS

- 12.1 The key risk identified with preparing draft interim planning guidance ahead of the adoption of either Tower Hamlets or Hackney's Core Strategy is the possibility of inconsistencies arising which prevent the IPG from being adopted as a supplementary planning document (SPD).
- 12.2 Officers consider that this risk is outweighed by a greater risk of development coming forward on the site in a piecemeal fashion, without the context of detailed planning guidance. A joint local authority steering group has been established which has worked closely with the joint venture developers – who are proposing to redevelop the site - to ensure that the guidance is consistent with existing planning policies and the emerging Core Strategy of both boroughs. The steering group has also secured a commitment from the joint venture to delay the submission of any planning applications to allow for preparation of this planning guidance.

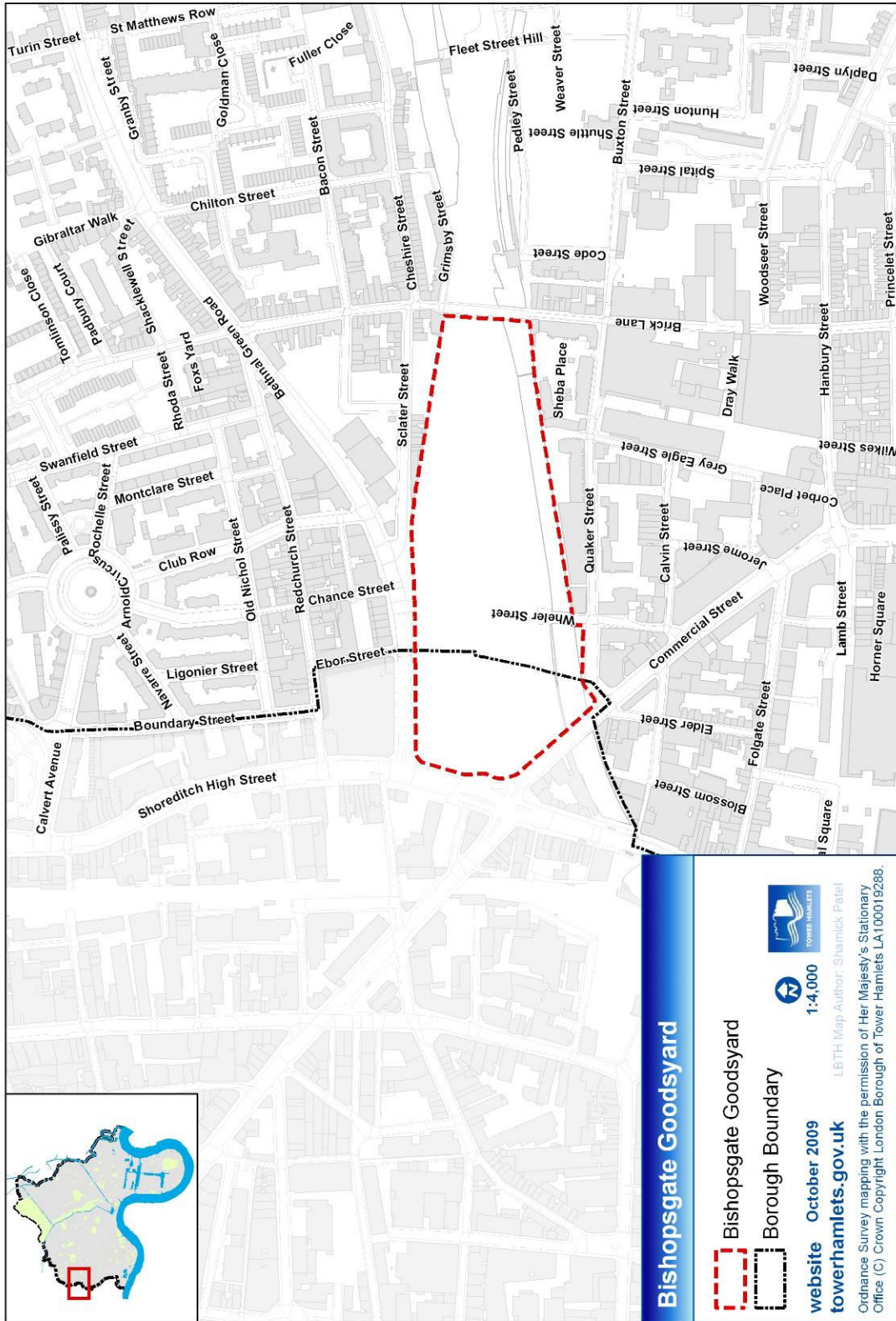
13. APPENDICES

- Appendix 1 – Bishopsgate Goods Yard Site Plan
- Appendix 2 – Bishopsgate Goods Yard interim planning guidance
- Appendix 3 – Consultation Summary Report
- Appendix 4 – Sustainability Appraisal – key recommendations

Local Government Act, 1972 Section 100D (As amended) List of “Background Papers” used in the preparation of this report

Brief description of back ground papers	Name and telephone number of holder and address where open to inspection.
Cabinet Report – Bishopsgate Goods Yard Draft Interim Planning Guidance - 14 January 2009	Paul Buckenham Principal Planning Officer 020 7364 2502
Table of written representations and joint local authority responses	
Sustainability Appraisal and non-technical summary	
Equalities impact assessment	

Appendix 1 – Bishopsgate Goods Yard Site Plan (not to scale)



Bishopsgate Goods Yard
Interim Planning Guidance
Consultation Summary Report
October 2009

CONTENTS

- 1. INTRODUCTION**
- 2. CONSULTATION STRATEGY**
- 3. CONSULTATION RESPONSES**
- 4. KEY ISSUES RAISED THROUGH CONSULTATION**
- 5. HOW THE PLANNING GUIDANCE HAS BEEN AMENDED**

APPENDICES

A: DIVERSITY MONITORING

B: SUMMARY OF COMMUNITY WORKSHOP EVENTS

C: SUMMARY OF WRITTEN REPRESENTATIONS

1. INTRODUCTION

- 1.1 This consultation report explains how the London Boroughs of Tower Hamlets and Hackney and the Mayor of London have involved the community in the development of the emerging Bishopsgate Goods Yard Interim Planning Guidance (IPG). The IPG will be a material consideration when determining planning applications on the site and will supplement existing planning policies in Tower Hamlets and Hackney Unitary Development Plan. The IPG will ultimately form part of both Councils' emerging Local Development Framework.
- 1.2 This report explains what consultation took place, who was involved, what comments were made and how the draft IPG has been amended.
- 1.3 This consultation strategy had been developed in close liaison with the Council's Corporate Consultation and Involvement Team and seeks to meet and where possible, exceed the provisions of the adopted and emerging Statement of Community Involvement.
- 1.4 Public consultation took place between 23rd February and 1st May 2009. Preliminary consultation took place in June to July 2008 which informed the draft IPG, and the findings on this consultation were reported to members in the November 2008 cabinet report for Hackney and January 2009 cabinet report for Tower Hamlets.

2. CONSULTATION STRATEGY

- 2.1 The aim of the public consultation was to engage with the widest possible cross section of the local community, offer different opportunities for comments to be made and to proactively encourage participation.
- 2.2 The IPG is being prepared so that it can be adopted as a Supplementary Planning Document, following the final approval of both Boroughs' Core Strategies. Therefore, the consultation needed to meet the pre-submission consultation regulations set out in Section 25 of the Town and Country Planning (Local Development) (England) Regulations 2004 and both boroughs' Statements of Community Involvement (SCI).

What do the regulations require?

- 2.3 Before adopting the draft Interim Planning Guidance as a Supplementary Planning Document (SPD), the regulations require that the Boroughs':
- Advertise locally the IPG and how, where and when the document can be viewed.
 - Make copies of the IPG available at:
 - Town Halls
 - Other places throughout the borough which we consider appropriate
 - Tower Hamlets and Hackney websites
 - Prepare a consultation statement setting out:
 - The names of the person or bodies who were consulted in relation to the SPD
 - How these people or bodies were consulted
 - Summary of the main issues raised in these consultations
 - How the issues have been addressed
 - Send to each of the specific consultation bodies we consider will be affected by the IPG as well as to any of the general consultation bodies we consider appropriate:

What does Tower Hamlets' Statement of Community Involvement require?

- 2.4 In addition to the requirements set out in the regulations, the Tower Hamlets SCI also requires the Borough:
- Runs articles in **local newspapers**.
 - Displays **publicity materials** in suitable locations throughout the borough.
 - Runs **consultation events**.
 - Consults through **established community groups** and partnerships.
 - Notifies **anyone who has asked us to be notified** on revisions, updates and additions to the LDF.
 - Provides a **hotline and email address** for queries on the SPD.
 - Extends the **statutory consultation period** beyond 6 weeks to a length of time considered necessary.

What does Hackney's Statement of Community Involvement require?

2.5 The Hackney SCI also requires the Borough:

- Runs **interactive workshops**.
- Meets with **selected stakeholders**.
- Sends out **written consultation**
- Formally consults **statutory bodies**.
- Ensures documents are **available at Council offices**.
- Meets with **advisory groups**.
- Runs articles in the **local press**.
- Advertises the consultation on **the internet**.
- Provides a **hotline**, contact email and postal address.

What was the consultation strategy?

2.6 The local community were both informed of the public consultation and given the opportunity to offer feedback on the draft Interim Planning Guidance through a range of different ways.

2.7 **Statutory consultees** were notified in writing.

2.8 Electronic copies of the draft IPG, summary leaflet, Sustainability Appraisal and Equalities Impact Assessment and feedback forms were made available on both Boroughs' **websites**. The consultation had a specific web page which explained the purpose of the IPG, the process that the Boroughs are going through to adopt the IPG, how representations could be made and for how long the public consultation was open until. This page was set up before the public consultation began.

2.9 An advert was placed in the **local press** at the start of the consultation period (East End Life, Hackney Today and local ethnic minority press). The advert included information on when the public consultation period was and where more information could be found, such as the Council's website. This raised awareness of the public consultation and opportunity for the local community to be involved in the production and comment on the IPG.

2.10 Compact Discs (CDs) and hard copies of the draft IPG, summary leaflet, Sustainability Appraisal and Equalities Impact Assessment and feedback forms were made available in all **libraries** and **IDEA stores**, the boroughs town halls and receptions of Council main buildings.

2.11 Three **public drop-in events** were held at venues in Tower Hamlets and Hackney. The events were scheduled to take place at different times during the consultation period, at different locations (all local to the site) and at different times of the day and week (including a Sunday event). Officers from the Tower Hamlets, Hackney and the Greater London Authority attended the events to answer any questions that the local community had about the IPG and pass on any comments through discussing and completing the response forms provided. Display boards and a model of the site and surrounding area were also available to view.

- 2.12 Representatives of key stakeholders groups within the community from local businesses, interest groups, residents associations, open space users, young and elderly people were invited to a range of focused **community workshop events**. The target audience for these workshops were determined through understanding the demographics of the local community, the nature of the local economy and the topics that the IPG covers. The invitations were extended to people who expressed an interest at the public drop-in events. The events were held at local venues, at times of the day that were most suitable for the target audience. The events included a presentation of the guidance set out in the IPG, followed by group discussion with independent facilitators and officers from the London Borough of Tower Hamlets, London Borough of Hackney and the Greater London Authority.
- 2.13 The initial six week **consultation period extended** to ten weeks.
- 2.14 **Ward and lead members** from both Boroughs were invited to attend the drop in sessions through the Members Bulletin.

3. CONSULTATION RESPONSES

How many consultation responses did we receive?

- 3.1 A total of **70 written representations** were made on the IPG, with a **combined total of 304 individual formal comments**.
- 3.2 These were made by a number of individuals and a range of organisations. The organisations include statutory consultees such as Natural England, Environment Agency, Thames Water, English Heritage and City of London, and local organisations such as Open Shoreditch, Hackney Society, Jago Action Group and Spitalfields City Farm.
- 3.3 Approximately 34.9% of the responses expressed support for the content and approach taken within the IPG. 52.6% objected and 12.5% stated neither support nor objection.
- 3.4 Respondents were invited to complete the equalities monitoring form. Results from the forms that were collected demonstrate that a mix of people that broadly reflects the nature of the population surrounding the site, were actively involved in the consultation process. The results are included in appendix A.
- 3.5 Details of the individual representations, including the Councils' joint response to them are available on request. Subject to Cabinet approval of the draft IPG, everyone who made comments will be informed of the response to their individual comments.

The drop-in sessions

- 3.6 Three drop-in sessions were held:
- Shoreditch Town Hall (10am – 2pm on Thursday 26 February)
 - St Hilda (4-8pm on Tuesday 10th March 2009)
 - Spitalfields Market (12-4pm on Sunday 22nd March 2009)
- 3.7 In total, **142 people** attended the public drop in sessions, the most popular being at Spitalfields Market. Cllr Waiseul Islam (Tower Hamlets) attended one of the drop-in sessions.

The community workshop events

- 3.8 Five community workshop events were held:
- Local Businesses
 - Open Shoreditch
 - Local residents and open space users
 - Young people
 - Elderly people

3.9 In total, **70 people** attended the workshops with the most popular being the workshop with local business representatives, where 31 people attended, representing:

- Spitalfields Small Business Association,
- Brick Lane Business Association,
- East London Small Business Centre,
- East London Business Alliance,
- East London Business Place, and
- St Hilda's Community Association.

3.10 At the workshops people were encouraged to make brief comments on **canvas cards**, where **23 responses** were received. Facilitators also recorded the key points emerging from the workshop discussions. Details about each workshop can be found in appendix B.

4. KEY ISSUES RAISED THROUGH CONSULTATION

4.1 The key issues raised throughout the public consultation, are as follows:

4.2 Scope of the IPG

- Suggestion that the IPG area should be extended to areas outside of the Bishopsgate Goods Yard to include parts of Brick Lane and Bethnal Green Road and South Shoreditch.

4.3 Design Guidance

- Concern that the document has not been informed by robust urban design analysis.
- Concern that the design guidance focuses on creating east-west routes and not sufficiently on creating links to the site from the north.

4.4 Tall Buildings

- Concern about the impact of tall buildings on the setting of adjacent conservation areas, living conditions and local environment.
- Clearer guidance is needed on the appropriate height and mass, particularly for areas where tall building opportunities are identified and so that the design responds to the character of Shoreditch High Street and the Boundary Estate.
- Some concerns about the proposed overall scale and density of future development.

4.5 East London Line

- Support for creating a development that helps to screen the unsightly concrete box that encases the East London line and station.
- Concerns that the new station does not provide a basis itself for increasing the density of future development on the site.

4.6 Heritage

- Strong support for the re-use of the arches beneath the Braithwaite Viaduct.
- Concern that the guidance does not require all the listed structures to be retained and re-used in their current position.

4.7 Shops, restaurants and bars

- Concern about the impact of the evening economy on noise and disturbance.

4.8 Open Space

- Support for the provision of new public open space above the Braithwaite Viaduct.
- Concern that the park is not located in the best position on the site.
- Concern that the difference in levels may prevent access for all being achieved.

4.9 Residential development

- Support for guidance on the mix of unit sizes.
- Stronger guidance needed to promote the need for affordable and family housing.

4.10 Health Care Facilities

- Support for health care facilities to be incorporated into the development.

4.11 Affordable Workspace

- Support for the provision of affordable workspace that would benefit local small businesses and creative industries as part of a mix of employment space.

- A number of suggestions were offered of the uses that could be supported, including an art centre, art workshops, theatre, photography and music studios.

4.12 Public Transport Interchange

- Support to allow for clear and easy movement between bus, train and other sustainable modes of transport for both cyclists and pedestrians.

4.13 Phasing

- Concern that the west-east phasing proposals is not flexible enough and would not be practical.
- Review of the phasing of development needs to take place to allow for the delivery of the retail and community uses below the Braithwaite Viaduct and the park above the Braithwaite Viaduct within the first phase.

4.14 Temporary Uses

- Support for activating the site with community and leisure uses before the delivery of the first phase.
- Support for opening Wheler Street and London Road to break up what is a barrier to movement in the local area.

5. HOW THE PLANNING GUIDANCE HAS BEEN AMENDED

- 5.1 The comments received have been incorporated in the review of the draft IPG and have resulted in some significant changes, along with a number of minor amends.

Scope of the IPG

- 5.2 The scope of the guidance is to provide detailed planning advice for the site area, given the existing and emerging planning documents which provide strategic policy guidance for the area, for instance the LB Hackney South Shoreditch Supplementary Planning Document, the LB Tower Hamlets City Fringe Area Action Plan and the City Fringe Opportunity Area Planning Framework. However, the document does take into account existing and proposed development within the vicinity of the site. Updated reference is made to major developments within the area, and sites with major development potential.

Design Guidance/ Tall Buildings

- 5.3 The revised document incorporates clearer guidelines for the design and assessment of tall buildings, drawn up in accordance with guidance provided by English Heritage and the Commission for Architecture and the Built Environment.
- 5.4 The impact of tall buildings on the setting of adjacent conservation areas, living conditions and the local environment has been considered. Revisions to the document clearly specify that tall buildings will only be accepted where it is demonstrated that such development preserves or enhances the setting of adjoining conservation areas, and where the amenity of nearby residential occupiers is not adversely affected.
- 5.5 Clear guidance is provided on the suitability of the site for tall buildings, where they may be acceptable, and the appropriate scale and mass of development. New visual illustrations help to explain the rationale for some tall buildings, working with existing and emerging constraints such as the protection of local views, and strategic views as prescribed through the London View Management Framework.
- 5.6 The revised guidance emphasises that the redevelopment of the site is expected to reopen, and to provide additional, north to south and east to west cycle and pedestrian routes providing strong links to local destinations and between residential areas to the north and Liverpool Street Station.

East London Line

- 5.7 The guidance emphasises that the opening of Shoreditch High Street station will improve public transport choices, with the East London Line linking into the existing underground and overground rail network. It is confirmed that the Public Transport Accessibility Level for the site will increase from 5/6a/6b to 6a/6b.
- 5.8 The guidance requires that appropriately designed new development to the north of the site will conceal the concrete box which encases the East London Line and station. New text and improved visual material explains this.

Heritage

- 5.9 The revised guidance stipulates that the Listed Buildings throughout the site should be retained in situ, and will form an integral part of the redevelopment of the site. In addition some other minor changes have been drafted including updates on recent amendments to conservation area boundaries.

Retail development

- 5.10 Concerns raised with regard to the impact of the evening economy on noise and disturbance have been addressed by underlining that cafes, restaurants and bars should be located where it can be demonstrated that their operation would not result in noise or disturbance to local residents, for instance along Brick Lane and Shoreditch High Street, where evening economy uses are established. In addition the guidance now includes a requirement that a maximum of 25% of retail floorspace should be occupied by cafes, restaurants or bars.

Open space

- 5.11 The location of the park over the Braithwaite Viaduct has been carefully considered. The park will be open to the south and west, to maximise levels of daylight and sunlight, with natural surveillance from residential properties to the north, and the elevated position will be a key feature of its character. It is confirmed that the park will be fully accessible to all, and the amended document sets out the scale and opportunities that the site provides.

Residential development

- 5.12 Guidance on the mix of residential units expected is contained within the London Plan; however, the document includes a clear message that family sized housing will be expected and stipulates that innovative solutions will be expected in terms of creating good quality family housing within high density development. The guidance makes clear that at least 35% of new housing should be affordable.

Health care facilities

- 5.13 The guidance explicitly states that a new community health centre should be provided in a prominent location on site, to help alleviate the shortage of health care facilities within the area.

Affordable workspace

- 5.14 The provision of affordable workspace is highlighted as a key requirement of the site; such spaces will accommodate small and medium enterprises, particularly within the arches beneath the Braithwaite Viaduct. It is now stated that future proposals for the site should include managed workspace for such enterprises.

Public transport interchange

- 5.15 The revisions to the document include an emphasis on the new and reopened routes which will enhance pedestrian and cycle links between stations and bus stops.

Temporary uses and phasing

- 5.16 A revised suggested approach to phasing has been included within the redraft, recognising the need for temporary uses, including community and leisure uses and initial public realm works as a potential first phase of the wider development, with later phases running east to west, recognising the potential access problems of a west to east programme.

How will feedback be used in future discussions and for other purposes?

- 5.17 Feedback will be also be used in future discussions regarding the site, in particular in the preparation of a temporary uses strategy as part of continued joint borough working. It is expected that feedback will also be valuable in future discussions with Transport for London with regard to transport interchange issues, including bus stops and bus routes. Feedback will also be useful in discussions with East London Line Project on the community aspirations for the public space and facilities available to the public upon the opening of Shoreditch High Street Station.
- 5.18 Comments received will also be useful in future discussions with Council departments of both boroughs including highways engineers, waste and recycling and licensing officers.

APPENDIX A: DIVERSITY MONITORING

All figures are percentages of those who completed diversity monitoring forms.

Gender	Respondents %
Male	72%
Female	28%

Ethnic origin	Respondents %
Bangladeshi	43%
Pakistani	2%
Asian other	2%
Black Caribbean	2%
Arab	2%
White and Black African	2%
English	23%
Scottish	7%
Black British	7%
Other White Background	8%

Age	Respondents %
12-15	0
16-25	23%
26-34	40%
35-43	19%
44-52	6%
53-59	2%
60-64	9%
65+	0

Stated religion	Respondents %
No Religion	20%
Christian	27%
Hindu	0%
Muslim	52%
Buddhist	0%
Jewish	0%
Sikh	0%

Disability	Respondents %
Yes	6%
No	94%

Sexual orientation	Respondents %
Heterosexual	85%
Gay	10%
Bisexual	5%
Lesbian	0

APPENDIX B: SUMMARY OF COMMUNITY WORKSHOP EVENTS

Workshop 1 - Local businesses representatives

Date	27 March 2009
Time	3.00 – 5.00 pm
Location	Rich Mix Centre, Bethnal Green Road
Attendance	31 people
Organisations represented	Spitalfields Small Business Association Brick Lane Business Association East London Small Business Centre East London Business Alliance East London Business Place Ethnic Minority Enterprise Project City Fringe Partnership St Hilda's Community Association
Interested in more information	Yes, future events and site visits, discussion with future landowners/developers, when will development be complete, temporary uses, when park will be delivered

Summary of discussion

A place to enjoy:

- Open space – should be well lit, mix of activities, linked to Allen Gardens, needs to be accessible to all, could incorporate a sunken theatre, should be open to the public as soon as possible; range of different activities catered for; free of charge; community themed; local ownership and management.
- Green links – easy to walk to from other parts of London through green spaces.
- Complementary uses – mix of uses throughout the site, lighting of arches is key to making them feel welcoming, different uses throughout day / night / seasons

A place to work:

- Local businesses – scheme should be designed to target small business, supported by subsidies from larger businesses;
- Independent businesses – concern about multiple chain retailing being dominant
- Internships – training for young / local people
- Uses - support music industry, Idea Store, spice market

A place to live:

- Appearance – affordable and private units should look same from outside;
- Variety – mix of unit sizes and design with emphasis on family housing;
- Parking – could be provided underground for residents only;

Other general comments:

- Good quality public realm will be key to success.

Workshop 2 - Local Interest Group – OPEN Shoreditch

Date:	27 March 2009
Time:	2.00 – 4.00pm
Location:	Rich Mix Centre, Bethnal Green Road
Attendance	12 people
Organisations represented	OPEN Shoreditch
Interested in more information?	Yes – wish to be closely involved in ongoing development process

Summary of discussion:

A place to enjoy:

- Open space – little evidence of options for the location of park and civic square
- Historic structures – support for the approach to maintaining and enhancing listed structures.

A place to work:

- Business Uses – need for space that encourages independent businesses, especially retailers.

A place to live:

- Transport interchange / hub – too much emphasis placed on the importance on the improvement to the transport links to and from the local area.

Other general comments:

- Scope of IPG – too narrow, should include all the development sites in the local area.
- Local Context – lacks required degree of local context analysis, especially character of adjacent neighbourhoods and conservation areas.
- Tall buildings – objections to the rationale for tall buildings on site and their location within the development site.
- Building Envelope – need for clarity around the acceptable massing of buildings on site, given the surrounding context.
- Building Typologies – Support for guidance on building setbacks, daylight, sunlight, overshadowing and amenity impacts.
- Phasing – Phasing that runs west-east would be impractical and needs review.
- Temporary Uses – Need to reopen site as soon as possible, regardless of long term intentions for the site.
- Community master plan – Specific master planning process involving all the local stakeholders in future developments on this site and in local area would allow for community negotiations to take place.

Workshop 3 - Local residents associations and open space users

Date:	2 April 2009
Time:	2.00 – 4.00pm
Location	Rich Mix Centre, Bethnal Green Road
Attendance	10 people
Organisations represented?	Jago Action Group North Brick Lane Tenants Association Boundary Tenants and Residents Association St Georges Residents Association Spitalfields Housing Association Spitalfields Market Residents Association Friends of Christ Church, Spitalfields Friends of Arnold Circus
Interested in more information?	To be kept informed of next steps in adoption of planning guidance

Note – combined workshop held due to low response from invited open space user groups.

Summary of discussion

A place to enjoy:

- Open space – is it in the right location, local involvement, well-lit (more than just street lights);
- Flexible space needed;
- Complementary uses – need to accommodate noisy and energetic uses;

A place to work:

- Large Businesses – suitable on the western part of site;
- Retail - High Street feel on Shoreditch High Street with corner shops and independent retailers mixed in;
- Tourism – celebrate the site as a gateway to the east end;
- Small Businesses – self build units, affordable, start up businesses on the eastern part of site;

A place to live:

- Sustainability - Eco-friendly housing is a priority;
- Mixed Community – genuine, real effort should be made given the scale of the development;
- Community facilities – need to provide social infrastructure / services;
- Mix of Uses - Licensing needed for night time activities;

Other general comments:

- Tall Buildings – more information needed on heights. How tall is tall?

Workshop 4 - Young People

Date	31 March 2009
Time	4.00 – 6.00pm
Location	Vacant shop unit in Spitalfields Market
Attendance	10 young people
Organisations represented	Tower Hamlets young Mayor
Interested in more info?	No specific requirement

A place to enjoy:

- Open space – Play area for children (miniature goods yards), themed landscaping responding to different local communities, space looks too small;
- Complementary uses – football pitches, sports facilities that are free for residents living close to site;
- Retail - shops near station;
- Walking – encourage pedestrians on the site;

A place to work:

- Support – Reopen a job centre, jobs for local people;
- Training – needed for local people to access jobs;

A place to live:

- Discounted travel to local residents;
- A nursery / crèche for young mums;

Other general comments:

- Planning ahead – positive to see Councils planning for next 10 years;
- Car parking – seems to be too little, cars bring revenue;

Workshop 5 – Older people

Date:	27 March 2009
Time	12.00 – 2.00pm (lunch provided)
Location:	Rich Mix Centre, Bethnal Green Road
Attendance	7 people
Organisations represented?	Tower Hamlets and Hackney Age Concern
Interested in more info?	To be kept informed of next stages in the process

A place to enjoy:

- Open space – childrens' play area, mix of open space types, band stand;
- Complementary uses – swimming pool, market in the arches, art studios;

A place to work:

- Small businesses – furniture, cafes, street cafes, independent shops;
- Support - Affordable work places, subsidised rent;
- Alternative uses - Shoreditch Museum;

A place to live:

- Housing - Key workers, 4 storeys in height, high quality affordable housing, mix of houses and flats, views that face the sun
- Restricted parking;
- Public toilets – free of charge;
- Community facilities are a priority;

Other general comments:

- No particular comments

APPENDIX C: SUMMARY OF WRITTEN REPRESENTATIONS

Representation type	Count	Percentage
Support	106	34.9%
Object	160	52.6%
Not stated	38	12.5%
TOTAL	304	100.0%

LPA response to objections	
Agree	59.3%
Part agree	4.4%
Not supported	10.0%
Noted	26.2%
TOTAL	100%

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Appendix 4 Sustainability Appraisal Key Recommendations		
Topic	Recommendations from the latest iteration of the Sustainability Appraisal	How the IPG will take into account these recommendations
General - Layout of the IPG	The IPG could provide greater differentiation between background text, proposals and requirements for development, e.g. by highlighting text.	Improve the layout of text through the document.
	The IPG could also list the likely information that will need to be provided by applicants at the time applications are made, subject to agreement at pre application stage.	Include likely information required in support of future planning application in appendix
Sustainable Design and Construction	<p>It is recommended that the Code for Sustainable Homes requirements are reviewed to ensure compliance with LBTH and LBH DPD policy to ensure that the two are compatible. It is also recommended that the Code for Sustainable Homes requirements are reviewed to ensure that they are appropriate in light of the anticipated updating of the buildings regulations in 2010, 2013 and 2016.</p> <p>Supplementary Planning Guidance has been prepared as a part of the London Plan that contains a number of other essential and preferred standards relating to Sustainable Design and Construction which could also be referenced in Section 6 of the IPG, so that developers are made aware of them. The targets are consistent with and build on the Council's Core Strategy and Development Control Plan, Interim Planning Guidance.</p> <p>The use of prefabricated and standardised modulation components to minimise waste should be considered at EIA stage.</p>	<p>Text to be amended in section 3, allowing for some level of flexibility, as policy position will change over time.</p> <p>Text to be added to section 4.</p> <p>To be considered through the EIA process, prior to submission of planning application.</p>
Public Realm	The IPG could specify who will produce the Public Realm Strategy and when it is required by. This will help ensure that the document is produced.	Public Realm Strategy to be considered and negotiated during pre-application process.
Historic structures	Draft Planning Policy Statement 15 'Planning and the Historic Environment' (PPS15) advocates a specific approach to treatment of the historic environment based on the identification and assessment of heritage assets and their settings. The IPG could reference this emerging approach.	Reference to be added in section 2
Community facilities	<p>The IPG should encourage facilities to be flexible and available for use during non-school hours, e.g. education facilities should be capable of meeting a range of community needs, including adult education.</p> <p>The IPG could be more explicit about the process the Councils will go through to decide what facilities are required on-site.</p>	Text in section 3 to be amended to be more specific about type and nature of community uses anticipated on the site, and the process that the Councils will go through to decide what facilities are required on-site.

	The Healthy Urban Design Unit has produced a toolkit for use in London and the IPG could signpost this as something that should inform health provision on site.	Reference to be added in section 3.
Developer contributions	The IPG could clarify whether or not developer contributions will be pooled with those from other developments. The Joint Planning Obligations Framework to be prepared by both boroughs provides an opportunity to set out the details.	Text in section 4 to be amended to add clarity.
	The IPG could clarify whether or not developer contributions will be sought towards crime and safety measures.	Text in section 4 to be amended to add clarity.
	The IPG could state that developer contributions towards Skillsmatch and Invest in Hackney will be sought.	Text in section 4 to be amended to add clarity.
Construction phase	The IPG could reference the Mayor's Considerate Constructors scheme and the Mayor and London Council's "London Best Practice Guide" on the control of dust and emissions during demolition and construction. Compliance with these schemes should be demonstrated at the planning application stage.	Reference to be added to section 2.
Energy, waste and water strategies	The IPG could make it clear who will be responsible for preparing these and when they will be required.	Text to be added to sections 2 and 3.
	It is recommended that consideration be given to a carbon reduction target to sit alongside the renewable energy target. Due to site restrictions and / or cost implications it is not always viable for a renewable energy target to be met, but high levels of energy efficiency may be possible. A carbon reduction target takes into account both energy efficiency measures and renewable energy generation. As such, it reflects the energy management hierarchy which prioritises: <ol style="list-style-type: none"> 1. Reducing demand for energy 2. Using energy more efficiently 3. Generating energy from renewable resources 	Text to be added to sections 2 and 3.
Socio-economic effects	The IPG could also highlight the need for a regeneration statement/consideration of potential socio-economic impacts.	Text to be added to section 2.
	The IPG could clarify the approach to ensuring a sustainable jobs: homes ratio.	Text to be added to section 2.
Statements required in support of planning applications.	The IPG could also highlight the fact that Strategic Planning Applications will require a Sustainability Statement – which is different to a Sustainability Appraisal. A Retail Impact Assessment could also be required.	Include likely information required in support of future planning application in appendix.
Housing provision	The IPG could specify the requirement for affordable housing to be integrated with tenure blind designed development blocks.	Text to be added to section 3.
	The range of housing to be provided on site could be narrowed down (1000-2000 dwellings is a big range).	Housing project in section 3 to be amended to make it

		more specific.
Biodiversity	The IPG could elaborate on how ecological budgeting would work.	Text to be added to section 2 and glossary in appendix.
	There are Mayor of London targets relating to biodiversity that the IPG could reference.	Reference to be added to section 2.
Site remediation	Subject to issues around phasing, there may be scope for a Global Remediation Strategy and the IPG could highlight this. The IPG could advocate that proposals for remediation should take account of their carbon footprint.	Text to be added to section 4.
Integrated Travel Plan	The IPG could make it clear who will be responsible for funding and preparing the Travel Plan and when it should be prepared – should it be phased along with the development?	Include likely information required in support of future planning application in appendix
Climate change adaptation	Adapting to climate change is a key issue that is not explicitly highlighted in the SA objectives. It is recommended that applications are required to demonstrate how the project will adapt to climate change that will occur over the life of the project.	To be considered through the EIA process, prior to submission of planning application.
Monitoring	The IPG needs to ensure that monitoring of outcomes and effects of IPG is undertaken. It is recommended that this be undertaken through both boroughs LDF Annual Monitoring Reports processes in order to demonstrate compliance with the SEA Directive.	LDF Teams at both boroughs to review content of IPG during the preparation of LDF Annual Monitoring Reports.

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Agenda Item 6.2

COMMITTEE <i>Cabinet</i>	DATE 2 December 2009	CLASSIFICATION Unrestricted	REPORT NO. (CAB 082/090)	AGENDA ITEM
REPORT OF: Aman Dalvi Corporate Director Development & Renewal ORIGINATING OFFICER(S): Clare Wall Team Leader Spatial Research (Interim)		TITLE: Local Development Framework Annual Monitoring Report 2008-2009 WARD(S) AFFECTED: All		

1. Summary

- 1.1 Each year the Council submits an Annual Monitoring Report to the government covering the previous year's progress relating to spatial planning and the Local Development Framework. This fifth Annual Monitoring Report is based on the monitoring period 1 April 2008 to 31 March 2009. Any changes to indicators or new information since March 2009 will be reported on in the next Annual Monitoring Report.
- 1.2 The Annual Monitoring Report covers progress made on preparing local planning documents, and the extent to which the policies in our planning documents are being achieved.
- 1.3 In Tower Hamlets the Annual Monitoring Report monitors the policies of both the adopted Unitary Development Plan and the Interim Planning Guidance offering an annual review of planning progress and outcomes by monitoring change and policy effectiveness. The information and findings will be used to inform planning policy and specifically the emerging Local Development Framework Core Strategy.
- 1.4 The Annual Monitoring Report must be submitted by officers to the Secretary of State before 31 December 2009.
- 1.5 This fifth report builds on ongoing good practice, and reports on a range of indicators within the monitoring framework that is flexible to respond to the emerging Local Development Framework and Core Strategy.
- 1.6 Section 4 of this report sets out some of the main messages highlighted by the Annual Monitoring Report 2008/09 and section 5 considers measures to address underperformance where necessary.

2. Recommendations

The Cabinet is recommended to:

- 2.1 note the contents of this report and the Annual Monitoring Report for the period April 2008-March 2009 attached at Appendix A.
- 2.2 note that the Annual Monitoring Report for the period April 2008-March 2009 will be submitted to the Secretary of State before 31 December 2009.
- 2.3 authorise the Corporate Director of Development and Renewal to make minor amendments prior to submission to the Secretary of State relating to factual matters.

3. Background: The Annual Monitoring Report

- 3.1 In accordance with Planning Policy Statement 12, an Annual Monitoring Report should:
- Report progress on the timetable and milestones for the preparation of documents set out in the local development scheme including reasons where they are not being met.
 - Report progress on the policies and related targets in local development documents. This should also include progress against any relevant national and regional targets and highlight any unintended significant effects of the implementation of the policies on social, environmental and economic objectives. Where policies and targets are not being met or on track or are having unintended effects reasons should be provided along with any appropriate actions to redress the matter. Policies may also need to change to reflect changes in national or regional policy.
 - Include progress against the core output indicators including information on net additional dwellings (required under Regulation 48(7)) and an update of the housing trajectory to demonstrate how policies will deliver housing provision in their area.
 - Indicate how infrastructure providers have performed against the programmes for infrastructure set out in support of the core strategy. Annual Monitoring Reports should be used to reprioritise any previous assumptions made regarding infrastructure delivery.
- 3.2 There are strong links between Annual Monitoring Reports and Community Plan monitoring programmes. In addition, there is a cross-over of Local Area Agreement indicators, particularly relating to housing delivery and waste management.

4. Annual Monitoring Report Findings

- 4.1 This section sets out Tower Hamlets performance against the Local Development Scheme and policies in the adopted Unitary Development Plan and the Interim Planning Guidance. A summary of the findings for 2008/09 is arranged subject below:

Planning in Tower Hamlets

- 4.2 There were a total of 2,507 planning applications received by the Council during the monitoring period, an increase on previous years, but a drop in the number of major applications.
- 4.3 42 appeal decisions were made in relation to LBTH planning decisions. Of these 36 were dismissed in the Council's favour, with 6 being allowed.

Refocusing on our Town Centres

- There are low levels of town centre vacancies, with the exception of Roman Road East, which has a vacancy rate of 19%, up from 14% last year. Work continues to regenerate this town centre with key local partners and stakeholders.

Strengthening Neighbourhood Well-Being

- 2,839 net additional homes were completed
- 1,555 gross affordable homes were completed, 57% when calculated by habitable rooms
- 961 intermediate homes (57%), and 594 (43%) social rented homes were completed
- 208 social rented family homes were completed, 35% of all social rented
- 447 student bedrooms were completed
- Housing density has increased from an average of 528 (2007/08) habitable rooms per hectare to 579 (2008/09)
- Eight new and/or refurbished health facilities opened during the monitoring period
- Planning obligations secured £1,659 per residential unit for health purposes
- There has been no increase in the level of public open space. The current level of 1.12 ha per 1,000 population is less than 1.14 last year
- Six parks in the Borough were awarded the Green Flag Award, including Island Gardens, King Edward Memorial Park, Mile End Park, Millwall Park, Trinity Square Gardens and Weavers Fields, representing a third of the Borough's open space
- Recycling levels have increased from 13.6% to 14.6% in the past year, however the amount of waste sent to landfill continues to increase with a growing population.

Enabling Prosperous Communities

- 13,142 sq m (net) of B1(a) office floorspace was completed, with almost 7,000 sq m of in the City Fringe at Spital Square
- There has been a reduction of 20 hectares in total industrial land, with land being transferred to other uses, mainly residential, in accordance with local, regional and national planning policy priorities
- 168 new hotel bedrooms were completed, adding to a total of around 3,500 hotel bedrooms in the borough
- Planning obligations secured £1,590 per residential unit for educational purposes.

Designing and High Quality City

- Recently completed residential developments have been assessed against the Building for Life criteria, with improved results and particularly good scores at City Quarter and Tarling Estate
- 44 car-free agreements were signed during the monitoring period between the Council and developers
- Air quality improving, marking a change in trend from previous years, with actions in the Air Quality Action Plan being implemented across the Council
- There has been a drop in the number of domestic burglaries recorded per 1,000 households from 15.98 in 2007/08 to 10.9 this year
- The number of noise-related complaints has increased again, with a concentration around the Shoreditch area.

Local Development Scheme (LDS)

- 4.4 During 2008/09 Tower Hamlets complied with the revised local development scheme by progressing with the preparation and production work on the Core Strategy. Work on the Site and Place-making, and Development Management Development Plan Documents has been delayed due to the prioritised work on the Core Strategy.

Data collection

- 4.5 Difficulties remain in collecting some indicators, including those relating to renewable energy and sustainable urban drainage systems. Improved data collection methods should help to collect better information in these areas.

5. Analysis

This years Annual Monitoring Report reflected the following significant issues:

Non-Residential Development

- 5.1 The borough has seen a significant loss in the amount of employment land available. This is a trend showing a year on year decrease of around 20 ha. This is in line with current policy requiring a managed release of employment land in Tower Hamlets. It is important to note that this space is not being lost in areas that have been designated for employment use. There is anecdotal evidence to suggest that where applications for employment use have been approved they are not being implemented. This continued consolidation of employment land presents a challenge to providing a range of opportunities for access to employment for local people.
- 5.2 Tower Hamlets has been at the forefront of regeneration over a number of years increasing both regeneration and business tourism. In response to this and the 2012 Olympic and Paralympic Games, is an increasing demand for hotel development. This has resulted in high levels of hotel development over the past four years, exceeding the annual policy target of 100 hotel rooms. The number of approvals for hotels and their location will continue to be monitored carefully.

Housing Delivery

- 5.3 Despite an overall increase in the delivery of affordable housing, the dwelling mix and type raises some concerns. This year, the number of intermediate homes completed exceeds the number of social rented homes. The resulting 57% of affordable homes in the intermediate sector does not meet the Council's policy target of 20% set out in the Interim Planning Guidance. It should be noted that of the 961 intermediate homes completed, around a third were part of the Harford Street development. This is in addition to the high levels of intermediate housing delivered across the borough in the 2008/09 financial year, with 10 sites contributing high levels of intermediate housing. To ensure new housing contributes to building sustainable communities, the Council is working with the Homes and Communities Agency on a number of sites around the borough to deliver new affordable homes that meet the housing needs in Tower Hamlets.

- 5.4 Understanding the demand for student accommodation and the potential impacts and benefits remains a priority for the Council. Further work in this area is required as demand for purpose built student accommodation across London continues to grow.

Impacts of an Increasing Population

- 5.5 High levels of population growth, evident from the continuing high levels of housing development, place additional pressure of community infrastructure.
- 5.6 The level of publicly accessible open space per 1,000 people has decreased for the fourth year in a row. The Council is working with key partners through the Healthy Tower Hamlets programme to deliver a Green Grid for Tower Hamlets. This will work to identify opportunities for new open spaces and improve the links between open space, while promoting walking and healthy lifestyles.
- 5.7 The total amount of municipal waste generated has increased significantly, again linked with continuing population growth. While a higher percentage of all waste is being recycled; in real terms, the amount of waste going to landfill has increased in the past year. While the recycling results are promising, this presents a challenge in terms of waste management, both for the Council and for local people.
- 5.8 The increase in noise complaints over the last year and the clear concentration in the Shoreditch area, indicates that noise may be related to an increase in activity and hours of operation in this area. Interventions in this area should be explored to address this negative symptom of increasing levels of activity in this location.

The Recession in Tower Hamlets

- 5.9 Tower Hamlets has a high concentration of financial service firms which have faced challenging economic conditions. A struggling financial sector inevitably influences the prospects of other sectors and households in the borough. Difficulties in borrowing money and rising inflation have particularly affected people on lower incomes.
- 5.10 This, combined with more difficult access to finance for property developers, is expected to lead to a significant slowdown in property developments. At the same time, consumers' disposable incomes have been squeezed by rising energy and food prices, which have led to a reduction in consumer spending.
- 5.11 Despite these challenging circumstances, development pressure in Tower Hamlets remains, with businesses and people wanting to locate here. With support from central government, and targeted investment housing delivery should continue to meet targets, bringing associated investment in community infrastructure.

Additional actions proposed

- 5.12 Further actions proposed include:
- Further work on coordinating the Annual Monitoring Report programme with Local Area Agreement monitoring;

- Improving data collection on renewable energy;
- Improving data collection on sustainable urban drainage systems;
- Continuing monitoring of student accommodation and the associated impacts;
- Revising the Local Development Scheme by December 2009;
- Revising the Statement of Community Involvement by December 2009;
- Begin work on the Site and Place-making and Development Management DPDs in late 2009;
- Embed new policy monitoring targets in the emerging Local Development Framework.

6. Comments of the Chief Financial Officer

- 6.1 The submission of an Annual Monitoring Report is a requirement of the plan-making system, and assesses progress in meeting the targets set out in the Local Development Framework.
- 6.2 This is the fifth Annual Monitoring Report completed by the Authority. The costs of collecting and collating the data are met from within existing Directorate resources.
- 6.3 Although there are no specific financial implications arising from the report itself, the performance indicators themselves do inform the Local Development Framework process, as well as reflecting the effects of the current economic climate. The performance in certain areas will potentially affect future resources that are available to the Council but these must often be seen in the context of overall nationwide statistics. A specific example of this is the number of actual housing unit completions compared to target. This is a significant constituent of the current Housing and Planning Delivery Grant regime, but the allocation also reflects the Council's good performance compared to that of other authorities.

7. Comments of the Assistant Chief Executive (Legal)

- 7.1 The preparation and submission of the Annual Monitoring Report ("AMR") to the Secretary of State is a statutory requirement pursuant to Section 35 of the Planning and Compulsory Purchase Act 2004.
- 7.2 The AMR must comply with Regulation 48 of the Town and Country Planning (Local Development) (England) Regulations 2004. The report at Annex A fulfils these statutory requirements.

8. Equal Opportunities Implications

- 8.1 An Equalities Impact Assessment was completed for the Interim Planning Guidance which informed the drafting of all initial Development Plan Documents. The Annual Monitoring Report does not specifically monitor the impact of policies on groups or specific communities.

9. Anti-Poverty Implications

- 9.1 Tackling poverty and social exclusion is a key objective of the Local Development Framework and is central to the Borough's approach to promoting sustainable communities. Significant effects indicators in the Annual Monitoring Report include indicators relating to poverty.

10. Sustainable Action for a Greener Environment

10.1 A detailed Sustainability Appraisal was completed for the Interim Planning Guidance. The Sustainability Appraisal process informs the drafting of the Development Plan Documents at every stage to ensure they are robust and will work to achieve sustainable development. The Annual Monitoring Report includes a range of indicators on the environment.

11. Risk Management Implications

11.1 The Annual Monitoring Report has identified areas of risk relating to the mix of housing being delivered, student accommodation, provision of open space, waste management, and noise. Mechanisms have been identified to address these issues, working with key partners.

12. APPENDICES

A. Local Development Framework Annual Monitoring Report: April 2008 - March 2009

**LOCAL GOVERNMENT ACT, 1972 SECTION 100D (AS AMENDED)
LIST OF BACKGROUND PAPERS USED IN PREPARATION OF THIS REPORT**

Brief description of background papers

**Name and telephone
number of holder and
address where open to
inspection**

NIL

Appendix A

Local Development Framework Annual Monitoring Report: April 2008 - March 2009

**Tower Hamlets
Local Development Framework
Annual Monitoring Report
2008-2009**

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1. Introduction

- 1.1 This is the fifth Annual Monitoring Report (AMR) prepared by the London Borough of Tower Hamlets. The AMR forms part of the Local Development Framework and is a requirement of the Planning and Compulsory Purchase Act 2004 (section 35). The AMR will be submitted to the Secretary of State in December 2009.
- 1.2 The monitoring period for this AMR runs from 1 April 2008 to 31 March 2009. The information presented relates to this period, unless otherwise stated.
- 1.3 The report looks at the implementation of the Local Development Scheme and the extent to which the policies set out in the Local Development Documents are being achieved.
- 1.4 A series of indicators are used to monitor policies for the AMR. These indicators are based on the Council's Interim Planning Guidance 2007 and include:
 - **Contextual Indicators** that provide an understanding of the Borough and the social, economic and environmental setting in which development occurs;
 - **Core Output Indicators (COI)** national indicators required by the Department for Communities and Local Government;
 - **Local Output Indicators (LOI)** designed to help monitor the effectiveness of policies in the Tower Hamlets Interim Planning Guidance and help determine whether we are achieving the spatial vision set out in the Core Strategy; and
 - **Significant Effects Indicators (SEI)** are linked with the Local Development Framework's Sustainability Appraisal to measure the significant effects of implementing the policies in the Interim Planning Guidance.
- 1.5 A summary of indicators with current and past performance is included in Appendix 1. The emerging Core Strategy will set out a vision, objectives and policies. These will be referred to, upon adoption of the document, in future monitoring reports.
- 1.6 Monitoring has a key role in the planning and policy making process, described as the plan-monitor-manage process. The Local Development Framework will be a 'live' set of documents that will be reviewed regularly by assessing whether the policies are meeting the strategic objectives. This Annual Monitoring Report provides the preliminary information required for undertaking such a review, as well as identifying key challenges and opportunities.

