

CABINET

MAYOR

Mayor John Biggs

CABINET MEMBERS

Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing Management & Performance)
Councillor Shiria Khatun	(Deputy Mayor and Cabinet Member for Community Safety)
Councillor Rachael Saunders	(Deputy Mayor and Cabinet Member for Education & Children's Services)
Councillor Rachel Blake	(Cabinet Member for Strategic Development)
Councillor Asma Begum	(Cabinet Member for Culture)
Councillor David Edgar	(Cabinet Member for Resources)
Councillor Ayas Miah	(Cabinet Member for Environment)
Councillor Joshua Peck	(Cabinet Member for Work & Economic Growth)
Councillor Amy Whitelock Gibbs	(Cabinet Member for Health & Adult Services)

[The quorum for Cabinet is 3 Members]

MEETING DETAILS

Tuesday, 6 October 2015 at 5.30 p.m.
C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG

The meeting is open to the public to attend.

Further Information

The public are welcome to attend meetings of the Cabinet. Procedures relating to Public Engagement are set out in the 'Guide to Cabinet' attached to this agenda.

Contact for further enquiries:

Matthew Mannion, Democratic Services,
1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG
Tel: 020 7364 4651
E-mail: matthew.mannion@towerhamlets.gov.uk
Web: <http://www.towerhamlets.gov.uk>

Scan this code
for an
electronic
agenda:



Public Information

Attendance at meetings.

The public are welcome to attend meetings of Cabinet. However seating is limited and offered on a first come first served basis. **Please note** that you may be filmed in the background as part of the Council's filming of the meeting.

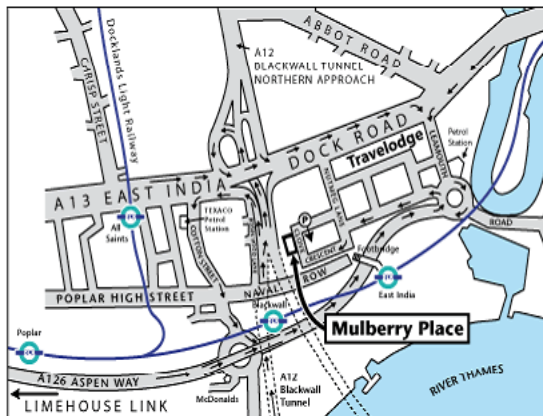
Audio/Visual recording of meetings.

The Council will be filming the meeting for presentation on the website. Should you wish to film the meeting, please contact the Committee Officer shown on the agenda front page.

Mobile telephones

Please switch your mobile telephone on to silent mode whilst in the meeting.

Access information for the Town Hall, Mulberry Place.



Bus: Routes: 15, 277, 108, D6, D7, D8 all stop near the Town Hall.

Docklands Light Railway: Nearest stations are East India: Head across the bridge and then through the complex to the Town Hall, Mulberry Place Blackwall station: Across the bus station then turn right to the back of the Town Hall complex, through the gates and archway to the Town Hall.

Tube: The closest tube stations are Canning Town and Canary Wharf.

Car Parking: There is limited visitor pay and display parking at the Town Hall (free from 6pm)

If you are viewing this on line:(http://www.towerhamlets.gov.uk/content_pages/contact_us.aspx)

Meeting access/special requirements.

The Town Hall is accessible to people with special needs. There are accessible toilets, lifts to venues. Disabled parking bays and an induction loop system for people with hearing difficulties are available. Documents can be made available in large print, Braille or audio version. For further information, contact the Officers shown on the front of the agenda.

Fire alarm

If the fire alarm sounds please leave the building immediately by the nearest available fire exit without deviating to collect belongings. Fire wardens will direct you to the exits and fire assembly point. If you are unable to use the stairs, a member of staff will direct you to a safe area. The meeting will reconvene if it is safe to do so, or else it will stand adjourned.

Electronic agendas reports, minutes and film recordings.

Copies of agendas, reports and minutes for council meetings and links to filmed webcasts can also be found on our website from day of publication.

To access this, click www.towerhamlets.gov.uk/committee and search for the relevant committee and meeting date.

Agendas are available at the Town Hall, Libraries, Idea Centres and One Stop Shops and on the Mod.Gov, iPad and Android apps.



QR code for smart phone users

A Guide to CABINET

Decision Making at Tower Hamlets

As Tower Hamlets operates the Directly Elected Mayor system, **Mayor John Biggs** holds Executive powers and takes decisions at Cabinet or through Individual Mayoral Decisions. The Mayor has appointed nine Councillors to advise and support him and they, with him, form the Cabinet. Their details are set out on the front of the agenda.

Which decisions are taken by Cabinet?

Executive decisions are all decisions that aren't specifically reserved for other bodies (such as Development or Licensing Committees). In particular, Executive Key Decisions are taken by the Mayor either at Cabinet or as Individual Mayoral Decisions.

The constitution describes Key Decisions as an executive decision which is likely

- a) to result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates; or
- b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the borough.

Upcoming Key Decisions are published on the website on the 'Forthcoming Decisions' page through www.towerhamlets.gov.uk/committee

Published Decisions and Call-Ins

Once the meeting decisions have been published, any 5 Councillors may submit a Call-In to the Service Head, Democratic Services requesting that a decision be reviewed. This halts the decision until it has been reconsidered.

- The decisions will be published on: **Thursday, 8 October 2015**
- The deadline for call-ins is: **Thursday, 15 October 2015**

Any Call-Ins will be considered at the next meeting of the Overview and Scrutiny Committee. The Committee can reject the call-in or they can agree it and refer the decision back to the Mayor, with their recommendations, for his final consideration.

Public Engagement at Cabinet

The main focus of Cabinet is as a decision-making body. However there is an opportunity for the public to contribute through making submissions that specifically relate to the reports set out on the agenda.

Members of the public may make written submissions in any form (for example; Petitions, letters, written questions) to the Clerk to Cabinet (details on the front page) by 5 pm the day before the meeting.

LONDON BOROUGH OF TOWER HAMLETS

CABINET

TUESDAY, 6 OCTOBER 2015

5.30 p.m.

- | | Pages |
|--|---------------|
| 1. APOLOGIES FOR ABSENCE | |
| To receive any apologies for absence. | |
| 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS | 1 - 4 |
| 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 Monitoring Officer. | |
| 3. UNRESTRICTED MINUTES | 5 - 10 |
| The unrestricted minutes of the Cabinet meeting held on Tuesday 8 September are presented for consideration. | |
| 4. OVERVIEW & SCRUTINY COMMITTEE | |
| 4.1 Chair's Advice of Key Issues or Questions | |
| Chair of Overview and Scrutiny Committee (OSC) to report on any issues raised by the OSC in relation to unrestricted business to be considered. | |
| 4.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee | |
| (Under provisions of Article 6 Para 6.02 V of the Constitution). | |
| 5. UNRESTRICTED REPORTS FOR CONSIDERATION | |

5.1 Food Law Report of 2015/16 and review of 2014/15	11 - 66
Report Summary: To approve the Tower Hamlets Food Law Enforcement Plan 2015/16 and Food Sampling Policy attached at the Appendix of the report.	
Wards:	All Wards
Lead Member:	Cabinet Member for Environment
Corporate Priority:	A Healthy and Supportive Community

5.2 Gambling Policy [Pre-Consultation]**67 - 124****Report Summary:**

To agree the forward programme for adopting the revised Gambling Policy.