- 1.7 The Unitary Development Plan, with the London Plan, make up the statutory development plan for the London Borough of Tower Hamlets, for determining planning applications during the monitoring period. The policies in the Interim Planning Guidance have been allowed some weight as a material consideration in determining planning applications and guiding implementation during the monitoring period. The AMR reports on the indicators contained in the Interim Planning Guidance rather than indicators that specifically monitor the 'saved' policies in the Unitary Development Plan.

Structure of the Annual Monitoring Report

- 1.8 The report introduces the role of the AMR, with section 2 providing a brief background of key Borough statistics and achievements.
- 1.9 Section 3 explains the role of the Community Plan and how this relates to the emerging Local Development Framework. It also looks at the impact of the Olympic and Paralympic Games.
- 1.10 Section 4 analyses planning decisions looking at applications and appeals in Tower Hamlets.
- 1.11 Section 5 presents data on contextual, core output, local output and significant effects indicators, highlighting the key policies and findings. The section will be reported under the overarching themes of the emerging Core Strategy as described below:
- **Refocusing on our Town Centres-** describes town centre activity, shopping and retail uses.
 - **Strengthening Neighbourhood Well-Being-** looks at housing, open space, flood management and dealing with waste.
 - **Enabling Prosperous Communities-** analyses delivery of employment hubs and provision of community and social facilities.
 - **Designing a High Quality City-** focuses on building and design quality, incorporating safe, secure and sustainable environments and heritage and conservation.
- 1.12 Section 6 details progress made on the delivery and implementation of Tower Hamlets master plans. This is now linked under the Core Strategy theme: Delivering placemaking.
- 1.13 Section 7 reports on progress against the delivery of the Local Development Scheme and the Local Development Framework describing the current situation in the preparation of Development Plan Documents.

- 1.14 Section 8 considers the transition from the adopted Unitary Development Plan to the Local Development Framework in more detail.
- 1.15 Section 9 looks at the Statement of Community Involvement and how the Council has been consulting with the communities in the Borough.
- 1.16 Finally, section 10 looks at the issues arising from the monitoring process and the necessary actions to address these.
- 1.17 A traffic light system has been used to indicate results of performance. These are highlighted using the following symbols:



Performance is on target



Performance has improved but remains off target



Performance has not changed or not enough data was provided to interpret results



Performance is off target

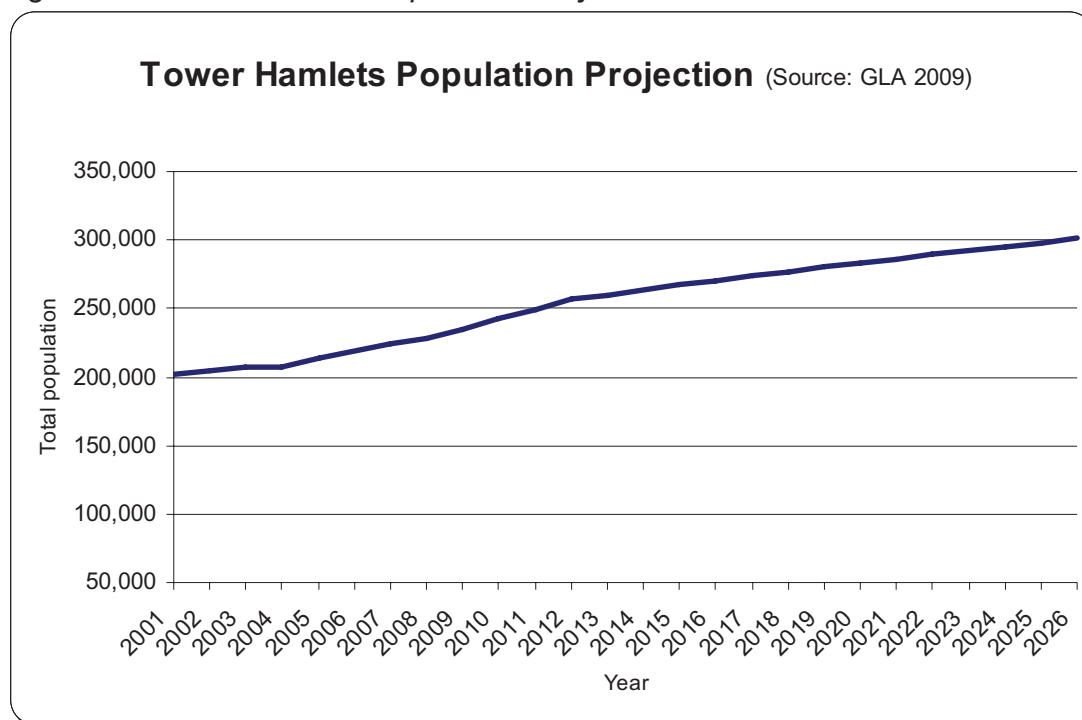
2. This is Tower Hamlets

- 2.1 Tower Hamlets covers over eight square miles (20.72 square kilometres) making it one of the smallest but most densely populated London Boroughs. It is a Borough of marked contrasts which has experienced spectacular regeneration and economic growth but still has high levels of deprivation.
- 2.2 Canary Wharf is the UK's second largest business district with more than 103,500 employees. Continuing regeneration projects are transforming the Borough and delivering new homes and opportunities for local people. During this time Tower Hamlets continued to have one of the strongest economies in the country with more jobs available than economically active residents.

Population

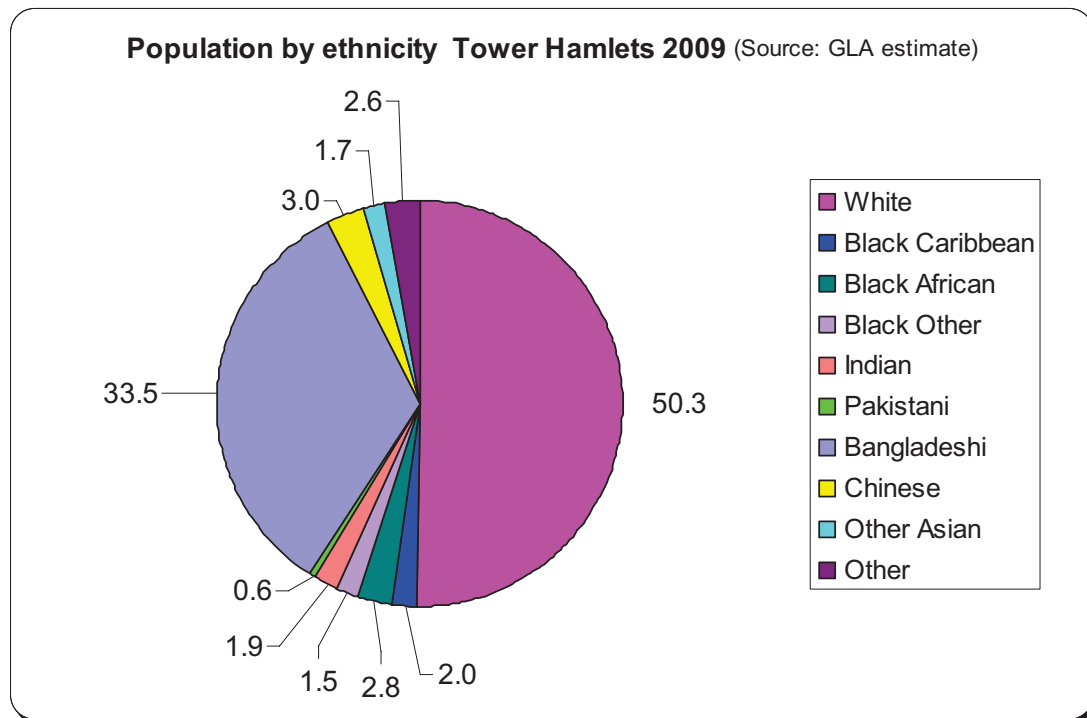
- 2.3 Tower Hamlets continues to have one of the fastest growing populations in London. Population estimates published by the Office for National Statistics (ONS) in August 2008 confirm this trend. The 2007 population was estimated to be 215,300.
- 2.4 However, population projections for 2009 published by the Greater London Authority (GLA) estimate the Borough population to be 234,974, increasing to 301,456 by 2026 (Figure 1).

Figure 1 - Tower Hamlets Population Projection



- 2.5 In terms of households, since 2000 the number of households has increased by 20%. Council tax records for 2009 confirm that there are more than 101,800 households in the Borough.
- 2.6 In terms of ethnic groups in Tower Hamlets, GLA Ethnic Group Projections published in 2008, confirm that BME communities are now 49.7% of the Borough's population, the largest of which continues to be the Bangladeshi community. By 2026, the GLA projections indicate Tower Hamlets will be one of 8 London Boroughs where the BME population will represent more than 50% of the total population. Another dynamic of the Borough's population is that a high percentage of the under 16 year olds are from BME groups (Figure 2).
- 2.7 Further details of the Boroughs statistics are discussed throughout the AMR and form part of the contextual indicators.

Figure 2 - Population by Ethnicity



Achievements in 2008/09

- 2.8 Work in preventing child poverty and the positive engagement of older people earned Tower Hamlets Council two further Beacon awards in March 2009.
- 2.9 The first award was for its innovative approach to engaging older people which has led to a decrease in admissions into long-term institutional care by 15 percent and an increase in the average admission age of older people to residential or nursing care from 80

years in 2004/05 to 83 last year. By looking beyond older people's needs in narrow 'health and social care' terms, the innovative approach has seen vast improvements in health, wellbeing, social engagement and independence.

- 2.10 The second Beacon award was for preventing and tackling child poverty. This is recognition of the work being done to help local children and families in difficult circumstances. Children's Centres have been rolled out across the Borough - helping under-fives and their families learn and develop together while advising parents on affordable childcare, employment and training opportunities.

Tower Hamlets Participatory Budgeting

- 2.11 The Tower Hamlets 'You Decide!' project began in January 2009. In the first four months the Council ran eight events where 815 residents decided how to spend almost £2.4 million. The money was from the central Council budget and was spent on additional mainstream Council services prioritised by local people.
- 2.12 Subsequent to the events, the Local Area Partnership (LAP) Delivery Groups, (made up of residents, Councillors and service providers) determined how the services should be delivered on the ground and how they should be monitored.

3. The Community Plan and the 2012 Games

- 3.1 During 2008 the Tower Hamlets Partnership refreshed and published the 2020 Community Plan. The 2020 Vision was based on extensive consultation with local residents, businesses, the third sector and key stakeholders. The new Community Plan has been developed alongside the Local Development Framework (LDF), to ensure that the new LDF reflects the ambitions, aspirations and priorities set in the Community Plan and the Local Area Agreements (Figure 3).

Figure 3: Relationship between Local Development Framework, Local Area Agreement and Community Plan in Tower Hamlets



- 3.2 The Local Area Agreement sets key targets for the next three years through to 2011 on priority national indicators and is used to monitor the implementation of the Community Plan in Tower Hamlets. The new Community Plan retains the vision to “improve the quality of life for everyone living and working in Tower Hamlets” and sets out the challenges and the priorities for the Borough to 2020 as well as specific targets from the Local Area Agreement which Tower Hamlets Partnership will focus on until 2011.

The Community Plan

- 3.3 The four themes of the new Community Plan are:
- A Great Place to Live
 - A Healthy Community
 - A Prosperous Community
 - A Safe and Supportive Community

The overarching aspiration of **One Tower Hamlets** runs throughout the Community Plan. One Tower Hamlets is about reducing inequalities and poverty, strengthening cohesion and making sure communities continue to live well together. One Tower Hamlets is about recognising that we all have a part to play in making this a reality.

3.4 The Tower Hamlets Partnership has begun to make progress against the ambitious targets and aspirations set in the 2020 Community Plan. Key achievements during 2008-2009:

- Tower Hamlets Homes, the 'Arms Length Management Organisation' was successfully established; and
- the new Sustainable Transport Strategy: Making Connections was launched.

A Great Place to Live

3.5 The Council also continued to progress the major regeneration schemes for the Ocean Estate and Blackwall Reach. The comprehensive regeneration programme for the Ocean Estate through phased demolition of 340 homes will result in the development of up to 1,000 new homes by 2015. The programme will provide affordable homes for rent for existing residents and shared ownership, substantial refurbishment of 80 homes in more than 40 blocks across the estate, and the provision of better community facilities, parks and play areas. At Blackwall Reach we will deliver phased demolition of 250 homes and development of up to 2,000 new homes by 2015, including affordable homes for rent for existing residents and shared ownership, improved community amenities such as a new park, modernisation of the local school and improved facilities.

A Healthy Community

3.6 In 2008 Tower Hamlets was awarded 'Healthy Borough' status, along with eight other 'healthy towns' nationally. Tower Hamlets has been allocated government funding to run the Tower Hamlets Healthy Borough Programme to March 2011. The Healthy Borough Programme focuses on the three key strands of Active Travel, Active Lives and Healthy Food, by working together to support and encourage local people to make healthy choices and live long and healthy lives. The Healthy Borough Programme is piloting environmental approaches to make it easier for children and families to be more physically active and eat more healthily wherever they live, work, travel, play or learn.

A Prosperous Community

3.7 Towards the end of 2008 the Council commissioned Oxford Economics to examine the implications of the economic downturn on the Borough's economy. This research concluded that late 2008 and early 2009 would be the most challenging period for Tower Hamlets since it emerged as a financial centre, and that job losses would be most significant in the financial business services sector. Within Canary Wharf, Lehman Brothers was the most high profile casualty of the credit crunch.

- 3.8 Despite a challenging economic climate the Council and its partners continue to focus on achieving targets, reducing worklessness and fostering enterprise. Our Employment Strategy was adopted by Cabinet in January 2009 and the Council is progressing with an Enterprise Strategy as part of its preparation for undertaking an Economic Assessment when the duty comes into place in 2010. A number of successes have been achieved in 2008-2009 including:
- The Personal Best Programme - The Borough's 2012 Team have developed the Personal Best Programme, a programme of support for local residents who are not in work or education to embark on a level one qualification in event volunteering. The programme was launched in March 2009, with a target of 200 programme graduates. On completion of this qualification, graduates will be guaranteed an interview to be one of the official volunteers at the 2012 Games venues.
 - 1,000 local residents were assisted into employment, 600 directly through the Council's job brokerage service Skillsmatch.
 - The East London Business Place programme has secured £5.3m worth of contracts for 120 local small businesses
 - The Council is supporting a loan fund, in partnership with the East London Small Business Centre in order to help support Small Medium Enterprise's through the current economic climate.

A Safe and Supportive Community

- 3.9 In terms of delivering a safe and supportive community, the Community Plan recognises two key aspects. The first is providing excellent services to everybody - including high-quality housing, schools and healthcare. Such services form part of every theme in this plan. The second involves providing excellent services for our most excluded groups and to those at risk of becoming excluded. The Council's priorities include empowering older and vulnerable people and supporting families; tackling and preventing crime; and focussing on early intervention.

2012 Olympic and Paralympic Games

- 3.10 The Council's London 2012 Olympic and Paralympic Games Legacy Strategy is now rooted in the 2020 Community Plan and we are beginning to deliver a wide range of actions. It includes a wide range of actions to be brought forward under four overarching themes - creating and sharing prosperity, a socially cohesive community, a transformed environment and the Games experience.

High Street 2012

- 3.11 High Street 2012 is an initiative that will use the Games as a catalyst for improvements to the A11/A118 corridor through Tower Hamlets (taking in Whitechapel High Street, Whitechapel Road, Mile End Road and Bow Road) and on into Stratford in Newham.
- 3.12 The vision for High Street 2012 is to create a world class and thriving 'High Street', where there is a balance between pedestrian and road uses, where people and places are connected, where locals, visitors and tourists want to be, and where there is a sense of well being, community and history.
- 3.13 Proposals for the route have been developed in consultation with local communities. They include
- street actions - a series of measures for the length of the street, such as better lighting and way finding, more trees, and restored historic buildings.
 - area studies - suggesting short, medium and long term improvements to places along the route, including Aldgate, Whitechapel, Mile End and Bow.
- 3.14 Work on the first High Street 2012 projects began in 2009, including the new park at Braham Street and a programme of enhancements to historic buildings in Aldgate, Whitechapel and Mile End.
- 3.15 Tower Hamlets is also working with the other four Olympic Host Boroughs to develop a Multi Area Agreement which will focus mainly on economic development. There are major challenges for the Olympic Boroughs. One in three households across the five Boroughs with dependent children contain no working adult; a child in one of the five Borough's is twice as likely to grow up in a workless household as the rest of England. There are also major challenges in the overcrowding and quality of housing and the gap between housing affordability and earnings.
- 3.16 The staging of the Olympic and Paralympic Games provides an unprecedented opportunity to ensure that we achieve a lasting legacy. As part of this we are working with partners to develop:
- A plan for the ongoing physical legacy of the Olympic venues, facilities and the park;
 - A Strategic Regeneration Framework (SRF), which will provide an holistic approach to delivering improved services across the whole range of issues that affect the quality of life for local people over the next 5, 10 and 15 years.

4. Planning in Tower Hamlets

- 4.1 There were a total of 2,507 planning applications received by the London Borough of Tower Hamlets during the monitoring period, April 2008 - March 2009. This was higher than that recorded for the two previous monitoring periods. Figure 4 below provides a breakdown by type. A major application is defined as 10 residential units and above, or 1,000 sq m or above. Minor applications include applications below these thresholds (defined for major) and that do not feature in the other categories. This shows a consistent level of applications lodged however there has been a reduction in the number of major applications.

Figure 4: Planning Applications lodged April 2008 - March 2009

Type of Application	2005-06	2006-07	2007-08	2008-09
Major	116	136	104	90
Minor	668	658	575	821
Change of Use	165	115	88	144
Householder Application	175	163	207	260
Advertisement	121	96	158	135
Listed Building, etc	248	151	145	189
Other	467	463	696	791
Conservation Area Consent	-	-	42	77
Total	1,960	1,782	2,015	2,507

- 4.2 During the monitoring period 42 appeals were determined by the Planning Inspectorate relating to the decisions made by the London Borough of Tower Hamlets. This is an increase of 11 from 2007/08 when 31 appeals were determined.
- 4.3 Of these 36 were dismissed and 6 were allowed by the Planning Inspectorate. The appeals are summarised in Figure 5 below.

Figure 5: Planning Appeals decided April 2008 - March 2009

Issue	Dismissed	Allowed	Number of Appeals
Amenity/Conservation	30	3	33
Housing Provision	0	2	2
Road Safety	2	0	2
Other	4	1	5
Total	36	6	42

- 4.4 The appeals that were allowed involved the following issues:
- the status of the Council's development plan policies and documents
 - contribution to the character and appearance of buildings and areas
 - proposed town centre use contributing to the vitality and viability of a town centre
- 4.5 In addition, the Planning Inspectorate issued a decision on an appeal against the London Thames Gateway Development Corporation relating to a proposed development at Devon's Wharf. The main issues addressed in the appeal decision related to safety at the site, (with reference to the nearby gas holder station), the overdevelopment of the site, the appropriateness of the proposed location, access to the River Lea, the proposed mix of affordable housing, and energy efficiency and sustainable construction.
- 4.6 The above cases are examples of how planning decisions have been questioned. In most of these appeal cases, the policy itself was not found to be necessarily unsound, but there have been issues relating to interpretation and application of policy and procedural matters that led to a decision being appealed.

5. Progress against the Local Development Framework Core Strategy Themes

5.1 Refocusing on our Town Centres

5.1.1 Town centres refer to those centres designated on the Interim Planning Guidance Proposals Map. In 2008 the Council commissioned a Town Centre Spatial Strategy for the Tower Hamlets. This work was completed in summer 2009 and looked at the pattern of retail development in the Borough, and provided recommendations on how the Council could better manage activity in the town centres to ensure they remain vital and viable. The Interim Planning Guidance Policy CP16 seeks to direct new retail development to major, district and neighbourhood centres.



Retail, Office and Leisure development in Town Centres

**Policies monitored: CP15 Provision of a Range of Shops and Services;
CP16 Vitality and Viability of Town Centres**

Relevant Indicator: COI BD4

5.1.2 Figure 6 shows the amount of completed retail, office and leisure development in the Borough and in town centres during the monitoring period (COI BD4). There was 20,182 sq m (gross) of town centre uses completed in the Borough in 2008/09 (of which 62 sq m was in town centres). This compares with 9,214 sq m completed in the Borough in 2007/08 (of which 1,407 sq m was in town centres).

Figure 6: Completed Retail, Office and Leisure development for 2008-09 (sq m)

In Town Centres					
	A1	A2	B1a	D2	Totals
net	-13	0	0	0	-13
gross	62	0	0	0	62

Total Borough					
	A1	A2	B1a	D2	Totals
net	1,973	0	13,142	540	15,655
gross	3,147	0	16,495	540	20,182



Town Centre Vacancy Levels

Policy monitored CP16: Vitality and Viability of Town Centres

Relevant Indicator: LOI 8

5.1.3 Vacancy levels (LOI 8) in the Borough's district centres are summarised in Figure 7 below.

Figure 7: Town Centre Vacancy Levels

Town Centre	Number of Vacant Units	Total No. of Units	Vacancy rate %
Canary Wharf	0	225	0.0%
Bethnal Green	0	265	0.0%
Chrisp Street	0	109	0.0%
Crossharbour	0	2	0.0%
Roman Road East	44	231	19.0%
Roman Road West	3	97	3.1%
Watney Market	0	28	0.0%
Whitechapel	1	150	0.7%

(Source: Roger Tym & Partners: 2009)

5.1.4 The low level of vacancies indicate good occupancy levels for all the Borough's town centres, with the exception of Roman Road East, which has a vacancy rate of 19%, up from 14% last year. The Town Centre Spatial Strategy provides recommendations on how to manage the performance of this and the other centres. An implementation group for Roman Road East has been set up in order to improve the vitality and viability of this town centre.



Town Centre Vitality

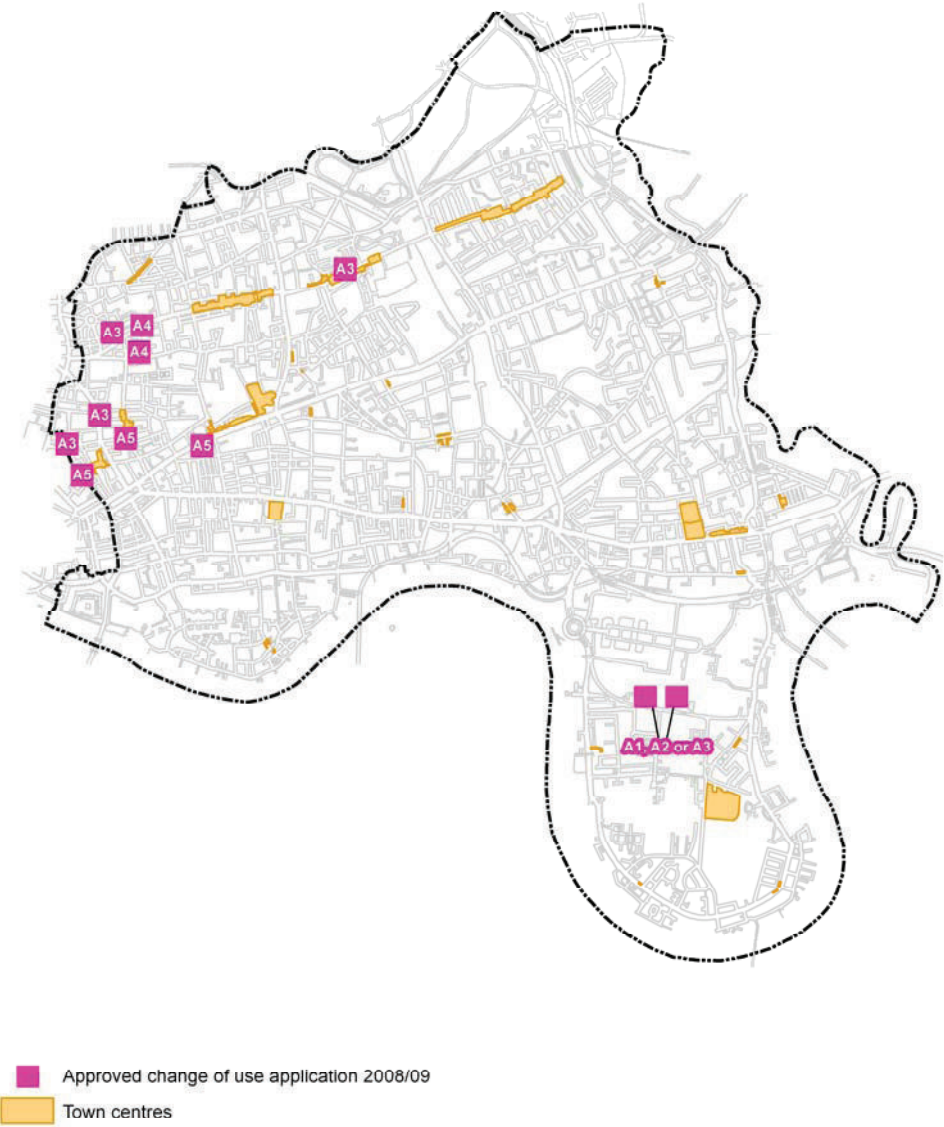
Policies monitored: CP15 Provision of a Range of Shops and Services; CP16 Vitality and Viability of Town Centres

Relevant Indicator: LOI 9

5.1.5 There were 11 applications approved for changes of use to A3 (restaurants and cafes), A4 (drinking establishments) and A5 (hot food takeaway) (LOI 9). This compares with 15 in the previous monitoring period and 17 in the 2006/07 period. The year on year decrease might be reflective of the importance being placed on delivering a 'healthier Borough'. This trend is now monitored in spatial terms (see Map 1) to ensure that these changes are occurring in appropriate locations, and the levels of concentration enhance the vitality and liveability of places, rather than lead to a detrimental impact.

5.1.6 The Interim Planning Guidance Policy CP15 seeks to protect convenience shops where they serve local needs and are of special value to the community. This trend should be further analysed to ensure that much of the change of use is not from A1 in designated town centre areas, contrary to the current policy position. The Town Centre Spatial Strategy has sought to reinforce the role of town centres, including the need to ensure they meet the daily needs of the local people, by recommending visions, objectives and priorities for the Tower Hamlets town centres.

Map 1 Change of use applications in proximity to Town Centres 2008/09



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5.2 Strengthening Neighbourhood Well-being

Urban Living for Everyone

- 5.2.1 Housing is the dominant land use in Tower Hamlets. In the last 24 years, the number of homes in Tower Hamlets has increased from 62,000 in 1985 to 100,288 homes in 2009 (LBTH Housing Strategy, 2009).
- 5.2.2 The 2009 Household Survey data suggests that the owner occupied and private rented sector have grown significantly since 2001. The affordable sector has reduced from 52.5% to 41.5% of the total stock. Around 59% of the Borough's housing stock is now in the market sector.
- 5.2.3 The need for affordable housing continues to be driven by the high cost of market housing, despite a drop in house prices over the last year. The average house price in Tower Hamlets in March 2009 was approximately £ 305,722 compared with the London average of £297,685 (Land Registry House Price Index). Average house prices in Tower Hamlets fell by 20.5% over the last year but appear to have stabilised.



Delivery of Housing Target

Policy monitored: CP19: New Housing Provision

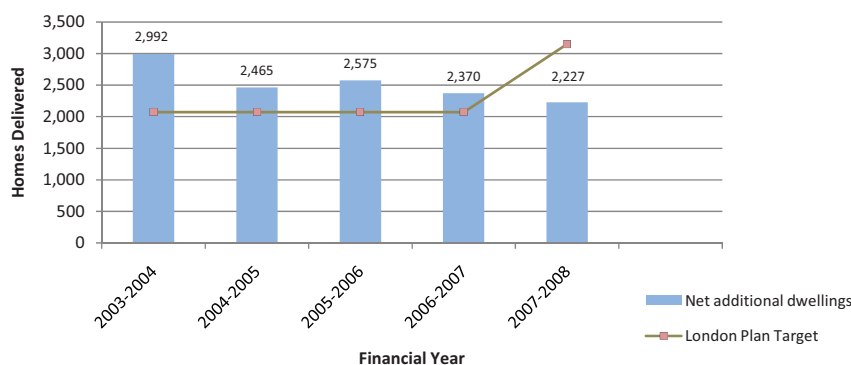
Relevant Indicators: COI H1, COI H2 (a), (b), (c), (d), COI H3 and SEI 7

- 5.2.4 In 2007, the London Plan (Consolidated with Alterations since 2004) introduced a new housing delivery target of 31,500 new homes in Tower Hamlets for the plan period 2007-2017 (COI H1). This figure equates to an annual delivery target of 3,150 new homes each year. This figure is currently being reviewed in the London Plan. Overall housing delivery (over the five year period) has exceeded the target delivery by 1,199 homes. Tower Hamlets remains on track to meet the London Plan target over the whole plan period.
- 5.2.5 Figure 8 below presents a summary of net additional dwellings completed over the past five years (COI H2(a)). Housing completions have been at a fairly consistent level over the past five years with a significant increase in the 2008/09 reporting year. Figure 9 shows this information graphically compared with Tower Hamlet's London Plan annual delivery target.

Figure 8: Net Additional Dwellings Previous Years (2003-2008)

Year	Net additional dwellings	London Plan Target
2003-2004	2,992	2,070
2004-2005	2,465	2,070
2005-2006	2,575	2,070
2006-2007	2,370	2,070
2007-2008	2,227	3,150
Total	12,629	11,430

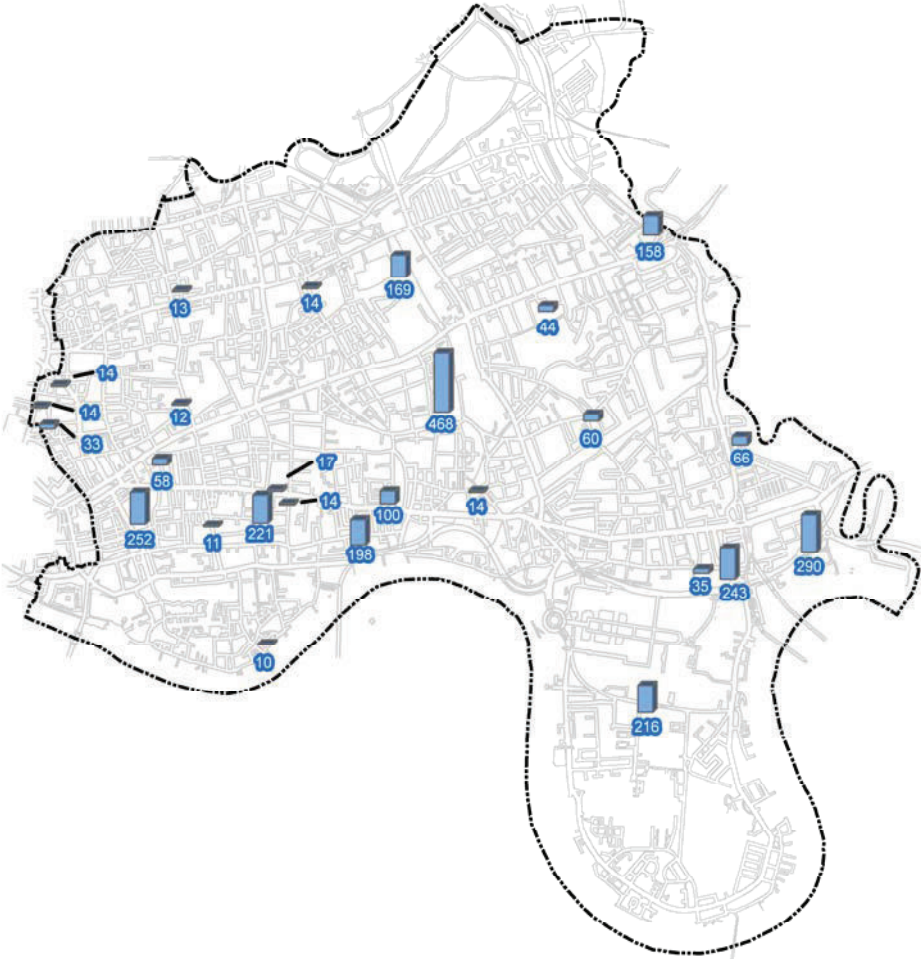
Figure 9: Housing Delivery 2003-2008





5.2.6 This year 2,839 net additional dwellings were completed in Tower Hamlets (COI H2(b)). Appendix 2 - Housing Completions 2008/09 contains a table of the relevant planning applications and sites on which these dwellings were completed. Map 2 shows the spatial distribution of new residential developments completed over 10 units.

5.2.7 A number of residential developments were omitted from the 2007/08 count. The resulting figure of 2,227 net additional dwellings reflects an extra 190 new homes for 2007/08.

Map 2 Housing completions of 10 units or more 2008/09



Housing completions

-  Homes
-  Total number of units completed

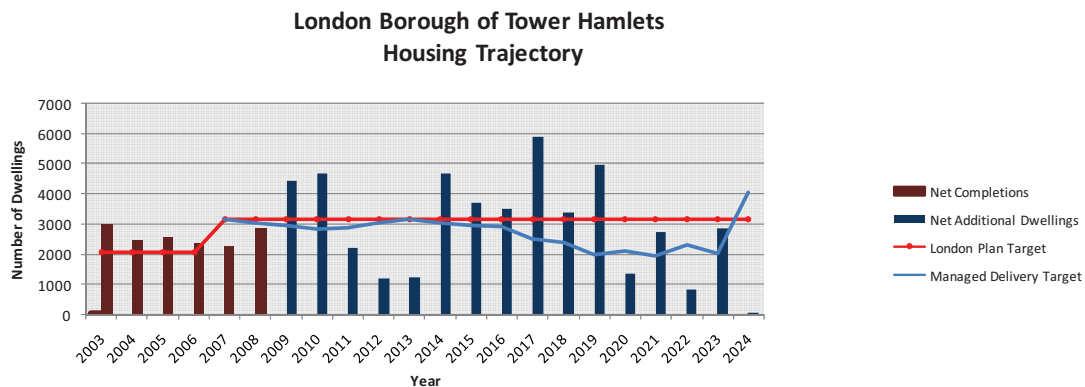
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5.2.8 Appendix 3 - Five Year Housing Supply sets out the net additional homes expected to come forward over the next five year period, 2010-2015). This shows a total of 13,927 net additional dwellings in future years. This will contribute to Tower Hamlets fifteen year supply of housing.

5.2.9 Figure 10 below shows the 15 year housing trajectory, showing previous housing delivery and projected housing delivery (COI H2(c)). Figure 10 also shows the managed delivery line representing the net additional homes expected to come forward each year over the remaining plan period (COI H2(d)). The managed delivery line is presented as an estimation of how housing is expected to come forward over the remaining plan period taking into account the sites which can be delivered. It shows the annual number of completions needed to meet the London plan target, taking into account any shortfalls or surpluses from previous and future years. In the current monitoring period (2009/10) around 4,400 additional homes are expected to be completed. Appendix 4 - Housing Trajectory (COI H2(c) provides further detail on the number of homes expected to come forward each year.

Figure 10: Tower Hamlets Housing Trajectory



5.2.10 The Council is working to ensure that new homes are developed together with the right kinds of infrastructure to make sure our communities are sustainable. The deliverability of sites has been taken into account and it is considered that sites under construction and those with planning permission not yet started would accord with Government criteria for the assessment of deliverability.

5.2.11 There has been little variation in the amount of housing built on previously developed land since the last monitoring period. In 2008/09 97.48% of all residential development in the Borough was on previously developed land (H3), (SEI 7) compared with 97% in 2007/08.



Delivering Affordable Housing

Policy monitored: CP22 Affordable Housing

Relevant Indicators: COI H5, LOI 12, LOI 41 and SEI 2

- 5.2.12 The Council requires all new housing development to contribute to the creation of mixed communities by offering a range of housing choices including a mix of dwelling size, family housing and accessible homes.
- 5.2.13 The Council aims to maximise all opportunities for affordable housing on each site, proposing new residential dwellings in order to achieve a 50% affordable housing target, across the Borough, from all sources. The Council seeks a minimum of 35% affordable housing provision on developments proposing 10 or more new dwellings.
- 5.2.14 IPG Policy CP22 sets an overall strategic target for affordable homes of 50%. This will be achieved by requiring 35% affordable homes on sites providing 10 or more new residential units subject to financial viability.
- 5.2.15 1,555 gross affordable homes were completed during the monitoring period made up of 594 social rented homes and 961 intermediate homes (COI H5). This represents 57% when calculated by habitable rooms (LOI 12) or 52% when calculated by total homes completed (SEI 2). This is a marked improvement over the figures for 2007/08 when only 534 (29% of the total by habitable rooms) affordable homes were completed.
- 5.2.16 Planning obligations, or Section 106 agreements, secured a potential 1,311 affordable homes during the monitoring period (LOI 41). This is at a similar level to the amount secured in 2007/08 (1,489 dwellings).



Delivering a Mix of Housing Types

Policies monitored CP21 Dwelling Mix and Type, CP22 Affordable Housing, HSG2 Housing Mix

Relevant Indicators: LOI 10, LOI 11 and LOI 13

- 5.2.17 Of the 1,555 affordable homes completed this year, 594 (38%) were social rented, and 961 (62%) were intermediate. IPG policy CP22 requires 80% of affordable homes to be social rented and 20% intermediate. When calculated by habitable rooms, 57% of homes were completed in the intermediate sector (LOI 13), with 43% in the social rented sector. This does not meet the Council's policy target of 20% affordable housing to be intermediate set out in the Interim

Planning Guidance. It should be noted that of the 961 intermediate homes completed, around a third were part of the Harford Street development where the RSL/developer converted some of the private market sale units to intermediate homes. This is in addition to the high levels of intermediate housing delivered across the borough in the 2008/09 financial year, with 10 sites contributing high levels of intermediate housing.

5.2.18 IPG Policy HSG2 requires 45% new social rented homes to be of a size suitable for families, with 25% family sized homes in the intermediate and market sectors. Figure 11 shows the breakdown, by homes, of family sized accommodation.

Figure 11: Family Housing Completions

Housing Sector	Number of family housing	Total homes completed (Gross)	Percentage of family housing	Interim Planning Guidance Policy Target
Social Rented	208	594	35%	45%
Intermediate	66	961	7%	25%
Market	49	1424	3%	25%
Total	323	2,979	11%	

5.2.19 This year 35% of social rented homes completed were suitable for families (i.e. 3 bedrooms or more) (LOI 10), compared with 26% last year and 18% the year before. This indicates a move towards the policy target for social rented family housing of 45%.

5.2.20 Family housing in the market and intermediate sector was only 7% and 3% respectively (LOI 11), as a percentage of the total homes completed in each sector.



Gypsy and Traveller Sites

Policy monitored CP26 Gypsy and Traveller Sites

Relevant Indicators: COI H4

5.2.21 There are currently 19 designated pitches in the Borough for gypsies and travellers. These are all located in Eleanor Street at the existing designated gypsy and traveller site. There have been no additional pitches delivered in 2008/09 (COI H4). The Council will maintain the existing sites for gypsies and travellers and where there is an identified need, will identify new provision.



Specialist Housing

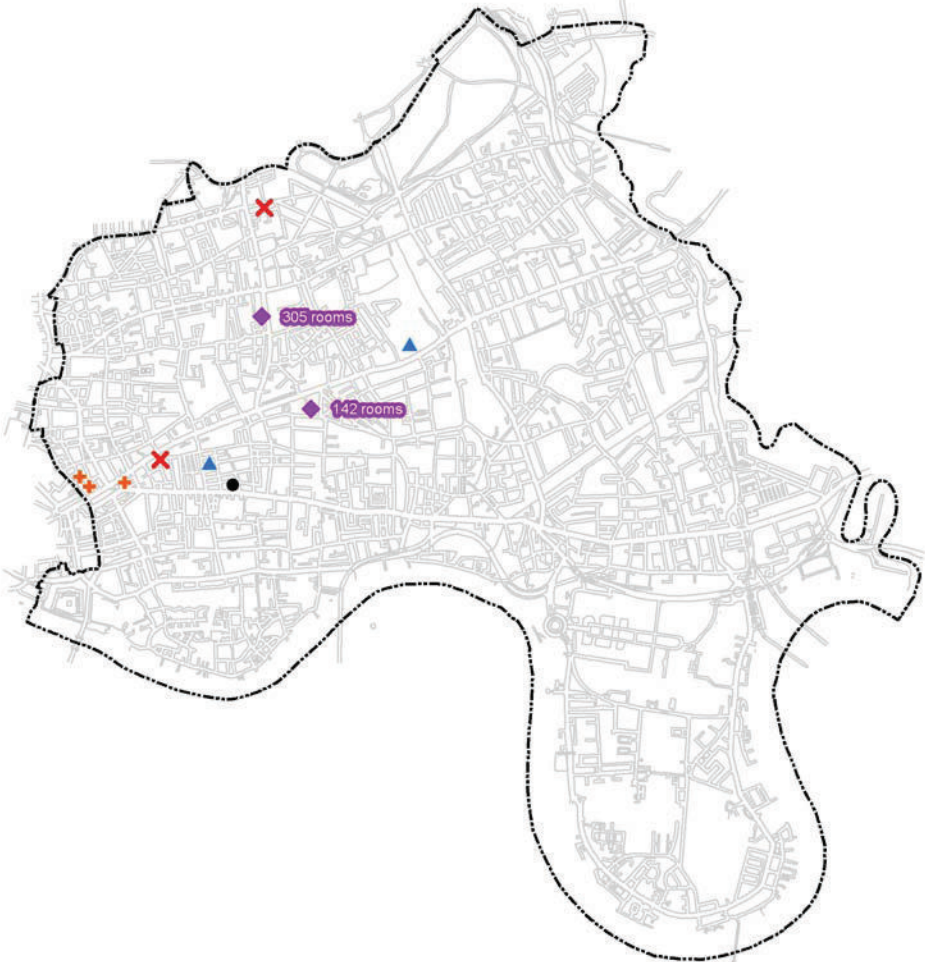
Policy monitored CP24: Special Needs and Specialist Housing

Relevant Indicators: LOI 43

5.2.22 IPG Policy CP24 aims to focus purpose built student housing on the Queen Mary University campus site and in close proximity to the London Metropolitan University at Aldgate, to support the universities.

5.2.23 As part of measuring growth of student accommodation, the Borough has initiated monitoring the increase in student accommodation. In 2008/09, a total of 447 student bedrooms were completed at two locations (LOI 43). Map 3 shows the numbers of bedrooms of student accommodation at existing and approved locations in relation to the universities campuses. Further research is proposed to continue to monitor student accommodation and its associated impacts.

Map 3 Purpose - Built Student Accomodation



- + LMU Colleges
- City University St Bartholomew School Of Nursing
- ▲ Queen Mary University Campus
- ◆ Completed Student Accomodation 2008/09
- ✗ Approved Student Accomodation 2008/09

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Maintaining Housing Quality

Policy monitored CP23: Efficient Use and Retention of Existing Housing

Relevant Indicators: LOI 14 and SEI 3

- 5.2.24 The Council wants to ensure the efficient use and retention of existing housing by resisting the loss of all residential (including family and affordable) dwellings, unless there are acceptable plans for its full replacement. The Council would also like to maximise the efficient use of all existing stock by reducing empty homes, including private and public sector stock and improve all existing housing stock to a minimum decent housing plus standard.
- 5.2.25 A total of 140 residential units were lost in the current monitoring period (LIO 14), compared with 78 dwellings lost in the 2007/08 monitoring year and 355 lost in 2006/07. There has been no overall loss of housing, as all of these units which were lost were entirely replaced in the same development scheme.
- 5.2.26 Fewer homes managed by Tower Hamlets Homes were classified as being non-decent at 57.61% (SEI 3). This is less than in the previous monitoring period where 58.95% of Local Authority homes fell into this category.



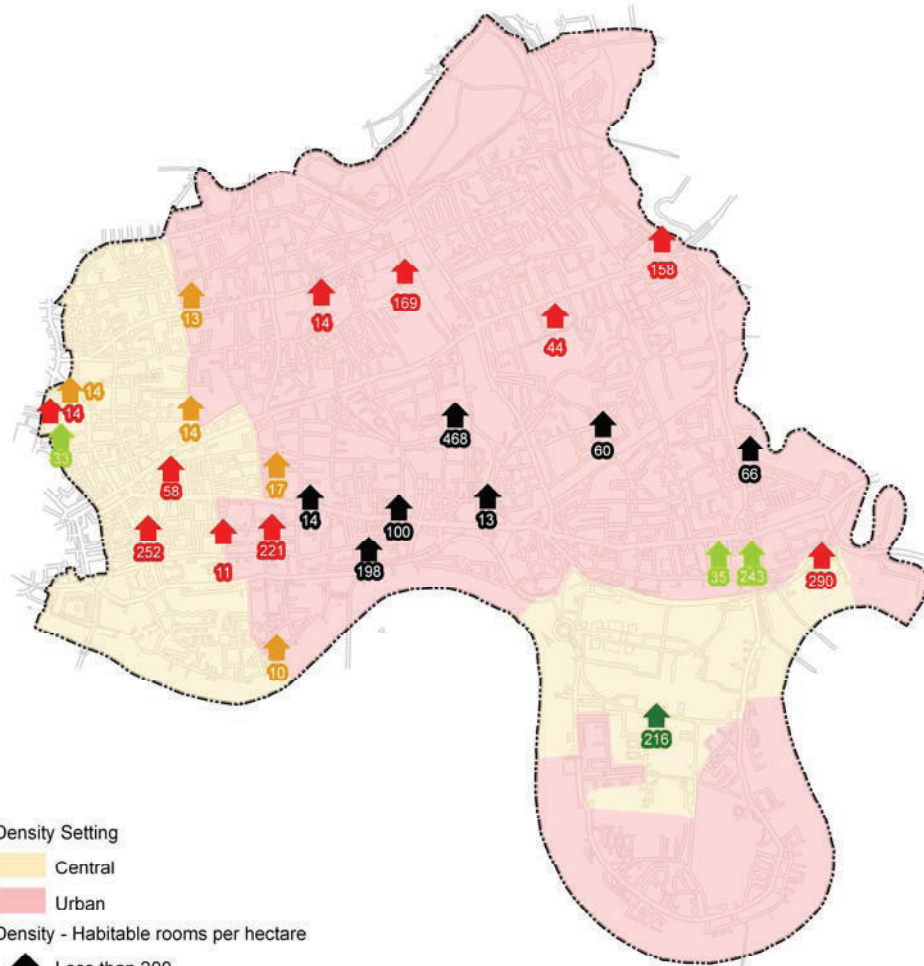
Delivering Sustainable Housing Density

Policy monitored CP20: Sustainable Residential Density

Relevant Indicator: LOI 45

- 5.2.27 The Council seeks to maximise residential densities on individual sites, taking into consideration: the local context; site accessibility; housing mix and type; achieving high quality, well designed homes; maximising resource efficiency; minimising adverse environmental impacts; the capacity of social and physical infrastructure and open spaces; and to ensure the most efficient use of land within the Borough.
- 5.2.28 The average density of new development in the Borough is 579 habitable rooms per hectare (hr/ha) (LOI 45), higher than the 528 hr/ha in 2007/08. Map 4 shows the density of developments of over 10 units that were completed in the monitoring period. The map also distinguishes between areas of the Borough that are central and urban in character, with central areas allowing for higher densities.

Map 4 Residential Density 2008/09



Density Setting

- Central
- Urban

Density - Habitable rooms per hectare

- ▲ Less than 200
- ▲ 201 - 450
- ▲ 451 - 650
- ▲ 651 - 1100
- ▲ Greater than 1100

123 Total number of units completed 2008/09

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Creating liveable and healthy neighbourhoods

5.2.29 Life expectancy is one of the key measures of local health inequality. Life expectancy is an estimate of the average number of years an individual, born today, would be expected to live if current mortality rates continue to apply. The most up to date data available is for 2005/07 which showed that Tower Hamlets had a life expectancy of 75.3 years for men (compared 73.9 for 2002/04) and 80.24 for women (compared to 79.2 for 2002/04). The average life expectancy in England was 77.7 years for males and 81.8 years for females.

5.2.30 The Tower Hamlets Public Health Report, published by NHS Tower Hamlets shows that in 2006 there were a total of 1,181 deaths, 557 of which were in those aged less than 75. These “premature” deaths are important, as they represent deaths that are potentially preventable. The standardised mortality rate for Tower Hamlets between 2004 and 2006 was 723.2 per 100,000 population, which was significantly higher than the England or London average. Mortality rates vary between wards in Tower Hamlets, with Bow East and East India and Lansbury having the highest rates and the wards bordering the Thames, including St Katharine's & Wapping, Blackwall & Cubitt Town and Millwall having the lowest.



Healthy Living

Policy monitored CP28: Healthy Living

Relevant Indicators: LOI 17, LOI 42 and SEI 4

5.2.31 In partnership with Tower Hamlets Primary Health Care, the Borough aims to ensure that appropriate new healthcare facilities are provided to support the current and future population.

5.2.32 During the past monitoring period, Tower Hamlets had the equivalent of 61 whole time GPs per 100,000 population compared to the national requirement of at least 59 GPs per 100,000 population (LOI 17). This figure is an increase to the previous year's figure of 58 GPs (2007/08) and indicates that Tower Hamlets is providing more support to its population.

5.2.33 Eight new and refurbished health facilities opened during the monitoring period (SEI 4). These included a new dental practice (Williams Place) opening on Roman Road as well as a new health centre opening on Mansell Street. Upgrades and refurbishments were carried out at Gill Street Health Centre, Leopald Street Health Centre, Ruston Street Clinic, Spitalfields and Wapping Health Centres and Wellington Way Health Centre. Mile End hospital underwent major improvements to the therapy department and refurbishment to the

wards for the elderly as well as rehabilitation services. The last year has seen a greater number of upgrades and new development relating to health services compared with the previous monitoring period.

5.2.34 Planning obligations secured a total of £1,659 per residential unit for health purposes in 2008/09 (LOI 42).



Community Facilities

Policy monitored CP27: High quality Social and Community Facilities

Relevant indicators: LOI 16, SEI 5 and SEI 6

5.2.35 High quality social and community facilities support growth and require the Council to secure improvements for the provision of new or existing social and community facilities.

5.2.36 45% of respondents to the Council's Annual Residents Survey were satisfied with sports and leisure facilities (LOI 16), compared to 46% last year.

5.2.37 There were a total of 9,284 physical visits to public libraries and Idea Stores recorded per 1,000 population, a slight decrease from 9,711 last year (SEI 5).

5.2.38 Visits to leisure centres increased slightly from 1,704,587 to 1,722,240 (SEI 6). Visitor numbers remain stable overall despite a growing population and a number of campaigns to increase physical activity.

Creating a blue and green grid

5.2.39 The Council seeks to increase and improve the provision of all types of open space in the Borough. It seeks to maintain and improve upon an open space provision standard of 1.2 ha per 1,000 population.

5.2.40 Increasing the provision of publicly accessible open space is one of the major challenges within the Borough. Delivering new publicly accessible open space is extremely challenging for inner London Borough like Tower Hamlets.



Open Space

Policy monitored CP30: Improving the Quality and Quantity of Open Spaces

Relevant Indicator: LOI 22 and LOI 15

5.2.41 There is a total of 246 ha of designated publicly accessible open space in the Borough (LOI 22). There has been no increase from the 246 ha reported last year. This equates to 1.12 ha per 1,000 population, based on ONS estimates for 2008 of 220,500 persons. There has been a fall in the level of open space per 1,000 people from 1.14 ha per 1,000 population reported in 2007/08. This is due to the combination of population growth and no increase in new publicly accessible open spaces. Map 5 shows the existing public open space in the Borough.

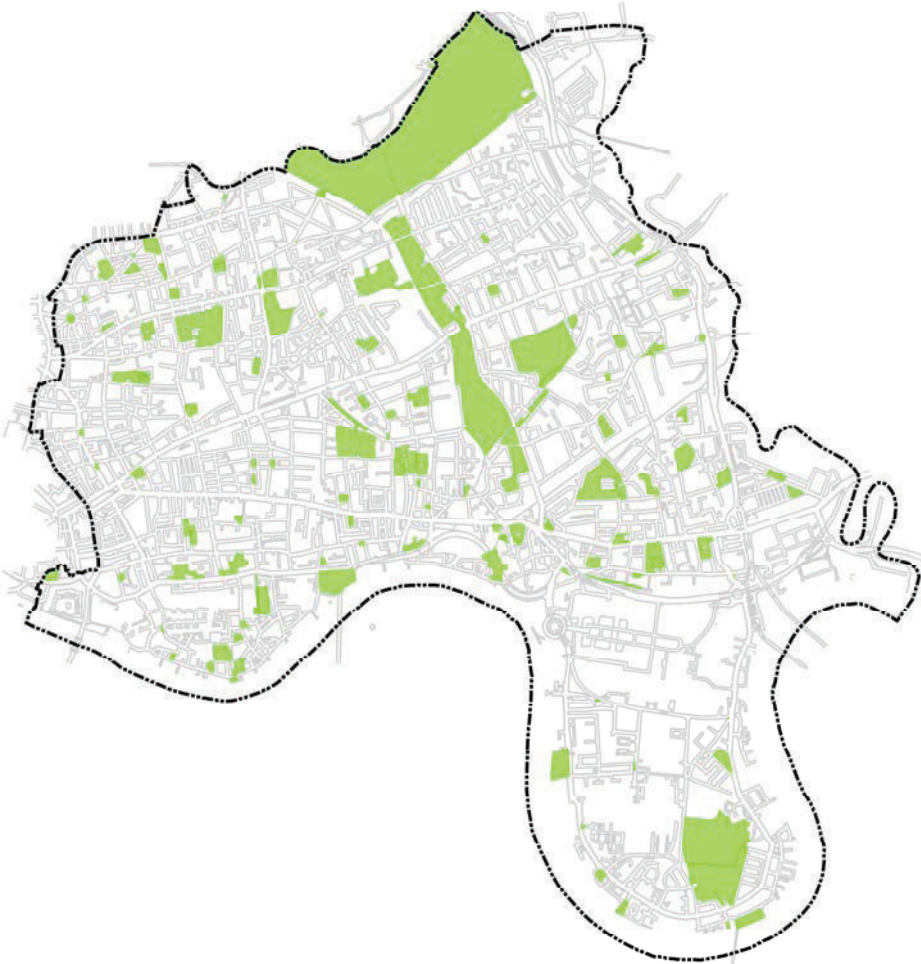
5.2.42 The Council is developing a Green Grid for Tower Hamlets that will be a network of interlinked high quality and multi functional open spaces, waterways and other corridors. The Council will encourage new publicly accessible open space from new developments along the Green Grid.


5.2.43 In addition, the Council is working with partners to deliver the East London Green Grid Programme and to ensure access to the Olympic Park for local residents after the 2012 Olympic and Paralympic Games.

5.2.44 In 2007/08, six parks in the Borough were awarded the Green Flag Award. These included Island Gardens, King Edward Memorial Park, Mile End Park, Millwall Park, Trinity Square Gardens and Weavers Fields (LOI 15). This represents a third of the Borough's open space.

5.2.45 There has been no increase in the award of Green Flag Awards from last year. Green Flag Awards visibly demonstrate a clear improvement to parks and green spaces and rely on independent verification.

Map 5 Public open space 2008/09



 Parks and Open Spaces

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Flood Risk and Sustainable Urban Drainage Systems

Policies monitored: CP37 Flood Alleviation, DEV21 Flood Risk Management, DEV8 Sustainable Drainage

Relevant Indicators: COI E1, SEI 18 and SEI 20

5.2.46 In the monitoring period 2008/09, no decisions were made contrary to the Environment Agency’s advice (COI E1). This included applications subject to the Environment Agency’s sequential tests.

5.2.47 More effective arrangements are underway for the capture of information on Sustainable Urban Drainage Systems (SUDS). Conditions requiring the incorporation of SUDS in development are a priority for the Borough. No records have been identified of any SUDS as part of residential developments completed in the monitoring period (SEI 18). Information was unavailable to effectively monitor performance this year.



Biodiversity and Sites of Nature Conservation (SINCs)

Policies monitored: CP33 Sites of Importance for Nature Conservation, CP36 Water Environment and Waterside Walkways

Relevant Indicator: COI E2, LOI 23 and SEI 19

5.2.48 There has been no change in the areas of biodiversity importance in Tower Hamlets (COI E2). According to Greenspace Information for Greater London (GIGL), there has been no loss or change in the Borough’s Sites of Importance for Nature Conservation. Monitoring shows that Tower Hamlets maintains a strong biodiversity resource. The baseline position regarding sites is shown in the Figure 12. In addition, there has been no reported loss of population of species identified in the Local Biodiversity Action Plan (SEI 19).

Figure 12: Sites of Importance for Nature Conservation

Category	Number of Sites	Area (hectares)
Sites of Metropolitan Importance	5	231.41
Sites of Borough Importance	13	164.62
Sites of Local Importance	28	43.73
Total	46	439.76

5.2.49 The current amount of land designated as Local Nature Reserve is 441.2 ha. There has been no net loss in Local Nature Reserves within the Borough since annual monitoring began (LOI 23).



Sites of Nature Conservation Importance

Policy monitored: CP 33 Sites of Importance for Nature Conservation

Relevant Indicator: LOI 24

5.2.50 The current amount of land designated as Sites of Importance for Nature Conservation (SINCs) is 24.80 ha. There has been no net loss in SINCs within the Borough since annual monitoring began (LOI 24).



Green Chains

Policy monitored: CP34 Green Chains

Relevant Indicator: LOI 25

5.2.51 The current amount of land designated as Green Chain is 16.84 ha. There has been no net loss in Green Chain within the Borough since annual monitoring began (LOI 25).

5.2.52 The Council plans to increase the Green Chain through the implementation of the Tower Hamlets Green Grid.



River Quality

Policy monitored: CP36 Water Environment and Waterside Walkways

Relevant Indicator: LOI 26

5.2.53 Biological river quality is monitored by the Environment Agency. The survey site for the Grand Union Canal in Tower Hamlets is at Solbay Street, Mile End. The biological general quality assessment (GQA) grade for this stretch is (E), reflecting a poor quality, with biology restricted to pollution tolerant species (LOI 26).

Dealing with waste



Waste Management

Policy monitored: CP39 Sustainable Waste Management and Development Control, DEV 15 Waste and Recyclables Storage

Relevant Indicators: COI W1, COI W2, LOI 27 and SEI 17

5.2.54 No new waste management facilities have been developed in the Borough (COI W1). Studies are being conducted to identify opportunities for the location of waste management facilities.

5.2.55 The amount of waste being sent to landfill sites has increased. This is expected with a rising population. Figure 13 shows the amount of municipal solid waste generated and how this was managed in the recording period 2008/09 (COI W2).

Figure 13: Household waste generated and managed

Indicator COI W2	Landfill	Incineration with Energy from Waste	Incineration without Energy from Waste	Recycled/ composted	Other	Total waste arising
Amount of waste arising in tonnes	87,612 tonnes	No Data available	No Data available	15,389 tonnes	Energy from Waste 237 tonnes	105,198 tonnes

5.2.56 15% of household waste has been recycled, re-used or composted by the Borough. This is an increase from figures reported in the last monitoring period of 13.61% (LOI 27).

5.3 Enabling prosperous communities

Delivering Successful Employment Hubs

- 5.3.1 During this period there was evidence that the global economy was heading towards a recession as a result of the credit crunch and the steep rise in oil prices. Nationally it was confirmed in the summer of 2008 that the UK economy was indeed heading towards a recession. The Council commissioned Oxford Economics to examine what this would mean for the Borough's economy. This research has enabled a better understanding of the economic challenges ahead as it indicates that the local economy could begin to recover from the downturn as early as 2011. By December 2008 there were a number of high profile job losses, mostly within the Canary Wharf business district which included Lehman Brothers, HSBC and Citigroup.
- 5.3.2 The data sources normally used to measure and assess the health of the local economy do not show evidence of the full impact of the economic downturn on the Borough's economy, due to a lag in reporting timeframes. Both the latest (2007) Annual Business Inquiry (ABI) and the Annual Population Survey (APS) suggest that the Borough's economy continued to be buoyant and that its labour market was strengthening. In 2007 there were approximately 198,800 jobs and 9,200 VAT registered businesses trading in the Borough.
- 5.3.3 The Business and Financial Services Sector continues to be the largest sector in the Borough providing approximately 109,000 jobs. The number of jobs in this sector increased by 5.2% (6,500 jobs) between 2006 and 2007. The largest sector continues to be Public Administration, Education and Health Sector which now provides 33,000 jobs, with no growth in this sector between 2006 and 2007.
- 5.3.4 Tower Hamlets had the largest population percentage increase in London between 2007 and 2008. 71.2% of the Borough's population are of working age, compared to the regional average of 66.9% and national average of 62%. There continues to be almost 2 jobs for every economically active resident.
- 5.3.5 Analysis of the Annual Population Survey provides an up to date and relevant picture of the Borough's labour market characteristics, providing an indication of the levels of employment and economic inactivity. However it is worth noting that there is a time lag in the data set as the most up to date data for this monitoring period is the January 2008 to December 2008 dataset. At 61.7% Tower Hamlets continues to have one of the lowest employment rates in the country, compared to the national average of 74% and the regional average of 70%. There has been evidence of the labour market strengthening and in fact the Borough's employment rate has increased by 7.5% since 2006.

- 5.3.6 Amongst the Borough's BME working age population there continues to be low levels of employment (47.2%). The employment rate for white working age residents is 77%. Overall, the employment rates for white and ethnic minority groups have increased over the last five years.
- 5.3.7 Unemployment and levels of economic inactivity continue to be considerably higher than the London average. For the period January 2008 to December 2008, Tower Hamlets had an unemployment rate of 12.1%. Although this continues to be the highest in London, it is lower than the 2006 unemployment rate of 14.3%.
- 5.3.8 Analysis of Jobseekers Allowance (JSA) claimants provides a more up to date indication of the likely impact of the economic downturn on the Borough's labour market. Nationally (England and Wales) the number of claimants is now at its highest since 1997. In Tower Hamlets the number of claimants has increased from 7,465 in April 2008 to 9750 in March 2009. This represents an increase of 29% compared to the regional increase of 54% over the same period. Analysis of the occupations of the JSA claimants shows that claimants are more likely to be those who were previously in employment in highly skilled jobs such as managerial and professions role rather than unskilled professions.



Job Creation

Policy monitored: CP7 Job Creation and Growth

Relevant Indicators: LOI 2 and SEI 11

- 5.3.9 17.1% of working age residents claimed out of work benefit in Tower Hamlets within the monitoring period (SEI 11). This rate is within the target of 18.3%. The rate also decreased slightly compared to 2007/08 (17.4%).
- 5.3.10 According to the most recent figures from the Annual Business Inquiry there were 6,155 new jobs in the Borough (for 2006/07) (LOI 2). This represents an increase of 4209 jobs.



Working in the Borough

Policy monitored: CP7 Job Creation and Growth

Relevant Indicators: LOI 3 and SEI 13

5.3.11 39% of residents have a workplace within the Borough (SEI 13), while 61% work outside of the Borough (LOI 3). This is just above the London average of 38.9%. These figures are from the 2001 Census, therefore remain unchanged from the previous years.



Employment floorspace

Policy monitored CP10 Strategic Industrial Locations and Local Industrial Locations

Relevant Indicator: COI BD1

5.3.12 Additional employment floorspace B1(a) and (c) was generated mainly through mixed use schemes. Approximately 6,500 sq m of office floorspace was completed in Spital Square. The increase in B2 floorspace was attributed to the erection of a two storey industrial building in Fish Island. The increase in B8 floorspace was largely due to a development involving change of use from B2 to B8 also in Fish Island. Figure 14 below shows the overall loss / gain of business floorspace by type, including office and industrial development (COI BD1).

Figure 14: Additional Business Floorspace 2008/09

Use class	Gross (sq m)	Net (sq m)
B1 a	16,495	13,142
B1 b	0	0
B1 c	774	774
B2	2,732	7,724
B8	1,720	12,418

5.3.13 It should be noted the Interim Planning Guidance Policy CP10 identifies three industrial areas in the Borough as Strategic Industrial Locations and proposed alternative uses for sites previously safeguarded for employment uses. This was part of a process to ensure the most efficient use of sites.



Workspace for small businesses

Policy monitored: CP9 Employment Space for Small Businesses

Relevant Indicator: LOI 5

5.3.14 Small businesses (1-49 employees) make an important contribution to the local economy. According to the ABI, in 2007 there were around 10,634 small businesses in the Borough, up by 208 compared to 2006 (10,426), an increase of 2% (LOI 5). This trend is consistent with direction of current planning policy which seeks to promote workspace for new small businesses and prevent their loss in order to meet local demand.



Employment land availability

Policy monitored CP10: Strategic Industrial Locations and Local Industrial Locations

Relevant Indicator: COI BD3

5.3.15 Land available for employment uses is made up of designated employment sites (Local and Strategic Industrial Locations), sites allocated in the Interim Planning Guidance and sites for which planning permission has been granted for B1 (a), (b), and (c), B2 and B8 uses but not yet completed. The Borough seeks to protect key locations to remain in industrial use.

5.3.16 The total employment land available has decreased year on year since the monitoring period 2006/07 from 121.67 ha to 104.64 ha (2007/08) to 84.6 ha (2008/09) (COI BD3). This comprises approximately two thirds B1 uses and one third B2/B8 uses. This reflects the trend away from industrial activities in Tower Hamlets. Over the past five years there has been a clear transfer of land from industrial uses to other uses including other types of employment and housing. This reflects government guidance in Planning Policy Statement 3: Housing indicates that local planning authorities should consider whether sites that are currently allocated for industrial or commercial uses could be more appropriately re-allocated for housing uses.



Employment space on previously developed land

Policy monitored: CP9 Employment Space for Small Businesses

Relevant Indicator: COI BD2

5.3.17 All floorspace developed for employment uses in the Borough was completed on previously developed land (COI BD2).



Office Development

Policy monitored: CP8 Tower Hamlets' Global Financial and Business Centre and the Central Activities Zone

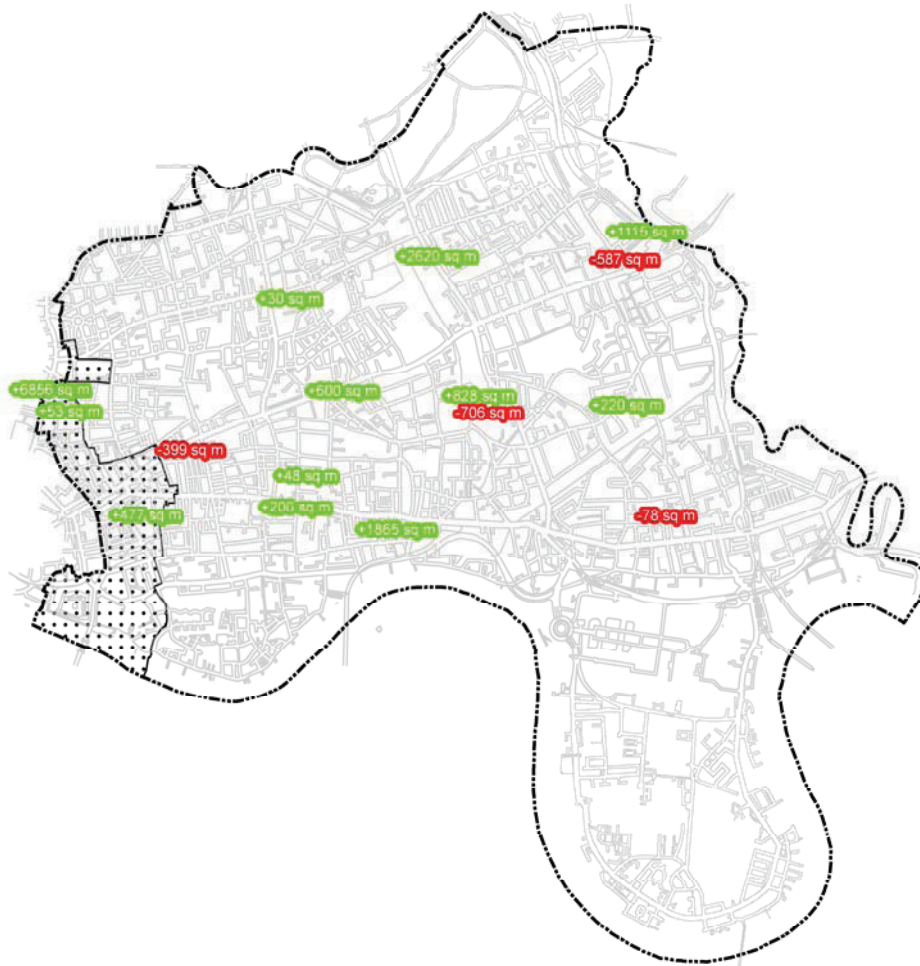
Relevant Indicator: COI BD1

5.3.18 Total completed B1(a) office floorspace was 13,142 sq m (net) in 2008/09 (COI BD1), compared to 7,855 in 2007/08. Almost 7,000 sq m of this floorspace is attributed to the Eden House proposal in Spital Square, which saw the erection of a new office building, comprising 2 and 6 storey buildings.

5.3.19 It should be noted that the Canary Wharf Estate has experienced significant office development in the last financial year. Some of this development is not captured by these figures as planning permission is not required in many cases due to existing permissions granted by the London Docklands Development Corporation. The monitoring team are looking for better ways to monitor this data.

5.3.20 Map 6 shows changes in office floorspace in the Borough (excluding Canary Wharf Estate) during the monitoring period. This also makes reference to the Central Activities Zone (CAZ) which is an area designated in the London Plan and local planning policy (CP8) as making an important contribution to regional employment growth. CAZ uses are primarily commercial office and associated business and the Council promotes the expansion of these uses in local planning policy. The map shows there was no loss of office floorspace in the CAZ.

Map 6 Office floor space completions 2008/09



R1a office floor space Completions

- Net loss (sq m)
- + Net gain (sq m)
- Central Activities Zone

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Vacant employment floorspace

Policy monitored: CP10 Strategic Industrial Locations and Local Industrial Locations

Relevant Indicator: LOI 4, LOI 6

5.3.21 Vacant B1a floorspace (LOI 4) was recorded in Bromley by Bow, Canary Wharf South and Bethnal Green South. This information was collected qualitatively and not quantitatively for the 2009 Employment Land Study. No vacant land was recorded in designated employment areas (LOI 6).

5.3.22 Local Industrial Locations (LIL) and Strategic Industrial Locations (SIL) are policy designations in local planning policy to retain, expand and intensify industrial employment (B1c, B2, B8) and associated industrial activities. No vacant land was recorded in designated employment areas Fish Island SIL, Empson Street/St. Andrew's Way SIL, Gillender Street SIL and Poplar Business Park LIL (LOI 6). This information will be used to inform the forthcoming Site and Place-Making DPD.



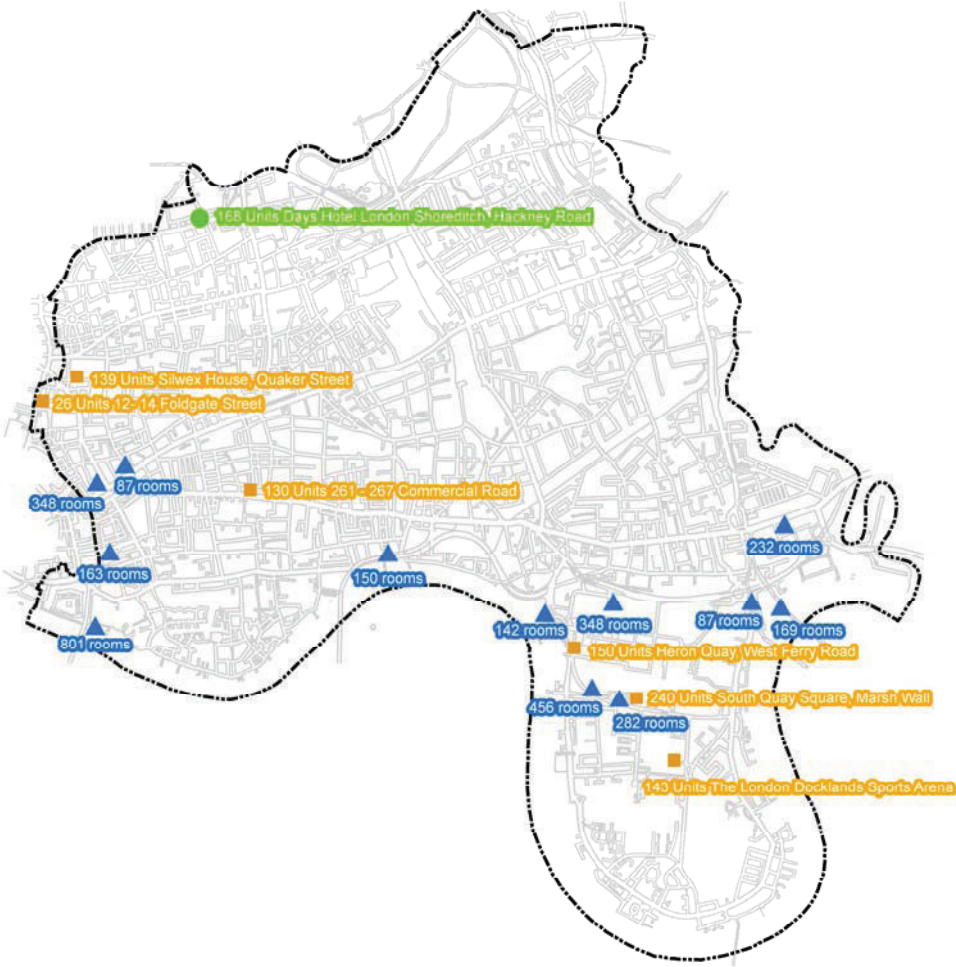
Hotel Development

Policy monitored: CP13 Hotels, Serviced Apartments & Conference Centres

Relevant Indicator: LOI 7

5.3.23 In the monitoring period, the Days Hotel on Hackney Road was completed, coming forward with 168 bedrooms (LOI 7). There are now approximately 3,470 hotel bedrooms in the Borough. While this reflects fewer additional hotel rooms (238 rooms in 2007/08 and 445 in 2006/07) the completion figure exceeds the policy target of 100 rooms per year in local planning policy. Map 7 shows the location of existing hotels and new hotels completed in the monitoring period, together with those given planning approval in the monitoring period.

Map 7 Hotel Developments 2008/09



- ▲ Existing Hotels
- Number of hotel units approved 2008/09
- Number of hotel units completed 2008/09

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Improving Education and Skills

5.3.24 In 2008 59.1% of pupils achieved 5 A* to C grades at GCSE level, compared with the national average of 65.3%. This represents a small drop of 0.4% on the previous year (59.5% in 2007) but remains very close to the national target of 60% pass rate.

5.3.25 One reason why residents cannot access jobs in Tower Hamlets' growth industries is the lack of NVQ3 / NVQ4+ qualification. Tower Hamlets lags behind Inner London and London as a whole. This means that many residents are not adequately qualified to access jobs in the knowledge economy.



Improving Education and Skills

Policy monitored: CP29 Improving Education and Skills

Relevant Indicators: LOI 19, LOI 20, LOI 21 and LOI 40

5.3.26 23.4% of the local resident population have no qualifications (LOI 19). This is below the 25% target but has shown a negative trend compared to 2007/08 increasing by 4.6 percentage points.

5.3.27 8.2% of young people aged 16-18 were not in education, employment or training in 2008/09 (LOI 20). This is an improvement over the last two years allowing the target to be achieved.

5.3.28 58.4 adults per 1,000 population were enrolled in adult education courses. This rate remains substantially below the target of 80 per 1,000 (LOI 21).

5.3.29 Planning Obligations have secured £1,590 per residential unit for educational purposes. This is a significant increase up 40% from 2007/08 (LOI 40).

5.4 Designing a High Quality City

Making connected places



Car-free Development and Travel plans

Policies monitored: CP40 A Sustainable Transport Network, CP 42 Streets for People, DEV 18 Travel Plans

Relevant Indicators: LOI 28, LOI 29

- 5.4.1 Car free developments help to tackle climate change and promote healthier, less car dependant lifestyles while also encouraging greener-city living. The Borough has secured car-free agreements in 96% of approved major residential developments (LOI 28). Map 8 shows the location of these developments.
- 5.4.2 There has been a significant increase in the number of travel plans that have been submitted with major applications rising from 6% to 32% (LOI 29).



Cycle and Pedestrian Network

Policies monitored: CP40 A Sustainable Transport Network, CP42 Streets for People, DEV16 Walking and Cycling Routes and Facilities

Relevant Indicators: LOI 30

- 5.4.3 The total distance of dedicated cycle routes is 53.3km (LOI 30). The Borough has developed a new cycling plan, 'Making Connections' which aims to increase the cycle network and facilities in coming years.
- 5.4.4 The pedestrian walkways are made up of strategic riverside walkways and green chains, totalling 32.5km (LOI 30). The Tower Hamlets Green Grid project aims to improve the pedestrian network.



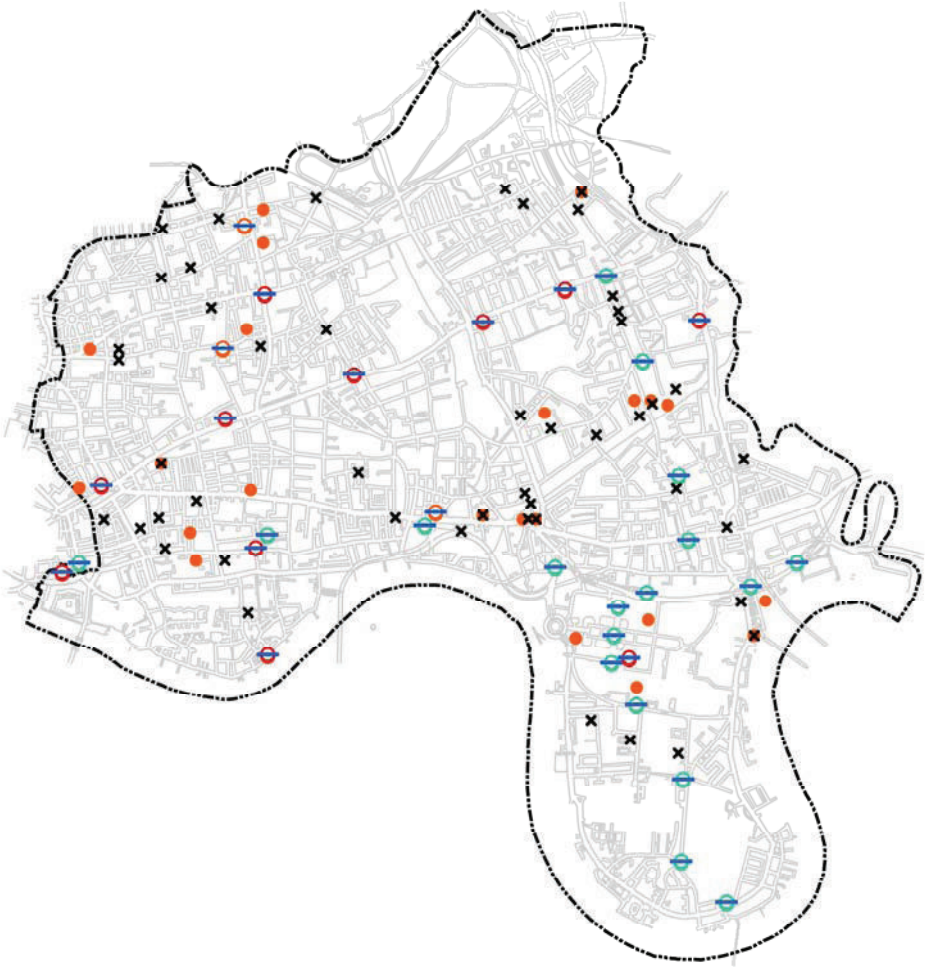
Public Transport

**Policy monitored: CP40 A Sustainable Transport Network;
CP43 Better Public Transport**

Relevant Indicators: LOI 31

- 5.4.5 65% of respondents to the Annual Residents Survey thought public transport was good or better. This figure has fallen from 69% in 2007/08.

Map 8 Car Free Agreements and Travel Plans 2008/09



-  British Rail
-  DLR
-  Underground
-  Travel plans residential
-  Car free agreements signed

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Creating attractive and safe streets and places



Accessibility and Inclusive Design

Policies monitored: CP46 Accessible and Inclusive Environments, DEV3 Accessibility and Inclusive Design, DEV24 Accessible Amenities and Services

Relevant Indicators: LOI 33

5.4.6 The Borough seeks to ensure all development is accessible to the whole population. 41% of all major applications lodged with the Council in the monitoring period, received comments from the Council's access officer (LOI 33). This is a slight improvement from last year.



Public Safety

Policies monitored: CP47 Community Safety, DEV4 Safety and Security

Relevant Indicators: LOI 35 and SEI 9

5.4.7 There has been a drop in the number of domestic burglaries recorded per 1,000 households from 15.98 in 2007/08 to 10.9 in 2008/09 (LOI 35 and SEI 9). This indicates a year on year decrease, well within the target. Based on this indicator and anecdotal evidence, there has been a drop in the prevalence of crime in the Borough, despite a rising population. This monitoring report acknowledges there are other indicators and factors that reflect community safety.



Environmental Well-being

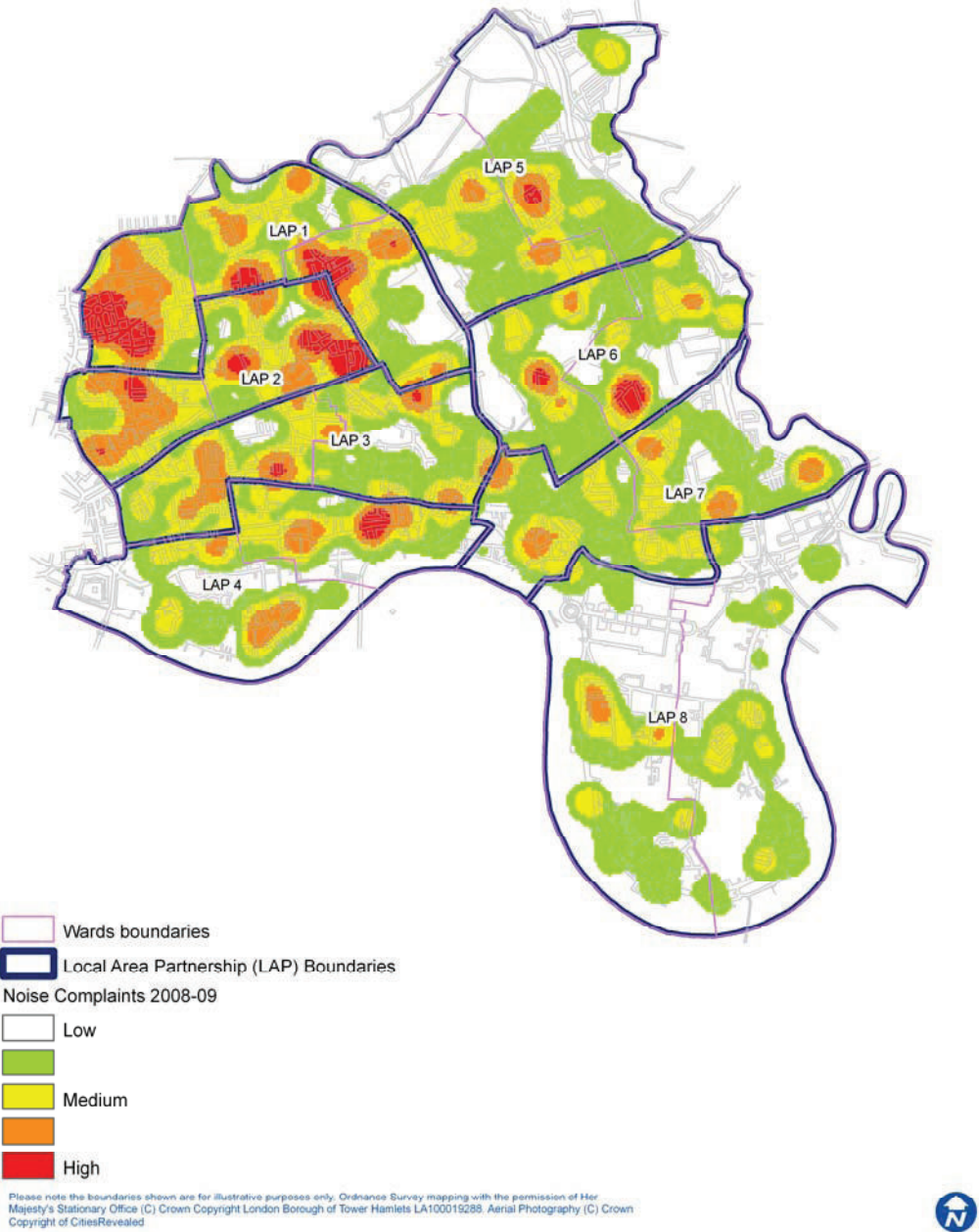
Policies monitored: CP46 Accessible and Inclusive Environments, CP47 Community Safety, DEV3 Accessibility and Inclusive Design, DEV4 Safety and Security

Relevant Indicators: SEI 15, SEI 21

5.4.8 The number of noise related complaints have risen from 7,074 in 2007/08 to 8,015 in 2008/09 (SEI 15). Map 9 identifies noise hotspots in the Borough including the area around Brick Lane and Spitalfields. Policy to address this issue is being put forward through the emerging Core Strategy and Development Management DPD.

5.4.9 The percentage of residents that feel they can influence decisions affecting their local area has fallen to 46% (SEI 21), from 48% in 2007/08.

Map 9 Environmental Health Noise Complaints 2008-09



Creating distinct and durable places



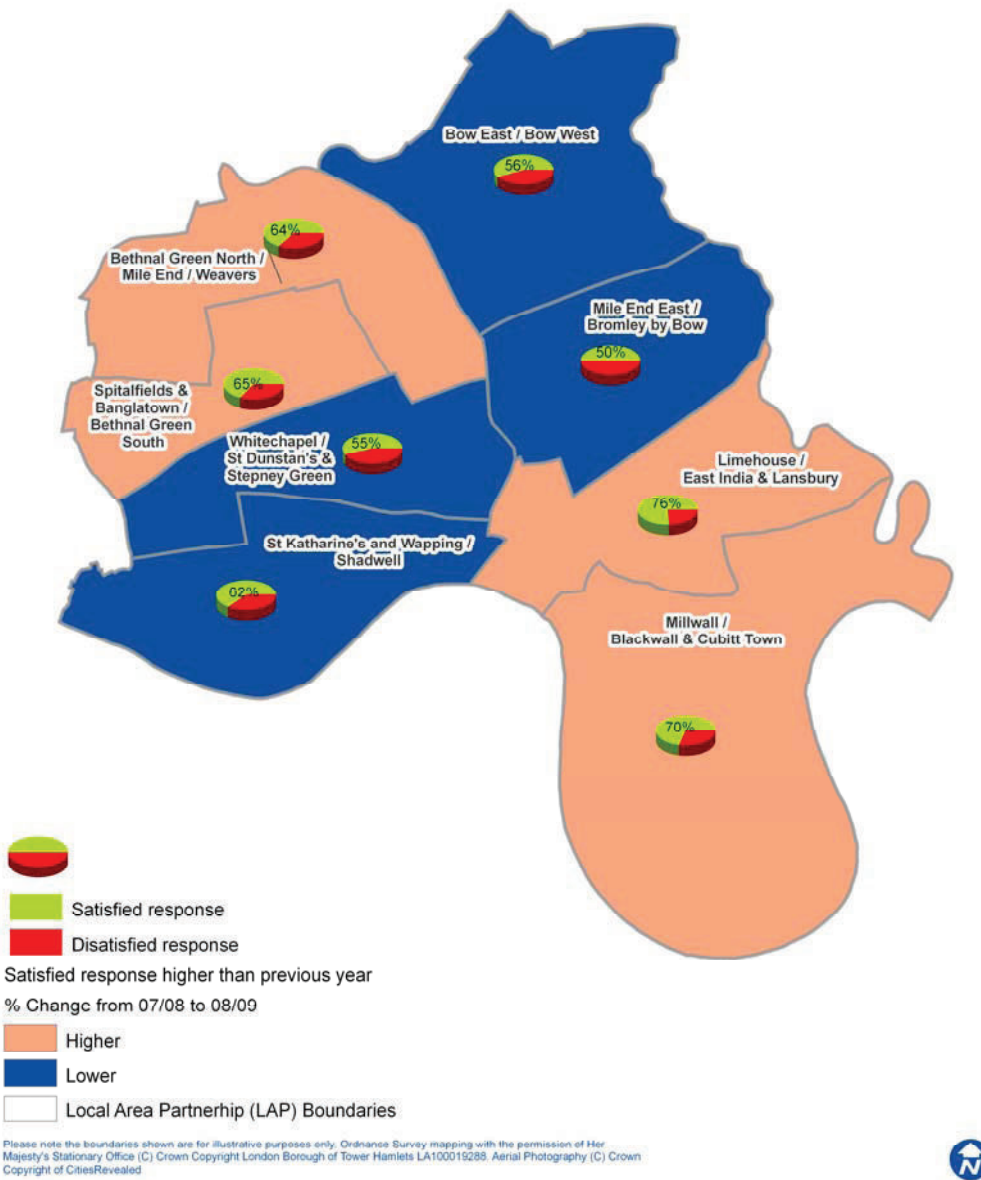
The Built Environment

Policies monitored: CP4 Good Design, DEV2 Character and Design

Relevant Indicators: LOI 1

5.4.10 The level of satisfaction with the built environment has improved as indicated by the Annual Residents Survey. This showed 63% of residents are satisfied with the built environment. Map 10 shows the levels of satisfaction by local area partnership. It shows an improvement in every LAP area.

Map 10 Satisfaction with the Built Environment





Policies monitored: CP4 Good Design, DEV5 Sustainable Design, DEV8 Sustainable Drainage, DEV9 Sustainable Construction Materials

Relevant Indicator: COI H6

5.4.11 The quality of residential design has been assessed in line with the Building for Life criteria. Building for Life is the national standard for well-designed homes and neighbourhoods. Planning officers completed 26 assessments of residential developments completed in the monitoring period. The results are shown in Figure 15 and 16 below (COI H6). Map 11 shows the location of the residential developments assessed with some photographs provided.

Figure 15: Building for Life Assessment Results 2008/09

Very Good	5	16 - 20	City Quarter Commercial Street Tarling Estate 131 Wapping High Street Millwall Fire Station
Good	6	14 - 15.75	Parkview and Eastwood Pan Peninsula Elektron Building Plumbers Row Leven Road Harford Street
Average	10	10 - 13.75	Spital Square Britannia PH Commercial Road British Street Estate Suttons Wharf South Gun Street Bigland Street Ye Olde Hope PH Glasshouse Fields Poplar High Street
Poor	5	Less than 10	Wharfside Point East End Mission Vallance Road Taylor Place Salmon Lane

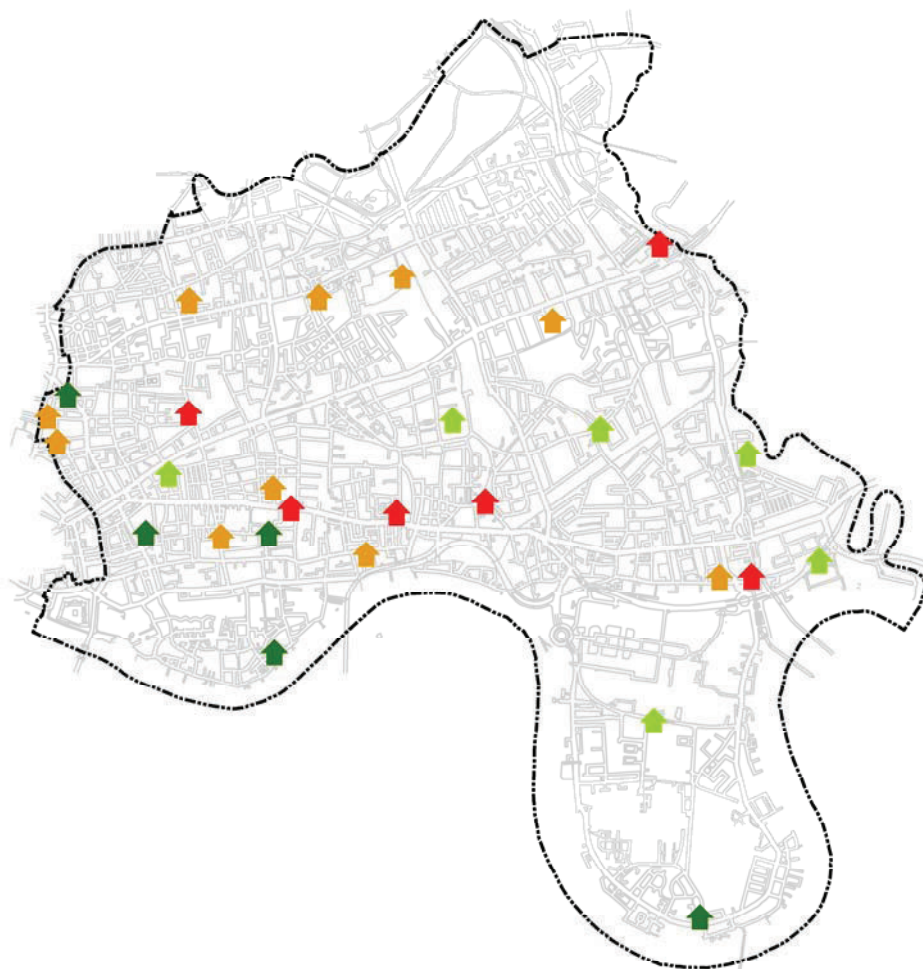
Figure 16: Detailed analysis of Building for Life assessment

Number of sites with a BfL assessment of 16 or more	5
Number of dwellings on those sites	506
% of dwellings of 16 or more	18%
Number of sites with a BfL assessment of 14 to 15	6
Number of dwellings on those sites	1,176
% of dwellings of 14 to 15	43%
Number of sites with a BfL assessment of 10 to 14	10
Number of dwellings on those sites	548
% of dwellings of 10 to 14	20%
Number of sites with a BfL assessment of less than 10	5
Number of dwellings on those sites	528
% of dwellings of less than 10	19%

Design Awards

5.4.12 A number of developments around the Borough have been nominated for national, regional or local design awards indicating innovation and success on the Boroughs streets. Map 12 provides further details.