To agree that the proposed consultation should be based on the existing Policy updated in accordance with guidance from the central government agencies.

Wards: All Wards

Lead Member: Deputy Mayor and Cabinet Member for Community Safety

Corporate Priority: A Great Place to Live

5.3 South Quay Master Plan Supplementary Planning Document**125 - 134****Report Summary:**

Approval of the South Quay Masterplan SPD and its accompanying documents for statutory adoption.

Wards: Blackwall & Cubitt Town; Canary Wharf

Lead Member: Cabinet Member for Strategic Development

Corporate Priority: A Great Place to Live

5.4 Housing Resources and Capital Delivery (to follow)**Report Summary:**

- I. Note the impact of the Chancellor's summer budget to the HRA; and
- II. Agree an appropriate strategy for the use of the Council's RTB Receipts.

Wards: All Wards

Lead Member: Cabinet Member for Strategic Development

Corporate Priority: A Great Place to Live

5.5 CPO - Aberfeldy Estate Regeneration Programme Phase 3-6**135 - 172****Report Summary:**

Approve a resolution for a single Compulsory Purchase Order (CPO) under the Town and Country Planning Act 1990 in relation to the Aberfeldy Estate Regeneration Programme Phases 3-6 and the disposal of associated Council owned land.

Wards: Lansbury

Lead Member: Cabinet Member for Strategic Development

Corporate Priority: A Great Place to Live

5 .6	Strategic Performance, General Fund Revenue Budget and Capital Programme Monitoring 2015/16 Q1	173 - 224
Report Summary:		
To consider the 1 st Quarter report on the Strategic Performance, General Fund Revenue Budget and Capital Programme Monitoring 2015/16.		
Wards: All Wards Lead Member: Cabinet Member for Resources Corporate Priority: One Tower Hamlets		
5 .7	Contracts Forward Plan 2015/16 Q2 and Q3	225 - 236
Report Summary:		
Consider the contract summary and identify those contracts about which specific reports should be brought before Cabinet prior to contract award by the appropriate Corporate Director for the service area; Confirm which of the remaining contracts can proceed to contract award after tender; and Authorise the Head of Legal Services to execute all necessary contract.		
Wards: All Wards Lead Member: Cabinet Member for Resources Corporate Priority: One Tower Hamlets		
5 .8	Scrutiny Review: Contract Specification and Management in Tower Hamlets	237 - 264
Report Summary:		
To consider the contract specification and management within Tower Hamlets (Referred to previously as Scrutiny Review: Waste Management Contracts).		
Wards: All Wards Lead Member: Cabinet Member for Resources Corporate Priority: One Tower Hamlets		
5 .9	Corporate Directors' Decisions	265 - 270
Report Summary:		
This report sets out Corporate Directors' decisions under Financial Regulation B10 which stipulates that such decisions be the subject of a noting report to Cabinet if they involve expenditure between £100,000 and £250,000.		
Wards: All Wards Lead Member: Cabinet Member for Resources Corporate Priority: One Tower Hamlets		
5 .10	List of Mayor's Individual Executive Decisions	271 - 274

Report Summary:

To note the list of recently published Individual Executive Mayoral Decisions.

Wards: All Wards

Lead Member: Mayor

Corporate Priority: One Tower Hamlets

6. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT**7. 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.

8. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

9. OVERVIEW & SCRUTINY COMMITTEE**9.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business**

Chair of Overview and Scrutiny Committee (OSC) to report on any issues raised by the OSC in relation to exempt/confidential business to be considered.

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

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

**10. EXEMPT / CONFIDENTIAL REPORTS FOR
CONSIDERATION**

Nil items.

**11. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS
CONSIDERED TO BE URGENT**

Agenda Item 2

DECLARATIONS OF INTERESTS - NOTE FROM THE MONITORING OFFICER

This note is for guidance only. For further details please consult the Members' Code of Conduct at Part 5.1 of the Council's Constitution.

Please note that the question of whether a Member has an interest in any matter, and whether or not that interest is a Disclosable Pecuniary Interest, is for that Member to decide. Advice is available from officers as listed below but they cannot make the decision for the Member. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending a meeting.

Interests and Disclosable Pecuniary Interests (DPIs)

You have an interest in any business of the authority where that business relates to or is likely to affect any of the persons, bodies or matters listed in section 4.1 (a) of the Code of Conduct; and might reasonably be regarded as affecting the well-being or financial position of yourself, a member of your family or a person with whom you have a close association, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward affected.

You must notify the Monitoring Officer in writing of any such interest, for inclusion in the Register of Members' Interests which is available for public inspection and on the Council's Website.

Once you have recorded an interest in the Register, you are not then required to declare that interest at each meeting where the business is discussed, unless the interest is a Disclosable Pecuniary Interest (DPI).

A DPI is defined in Regulations as a pecuniary interest of any of the descriptions listed at **Appendix A** overleaf. Please note that a Member's DPIs include his/her own relevant interests and also those of his/her spouse or civil partner; or a person with whom the Member is living as husband and wife; or a person with whom the Member is living as if they were civil partners; if the Member is aware that that other person has the interest.

Effect of a Disclosable Pecuniary Interest on participation at meetings

Where you have a DPI in any business of the Council you must, unless you have obtained a dispensation from the authority's Monitoring Officer following consideration by the Dispensations Sub-Committee of the Standards Advisory Committee:-

- not seek to improperly influence a decision about that business; and
- not exercise executive functions in relation to that business.

If you are present at a meeting where that business is discussed, you must:-

- Disclose to the meeting the existence and nature of the interest at the start of the meeting or when the interest becomes apparent, if later; and
- Leave the room (including any public viewing area) for the duration of consideration and decision on the item and not seek to influence the debate or decision

When declaring a DPI, Members should specify the nature of the interest and the agenda item to which the interest relates. This procedure is designed to assist the public's understanding of the meeting and to enable a full record to be made in the minutes of the meeting.

Where you have a DPI in any business of the authority which is not included in the Member's register of interests and you attend a meeting of the authority at which the business is considered, in addition to disclosing the interest to that meeting, you must also within 28 days notify the Monitoring Officer of the interest for inclusion in the Register.