Map 11 Building for life assessment 2008-09



Building for life scores and planning reference number

-  Very good
-  Good
-  Average
-  Poor

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Map 12 Design Awards Won 2008-09



- ❶ Georgian Group Awards 2008 - 11 Princelet Street
- ❷ 2009 Housing Design Awards - 151 - 157 Gosset Street
- ❸ 2008 Housing Design Award - 452 Hackney Road
- ❹ 2008 RIBA Awards Winner - Richard Feilden House

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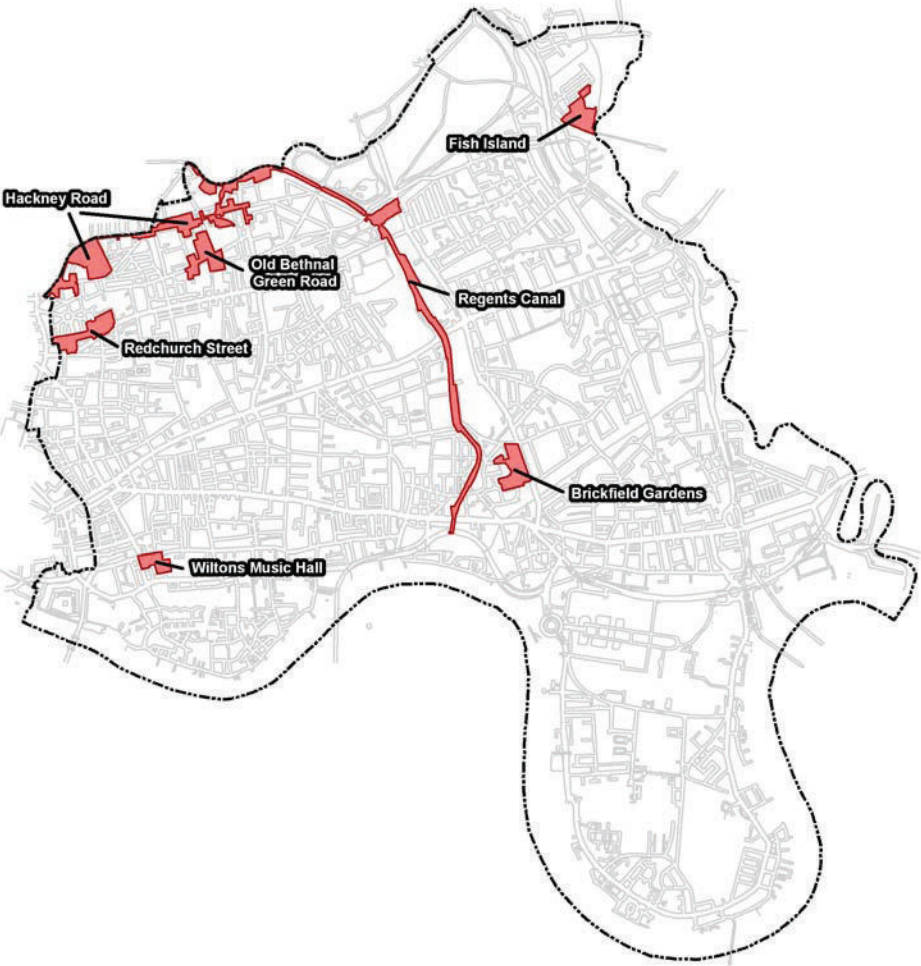
Conservation and Local Heritage


Policies monitored: CP49 Historic Environment, DEV2 Character and Design

Relevant Indicators: LOI 36, LOI 37, LOI 38, LOI 39. SEI 1 and SEI 8

- 5.4.13 Seven new conservation areas have been adopted in the monitoring period increasing the total number of conservation areas to 57 (LOI 36). The designations allow the Borough to increase protection of its local heritage. Map 13 indicates the location of the new conservation areas. The number of up-to-date character appraisals and management proposals for Conservation Areas remains unchanged (LOI 37 & LOI 38).
- 5.4.14 English Heritage has introduced a 'Heritage at Risk' register which now includes waterways and conservation areas. 37 buildings in Tower Hamlets are registered on the heritage at risk register (LOI 39). The Borough has seen an overall decrease in the number of heritage items at risk. Four buildings were removed from the register in the monitoring period including: St Botolphs Hall (Central Foundation School for Girls) in Spital Square, Fire Station Cottages 1-5 Westferry Road, the Former Whitechapel Library and 515 Commercial Road.
- 5.4.16 Two buildings were added to the heritage at risk register including The British Prince public house at 49 Bromley Street and the Gentleman's public convenience in Bow Road.
- 5.4.17 No planning applications were approved that would result in the loss of Listed Buildings or buildings of value in Conservation Areas (SEI 1).

Map 13 New Conservation Areas



 Conservation Areas

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Renewable Energy

Policies monitored: CP3 Sustainable Environment, CP38 Energy Efficiency and Production of Renewable Energy, DV6 Energy Efficiency and Renewable Energy

Relevant Indicators: COI E3

5.4.18 Information for renewable energy capacity installed could not be fully captured. Work is on going to enable information collation at the point of submission of applications. It should be noted that priority is given to decentralised energy (Combined Heat and Power (CHP)) which impacts on the count of renewable energy permitted and installed in new developments. Appendix 5 highlights information that has been captured for this monitoring period for permitted developments (COI E3).



Energy Efficiency

Policies monitored: CP3 Sustainable Environment, CP38 Energy Efficiency and Production of Renewable Energy, DEV6 Energy Efficiency and Renewable Energy

Relevant Indicators: SEI 16

5.4.19 In the monitoring period 2007/08 Tower Hamlets achieved an overall improvement in energy efficiency based on figures from 1 April 1996 to 31 March 2008 of 9.71% in existing homes (SEI 16). This is the latest information available.

5.4.20 This is an improvement in energy efficiency but is likely to fall short of our target reduction of 30% by 2010 from 1996 levels. The Council's Private Home Improvement team continues to provide tailored energy efficiency advice to residents. The Council's Sustainability Team also provides energy efficiency advice to Registered Social Landlords, including Tower Hamlets Homes on regeneration projects.



Air Quality

Policies monitored: CP3 Sustainable Environment, DEV11 Air Pollution and Air Quality

Relevant Indicator: SEI 14

- 5.4.21 A key indicator of air quality is the level of particulate matter present. Particulate matter or PM10 has been measured in terms of the number of days where levels are higher or moderate. In the monitoring period there were 5 days recorded at moderate or high levels (Poplar - 4 days, Bethnal Green - 1 day) (SEI 14). This is an improvement from 2007/08. The Borough is within its target of no more than 30 days.

6. Delivering Place Making

- 6.1 Masterplans set out a commitment to monitor development and progress on delivering key infrastructure within their boundaries. This section reports on key implementation projects identified in each of the masterplan areas. Map14 shows these together with other key implementation projects outside of these boundaries.

Aldgate

Housing	13 Approved
	252 Completed at Goodmans Fields
Employment	Loss of 6,086 sq m
Transport and Movement	Works to remove Aldgate Gyrotory completed. Aldgate Station eastern ticket hall and Whitechapel Gallery entrance reopened. New entrance at Aldgate East station on corner of Whitechapel High Street and Lemn Street.
Education Provision	None
Health Provision	Planning application submitted for Goodmans Fields including new health facility.
Public Open Space	Construction of new Braham Street park started.
Infrastructure, Services and Waste	None

- 6.2 In addition, works to extend and refurbish Whitechapel Gallery were completed. The Gallery reopened to the public in April 2009. Map 15 shows a summary of key projects in Aldgate.

Millennium Quarter

Housing	649 Approved
	216 Completed
Employment	None
Transport and Movement	Construction started on relocated South Quay station to accommodate DLR 3-car extension
Education Provision	None
Health Provision	None
Public Open Space	Delivery of Millennium Quarter Public Realm Guidance Manual projects.
Infrastructure, Services and Waste	None

Whitechapel

Housing	10 Approved
	6 Completed
Employment	None
Transport and Movement	New pedestrian crossing over Whitechapel Road. Extension and upgrading of East London Line continued. Continuing discussions around new Crossrail station in Whitechapel.
Education Provision	None
Health Provision	Royal London Hospital development underway
Public Open Space	Ongoing redevelopment of Royal London Hospital will deliver new areas of public open space in the centre of Whitechapel
Infrastructure, Services and Waste	None

- 6.3 Planning applications were submitted for 17 TfL Cycle Hire Scheme stations in fare zone one, including two each in Aldgate and Whitechapel.

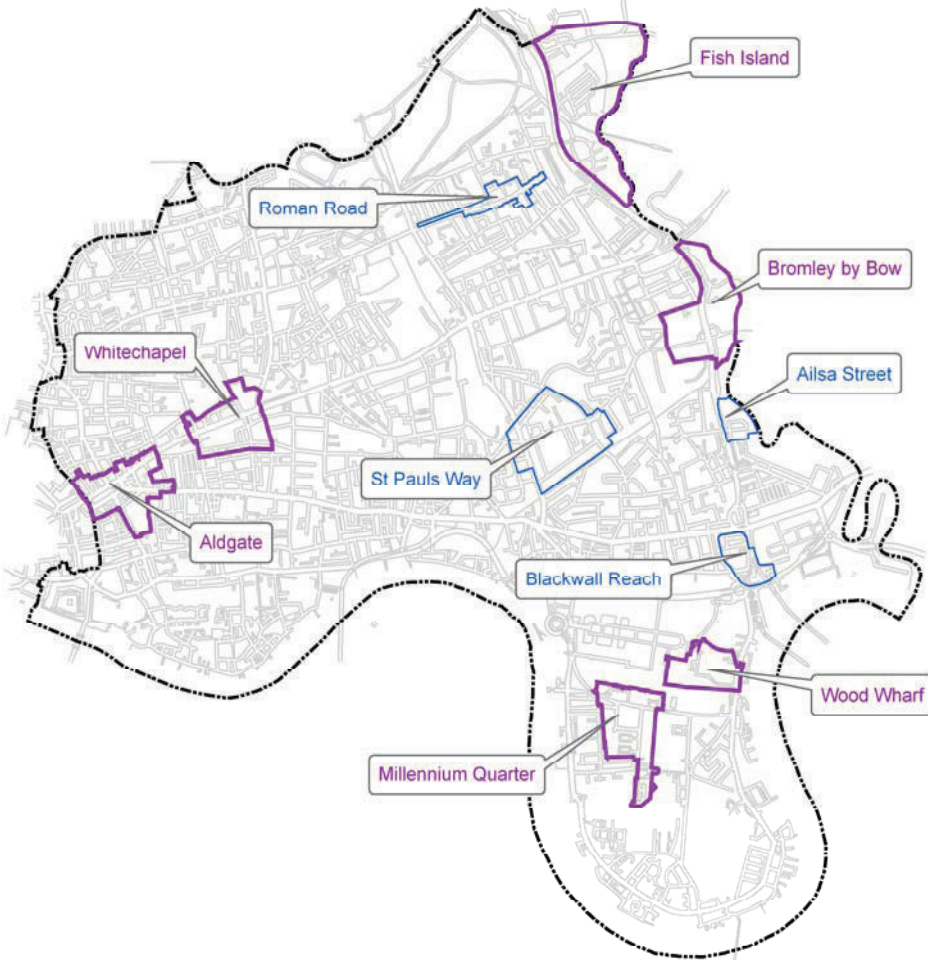
Bromley-by-Bow

- 6.4 The Council intends to consolidate the additional work currently underway within the Masterplan area and present an updated draft to Cabinet in 2010. The draft Masterplan will then be subject to further public consultation. The work currently underway in the area includes the Bromley-by-Bow Land Use and Design Brief, which was approved by the Council's Cabinet as Interim Planning Guidance (IPG) in February 2009. In addition, connectivity studies such as the Bromley-by-Bow Station Integration and Improvement Study and South-East Quadrant Development Framework and Accessibility Strategy are progressing. These studies were commissioned by London Thames Gateway Development Corporation (LTGDC) with the London Borough of Tower Hamlets as a partner organisation. The Council has been working closely with LTGDC and has been feeding into the preparation of these studies.

Fish Island

- 6.5 The Fish Island masterplanning work has reached Stage 2. This work has now ceased, pending agreement though the Core Strategy about the amount of Strategic Industrial Location to be retained in the area. The Council is now going to move forward with an Area Action Plan for the area. However, the masterplanning work has been used to inform further work areas and the development of documents in the area. The Council has been working with key partner agencies, such as the LTGDC, the London Development Agency and Design for London to develop and deliver a number of 'quick win' projects, particularly around public realm which could be delivered pre-2012.

Map 14 Existing Masterplans and Areas of significant change areas 2008/09

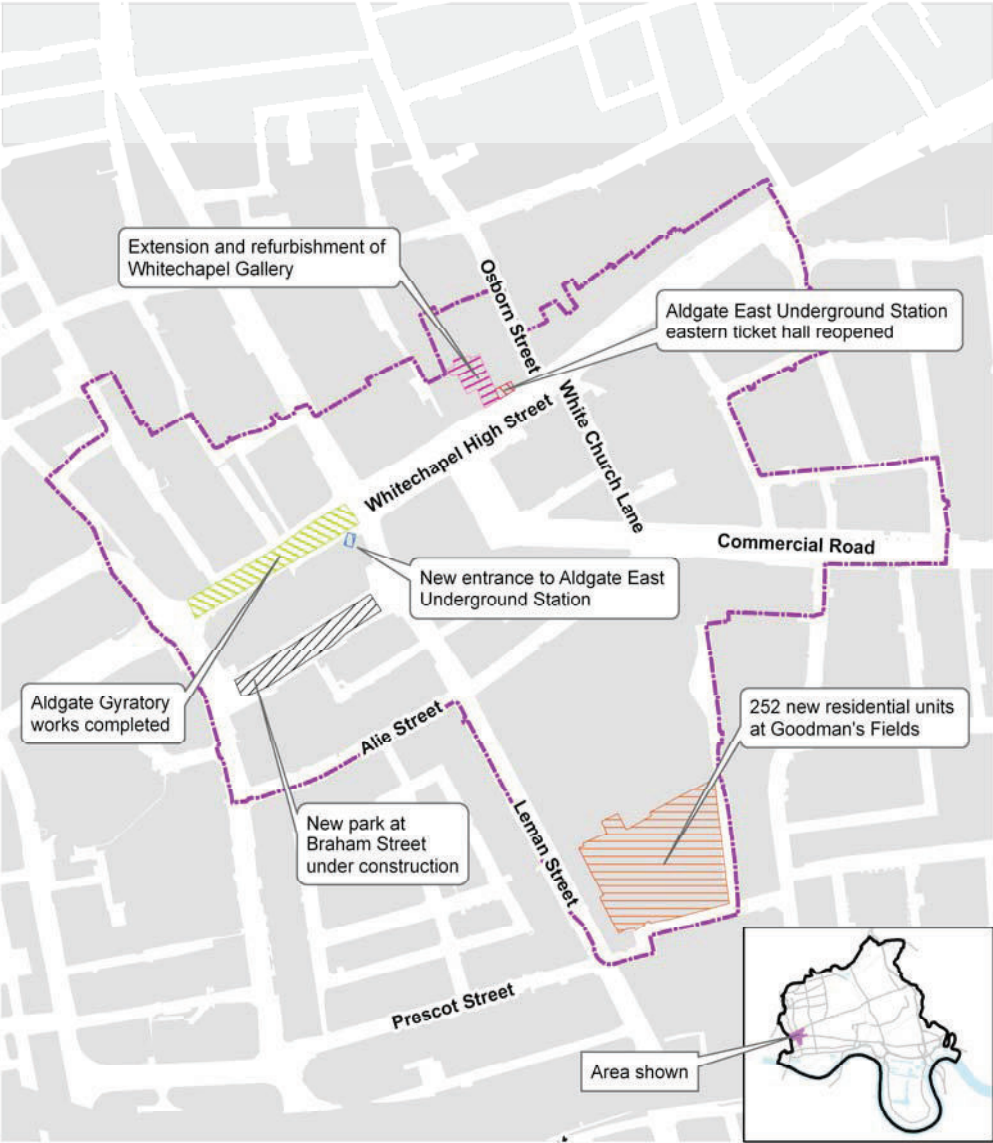


- Areas of Significant Change boundaries
- Masterplans boundaries

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Map 15 Aldgate Masterplan area



 Aldgate Masterplan boundary

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7. Progress on the Local Development Scheme

Compliance with 2006 Local Development Scheme

- 7.1 Tower Hamlets reviewed and revised its LDS which was approved by Government Office for London in December 2007. During 2008-09 Tower Hamlets complied with the revised local development scheme by progressing with the preparation and production work on the Core Strategy. Work on the Site Allocation and Development Management Development Plan Documents has been delayed due to the prioritised work on the Core Strategy. Figure 18 shows a summary of the progress made with the local development scheme.

Future Revision of the Local Development Scheme

- 7.2 Changes to the national plan making process (as set out in the revised Planning Policy Statement 12 and revised regulations) affects the timetable for production of the Tower Hamlets Core Strategy and other development plan documents. The local development scheme has been updated to reflect the changes in the regulations. This is likely to have an impact on all development plan documents and the Statement of Community Involvement. A review of the LDS took place in 2009, responding to the implementation priorities identified in the Core Strategy. Some of the supplementary planning documents necessary to implement the Core Strategy include Bishopsgate Goodsyrd Masterplan, Bromley-by-Bow Design Brief and the Planning Obligations SPD.

Figure 17: Progress on the Local Development Scheme

Document	Status
Statement of Community Involvement	Examination held 10 October 2007 Adopted by Council 11 February 2008
Core Strategy DPD	In submission phase - on track
Development Management DPD	Document delayed due to Core Strategy - in preparation phase
Site Allocations DPD	Document delayed due to Core Strategy - in preparation phase
Whitechapel Masterplan	Cabinet approved draft 6 December Approved as Interim Planning Guidance by Cabinet on 4 July 2007
Aldgate Masterplan	Cabinet approved draft 6 December Approved as Interim Planning Guidance by Cabinet on 4 July 2007
Bromley-by-Bow Masterplan	Cabinet approved draft 6 December Approval as Interim Planning Guidance postponed
Fish Island Masterplan	Work has started and reached stage two of the master planning process.

8. Adopted Unitary Development Plan 1998

- 8.1 When the Planning and Compulsory Purchase Act 2004 came into force on 28 September 2004, it enabled Local Planning Authorities to automatically save the policies in adopted Unitary Development Plans (UDPs) for a period of 3 years or until the Authority adopted its Local Development Framework Core Strategy. If Local Planning Authorities need to save policies beyond the three year period then they needed to seek approval from the Secretary of State.
- 8.2 In order to ensure the Council retains appropriate, robust, local planning policies to manage sustainable development, an assessment of the UDP policies was undertaken. As a result of this assessment, recommendations were made to the Council to retain and delete certain policies. These recommendations were based upon the relevance to the national, regional and local policy context and an explanation as to why a policy is to be retained or deleted.
- 8.3 The policies named in the Direction on Saving UDP have been saved as of 27 September 2007. All other UDP policies have been deleted and will not be considered in planning decisions.
- 8.4 The Tower Hamlets Unitary Development Plan (UDP) 1998 is the adopted plan which provides the basis for planning decisions in the Borough. This, along with the Mayor's London Plan, makes up the Tower Hamlets Development Plan.

9. Monitoring the Statement of Community Involvement

Formal Consultation on Options and Alternatives for the Core Strategy

- 9.1 As part of the continuous engagement process, two periods of public consultation were undertaken for the two consultation documents.
- 9.2 These were:
- Options and Alternatives (summer 2008) - set out high-level options for strategic development in the Borough; and
 - Options and Alternatives for Places (winter 2009) - set out preferred options in a place shaping context.
- 9.3 The commentary from both these documents was used to inform the Proposed Submission Version of the Core Strategy.

Who did we invite to take part in Consultations?

- 9.4 To ensure the views of local people, community groups and stakeholders were acknowledged, those detailed as specific consultees, general consultees and Interested Parties were directly invited to take part in two formal rounds of public consultation on the Core Strategy and associated documents. In addition to direct invitations, the council also asked the general public to comment.

Core Strategy Options and Alternatives

- 9.5 On 21 July 2008 the London Borough of Tower Hamlets published its Core Strategy Options and Alternatives paper for public consultation. The six-week consultation period ended on 2 September 2008. 1,252 identifiable comments were received (including late responses) from 88 public, private and community organisations and individuals.
- 9.6 51% of responses were given by the private sector, 37% from the public sector, 11% from the community sector and 1% from others (residents, LBTH employees, etc.).

Options and Alternatives for Places

- 9.7 On 5th February 2009 the London Borough of Tower Hamlets published its Core Strategy Options and Alternatives for Places document for public consultation. The six-week consultation period ended on 19th March 2009. The consultation on the Core Strategy Options and Alternatives for Places followed on from the consultation on the previous Options and Alternatives document in summer 2008.
- 9.8 The Options and Alternatives for Places provided an update of the themes previously consulted on and placed them in a spatial context. It

did this by setting out the themes at a Borough-wide level and at a local 'place' level. It developed the themes by applying them locally to the 24 places of the Borough, identifying delivery options and setting out a proposed implementation and monitoring methodology.

- 9.9 For this consultation phase, 45% of responses were given by the private sector, 26% from the public sector, 7% from the community sector and 22% from others (residents, LBTH employees, etc.).

10. Issues and Actions

- 10.1 The assessment of the Interim Planning Guidance policies indicates the overall outcomes are positive in terms of the implementation of the policies and the contribution towards sustainable development in Tower Hamlets. The Council is continuing to find ways to implement the spatial vision for Tower Hamlets, and to respond effectively to development pressure. This years AMR raises the following significant issues:

Non-Residential Development

- 10.2 The Borough has seen a significant level of retail, office and leisure development over the past year, with a net increase of over 15,000 sq m. However, it is concerning that the majority of this development is located outside of town centres. While a significant proportion of office uses was completed in the Central Activities Zone, a large number of mixed-use developments have been completed outside of town centres with retail and office floorspace. This continuing trend has highlighted the prevalence of town centre uses being provided throughout the borough. The Town Centre Spatial Strategy and the Core Strategy have taken the approach of refocusing on our town centres to maintain the strong role town centres play in Tower Hamlets.
- 10.3 The borough has seen a significant loss in the amount of employment land available. This is a trend showing a year on year decrease of around 20 ha. This is in line with current policy requiring a managed release of employment land in Tower Hamlets. It is important to note that this space is not being lost in areas that have been designated for employment use.
- 10.4 The number of hotel bedrooms completed each year continues to exceed the annual policy target of 100 hotel rooms. Tower Hamlets has been at the forefront of regeneration over a number of years increasing both regeneration and business tourism. In response to this and the 2012 Olympic and Paralympic Games is an increasing demand for hotel development. Further research is required in this area to understand demand for hotels and serviced apartments and where these are most appropriately located.

Housing Delivery

- 10.5 Despite an overall increase in the delivery of affordable housing, the dwelling mix and type that is being delivered gives rise to concern. This year, the number of intermediate homes completed exceeds the number of social rented homes. This has led to a much smaller provision of family size intermediate housing, well below the required target. To ensure new housing contributes to building sustainable communities, the Council is working with the Homes and Communities

Agency on a number of sites around the Borough to deliver new homes that meet the housing needs in Tower Hamlets.

- 10.6 The average residential density has increased to 579 habitable rooms per hectare. This remains high and reflects the high levels of public transport accessibility with Tower Hamlets and the demands economic viability places to maximise the density of sites, particularly those with high land values. Further monitoring will consider development schemes with densities outside the acceptable density ranges set out in the London Plan.

Impacts of an Increasing Population

- 10.7 High levels of population growth, evident from the continuing high levels of housing development, place additional pressure of community infrastructure.
- 10.8 The level of publicly accessible open space per 1,000 people has decreased for the fourth year in a row. The Council is working with key partners through the Healthy Tower Hamlets programme to deliver a Green Grid for Tower Hamlets. This will work to identify opportunities for new open spaces and improve the links between open space, while promoting walking and healthy lifestyles.
- 10.9 The total amount of municipal waste generated has increased significantly, again as a result of continuing population growth. While a higher percentage of all waste is being recycled, in real terms, the amount of waste going to landfill has increased in the past year. While the recycling results are promising, this presents a challenge in terms of waste management, both for the Council and for local people.

Environmental Indicators

- 10.10 It is of particular concern that the number of noise related complaints has risen for the second year. Spatial analysis shows that noise hotspots include the area around Brick Lane and the western end of Bethnal Green Road. Policy to address this issue is being put forward through the emerging Core Strategy and Development Management DPD. In addition, work to implement the Town Centre Spatial Strategy will help to address issues of noise in certain town centres.
- 10.11 Biological river quality is monitored by the Environment Agency and is regularly measured at only one site in Tower Hamlets. This has reported a poor assessment grade of E, with biology restricted to pollution tolerant species. Continuing partnership working with the Environment Agency through the Local Biodiversity Action Plan should help to address this issue.

Additional actions proposed

10.12 Further actions proposed include:

- Further work on coordinating the Annual Monitoring Report programme with Local Area Agreement monitoring;
- Improving data collection on renewable energy;
- Improving data collection on sustainable urban drainage systems;
- Continuing monitoring on student accommodation and the associated impacts;
- Revising the Local Development Scheme by December 2009;
- Revising the Statement of Community Involvement by December 2009;
- Begin work on the Site Allocations and Development Management DPDs in late 2009;
- Embed new policy monitoring targets in the emerging Local Development Framework.

10.13 The Annual Monitoring Report is not a policy making document but provides an assessment and review of current planning policy and the implementation of this in Tower Hamlets. The annual monitoring process has informed the preparation of the Core Strategy, and will inform the Development Management and Site Allocations DPDs. The Council is developing these documents with involvement from statutory and local consultees, together with relevant evidence.

10.14 There is likely to be one further Annual Monitoring Report focussing on the Interim Planning Guidance policies. From 2011, pending the successful adoption of the Core Strategy, monitoring will shift to the policies contained within the Core Strategy. A monitoring framework will be prepared in line with the Core Strategy and the future Development Plan Documents. Work to monitor the Infrastructure Delivery Plan will also form part of this.

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Indicator	Description	Data Source	Target	Traffic Light	2006-07	2007-08	2008-09	Preferred Direction	Direction of Performance
Core Output Indicators									
BD1	Total amount of additional floorspace by type	LBTH Planning Applications Database	No specific target	AMBER	7,211 sq m (B1a) no B2, 165 sq m (B8)	4,020 sqm (B1a), no B1b, -455 (B1c), -3617sqm (B2),-25,757 sq m (B8)	GROSS: 16,495 sq m (B1a), no (B1b), 774 sqm (B1c), 2,732 sqm (B2), 1,720 sqm (B8) NET: 13,142 sqm (B1a), no (B1b), 774 sqm (B1c), -7,724 sqm (B2), -12,418 sqm (B8)	—	—
BD2	Total amount of employment floorspace on previously developed land - by type	LBTH Planning Applications Database	100%	GREEN	100%	100%	100%	Higher	▲
BD3	Employment land available - by type	LBTH Planning Applications Database	N/A	RED	121.67	104.64	84.6	Higher	▼
H1	Plan period and housing targets	LBTH Planning Applications Database	31,500	AMBER	10,288 sq m with 632 in town centres	9,214 sq m with 1,407 in town centres	Within Town Centres NET: -13(a1), 0 (a2,b1a,d2), Total -13 GROSS: 62 (a1), 0 (a2,b1a,d2), TOTAL 62 Boroughwide NET: 1973 (a1),0 (a2), 13142 (b1a), 540 (d2) Total 15,655 GROSS: 3147(a1), 0(a2), 16495(b1a),540(d2) TOTAL 20,182	—	▲
H2(a)	Net additional dwellings in previous years	LBTH Planning Applications Database	N/A	N/A	1,630 dwellings (01/02), 1,108 dwellings (02/03), 2,181 dwellings (03/04), 2,465 dwellings (04/05), 2,477 dwellings (05/06)	1,179 dwellings (02/03), 2,992 dwellings (03/04), 2,465 dwellings (04/05), 2,575 dwellings (05/06), 2,370 dwellings (06/07)	2,992 dwellings (03/04), 2,465 dwellings (04/05), 2,575 dwellings (05/06), 2,370 dwellings (06/07), 2,335 dwellings (07/08)	N/A	N/A

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H2(b)	Net additional dwellings for the reporting year	LBTH Planning Applications Database	3,150 Annual London Plan delivery target	GREEN	2,254 dwellings (2006-2007) (Net) , 330 vacancies brought back into use, 1 non-self contained unit, 2,585 dwellings (2006-2007) (Total)	2,037 dwellings (2007-2008) (Net), 2,115 (2007-2008)(Gross)	2,839 dwellings (2008-2009) (Net), 2,979, (2008-2009)(Gross)	Higher	▲
H2(c)	Net additional dwellings in future years	LBTH Planning Applications Database	N/A	N/A	3,530 dwellings (07/08), 3,791 dwellings (08/09), 3,781 dwellings (09/10), 3,462 dwellings (10/11), 3,457 dwellings (11/12), 3,455 dwellings (12/13), 3,557 dwellings (13/14), 3,555 dwellings (14/15), 3,322 dwellings (15/16), 1,689 dwellings (16/17)	2,370 dwellings (07/08); 2,037 dwellings (08/09); 2,969 dwellings (09/10); 2,969 dwellings (10/11); 2,969 dwellings (11/12); 2,969 dwellings (12/13); 2,969 dwellings (13/14); 2,969 dwellings (14/15); 2,969 dwellings (15/16); 2,969 dwellings (16/17); 2,969 dwellings (17/18); 1,970 dwellings (18/19); 1,970 dwellings (19/20); 1,970 dwellings (20/21); 1,970 dwellings (21/22); 1,970 dwellings (22/23); 1,970 dwellings (23/24); 1,970 dwellings (23/24);	2,839 dwellings (08/09); 4,425 dwellings (09/10), 4,667 dwellings (10/11), 2,208 dwellings (11/12), 1,170 dwellings (12/13), 1,211 dwellings (13/14), 4,677 dwellings (14/15), 3,708 dwellings (15/16), 3,496 dwellings (16/17), 5,884 dwellings (17/18), 3,386 dwellings (18/19), 4,969 dwellings (19/20), 1,336 dwellings (20/21), 2,734 dwellings (21/22), 824 dwellings (22/23), 2,864 dwellings (23/24), 43 dwellings (24/25)	N/A	N/A
H2(d)	Managed Delivery Target	LBTH Planning Applications Database	N/A	N/A	2,891 average dwellings per year	2,503 average dwellings per year	See Figure 10	N/A	N/A
H3	New and converted dwellings -on previously developed land	LBTH Planning Applications Database	100%	AMBER	100%	97%	97.48%		
H4	Net additional pitches (Gypsy and Traveller)	LBTH Planning Applications Database	No net loss	AMBER	No new sites (19 existing sites)	No new sites (19 existing sites)	No new sites (19 existing sites)	—	▲
H5	Gross affordable housing completions	LBTH Planning Applications Database	1,688	GREEN	1047	534	1,555	Higher	▲
H6	Housing Quality-Building for Life Assessment	LBTH site visits	Scores of Over 14/20	GREEN	Not collected	Very Good 1, Good 1, Average 5, Poor 5	Very Good 5, Good 6, Average 10, Poor 5	Higher	▲

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E1	Number of planning permissions granted contrary to Environment Agency advice on flooding and water quality grounds	Environment Agency	Fewer than previous year	GREEN	4 permissions granted contrary to the advice of the Environment Agency	3 permissions granted contrary to the advice of the Environment Agency	No application was granted contrary to Environment Agency's advice	▼	▼
E2	Changes in areas of biodiversity importance	Greenspace Information for London	No Loss	GREEN	No recorded change	No recorded change	No recorded change		
E3	Renewable energy generation	LBTH Planning Applications Database	Need to set a target	AMBER	Manchester Road - solar panels installation - up to 0.8KW capacity	Elektron Development Aspen Way - 3 wind turbines (12,000 kWh/annum)and photo voltaic modules (4,993 kWh/annum)	7 sites across the Borough	▲	Higher
W1	Capacity of new waste management facilities by waste planning authority	LBTH Waste Management	N/A	AMBER	No new waste management facilities	No new waste management facilities	No new waste management facilities	▲	Higher
W2	Amount of municipal waste arising, and managed by management type by waste planning authority	LBTH Waste Management	Need to set a target	AMBER	Recycling (9,866 tonnes) 11.72%, Composting or Treatment by Anaerobic Digestion (154 tonnes) 0.18%, Used to recover heat, power and other energy sources (7712.48 tonnes) 9.16%, Landfill (66,445 tonnes) 78.94%	Recycling (11,147 tonnes) 13.61%, Composting or Treatment by Anaerobic Digestion (100 tonnes) 0.12%, Used to recover heat, power and other energy sources (0 tonnes) 0%, Landfill (70,146 tonnes) 85.62%	Total recycled/composted/reused - 15389 tonnes; Total Landfilled - 87,612 tonnes; Energy from waste 237 tonnes.	▲	Higher
Local Output Indicators									
LOI 1	Level of satisfaction with Built Environment	LBTH Annual Residents Survey	Monitor trend	AMBER	66%	61%	63%	▲	Higher
LOI 2	Number of new jobs created	Annual Business Inquiry	Monitor trend	AMBER	7,520 new jobs (2004-05)	10,364 new jobs (2005-06)	6,155 new jobs (2006-07)	▼	Higher
LOI 3	Percentage of residents working outside of the Borough	Census 2001	Reduction in the percentage of residents from the previous year	AMBER	61%	61%	61%	▲	Lower

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LOI 4	Amount of vacant B1a office floor space	LBTH Council Revenue Support	Not more than 25%	N/A	Not collected	Not collected	Not collected	Not collected - can refer to qualitative assessment from report. Vacant B1a floorspace in Bromley-by-Bow, Canary Wharf South and Bethnal Green South source	Lower	N/A
LOI 5	NI 171 New business registration rate - Registration rate per 10,000 resident adults	BERR New business registration rate	Not below 2004/05 levels (92.1)	GREEN	103.1	94	124.6 (2007-08)		Higher	▲
LOI 6	Vacancy levels in Strategic Industrial Locations and Local Industrial Locations	LBTH Industrial Land Review	Not more than 25%	GREEN	Some vacancies were recorded at Fish Island. Low vacancy levels were recorded for Empson Street/St. Andrew's Way, Gillender Street and Poplar Business Park.	Some vacancies were recorded on Bethnal Green Rd , Chrisp St (Market Rd and East India Dock Rd), and Roman Rd East and West.	No vacancy levels were recorded for Fish Island, Empson Street/St. Andrew's Way and Gillender Street or Poplar Business Park	Lower	▲	
LOI 7	Number of new hotel rooms	LBTH Planning Applications Database	100 rooms per year	RED	445 new hotel bedrooms completed	238 new rooms	168 new rooms	Lower	▼	
LOI 8	Town Centre Vacancy rates	LBTH Town Centre Health Checks	Not more than 8%	AMBER	District Centres Bethnal Green (0%), Chrisp Street (0%), Crossharbour (0%), Isle of Dogs (0%), Roman Road West (2.7%), Roman Road East (14.9%), Watney Market (0%), Whitechapel (0%) Major centre: Canary Wharf (0%), Bethnal Green (1.5%), Chrisp Street (4.9%), Crossharbour (0%), Roman Road East (14.0%), Roman Road West (6.5%), Watney Market (5.9%), Whitechapel (7.4%) Major centre: Canary Wharf (0%) and District Centres Bethnal Green (0%), Chrisp Street (0%), Crossharbour (0%), Roman Road East (19.0%), Roman Road West (3.1%), Watney Market (0%), Whitechapel (0.7%)	Lower	▲			
LOI 9	Number of applications approved for changes of use to A3, A4 and A5	LBTH Planning Applications Database	Monitor trend	GREEN	17	15	11	Lower	▼	

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LOI 10	Percentage of social rented housing completions for family housing	LBTH Planning Applications Database and London Development Database	45%	RED	18.12%	25.48%	35.02%	Higher	▲
LOI 11	Percentage of intermediate and market housing completions for family housing	LBTH Planning Applications Database and London Development Database	25%	RED	2.54 % (Intermediate) 4.22% Market)	15.87 % (Intermediate) 2.53% Market)	6.86% (Intermediate) 3.44% (Market)	Higher	▲
LOI 12	Percentage of total housing completions that are affordable (calculated by habitable rooms)	LBTH Planning Applications Database and London Development Database	50:50	GREEN	40.98%	29.36%	56.63%	No Change	▲
LOI 13	Percentage of affordable housing completions that are intermediate	LBTH Planning Applications Database and London Development Database	80:20	RED	38.50%	11.33%	57.31%	Higher	▲
LOI 14	Number of residential dwellings lost	LBTH Planning Applications Database and London Development Database	No net loss	AMBER	356	76	140	No net Loss	▲
LOI 15	Amount of eligible open spaces managed to Green Flag standard	Green Flag Award website: http://www.greenflagaward.org.uk/award/	1 additional park/year	AMBER	5 parks- Island Gardens, King Edward Memorial Park, Mile End Park, Trinity Square Gardens and Weavers Fields	6 parks- Island Gardens, King Edward Memorial park, Mile End Park, Millwall park, Trinity Square Gardens and Weavers Fields	6 parks- Island Gardens, King Edward Memorial park, Mile End Park, Millwall park, Trinity Square Gardens and Weavers Fields	Higher	▲

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LOI 16	Percentage of people asked who think that leisure and sports facilities are good, very good or excellent	TH Indicator: Annual Residents' Survey	At least 50%	AMBER	43%	46%	45%	Higher	▼
LOI 17	Number of General Practitioners per 1,000 population	Tower Hamlets Primary Care Trust	At least 59 per 100,000 population	GREEN	Not collected	58	74.6	n/a	▲
LOI 18	Percentage of population reporting good health, aged under 75	Census 2001	At least 92%	AMBER	67.90%	67.90%	67.90%	Higher	▲
LOI 19	Percentage of population aged 16-74 with no formal qualifications	Annual Population Survey (NOMIS)	No more than 25%	GREEN	25.60%	18.80%	23.40%	Lower	▲
LOI 20	Percentage of young people aged 16-18 not in education, employment or training	Local Area Agreement (Connexions)	No more than 10%	GREEN	12.00%	10.38%	8.20%	Lower	▼
LOI 21	Enrolments on adult education courses per 1,000 adult population	Tower Hamlets Index Indicator 042	80	GREEN	74.87	55	58.4	Higher	▲
LOI 22	Area of land designated as Open space	LBTH Parks Team and GIS	1.20 ha/1000 population	RED	244 ha; 1.15 ha/1000 pop	246 ha; 1.14 ha/1000 pop	246 ha; 1.12 ha/1000 pop	Higher	▼
LOI 23	Area of land designated as Local Nature Reserves	LBTH GIS Team	No net loss	AMBER	24.8 ha	24.8 ha	24.8	Higher	▲
LOI 24	Area of land designated as Sites of Nature Conservation Importance	LBTH GIS	No net loss	AMBER	441.2 ha	441.2 ha	441.2	Higher	▲
LOI 25	Area of land designated as Green Chain	LBTH GIS	No net loss	AMBER	16.8 km	16.8 km	16.84	Higher	▲

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LOI	Indicator Description	Dept for Env, Food and Rural Affairs	No drop below 2004 levels	Overall Status	2016/2017	2018/2019	2020/2021	2022/2023	2024/2025	2026/2027	2028/2029	2030/2031	
LOI 26	Biological River Quality			N/A	0%	Data not available						Higher	►
LOI 27	% of household waste which has been sent by the authority for recycling, re-use and composting	NI Indicator 192	30% by 2016	AMBER	11.72%	13.61%	15%					Higher	▲
LOI 28	Number of Car-free agreements signed	LBTH Planning applications database	At least 60% of all major residential applications	GREEN	57%	83%	96%					Higher	▲
LOI 29	Number of travel plans submitted with applications	LBTH Planning applications database and London development agency	100% of all major applications	AMBER	5%	6%	32%					Higher	▲
LOI 30	Total distance of cycle and pedestrian networks	LBTH Geographic Systems	Increase of at least 1% per annum	AMBER	Pedestrian - 32.5 km, Cycle - 53.3 km,	Pedestrian - 32.5 km, Cycle - 53.3 km,	Pedestrian - 32.5 km, Cycle - 53.3 km,					Higher	►
LOI 31	Level of satisfaction with public transport	LBTH Annual Residents Survey	At least 80%	AMBER	65%	69%	65%					Higher	▼
LOI 32	Percentage of Authority buildings in which all public areas are suitable for and accessible to disabled people	Best Value Performance Indicator BV156	100%	—	54.32%	63%	Indicator deleted					N/A	N/A
LOI 33	Percentage of major applications with comments from Council's Access Officer	LBTH Planning Applications Database	100%	AMBER	50%	40%	41%					Higher	▲
LOI 34	Perception of Safety	LBTH Annual Survey	10% improvement over the lifetime of the plan	N/A	Data not available	Data not available	Data not available					N/A	N/A
LOI 35	Number of domestic burglaries per 1,000 households	National Indicator NI 16	No more than 18.5	GREEN	16.95	15.98	10.9					Lower	▼

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LOI 36	Total Number of Conservation Areas	LBTH Conservation and Design Team	Not below 50	GREEN	50	50	50	57	Higher	▲
LOI 37	Conservation Areas with up-to-date appraisals	LBTH Conservation and Design Team	100%	GREEN	35	50	50	50	Higher	▶
LOI 38	Conservation Areas with published management proposals	LBTH Conservation and Design Team	100%	GREEN	35	50	50	50	Higher	▶
LOI 39	Proportion of Listed Buildings at Risk	English Heritage Buildings at Risk Register	Less than previous year	GREEN	30 Buildings	39 Buildings	37 Buildings	37 Buildings	Lower	▼
LOI 40	Financial contribution for education per residential unit	S106 records	Increase the amount	GREEN	£588 per residential unit	£969 per residential unit	£1,590 per residential unit	£1,590 per residential unit	Higher	▲
LOI 41	Number of affordable housing units secured	LBTH Development Schemes team and LBTH Planning Applications Database	Increase in the number of units secured the previous years	AMBER	550 units	1,489 units	1,311 units	1,311 units	Higher	▼
LOI 42	Financial contribution for health per residential unit	S106 records	Increase the amount	AMBER	£1,226 per residential unit	£2,957 per residential unit	£1,659 per residential unit	£1,659 per residential unit	Higher	▼
LOI 43	Student accommodation completed and approved	London Development Database	TBC	—	Not previously recorded	Not previously recorded	447 Bed spaces	447 Bed spaces	—	▶
LOI 44	Wheelchair accessible homes completed	London Development Database	TBC	—	Not previously recorded	Not previously recorded	Not previously recorded	Not previously recorded	N/A	N/A
LOI 45	Residential Density	LBTH Planning Applications Database and London Development Database	Monitor trend	RED	570 hr/ha	528 hr/ha	579 hr/ha	579 hr/ha	Monitor trend	▲
Significant Effects Indicators										
SEI 1	Life Expectancy at Birth	London Health Observatory	10% reduction in the gap between Tower Hamlets and the England average	AMBER	Male 74.9, Female 79.9 (Period 2003-2005)	Male 75.2, Female 80.2 (Period 2004-2006)	Male 75.3, Female 80.4 (Period 2005-2007)	Male 75.3, Female 80.4 (Period 2005-2007)	Reduce gap	▼

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SEI 2	Percentage of all housing units that are affordable (calculated by dwellings)	LBTH Planning Applications Database	50%	GREEN	39.20%	25.25%	52.19%	—	▲
SEI 3	Proportion of Local Authority homes which were non-decent at 1 April each year	Best Value Performance Indicator 184a	No more than 60%	GREEN	61.74%	58.95%	57.61%	Lower	▼
SEI 4	Number of new or redeveloped primary care facilities	LBTH Planning Applications Database and Primary Care Trust	10	GREEN	A new walk-in centre was opened at Canary Wharf, the dental practice at St Peter's Community Centre was reopened, a new surgery was opened at Cable Street, and an extension was completed to the St Stephen's Health Centre.	The new Barkantine Health and well-being Centre was opened on the Isle of Dogs, Pinchin St opened in 2007 as part of the Whitechapel Health Centre, and the Albion Health Centre was expanded. St peters Centre in Wapping was also refurbished involving major improvements	A new dental practice (Williams Place) was opened at Roman Road together with a new health centre at Mansell Street. Refurbishments and upgrade work were carried out to a number of GP practices and health centres including: Gill Street, Leopold Street, Ruston Street Clinic, Spitalfields and Wapping Health Centres and Wellington Way. Major improvements to facilities at the Mile End Hospital include, the therapy department (phase 2 continues through 2009/10) and a refurbishment of the wards for older people and rehab services.	Higher	▲
SEI 5	Number of physical visits to public library premises/1000 population	TH Index Indicator	10,000	AMBER	9,182	9,711	9,285	Higher	▲
SEI 6	Number of visits to Leisure Centres	Sport & Physical Activity service - GLL	1,500,000	GREEN	1,451,307	1,704,587	1,722,240	Higher	▲
SEI 7	Percentage of New homes built on previously developed land	Best Value Performance Indicator 106	100%	GREEN	100%	100%	100%	—	▲

Indicator Summary Table

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SEI 8	Percentage of proposals approved that would result in the loss of Listed Buildings or buildings of value in Conservation Areas	LBTH Planning Applications Database	Less than 5% of relevant planning applications	GREEN	0.67% (1out of 149)	2.63% (1out of 38)	0% (0 out of 35)	Lower	▼
SEI 9	Number of domestic burglaries per 1,000 households	Best Value Performance Indicator 126	No more than 18.5	GREEN	16.95	15.98	10.9	Lower	▼
SEI 10	The percentage of hate crime cases with identified perpetrators investigated by the Community Safety Service resulting in formal action.	Local Performance Indicator LPSAHC1 Excelsis	70 in 2008/09	—	N/A	35	Indicator to be reported in AMR 2009/10	Higher	▲
SEI 11	LAA NI152: Working age people on out of work benefits	NOMIS (JSA and benefit data)	Target 18.3% in 08/09	GREEN	18.30%	17.40%	17.10%	Lower	▲
SEI 12	Percentage of children living in households with relative low income	Department for Work and Pensions	Reduction in the number recorded the previous year	—	59%	66% (IMD 2007)	Indicator to be reported in AMR 2009/10	Lower	▲
SEI 13	Percentage of residents whose workplace is within the Borough	Census 2001	Higher than the London Average	AMBER	39%	39%	39%	Higher	▲
SEI 14	Number of days when air pollution is moderate or high for PM10	London Air Quality Network	No more than 35 days per year	GREEN	Poplar- 10 days, Bethnal Green - 9 days	Poplar- 10 days, Bethnal Green - 10 days	Poplar - 4 Days, Bethnal Green - 1 Day	Lower	▼
SEI 15	Number of Noise-related complaints to Environmental Health	LBTH Environmental Health	Reduction in the number of compliant received the previous year	RED	3,917	7,074	8,015	Lower	▲

Indicator Summary Table

APPENDIX 1

SEI 16	Percentage Improvement in domestic energy efficiency	LBTH Energy Efficiency	30% reduction in domestic energy consumption by 2010 from 1996 levels	RED	9.22% Overall improvement in energy efficiency from 1 April 1996 to 31 March 2007	9.71% Overall improvement in energy efficiency from 1 April 1996 to 31 March 2008 - This info not reported last year	Data to come	Higher	▲
SEI 17	% of household waste which has been sent by the authority for recycling, re-use and composting	NI Indicator 192	30% by 2016	RED	11.72%	13.61%	15%	Higher	▲
SEI 18	Number of SUDS installed	LBTH BC	Increase in the number of SUDS installed in the previous year		Data not available	Data not available	Data not available		
SEI 19	Population of identified species in Tower Hamlets Biodiversity Action Plan	LBTH Local Biodiversity Partnership	model1	GREEN	No reported losses	No reported losses	No reported losses		
SEI 20	Percentage of approved planning applications that do not meet the sequential test for managing flood risk	Development Control and Environment Agency	0%	GREEN	Not collected	Not collected	0%	—	▲
SEI 21	Percentage of residents that feel they can influence decisions affecting their local area	LBTH Annual Residents Survey	80%	AMBER	41%	48%	46%	Higher	▼

Reference	Address	Description	Completion Date	Net Gain
PA/01/00771	508 Roman Road, St. Stephens Road	Extensions with some demolition to provide ground floor snack bar and 2 x two bedroom houses, 3 x one bedroom flats and one studio flat in a three storey development.	24/03/2009	5
PA/01/01255	Land at and rear of 43-47 Vallance Road	Demolition of existing building and redevelopment of the site together with adjoining land at rear to provide a five storey building with three commercial units for retail, service, office or light industry (A1, A2, B1) at ground floor, one B1 unit (office/light industry) at first floor and 14 flats (12 x one bedroom, 2 x three bedroom) on the upper three floors.	25/03/2009	14
PA/02/01093	46-50 Gun Street	Redevelopment to provide a basement plus part 4 and part 5 storey building fronting Brushfield Street and Gun Street (providing two units on the basement and ground floors, to be used for either Class A1, A2 or B1 use only, and 12no. flats on the upper floors) and a basement plus 7 storey building fronting Steward Street (providing two units on the basement and ground floors to be used for either Class A1, A2 or A3 use, and 21no. flats on the upper floors).	10/10/2008	33
PA/03/00154	Site North of Copenhagen, Copenhagen Place,	Demolition of existing storage warehouses and construction of a new mixed use development comprising 4 commercial/office units and 110 residential units with associated car parking and landscaping.	20/08/2008	110
PA/03/00680	159 Commercial Street	Redevelopment of the site including refurbishment of the street facades plus the creation of a 4th floor extension. Use of the site at basement level for storage purposes, on the ground floor level as offices (Class B1) and on the upper 4 floors residential (3 one-bed, 7 two-bed and 4 three-bed flats.	01/02/2009	14
PA/03/01078	Britannia Public House, 2 Digby Street	Demolition of the existing public house and construction of a 5 storey block of 14 flats (8x1 bed, 5x2 bed, 1x3 bed)	16/12/2008	13

PA/04/00350	Site at 3-5 and 19-25 Payne Road	Retention and refurbishment of No. 25 Payne Road, the demolition of the remaining buildings, and the redevelopment of the site to provide new buildings up to 16 storeys high to provide 158 no. flats and 15 commercial units to accommodate Class B1, A1, A2 and D1 uses, with associated landscaping, car parking, and cycle storage	28/10/2008	158
PA/04/00367	Millwall Fire Station, 461 Westferry	Demolition of existing single storey recreation room & construction of a new building up to five storeys containing 21 new residential units	29/07/2008	9
PA/04/00510	East of Poplar Business Park and Southwest of Junction of Prestons Road	The erection of two buildings rising to 13 and 25 storeys for use as 1,084 sq. m of Class A1 (Shop) with 243 residential units above (131 x 1 bedroom, 82 x 2 bedroom and 30 x 3 bedroom).	30/01/2009	243
PA/04/00538	West of Brinsley House, Site East of Watney Street	Redevelopment of site to provide four buildings comprising 672sqm of commercial space (A1, A3 or B1) and 221 residential units plus an internal access road, car & cycle parking, gym and amenity space	04/06/2008	177
PA/04/00954	327-335 Commercial Road	Redevelopment and works to the site including the erection of a new shop front, rear bin store, new residential access to the upper floors, 2 additional floors over the smaller existing building and 1 additional floor over the taller existing building, in connection with the use of the basement and ground floor as an art gallery and ancillary café (Class D1), 4 artists studios (Class B1) at ground floor level, 4 x 1 bed live/work units (mixed Class B1/C3 use) at first floor level and 13 flats (Class C3) at 2nd to 4th floor levels, consisting of (3 x 1 bedroom, 9 x 2 bedrooms and 1 x 3 bedrooms units).	28/10/2008	17
PA/04/00973	Elektron Building, Aspen Way	Demolition of the Electrical Switch House and the erection of a 25-storey building (81.55 metres AOD) plus two 22-storey buildings (73.3 metres AOD) to provide 437 one and two bedroom residential units and 229 sq.m of commercial floorspace (Use Classes A1 to A5, B1 (a), D1 and D2), together with associated car parking, landscaping and infrastructure works.	29/08/2009	290

PA/04/01098	St.Botolphs Hall and Rear of 35-38 Spital Square	(i) Erection of a five storey building plus plant enclosure on part of roof; restaurant on the ground floor and 14 flats on the upper floors (4 studios, 4 one-bedroom and 6 two-bedroom flats); use of part of roof as terrace; (ii) internal and external alterations to St Botolphs Hall together with the change of use of the public hall to a restaurant, including the erection of a single storey glazed link to the above new building; (iii) the creation of new courtyard to the south of St Botolph's Hall to be used as a seating area for the proposed restaurants; and (iv) the erection of a four storey building to provide Use Class B1 office space.	28/01/2009	14
PA/04/01524	17-19 Plumbers Row	Demolition of existing building and construction of a building up to eight storeys to provide commercial space on lower and ground floor with 58 residential apartments above.	18/08/2009	58
PA/04/01577	21 Ridgen Street	Demolition of existing building and erection of two houses (1x3 bed and 1 x 4 bed) together with associated landscaping works.	03/04/2008	2
PA/04/01730	516-518 Roman Road	Erection of a third floor extension to provide two additional 1 bedroom flats with roof terraces.	18/06/2008	2
PA/04/1757	71a Fairfield Road	Demolition of existing building and construction of a part 3 and part 5 storey building to provide 8 flats.	30/06/2008	9
PA/04/1916	Former Goodmans Fields, North of Hooper Street	Amendments to Phase 1 of the Goodmans Fields Masterplan to form 252 residential units with associated works. Reduction in the basement car park to 108 car parking spaces (from 150).	01/10/2008	252
PA/05/00757	99 Alpha Grove	Demolition of three-storey 4-bedroom dwelling house. Redevelopment by erection of a three-storey building to provide 3 x 3 bed flats	24/04/2008	2
PA/05/00801	Suttons Wharf South, Palmers Road	Demolition of warehouse at south end of existing cash and carry premises and construction of a 9 and a half storey building containing 169 residential units, 2620sq.m of office, and a café/bar/shop, together with a semi underground car-park, access road and landscaped areas including public open space and canal-side walk	16/06/2008	169

PA/05/1423	4-4a Whitman Road	Demolition of the existing buildings including the walls separating the site from the street and from the school and construction of a part two and part three storey building containing five flats.	27/03/2009	5
PA/05/1778	260-268 Poplar High	Demolition of existing health centre and redevelopment of site comprising the erection of a 6 storey building to create community facilities on the ground floor, and 35 residential flats at rear of ground floor and floors above.	19/02/2009	35
PA/05/1782	70 Marsh Wall	Erection of two buildings of 48 storeys and 39 storeys to provide 820 residential units, retail (Class A1), food and drink (Class A3, A4), business (B1) and leisure (D2) uses with new vehicular access, parking, open space and landscaping	27/02/2009	216
PA/05/02098	East End Mission, 583 Commercial Road	Refurbishment of buildings on Commercial Road for community and retail use on the ground floor with residential above. Demolition of buildings at rear and erection of two, four to five storey plus basement buildings to provide 100 residential units.	23/07/2008	45
PA/05/2109	131 Wapping High Street	Amendment during course of construction of development permitted by appeal - APP/E5900/A/02/1083758, (Application Reference PA/01/0865), for conversion of existing warehouse building, currently occupied by retail use and London Music School to provide 10 residential units.	01/09/2008	10
PA/06/00212	170a Swaton Road	Re-development of a vacant site by erection of a new two storey building containing two one-bed roomed flats.	19/12/2008	2
PA/06/00222	265-267 Whitechapel Road	Refurbishment of residential units and conversion to 6 self contained flats	02/10/2008	4
PA/06/00303	101-103 Whitechapel Road	Conversion of upper floors to form 4 x one bedroom and 1 x two bedroom units.	17/10/2008	5
PA/06/00906	Ye Olde Hope Public House, 2 Pollard Row	Demolition of existing public house and erection of a five storey building comprising 13 flats	23/09/2008	13
PA/06/00946	96-100 Salmon Lane	Construction of a part three and part four storey building to provide 13 flats with cycle and refuse storage	22/01/2009	13
PA/06/00953	86 Bow Road	Change of use from B1 to 8 residential units (1 x 1 bed, 4 x 2 bed and 3 x 3 bed).	10/10/2008	8

PA/06/01012	British Street Estate and Merchant Street	Refurbishment of existing buildings, demolition of four 4-bed flats and shops on Merchant Street, erection of 185 residential units (161 new build flats in six blocks up to 6-storeys high containing 1,2 & 3 bedroom units, the conversion of pram store to provide 19 one bedroom affordable units and five new build 3 and 5 bed affordable town houses on infill sites); a community centre and cultural / education facility of 546sqm and 6 retail units providing 494sqm, reconfiguration of existing car parking, associated servicing and landscaping	11/12/2008	44
PA/06/01096	Land Bounded by Bow Common Lane	Development of 78 residential units comprising one, two and three bedroom apartments and three and four bedroom town houses in blocks ranging in height from 3 to 6 storeys and the creation of 220 sq.m. of ground floor business/commercial space.	08/01/2009	78
PA/06/01527	Car Park Rear of 21 Prescott Street near Chamber Street	Erection of a 6 storey building to provide 477 sq.m of class B1 accommodation and 9 residential units (2 x 1-bedroom, 6 x 2-bedroom and 1 x 3-bedroom)	18/02/2009	9
PA/06/01727	Barley Mow Public House, 42 Headlam Street	Demolition of existing two storey public house building. Re-development of site by erection of part 3 and part 4 storey building to create 3 x 1 bedroom flats and 5 x 2 bedroom flats accommodation	23/05/2008	5
PA/06/01809	Land bounded by Schoolhouse Lane and Cable Street, Glasshouse Fields	Erection of a part four / part 7 storey building to provide 198 residential units; 1865 sq.m of B1 floorspace; 220 sq.m of A1 floorspace; 31 car parking spaces; 118 cycle parking spaces and associated landscaping. (Amendment to planning permission PA/03/1731)	19/02/2009	198
PA/06/01979	51 Redchurch Street	Change of use from factory storage (Class B8 use) space to form a 1 x two bedroom residential unit at first floor level and the infill of a small void on the eastern elevation	20/11/2008	1
PA/06/02135	455 Roman Road	Erection of two storey rear extension plus additional second floor, and the conversion of building and retention of shop and storage use at basement and ground floor level. The conversion of building to provide 5 flats at ground, first and second level consisting of 2 x 2 bed flat, 2 x 1 bed flat and 1 x studio flats	02/04/2008	4

Housing Completions 2008/09

APPENDIX 2

PA/06/02193	Orion Point, 7 Crews Street	The merging of 3 x 1 bed flats (numbers 25, 26 and 34 Orion Point) to create one three-bedroom flat and the installation of air conditioning units on the roof of the existing building	21/05/2008	-2
PA/06/02224	497-499 Roman Road	Construction of a first and second floor rear extension and internal alterations to create 1 x 1 bedroom flat and 3 x 2 bedroom units. 2. Proposed changes for a new shop front and window replacements on front elevation	25/06/2008	2
PA/06/02304	North End of 84 Leven Road	Demolition of existing factory building and warehouse to construct a new four to eight storey building comprising 66 affordable residential units (25 x one bedrooms, 23 x 2 bedrooms and 18 x 3 bedrooms) and 774sqm of commercial space comprising of 25 artist studios.	04/03/2009	66
PA/06/02306	Car Park Adjacent to 13 Edinburgh Close	Construction of two semi-detached two storey dwellings comprising of 1 x two bedroom and 1 x three bedroom units within an existing car parking and turning area.	09/04/2008	2
PA/07/00279	97 Roman Road	Demolition of the facade to the building, redevelopment of property to provide a three storey building (basement, ground, first and second floor) to accommodate retail at basement and part ground floor and four residential units (3 x studio flats and 1 x 2 bed) on part ground and upper floors. The proposal would also involve alterations to the shopfront	26/08/2008	3
PA/07/00982	Land at two site adjoining Each Canon Street Road and Bigland Street	Amendments to planning consent PA/05/192 (Refurbishment of Norton House, including construction of a new 5-storey block of 10 flats and a new 5-bedroom house): Changes to the new apartment block footprint and elevations.	15/12/2008	11
PA/07/01114	John Tucker House, 40 Mellish Street	The conversion of the existing two storey warden's flat into 2 x 1 bedroom flat with associated internal and external works	01/09/2008	1
PA/07/01159	96-97 and 102-103 Cudworth Street	Conversion of existing supported housing units (4 x 4 bedroom flats) into 8 x 1 bedroom self-contained flats.	13/11/2008	4

Housing Completions 2008/09

APPENDIX 2

PA/07/01247	British Gas Site, Harford Street	Redevelopment to provide two to six storey buildings comprising 532 residential units, including 96 affordable housing units and 119 key worker units, 2110 sq. m. for business use (Class B1) and community use (Class D1) with associated access, open space, landscaping and car parking	12/09/2008	468
PA/07/01333	36-40 Copperfield Road	Conversion of the vacant 2nd floor office to form 8 residential flats comprising 2 x 1 bedroom and 6 x 2 bedroom	22/10/2008	8
PA/07/01518	Swift House, 1 Deancross Street	Change of use of the premises from 17 residential units (Class C3 use) to a hostel (Class C2) and comprising 14 units at first and second storey and office and support facilities at ground floor level and the erection two rear extensions at ground floor level	09/12/2008	-17
PA/07/02023	52 Cyprus Street	Conversion of disused Public House including the demolition of existing rear extension and erection of a single storey rear extension to provide x5 residential units (3 x 1-bed, 1 x 2-bed, 1 x 3-bed).	22/10/2008	4
PA/07/02190	91 Roman Road	Demolition of existing building and erection of a three-storey building plus basement, comprising retail unit (Use Class A1) at ground and basement level, 1no. studio flat at ground floor, with 2no. studio flats at first floor level and 1no. two bedroom flat at second floor level (total of four flats), with roof top terrace	26/08/2008	3
PA/07/03084	302 Devons Road	Change of use of ground floor unit from non-residential institution (D1) to two bedroom apartment (C3)	03/09/2008	1
PA/07/03293	Northesk House	Conversion of two ground floor flats to form one larger four bedroom flat.	19/02/2009	-1
2008/09 TOTAL NET ADDITIONAL HOMES				2839
2008/09 TOTAL GROSS HOMES				2979

Application Reference	Site Name / Address	Date of Development	Residential Units
	Bow Lock	2014	294
	13 Solebay Street	2014	149
	30-40 Marsh Wall, London, E14 9TP	2013	96
	Blackwall Trading Estate, Lannick Road	2014	206
	Buildings between Vallance and Selby Street	2014	192
	Cygnets Street Car Park	2014	150
	Elizabeth Wharf, Maroon Street, E14	2012	47
	Land off Chrissp street	2014	430
	Peterlee Business Estate, Junction of Hackney Road/ Clare Street	2014	160
	Peugeot Site, 454-490 Mile End Road	2014	58
	LAND AT 1 MASTMAKER ROAD 64 MARSH WALL AND 2 MILLHARBOUR, LONDON, E14	2014	444
	202 TO 208 COMMERCIAL ROAD, LONDON	2011	53
	Land between Furze Street, Devons Road and Bow Common Lane (split by EDAAW into 3)	2013	57
	Land between Furze Street, Devons Road and Bow Common Lane (split by EDAAW into 3)	2014	119
	443-451 Westferry Road	2014	150
	The Eric and Treby Estates, Mile End, Treby Street, E3	2014	119
	Currie/Dunkeld Site, East India Dock Road	2012	212
	St. Anne's Row	2014	732
	Gun Wharf- Units 1 To 23, 241 Old Ford Road	2012	94
	71 Carmen Street And 134 To 156 Chrissp Street, CARMEN STREET, London	2013	71
PA/01/01756	251-253 COMMERCIAL ROAD, LONDON, E1 2BT	2010	14
PA/02/01330	20 Millharbour (Indecon Court), E14 (Phase 1)	2010	364
PA/03/00493	62-66 Cavell Street, & land south of Newark Street London, E1 2JA	2011	11
PA/03/00659	Lantern's Court, 22 Millharbour, E14 9TU	2011	639
PA/03/01370	35 Woodseer Street	2010	13
PA/03/01431	238-244 HACKNEY ROAD, LONDON, E2 7SJ	2010	14
PA/04/00447	MULLBERRY SIXTH FORM COLLEGE, 226 CABLE STREET, LONDON, E1	2010	34
PA/04/00510	Poplar High Street/Preston Road, E14 9RL	2010	243

Five Year Housing Supply

APPENDIX 3

PA/04/00551	31-39 Millharbour, E14 9TX	2010	512
PA/04/00562	4 Roach Road, E3 2PA	2012	40
PA/04/00602	UNITS 5 - 6, 41 QUAKER STREET, LONDON, E1 6SN	2010	27
PA/04/00774	DEVONS WHARF, LEVEN ROAD, LONDON, E14 0LL	2011	37
PA/04/00993	10-20 Dock Street, E1 8JP	2012	89
PA/04/01038	82 WEST INDIA DOCK ROAD AND 15 SALTER STREET, LONDON, E14	2014	120
PA/04/01098	ST. BOTOLPHS HALL AND LAND AT REAR OF 35 TO 38 SPITAL SQUARE	2012	14
PA/04/01119	148-150 COMMERCIAL STREET, LONDON, E1 6NU	2011	13
PA/04/01203	744 WICK LANE AND 46-52 FAIRFIELD ROAD, FAIRFIELD ROAD, LONDON, E3	2010	146
PA/04/01847	63-69 Manilla Street, E14	2011	11
PA/05/00229	1 Commercial Street And 111 To 120 Whitechapel High Street, Commercial Street, London	2011	217
PA/05/00236	69 FAIRFIELD ROAD, LONDON, E3 2QA	2010	61
PA/05/00566	Control House, 47 Mowlem Street & 29 Wadeson Street, London, E2 9HE	2011	12
PA/05/01723	46-51 Gillender Street, E14 6RN	2010	12
PA/05/01727	SUTTONS WHARF (Northern), PALMERS ROAD, LONDON	2010	419
PA/05/01756	190 TO 194, COMMERCIAL ROAD, LONDON, E1	2010	11
PA/05/01781	4 Mastmaker, E14 9UB	2010	190
PA/05/01866	Car Park At South East Junction Of Prestons Road And Yabsley Street, Prestons Road, London, E14	2014	141
PA/05/02094	Former Arbour Square Police Station and Magistrates Court, including Land bounded by East Arbour Street, Aylward Street and West Arbour Street, E1	2010	60
PA/06/00266	120-132 Chrisp Street	2010	66
PA/06/00432	Rodwell House, 100 Middlesex Street, London	2010	1,185
PA/06/00893	1-3 Muirfield Crescent & 47 Millharbour	2014	143
PA/06/01439	22-28 Marsh Wall, 2 Cuba street & 17-23 Westferry Road	2010	805
PA/06/01791	Mary Jones House, 8 Garford Street,	2010	58
PA/06/01860	Payne Road and Payne Road Studios, E3 2SP	2011	29
PA/07/00241	Site Bounded By Blackwall Way St Lawrence Street And Gaselee Street, Blackwall Way,	2014	133
PA/07/00297	Greenheath Business Centre, Site Bounded By 41 To 65 Three Colts Lane And 14 To 20 Glass Street, Three Colts Lane, EC2	2014	203
PA/07/00298	Phoenix Business centre, 2-10 Bow Common Lane, E3	2011	157
PA/07/00472	381c Old Ford Road, London, E3 2LU	2011	14
PA/07/01201	61-75 Alie Street & 16-17 Plough Lane	2013	235

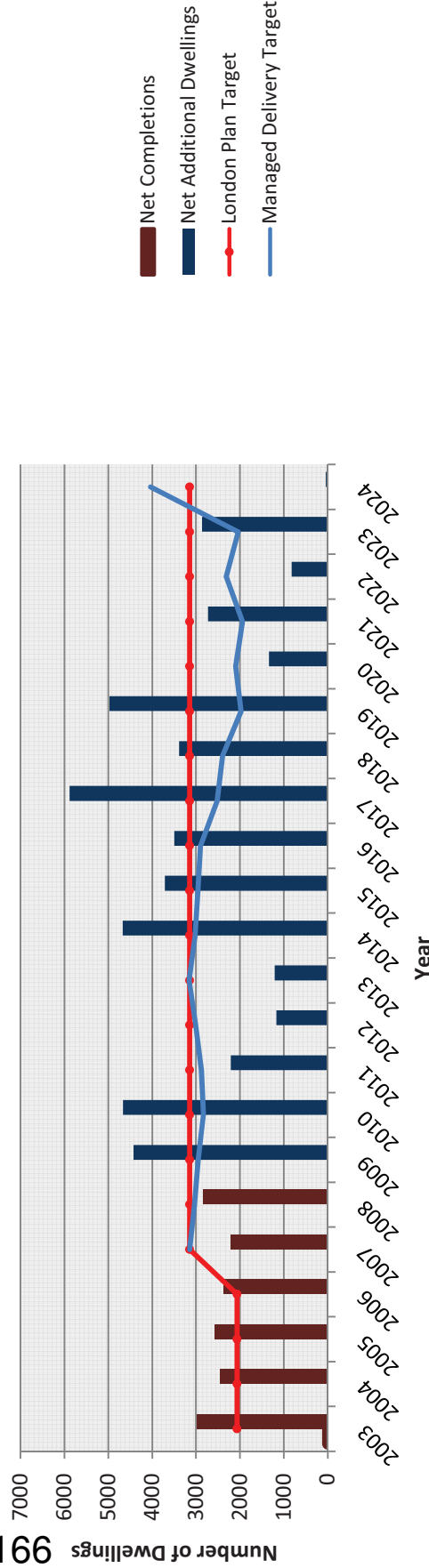
Five Year Housing Supply

APPENDIX 3

PA/07/02193	32-42 Bethnal Green Road	2013	360
PA/07/02265	80 BACK CHURCH LANE, London, E1 1LX	2011	59
PA/07/02294	Parmiter Industrial Centre, Parmiter Street, London	2010	106
PA/07/02706	Caspian Works and Lewis House, Violet Road, London	2012	148
PA/07/02763	Fidelis House, 10 Gun Street, London E1 6AH	2010	21
PA/07/03280	34, Bow Common Lane, London, E3 4AX	2010	31
PA/07/03282	20 Millharbour (Indecon Court), E14 (Phase 2)	2014	546
PA/07/03295	7-9, Blondin Street, London	2010	25
PA/08/00042	Land bounded by Limehouse Cut and St Annes Row and Commercial Road, St Anne Street, London	2011	233
PA/08/00083	452 Hackney Road, London, E2 9EG	2010	18
PA/08/00112	Site At South Of 7, Holyhead Close, (Crossways Estate Phase 5) E3	2011	59
PA/08/00146	St Georges Estate, Cable Street, London	2011	193
PA/08/00153	SOTHERBY LODGE, 41 Sewardstone Road, London, E2 9JQ	2011	40
PA/08/00305	Former Bishop Challoner School	2012	214
PA/08/00681	151-157 Gosset Street, London, E2 6NR	2010	51
PA/08/01088	94 Fairfield Road, London, E3 2QP	2010	86
PA/08/01161	St Andrew's Hospital, Devas Street, E3 3NT (Phase 1a)	2011	195
PA/08/01161	St Andrew's Hospital, Devas Street, E3 3NT (Phase 2 and 3)	2013	384
PA/08/01669	60 Portree street and Lanrick House	2012	64
PA/08/01898	St Thomas House, 4 West Arbour Street, London	2012	40
PA/08/02093	The Bede Estate, Bow Common Lane, London	2011	236
PA/09/00203	Gladstone Place	2012	89
PA/09/00357	Royal Charlie Public House	2014	20
			13,543

Year	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25
H2c Net Additional dwellings - future years		4,425	4,667	2,208	1,170	1,211	4,671	3,708	3,496	5,884	3,386	4,969	1,336	2,734	824	2,864	43
Hectares			9,0027	14,116	7,8496	3,0512	24,733										
Target			3,150	3,150	3,150	3,150	3,150										
H2d Managed Delivery Target	3,037	2,951	2,836	2,881	3,012	3,163	3,026	2,957	2,898	2,524	2,401	1,973	2,101	1,943	2,315	2,041	4,039

London Borough of Tower Hamlets Housing Trajectory



Location	Solar Photovoltaics	Biomass						
		Landfill gas	Sewage sludge digestion	Municipal (and industrial) solid waste combustion	Co-firing of biomass with fossil fuels	Animal Biomass	Plant Biomass	Other
PA/08/02090 – South Quay Square	Solar PV to reduce 1004,956 kg CO2/annum							0.140MW gas fired CHP (low carbon technology)
PA/08/01799 – Isle of Dogs cross rail								1MWe CCHP (low carbon technology)
PA/08/02207 – 602 Commercial Rd	261m2 of solar PV rated at 25.2 kWp							
PA/08/02295 – Leven Rd phase 3	Solar PV rated at 865 kWh/annum							
PA/08/01808 – St Paul's Way							600kW wood pellet biomass boiler	
PA/07/03088 – Heron Quays								400kWe gas fired fuel cell
PA/07/02193 – 32-42 Bethnal Green Rd							270 kW wood pellet biomass boiler	70kWe gas fired CHP

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Agenda Item 6.4

Committee: Cabinet	Date: 2 nd December 2009	Classification: Unrestricted	Report No: (CAB 085/090)	Agenda Item:
Report of: Assistant Chief Executive Lutfur Ali Originating officer(s) Afazul Hoque Scrutiny Policy Manager		Title: Affordable Homeownership – responses to the recommendations of the Scrutiny Review Working Group Wards Affected: All		

1. **SUMMARY**

1.1 This report includes the report and the action plan in response to the recommendations of the Overview and Scrutiny Committee Working Group on Affordable Homeownership.

2. **RECOMMENDATIONS**

Cabinet is recommended to –

2.1 Consider the report of the Overview and Scrutiny Committee Working Group on Affordable Homeownership as attached at Appendix 1.

2.2 Approve the response to the recommendations from the Overview and Scrutiny Committee Working Group on Affordable Homeownership attached at Appendix 2.

3. **BACKGROUND**

3.1 The Affordable Homeownership Scrutiny Review Working Group was established in November 2008 and undertook its work over six months. Chaired by Councillor Waiseul Islam, Scrutiny Lead for A Great Place to Live, the key aim of the review was to look at the difficulties of accessing affordable homeownership. This has always been of concern to local residents and heightened by the current economic down-turn, particularly as the pressures on social housing continue to grow. To complete their investigation the Working Group considered:

- Access to current affordable homeownership, including advertising and take-up of schemes;
- Affordability of shared ownership as a current model, considering rent and service charge calculations;
- The role of developers in making homeownership more affordable and accessible for local people;
- Alternative model(s) of affordable homeownership.

3.2 The Working Group undertook site visits to a number of shared ownership schemes and considered the value of the properties and schemes for local residents. This provided them with an understanding of the practical aspects of the schemes – how they are designed and developed and what the financial impact might be for local residents.

3.3 The Working Group heard from the Commission of Mutual and Co-operative Housing about the community land trust model. The Housing Director of Coin Street Community Builders presented the history of its development and a local resident attended to share their experience of living in a local 'shared equity' scheme. These accounts helped Members to debate alternative models.

3.4 The report with recommendations is attached at appendix 1 and the action plan is attached at appendix 2. Producing a report and agreeing an action plan is only part of the role of Overview and Scrutiny. An essential task is to monitor the progress of implementing the recommendations. This allows Overview and Scrutiny to demonstrate the value of its work in improving services and consider whether the anticipated benefits are realised. To achieve this, the Committee will consider six monthly updates on the recommendations.

4. COMMENTS OF THE CHIEF FINANCIAL OFFICER

4.1 This report considers the Overview and Scrutiny Committee Working Group's Affordable Homeownership's report and recommendations.

4.2 There are no specific financial implications emanating from this report but in the event that the Council agrees further action in response to the affordable homeownership report's recommendations then officers will be obliged to seek the appropriate financial approval before further financial commitments are made.

5. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

5.1 Cabinet is asked to consider the report of the Overview and Scrutiny Committee dealing with Affordable Homeownership and approve a proposed response.

5.2 The Council is required by section 21 of the Local Government Act 2000 to have an Overview and Scrutiny Committee and to have executive arrangements that ensure the committee has specified powers. Consistent with this obligation, Article 6 of the Council's Constitution provides that the Overview and Scrutiny Committee shall make reports and recommendations to the Full Council or the Executive in connection with the discharge of any functions. It is consistent with the Constitution and the statutory framework for Cabinet to provide a response.

5.3 The Council has housing and planning functions that relate to the delivery of affordable homes. In addition, the Community Plan makes the provision of affordable housing a priority under the theme of A Great Place to Live, which may in turn activate the Council's well-being power in section 2 of the Local Government Act 2000.

6. ONE TOWER HAMLETS CONSIDERATIONS

6.1 The report outlines a number of recommendations which aim to increase affordable homeownership particularly for families on low income and residents from different backgrounds.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

7.1 There are no implications.

8. RISK MANAGEMENT IMPLICATIONS

8.1 There are no immediate risk management implications.

Local Government Act, 1972 Section 100D (As amended)
List of “Background Papers” used in the preparation of this report

Brief description of back ground papers”
None

Name and telephone number of holder and address where open to inspection.

9. **APPENDICES**
Appendix 1 – Scrutiny review report
Appendix 2 – Action Plan



London Borough of Tower Hamlets

**Report of the Scrutiny Review Working Group on
Affordable Homeownership**

June 2009

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Acknowledgements

The Scrutiny Review Working Group would like to thank all the officers, Common Housing Register partners, developers and other stakeholders who have contributed and supported this review. The Working Group would like to thank in particular the resident of Glenkerry Housing Co-operative for openly sharing his experiences. The contributions of all those involved has helped to shape the final recommendations which are contained within this report.

Working Group Chair:

Councillor Waiseul Islam

Working Group Members:

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Councillor Dulal Uddin

Councillor Rania Khan

Councillor Shahed Ali

Councillor Oliur Rahman

Councillor Timothy Archer

Other Members:

Councillor Ahmed Hussain

Councillor Marc Francis – Lead Member for Housing and Development

Co-opted Members:

Sunita Gupta – Future Women Councillor Initiative

Crissy Townsend – Future Women Councillor Initiative

London Borough of Tower Hamlets:

Paul Evans – Interim Corporate Director Development and Renewal (Until February 2009)

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External:

Resident – **Glenkerry Housing Co-operative**

Michael Tyrell – Chief Executive, **Tower Hamlets Community Housing**

Gavin Cansfield – Chief Executive, **Tower Hamlets Homes**

Joan Murphy - Director Strategic Operations, **Poplar Harca**

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John Brewster – Assistant Chief Executive and Director of New Business and Partnerships, **Gateway Housing**

Steve Patching – Marketing Manger, **Gateway Housing**

Geoff Pearce – Group Director of Development, **East Thames Group**

Nick Drew – Partnership Director, **Telford Homes Plc**
Christine Czechowski – Housing Director, **Coin Street Community Builders**
David Rodgers – Commissioner, **Commission for Mutual and Co-operative Housing**
James Macpherson – Assistant Director of New Business, **Notting Hill Housing**

Historically housing has always aroused passions. This is more so in Tower Hamlets, home to diverse communities of people who arrive from other parts of Britain and abroad, settle here and then gradually disperse to other areas making way for new settlers. Tower Hamlets is also the hub of business with Docklands in the south of the borough. It is a key location for those who want to work and live here. With changes in social and market housing, coupled with the economic pressures of today, we need to find ways of alleviating the pressures on social housing and to bring about opportunities to support those who aspire to homeownership.

Overcrowding and the demand for social housing have continued to rise locally and shared ownership schemes designed to assist people into homeownership haven't been as successful as anticipated.

This report follows a six month enquiry in which the Working Group visited shared ownership schemes open to local residents and engaged external expertise on the concept of community land trust model. We also invited a number of developers to our meetings and they contributed ideas for making homeownership more accessible for local people.

The review also heard from a local resident living in a shared equity model of housing. This proved to be a useful insight into access to homeownership and community led models.

This has been a challenging review to work on however we believe we have set out a number of recommendations to match the challenges of the times we live in. We urge those responsible and involved in housing to work together to address the issues and recommendations highlighted in this report. In the spirit of partnership we would ask that the recommendations are developed through the Tower Hamlets Housing Forum with the involvement of the Housing Options Zone Agent to enable all our partners to take part in taking forward affordable homeownership.

I would like to thank all the officers and the Working Group Councillors for their contributions to this review.

Councillor Waiseul Islam
Scrutiny Lead, A Great Place to Live

Introduction and recommendations

Introduction

1. During 2007/08 Overview and Scrutiny undertook a review on the Choice Based Lettings scheme. The review identified overcrowding, the lack of affordable homeownership and its impact on social housing as key challenges for the borough. This Working Group therefore wanted to develop a better understanding of affordable homeownership and the difficulties of accessing and maintaining it. Members were keen to explore local solutions to these problems.
2. The Affordable Homeownership Scrutiny Review Working Group was established in November 2008 and undertook its work over six months. Chaired by Councillor Waiseul Islam, Scrutiny Lead for A Great Place to Live, the key aim of the review was to look at the difficulties of accessing affordable homeownership. It has always been of concern to local residents and this has been heightened by the current economic down-turn, particularly as the pressures on social housing continue to grow. To complete their investigation the Working Group considered:
 - Access to current affordable homeownership, including advertising and take-up of schemes;
 - Affordability of shared ownership as a current model, considering rent and service charge calculations;
 - The role of developers in making homeownership more affordable and accessible for local people;
 - Alternative model(s) of affordable homeownership.
3. A number of key issues were noted at the outset, including the complexity of the housing market and housing need. The challenges for residents in obtaining the necessary finance to access homeownership and the challenges for the local authority and developers in the current economic climate. In particular, the challenges of agreeing and introducing an untested local model were noted.
4. The Working Group undertook a site visit to a number of shared ownership schemes and considered the value of the properties and schemes for local residents. This provided them with an understanding of the practical aspects of the schemes – how they are designed and developed and what the financial impact might be for local residents.
5. A Commissioner from the Commission of Mutual and Co-operative Housing provided information on the community land trust (CLT) model. This session was attended by registered social landlords (RSLs) and developers. The information presented by the Commissioner on how CLTs work remained a key issue throughout the review. They also heard from Coin Street Community Builders and from a local resident living in Glenkerry House, a form of shared equity scheme.
6. The Working Group's recommendations are intended to support the findings and recommendations of other improvement initiatives. They aim to improve access to and public understanding and awareness of affordable homeownership in Tower Hamlets as the economic downturn continues.

Recommendations

- 1) That wider publicity and promotion is undertaken of the Housing Options service including sign-posting from Lettings and Homeless Services;**
- 2) That the Development and Renewal Directorate consider local lifestyle issues and emphasise provision of separate kitchen and living space (not open plan) in the development of future schemes;**
- 3) That the Development and Renewal Directorate work with the Homes and Communities Agency to re-assess intermediate rent levels with a view to making it affordable for local people;**
- 4) That the Tower Hamlets Housing Forum support the development of the Discounted Market Sales model working in conjunction with developers;**
- 5) That the Development and Renewal Directorate investigate the development of a shared equity scheme open only to residents of Tower Hamlets;**
- 6) That the Development and Renewal Directorate undertake a full feasibility study to consider the development of a local community land trust model using external expertise.**

Background

7. Housing and its affordability is a major national and local issue. In Tower Hamlets it is of particular concern to Members and residents because the borough has experienced sharp price rises and the demand on social housing is immense. It continues with the expansion of Canary Wharf as employment opportunities brings with it people who want homes in the borough. Overcrowding remains a key issue. The current numbers on the Council waiting list are 22,007¹ (April 2008).
8. Homeownership can have a positive impact and reduce long term dependency on welfare support. The Right to Buy (RTB) initiative has traditionally been the access route to homeownership for those living in social housing. Many local residents have benefited from this. Over time the discount received on the property has reduced. It has also resulted in stock loss for social housing. The receipts received by the Council from RTB sales have been too little to reinvest in housing to have any real impact on housing need. This questions the sustainability of the model.
9. The borough has experienced rapid development and shared ownership has emerged as the approach for supporting access to affordable homeownership. Members were keen to review how successful shared ownership has been and to use the review to explore other ways of increasing access.
10. The East End has historically been a settling point for new and emerging communities. Poverty and deprivation has usually been widespread, making 'a decent home for all at a price within their means' all the more important. Given the national context i.e. the situation with the financial markets, it's just as important that those in affordable homeownership and those who aspire to homeownership are assisted to alleviate unmet needs, relieve pressures on social housing demand and to make affordable homeownership truly affordable.
11. The data from the 2001 Census² indicates a rapidly growing population and the London Mayor's Housing Strategy³ indicates the trend is likely to continue. The borough now has one of the highest population densities in inner London. The Census data also shows that the borough is ethnically very diverse with almost half of residents from minority ethnic communities. 34% of the population is Bangladeshi, the single largest minority ethnic group. Overcrowding continues to be an issue with this community and the demand for family size units continues to grow. Work is currently being developed to produce a stronger evidence base for this.
12. In housing terms, the diversity of communities also represents a range of needs. Asian households are more likely to be significantly larger than those of other ethnicities. The average number of people in an Asian household was found to be 4.3, in contrast to 1.9 persons in a White household and 2.4 persons in a Black household.⁴ Consequently, Asian households are more likely to be overcrowded. The 2001 Census determined that seven out of ten (70%) have at least one room less than they required, compared to a half (48%) of Black households and a quarter (23%) of White households. The Housing Needs Survey⁵ used a tighter definition of overcrowding, based on the Bedroom Standard, which, while showing much smaller totals, also revealed even greater discrepancies. It shows 32% of Asian households

¹ Housing Strategy 2009/12, London Borough of Tower Hamlets - (Draft)

² <http://www.statistics.gov.uk/cci/nscl.asp?ID=7600>

³ <http://www.london.gov.uk/mayor/housing/strategy/index.jsp>

⁴ Housing Needs Survey. Households were ascribed the ethnicity of the survey respondent.

⁵ Housing Needs Survey. 2004

as overcrowded, compared to 12% of Black households and 4% of White households. The borough average was 12%.

13. The local population is also comparatively young. The 24-30 year old group represents 34% of the total population and a further 22% is under the age of 15. Together with this, the elderly population is forecasted to grow alongside the population of young people. This highlights the need for both smaller size units and larger size family accommodation.
14. Deprivation is high. 62.5% of working age residents are economically active compared to 75% in London⁶. Household income is £37,930 unequivalised or £37,634 equivalised⁷ after housing costs. Only 9% of working age Council tenants are not claiming housing benefits whilst for housing association tenants the figure is 36%.⁸This identifies a small number of social housing tenants who can access a mortgage and be assisted into homeownership. Members also argued that of tenants who are claiming benefits and cannot access a mortgage, their sons and daughters may be able to access a mortgage and be supported into homeownership. This would alleviate pressures on social housing and can ease overcrowding if sons and daughters can be assisted to move out of the overcrowded homes.
15. Members were acutely aware of the impact of housing on the education of children, health of residents and the limitations it can impose on the lifestyle and aspirations of local residents. They were keen for the review to develop models which would increase access to affordable housing.

Regional Context

16. The Government has put in place a number of policies, targets and funding streams to increase the supply of affordable housing. Local authorities and their partners have a key role to play in using planning and strategic housing functions to implement this. The Housing Green Paper 'Homes for the future: more affordable, more sustainable'⁹ sets out with the focus of supplying additional affordable housing and improving the condition of existing housing in the context of house prices rising more steeply in relation to income (affordability), a commitment to improve supply (need and supply) and to meeting the challenges presented by climate change.
17. Planning Policy Statement 3 (PPS3), sets out the planning policy framework for delivering the Government's housing objectives. This document is considered in the preparation of local and regional development and strategic documentation. The strategic objective is to ensure that everyone has the opportunity to live in a decent home which is affordable and in a community where people want to live. PPS3 requires all boroughs to improve the affordability and supply of housing. It also advocates the most efficient and effective use of land, including building on brownfield land and in locations that offer good access to employment opportunities, key services and social infrastructure (e.g. clinics, schools, community facilities).
18. The Government's definition of affordable housing includes social rented and intermediate housing provided to specified eligible households whose needs are not met by the market. It should meet the needs and be available at a cost low enough for local residents to afford, determined with regard to local incomes and local house prices. It should include the provision for the home to remain at an affordable price

⁶ Office of National Statistics

⁷ DMAG Briefing, PayCheck 2007, February 2008

⁸ Draft Housing Strategy, 2009/12

⁹ Homes for the future: more affordable, more sustainable, Department for Communities and Local Government, July 2007

for future eligible households or, if these restrictions are lifted, the subsidy to be recycled for alternative affordable housing provision.

19. The London Plan sets out the Mayor's spatial plan and includes housing. The Plan projects that the London population could increase between 0.79 million to 1.14 million during 2006 -2026. Based on this projection, targets for housing have been set in anticipation of the resulting demand. It estimates that 353,500 homes would be needed to meet both new and historic unmet demand. This would equate to about 35,400 additional homes per year. For Tower Hamlets, the targets for additional homes between 2007 and 2017 have been set by the Mayor at 31,500 (or 3,150 units per year). Anticipating changes and influences by market forces, these targets have been set with the aim of reviewing them every five years.
20. The London Plan and its Housing Supplementary Planning Guidance¹⁰ target intermediate housing at households on moderate incomes defined as between £16,900 and £52,500 with a median of £35,600. The current Mayor has revised this. The May 2009 Draft Mayor's Housing Strategy states "the top of the income range for low cost home ownership should increase to the equivalent of joint salary of two basic rate tax payers in London for people unable to buy on the open market." It anticipates that this will increase the number of eligible households by 60,000 in London.¹¹

The Local Development Framework

21. The Local Development Framework sets out the policy and planning framework with which planning decisions must comply. Linked to the Community Plan it provides a strategic spatial strategy for the borough. It is the delivery mechanism for housing. Its preparation must include a robust evidence base to identify key challenges and opportunities. The Housing Strategy 2009/12 details evidence which recognises the key challenges as being:

- A lack of affordable homes
- Unaffordable market housing for those on low to medium income
- High levels of overcrowding

Our LDF is currently being developed and as such has not yet been approved.

22. Our Housing Strategy sets out a clear commitment to the following:

- Delivering and managing decent homes – bring housing to Decent Homes Standards with all landlords delivering at least a good management service;
- Placemaking and sustainable communities – ensuring that new and regenerated housing environments make a positive contribution to places and opportunities for people;
- New housing supply – increasing the supply and quality of housing, affordable housing in particular and ensuring it provides opportunities to deliver employment and training opportunities;
- Investment strategy – maximising funding to deliver affordable housing, meeting Decent Homes Standard and delivering estate renewal.

23. Using this review Members set about exploring ways of increasing access both in terms of access to services that administer homeownership and access to a home for those residents who aspire to homeownership.

Local context

24. The refreshed Community Plan for Tower Hamlets sets out the vision to 'improve the quality of life for everyone living and working in Tower Hamlets'. The well established

¹⁰ Housing Supplementary Planning Guidance, Mayor of London, November 2005

¹¹ The London Housing Strategy (Draft), Greater London Authority, May 2009

Community Plan sets out a vision for Tower Hamlets to 2020 and the themes of A Great Place to Live and One Tower Hamlets are central to this review. A Great Place to Live sets out the aspiration to make Tower Hamlets a place where people enjoy living, working and studying and take pride in belonging. Key to this is giving people an opportunity to live in decent homes which they can afford. The Plan contains a commitment to increasing the supply of new homes which are affordable; social rented units which are smaller units, family size units and a commitment to low cost homeownership and is supported by Local Area Agreement targets.

25. Members were aware that in the context of acute housing needs and the limitations of the availability of affordable housing options, any truly affordable housing models will supply a small number of homes in a highly populated area where the demand is very high.

Affordability

House price and sales volume - Tower Hamlets London borough

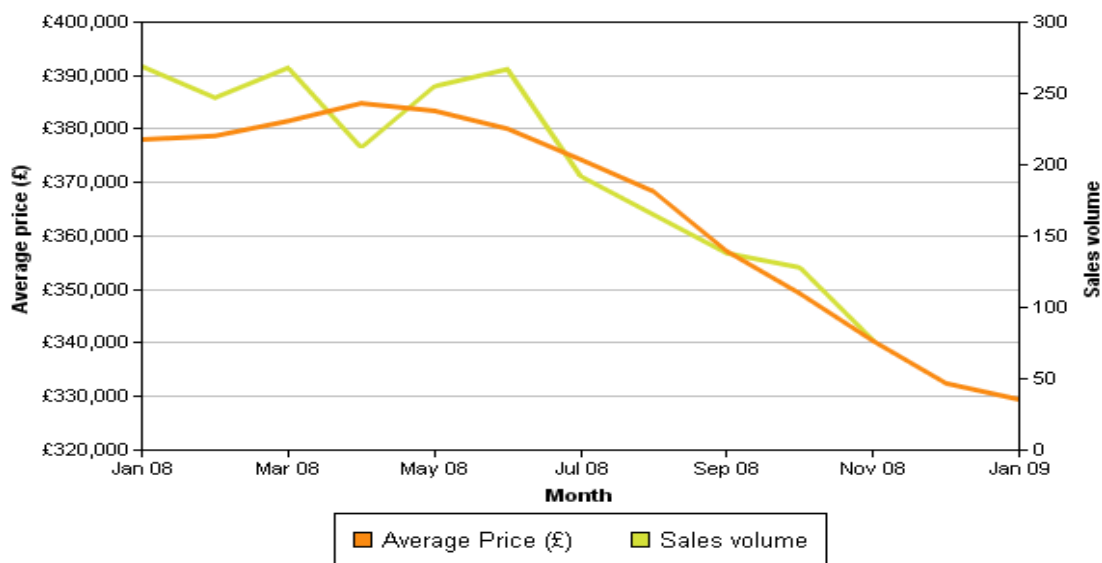


Figure 1 - Average prices in Tower Hamlets by sale volume¹²

26. The demand for social housing and the challenges of the private market leave many local people unable to buy or rent. At the end of 2008, the start of the recession saw the reduction of sales volumes and prices. This downward spiral continues with the average price of a local property costing £329,000 in January 2009 – still unaffordable for the majority of local residents.

27. Alison Thomas, the Private Sector and Affordable Housing Manager in Development and Renewal, explained the affordability gap using information provided by Hometrack¹³. The average price of a property in St Katherine's and Wapping ward, for example, is £419,600 while in St Dunstan's and Stepney Green it will cost £276,500 (the lowest average in Tower Hamlets). There would have to be significant fall in house prices to price households back into the market. Hometrack estimates that to buy the lowest priced property in St Dunstan's a person would need 14.3 times their income. This means that 64% of young working households are unable to afford lower priced properties in the borough. Given this information Members were keen to establish whether the current affordable homeownership model (shared ownership) was working in Tower Hamlets and to formulate other options for making affordable homeownership much more accessible to local working people.

¹²<http://www.landregistry.gov.uk/houseprices/housepriceindex/report/default.asp?step=4&locationType=0&area=Tower+Hamlets&reporttype=1&datatype=1&from1=04%2F2006&from2=01%2F2008&image2.x=13&image2.y=16>

¹³ Hometrack is a provider of residential property and business information.

Key findings

Access to affordable homeownership

28. Information about the local shared ownership schemes and how they are advertised were presented to the Group. Housing Options is the brand name for the Pan London low cost homeownership programme. Two London agencies have been set up as a 'One-Stop-Shop' for customers to access schemes and essentially provide marketing services. Tower Hamlets is part of Metropolitan Home Ownership (MHO). Their services are hosted through a website which provides RSLs with a list of interested applicants eligible for schemes so that they can undertake targeted advertising. MHO host regional and Pan-London housing shows and provide key government agencies with statistics and monitoring information. Applicants need only complete one application for any of the schemes and register for free.

29. Members considered the range of schemes available for local residents, these are:

- New Build Homebuy –also known as shared ownership;
- MyChoiceHomeBuy – help to purchase a home on the open market;
- Ownhome – loan from Places for People to purchase a home;
- First Time Buyers Initiative -Government assistance to purchase a home (min £25,001) on a designated development;
- London Wide Initiative – support available to key workers in the form of a shared equity scheme;
- Intermediate Rent – help to rent a home at 20% to 30% less than market rate;
- Social HomeBuy – some councils and housing associations offer tenants a discount to purchase their home;
- HOLD – Homeownership for people with long-term disabilities;
- HomeBuy Direct – 5 year loan support to purchase a home in designated schemes;
- Rent to HomeBuy – rent a property at 20% less than market value and purchase at a later date.

30. Members felt there was a distinct lack of awareness in the community about these schemes apart from shared ownership. They debated whether more needed to be done to raise awareness of the services and products offered by MHO. Members suggested that Housing Options could receive further publicity and promotion through housing services. For example residents approaching Homeless Services and the Lettings Service could be sign-posted to what is available. Promotion of services in alternative languages would be beneficial. The local BME media could also be used as these communities were commonly not taking up shared ownership products. It was not clear why this might be the case but it was felt that awareness of MHO would be beneficial.

31. Poplar Harca explained how they are intending to develop a 'One Stop Shop' for housing advice to assist residents who wished to pursue homeownership. Members were keen for this model to be tested but felt that it should be placed in a central location which would be accessible for local residents.

Recommendation 1

That wider publicity and promotion is undertaken of the Housing Options service including sign-posting from Lettings and Homeless Services.