Further advice

For further advice please contact:-

- Melanie Clay, Director, Law, Probity and Governance, 020 7364 4800
- John Williams, Service Head, Democratic Services, 020 7364 4204

APPENDIX A: Definition of a Disclosable Pecuniary Interest

(Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, Reg 2 and Schedule)

Subject	Prescribed description
Employment, office, trade, profession or vacation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by the Member in carrying out duties as a member, or towards the election expenses of the Member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority—</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to the Member's knowledge)—</p> <p>(a) the landlord is the relevant authority; and</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p>
Securities	<p>Any beneficial interest in securities of a body where—</p> <p>(a) that body (to the Member's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>

This page is intentionally left blank

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE CABINET

HELD AT 5.35 P.M. ON TUESDAY, 8 SEPTEMBER 2015

**C1, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT,
LONDON, E14 2BG**

Members Present:

Mayor John Biggs
Councillor Sirajul Islam (Statutory Deputy Mayor and Cabinet Member for Housing Management & Performance)
Councillor Shiria Khatun (Deputy Mayor and Cabinet Member for Community Safety)
Councillor Rachael Saunders (Deputy Mayor and Cabinet Member for Education & Children's Services)
Councillor Rachel Blake (Cabinet Member for Strategic Development)
Councillor Asma Begum (Cabinet Member for Culture)
Councillor David Edgar (Cabinet Member for Resources)
Councillor Ayas Miah (Cabinet Member for Environment)
Councillor Joshua Peck (Cabinet Member for Work & Economic Growth)
Councillor Amy Whitelock Gibbs (Cabinet Member for Health & Adult Services)

Other Councillors Present:

Councillor Peter Golds (Leader of the Conservative Group)
Councillor John Pierce

Officers Present:

Luke Addams (Interim Director of Adult's Services)
Andy Bamber (Service Head Safer Communities, Crime Reduction Services, Communities, Localities and Culture)
Aman Dalvi (Corporate Director, Development & Renewal)
Stephen Halsey (Head of Paid Service and Corporate Director Communities, Localities & Culture)
Ellie Kuper-Thomas (Strategy, Policy and Performance Officer - Executive Mayor's Office, One Tower Hamlets, DLPG)
Mark Norman (Legal Advisor)
Jackie Odunoye (Service Head, Strategy, Regeneration & Sustainability, Development and Renewal)
Louise Russell (Service Head Corporate Strategy and Equality, Law Probity & Governance)
Barry Scarr (Interim Service Head, Finance & Procurement)
Kelly Powell (Acting Head of Communications)
Karen Sugars (Programme Manager Health & Care Reforms, Adult Services)
Matthew Mannion (Committee Services Manager, Democratic Services, LPG)

AGENDA ORDER

Note that during the meeting the **Mayor** agreed to vary the order of business such that the item of 'Any Other Urgent Business' (Submission from TUSH petitioners) was taken at the start of the meeting. The minutes present the items in the order they appeared on the agenda.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Zena Cooke (Corporate Director, Resources) for whom Barry Scarr (Interim Service Head, Finance and Procurement) was deputising.
- Robin Beattie (Service Head, Resources, CLC) for whom Andy Bamber (Service Head, Community Service) was deputising.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

There were no Declarations of Disclosable Pecuniary Interest.

3. UNRESTRICTED MINUTES

RESOLVED

1. That the Unrestricted Minutes of the Cabinet meeting held on Tuesday 28 July 2015 be approved and signed by the Chair as a correct record of proceedings subject to the inclusion of Councillor Danny Hassell in the list of attendees.

4. OVERVIEW & SCRUTINY COMMITTEE

4.1 Chair's Advice of Key Issues or Questions

Councillor John Pierce, Chair of the Overview and Scrutiny Committee (OSC) provided the Cabinet with an update on their meeting held the previous evening.

He reported that the main item of business had been to hear a number of submissions of evidence in relation to the OSC Transparency Commission. The Committee had heard from a local journalist about his experience of transparency at the Council, the Mayor on his thoughts and then heard from officers on topics such as use of S106 funds, Community engagement, democratic engagement and whistleblowing. Finally Ed Hammond from the Centre for Public Scrutiny had provided his view. The OSC Members were collating the information they were receiving and looking to present a report for agreement later in the year with the aim of improving the scrutiny and transparency of the Council and its decision making.

The Chair also reported that the Committee had heard from TUSH Housing petitioners in relation to the petition they had presented to Council on 22 July

2015. Finally, in reference to the report listed on the Cabinet agenda, it was noted that the OSC were looking to hold a mini scrutiny spotlight session on planning for school places at its next meeting.

The **Mayor** thanked Councillor John Pierce for his update. In particular he highlighted his own interest in improving transparency and reported he was looking to bring forward a new protocol for consideration at Cabinet.

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

Nil items.

5. UNRESTRICTED REPORTS FOR CONSIDERATION

5.1 Community Plan

The **Mayor** introduced the report. He highlighted that the Community Plan had been adjusted from the version agreed by the previous administration but that it was likely to require more work. Although it was not compulsory to have a Community Plan he explained that he thought it was a useful document for setting out the Council's aims and priorities.

Louise Russell, Service Head, Corporate Strategy and Equality, reported to Cabinet on the consultations that had taken place and especially how it was important to agree priorities with partner organisations to ensure the greatest impact.

During discussion of the report, Councillor Peter Golds, Leader of the Conservative Group, highlighted the work he would be undertaking on the Overview and Scrutiny Committee in relation to examining Localism Options and in particular localised decision making in communities and with ward councillors. The Mayor stated he would be interested in developing proposals along those lines.

Cabinet Members also discussed the report in particular Councillor Amy Whitelock-Gibbs, Cabinet Member for Health and Adult Services, welcomed the proactive approach to healthier lives and Councillor David Edgar, Cabinet Member for Resources, welcomed the work on affordable housing and landlord licensing.

The **Mayor agreed** the recommendations as set out.

RESOLVED

1. To note the process followed for refreshing the Community Plan;
2. To approve the Community Plan; and

3. To authorise the Service Head for Corporate Strategy and Equality to make any minor amendments to the Community Plan prior to publication following consultation with the Mayor.

5.2 Early Years Capital Project

Councillor Rachael Saunders, Cabinet Member for Education and Children's Services, introduced the report. She highlighted that this was only one part of the Council's work to respond to the challenges posed by the increasing numbers of children in the Borough but that Early Years provision was a vital part of this.

During discussion, officers reported that provision of 30 hours of free childcare for 2 to 5 year olds was going to be a challenge but that they were working to deal with that.

After seeking assurance that the places would be taken up, the **Mayor agreed** the recommendations as set out in the report.

RESOLVED

1. To approve the adoption of a revised capital estimate of £470,000 for the extension of the Whitehorse One O'clock Club.
2. To approve the adoption of a capital estimate of £285,000 for the conversion of the Bethnal Green Rangers' office to provide a new nursery facility.
3. To agree that Council-approved Frameworks be used, where appropriate, to deliver the projects;
4. To authorise the Corporate Director of Children's Services, in respect of all proposed tenders referred to in this report, to agree tenders for projects within the approved programmes and capital estimate;
5. To authorise the Corporate Director of Children's Services to prepare and carry out a Bill of Reductions if a scheme exceeds the approved budget, where relevant to ensure expenditure is contained within the agreed costs

5.3 Planning for School Places - 2015/16 Review

Councillor Rachael Saunders, Cabinet Member for Education and Children's Services, introduced the report. She highlighted the enormous future demand for school places that was expected and explained that the report set out the actions the Council was taking to meet that demand.

Further reports would be presented in relation to commissioning specific school sites and there would be a focus on the need in areas with significant property development.

Councillor Peter Golds, Leader of the Conservative Group, highlighted the needs of the Isle of Dogs and called for the Council to encourage all necessary schools and not to restrict themselves to particular types of schools.

Councillor Joshua Peck, Cabinet Member for Work and Economic Growth, highlighted the need to expand provision for those on the Autistic spectrum.