Current local affordable homeownership schemes

32. Members visited two local shared ownership schemes to consider how they work. The schemes were The Watch –Swan Housing Association and The Forge - Asset Trust Housing. During the visit the Working Group received information about the cost and demand for shared ownership stock. They noted:
- The current difficulties for developers as stock is not selling and the potential for there to be a number of empty properties;
 - There were discussions about whether the design and layout of open plan properties discouraged Asian households due to lifestyle issues. Separate provision would be much more suited because the lifestyle requires separate seating space for male and female visitors and also the types of food cooked is heavy in oil and spices which can have strong odours. Members suggested that Development and Renewal responsible for the planning framework for housing consider the provision of separate kitchen and living space in the planning of future schemes;
 - The asking prices are still too high for many local people despite the discounts being offered to attract buyers in the current market.
33. There is anecdotal evidence that a number of shared ownership units are currently void. These are competing for the Rent to Homebuy scheme (also referred to as Rent Now Buy Later) which allows the tenant to rent the property for a limited time before purchasing the property. There is a similar scheme in Newham with void properties, most of which were originally available through shared ownership. An accurate figure on the number of void properties is currently being established although this is reliant on the RSL partner being willing to share information on unsold units.
34. Members also noted that of 58 completions on shared ownership schemes only five had been from the Council waiting list for the period April to September 2008. Of these completions the income levels were £20-25,000 for two applicants and one application each from income bands £25-30,000, £35-40,000 and £ 40-45,000. Members discussed how a truly affordable model should help more people. This could include young people who may be living in overcrowded households and may have an income to maintain homeownership but are still not able to access market housing because of financial barriers. The information from Hometrack stated that 64% of local working households are priced out of the market.
35. Members noted that of the 58 completions, 68% were of White background, 12% of Asian background and 9% of Black or Black British background. No applications were received from disabled residents. For household size, 90% of completions were from adults with no children. Members felt that these statistics indicated how shared ownership was not contributing to addressing local housing issues such as overcrowding.

Recommendation 2

That the Development and Renewal Directorate consider local lifestyle issues and emphasise provision of separate kitchen and living space (not open plan) in the development of future schemes.

36. Members received a presentation about service charges and rent calculations of shared ownership schemes from Mike Tyrell, Chief Executive of Tower Hamlets Community Housing. The rent on the unsold equity of a shared ownership property is usually between 3-4% and will go up each year with inflation. It is currently less than

3%. The Working Group heard that the only way to influence the rent levels was through control of land and planning approval taking into consideration the impact it would have on the viability of the scheme. Service charges are calculated on the basis of the services received from the landlord and these can be reduced through careful design and planning. Having a lift in the property for example would incur higher costs as the service charges would include on-going maintenance and repair of the lift.

37. Having considered the above information Members concluded that shared ownership alone does not provide sufficient affordable homeownership to meet local need. The financial calculations of the rental and the mortgage element of the property did not make financial sense to local residents. The design and layout may be a discouraging factor. The high number of voids was an indicator that the model is not working for large numbers of local people. They argued that an affordable model for those on very low income needed to be developed, especially given that 18% of families in Tower Hamlets live on an annual income of less than £15,000.¹⁴ The Working Group was therefore keen to explore other models.

Alternative models for affordable homeownership

38. Geoff Pearce, Group Director of Development – East Thames Group, explained the Rent Now Buy Later scheme. This was developed in preparation for the current economic climate in anticipation that many would not be able to access the mortgage market. The scheme allows customers to “try before they buy” and rent a property for up to five years. Tenants can buy the property at any point in time and East Thames offers the first six months’ rent back at the time of purchase. Members noted the following points about the scheme:

- It is particularly attractive in the current market, characterised by poor mortgage availability, low purchaser confidence and high deposit requirements;
- Customers can demonstrate their ability to pay for a mortgage through renting over a period;
- This scheme is however currently only a Homes and Communities Agency¹⁵ (HCA) trial product;
- This scheme requires additional grant;
- Voids and repairs make this less attractive for Registered Social Landlords.

Members noted that there is high take-up of the units offered through the scheme and it appears to be well suited to the current economic climate. This model falls under intermediate renting where the rent levels are set at 80% of market value. There were concerns that 80% of market value rent in Tower Hamlets is still significantly unaffordable for local people who are in housing need. The Development and Renewal Directorate would need to work with the Homes and Communities Agency to re-assess local intermediate rent levels with a view to making it more affordable for local residents.

Recommendation 3

That the Development and Renewal Directorate work with the Homes and Communities Agency to re-assess intermediate rent levels with a view to making it affordable for local people.

¹⁴ PayCheck Data 2008

¹⁵ The HCA is the national housing and regeneration agency for England.

39. The Working Group received a discussion paper from Ballymore about the 'Discounted Market Sales' model (DMS). The idea of this is to include a proportion of 'discount market sale' homes. This means that a market sale home is offered for sale by Ballymore with a discount against the open market price. There are two modelling options and these are outlined below:

Option A has discount levels set at 30% of open market value and would enable the Council to meet its target of 35% affordable housing on site. Whilst it would achieve the required number of units, it may be difficult to deliver given the current market conditions for both the developer in securing finance and for the purchaser in terms of affordability and mortgage access. This is accessible to those on joint household incomes of £50-60,000 which still precludes most local residents.

Option B would enable the scheme to be accessible to those on lower income levels (single or joint incomes of £25-35,000). There would have to be significant levels of discount against the open market value (60%) but this would have an impact on the returns gained for the developer. This can be managed by reducing the number of affordable units offered on site. However this option is not likely to produce 35% affordable housing and it is anticipated that it may be below 30%.

40. The discounted market sales model offers the opportunity to develop a new affordable housing model suited to the current economic climate. Depending on the option developed it could deliver housing to those on lower income levels. In addition there is the possibility of Tower Hamlets receiving 100% nomination rights and for the units to remain affordable in perpetuity. This will mean that the Council can nominate residents to the scheme from its housing waiting list and the property would be retained as affordable for future purchasers.

41. The DMS model generated discussions about how this might be financially modelled. Members were aware that there is a potential dilemma for Ballymore, or any developer, in meeting the demands of their own balance sheets and local housing needs. There is therefore a need for more discussion as Members and RSL partners were keen to develop this further into a working model. The Tower Hamlets Housing Forum would provide a good platform to do this.

Recommendation 4

That the Tower Hamlets Housing Forum support the development of the Discounted Market Sales model working in conjunction with developers.

42. Given the problems about shared ownership Members wanted to explore a scheme which would provide the opportunity to purchase a more affordable share. This might involve ensuring there was no rent on the proportion not purchased. The Group therefore met a resident of the Glenkerry Housing Co-operative, which offers schemes based on shared equity. Tony¹⁶ moved into Glenkerry in the mid 90s from privately rented property which he was finding unaffordable. He heard about the Co-op from a colleague, applied and, following an interview by the resident board, was successful. Tony has lived happily in Glenkerry since then. Although he is not on the management committee, he is actively involved in the operational running of the Co-op and feels that it offers real affordable homeownership.

43. Glenkerry consists of 79 1-4 bed properties. Residents hold sub-leases whilst the Council holds the freehold. Residents do not pay rent but service charges are levied and include a contribution towards heating and the sinking fund to cover for major

¹⁶ The name of the resident has been changed

works etc. Service charges are £110 - £140 monthly. There is no resident caretaker and cleaning is contracted out.

44. Discussions took place about the way the funding was set up. In buying Glenkerry House from the Greater London Council (GLC) the Co-op obtained long-term finance:
- 50% of the value came through the original sale of the Lease.
 - A further 10% was available on a long-term loan from Tower Hamlets Council.
 - The balance was covered by two outright grants (not repayable) one from Central Government and the other from the GLC. The Working Group noted that land would have to be identified and additional funding would be needed to secure housing like the Glenkerry model.
45. Members noted that shared equity can deliver affordable homeownership if more schemes could be developed locally. They felt it would be important to restrict access to local residents. Whilst appreciating the limitations of land availability and cost, Members felt that a shared equity model could increase the number of affordable homes.

Recommendation 5

That the Development and Renewal Directorate investigate the development of a shared equity scheme open only to residents of Tower Hamlets.

46. The Working Group also met David Rodgers, a Commissioner from the Commission on Co-operative and Mutual Housing, and Christine Czechowski, Housing Director for Coin Street Community Builders.
47. Coin Street Community Builders (CSCB) is a social enterprise and development trust which aims to make London's South Bank a better place in which to live, work and visit. CSCB started off as a derelict 13 acre site. It has been transformed into a thriving mixed use neighbourhood by creating new co-operative homes, shops, galleries, restaurants, cafes and bars, a park and riverside walkway and sports facilities. It has also developed by organising festivals and events and providing childcare, family support, learning, and enterprise support programmes. Set up in 1984 following local opposition to proposals for large scale office space, its development took place against the backdrop of the 80s recession, an unsettling time for commercial developers. The original developers sold the land to the GLC who in turn sold it to CSCB on the basis that a feasibility study could demonstrate housing development. Over the years CSCB has developed a number of housing schemes influenced by local people's commitment to community housing. The commercial element and housing elements of CSCB are held together by a complex legal structure. Members were inspired by the history of CSCB particularly the possibility of developing affordable housing despite legal and financial complexities.
48. In addition to his Commissioner role, David Rodgers is also Chief Executive of the Co-operative Development Society Ltd, also known as CDS Co-operatives (CDSC), they are currently investigating the community land trust (CLT) model. Their role is to submit evidence backed recommendations to local authorities and central government to pursue 'CLTs'.
49. CLTs originated from India, Australia and America and there are now over 120 CLTs operating. He argued that the model has proven sustainable even during economic crisis. In London there has been support from both Ken Livingston and Boris Johnson. The key features for a community land trust are that it has to be:

- A legally locked local asset – the asset has to be locked for the local community.
- Set-up to ensure profits are for the community and membership is open to all stakeholders.

He went on to explain mutual homeownership which underpins the model as follows:

- Land is held in perpetuity for the benefit of the local community by a community land trust and the built housing is treated as a consumer durable depreciating over its useable life of 65 years. The cost of this is financed by long-term institutional investment;
- The property is divided into equity shares and has a value that is linked to average earnings;
- Members' payment is based on 35% of net income, as their income rises they can purchase more equity shares;
- 10% deposit is required to buy into the scheme.

50. This model was debated but it did not appeal to the Working Group for a number of reasons. The 65-year life of the built house raised both financial and practical issues. The financial modelling needed to be further investigated and the risks associated with investment of any form needed to be fully explored before any decisions can be made. Members were further concerned that the requirement of a 10% deposit would mean that many local residents who need support to get into homeownership may be excluded. The link with average earnings can encourage stability and limit risk, however; the average income in Tower Hamlets is heavily influenced by those workers in Canary Wharf who are highly paid and therefore skew the local figures.

51. In conclusion, the Working Group agreed in principle with the concept of a community land trust model and felt that it can bring about greater accessibility of homeownership. The Working Group noted that the model is not a mainstream model and will not replace general social housing and is aimed at those who aspire to homeownership. Members were also aware that CLTs can operate in different ways and be financially modelled through a range of options other than the example set out by David Rodgers. They therefore considered that a feasibility study should be undertaken on the development of a local model bearing in mind the value of land in Tower Hamlets. Members felt that external expertise would provide a vital perspective to the study.

52. Introducing a CLT would be complex here as the large amount of subsidy required would challenge financial viability and its affordability for local residents. However, the reduction in land value in the current economic climate can be seen as an opportunity to consider the model. Also, the Olympic site may bring with it an opportunity to consider the development of a CLT model on the site and this should be considered by Development and Renewal in the feasibility study.

Recommendation 6

That the Development and Renewal Directorate undertake a full feasibility study to consider the development of a local community land trust model using external expertise.

Concluding remarks

53. In conclusion, the Working Group has made a number of recommendations which it feels will address two key barriers to affordable homeownership – access to services for support and development of models appropriate to local needs. Members believe that the implementation of these will address our local challenge. They believe that a shared equity scheme would be beneficial. Awareness of and access to services is crucial to give all local residents the opportunity to find out about and to take up homeownership. The promotion of Housing Options would enable this to happen. Members recognised the benefits of a community land trust model but there needed to be ample opportunity to explore different modelling options. Undertaking a feasibility study will provide the opportunity to explore other options suited to Tower Hamlets.

The remit of this review was to consider affordable homeownership. Members however were constantly drawn to the affordability factor within the negotiations for affordable housing. They felt that there needed to be more emphasis on social rented rather than shared ownership because social rented stock would meet more local need. With a wider remit, the review could have usefully further explored the negotiation of affordable housing in planning.

The recommendations contained would require our partners, through the Tower Hamlets Housing Forum to take part in developing affordable housing. The Discounted Market Sales model is an opportunity for the Council, registered social landlords (RSLs) Home Zone Agent and developers to take a practical step forward in introducing homes affordable to local people. This review has been contributed to by partner RSLs and developers, the Working Group look forward to the recommendations being developed in the same spirit of partnership.

Scrutiny and Equalities in Tower Hamlets

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**Appendix 2
Response to Scrutiny Review Working Group Report on Affordable Homeownership**

Recommendation	Response / Comments	Lead Officer	Date
<p>R1 That wider publicity and promotion is undertaken of the Housing Options service including sign-posting from Lettings and Homeless Services</p>	<p>Homeless Services and the Lettings Service are currently being re-structured into one section under Development and Renewal Directorate and a Housing Options service will be set up as part of this. A review is currently underway to configure how best to set up the new service and this will include more publicity of the housing options open to residents. A successful Housing Options Open Day was held this year and is programmed to take place next year.</p>	<p>Jackie Odunoye, Head of Strategy, Development and Renewal</p>	<p>October 2009</p> <p>April 2010</p> <p>August 2010</p>
<p>R2 That the Development and Renewal Directorate consider local lifestyle issues and emphasise provision of separate kitchen and living space (not open plan) in the development of future schemes</p>	<p>In all planning pre-application meetings officers do try to influence the design of affordable housing units and stress that there should be separate kitchen areas in family sized units. However, this is not currently written into our planning policy. As our new Local Development Framework emerges it will be supported by a range of Supplementary Planning</p>	<p>Jen Richardson, Strategy Officer, Development and Renewal</p>	<p>March 2011</p>

	<p>Documents (SPDs). The Housing SPD will specify the need for the separation of kitchen facilities in family sized housing units. The Greater London Authority Design Guide also now requires the separation of kitchens in units larger than 3 bedrooms.</p>		
<p>R3 That the Development and Renewal Directorate work with the Homes and Communities Agency to re-assess intermediate rent levels with a view to making it affordable for local people</p>	<p>Development and Renewal has continuously lobbied the Homes and Communities Agency (HCA) to reduce intermediate rent levels. This was also raised during the consultation on the Mayor's Housing Strategy. HCA rent levels (when grants are involved) are determined nationally and based on a percentage of private sector rent levels. We have always argued that intermediate rent levels should be based on social rent levels plus a percentage. Development and Renewal will continue to push for affordable intermediate rent levels.</p>	<p>Jackie Odunoye, Head of Strategy, and Development and Renewal</p>	<p>On-going</p>
<p>R4 That the Tower Hamlets Housing Forum support the development of the Discounted Market Sales model working in conjunction with developers</p>	<p>A pilot model has been prepared on a site in Millharbour, London E14; it is currently in pre-application stage with planners. This model will be presented to the Tower Hamlets Housing Forum (THHF) for discussion around future developments.</p>	<p>Alison Thomas, Private Sector and Affordable Housing Manager</p>	<p>April 2010</p>

<p>R5 That the Development and Renewal Directorate investigate the development of a shared equity scheme open only to residents of Tower Hamlets</p>	<p>See response to Recommendation 6. In addition, when HCA or other grant funding is involved we cannot specify a scheme is open only to local people.</p>	<p>N/A</p>	<p>N/A</p>
<p>R6 That the Development and Renewal Directorate undertake a full feasibility study to consider the development of a local community land trust model using external expertise</p>	<p>Whilst Development and Renewal understands the rationale behind this model, it feels it is not financially viable. With the support of London Development Agency, Greater London Authority and the Homes and Communities Agency a feasibility study has been undertaken with external experts on a site identified in Tower Hamlets. This shows that the models are not financially sound even where free land has been submitted by the Council or with grants obtained from external bodies such as the HCA. Financially it does not work for those on low incomes or for family size units. The other challenge is that in the current economic climate it is increasingly difficult to secure mortgages on these models. The outcomes of this feasibility will be discussed with the Scrutiny Lead for A Great Place to Live to ensure Members are aware of the development of this concept.</p>	<p>N/A</p>	<p>N/A</p>

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Agenda Item 6.5

Committee : Cabinet	Date: 2nd December 2009	Classification: Unrestricted	Report No: (CAB 085/090)	Agenda Item:
Report of: Aman Dalvi - Corporate Director Development & Renewal Originating officer(s) Jackie Odunoye –Service Head Strategy, Regeneration & Sustainability	Author/s: Alison Thomas Private Sector and Affordable Housing Manager Laura Howard Affordable Housing Development Team	Title: Council House Building Building Britain’s Future Round Two Wards Affected: St Katharine’s & Wapping; Bethnal Green Nth; Bethnal Green South; St Dunstan’s; East India and Lansbury; Blackwall and Cubitt Town; Bow West and Bow East.		

1 INTRODUCTION

- 1.1 Cabinet considered Round One of the Homes and Communities Agency ‘Building Britain’s Future’ programme of Council House Building on 4th November. Round One funding of £1,720,000 has been confirmed and will deliver 17 new homes. Members noted that officers were preparing a second bid under Round Two.
- 1.2 The bid for Round Two of the funding was submitted on 30th October 2009 for £8,744,500 grant to fund 88 new homes to house 464 people. The total cost of the scheme will be £ 16,557,500.
- 1.3 This report provides details of the bid, and the schemes proposed.
- 1.4 Subject to confirmation of funding from the HCA, the report seeks approval of a Capital Estimate and Prudential Borrowing for funds required to deliver the new homes, and authorisation to proceed with contracts necessary to progress the development.
- 1.5 Round One and Two together will deliver over 100 new Council owned family homes for rent.

2 RECOMMENDATIONS

- 2.1 Cabinet is recommended to –
- 2.2 Note the details of the recent Round Two bid for HCA funding set out in Appendix 1 of the report (“the Round Two Bid”).

- 2.3 Subject to approval of the bid by the HCA, Cabinet is recommended to -
- 2.4 Authorise the Corporate Director of Development & Renewal in consultation with the Assistant Chief Executive (Legal) and the Corporate Director Resources to finalise negotiations and enter into a grant funding agreement with the HCA.
- 2.5 Approve the inclusion of the scheme within the capital programme and to adopt a Capital Estimate for the sum of £16,557,500 for the delivery of 88 new homes.
- 2.6 Approve prudential borrowing of £7,813,000 as part funding for the scheme.
- 2.7 Authorise the Corporate Director of Development and Renewal to approve the use of S106 commuted sums as part finance for Round One homes, and if necessary to maintain financial viability to designate S106 commuted sums to part fund Round Two.
- 2.8 Authorise the Corporate Director of Development & Renewal after consultation with the Assistant Chief Executive (Legal) and the Corporate Director of Resources to invite and evaluate tenders for contracts required to carry out the development the subject of the Bid and where appropriate award contracts to suitable tenderers.
- 2.9 Approve the use of the council owned plots of land listed in Appendix 1 for development of new Council homes
- 2.10 Authorise the Corporate Director of Development & Renewal to approve the use of alternative Council owned sites should site constraints prevent the use of any of the sites identifies in Appendix 1

3 BACKGROUND

- 3.1 Full details of the Homes and Communities Agency's 'Building Britain's Future' programme were provided to members in the November report titled 'Council bid to commence House Building'. The HCA has allocated funds for Local Authorities to build new Council homes.
- 3.2 Local Authorities are expected to identify and contribute development land at nil cost, and borrow 50% of the development costs through 'prudential borrowing' serviced by the rental income. The remaining 50% of the cost will be grant funded. This Council's bid seeks grant at 53%, however the HCA may seek to negotiate a lower level of grant as part of their assessment of bids.
- 3.3 The reform of Council Housing Finance, which takes immediate effect for council house building, means that the new properties will not be part of the HRA subsidy system and therefore the Council can retain all rents to repay borrowing. Further,

the Council can retain 100% of right to buy receipts instead of the requirement to “pool” 75% to central government.

3.4 Due to Tower Hamlets particular housing need, the bid has prioritised larger family homes for rent, on infill sites on existing estates.

4 BID CRITERIA

4.1 The conditions set out for the funding were:

- Homes developed must be affordable for rent
- The Council must make land available at nil value

4.2 Bids will be assessed against criteria identified the NAHP Prospectus:

- Value for Money, assessed by comparison of grant required (excluding borrowing) which will be compared to the grant awarded to existing delivery partners
- Deliverability - Round Two schemes must achieve practical completion by March 2012.
- Design and Quality - New homes must meet the HCA's Design and Quality Standards. They must also achieve a minimum of the HCA's Code for Sustainable Homes Level 3 which provides for a high level of energy efficiency, as well as building for life criteria.
- Local labour and apprenticeships - The Council has demonstrated how these are achieved and its experience of potential construction partners.
- Strategic fit - Submissions should meet local, regional, and national strategic priorities, e.g. family housing.

5 LINKS TO TOWER HAMLETS STRATEGIC OBJECTIVES

5.1 Tower Hamlets has a pressing and well documented requirement for more large family accommodation for social rent. The Council currently has some twenty thousand households registered on the Common Housing Register, a number of whom are known to be experiencing acute overcrowded conditions.

5.2 The bid for new homes is primarily for three and four bedroomed family houses with gardens, with some units designed to wheelchair accessible standards.

6 LBTH APPROACH TO THE BID

- 6.1 LBTH Major Projects Development Team initially undertook a desk top exercise to identify small infill sites on LBTH estates managed by TH Homes.
- 6.2 They then carried out site visits with internal staff and consultants to identify sites offering the best opportunity for delivery within the HCA timescale.
- 6.3 Initial plans and build cost estimates were commissioned from Paul Johnston Architects and Stephen Davey Architects with Cox Drew Neale and Calford Seaden acting as cost consultants. In order to meet time constraints for the preparation of the bid, these consultants were appointed under Director's Action.
- 6.4 Officers carried out financial viability appraisals for each scheme based on financial assumptions agreed with Corporate Finance colleagues, including rent levels, inflation, interest rates and borrowing terms, management and maintenance costs, and allowances for future major repairs etc

7 BID ASSUMPTIONS:

- 7.1 The Council's bid for funding under Round Two has been based on detailed design and cost assessments undertaken by architects and employer's agents. Officers have carried out financial viability appraisals based on the projected scheme costs, together with ongoing management and maintenance costs

8 BID SUMMARY HIGHLIGHTS:

Round One: (funding confirmed)

17 new homes	£
Prudential Borrowing	1,352,000
Home and Communities Agency Grant	1,720,000
Section 106 Contribution (Affordable Housing)	449,000
	3,521,000

Total Scheme costs average	£ 207 k per unit
Prudential borrowing at average	£ 80 k per unit
S106 contribution at average	£ 26 k per unit
Grant average	£ 101 k per unit
Value of LBTH land contribution	
Total £720,000	£ 42 k per unit

Round Two: (bid made, funding unconfirmed)

88 new homes	£
Prudential Borrowing	7,813,000
Home and Communities Agency Grant	8,744,500
Section 106 Contribution (Affordable Housing)	0
	<hr/>
	16,557,500
	<hr/>
Total Scheme costs average	£ 188 k per unit
Prudential borrowing at average	£ 89 k per unit
S106 contribution at average	£ 0 k per unit
Grant average	£ 99 k per unit
Value of LBTH land contribution at £8,020,000	£ 91 k per unit

9 DELIVERABILITY

9.1 Bids will be prioritised on their ability to deliver completed homes by March 2012. In order to achieve an early start on site a level of pre-contract work is required. This will involve site investigations, further design work and agreement on procurement methods.

9.2 The Affordable Housing Development Team will project manage delivery of the new homes. A project team is proposed to include representatives from Tower Hamlets Homes who will be managing the completed properties, Corporate Finance, Planning and Legal, in order to control scheme development and risk.

9.3 Options for the procurement of professional consultants and building contractors are being explored with the Council's Head of Procurement and contract lawyers to establish the best approach, taking into account the programme requirements.

10 ONE TOWER HAMLETS IMPLICATIONS

10.1 Delivering more affordable family housing will help reduce overcrowding and homelessness within the borough, and improve the social and economic well-being of families who benefit from the new homes.

- 10.2 A long term beneficial impact will be the improvement to estates which are blighted by poorly used small sites which are often the focus of anti-social behaviour.
- 10.3 Delivery of this programme will contribute to the Council's duties to positively promote, race, gender, and disability equality in carrying out its functions.
- 10.4 The Council's brief requires that all homes will be designed to lifetime homes standards, and that larger family homes will have separate kitchen and living rooms to appeal to a wider cross section of our community.

11 COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 11.1 The report 'Building Britain's Future – Council Bid to commence House Building' was considered by Cabinet on 4 November 2009. This updated Members on the successful bid for funding that was submitted under round 1 of the scheme and which secured HCA funding of £1.7 million towards the building of 17 new affordable properties for rent.
- 11.2 The bid for Round Two of the funding was submitted on 30th October 2009 for £8,744,500 of grant to part-fund 88 new homes to house 464 people. Total project costs are estimated at £16,557,500 with the remaining funding being provided by way of prudential borrowing.
- 11.3 The report seeks approval for the scheme to be incorporated into the Housing Investment Programme and that a capital estimate be adopted for the sum of £16,557,500.
- 11.4 The detailed analysis is shown in Appendix 1, but in summary the proposed scheme is estimated to cost £16,557,500, and will be financed as follows:

	£
Prudential Borrowing	7,813,000
Home and Communities Agency Support	<u>8,744,500</u>
	<u><u>16,557,500</u></u>

- 11.5 This equates to a cost of approximately £188,000 per unit, or £35,700 per bedspace. No land cost is factored into the calculation; the sites identified already being within the Authority's ownership.
- 11.6 The authority is empowered to borrow to fund capital schemes providing borrowing is affordable, sustainable and prudent. In essence this means that the costs of borrowing need to be matched by income or savings in current costs. For

this scheme this means that over the life of the property and on an annual basis the costs of managing and maintaining these properties together with the costs of prudential borrowing will need to be met by rental income. The on-going revenue cost of prudential borrowing for this scheme is estimated at approximately £450,000 per annum, fixed at current interest rates. Although in the early years of the project the borrowing costs, together with the assumed costs of management and maintenance will exceed the rents collected from the properties, this is usual for schemes of this nature, and over the full life of the scheme the rental income generated will exceed expenditure. On this basis prudential borrowing is affordable for this scheme. There is sufficient borrowing approval in the limits approved by Council in March to enable Cabinet to approve this borrowing.

11.7 Specialist software was used to enable cash flow forecasts for the project to be calculated. These indicate that the scheme will have a negative cash flow in each of the first 13 years of the project with the largest funding gap of approximately £105,000 arising in year two. From year fourteen onwards the scheme will generate a positive annual cash flow. The funding gap in those early years will be bridged from identified compensatory savings within the Housing Revenue Account. If agreed, the saving requirements will be factored into the 2011/12 and 2012/13 HRA budget process. Members will be aware that a funding gap is projected for the HRA in these years and this approval will increase the savings target required from other HRA budgets in order to manage it.

11.8 Members are also asked to formally approve the use of Section 106 commuted sums as part finance for the Round One homes (recommendation 2.7). The Cabinet report approved by Members on 4 November 2009 identified a financing requirement of £448,995 from this source. Resources are available within the Affordable Housing element of the section 106 account to finance this contribution.

11.9 Although at this stage no Section 106 resources are required to finance the Round Two scheme, members are asked to authorise the Corporate Director (Development and Renewal) to approve the use of Section 106 resources if necessary where appropriate planning contribution receipts can be identified which have been agreed through Development Committee

11.10 All the project management and support costs associated with the programme must be contained within the on-cost provision that is identified for the project. No additional resources are available to fund these costs – any excess expenditure would only be able to be funded if savings can be identified elsewhere within the Development and Renewal Directorate.

12 CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

12.1 The proposed development is concerned with the construction of 88 new homes. This falls within the Council's functions, as it is specifically empowered by

section 9 of the Housing Act 1985 to provide housing accommodation by erecting flats and houses.

12.2 Such development may additionally be supported by the Council's well-being power. The Council is empowered under section 2 of the Local Government Act 2000 to do anything which it considers is likely to promote the social, economic or environmental well being of Tower Hamlets, provided the action is not otherwise prohibited by statute. The power may be exercised in relation to, or for the benefit of: (a) the whole or any part of Tower Hamlets; or (b) all or any persons resident in Tower Hamlets. In exercising the power, regard must be had to the sustainable community strategy (the Community Plan). The report identifies the ways that the development supports the themes in the Community Plan under the heading One Tower Hamlets.

12.3 Cabinet is empowered to delegate executive functions to an officer pursuant to section 14(3) of the Local Government Act 2000.

12.4 Procurement for the development contracts will need to be carried out in accordance with the Council's Procurement Procedures and, where relevant, the Public Contract Regulations 2006. In the case of works the relevant threshold for application of the regulations is £3.5m and in the case of related consultancy contracts the threshold is £140k.

12.5 It is proposed that the Council borrows to fund the project. The Council is empowered by section 1 of the Local Government Act 2003 to borrow money for any purpose relevant to its functions or for the purposes of the prudent management of its financial affairs. The report describes in paragraph **Error! Reference source not found.** the nature of borrowing proposed in this case.

13 ANTI POVERTY IMPLICATIONS

13.1 The employment of local labour on the construction sites will bring much needed opportunities to contribute to the economic prosperity of local people.

13.2 The development of more energy efficient homes will also help alleviate fuel poverty and improve the overall health and well-being of families who will live in the new homes. Specifically, reduction in overcrowding and improved access to better living space will enhance learning opportunities for families with children.

14 SUSTAINABLE ACTION FOR GREENER ENVIRONMENT

14.1 The Council will be seeking to maximize the environmental performance and energy efficiency of new homes.

15 RISK MANAGEMENT IMPLICATIONS

15.1 A risk register will be developed and updated by the project team to assist with the management of risk to the Council in pursuing this project. The five main categories of risk identified are:

- programme / timetable risks;
- planning risks
- resident consultation
- project management
- delivery and financial risks

16 APPENDICES

Appendix 1: Summary of Bids

**Appendix 1
Summary of Round Two Bids**

Scheme Name	No. of Units	unit mix					Scheme Costs			Income		
		1 bed	2 bed	3 bed	4 bed	5 bed	Works	On-costs	Total Costs	Grant	Prudential borrowing	Total Income
St Dunstons	8	6	2				1,175,000	307,096	1,482,096	859,226	622,870	1,482,096
Wapping Lane	5			5			1,095,030	264,468	1,359,498	873,186	486,312	1,359,498
St Mathias	10		9	1			1,427,100	379,349	1,806,449	839,451	966,997	1,806,448
Stifford	4				4		885,560	237,858	1,123,418	674,972	448,445	1,123,417
Will Crooks	6		6				1,115,940	287,330	1,403,270	832,920	570,350	1,403,270
Cleveland	8	4	1		3		1,112,360	252,668	1,365,028	683,651	681,376	1,365,027
Cranbrook	26	7	16		3		3,050,765	675,648	3,726,413	1,807,152	1,919,262	3,726,414
St Stephens B, Shetland Rd	9		1		8		1,439,617	319,258	1,758,875	835,663	923,212	1,758,875
St Stephens C, Stafford Rd	4		1		3		742,162	172,839	915,001	513,029	401,973	915,002
Osier	3				3		507,862	125,780	633,642	324,986	308,656	633,642
Teesdale 1A	2		1	1			284,327	80,464	364,791	176,734	188,057	364,791
Teesdale 1B	3	1			2		495,640	123,264	618,904	323,523	295,381	618,904
TOTALS	88	7	28	21	28	4	13,331,363	3,226,022	16,557,385	8,744,493	7,812,891	16,557,384

Note: all sums quoted in body of report rounded to nearest £500

Agenda Item 6.6

COMMITTEE	DATE	CLASSIFICATION	REPORT NO.	AGENDA ITEM NO.
Cabinet	2 nd December 2009	Unrestricted	(CAB 086/090)	

REPORT OF	TITLE
Corporate Director (Communities, Localities & Culture)	Mayor for London's Cycle Revolution
ORIGINATING OFFICER(S) Ashraf Ali, Project Manager Sustainable Initiatives Transportation & Highways	Wards Affected: All

1.0 SUMMARY

- 1.1 The Mayor for London is progressing two key initiatives as part of his cycle Revolution for London. Both the London Cycle Hire Scheme and the Cycle Superhighways affect this borough and required the cooperation of the Council in their delivery.
- 1.2 This report appraises Members of the local details of the schemes and seeks approval to enter into an arrangement for the joint exercise of powers under section of 101 of the Local Government Act 1972 with Transport for London (TfL) to enable the installation of elements of these schemes.

2.0 RECOMMENDATIONS

Cabinet is recommended to:

- 2.1 Note the proposals and ambitious timetables for the delivery of the TfL London Cycle Hire scheme & Cycle Superhighways scheme.
- 2.2 Authorise the Corporate Director Communities, Localities & Culture to approve an agreement between the Council and TfL for the joint exercise of functions to make temporary and permanent traffic regulation orders in respect of borough highways to facilitate the implementation and operation of the London Cycle Hire Scheme including the making of orders under sections 6 and 45 and the exercise of the powers in section 63 of that Act.
- 2.3 Note that the Council will enter into agreements with TfL pursuant to section 8 of the Highways Act 1980 in respect of works associated with the London Cycle

LOCAL GOVERNMENT ACT, 1972 SECTION 100D (AS AMENDED)
LIST OF BACKGROUND PAPERS USED IN THE PREPARATION OF THIS REPORT

Brief description of background paper	Name and telephone number of holder and address where open to inspection
Way to Go – Mayor for London	R Finch x2541

3.0 BACKGROUND

- 3.1 In May, the Mayor for London launched the Cycle Revolution for London. He aims to increase cycling substantially in the next few years following his own personal commitment to using that mode. The two key new initiatives which he is proposing to implement rapidly are the Cycle Hire Scheme and the Cycle Superhighways. Both will have a direct impact on this borough and speedy implementation is dependent on the Council's cooperation.
- 3.2 The Council's own sustainable transport strategy places a priority on encouraging cycling, both as a sustainable alternative to the private car and as an active and healthy form of transport. A more detailed Cycle Strategy is currently in preparation providing a modal basis for the proposals in the Core Strategy. There are however concerns over potential conflict between cyclists and pedestrians as well as road safety risks to cyclists: it is therefore vital that the Council's key messages clearly promote responsible cycling and cycle training programmes are a key element of this strategy. The Mayor's strategic cycle infrastructure proposals would complement this strategy.

4.0 The Cycle Hire Scheme

- 4.1 The Mayor intends to launch a new cycle hire scheme in central London by May 2010. Following the example of the scheme in Paris, approximately 6,000 bicycles and 10,200 docking points will be introduced at around 400 docking stations in central London. Users will be required to register to join the scheme prior to their first use, and pay a joining fee as well as a fee for each use in accordance with the tariff proposed by TfL. The scheme will enable users to hire a bicycle from a docking station in central London and leave it at another docking station at or close to their destination. The scheme will be designed to encourage users to make short journeys, typically less than 30 minutes, thereby enabling each bicycle to be used several times a day.
- 4.2 The scheme will be introduced in an area of central London covering approximately 44 km², covering all of the City of London and part of the following London Boroughs: Camden, Hackney, Islington, Kensington & Chelsea, Lambeth, Southwark, Tower Hamlets, and Westminster. The zone is currently proposed to extend as far east as Whitechapel, but officers are also encouraging TfL to extend the scheme eastwards to the Olympic Park at the earliest opportunity.
- 4.3 Approximately 15 docking stations are proposed in Tower Hamlets, each being approximately 25m long. Officers have worked with TfL to identify suitable locations, protecting parking bays so far as possible and restricting obstruction to pedestrians where footways are used. Each site will be the subject of a planning application, thus ensuring that wider issues can be addressed during consultation. As a result of this two of the original Cycle Hire Locations were refused and alternative locations are being discussed with TfL. The sites originally proposed are:-

Site	Address	Location	length	No of bikes
Commercial Road	Adjacent to 41-71 Commercial Road	Footway	17*2	20
Vaughan Way	Adjacent to Trinity Tower, Vaughan Way	Carriageway	21.5*2	28
Brushfield St (Planning approval REFUSED)	OPP 32-40 Brushfield Street	Footway	14*2 and 12*2	32
Lamb St (Planning approval REFUSED)	OPP 13-14 Lamb Street	Carriageway	15*2	20
Sclater Street	Bethnal Green rd junction of Wheeler St	Footway	19*2	23
Brick Lane North	50m South of Grimsby Street	Carriageway	20*2	24
Tower Hill		Footway		
Fashion Street	Adjacent to 26 Fashion Street			
Wapping High St	Opp 1 Wapping High St	footway		
Leman St		footway		
Commercial St Housing Office	OPP 28 Commercial St	Footway	24*1.4	20
Whitechapel Road x New Road	New Road	Footway	26*2	32
Whitechapel Road B	Adjacent to 179-185 Whitechapel Road	Footway	8*2 9*2 and 8*2	30
Mansell Street		Footway		
Whitechapel Road	O/S The London Hospital, Whitechapel Road	Footway	15*2	17

(Borough roads are in bold)

- 4.4 TfL intend to be directly responsible for the implementation of the entire scheme in order to maximise control over delivery with a clear deadline of May 2010 for commencement of the scheme. Where work is required to take place on borough roads, TfL are seeking to enter into a Section 101(5) agreement under Local Government Act 1972 as well as a Section 8 Agreement under the Highways Act 1980. Whilst delegated approval for the latter already exists allowing officers to agree that TfL carry out agreed traffic related works on borough highways, legal officers have advised that Cabinet approval will be required to enable TfL to exercise jointly with the Council the power in Section 63 of the Road Traffic Regulation Act 1984 to install the Cycle Hire terminals, as no delegated powers currently exist. Cabinet is therefore recommended to delegate authority as proposed in the recommendations to the report.

5.0 The Cycle Superhighways Scheme

- 5.1 The Mayor for London also announced in May that he plans to introduce 12 Cycle Superhighways across London by 2012, with an ambitious target to introduce two of them by May 2010. These are intended to be fast, direct routes attractive to confident commuter cyclists and new cyclists like and it is proposed that they are distinguished from other cycle routes by being surfaced in blue. The introduction of each route will be accompanied by an

extensive programme of cycle awareness activities at both the work and home end of trips using the links, with a potential budget of over £2m per route, activities will include training, buddy rides, promotional materials, etc. This element of the scheme has the potential to complement the Council's existing healthy towns initiative.

5.2 Two routes are proposed in Tower Hamlets:

- One of the pilot routes is planned to use the existing route from Tower Hill via Cable Street, Narrow Street, Poplar High Street, East India Dock Estate and thence the A13 to Canning Town and on to Barking. This is due to be opened by May 2010. (See Appendix One)
- Another route to be implemented by 2012 is proposed along the A11. In principle, this ties in very well with the vision for High Street 2012 and officers are seeking to encourage TfL to introduce this route as quickly as possible.

5.3 Officers have identified a number of issues in the use of the existing cycle route for the pilot which we are working closely with TfL to resolve:

- The proposed pilot route uses existing cycle routes in entirety and could be seen as a re-badging of a facility introduced by the Council;
- The segregated route on Cable Street is of very high quality, but the rest of the route through the borough is less direct and cyclists are not protected from traffic due to restricted road width and parking demand / servicing activity.
- In Poplar High Street there are serious conflicts with pedestrians and the Mayor recently had a well-publicised near miss on Narrow Street.
- The route is dependent on private property at East India Dock and increased use of the existing link through St James Gardens could increase conflicts between cyclists and park users.
- While this route has a high level of dedicated infrastructure and has been in place for more than 10 years, cycling numbers are relatively low in comparison to the other pilot routes from Wimbledon to Bank which has little in the way of cycling infrastructure but a very heavy use.

5.4 Having discussed the route with the London Cycling Campaign, officers have recommended to TfL that a much better higher standard, fast route could be provided by continuing lanes along the A13 between Leamouth and Cable Street. It is however noted that it would not be possible to deliver this alternative the launch date of May 2010. Since TfL need a Section 8 agreement to enable them to carry out works on borough highways, officers are seeking an agreement that TfL develop feasibility studies and detailed designs for an A13 schemes, to be delivered in the longer term, before agreeing that the existing Poplar High St / Narrow Street link be enhanced as part of the pilot scheme. Cabinet Members are recommended to ratify this approach.

6.0 Conclusion

- 6.1 In conclusion, the Mayor's strategic cycle initiatives are welcome as a major contribution to enhancing facilities for cyclists and encouraging active, sustainable lifestyles. However, the local detail of elements of each scheme need to be given full and proper consideration before reaching agreement with TfL that their proposals can be implemented.

7.0 COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 There are no financial implications for the Council as a result of the proposals as TfL will be directly responsible for implementation of all highways works and will fund all costs. TfL have also agreed to reimburse the Council in respect of costs reasonably incurred by the Borough in the preparatory phases and may enter into agreements for delivery of supporting measures such as training and cycle awareness initiatives as well as future maintenance.

8.0 CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 8.1 Cabinet is asked to authorise entry into an agreement with Transport for London ("TfL") for an arrangement under section 101(5) of the Local Government Act 1972 ("the 1972 Act") to facilitate the Mayor for London's proposed London cycle hire scheme.
- 8.2 The Council has power under Part IV of the Road Traffic Regulation Act 1984 ("the 1984 Act") to provide off-street parking places (section 32) and to designate paying parking places on highways (section 45). Section 63 of the 1984 Act expressly extends the Council's power to provide parking places to the provision, in roads or elsewhere, of stands, racks or devices for securing bicycles or motorcycles. This is an executive function and it is this function which is proposed to be the subject of an arrangement with TfL.
- 8.3 Pursuant to section 101(5) of the 1972 Act, two or more local authorities may discharge any of their functions jointly. There are exceptions in respect of functions the responsibility of the executive under executive arrangements, but provision may be made under section 20 of the Local Government Act 2000 ("the 2000 Act") to permit such arrangements. The Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000 ("the Discharge Regulations") make provision permitting joint exercise of executive functions.
- 8.4 TfL was established as a corporate entity by section 154 of the Greater London Authority Act 1999. TfL does not fall within the general definitions of local authority for the purposes of section 101 of the 1972 Act and section 20 of the 2000 Act. However, by virtue of paragraph 9(1) of Schedule 10 to the Greater London Authority Act 1999, TfL is treated as a local authority for the purposes of section 101(5) of the 1972 Act. This means that the Council may jointly discharge its functions with TfL, but the power in section 101(1) of the 1972 Act to simply delegate the Council's functions to another local authority do not apply.

- 8.5 A typical arrangement for joint exercise of functions involves the establishment of a joint committee of the authorities, with each authority appointing a member or members to the joint committee in accordance with the provisions of the Discharge Regulations. In addition to the establishment of a joint committee, local authorities can agree that a joint function will be discharged by an officer of one of the authorities involved in the joint arrangement. This route is being proposed in the present situation with an officer of TfL being appointed to exercise the joint function under the legal agreement being entered into.
- 8.6 Regulation 4 of the Discharge Regulations specifies that where the functions that are to be the subject of an arrangement for joint exercise are allocated to the executive by executive arrangements, then the power to make arrangements reside with the executive.
- 8.7 Cabinet has power pursuant to section 14 of the Local Government Act 2000, to authorise the Corporate Director to approve an agreement.

9.0 EQUAL OPPORTUNITY IMPLICATIONS

- 9.1 An Access Assessment will be considered for all the TfL London Cycle Hire scheme Docking Station locations to ensure that the needs of disabled pedestrians are taken into account.

10.0 ANTI-POVERTY IMPLICATIONS

- 10.1 The encouragement of low cost sustainable transport options such as Walking and Cycling, and the removal of barriers to use by improving accessibility and designing out crime, support anti-poverty objectives and help to increase social inclusion.

11.0 SUSTAINABLE ACTION FOR GREENER ENVIRONMENT IMPLICATIONS

- 11.1 The implementation of TfL London Cycle Hire and Superhighway schemes will directly help promote healthier lifestyles and tackle climate change. Promotional activities will complement that Borough's Healthy Towns initiative and will support current policies to improve the local environment by encouraging travel by foot or cycle rather than the private car.

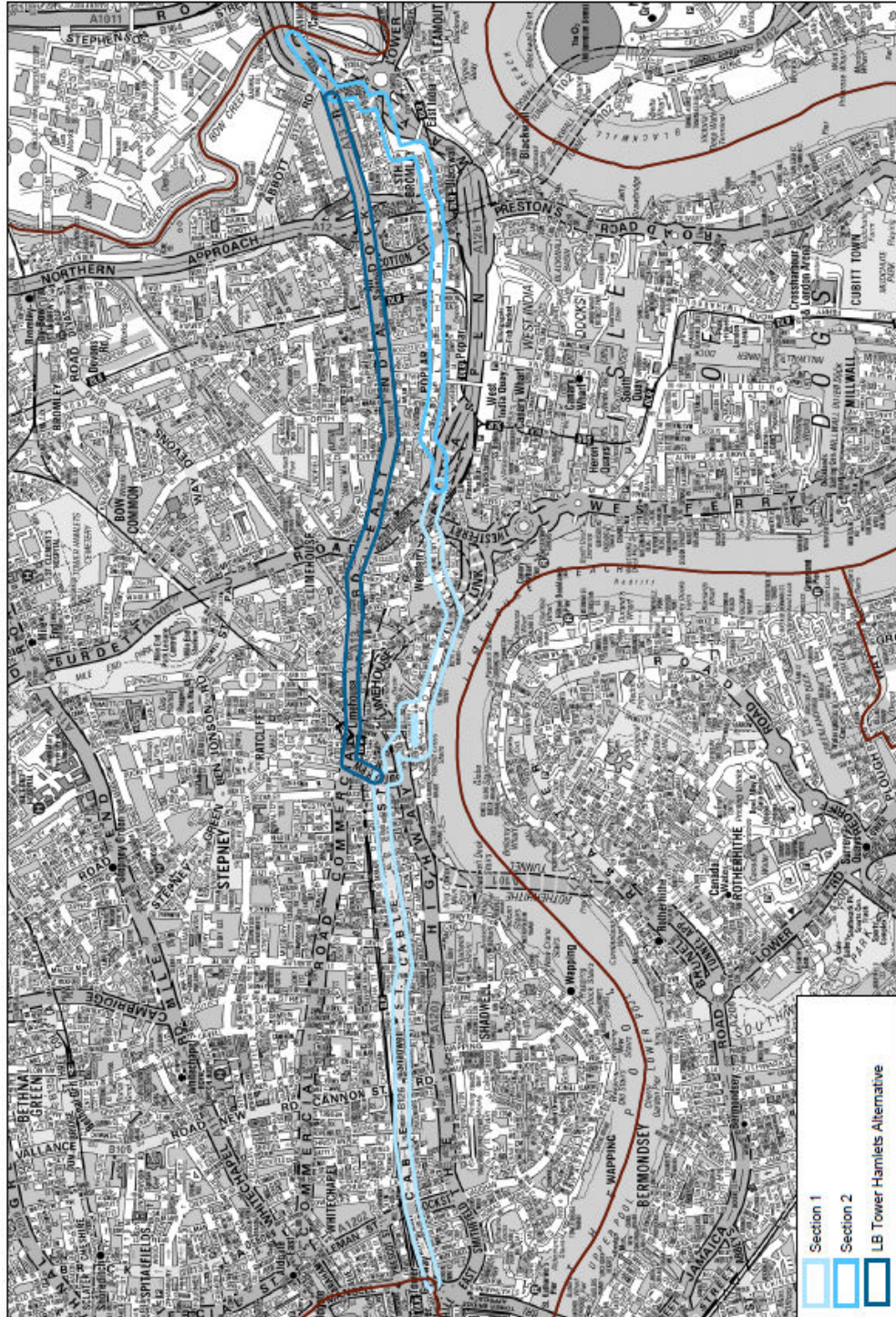
12.0 RISK MANAGEMENT IMPLICATIONS

- 12.1 TfL will carry out risk plans and CDM regulations regarding Health & Safety and all necessary requirements will be followed on both schemes.

13.0 EFFICIENCY STATEMENT

- 13.1 The scheme will be delivered by TfL through competitive tendering process which will assess value for money and any efficiency in the management and administration aspects.

Appendix One: Tower Hamlets Section of Pilot Cycle Superhighway



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Agenda Item 8.1

Committee: Cabinet	Date: 2 nd December 2009	Classification: Unrestricted	Report No: (CAB 088/090)	Agenda Item:
Report of: Assistant Chief Executive Lutfur Ali		Title: Early Intervention, Child Protection – responses to the recommendations of the Scrutiny Review Working Group		
Originating officer(s) Afazul Hoque Scrutiny Policy Manager		Wards Affected: All		

1. **SUMMARY**

- 1.1 This report includes the report and the action plan in response to the recommendations of the Overview and Scrutiny Committee Working Group on Early Intervention, Child Protection.

2. **RECOMMENDATIONS**

- 2.1 Consider the report of the Overview and Scrutiny Committee Working Group on Early Intervention, Child Protection as attached at Appendix 1.
- 2.2 Approve response to the recommendations from the Overview and Scrutiny Committee Working Group on Early Intervention, Child Protection attached at Appendix 2.

3. **BACKGROUND**

- 3.1 The Working Group was established in October 2008 to review the Council's existing early intervention services in relation to Child Protection and explore the case for extending services from a value for money and customer service perspective.
- 3.2 The review had four main objectives:
- To investigate the level of need for Early Intervention and preventative services for Safeguarding Children.
 - To undertake a comprehensive value for money analysis of existing Early Intervention provisions.
 - To undertake comprehensive service mapping of existing Early Intervention services and identify any gaps in existing provisions.
 - To investigate the case for providing additional Early Intervention services and how this could add value.
- 3.3 The Working Group heard from officers in Children's Social Care Team, visited the children's social care duty team and also to the Eva Armsby Centre and Norman Grove Centre. They considered data on service usage and value for money and held roundtable discussions with officers from the Council and partner agencies.
- 3.4 The Review report with recommendations was agreed at Overview and Scrutiny Committee on 5th May 2009 and is attached at Appendix 1. A detailed Action Plan

setting out the responses to the recommendations of the relevant officers is attached at Appendix 2.

- 3.5 Producing a report and agreeing an action plan is only part of the role of Overview and Scrutiny. An essential task is to monitor the progress in implementing the recommendations. This allows Overview and Scrutiny to demonstrate the value of its work in improving services and consider whether the anticipated benefits are realised. To achieve this, the Committee will consider six monthly updates on the recommendations.

4. NATIONAL POLICY FRAMEWORK

- 4.1 In March 2009 Lord Laming published 'The Protection of Children in England: A Progress Report. The report made 58 recommendations to improve children's social care services. The Government published their response to the recommendations in May 2009. The long-term implications of this review are still being considered and local authorities are awaiting both legislation and guidance.
- 4.2 One of the early and initial responses is in developing a Tower Hamlets 'Well Being Model' which aims to support children, young people and families to achieve their full potential. This will be done by setting out in one place our approach for all families across all levels of need. The Well Being Model articulates the integrated referral criteria between different levels of need, to ensure that the most appropriate support is offered to each family. The model formalises our structure for consultation, co-ordination and co-operation between agencies to promote family wellbeing, to ensure that the children of Tower Hamlets get the best deal from what is on offer to support them.
- 4.3 The responses to the scrutiny review recommendations will be amended if necessary to ensure we fully comply and implement changes following government guidance.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 This report considers the Overview and Scrutiny Committee Working Group's Early Intervention, Child Protection report and recommendations.
- 5.2 There are no specific financial implications emanating from this report but in the event that the Council agrees further action in response to the Early Intervention, Child Protection report's recommendations then officers will be obliged to seek the appropriate financial approval before further financial commitments are made.

6. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 6.1 Cabinet is asked to consider the report of the Overview and Scrutiny Committee dealing with Early Intervention, Child Protection.
- 6.2 The Council is required by section 21 of the Local Government Act 2000 to have an Overview and Scrutiny Committee and to have executive arrangements that ensure the committee has specified powers. Consistent with this obligation, Article 6 of the Council's Constitution provides that the Overview and Scrutiny Committee shall make reports and recommendations to the Full Council or the Executive in connection with the discharge of any functions. It is consistent with the Constitution and the statutory framework for Cabinet to provide a response.

6.3 The Council has several children’s functions, including the general duty in section 17 of the Children Act 1989 to safeguard and promote the welfare of children within their area who are in need and, so far as is consistent with that duty, to promote the upbringing of such children by their families. Pursuant to section 10 of the Children Act (2004), the Council is required to make arrangements to promote co-operation with relevant partners and such other persons or bodies as the authority considers appropriate, with a view to improving the well being of children. The report does relate to these functions.

7. ONE TOWER HAMLETS CONSIDERATIONS

7.1 The report outlines a number of recommendations which aim to support some of the most vulnerable residents in the borough.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

8.1 There are no implications.

9. RISK MANAGEMENT IMPLICATIONS

9.1 There are no immediate risk management implications.

**Local Government Act, 1972 Section 100D (As amended)
List of “Background Papers” used in the preparation of this report**

Brief description of back ground papers”	Name and telephone number of holder and address where open to inspection.
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None

10. APPENDICES

Appendix 1 – Scrutiny review report
Appendix 2 – Action Plan

Early Intervention – Child Protection

Report of the Scrutiny Working Group

Tower Hamlets Council
May 2009



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The Working Group would like to thank all Tower Hamlets officers and Partner agencies for their time and advice and all those residents and young people who made contributions and gave input into the review.

Recommendations

- R1** That the Community Safety team in conjunction with Children, Schools and Families Services develops targeted services to work with families and perpetrators of domestic violence, particularly male perpetrators.
- R2** That the Community Safety team in conjunction with the Registered Social Landlord (RSL) forum and Tower Hamlets Homes explore options for using tenancy conditions to hold Domestic Violence perpetrators to account.
- R3** That the Community Safety team in conjunction with Children, Schools and Families Services and the Partnership give active consideration to publicising actions taken against perpetrators when safe to do so, through selection of appropriate cases.
- R4** That a mapping exercise is undertaken by Children's Social Care and the Domestic Violence team to chart the links between Domestic Violence and children's services in the borough.
- R5** That the Partnership explores ways in which support to parents with mental health problems could be increased.
- R6** That Adults' Health and Wellbeing in conjunction with Children, Schools and Families Services undertake an audit of cases in which an adult receives services from the Community Mental Health Team (CMHT) and where no referral was made to Children's Social Care, to question whether this is leading to any unmet needs for the children involved.
- R7** That a review is undertaken on how the needs of children from CMHT areas not covered by a Children's and Adult Mental Health (CHAMP) worker can be addressed using a similar model, within budgetary constraints.
- R8** That further analysis be undertaken to identify how the needs of parents with substance misuse problems can be targeted. Further to this, funding will need to be identified to allow increased support is available to vulnerable parents.
- R9** That the Council works with partner agencies to ensure the successful launch and management of the ContactPoint system to provide a more effective early intervention service.
- R10** That Children, Schools and Families Services in conjunction with the Partnership further develops localisation of services through clarifying pathways between delivery and local centres and extended schools, and the wider integrated front and back doors.

- R11 That Children, Schools and Families Services work with Children's Centres and other key partners to explore development of a model to have a designated lead professional for families, allowing them one point of contact amongst the many professionals that may be working in partnership.**
- R12 That Children, Schools and Families Services work alongside the Communications team to be more proactive in identifying and publicising good practice from both statutory social care services and other partner agencies in protecting vulnerable children.**
- R13 That the Children, Schools and Families Services, and particularly Children's Social Care, work with Members to explore ways of further involving Members in the overview and audit of safeguarding work.**
- R14 That the Excellent Public Services Scrutiny Lead should undertake a further piece of work in 2009/10 which focuses more explicitly on value for money and improved service outcomes, and how this message can be delivered effectively to the community.**

Introduction

- 1 The proportion of young people under 19 living in Tower Hamlets is markedly higher than the inner London average, at 24% of the total population. 70% of the under 19 population are from ethnic minority communities, with over 90 different languages spoken. In 2004, almost half (47%) of children in the borough lived in a household receiving benefits, and the proportion of children and young people receiving free school meals is nearly four times the national average. Combined with the fact that Tower Hamlets has the fastest growing children's population in Europe, more children than ever are set to come through Children's Services in future years. This means Children's Services needs to be thinking constantly about how to deliver better outcomes for families. Undoubtedly, this will have to be done against a background of tighter public spending. Therefore delivering high quality services which also provide value for money will therefore become even more important in future years.

- 4 In July 2008, the Scrutiny Lead for Excellent Public Services identified early intervention services relating to Children's Social Care as a priority area for review, given the high and growing workload of the service, and the excellent potential early intervention work has both in heightening outcomes for service users and providing value for money.

- 5 Revelations in November 2008 surrounding the 'Baby P' case in the London Borough of Haringey exploded interest in this subject, with the Working Group ('the Group') finding itself focusing on an issue at the forefront of national concern. The field now looks set to have changed irreversibly, with Children's Social Care services in the midst of a changing policy context and under an intense media spotlight.

- 6 The Group was established in September 2008 to review the Council's existing early intervention services in relation to Child Protection and explore the case for extending services from a value for money and customer service perspective. The membership of the Group was politically balanced, comprised of 7 councillors, and was chaired by Councillor Bill Turner.

- 7 The review had four main objectives:
 - To investigate the level of need for Early Intervention and preventative services for Safeguarding Children.
 - To undertake a comprehensive value for money analysis of existing Early Intervention provisions.
 - To undertake comprehensive service mapping of existing Early Intervention services and identify any gaps in existing provisions.
 - To investigate the case for providing additional Early Intervention services and how this could add value.

- 8 The nature of this review meant much attention was focused specifically on the work of our Children's Social Care (CSC) team. Group members were keen to contextualise in relation to other partners in the borough and the approach of neighbouring boroughs. The Group agreed the following timetable and methodology:

Introductory Meeting (October 2008)

- Agree scoping document
- Briefing from CSC and discussion – introduction to topic and work of team, investigation of Child Protection needs in the Borough

Site visits – Duty teams and Children's Centres (December 2008)

- Investigate current practice and gain an idea of challenges on the ground.

Value for Money analysis (December 2008)

- Briefing from CSC and discussion – value for money analysis of current early intervention services and their outcomes for service users.

Focus group with practitioners (January 2008)

- Round table discussion with officers (Children, Schools and Families, Community Safety and Adult's Health and Wellbeing) and partners (Police, East London NHS Foundation Trust, Extended schools, headteachers, CSC) to hear about local experiences.

Spotlight on domestic violence and parental mental health (March 2009)

- A later addition to the work programme, to give additional focus on the local domestic violence and parental mental health context, including service responses and evidence-based options in relation to potential interventions. Both were felt to be areas needing extra attention due to their importance to the recommendations in the Group's final report.

- 7 The review sought to understand the value of existing early intervention services relating to the field of Children's Social Care and to produce recommendations that ensure excellent value for money and optimum outcomes for service users, highlighting good practice both in this borough and elsewhere. The key aim of the Group is to make policy recommendations that support service improvement.
- 8 The Overview and Scrutiny Committee will consider the Group's report and recommendations. It will then be submitted to Cabinet for a response and action plan.

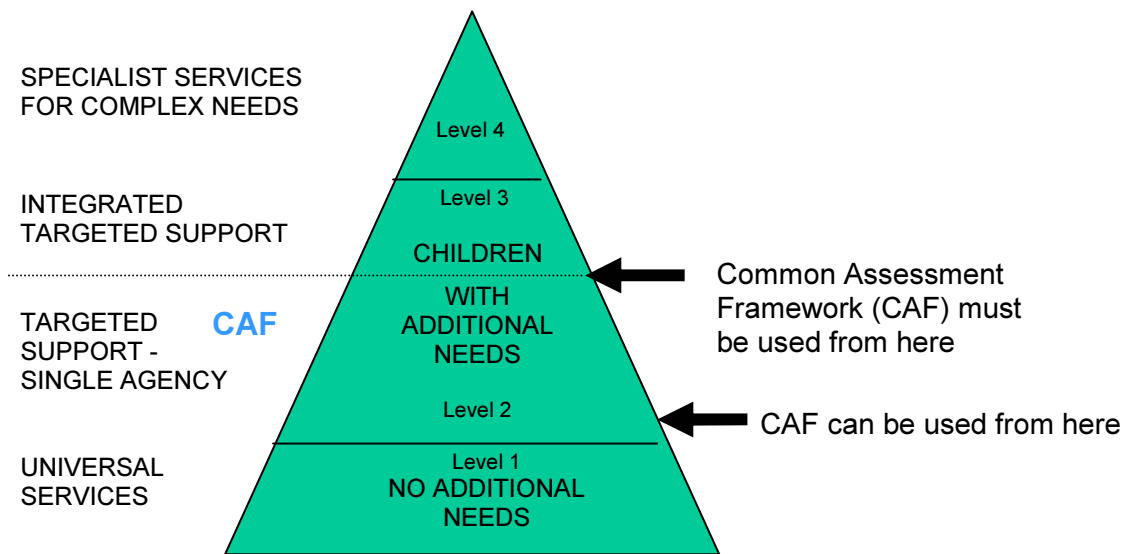
Findings

Background

Definition of Early Intervention

- 9 Early Intervention is a term that eludes exact definition or classification. In its widest sense, 'early intervention' classifies any action that looks to identify problems early and intervene before the potential of the problem is realised, with the aim of producing a positive outcome instead. Early Intervention in relation to children in Tower Hamlets can thus potentially cover such diverse services as the Nurse-Family Partnership, the Family Intervention Project and Warrior Women Personal Safety Training.
- 10 Not only can early intervention potentially cover a host of different services, it can also cover a range of different timings of interventions. Figure 1 illustrates the various levels of a child's need, ranging from "Universal" (Level 1) to "Specialist" (Level 4). This continuum of need highlights the varying service responses required to address different levels of need:

Figure 1: Triangle of support



- 11 An immediate problem for the Group and an important conceptual foundation was thus the establishment of a definition of early intervention used for this review.

- 12 The definition of early intervention as adopted by the Wave Trust¹ is instructive here – early intervention is distinguished against primary prevention, where the latter refers to activity “designed to stop a predicted impairment to a child’s health or development before it occurs”. This covers such services as the Nurse-Family Partnership and perinatal care for pregnant women. By contrast, early intervention is defined as starting when the signs of impairment become apparent.²
- 13 In the initial scoping document, it was felt that the Group would be able to take a wider focus, and also look at early intervention from the universal level – supporting families before the need for a referral to CSC (from level 1 to 2). Inevitably however not all issues could be considered within the timescale available. Thus whilst the Group received evidence on early intervention from a range of perspectives and outcomes, it has needed to be selective for the purposes of maintaining a manageable focus for the review.
- 14 Therefore the Group defined early intervention as specifically those actions at the targeted end of the needs spectrum (levels 2 and 3). Essentially, this means those interventions that can help a troubled family whose problems are already known to service providers avoid crossing the threshold for statutory intervention. Another important qualification is the Group’s specific focus on the child protection context. Whilst early intervention can relate to a range of potential outcomes such as truancy, psychological illness, teenage pregnancy, delinquency, social deprivation – the Group’s attention has been specifically focused on interventions around avoiding a child needing to be taken into care. This social care context was felt to be particularly important due to the high cost and questionable outcomes for children and families of statutory interventions, and mirrors the Council’s aspiration to do everything it can for families to secure successful outcomes long before any statutory need arises.

National Policy

- 15 The Every Child Matters: Change for Children Programme underlines as one of its five key priorities that children ‘Stay Safe’. As an umbrella term, this means ensuring that families, parents and carers provide safe homes and stability for children. In its ‘Staying Safe Action Plan’, the government outlines the key commitments it will be taking forward over

¹ The Wave Trust is an international charity committed to reducing child abuse and interpersonal violence through understanding root causes, and the Trust has undertaken over ten years of global research. The Trust was commissioned by Tower Hamlets to produce ‘Early Intervention and Primary Prevention in Tower Hamlets’ – a discussion document’ - a research project that was conducted for the Borough between November 2007 and May 2008.

² Definition from ‘Early Intervention and Primary Prevention in Tower Hamlets’, p. 8.

the current Comprehensive Spending Review period (April 2008 - March 2011) to improve children and young people's safety. These include raising awareness of and promoting understanding of safeguarding issues, and ensuring this work is coherent and effectively coordinated across government. These objectives are reflected at a local level through the National Indicators Set (NIS) for Local Government. There are 16 indicators in the NIS relating to children and young people's safety.

- 16 Sections 10 – 11 Children Act 2004 impose a duty of cooperation between Children's Services authorities and other partners. The aspiration for CSC is to provide an 'integrated front door'. This means providing integrated services and referral mechanisms across a range of partner agencies, to respond to issues in children's social care earlier. It is hoped that this 'integrated front door' can provide an effective interface between early intervention and statutory CSC involvement, and will ensure that families are responded to appropriately commensurate with the level of the child's needs.
- 17 The aspiration of the 'integrated front door' and 'back door' is that families can be supported without the need for ongoing or episodic CSC involvement, and is a key priority in terms of improving efficiency and outcomes for service users. The aspirations of the 'integrated front door' are to maximise both the effectiveness of Children's Services and improve customer access to them, and therefore form key considerations in the recommendations of this review.
- 18 The Common Assessment Framework (CAF) is a tool designed by the Government to support practitioners as part of the Every Child Matters agenda. The CAF aims to ensure that every young person receives the services they need at the earliest opportunity, through providing a standardised process for undertaking a common assessment. The aspiration is that, by supporting practitioners in identifying and meeting children's needs earlier, the CAF will act as a vehicle through which to inform referrals to CSC, and eventually will lead to a reduction in referrals. The CAF was rolled out across the Borough in July 2007.
- 19 Events in Haringey surrounding the Baby P case, which unfolded during the course of this review, have dramatically altered the landscape for practitioners. The sad circumstances of the Baby P case identified the crucial importance of effective partnership working and communication amongst agencies to secure the safety of children, and the grave consequences when these systems fail. National scrutiny has now been turned firmly on social workers and local authorities, providing a challenging and potentially hostile context for safeguarding work.

The Tower Hamlets context

- 20 The 2008 Joint Area Review (JAR) of Children and Young Peoples' services found Safeguarding to be 'good' overall, with Early Intervention and preventative services praised for offering a wide range of effective support. As detailed in the Children's and Young People's Plan, the local vision is that:

"We want our children and young people to grow up free from harm, fear and prejudice. This means ensuring that children are effectively safeguarded from the risk of harm and neglect, reducing the involvement of young people in crime, both as victim and perpetrator, and protecting young people from bullying and harassment".³

- 21 In 2005, Tower Hamlets was awarded Beacon status for our innovative work around Early Intervention – Children at Risk. Key factors described as underpinning the authority's success in this Beacon round were a clear focus on outcomes, strong partnership working through the Social Inclusion Panel and Local Strategic Partnership, and a commitment to inclusion and innovation.⁴
- 22 Although the Council has continued to achieve considerable success in the field of early intervention, officers and Councillors recognise that there are still important possibilities for improvement. The Council is firmly committed to improving outcomes for all Tower Hamlets children, particularly those who are vulnerable and who are often a hidden section of the community. The aspiration is that we raise our goals even further and to develop innovative, proactive and effective approaches.

Levels of need

Workload of the Children's Social Care team/forecasting

- 23 The Group heard compelling evidence that the CSC team is experiencing a high and sharply increasing workload.
- 24 In the past two years there has been a significant rise in referral activity – in 2007/8, a rise of 38.5% was recorded, and trends from 08/09 suggest this activity is being maintained. In response to the queries of Group members, one explanation offered was the heightened awareness of partners and the community of Child Protection issues and the need to intervene earlier by referring to CSC. The reclassification of thresholds relating to domestic violence from neglect to emotional harm was also suggested as a reason for the particular increase in domestic violence

³ Children and Young People's Plan (CYPP) 2009 – 12

⁴ Tower Hamlets Beacon Submission – Early Intervention: Children at Risk (2005).

referrals, as well as a change in guidance around an expectation that local authorities should start s47 enquiries in Domestic Violence cases where children under the age of 1 live in the household.⁵

- 25 Figure 2 gives a snapshot comparison of increased demands on the CSC team between 2006 and 2008. In 2007/8, there were 300% more initial assessments made by CSC than in 2006/7, with the number of core assessments undertaken also rising by 59% in the same period. There has been a significant rise in child protection activity relating to section 47 enquiries started, and high referral figures have been exacerbated by a 44% rise between 2006/7 and 2007/8. Trends for 2008/09 suggest that the rise in referrals, completion rates for Initial Assessments and Core Assessments, and numbers children in need of a Child Protection Plan will all be maintained, if not exceeded.⁶

Figure 2 - Interim Data Comparison (1.4 – 31.03)

Year	No of referrals	Total number of Initial Assessments completed	Total number of Core Assessment completed	Total number of s47 enquiries	Total no of children in need of a Child Protection Plan at the end of the reporting year
2006/07	1794	707	601	233	189
2007/8	2582	2564	956	324	234

- 26 It was envisaged that the CAF will better inform referrals to CSC, and in some cases eliminate the need for them where no child protection needs exist and support can be provided by partners working together. It is evident however that the role-out of the CAF has not yet led to a reduction of referrals. As identified in the JAR, there is a need for some developmental work to support the use of the CAF.
- 27 The impact on CSC is increasing workload and complexity for front line teams in terms of assessment activity and strategy discussions. The service is also experiencing a bottle-neck in transferring cases from Assessment to Family Support and Protection teams. Whilst the high level of referrals is being maintained, and CAF making little tangible reduction to referrals, the rate of work coming into CSC is not being matched by the volume of work going out. What this means is that there is a greater volume of work being maintained by CSC teams.

⁵ Where an initial assessment indicates a child is suspected to be suffering, or is likely to suffer, significant harm. local authorities are obliged under s47 of the Children's Act 1989 to make enquiries so as to determine whether or not they need to take action to safeguard the child.

⁶ Cabinet Budget 2009/2010 Document Pack (Wednesday 11th February 2009), Appendix E2 'Children's Fieldwork Budget', pp. 74 – 79.

- 28 Baby P has exacerbated these figures, leading to a pronounced increase in referrals to CSC. In recognition of this, in April 2009 the Cabinet adopted proposals from Lord Laming's report into child protection, limiting the maximum caseload of social workers. Combining increased public attention with predictions of an even larger children's population in Tower Hamlets over the next decade, current projections forecast a sharply increasing workload for CSC in the next few years.

Value for money

Costs versus outcomes

- 29 In analysing the value for money of Early Intervention it is impossible to give clear and incontrovertible evidence about what would have happened if these arrangements had not been in place. It has therefore been a key conceptual challenge in presenting evidence for this review to understand how various different costings can be used to give such an analysis.
- 30 The value of Early Intervention needs to be considered from the perspective of outcomes achieved for the children and families involved – a cost analysis means little if it is not supported by evidence that interventions are securing the best possible outcomes for the community. This consideration of cost versus outcomes is key to the review's definition of what value for money constitutes, and forms the crux of the framework around which value for money will be investigated.
- 31 The general principle that it is not only important, but crucial to intervene early in securing the five Every Child Matters outcomes for children is well-documented. Analysis shows that early intervention can be highly cost-effective,⁷ and MacLeod and Nelson (2000), build upon this premise with the summary observation that "the earlier the intervention the better".⁸ By intervening earlier and strengthening protective services, the number of children requiring the support of CSC services should be reduced. The aspiration is to maximise the services at an earlier stage and reduce referrals, thereby allowing CSC to focus on the statutory functions.

International research

- 32 There is a wealth of international evidence posing the value for money case for early intervention such as Head Start (USA), Triple P and Sure Start Family Programmes. Family-Nurse Partnership (USA) and Head

⁷ LBTH Family Support and Parental Engagement Strategy, 2007 – 8, pp. 5 – 6.

⁸ Wave report, p. 8.

Start give particularly strong evidence of the value for money case – families where intervention is delivered early have much lower costs in the long-term.

- 33 As an example Head Start, upon which the UK Sure Start programme is based, is a child development programme with the overall goal of increasing the school readiness of young children in low-income families. Returning to our definitions of early intervention (point 11 above), Head Start, which caters for families with children from three to school age, can be described as early intervention, as opposed to Early Head Start, which is aimed at families with infants and toddlers, and pregnant women, and thus is better described as primary prevention. Having run since 1965, the project has attracted long-term research into outcomes and gives us clear messages about the value for money case of early intervention.
- 34 Overall it has been found that the benefits of Head Start amount to between \$2.50 and \$10 for each \$1 invested. This cost finding can be accounted for in various ways. Olds (1993)⁹ found that home visiting paid itself back within 4 years, with the next 11 years of home visiting thereafter, before the child reaches adulthood, amounting to clear gain in financial terms and social benefits for both the individual child and the wider community. In a similar fashion, it has been found that parenting training proved highly cost effective in reducing crime, as it has proven to be much cheaper than teenage supervision or prison.
- 35 In a similar fashion, it has been found that parenting training proved highly cost effective in reducing crime, with parenting training proving much cheaper than teenage supervision or prison.

Local evidence

- 36 To help measure value for money the Group was given a number of different costing measures to gain an insight into the local context.
- 37 COSTING EXAMPLE 1: Helping a family avoid eviction for ASB
 - Intervention 1: Solution Focused brief therapy (through Educational Psychologists in Children’s Centres) costs on average £550 per family.
 - Intervention 2: Strengthening Families Strengthening Communities costs £684 per participant

⁹ David L Olds et al, Effect of prenatal and infancy nurse home visitation on government spending, Medical Care 31:2, pp. 155 – 174.

- Intervention 3: Family Intervention Programme (FIP) costs approximately £10,000 per family. So far no family on the FIP programme has been evicted from their home.
- Housing an evicted family costs £300 per week/at least £15,600 a year.
- Whilst none of these interventions is guaranteed to stop ASB and consequent evictions, families have reported that interventions have made a positive difference to their lives.

COSTING EXAMPLE 2: Cost of looking after children

- Average unit cost for a looked after child – £969 per week.
- This excludes social worker and administration time, the cost of preparing a report, supervising the social worker costs and managing the independent review process.
- In total, unit costs tend to be far in excess of £1,000 per week.
- In Tower Hamlets there is a growing proportion of looked after children who are adolescents.
- Research has indicated poorer outcomes for looked after children in adolescence, in terms of educational attainment, mental health problems, crime and teenage pregnancies.
- Implication – taking children into care is a very costly intervention that struggles to deliver real benefits and thus emphasising the importance of intervening earlier.

- 38 Whilst the general principle that intervening earlier provides value for money and better outcomes was proved, it was brought to the Group's attention that the rise in activity within CSC, as described above at points 24 – 9, has occurred in a context of zero changes to CSC frontline resources. A FTE (full time equivalent) social worker with experience costs the borough £46,687 per year. Currently there are 69 baseline social work posts delivering services to 1627 children, a ratio felt by CSC to be unsustainable in light of static resourcing to the service.
- 39 Overall, the Group heard tangible evidence that intervening early – i.e. before the need to take children into care arises – is both cost effective, and produces better outcomes. The Group heard of the importance of supporting children at pre-school age, as intervening late is more costly and does not deliver better outcomes. In the medium term, there is a need to develop further capacity around hard to reach, complex families to prevent the need for highly expensive specialist services. This means developing capacity at the specialist and more targeted ends of the needs spectrum. It was this need that the Group focused on in formulating the recommendations of this report.
- 40 The Group welcomed the Cabinet's decision to invest a further £661,000 into CSC this year, in recognition of sharply increasing demands on the service.

Service mapping

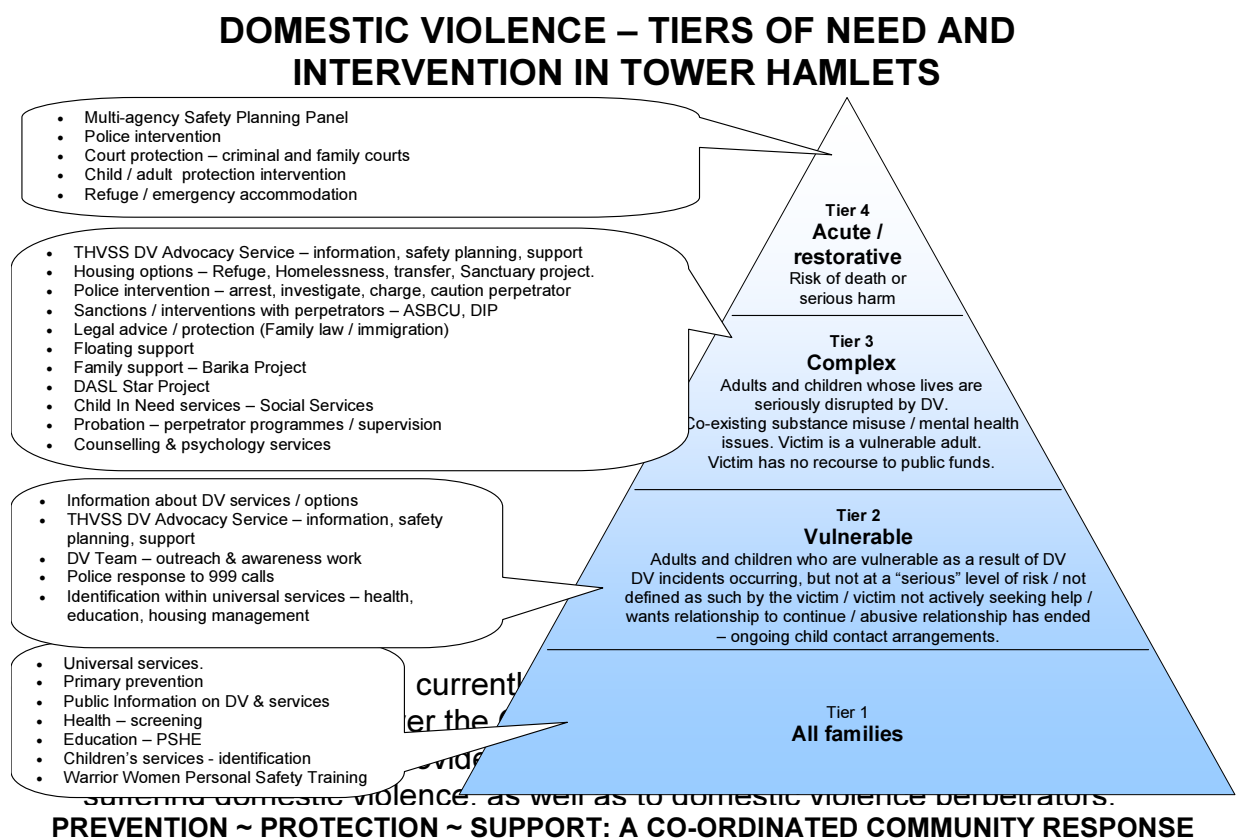
- 41 A consistent theme raised throughout the review was that better linkages need to be made between the CSC team and a number of key services areas, and how this could help to improve the efficiency and effectiveness of services to children and families.

Domestic Violence

- 42 The Group heard on a number of occasions compelling evidence that there has been a sharp rise in numbers of referrals to CSC linked to domestic violence. Child protection cases involving domestic violence are also on the increase. According to practitioners' knowledge, the Group also heard that there may be an underestimation in the statistics of children living with domestic violence.
- 43 The "Co-ordinated Community Response" is an umbrella term for actions aimed to prevent domestic violence and reduce the harm it causes by
- increasing safe choices for adults and children
 - holding perpetrators to account, beyond the police response
 - reducing social tolerance of domestic violence and challenging inaction by individuals and agencies.

A summary of current interventions is summarised in Figure 3 below:

Figure 3 – Tiers of need and intervention to domestic violence in Tower Hamlets



- 45 Working with the male perpetrators of domestic violence was identified as an area worthy of special attention. The Group heard from officers that the idea of taking the, often male, perpetrator out of the home is not always the best or a viable solution. However providing services to male perpetrators of domestic violence is a significant gap in our current provision. This was further highlighted in both the practitioner focus group and the session on domestic violence. Members agreed they would like to see an appropriate perpetrator programme established for violent men, but believed that the primary beneficiaries of such a programme should be children.

Recommendation 1

- R1 That the Council develops targeted services to work with families and perpetrators of domestic violence, particularly male perpetrators.

- 46 Members were particularly interested in the links between social tenancies and Domestic Violence convictions, and heard evidence that male perpetrators will often remain in the home once a female victim has left for her own safety. Members voiced concerns about the equity of this situation and suggested that in the case of criminal action being taken against a perpetrator of Domestic Violence, landlords should consider action against the perpetrator.
- 47 The Group accepts that this is a complex area of policy, in that evicting a domestic violence perpetrator may lead to undesirable consequences such as re-offending. The Group is keen that this area is explored more fully so that the potential of using tenancy conditions to hold Domestic Violence perpetrators to account is understood more completely.
- 48 The Group is also keen that the potential benefit of publicising actions taken against perpetrators is explored. This again is a complex issue, given the risk of a whole family being identified through publicising the perpetrator. Members are keen that the potential benefit in sending the message to all potential perpetrators that their behaviour will not be tolerated is explored further, mindful of the impact on children and families.

Recommendations

- R2 That the Community Safety team in conjunction with the Registered Social Landlord (RSL) forum and Tower Hamlets Homes explore options for using tenancy conditions to hold Domestic Violence perpetrators to account.
- R3 That the Community Safety team in conjunction with Children, Schools and Families Services and the Partnership give active consideration to publicising actions taken against perpetrators when safe to do so, through selection of appropriate cases.

- 49 The map of contact points between the CSC team and the Domestic Violence team is growing more complex due to changes in guidelines and proliferation of services. A constant theme throughout the review was the importance of partnership links. It is crucial for CSC and Domestic Violence services to be able to locate related services and maintain a working relationship with them so that referrals and partnership working can be successfully managed.

Recommendation

- R4 That a mapping exercise is undertaken by Children's Social Care and the Domestic Violence team to chart the links between Domestic Violence and children's services in the borough.

Parental Mental Health issues

- 50 The Group heard that a high proportion of parents of looked after children have a history of substance abuse, mental health problems and/or domestic violence issues. Nationally, the proportion of adult mental health service users who have children under the age of 18 is estimated at between 25 and 50 per cent.¹⁰ In Tower Hamlets, the proportion was found to be between 30 and 35 per cent, or approximately 600 children. Practitioners in Children's Centres in the Borough also commented that they witnessed a high proportion of cases involving parental mental health issues.
- 51 Children living with a parent with mental health problems are affected in a variety of ways, and exposed to a catalogue of risks including: behavioural problems, physical health risk, psychological and emotional health risk, academic underachievement, dysfunctional social relationships and bullying. Members of the Group expressed concerns, based on their own knowledge, that the numbers of children living with a parent with mental illness are greatly underestimated.
- 52 For this reason, the interface between Adults' Health and Wellbeing and CSC is important, to ensure that practitioners in both fields feel confident about handling cases where there are both adult mental health needs and related child protection issues. A key element in strengthening this interface involves ongoing work on the formulation of protocols between Adults' Services and Children's Services, and once agreed, ensuring they are embedded robustly in each service.
- 53 It is estimated that 6 per cent of parents of looked after children have a history of mental health issues, which is believed to be a conservative estimate. Given that the annual cost of housing a child in an independent residential placement has been calculated at £114,000, an important value for money argument can be made for extending services to

¹⁰ Gopfert et al, 1996; Falkov, 1998.

families where parents have a mental health issue, long before the need to take a child into care arises.

Recommendation

R5 That the Council explores ways support to parents with mental health problems could be increased.

54 At the focus group session, mental health professionals in Adult's Health and Wellbeing described the difficulty of balancing the welfare of the adult – their primary professional consideration – with concerns about the welfare of children. Having a dedicated Children's and Adult Mental Health worker (CHAMP) within mental health teams has proved a success, affording more confidence to practitioners in addressing the needs of children living with adults with mental illness, and a better service for the children themselves. Activities undertaken by the CHAMP worker include:

- direct work with children;
- liaison with schools and CSC;
- arranging holiday provision for children;
- engaging families with outside agencies working with children

Practitioners advocated strongly that the number of CHAMP workers be increased to allow this work to be extended.

55 Members were impressed by the CHAMP model of working and suggested that further strengthening of the interface between Adult's Mental Health services and CSC is undertaken, particularly in relation to the Community Mental Health Teams (CMHTs). Members considered examples when an adult receives services from the CMHT but there is no referral to CSC. They questioned whether this is leading to any unmet needs for the children involved.

Recommendations

R6 That Adults' Health and Wellbeing in conjunction with Children's Services undertake an audit of cases in which an adult receives services from the CMHT and where no referral was made to Children's Social Care, to question whether this is leading to any unmet needs for the children involved.

R7 That a review is undertaken on how the needs of children from CMHT areas not covered by a Children's and Adult Mental Health (CHAMP) worker can be addressed using a similar model, within budgetary constraints.

Parental substance abuse issues

- 56 The Group heard that a high proportion of parents of looked after children have a history of substance abuse, mental health problems and/or domestic violence issues.
- 57 Whilst the Drug and Alcohol Action Team is very active locally, a gap in service provision was identified by the CSC team relating to services supporting children in families where there is a history of substance misuse. Currently, there is only one such pilot programme in operation – AdAction. The Group also heard evidence that working relationships between agencies could be strengthened.
- 58 Intervening earlier where substance misuse issues are prevalent has an important value for money angle. Support can be given before a statutory need arises, and therefore avoid the need for ongoing or repeated CSC involvement. In Tower Hamlets 11 per cent of parents of looked after children have a history of substance misuse, and we know that the annual cost of housing a child in an independent residential placement has been calculated at £114,000. This poses a persuasive value for money case in extending support services for parents with substance misuse problems.

Recommendation

- R8 That further analysis be undertaken to identify how the needs of parents with substance misuse problems can be targeted. Further to this, funding will need to be identified to allow increased support is available to vulnerable parents.

The relationship between Children’s Social Care, the Council, and wider partners

Information systems

- 59 At the practitioner focus group, the Group heard about how communication issues were central to the success of partnership working. A particular barrier to fluent communication was identified in the workings of the IT systems between different agencies. For example, health professionals cannot access case files on central systems if they are not registered as a London Borough of Tower Hamlets worker. It was suggested that different database and information systems in use by the Council and its partner agencies be charted, and continuing attention be given to how these could be better integrated.
- 60 Whilst aware of the importance of data protection and confidentiality, Members feel that consideration of appropriate access requirements and

information sharing arrangements needs to be given, both for the safety of children and to minimise duplication and time wastage for busy staff. Improving the efficiency of service delivery in this way also has an important value for money benefit, in ensuring efficient use of resources and optimum use of valuable practitioner time.

- 61 The Group learnt about Contact Point – an online directory that will be introduced next year in Tower Hamlets – that will make it quick and easy to find out who else is working with the same child or young person, making it easier to deliver more coordinated support. Contact Point is known to be an effective system and should greatly aid the fluency of communication between agencies. For this reason it is important that all partners are signed up to this directory, which will improve information sharing and knowledge, and ultimately work towards securing better outcomes for children in the Borough.

Recommendation

- R9 That the Council works with partner agencies to ensure the successful launch and management of the Contact Point system to provide a more effective early intervention service.

Customer Service and the Integrated front door

- 62 A key concern of the Group has been how services can be delivered more efficiently and cost-effectively through intervening earlier and improving partnership working. These considerations have led the Group to consider what increased efficiency looks like from a customer service perspective, and how the 'integrated front door' could be implemented successfully in practice.
- 63 At the practitioner focus group it was generally felt that cluster working is positive and should be continued. A community base for services would be more productive rather than having them centralised. It was also suggested that the integrated front door could take the form of a local one-stop shop, where families could access a range of support services from one base. This could really help develop relationship between the various agencies and the clients. Issues around co-location were discussed and it was felt that this was neither feasible nor practicable – rather practitioners should work from local centres to deliver to families. Extended schools would be the ideal local centres from which to deliver these services, as long as they are well-resourced.

Recommendation

R10 That the Children, Schools and Families Services in conjunction with the Tower Hamlets Partnership further develops localisation of services through clarifying pathways between delivery and local centres and extended schools, and the wider integrated front and back doors.

- 64 At many points during the review it was highlighted that the success of interventions depends on the strength of relationships built with families. As child protection issues are never just about the children themselves, but children who are living within troubled families, engaging adults is crucial to secure good outcomes for the children involved.
- 65 Often if the case is complex there will be many professionals involved. Having one lead contact for the family would not only simplify matters from the service user perspective but would improve communication and help foster a relationship of trust.
- 66 Similar to other London boroughs, Tower Hamlets is experiencing challenges relating to recruiting and retaining high quality staff. Partners raised concerns about how to address continuity issues arising from the frequent turn-over of social workers. Having one lead professional would help manage any change-over in case workers, particularly from the point of view of the families involved.
- 67 Whilst the CAF is being rolled out, there is also still a need to support professionals within 'Teams Around the Child' and multi-agency working teams, and having a designated lead professional would assist in providing support.

Recommendation

R11 That Children, Schools and Families Services work with Children's Centres and other key partners to explore development of a model to have a designated lead professional for families, allowing them one point of contact amongst the many professionals that may be working in partnership.

Communication

- 68 Members considered that excellent work is done with vulnerable children and families, both by statutory social care services and other partner agencies. Given the current climate following the Baby P case, there has been a proliferation of negative and hostile of stories in the local and national media about social workers. Members believe the Council could be trying to do more to celebrate the achievements of our safeguarding

work. Greater recognition would raise the morale of staff, provide more reassurance to families and service users, and reassure the wider community of the quality of our local service.

Recommendation

R12 That the Children, Schools and Families Services work with the Communications team to be more proactive in identifying and publicising excellent practice from both statutory social care services and other partner agencies in protecting vulnerable children.

Role of Members

- 69 Members were generally supportive of the Corporate Parenting Steering Group, but noted that there is no comparable unit which oversees and audits safeguarding work more generally, especially with regard to children who are subject to Child Protection plans. Whilst aware that this is a particularly sensitive and confidential area of the Council's work, Group members felt that greater Member oversight and scrutiny of this work could be taking place.
- 70 In April 2009 the Cabinet, in consideration of the Safeguarding Children's Board Annual Report 08/09 and Lord Laming's report into child protection, enthusiastically supported proposals for more training for members in Children's Safeguarding, and for an enhanced role for councillors in scrutiny of this work.

Recommendation

R13 That the Children, Schools and Families Services, and particularly Children's Social Care, work with Members to explore ways of further involving Members in the overview and audit of safeguarding work.

- 71 Members particularly welcomed the opportunity this review afforded to consider value for money in key Council services, given that these considerations are at the core of resident satisfaction. Members considered that this element of the scrutiny review process could be extended, to help develop a better understanding of the relationship between value for money and improved service delivery – and particularly how this issue could be communicated clearly to residents. This area of work would clearly sit within the remit of the Scrutiny Lead for Excellent Public Services.

Recommendation

- R14 That the Excellent Public Services Scrutiny Lead should undertake a further piece of work in 2009/10 which focuses more explicitly on value for money and improved service outcomes, and how this message can be delivered effectively to the community.

Conclusions

- 67 The Group welcomed the timeliness of this review, given the current climate and the strong pressures being placed on councils across the country to review their safeguarding arrangements.
- 68 Members found that there were already numerous examples of excellent practice both within the Council and across partner agencies, and applauded the dedication of officers in earning Tower Hamlets its reputation for innovation and excellence in this field.
- 69 Members gained a strong impression of the crucial importance of the interfaces between services, given that Child Protection issues concern not just the child themselves, but families as well. Whilst much of the strategic thinking concerning early intervention, partnership working and the integrated front door are well-developed, the challenge remains in constantly shaping these concepts into tangible realities. The strategic coordination of services is still one of the key challenges, and the majority of the recommendations arising from the review look to address these challenges. As ever, strengthening and developing real and effective partnerships will be crucial to our future success.

Scrutiny and Equalities in Tower Hamlets

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Response to Scrutiny Review Early Intervention, Child Protection

Appendix 2

Recommendation	Response/Comments	Responsibility	Date
<p>R1 That the Community Safety team in conjunction with Children, Schools and Families Services develops targeted services to work with families and perpetrators of domestic violence, particularly male perpetrators.</p>	<p>A domestic violence perpetrator programme is being developed at Eva Armsby Centre which will include training for a number of front line staff. This is currently jointly funded from the Children's Fund and WNF and would need to seek additional funds once this runs out. The Children & Domestic Violence Sub Group is leading on this and will also explore other areas of potential within this.</p>	<p>Paul Mcgee (Service Manager, Assessment and Early Intervention) / Philippa Chipping (Policy & Victims Manager)</p>	<p>December 2009</p>
<p>R2 That the Community Safety team in conjunction with the Registered Social Landlord (RSL) forum and Tower Hamlets Homes explore options for using tenancy conditions to hold Domestic Violence perpetrators to account.</p>	<p>There is already some work done on this by the family intervention project but this is complicated area of work because of the number of RSLs involved and their policy towards this. Discussions will be held with housing partners at the Tower Hamlets Housing Forum on the best way to take this forward.</p>	<p>Philippa Chipping (Policy & Victims Manager)</p>	<p>December 2009</p>
<p>R3 That the Community Safety team in conjunction with Children, Schools and Families Services and the Partnership give active consideration to publicising actions taken against perpetrators when safe to do so, through selection of appropriate cases.</p>	<p>At present all criminal convictions are publicised. With the set up of the Special Domestic Violence Court there is a new approach to dealing with perpetrators. Discussion will be held with colleagues across the Council in particular with Communications Team on how this recommendation can be implemented.</p>	<p>Philippa Chipping (Policy & Victims Manager)</p>	<p>December 2009</p>

Recommendation	Response/Comments	Responsibility	Date
	This is a sensitive issue as any publicity may also have a negative impact on victims.		
R4 That a mapping exercise is undertaken by Children's Social Care and the Domestic Violence team to chart the links between Domestic Violence and children's services in the borough.	In the process of recruiting a Children's & Domestic Violence Co-ordinator. One of their major roles will be to map the link and identify any gaps.	Philippa Chipping (Policy & Victims Manager)	March 2010
R5 That the Partnership explores ways in which support to parents with mental health problems could be increased.	The link between CHAMP team and Integrated Pathways and Support team will be strengthened to further explore pathways to support parents with mental health problems. A working protocol will be developed between the IPST and the CHAMP team.	Paul Mcgee (Service Manager, Assessment and Early Intervention) / Ian Williamson (Head of Social Care Practice Adult Mental Health)	November 2009
R6 That Adults' Health and Wellbeing in conjunction with Children, Schools and Families Services undertake an audit of cases in which an adult receives services from the Community Mental Health Team (CMHT) and where no referral was made to Children's Social Care, to question whether this is leading to any unmet needs for the children involved.	Mapping exercise will be undertaken in Adults Health & Well Being to identify cases where adult with children's receiving mental health treatment. Will liaise with Children' Services to identify any cases where no referral was made.	Paul Mcgee (Service Manager, Assessment and Early Intervention) / Ian Williamson (Head of Social Care Practice Adult Mental Health)	November 2009

Recommendation	Response/Comments	Responsibility	Date
<p>R7 That a review is undertaken on how the needs of children from CMHT areas not covered by a Children's and Adult Mental Health (CHAMP) worker can be addressed using a similar model, within budgetary constraints.</p>	<p>A review will be undertaken depending on the outcome from recommendation 6.</p>	<p>Paul Mcgee (Service Manager, Assessment and Early Intervention) / Ian Williamson (Head of Social Care Practice Adult Mental Health)</p>	<p>January 2010</p>
<p>R8 That further analysis be undertaken to identify how the needs of parents with substance misuse problems can be targeted. Further to this, funding will need to be identified to allow increased support is available to vulnerable parents.</p>	<p>Hidden Harm Co-ordinator working across Children's Services Directorate and Communities Localities and Culture Directorate.</p> <p>Actions:</p> <ul style="list-style-type: none"> • Draft Hidden Harm Strategy (Aug 09) • Hidden Harm Coordinator presenting Strategy to LSCB (Sept 09) • Awareness of Hidden Harm in Children Schools and Families Directorate and drug and alcohol service providers (On-going) • Common Assessment Tool piloted in services to identify children and young people of substance misusing parents (Nov 09) • Hidden Harm Conference planned (Dec 09) • Drug and Alcohol Service providers working in partnership with Family 	<p>Nikki Bradley (Head of Specialist parenting Programmes) Emma Bond (Hidden harm Co-ordinator)</p>	<p>December 2009</p>

Recommendation	Response/Comments	Responsibility	Date
<p>R9 That the Council works with partner agencies to ensure the successful launch and management of the ContactPoint system to provide a more effective early intervention service.</p>	<p>Intervention Project to deliver family substance misuse interventions (Jan 10) Contact Point will be implemented over the next year and work will be undertaken actively with partners to make sure it is successful and effective.</p>	<p>Siobhan Giles (Manager Children's Information Systems)</p>	<p>Incremental roll out from November 2009</p>
<p>R10 That Children, Schools and Families Services in conjunction with the Partnership further develops localisation of services through clarifying pathways between delivery and local centres and extended schools, and the wider integrated front and back doors.</p>	<p>The Integrated Pathways and Support Team to be established. The team provides a link between targeted and specialist services and signposts early intervention, linking to the Family Information Service.</p>	<p>Monica Forty (Acting Head of Early Years Children & Learning)</p>	<p>July 2009</p>
<p>R11 That Children, Schools and Families Services work with Children's Centres and other key partners to explore development of a model to have a designated lead professional for families, allowing them one point of contact amongst the many professionals that may be working in partnership.</p>	<p>Increased use of CAF and identification of Lead professionals in Children's Centres. At least 100 CAFs to be completed by Children's Centres</p>	<p>Jo Freeman (Children's Centres Senior Strategic Manager)</p>	<p>July 2010</p>

Recommendation	Response/Comments	Responsibility	Date
<p>R12 That Children, Schools and Families Services work alongside the Communications team be more proactive in identifying and publicising good practice from both statutory social care services and other partner agencies in protecting vulnerable children.</p>	<p>The Safeguarding Child Board Communications Strategy will explore this further.</p> <p>A completed communications plan to publicise good practice will be ready by November 2009 utilising existing mediums and promotional activity.</p>	<p>Monawara Bakht (Local Safeguarding Children Board Co-ordinator) / Sukhjinder Nunwa Stakeholder Engagement & Participation Manager</p>	<p>November 2009</p>
<p>R13 That the Children, Schools and Families Services, and particularly Children's Social Care, work with Members to explore ways of further involving Members in the overview and audit of safeguarding work.</p>	<p>A 12 monthly report to be provided for members to update them on Safeguarding issues.</p>	<p>Monawara Bakht (Local Safeguarding Children Board Co-ordinator)</p>	<p>April 2010</p>
<p>R14 That the Excellent Public Services Scrutiny Lead should undertake a further piece of work in 2009/10 which focuses more explicitly on value for money and improved service outcomes, and how this message can be delivered effectively to the community.</p>	<p>The Scrutiny Lead for Excellent Public Services is currently exploring areas for review and will focus on value for money agenda.</p>	<p>Afazul Hoque (Scrutiny Policy Manager)</p>	<p>May 2010</p>

Agenda Item 10.2

Committee: Cabinet	Date: 2 nd December 2009	Classification: Unrestricted	Report No: (CAB 091/090)	Agenda Item:
Report of: Corporate Director Development and Renewal Originating officer(s) Andy Algar, Service Head, Asset Management		Title: Use of the Council's "well-being" powers to maximise community benefit from property transactions. Wards Affected: All		

1. SUMMARY

- 1.1 This report sets out a proposed approach for the Council to adopt when considering selling land at less than market value. The Council has broad "well-being" powers that give it the discretion to sell land at less than market value where it can be shown that clear community benefits will arise.