The **Mayor** welcomed the report and noted that a number of schemes were in the pipeline to help meet the shortfall in school places. He also highlighted the need for schools to work together and with the local authority to ensure the best outcome for the Borough's children. He **agreed** the recommendations as set out in the report.

RESOLVED

1. To note the contents of this report and the progress made in meeting the need for additional places
2. To note that proposals for specific schemes will be subject to separate consultation procedures and Cabinet decisions.

5.4 Exercise of Corporate Directors' Discretions

Councillor David Edgar, Cabinet Member for Resources, introduced the report.

The **Mayor agreed** the recommendation as set out.

RESOLVED

1. To note the exercise of Corporate Directors' discretions as set out in Appendix 1.

6. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

The Cabinet heard a brief presentation from the petitioners who had presented a petition on the TUSH Housing Co-operative at Council on 22 July 2015 asking the Mayor to consider their request for support.

7. EXCLUSION OF THE PRESS AND PUBLIC

Nil items.

8. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

9. OVERVIEW & SCRUTINY COMMITTEE

9.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business

Nil items.

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


Nil items.

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

Nil items.

The meeting ended at 6.10 p.m.

John S. Williams
SERVICE HEAD, DEMOCRATIC SERVICES

<p>Cabinet</p> <p>6 October 2015</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Stephen Halsey, Head of Paid Service, Corporate Director – Communities, Localities and Culture</p>	<p>Classification: Unrestricted</p>
<p>Food Law Enforcement Service Plan 2015/2016</p>	

Lead Member	Councillor Ayas Miah, Cabinet Member for Environment
Originating Officer(s)	Andy Bamber – Service Head Safer Communities David Tolley – Head of Consumer and Business Regulations
Wards affected	All wards
Key Decision?	Yes
Community Plan Theme	A Healthy and Supportive Community

1 Executive Summary

- 1.1 This report sets out the Council's annual plan for effective enforcement of food safety legislation. The objective of the plan is to ensure that food is produced and sold under hygienic conditions, is without risk to health and is of the quality expected by consumers.
- 1.2 The Food Standards Agency requires local authorities to have in place a Food Law Enforcement Service Plan. The plan will form a significant part of the criteria against which local authorities will be audited by the Agency to assess their effectiveness in ensuring food safety.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Approve the Tower Hamlets Food Law Enforcement Plan 2015/2016 and Food Sampling Policy attached at the Appendix of the report.

1. REASONS FOR THE DECISIONS

- 1.1 Under the powers given to it by the Food Standards Act 1999 The Food Standards Agency (FSA) oversees and monitors how Local Authorities enforce food safety legislation. The FSA require all Local Authorities to produce and approve an annual plan that sets out how they are going to discharge their responsibilities. The annual plan is at Appendix One.

2. ALTERNATIVE OPTIONS

- 2.1 If the Council takes no action the FSA has the power to remove food safety responsibilities and engage another authority to deliver the service. The likely scenario would be for a neighbouring local authority to be seconded to provide this service. If this did happen the Council would still have to fund the service but would lose Member and management control of it.

3. DETAILS OF REPORT

- 3.1 The Plan incorporates the Council's objectives as set out in the Community Plan and the Consumer and Business Regulations Service Plan. It is particularly relevant to the quality of life and health and wellbeing of residents and visitors to the Borough and increasingly important to the reputation of the boroughs night time economy. It is particularly important in maintaining the reputation of the Borough as a safe place to eat and buy food products. The Plan is there to encourage businesses to maintain high standards and help protect customers. The standard format of the plan will allow easier comparisons with other authorities.
- 3.2 The plan is divided between reactive and proactive work. Reactive work includes consumer complaints and requests for advice or information from the business community, residents, employees in the Borough and tourists. Proactive work comprises mainly the achievement of routine inspection targets. Tower Hamlets has 2,760 food premises which require inspection. The frequency of such inspections is determined by a nationally agreed risk based inspection rating scheme. The plan reviews the previous year out turns and the work planned in the current year.
- 3.3 Last year the Food Safety Team achieved 85% of all food premises being broadly compliant with the food safety legislation.
- 3.4 The plan also covers the wider remit of food safety work including complaints and enquiries, sampling, food hazard warnings, outbreak control, health promotion, training and publicity. These tasks remain relatively constant year on year.
- 3.5 The plan also highlights some of the major successes during 2014/15. Some notable examples are:-

- 100% of all A rated high risk premises inspected for food hygiene/standards
 - 100% of all B rated food hygiene premises were inspected
 - 92% of all A-C rated Food Hygiene premises inspected
 - 210 food samples were taken as part of the surveillance programme
 - 18 new and 37 renewed Food For Health Awards were issued
- 3.6 The main indicator used to assess the Council's performance is the proportion of food establishments in the Borough which are broadly compliant with food hygiene law. The performance trend over the last five years for compliance shows a sustained level in the Borough. The performance for the last five years is as follows:-
- 2010/11 86%
 - 2011/12 86.5%
 - 2012/13 83%
 - 2013/14 85%
 - 2014/15 85%
- 3.7 A range of interventions has been developed aimed at increasing and sustaining this compliance rate. The broadly compliant rate should also be seen within the context of the high turnover rate of food businesses in the Borough and the advanced age of much of the commercial premises. As the rates of compliance has become higher, the rate of year on year improvement has tapered off as the residual businesses present the biggest challenges either from a premises age /condition perspective, or from a business engagement and proficiency perspective.
- 3.9 From 2009-15 funding was received from the Healthy Cities initiative and Public Health budgets to develop a Food for Health Award, which aims to create a culture of healthy food choices for residents/workers in the Borough.
- 3.10 The national "Food Hygiene Rating Scheme" sponsored by the Food Standards Agency allows Local Authorities to publish, using rating criteria, an assessment of the hygiene standards of food premises. The Food Hygiene Rating Scheme has a direct link to the Broadly Compliant indicator. A rating of three or above indicates that the food premises are broadly compliant. It is important to note however that the service cannot be judged on the compliance rate alone as this could set a perverse incentive to lower standards and as set out in 3.7 there are many complex factors impacting on this statistic.
- 3.11 The Food Safety Team has benchmarked its performance with other London Authorities. The benchmark data comes from two main sources, the North East London Food Group and the Which? annual survey (14/15). A summary of this benchmark data and explanation is given in Appendix Two.
- 3.12 An Equalities Impact Assessment checklist has been undertaken on the implications of the plan and this is in Appendix three. As a result of performing

the EIA checklist, the plan and sampling policy, do not have any adverse effects on people who share Protected Characteristics and no further actions are recommended at this stage.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The report sets out the annual Food Law Enforcement Service Plan for 2015/16 which the Council is required to have in place. There are no specific financial implications emanating from the report. However, the service will need to ensure that the annual plan is delivered within the budgeted resources available and that performance levels are maintained at a level as prescribed by the Foods Standards Agency.

5. LEGAL COMMENTS

- 5.1 The Council is the food authority for Tower Hamlets and is responsible for enforcing and executing the provisions of the Food Safety Act 1990 within the borough.
- 5.2 The Food Safety Act 1990, the Food Safety and Hygiene (England) Regulations 2013 and the Food Safety (Sampling and Qualifications) (England) Regulations 2013 provide a framework for food law enforcement and sampling. The Secretary of State has issued the Food Law Code of Practice (England) under section 40 of the Food Safety Act 1990 and the Council is required to have regard to the relevant provisions of the code in carry out its functions under the Act.
- 5.3 Section 3 of the Food Law Code of Practice provides that food authorities should have an up-to-date, documented food law enforcement policy which is readily available to food business operators and consumers. The policy should cover all areas of food law that the Council has a duty to enforce and should include criteria for the use of all available enforcement options.
- 5.4 Section 6 of the Food Law Code of Practice provides that food authorities should prepare and publish a food sampling policy and make it available to businesses and consumers. The policy should set out the Council's general approach to food sampling and its approach in specific situations such a process monitoring, inspections and complaints. The sampling policy should detail the factors that will be taken into account in formulating the sampling programme, including any national or local consumer issues which will influence the level of sampling to be undertaken.
- 5.5 The proposed food law enforcement plan is aligned with the Council's enforcement policy, adopted by the Mayor in Cabinet in October 2012. The food law enforcement plan and the food sampling policy appear to meet the requirements of the Food Law Code of Practice.

5.6 Before adopting the Plan, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). Information is provided in the report relevant to these considerations.

6. ONE TOWER HAMLETS CONSIDERATIONS

6.1 The equality analysis checklist has been reviewed in respect of this plan and no adverse issues have been identified.

7. BEST VALUE (BV) IMPLICATIONS

7.1 The Council is fulfilling its best value duty by ensuring that staff resources are targeting the higher risk food premises as determined by the national rating scheme. The report details how this targeting is maintaining the current broadly compliant rate across the food premises in the Borough. Officers are using a range of interventions to seek compliance, as detailed in the plan.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

8.1 There are no environmental impacts with regards to this plan

9. RISK MANAGEMENT IMPLICATIONS

9.1 The Council as a Food Authority is required to carry out statutory functions in relation to food safety. The annual plan sets out how the Council will fulfil its obligations under this legislation.

9.2 Failure to ensure that the council discharges its responsibilities can have serious consequences for the Council and these are set out below.

9.3 Should the Council not exercise its duties and provide a food safety service there is the potential that both unsafe and unscrupulous activities would go unchecked and un-enforced, which may lead to serious food borne illness or disadvantage to the residents, consumers and businesses within the borough.

9.4 The Food Standards Agency are charged with overseeing the activities of Food Authorities and may carry out audits of the authority to ensure it is meeting the requirements of The Standard for Food Services set out in the Framework Agreement and its statutory functions.

9.5 Should the Council not fulfil its obligations as specified above, the Food Standards Agency may use its powers to take away the functions of the authority and place them with another authority to exercise them on its behalf.

9.6 In delivering the Plan, the Food Safety Team is reliant on the Services of other key Teams such as Legal Services, Communications and Public Health to provide support to meet the objectives of the Plan.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

10.1 There are no crime and disorder reduction implications with this report.

11. SAFEGUARDING IMPLICATIONS

11.1 There are no safeguarding implications with this report.

Linked Reports, Appendices and Background Documents

Linked Report

None

Appendices

Appendix 1 – LBTH Food Law Enforcement Plan – 2015/16

Appendix 3 – Benchmark data from North East London Food Group and Which?

Appendix 3 - Equalities Impact Assessment - Checklist

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

None

Officer contact details for documents:

David Tolley, Head of Consumer and Business Regulations, 0207 364 6724



Appendix 1

LONDON BOROUGH OF TOWER HAMLETS

FOOD LAW ENFORCEMENT SERVICE PLAN

2015/2016

CONTENTS

Executive Summary

1.0 Service Aims and Objectives

2.0 Background

3.0 Service Delivery

4.0 Resources

5.0 Quality Assessment

6.0 Review

7.0 Annexes

Executive Summary

This is the Council's mandatory annual plan for the effective enforcement of food safety legislation. This plan fulfils the Council's obligations under the Framework Agreement on Local Authority Food Law Enforcement with the Food Standards Agency (FSA). The objective of this plan is to ensure that a programme of food enforcement activity is carried out, providing public confidence that food is produced without risk and sold under hygienic and safe conditions in Tower Hamlets. This plan is a public document and will be published on the Council's website. The layout of the plan is dictated by the Framework Agreement between the Food Standards Agency and Local Authorities.

The plan sets out the aims and objectives of the Consumer and Business Regulations (CBR) Service's Food Team and links team priorities to the Council's core themes. The plan also gives an up to date profile of the Borough, a review of our activities in 2014/15 and our programme of work for 2015/16.

Inspection Plan

In 2014/15 the Food Team carried out 92% of all food hygiene inspections due in the higher bands of A-C (100% A, 100% B and 88% C) and 61% of all food standards inspections due in the higher bands of A-B (100% A). Food standards inspections are seen as a second priority to that of food hygiene as this area of work crosses local authority boundaries.

Food hygiene activities examine the businesses processes and procedures in the preparation and service of food. Food standards activities examine issues around labelling, composition components of the food and date marking. The inspection programme for both inspection types are led by food hygiene, as the risks are under local control and deemed to be greater. Food standards inspections are undertaken if the next inspection date from the risk rating assessment score falls due the same year that the food hygiene inspection is due. This, therefore, results in a lower percentage of food standards inspection being undertaken. However, we have undertaken 100% of all high risk, A band, food standards inspections.

Enforcement

Enforcement activity was comparable in 14/15 and 13/14 in terms of food premises closures. As in 13/14, there were 12 premises closures in 14/15. 10 Emergency prohibitions, and 2 voluntary closures. The premises closures were for pest infestations; a total of £54,035.80 fines/costs were issued by the Courts from 9 court cases taken forward last year (£183,722.81 from 23 cases 13/14). The food premises closures were mainly in relation to the insufficient management of pest control within the establishments.

Food Hygiene Rating Scheme

We currently have 85% of our food premises broadly compliant. We still perceive that in the forthcoming year this may drop slightly as the effects are felt of a change in the Food Hygiene Rating Scheme implementation, which was previously agreed. Food businesses are rated on their due inspection and not re-rated as a matter of course until their next inspection unless they request one. This effectively means that poorly performing premises will be left with a low score until their next due inspection. This has not as yet driven down the

broadly compliant percentage, but as we move forward and inspect premises not previously due for inspection there may be a small effect on the broadly compliant percentage. It would be expected that any downward dip in the broadly compliant percentage would plateau within 4 years from implementation.

Food For Health

The Service has continued to receive external funding to continue with the Food for Health Award which aims to create a culture of healthy food choices for residents/workers in the Borough. Whilst a separate Team has been tasked with delivering this initiative the Food Team still raises awareness of the scheme by briefing businesses during inspections. In 14/15 548 Food for Health briefing sessions were carried out. As businesses are only allowed to take part in the scheme if they are broadly compliant, the Food Team has a direct impact on who can and who cannot be included. Briefing work will continue into this year as we have secured funding until April 2016. In 14/15 the Healthy Eating Award Scheme resulted in 18 unique premises awards and 37 renewals/upgrades.