2. RECOMMENDATIONS

Cabinet is recommended to

- (a) Note the contents of the report, and
- (b) Agree that all future sales at less than market value be subject to a transparent and public process that clearly identifies and "costs" the service benefit of any transaction.
- (c) That a similar approach be adopted if leasing properties at less than market rental value.
- (d) That the "costs" and benefits of transactions be articulated by the relevant service director(s).

3. BACKGROUND

THE LEGISLATIVE FRAMEWORK

- 3.1 If selling non Housing Revenue Account (HRA) land the Council needs to meet its obligations under s 123 of the Local Government Act 1972. Scope exists for the Council to dispose of such land at less than market value if it can bring itself within the provisions of the General Disposal Consent (England) 2003 disposal of land for less than the best consideration that can reasonably be obtained ("the Consent").

- 3.2 S.123 Local Government Act provides a general obligation on Councils to sell land at “the best price reasonably obtainable”. The 2003 Disposals Consent provided local authorities with some discretion to sell at less than market value.
- 3.3 Under the Consent a local authority has to discretion to sell at an “undervalue” of up to £2,000,000 per transaction. Undervalue is defined as “the difference between the unrestricted value of the interest to be disposed of and the consideration accepted”
- 3.4 If an authority wishes to dispose at less than market value it has to demonstrate that the disposal is likely to contribute to the achievement of one or more of the objects set out in its “well-being” powers. The full definition from the Consent is:
- “(a) 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 the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;*
- 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*
- (b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds)”.*
- 3.5 If selling at less than market value Members also need to fulfil their general fiduciary duty. European State Aid issues will also need to be considered on a case by case basis but this can prevent or delay sales at less than market value.
- 3.6 Where property is sold at less than market value it is vital that the service or social benefit is clearly defined. Assessment of such benefits is not part of the sales process – property staff are not qualified to make such judgements. It is considered to be best practice to separate the property element from the assessment of benefits.
- 3.7 This approach will require clear definitions of roles and responsibilities when dealing with sales at less than market value and a brief summary of suggested roles and responsibilities is set out below.
- 3.8 The Service Head, Asset Management will ensure proper advice is obtained about market value in accordance with the Disposals Consent. He/she will also

ensure the terms of any transaction are adequate to enable the delivery and measurement of the benefits of the transaction.

- 3.9 The relevant Service Director will assess the financial and non-financial benefits of the proposal against the “well being” powers outlined above and provide a statement that they are satisfied that the benefits are equal to or in excess of the proposed undervalue. Any reports should consider whether there are alternative methods of achieving the same outcome (e.g. if a sum equivalent to the undervalue were made available) to ensure that this is the most efficient use of resources.
- 3.10 The Chief Executive, Director of Resources and Assistant Chief Executive (Legal) will review the service justification and be satisfied that the Council’s statutory and financial duties have been met.
- 3.11 Cabinet’s role is to consider reports and the justification and to ensure Cabinet’s fiduciary duty is met.
- 3.12 This approach will require a new process to be adopted that can ensure a consistent approach. It is suggested that in each case the Service Director makes an assessment of the financial and non-financial benefits of any proposal, who the beneficiaries are and which of the well-being powers it falls under.
- 3.13 In the case of an existing tenant/occupier, the report will need to demonstrate the **additional** benefit, over and above current service/community benefits released by proposal disposal (e.g. could be investment/expansion).
- 3.14 In relation to land held for Housing purposes a separate statutory regime exists which governs the disposal of such land. Section 32 Housing Act 1985 states that a local authority has a power to dispose of land held for housing purposes but such disposal requires the consent of the Secretary of State.
- 3.15 To assist local authorities the Secretary of State has issued what are termed the General Housing Consents 2005. These are a series of consents issued pursuant to powers contained in sections 32, 33 and 34 Housing Act 1985 and sections 25 and 26 Local Government Act 1988. The purposes of these consents are to allow certain disposals to occur without the need to secure express consent. Each of the consent sets out the situations when they can be relied on.
- 3.16 There are six consents issued under the Housing Act 1985 and they are identified as A to F. They deal with the general disposal of dwelling houses, the disposal of dwelling houses for Right to Buy, the disposal of dwelling houses for shared ownership, disposal of dwelling houses which are not held for housing purposes, disposal of land held for housing purposes and the disposal of freehold interests in houses and flats where long leases have been granted.

- 3.17 It should be noted that none of these consents permit a disposal of dwellings or land at an under value. They all refer to a disposal at market value and then set out a discount that may apply or the best consideration that can reasonably be obtained.
- 3.18 In relation to the second set of consents mentioned above, those issues pursuant to powers under section 25 and 26 Local Government Act 1988 the position is slightly different. Section 24 Local Government Act 1988 provides a local a housing authority with the power to provide any person with financial assistance in connection with the acquisition, construction, conversion, rehabilitation, improvement, maintenance or management of any property which is or is intended to be privately let as housing accommodation. Section 25 Local Government Act 1988 then goes on to say that in addition to financial assistance a local housing authority may provide a person with any gratuitous benefit for any of the purposes for which financial assistance can be given.
- 3.19 Section 25 Local Government Act 1988 goes on to state that when a gratuitous benefit can include land be given either free of charge or at a value significantly less than its true value. In order to enable local authorities to exercise these powers a series of consents have been issued. The consents, which form part of the General Housing Consents 2005, are a discrete group within the overall scheme of consents.
- 3.20 There are a total of eight consents which have been issues under the umbrella of sections 25 and 26 Local Government Act 1988 and are described as A to H. They deal with a wide range of issues but for the purposes of this report the relevant ones are A and B. Each of the consents allows for the transfer of land to a registered social landlord and such transfer could be for no consideration or at a reduced value.
- 3.21 It should be noted that any such transfers must be for one of the purposes set out above in connection with the provision of housing accommodation. In relation to consent A, the maximum value of assistance, which can be provided in any one year, is £10 million. Consent B does not set a value for the amount of assistance that can be provided but instead places a cap on the number of the greater of 50 or one quarter of one percent of the number of dwellings owned by the authority.

4. CONCLUSION

- 4.1 Sales at less than market value cost the Council “real” money through reduced income to the capital programme. It follows that the Council’s processes in selling at less than market value should be as robust and transparent as if we were providing capital grants to third party – this would include some form of

prioritisation, options appraisal, assessment of benefits and a mechanism to ensure the benefits are recorded.

- 4.2 There are arguments that all transactions should be at market value and remove the wellbeing argument all together. However, this ignores that there are many genuine circumstances (e.g. regeneration) where it makes good sense to lever capital receipts through a reduced sale price. The legislation recognises this and the purpose of this proposal is to ensure continued robust and transparent decision making.
- 4.3 Similar processes and rigour will also apply when leasing property.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 Assets should be seen as a resource of the authority and the Council's assets are available for it to use to secure the delivery of services and other benefits to local people. The value of any asset held once it is no longer required for service delivery may be realised for other purposes and retaining assets out of use is often a cost to the Council in terms of security, maintenance etc. However, once a decision is made to dispose of an asset, other future opportunities are closed down. A decision whether or not to dispose of an asset is therefore a balance between releasing the value tied up in the asset for the public benefit and the opportunities and costs which may arise from retaining it.
- 5.2 The Council has a duty to secure value for money in all its transactions, which in this case means ensuring that there is sufficient public benefit from the disposal of land at an under value to justify that approach. The report sets out the position in relation to the authority's powers.
- 5.3 As in all transactions, it is important that resources are used in accordance with the Council's policies and priorities.

6. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 6.1 As indicated in the body of the report local authorities have a variety of powers to dispose of land held by them. In relation to the power contained in section 123 Local Government Act 1972 the presumption is that any such disposal will be for a consideration for not less than the best that can reasonably be obtained.
- 6.2 In acknowledgement of the fact that there can be situations when a local authority may wish to secure an outcome which requires land to be disposed of at an undervalue a specific consent has been granted to facilitate this. As indicated in the body of the report a local authority may only use this consent if certain criteria are met and there is a cap on the value of the reduction in value, which can be granted.

- 6.3 A further issue which has to be taken into account when exercising the power granted by the consent is whether the disposal complies with what are termed the State aid rules. The State aid rules are designed to ensure fair competition and a single common market. If favoured treatment is given to some business it would harm business competitors; risk distorting the normal competitive market and hinder the long-term competitiveness of the European Community. The term State is not restricted solely to national governments but also applies to local authorities.
- 6.4 If the Council were to dispose of a piece of land to a body it could be argued that it has given that body an unfair advantage over its competitors and thereby distorted the market. State aid is however allowed if it promotes economic development and other legitimate policy objectives where this benefit outweighs any distortion of competition. In order for the disposal of land at an under value to be held as State aid it is necessary to show that the disposal is to a body involved in an economic activity and that it operates in a market in which there is trade between states who are members of the European Community. It should be noted that the nature of the body is not relevant in this context (even a not for profit body can engage in economic activities).
- 6.5 Thus if the Council were to dispose of land to a development company and land development is an activity which takes place in the European Community then such a disposal could constitute State aid. As indicated above there are certain exemptions that apply and it would be necessary to determine on a case-by-case basis as to whether an exemption might apply.
- 6.6 Turning to the consents issued under the provisions of the Housing Act 1985 it is clear that they do not provide for disposals at an under value. Those exemptions approach the issue of consideration for a disposal from another angle. In essence, they state that the disposal should be at a market value but then provide for certain discounts to apply in limited situations.
- 6.7 The final raft of provisions to consider are the consents, which have been issued pursuant to, sections 25 and 26 Local Government Act 1988. As explained in the body of the report these allow for disposals at an under value subject to the disposal being for specific purposes and to identified organisations. In respect of both the relevant consents limitations exist in respect of the amount of discount, which can be provided.
- 6.8 In conclusion in any situation where the Council would wish to dispose of land at an undervalue it will be necessary to identify which provision applies and ensure compliance with any restrictions which exist. Matters will have to be considered on a case-by-case basis.

7. ONE TOWER HAMLETS CONSIDERATIONS

- 7.1 Property is a key factor in delivering services. The proposed approach will ensure that any service benefits arising from property transactions are identified and maximised

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 There are no implications

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 This proposal will ensure a robust approach to sales at less than market value and reduce the risk of any challenges to the Council on such sales.

10. EFFICIENCY STATEMENT

- 10.1 This will help ensure the efficient use of the Council's resources if selling land at less than market value

**Local Government Act, 1972 Section 100D (As amended)
List of "Background Papers" used in the preparation of this report**

Brief description of "background papers"

None

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Agenda Item 10.3

Committee: Cabinet	Date: 2 nd December 2009	Classification: Unrestricted	Report No:	Agenda Item:
Report of: Corporate Director of Resources Originating officer(s) Minesh Jani/Steve Rouvray		Title: Procurement of Council Insurances via a Consortium of London Councils Wards Affected: All Wards		

1. SUMMARY

- 1.1 This report outlines recent developments regarding the cessation of insurance cover via LAML following the outcome of litigation.
- 1.2 It is now intended that Tower Hamlets Council enters into a joint procurement arrangement with seven other London Councils, to set up an Insurance Consortium to purchase the Council's main liability, property and terrorism insurances.

2. RECOMMENDATIONS

2.1 **Cabinet is recommended to:-**

1. Note the outcome of the legal challenge to the London Authorities Mutual (LAML)
2. Note that short term temporary insurance cover is in place until 31st December 2009
3. Approve the long-term procurement of Insurance Services via a purchasing consortium from 1st January 2010.
4. Delegate to the Corporate Director of Resources the authority to agree the detailed arrangements for participation in a purchasing consortium and the procurement of replacement insurance cover.

3. BACKGROUND

- 3.1 The insurance market for local authority risks has historically had a limited number of providers, which has resulted in reduced competition and higher rates. In early 2007 Tower Hamlets, along with nine other London Councils set up a limited insurance company guaranteed by capital to counter the limited options being offered by the public sector insurance market at the time.
- 3.2 Extensive legal advice was sought which gave comfort that the powers to set up the organisation were provided by Section 2 of the 2000 Local Government Act, commonly known as the “well being powers”. A management company was appointed to carry out day to day running of the company and a board of directors, made up of officers from some of the respective Councils and two independent directors.
- 3.3 A procurement exercise was carried out and re-insurers were appointed. Under this arrangement LAML provided cover for the first £1m above each authorities excesses for property and liability. Tower Hamlets has a £2m property excess and £300k liability excess.
- 3.4 Following a legal challenge a recent judgement in the Court of Appeal found that the participation of local authorities in LAML to be both ultra vires and in breach of procurement rules. As a result LAML cover ceased and temporary insurance cover was obtained.
- 3.5 An application has been made to appeal to the newly established Supreme Court. The issue is also now with the Government who are in the process of amending legislation.

4. DETAILS OF INSURANCE CONSORTIUM

- 4.1 Following the demise of LAML the former member Councils, including Tower Hamlets, were keen to build on the shared service approach. In particular the risk management initiatives and shared best practice of the former LAML members.
- 4.2 The experience of a group of Fire and Rescue authorities in 2008 was that by forming a consortium they were able to appeal to a wider selection of insurers and achieved a better response than had they procured separately. The improved response resulted in a greater number of insurers responding as well as additional significant financial savings.
- 4.3 As a result a number of boroughs are forming a Consortium for the purchase of insurance from the commercial market. The core of the Consortium is made up of former LAML members however there has been interest from several other boroughs that were not involved in LAML.

- 4.4 The credit crunch had resulted in falling investment returns for insurers and a resulting reduction in capacity to underwrite risk. The market is expected to harden which could result in higher premiums in future.
- 4.5 The local authority market is increasingly being seen as a more attractive proposition due to its stability. Those authorities who have a good understanding of their risks along with robust management processes in place to manage risk are increasingly being seen as an attractive proposition.
- 4.6 The London Borough of Croydon has agreed to act as lead authority for the consortium on behalf of all of the Consortium members. A Memorandum of Understanding has been entered into whereby all of the boroughs participating in the Consortium authorise the lead authority to act on their behalf regarding the procurement. A working group has been established which will assist the lead authority and will take part in the procurement including the assessment of tender responses and selection of the preferred bidders.
- 4.7 Because of the ultra vires decision temporary insurance cover has been taken out until 31st December 2009 after which it is planned that the Consortium will start on 1st January 2010.
- 4.8 A procurement exercise has been carried out using Croydon's quotation process and an external insurance broker, Oxygen, was appointed to approach the wider insurance markets.
- 4.9 It is proposed that via the Consortium that tenders for insurance cover are obtained for a two year long-term agreement contract with the option of extending the cover for a further one year plus one year.
- 4.10 In the main, this will be to provide appropriate levels of insurance cover, whilst ensuring required levels of service, a competitive price and continuous improvement in line with the Council's Better and Cheaper agenda.
- 4.11 It is anticipated that financial savings will be made by procuring insurances in this way, in addition to sharing risk initiatives and insurance data. Setting up a consortium is a well used vehicle for sharing services and care has been taken here to follow the procurement process.
- 4.12 It is therefore considered likely that a better response will be received from the insurance market to local authority procurement on a Consortium basis rather than each authority procuring insurance cover separately.

A report was passed to the Competition Board on 18th July 2009. Attached as Appendix 1.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 The report sets out the position of the authority following a legal challenge by the insurance industry to the procurement of the LAML. Tower Hamlets was not a party to the court action, but in consequence the LAML has been liquidated and all its member authorities are now seeking alternative insurance arrangements.
- 5.2. The consortium arrangement is considered the next best option and is financially more beneficial than each authority going its own way. It is anticipated that the savings projected from using the LAML will be achieved through the consortium given the current state of the insurance market.
- 5.3. It is, of course, essential that the authority makes adequate arrangements to manage risk, including providing itself with insurance cover where appropriate.

6. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 6.1 As set out in the body of the report a number of London local authorities reached the conclusion that financial benefits could be achieved if a different approach to the procurement of insurance cover was adopted. In essence the LAML was designed to be a vehicle whereby local authorities self insured whilst at the same time undertaking a commercial operation to provide insurance cover.
- 6.2 During the course, of the establishment of the LAML, the London Borough of Brent was undertaking a procurement exercise to secure insurance cover. When the LAML was formerly established Brent terminated that procurement exercise and placed its insurance business with the LAML. One of the organisations, which had been involved in the procurement exercise, challenged the actions of Brent.
- 6.3 The legal challenge considered two discreet points. The first was whether local authorities had a legal power to establish an insurance company and the second was whether Brent were entitled to place their insurance business with the LAML. The conclusion reached was no in each case. The reasoning of the court was that the provision of insurance was not something that was a function of local authorities. Whilst the well being powers allow local authorities to undertake activities which benefit their immediate area the provision of insurance cover for other local authority areas was not an activity that the well being powers were designed to permit. At the same time, the courts held that Brent could not avoid complying with public procurement requirement and merely place its business with the LAML because the LAML was not completely controlled by the Brent or other local authorities.

- 6.4 As a result, of the court decision, it has been necessary to cease the operation of the LAML and put in place temporary arrangements. The details of the temporary arrangements are set out in the body of the report and were undertaken pursuant to officer delegated powers.
- 6.5 Longer term the Council has entered into a procurement arrangement with a number of other local authorities. In essence, the proposal involves the procurement of alternative long term insurance services. The approach, which has been adopted, is to establish a consortium of local authorities who will invite companies to bid for providing insurance services in various categories. The benefits for the local authorities in such an approach are that because of the value of the contract there may be the ability to achieve a better price given the value of the contract when compared to the value of only one local authority's business.
- 6.6 The process will be that the London Borough of Croydon will lead on the project and undertake the administrative work required when inviting tenders. All the members of the consortium will enter into the eventual contract. Legal advice on the procedures to be followed has been obtained from external lawyers but is subject to review by the in-house lawyers of all the local authorities who are party to the consortium.

7. ONE TOWER HAMLETS CONSIDERATIONS

- 7.1 The envisaged financial savings might contribute to the Community Plan goals.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 No immediate considerations

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 This is a risk management report and the risks are set out in the report.

10. EFFICIENCY STATEMENT

No additional funding is anticipated.

**Local Government Act, 1972 Section 100D (As amended)
List of "Background Papers" used in the preparation of this report**

Brief description of “back ground papers”	Name and telephone number of holder and address where open to inspection.
Competition Board decision	Attached
Minesh Jani/Steve Rouvray	Ext 0738/4049

11. APPENDICES

Appendix 1-Competition Board decision 19th October 2009

Committee CABINET	Date 2 nd December 2009	Classification Unrestricted	Report No. (CAB 093/090)	Agenda Item
Report of Corporate Director Resources		Title 2009/10 Capital Programme: Capital Monitoring Report as at 30 th September 2009 (Q2)		
Originating officer(s) Alan Finch: Head of Corporate Finance		Ward(s) Affected	All	

1. Summary

- 1.1. This is the second quarterly capital monitoring report on the 2009/10 Capital Programme, covering the first half of the financial year to the 30th September 2009. It is based on Directorate spend to date and expenditure projections to the end of the financial year.
- 1.2. Directorates have spent 25% of their budgets for the year (£37.927 million against budgets of £149.241 million). This compares with 14% for the first quarter of 2009-10.
- 1.3. Projected expenditure for the year is £136.177 million, compared to budgets totalling £149.241 million, an underspend of £13.064 million. Previous practice is that any underspent and uncommitted budget remaining at the end of the financial year may be reallocated to other priorities.
- 1.4. The programme remains affordable within available resources.

2. Recommendations

- 2.1 Cabinet is recommended to note the contents of the report.

3 Background

- 3.1 This is the second monitoring report on the 2009/10 Capital Programme. It is based on actual capital expenditure to the 30th September 2009 and Directorate projections of spending and resources to the end of the financial year.
- 3.2 The report is presented in a revised format in response to comments made by Members in previous cycles of the need for greater transparency over variances, and in order to comply with best practice.
- 3.3 It compares actual spend to approved budgets, highlighting the reasons for significant variances

4. Actual and Projected 2009/10 Expenditure v Programmed Budget

4.1 The Q1 monitoring report showed an approved total budget of £102.074 million. This has now increased to £149.241 million, for the reasons set out below.

	£'000
Budget Q1	102,074
Schemes carried forward from prior years	11,356
Sub-Total	113,430
Building Schools for the Future <i>Funded by Government grants. Previously treated separately.</i>	24,700
Additional Projects Approved:	
School Expansion Schemes <i>Revised estimates for expansion of Ben Johnson and Manorfield schools as approved at Cabinet 10/6/09</i>	2,961
Schools Modernisation Schemes <i>Additional grant award. Awaiting allocation to individual schemes.</i>	750
Commercial Road Acquisition <i>Acquisition of leasehold interest at 585-593 Commercial Road as approved at Cabinet 29/7/09</i>	3,800
Chicksand Ghat <i>Capital estimate adopted for play areas at Chicksand Ghat as approved at Cabinet 7/10/09</i>	600
HRA Mainstream Programme <i>Approved at Cabinet 29/7/09 to bring forward works agreed for 2010/11 into 2009/10</i>	3,000
Budget Q2	149,241

It should be noted that the increase in the budget is fully matched by available resources.

4.2 Total spend to the end of Q2 (30th September 2009) represented 25% of budget (14% at Q1) as follows:

	Spend to end of Sept 2009	2009-10 Budget	% of Budget spent
	£'000	£'000	%
<i>Mainstream Programme</i>			
Housing Revenue Account	13,268	41,117	32.3%
Children, Schools and Families	16,357	60,225	27.2%
Adults Health and Wellbeing	252	858	29.4%
Communities, Localities and Culture	2,758	13,966	19.8%
Development and Renewal (including Housing General Fund)	237	1,730	13.7%
Sub-total	32,872	117,896	27.9%
<i>Local Priorities Programme</i>			
Housing Revenue Account	2,698	9,700	27.8%
Children, Schools and Families	7	5,353	0.1%
Adults Health and Wellbeing	74	574	12.9%
Communities, Localities and Culture	738	3,909	18.9%
Development and Renewal (including Housing General Fund)	558	6,700	8.3%
Resources	350	5,109	6.9%
Sub-total	4,425	31,345	14.1%
TOTAL	37,297	149,241	25.0%

4.3 Total projected expenditure for the year, however, as advised by Directorates managing projects totals £136.177 million compared with the budget of £149.241 million, a difference of £13.064 million. Directorates confirm that their projections are realistic estimates of final actual spend for the year. Projected expenditure compared to budget is as overleaf.

	2009-10 Budget	2009-10 Projected	Difference
	£'000	£'000	£'000
<i>Mainstream Programme</i>			
Housing Revenue Account	41,117	42,117	1,000
Children, Schools and Families	60,225	49,099	-11,126
Adults Health and Wellbeing	858	858	0
Communities, Localities and Culture	13,966	13,566	-400
Development and Renewal (including Housing General Fund)	1,730	958	-772
Sub-total	117,896	106,598	-11,298
<i>Local Priorities Programme</i>			
Housing Revenue Account	9,700	14,000	4,300
Children, Schools and Families	5,353	3,460	-1,893
Adults Health and Wellbeing	574	474	-100
Communities, Localities and Culture	3,909	3,772	-137
Development and Renewal (including Housing General Fund)	6,700	2,850	-3,850
Resources	5,109	5,023	-86
Sub-total	31,345	29,579	-1,766
TOTAL	149,241	136,177	-13,064

4.4 The table indicates an overspending against Housing Revenue Account budgets which relates to the tackling overcrowding and Blackwall Reach schemes. In both cases this represents rephasing of spending to progress the scheme ahead of schedule and can be funded in 2009-10 from available resources.

4.5 Details of budgets, actual and projected expenditure by project and/or sub programme areas are shown in Appendix 1, together with Directorates' reasons for variances in Appendix 2.

5. Resources

5.1 The capital programme for this year has been set on the basis of available capital resources and amended as further resource announcements have been made by Government and other funders, and for Cabinet decisions. The capital programme remains affordable within the resources available.

6. Comments of the Chief Financial Officer

6.1 The comments of the Chief Financial Officer are incorporated into the report

7. Concurrent Report of the Assistant Chief Executive (Legal)

- 7.1 Cabinet is asked to note information as to capital expenditure for the current financial year. There is a positive duty on the chief finance officer to monitor expenditure: Local Government Finance Act 1988, s.114. It is consistent with the proper administration of the Council's financial affairs, arrangements for which are required by section 151 of the Local Government Act 1972, for Cabinet to be presented with the monitoring information in this report.

8. One Tower Hamlets Considerations

- 8.1 The report concerns the Council's Capital Programme in which each project had to demonstrate its contribution to One Tower Hamlets to be approved.

9. Sustainable Action for a Greener Environment (Sage) Implications

- 9.1 There are no SAGE implications arising out of this report.

10. Risk Management Implications

- 10.1 The principal risks identified in the capital programme relate to the Local Priorities Programme's reliance upon the realisation of capital receipts. Forecasting of such receipts is inherently risky. Receipts can only be estimated based on knowledge of the market prevailing at the time, and realisation of receipts is susceptible to a range of factors outside the control of the Council, as well as the decisions the authority chooses to make itself.
- 10.2 To minimise risk, expenditure is no longer committed in anticipation of the proceeds from the sale of assets.

11. Efficiency Statement

- 11.1 The evaluation process for projects includes criteria for the delivery of efficiency improvements within the Council, prior to the adoption of capital estimates being approved.
- 11.2 The Council is required to consider the value for money implications of its decisions and to secure best value in the provision of all of its services. These factors should be considered throughout the life of any project, from initial tendering for contractors to carry out works through the monitoring phase and ending with a final post-implementation review.

LOCAL GOVERNMENT ACT 1972 (AS AMENDED) SECTION 100D

LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT

Brief description of "background papers"

Directorate Submissions

*Name and telephone number of holder
And address where open to inspection*

*Ekbal Hussain Ext. 4737
Mulberry Place, 4th Floor.*

12. **Appendices**

- 12.1 Appendix 1 – Budgets, Actual and Projected Expenditure and Variances
- Appendix 2 – Explanations of Variances

APPENDIX 1

BUDGETS, ACTUAL AND PROJECTED EXPENDITURE AND VARIANCES

	2009-10 Budget	Spend to end of Sept 2009	2009-10 Forecast	% Budget Spent	Forecast Variance From Budget	See Appendix 2 Note
	£'000	£'000	£'000		£'000	
Housing Revenue Account (HRA)						
<i>Mainstream Programme</i>						
Regeneration						
Ocean NDC	11,189	1,767	11,189	15.79%	0	1.1
Blackwall Reach	2,000	1,558	3,000	77.90%	1,000	1.2
Mainstream Programme	27,928	9,943	27,928	35.60%	0	1.3
Sub-total	41,117	13,268	42,117	32.27%	1,000	
<i>Local Priorities Programme</i>						
Overcrowding Strategy	9,700	2,698	14,000	27.81%	4,300	1.4
Sub-total	9,700	2,698	14,000	27.81%	4,300	
Total HRA	50,817	15,966	56,117	31.42%	5,300	
Children, Schools and Families (CSF)						
<i>Mainstream Programme</i>						
New Pupil Places/schools expansion	11,052	1,452	4,586	13.14%	-6,466	2.1
Modernisation	1,084	0	1,209	0.00%	125	2.2
Schools access initiative	452	24	407	5.31%	-45	2.3
Other ICT	1,454	0	0	0.00%	-1,454	2.4
Primary Capital	8,556	878	7,502	10.26%	-1,054	2.5
Modernisation	1,512	255	1,310	16.87%	-202	2.6
Early years	3,141	715	2,605	22.76%	-536	2.7
Harnessing technology	930	0	930	0.00%	0	2.8
Extended schools	789	88	272	11.15%	-517	-
Space for sports and art	13	3	57	23.08%	44	-
LPSA reward grant	216	0	216	0.00%	0	-
ICT Mobile Tech	14	-12	-12	-85.71%	-26	-
LSC	10	10	10	100.00%	0	-
NIACE	40	40	40	100.00%	0	-
Youth Capital Fund	20	4	20	20.00%	0	-
Fair Play Pathfinder	959	181	856	18.87%	-103	2.9
ISPP	19	0	19	0.00%	0	-
Targeted capital fund	288	0	128	0.00%	-160	2.10
City Learning Centre	150	150	150	100.00%	0	-
BJ / Manorfield/schools expansion	2,961	2,961	2,961	100.00%	0	-
Osmani Youth Centre	700	0	0	0.00%	-700	2.11
Various sites	1,165	17	1,133	1.46%	-32	-
Building Schools for the Future						

	2009-10 Budget	Spend to end of Sept 2009	2009-10 Forecast	% Budget Spent	Forecast Variance From Budget	See Appendix 2 Note
Wessex Centre	4,000	1,867	4,000	46.68%	0	-
St Paul's Way	11,500	2,856	11,500	24.83%	0	-
BGTC	9,200	4,868	9,200	52.91%	0	-
Sub-total	60,225	16,357	49,099	27.16%	-11,126	
<i>Local Priorities Programme</i>						
Osmani Youth Centre	1,300	0	490	0.00%	-810	2.11
Bishop Challoner Community	935	0	0	0.00%	-935	2.12
Youth Service Accommodation	100	4	151	4.00%	51	-
Professional Development Centre	199	0	15	0.00%	-184	-
Harry Gosling	15	3	14	20.00%	-1	-
School Meals Kitchen Improvements	14	0	0	0.00%	-14	-
Building Schools for the Future						
Wave 5	2,790	0	2,790	0.00%	0	-
Sub-total	5,353	7	3,460	0.13%	-1,893	
Total CSF	65,578	16,364	52,559	24.95%	-13,019	
Adults Health and Wellbeing (AHWB)						
<i>Mainstream Programme</i>						
Common assessment framework	95	0	95	0.00%	0	-
Mental Health Grant	169	0	169	0.00%	0	-
Social Care Grant	123	27	123	21.95%	0	-
07/08 MH SCE	46	46	46	100.00%	0	-
07/08 LIP	150	32	150	21.33%	0	-
07/08 Improving care-home environment	17	3	17	17.65%	0	-
08/09 MH SCP	168	144	168	85.71%	0	-
08/09 Social IT infrastructure grant	90	0	90	0.00%	0	-
Sub-total	858	252	858	29.37%	0	
<i>Local Priorities Programme</i>						
Single assessment process	150	0	150	0.00%	0	-
Electronic Homecare Monitoring	360	71	260	19.72%	-100	-
LIFT Co Fees	56	3	56	5.36%	0	-
Community Equipment Service	8	0	8	0.00%	0	-
Sub-total	574	74	474	12.89%	-100	
Total AHWB	1,432	326	1,332	22.77%	-100	
Communities, Localities and Culture (CLC)						
<i>Mainstream Programme</i>						
TFL Projects	4,070	2,200	4,070	32.58%	0	-
Transport – other funded projects	2,683		2,283		-400	3.1

	2009-10 Budget	Spend to end of Sept 2009	2009-10 Forecast	% Budget Spent	Forecast Variance From Budget	See Appendix 2 Note
Parks – Chicksand Ghat	600	37	600	6.17%	0	-
York Hall boiler demolition	189	8	189	4.23%	0	-
Idea Store minor improvements	28	0	28	0.00%	0	-
Banglatown Art Trail	1,749	193	1,749	11.03%	0	-
Mile End security works	199	8	199	4.02%	0	-
Swimming Pool cover	10	10	10	100.00%	0	-
Leisure surveys	23	23	23	100.00%	0	-
Waste management	89	57	89	64.04%	0	-
Emergency planning	166	68	166	40.96%	0	-
Pay and display machines	160	0	160	0.00%	0	-
Purchase of 585 Commercial Road	3,800	0	3,800	0.00%	0	-
Wentworth Street Market	88	82	88	93.18%	0	-
CCTV	112	72	112	64.29%	0	-
Sub-total	13,966	2,758	13,566	19.75%	-400	
<i>Local Priorities Programme</i>						
Victoria Park masterplan	340	120	340	35.29%	0	-
CCTV strategy	500	85	500	17.00%	0	-
Street lighting	200	21	200	10.50%	0	-
Bancroft Library	255	12	255	4.71%	0	-
Parks	2,033	454	1,932	22.33%	-101	3.2
Prior Years LPP b/f	581	46	3,227	20.79%	-36	3.3
Sub-total	3,909	738	3,772	18.88%	-137	
Total CLC	17,875	3,496	17,338	19.56%	-537	
Development and Renewal including Housing General Fund (D&R)						
<i>Mainstream Programme</i>						
Bishop Square	500	104	500	20.80%	0	4.1
Housing Pot Targeted Funding	810	0	250	0.00%	-560	4.2
Millennium Quarter	200	127	178	63.50%	-22	4.3
Roman Road Shops	220	6	30	2.73%	-190	4.4
Sub-total	1,730	237	958	13.70%	-772	
<i>Local Priorities Programme</i>						
Private Sector and Affordable Housing	2,500	0	0	0.00%	-2,500	4.5
Whitechapel Centre	750	55	750	7.33%	0	4.6
Disabled Facilities Grants	1,000	181	650	18.10%	-350	4.7
Emergency works contingency	1,000	0	0	0.00%	-1,000	4.8
Installation of automatic energy meters	200	0	200	0.00%	0	4.9
High Street 2012	400	0	400	0.00%	0	4.10
Private Sector Renewal Grants	850	322	850	37.88%	0	4.11
Sub-total	6,700	558	2,850	8.33%	-3,850	
Total D&R	8,430	795	3,808	9.43%	-4,622	

	2009-10 Budget	Spend to end of Sept 2009	2009-10 Forecast	% Budget Spent	Forecast Variance From Budget	See Appendix 2 Note
Resources (Res)						
<i>Local Priorities Programme</i>						
Corporate DDA programme	1,500	11	1,500	0.73%	0	-
DDA improvements to public access points	433	247	433	57.04%	0	-
Accommodation Strategy	2,084	19	2,084	0.91%	0	-
ICT	941	8	941	0.85%	0	-
Rushmead	65	65	65	10.00%	0	-
7th floor Anchorage House	86	0	0	0.00%	-86	5.1
Total Res	5,109	350	5,023		-86	
TOTAL	149,241	38,861	136,177		-13,064	

1 HRA

1.1 Ocean New Deal for Communities

% Budget Spent

This project is fully grant funded in 2009-10. Although the expenditure incurred to 30 September is relatively low, full expenditure is earmarked for the second half of the financial year to meet Government Office for London grant conditions.

1.2 Blackwall Reach

% Budget Spent/Forecast Variance

The Blackwall Reach project represents a £13 million commitment over three financial years. The initial Cabinet report estimated that expenditure of £2,000,000 would be incurred in 2009-10, with £4,000,000 in 2010-11 and £7,000,000 in 2011-12. This profile is flexible however, with resources in place to finance the expenditure in earlier years as necessary. This is an overcommitment of the programmed budget for this item in 2009/10 but this can be funded from resources available in 2009/10. However this will mean that there will be less funding available for this item in future years.

1.3 Mainstream Programme

% Budget Spent

The mainstream Housing Capital programme is managed by Tower Hamlets Homes on behalf of the Council and incorporates work to the Council's own stock. Tower Hamlets Homes closely monitors this budget and the spend to the end of September is approximately in line with the target profile for this stage of the financial year. The initial budget of £24.928 million was increased by £3.0 million through the bringing forward of resources from 2010-11 into the current year. It is anticipated that all resources will be fully utilised in the current financial year.

1.4 Overcrowding Strategy

% Budget Spent/Forecast Variance

The Overcrowding Strategy represents a £19.4 million commitment over two financial years. The initial Cabinet report estimated that expenditure of £9.7 million would be incurred in 2009-10, with the same amount in 2010-11. As is the case with Blackwall Reach, this profile is flexible, with resources in place to finance the expenditure in earlier years as necessary. The level of interest in the scheme and the number of completions currently anticipated for the remainder of the financial year indicate that resources of at least £4 million will need to be brought forward from future years allocations for use in 2009/10. This is an overcommitment of the programmed budget for this item in 2009/10 but this can be funded from resources available in 2009/10. However this will mean that there will be less funding available for this item in future years.

2 CHILDREN, SCHOOLS AND FAMILIES

2.1 New Pupil Places/Schools Expansion

% Budget Spent/Forecast Variance

Budget is combination of carry forward (£6.067m) supported borrowing, grants and schools contributions. Programme to spend the budget is distributed over 2 years. Need to carry forward to 2010/11. Currently identifying schemes to commit remaining resources

2.2 Modernisation

Forecast Variance

Budget spend compensated by Modernisation grant.

2.3 Schools Access Initiative

% Budget Spent

Grants to schools paid on completion of works

2.4 Other ICT

% Budget Spent

Proposal for spend being developed in consultation with schools

2.5 Primary Capital

% Budget Spent/Forecast Variance

Primary Capital Programme funding element only. Some budget brought forward from Modernisation. Some slippage due to delay in scheme development.

2.6 Modernisation

Forecast Variance

Budget spend compensated by spend in Modernisation (supported borrowing)

2.7 Early Years

% Budget Spent

Slippage due to delay in scheme development

2.8 Harnessing Technology

% Budget Spent/Forecast Variance

Funding is devolved to schools

2.9 Fair Play Pathfinder

% Budget Spent

Grants paid to organisations over 3 phases in 09/10

2.10 Targeted Capital Fund

% Budget Spent

Grants to schools paid on completion of works

Forecast Variance

Phased over 2 years

2.11 Osmani Youth Centre (LPP and Section 106)

% Budget Spent/Forecast Variance

2 year project, major spend in 10/11

2.12 Bishop Challoner Community

% Budget Spent

Problems securing match funding - required to meet the Council's own section 106 agreements/obligations

3 COMMUNITIES, LOCALITIES AND CULTURE

3.1 Transport: Other Funded Projects

Forecast Variance

Manilla/Cuba Street section 106 project: Works on site, but will be unable to complete until 2010/11 due to programmed utilities works servicing the development.

3.2 Local Priorities Programme: Parks

Forecast Variance

Bonner Bridge delayed pending the finalisation of the Victoria Park masterplan funded by Heritage Lottery Fund.

3.3 Local Priorities Programme: Prior Years

Forecast Variance

Resources remaining for Rampart Street Compulsory Purchase Order.

4 DEVELOPMENT & RENEWAL (INCLUDING HOUSING GENERAL FUND)

4.1 Bishop's Square

% Budget Spent

The major elements of the initial 2009-10 D&R budget of £3.5 million for this Section 106 funded scheme have now been incorporated within the Directorate capital programmes for Communities, Localities and Culture and Children, Schools and Families which are mainly responsible for delivery of the various projects. A residual element of £500,000 remains within the Development and Renewal Directorate and it is estimated that this will be fully utilised during 2009-10.

4.2 Housing Pot Targeted Funding

% Budget Spent/ Forecast Variance

Funding of approximately £7.27 million has been secured from the Department for Communities and Local Government to facilitate the regeneration of the St Clement's Hospital site and to undertake masterplanning on the Malmesbury and Birchfield Estates. The masterplanning contracts have recently been let. Expenditure in the current financial year is forecast to be below the indicative profiled level that was included within the Capital estimate report. However the funds are not specific to a particular financial year and will be carried forward for utilisation in 2010-11.

4.3 Millennium Quarter

% Budget Spent

This project is fully financed from Section 106 resources. The expenditure to date is in line with the estimated profile.

4.4 Roman Road Shops

% Budget Spent

Approval has recently been obtained to commence this project which will be funded from Local Authority Business Growth Incentive (LABGI) grant.

Forecast Variance

Due to the timing of the commencement of the scheme it is anticipated that the majority of the expenditure will now be incurred in 2010-11. The resources are not time limited and will be carried forward to fund the programme.

4.5 Private Sector & Affordable Housing

% Budget Spent/ Forecast Variance

The capital receipts and developer contributions earmarked for these projects will not be utilised in the current financial year. The resources will now be applied in future years towards the financing of major regeneration schemes including Blackwall Reach, as agreed by Cabinet in July 2009.

4.6 Whitechapel Centre

% Budget Spent

This scheme is fully funded through Big Lottery grant. Expenditure is being incurred in accordance with grant conditions

4.7 Disabled Facilities Grants

% Budget Spent/ Forecast Variance

This is a demand led budget. Expenditure for the first six months of the financial year is significantly below that profiled, although outstanding commitments should increase expenditure over the second half of the year. At this stage it is anticipated that an underspend will arise.

4.8 Emergency Works Contingency

% Budget Spent/ Forecast Variance

This contingency was established as part of the 2009-10 budget process. No expenditure has been incurred to date. The unspent element of the contingency will be carried forward to be utilised as necessary in future years.

4.9 Installation of Automatic Energy Meters

% Budget Spent

This scheme is in the process of being commissioned. Full spend is anticipated in the current financial year.

4.10 High Street 2012

% Budget Spent

Contracts have recently been entered into for this three year project. It is anticipated that the full profiled expenditure of £400,000 will be incurred in the current financial year.

4.11 Private Sector Renewal Grants

% Budget Spent

Expenditure and commitments are in line with the budget profile.

5 RESOURCES

5.1 FM Accommodation Strategy – 7th Floor Anchorage House

% Budget Spent/Forecast Variance

A works programme for the remainder of the budget is currently in preparation Q3.

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Agenda Item 12.2

Committee: Cabinet	Date: 2 nd December 2009	Classification: Unrestricted	Report No: (CAB 094/090)	Agenda Item:
Report of: Corporate Director Resources Originating officer(s) Ian Talbot, Interim Chief Financial Strategy Officer		TITLE: Exercise of Corporate Directors' Discretions Wards Affected: All		

1. SUMMARY

- 1.1. This report sets out the exercise of Corporate Directors' discretions under Financial Regulation B8 which stipulates that such actions be the subject of a noting report to Cabinet if they involve expenditure between £0.100 million and £0.250 million.

2. RECOMMENDATIONS

Cabinet is recommended to:-

- 2.1 Note the exercise of Corporate Directors' discretions as set out in Appendix 1.

3. BACKGROUND

- 3.1 Regulation B8 sets out the Cabinet Reporting Thresholds for specific financial transactions.

4. FINANCIAL REGULATION B8

- 4.1 Financial Regulation B8 sets out the reporting thresholds for the following financial transactions: -

Virements

Capital Estimates

Waiving Competition Requirements for Contracts and Orders (Subject to EU threshold)

Capital Overspends

Settlement Of Uninsured Claims

- 4.2 Under Financial Regulation, if the transaction involves a sum between £0.100 million and £0.250 million it can be authorised by the Corporate Director under the scheme of delegation but must also be the subject of a noting report to the next available Cabinet.
- 4.3 Appendix 1 sets out the exercises of Corporate Directors' discretions, under the stipulations in 4.2 above, that have taken place since the previous Cabinet

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 The comments of the Director of Resources have been incorporated into the report and Appendix.

6. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

- 6.1. The report sets out the individual exercises of Directors' Discretions as required by Financial Regulations.
- 6.2. The legal implications of each of the individual decisions would have been provided as part of the decision making process. These will be recorded on the "Record of Corporate Directors' Actions" maintained by Directorates

7. ONE TOWER HAMLETS CONSIDERATIONS

7.1 This report is concerned with the notification of officers' discretions under Standing Orders and has no direct One Tower Hamlets implications.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

8.1 There are no Sustainable Action for A Greener Environment implications.

9. RISK MANAGEMENT IMPLICATIONS

9.1 The risks associated with each of the Corporate Directors' discretions as set out in Appendix 1 would have been identified and evaluated as an integral part of the process, which lead to the decision.

10. EFFICIENCY STATEMENT

10.1 The works referred to in the report will be procured in line with established practices, taking account of best value.

**Local Government Act, 1972 Section 100D (As amended)
List of "Background Papers" used in the preparation of this report**

Brief description of "background papers"	Name and telephone number of holder and address where open to inspection.
Record of Corporate Directors actions	Luke Cully Finance Manager, Communities, Localities and Culture Ext. 5221

11. APPENDICES

Appendix 1 – Exercise of Corporate Directors' Discretions under Financial Regulation B8

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Appendix 1: Exercise of Corporate Directors Discretions Under
Financial Regulation B8

Corporate Director	Amount	Description of Exercise of Discretion	Justification for Action	Contact
Corporate Director Communities , Localities & Culture	£230,000	Waive Competition Requirements for procurement of the Waste services integrated Community Engagement programme	To integrate the Community Engagement programme with the Participation and Door Stepping activities that are already included within the Waste Recycling Contract with Veolia Environmental Services.	Luke Cully Finance Manager CLC Ext. 5221
Corporate Director Communities , Localities & Culture	£200,000	Adoption of Capital estimate and inclusion in the Capital Programme for St Paul's way – Streets for People . This approval is in excess of the noting report threshold of £100k.	Confirmation of agreed changes and funding from TfL.	Luke Cully Finance Manager CLC Ext. 5221
Corporate Director Communities , Localities & Culture	£110,000	Adoption of Capital estimate and inclusion in the Capital Programme for Tapp St – Environmental Improvements . This approval is in excess of the noting report threshold of £100k.	Confirmation of agreed changes and funding from TfL.	Luke Cully Finance Manager CLC Ext. 5221

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Agenda Item 14

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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