Reducing Inspection Burdens

We have reviewed our services to determine if the inspection burden can be lifted on local businesses whilst ensuring that hazards are controlled and public health is not at risk. We have done this where the risk rating indicates that the business is broadly compliant. This has enabled extra focus on the higher risk premises, to reduce the risk of inadequate food safety management.

As a result of continuing central government public sector austerity, we have to make some decisions about how best to target scarce resources. Whilst we will try we may not be able to inspect all those premises that fall due in 2015/16. Those premises that may not be inspected have been selected due to their low risk nature. This may be because of the foods sold or because there are other monitoring regimes that are in place for the premises. Premises that fall into this category are wet pubs, low risk schools and pharmacies.

As stated above, food hygiene work takes priority over standards work. "A" rated standards inspections are the only standards work that is built into the inspection programme as a priority (22 insp). 100% of the premises rated A for standards will be inspected. B and C rated standards inspections are accounted for in the programme, but are largely picked up where hygiene inspections are due. There are 759 standards inspections due (as of 01/07.15). Of that 759, 347 are due for hygiene. This leaves 412 standards inspections due that are not due for hygiene. Of the 412, 9 are A rated and so will have to be inspected for standards only. 403 B and C inspections are due outside the hygiene programme and may not be inspected.

- 1 **SERVICE AIMS AND OBJECTIVES**
- 1.1 Aims and objectives
- 1.1.1 To promote and regulate food safety, food standards, health and safety in food premises.
- 1.1.2 To provide advice and education to all sectors of the community on food safety matters. The promotion of Food for Health award in conjunction with Public Health to fast food outlets with the aim to reduce obesity in children.
- 1.1.3 To prevent the spread of infectious disease and food poisoning and investigate outbreaks.
- 1.1.4 Health and Safety including smoke free enforcement and advice and accident investigation.
- 1.1.5 Animal welfare and the control of zoonotic diseases.
- 1.2 Links to Corporate objectives and plans
- 1.2.1 The Food Law Enforcement Service Plan is designed to meet customer needs and our services are provided with reference to the:
- Community Plan
 - Council's Strategic Plan
 - Directorate's Annual Plan
 - Divisional Service Plan
 - Council's Enforcement Policy
- 1.2.2 The activities of the Consumer and Business Regulations (CBR) - Food Team are linked where possible to these strategies, policies and objectives. These are set out in the Team Plan which details amongst other issues, the Food Enforcement objectives for the year and defines the performance that has been set to meet these targets. The Team also has a statutory function and is linked through to the Food Standards Agency, Health and Safety Executive, Department of Food and Rural Affairs, Animal Health Agency and Public Health England.
- 1.2.3 The aim of the Community Plan is to:
- Improve the lives for all those living and working in the Borough*

1.2.4 The Council will realise its overall vision for the Borough through four core themes, underpinning these themes is the commitment to One Tower Hamlets:

- A great place to live
- A Prosperous Community
- A Safe and Cohesive Community
- A Healthy and Supportive Community

1.2.5 The aim of the CBR Food Team is to protect residents, visitors and businesses by:

- *The enforcement of consumer legislation by way of inspection, audit, complaint investigation, awards, training/advice and enforcement.*
- *Advising consumers on the resolution of civil disputes with traders.*
- *Promoting and regulating food hygiene/safety and standards of health and safety both in the workplace and at public events in the Borough*
- *Preventing the spread of infectious disease and food poisoning, and the investigation of outbreaks*
- *Issue and enforcement of “approvals” covering a range of activities concerning products of animal origin (POAO) in manufacturing premises.*
- *Developing partnerships with businesses, regeneration initiatives and other organisations in the Borough*
- *Involving ourselves in national strategies i.e. Obesity Strategy, fast food outlets around schools.*
- *Promotion of business awards for smoke free and healthy eating in conjunction with public health services*
- *Animal welfare and the control of zoonotic infections (infections that pass from animals to humans)*
- *Allowing members of the public to make an informed decision on which establishments they eat in/buy food from by informing them of the general hygiene standard of premises via the FHRS and the affiliated website, window stickers and certificates.*

1.2.6 The Food Law Enforcement Plan links in with the detailed activities that have been developed as part of the Team Plan and individual officer performance, development and review plans.

2.0 **BACKGROUND**

2.1 Profile of Tower Hamlets

2.1.2 Tower Hamlets has a wide range of commercial food businesses located across different parts of the borough. Some of the key businesses include:

- Major supermarkets (Tesco, Asda, Sainsbury, Lidl, Marks and Spencer & Waitrose)
- Office developments occupied by blue chip companies, newspaper publishers, with large scale catering
- Several major hotels, including Britannia, Four Seasons, Gourman, Holiday Inn, Hilton, Radisson and Marriott
- There is a diverse range of restaurants and cafes in the borough, including Italian, French, Greek, Turkish, Somali, Spanish, Chinese, Japanese, Thai and those from the Indian sub-continent (India, Bangladesh, and Pakistan).
- 93 schools
- Billingsgate – London’s major Wholesale Fish Market
- World famous street markets at Petticoat Lane, Whitechapel, Brick Lane and Roman Road.
- London Guildhall University, Queen Mary University of London and The Royal London Hospital Medical Schools
- The Royal London, Mile End, London Chest and London Independent Hospitals
- 2 poultry slaughterhouses
- 3 City Farms
- Numerous night clubs & other venues
- Many community events such as concerts in Victoria Park and festivals in Brick Lane.

2.2 Organisational Structure

2.2.1 The Team is located within the Consumer and Business Regulations Service (CBR). CBR is part of the Safer Communities Division which is part of the Directorate of Communities Localities and Culture. The Council’s administrative committee structure is set out in Annexe B and the structure showing where the service sits in the overall council organisation is in Annexe C.

2.2.2 Food Safety falls within the portfolio of Cllr Ayas Miah.

2.3 Scope of the Food Service

2.3.1 The CBR Food Team is responsible for the following functions in all commercial premises.

- food hygiene – food preparation and handling
- food standards – food labelling and composition
- health and safety
- infectious disease control
- public health activities

- Smoke Free enforcement

2.3.2 Nuisance and Pollution control issues related to commercial premises are dealt with by the Environmental Protection Service. The Trading Standards Team deals with animal feeding-stuffs and fraudulent activities covered by the Food Safety Act.

2.3.3 A proactive and reactive service in relation to food hygiene and food standards is provided primarily through the programmed inspection of food businesses and by responding to service requests including comments on planning and licensing applications.

2.4 Demands on the Food Service

2.4.1 Premises Profile

2.4.2 The tables below show the number of food businesses in each risk category classified by type of activity and risk rating. Some premises, where the risk is negligible are discounted from the inspection programme.

2.4.3 Food Standards legislation sets out specific requirements for the labelling, composition and safety parameters of food stuffs which are potentially at risk of being misleadingly substituted with lower quality alternatives. The legislation makes sure consumers are not misled as to the nature of food products when it is sold to them. Premises that are inspected included importers and exporters who may not even hold food on their premises – this accounts for the difference in total numbers in Table 1 and Table 2 below.

2.4.4 The Food Code of Practice details how premises should be scored for Food Standards, the following criteria are used,

- Risks to consumers/businesses
- Hazardous processes
- Ease of compliance
- Consumers at risk
- Current compliance
- Confidence in management systems

The above criteria are used to score food standards activities as A – C, with A being high risk. It is at this category that we undertake separate inspections, the remainder of the inspections for food standards are carried out when the necessary food hygiene inspection is due. The criteria are weighted and the Officer makes undertakes the scoring during the routine inspection, from the calculated score, an overall risk rating is achieved.

- 2.4.5 Food Hygiene is vital to prevent food poisoning. Our inspections cover food safety management procedures, cleaning, storing of food, pest control, preparation, cooking, the delivery and supplying of food, training of staff and the physical structure of the food premises. Inspections are mainly carried out at higher risk premises (A-C). The Food Law Code of Practice, the guidance document that must be followed by Local Authorities, classifies food premises by risk in several key criteria:
- Type of Food/Method of handling
 - Method of processing
 - Consumers at risk
 - Vulnerable Groups
 - Food Hygiene and Safety
 - Structural Compliance
 - Confidence in management systems
 - Significance of risk/likely contamination
- 2.4.6 The above criteria have weighted scores and the total score is calculated by Officers during their routine inspections to give an overall risk rating. 'A' being high risk and 'E' being low risk. The inspection frequencies are assigned nationally to each risk rating.
- 2.4.7 D/E rated premises are lower risk premises. They do not constitute no risk however. The food law code of practice provides some concession for dealing with D rated premises. Whilst these premises still present a risk, we are duty bound to inspect them. They can, however, be put on a schedule of alternative enforcement i.e. self-audit questionnaire by the business. That would mean that they would alternate between an inspection and an alternative enforcement strategy each time they were due for inspection. This reduces the burden on resources required to inspect D rated premises.

Table 1: Hygiene: Food businesses 15/16 and their inspection category for food hygiene (04.06.15)

Row Labels	A	B	C	D	E	UNRATE	Grand Total	
Arena/Theatre/Cinema				4	2	2	8	The frequency of inspection is: A: every 6 months B: every 12 months C: every 18 months D: every 2 years E: every 3 years
Bakery/cakes		1	12	14	7		34	
Bookmaker/Betting Shop/Gambling					11		11	
Butcher		1	4	10	9	1	25	
Canteen/kitchen	1	16	46	47	24	2	136	
Cash and Carry/Food Wholesaler	1		6	13	8		28	
Fish products/cooked shellfish			9	6	1		16	
Fishmonger/Wet Fish/Seafood		1	9	24	14	1	49	
Fruit juices/smoothies/ice cream/yoghurts		1	2	2	5	1	11	
Fruit/veg/greengrocer		1		17	30	3	51	
Home caterer			7	16	16	23	62	The Category for premises classed as unrated is determined at the first visit and can be A-E.
Hotel				1	1	2	4	
Luncheon Club		3	3	2	1	2	11	Premises can move across the risk bands after inspection.
Manu/packer - non meat/fish products	1		2	3	4	3	13	
Members/Social Club			1	4	5	1	11	Category D/E premises may be dealt with using an alternative enforcement strategy (AES).
Mini-Market/Grocer	2	5	47	122	105	6	287	
Newsagent/Sweet Shop/Tobacconist		1	6	41	49	2	99	
Off Licence/Wine Merchants	1		3	18	20	1	43	
Outside Caterer		2	8	20		3	33	Premised in the "outside" category are premises for Food Standards only as there is i) no hygiene involved (i.e. it is an importers office or ii) hygiene is the responsibility of the FSA (i.e. FSA approved slaughterhouses).
Public House/Wine Bar-catering		4	33	70	47	8	162	
Public House/Wine Bar-no catering		1	1	2	4	4	12	
Restaurant/Cafe	12	83	331	331	41	53	851	
Sandwiches/snacks/confectionery		1	5	1	6	2	15	
School/nursery kitchen		18	44	34	1	1	98	
Staff Restaurant/Canteen/Bar		2	13	51	2	9	77	
Supermarket / Hypermarket		1	1	19	26	6	53	
Takeaway Food	2	22	122	96	40	37	319	
Vehicle - Sale of hot food		1	5	10	3	2	21	
Other		10	13	44	131	22	220	
Grand Total	20	175	733	1022	613	197	2760	

Table 2 : Standards: Food businesses 14/15 and their inspection category for food standards (04.06.15)

Row Labels	A	B	C	UNRATE	Grand Total	
E02 Child Minder		1	26	16	43	The frequency of inspection is:
F01 Bakery/cakes		20	13	1	34	
F02 Butcher		17	3	5	25	
F03 Canteen/kitchen		40	86	7	133	A: every 12 months B: every 2 years C: every 5 years.
F04 Cash and Carry/Food Wholesaler	2	21	1	3	27	The Category for premises classed as unrated is determined at the first visit and can be A-C. Category C premises may be dealt with using an alternative enforcement strategy (AES).
F07 Delicatessen/ Cooked Meats		5	3	1	9	
F08 Fishmonger/Wet Fish/Seafood	1	43	2	4	50	
F10 Manu/packer - non meat/fish products	2	6	1	4	13	
F11 Fish Products Manufacturer	1	8			9	
F12 Fruit/veg/greengrocer	1	19	23	7	50	
F15 Mini-Market/Grocer		159	117	8	284	
F16 Newsagent/Sweet Shop/Tobacconist		39	57	2	98	
F17 Off Licence/Wine Merchants		21	19	2	42	
F18 Outside Caterer		19	7	6	32	
F20 Public House/Wine Bar-catering	1	66	87	3	157	
F22 Restaurant/Cafe	7	510	237	69	823	
F24 Fish products/cooked shellfish	2	11	3	1	17	
F26 Supermarket / Hypermarket		12	32	4	48	
F27 Takeaway Food	1	181	68	66	316	
F29 Vehicle - Sale of hot food		10	7	4	21	
F40 Home caterer		17	18	24	59	
F46 Fruit juices/smoothies/ice cream/yoghurts		5	3	3	11	
F50 Staff Restaurant/Canteen/Bar		16	49	12	77	
F52 Sandwiches/snacks/confectionery		5	5	5	15	
F57 Luncheon Club		7	2	2	11	
FAA School/nursery kitchen		25	67	6	98	
L11 Members/Social Club		3	6	1	10	

M01 Chemist/Pharmacy/Drug Store			37	1	38
Other	4	32	44	25	105
Grand Total	22	1320	1032	293	2667

Note: The premises category relates to the main food activity and is unitised in larger premises. For example a restaurant or bar in a hotel will be shown under restaurants or bar, not as a hotel. A hotel may have several restaurants and these are therefore counted as individual restaurants as they may have varying risks. The food usage is only counted as a hotel, if the central kitchen supplies the whole hotel.

2.4.5 As of May 2015 there were 73 establishments approved by the Council to produce and manufacture food incorporating Products of Animal Origin (POAO) for wholesale purposes: -

Dairy products	6
Fishery Products	61
Meat products: treated stomachs, bladder and intestine: minced meat: meat preparations	1
Minced meat: meat products: fishery products: egg: dairy products	1
Minced meat: meat products: dairy products	1
Minced meat: Meat products	1
Sandwiches: meat products, fishery, eggs	2

2.4.6 Tower Hamlets' food businesses are primarily caterers and retailers.

2.4.7 There is a high level of imported foods (from non EC Countries) entering the Borough, either directly imported by businesses or by third parties located elsewhere. Some of these foods can be illegal (i.e. banned from importation, processed in a way that contravenes EU legislation, or they do not comply with compositional or labelling requirements). This area of work is continually high due to low costs of cheap imports and high consumer demand. This food however gives rise to a risk to human health and we remove it from sale/enforce as necessary and offer advice to importers.

2.4.8 When carrying out a food hygiene or food standards inspection, officers may also carry out a health & safety inspection where the council is the enforcing authority for the relevant legislation.

2.4.9 One third of the population is of Bangladeshi origin and over half the population are from ethnic minorities. The make-up of food businesses reflects this profile, although demand for translation and materials in other languages is not high. Ethnic

minority food business proprietors generally prefer written information to be provided in English. A translation and interpreting service is available if required and a number of our staff members are multilingual.

2.4.10 Reception and Information Service

2.4.11 The reception and information point for the CBR Food Team is located at:

Mulberry Place
6th Floor
5 Clove Crescent
London E14 2BG

2.4.12 We operate an out-of-hours emergency call-out service, which operates from 5pm to 8am on a weekday and 24hrs at weekends and Bank Holidays. This service operates only for food poisoning outbreaks or major food safety incidents and other non-food safety related emergencies.

2.4.13 Tower Hamlets also has a website at www.towerhamlets.gov.uk and the CBR Food Team have an E-mail address, namely: foodsafety@towerhamlets.gov.uk. This address is also used for the national electronic communication system for Environmental Health Departments, known as EHCNet.

2.5 Enforcement Policy

2.5.1 The current enforcement procedure is documented and outlines all enforcement action carried out by officers; it reflects the Council's Enforcement Policy. It seeks to ensure that formal enforcement is focused where there is a real risk to public health and that officers carry out action in a fair, practical and consistent manner.

2.5.2 The Council's Enforcement Policy is considered by the Team during all Enforcement matters and is specifically referenced to when commencing a prosecution by the Council Legal Services.

2.5.3 The Council's Legal Services review all evidence in matters sent for enforcement by officers. Legislation and Regulations are considered alongside the Council's Enforcement Policy when a case is considered for prosecution; this includes proportionality in applying the law and securing compliance, being consistent in its approach to prosecutions, transparency and being targeted in its enforcement action.

3.0 **Service Delivery**

3.1 Inspection Programmes

- 3.1.1 Food establishments in the Borough are risk rated by the Food Standards Agency code of practice, which must be followed by the Council. A risk score of 10 points or below in the scoring criteria in relation to i) structure ii) hygiene preparation and iii) confidence in management determine if the premise is broadly compliant. The indicator of broadly compliant with food hygiene law is used both by the Council and by the Food Standards Agency. This indicator applies to all the food premises in the Borough, not just those that are due for inspection this year.
- 3.1.2 The Food Standard Agency code of practice (that guides our inspection programme) permits shorter inspections on those businesses that are deemed broadly compliant i.e. in the lower risk categories of C and D for food hygiene. It also permits the use of posted questionnaires for those premises in category E and alternate enforcement strategies in D rated premises i.e. a formal inspection is not always required.
- 3.1.3 We use a hazard spotting approach for those premises that are deemed to be broadly compliant. This reduces the burden on business and concentrates our resources on the non-compliant businesses. However, a full inspection will be carried out if these compliant businesses are not in control of the risks or a public health risk is identified. A significant number of businesses will continually move between broadly compliant and not broadly compliant. We have determined that we have 85% of all food premises currently broadly compliant.
- 3.1.4 The Food Safety Officers carry out programmed food hygiene/standards inspections at frequencies determined by the Food Standards Agency. A programmed food safety inspection will therefore cover food hygiene and food standards, where this falls due (although some premises will fall due for food standards inspection only) and we will also deal with issues relating to enforcement and advice under health and safety law, either in very broad terms or as part of a focused health & safety project. The inspection programme is dictated by the food hygiene inspection rating allocated to a business because this generally leads to more frequent inspections. This therefore builds in efficiency into the inspection programme by only inspecting for food standards in the year that food hygiene is due. However, Category A – high risk food standards inspection due dates are checked to ensure that these are inspected in the current year. Some premises such as importers who do not actually handle or store food are subject only to food standards inspections.
- 3.1.5 Category E food hygiene and Category C food standards inspections will be addressed by using alternative enforcement strategies (AES), such as a self-audit questionnaire. These questionnaires will be sent to all Category E and C rated premises. Verification follow up will be carried out on 5% of these premises. Category D food premises could fall into an alternative enforcement strategy at alternative years. For 2015/16 the number of food hygiene inspections due is shown in Table 3 and the number of food standards inspections due is shown in Table 4:

Table 3

The number of food hygiene inspections due to be carried out in 2015/16.

Inspection Rating	Number of food hygiene inspections due
A	20 x 2 = 40
B Broadly compliant	41
B not Broadly compliant	102
C Broadly compliant	370
C not Broadly compliant	80
D Broadly compliant	377
D not broadly compliant	6
E (verification)	170 (5% = 9)
Unrated	92
Total Inspections (i)	361
Total Surveillance inspections (s)	756
Total Interventions	1117

Table 4

The number of food standards inspections due in 2015/16 and the inspection targets.

Inspection Rating	Number of food standards inspections due
A	22
B	515
C (verification)	115
Unrated	165
Total	817

- 3.1.6 Most food standards inspections will be carried out at the same time as a food hygiene inspection. It is the teams' target to achieve 100% of all A standards inspections due. Where possible new premises identified will be added to the work programme to be inspected during the year. These 'unrated' businesses will count against the broadly compliant score and hence resources will be allocated to carry out inspections on the unrated businesses.
- 3.1.7 Food hygiene and food standards inspection procedures detail the steps to be followed by officers. They take account of relevant Codes of Practice, Local Government Regulation and FSA guidance and relevant Industry Guides.
- 3.1.8 Hygiene re-inspections (called verification visits) will be carried out where enforcement notices have been issued, where there is a significant public health risk, or the premises are not broadly compliant. Premises will not be re-rated at a verification visit. Food Standards re-inspections are of a lower priority and not required as often as for food hygiene.
- 3.1.9 The resource estimated for programmed hygiene inspections, including alternative enforcement strategies (AES) for lower risk premises is **3.1 Full Time Equivalent (FTE)**, and **0.83FTE** for programmed standards inspections. The re-inspections allocation will be **2.1 FTE**. **Annex A** gives details of the assessment of resources for all functions within the plan. The shortfall stands at **2.29 FTE for 15/16**. The shortfall will be dealt with by not inspecting all the premises that fall due where low risk pre packed food is offered or other inspection regimes which deliver a similar inspection function, namely schools, off licences, newsagents and chemists.
- 3.1.10 Additional priorities have been identified for action in 2015/16 including: -
- Inspections will be carried out at major festivals.
 - Sampling plan involving microbiological sampling, misleading claims and personal hygiene
 - Routine attendance at Billingsgate Market.
 - All premises subject to approval will require additional attention and inspection time due to the risk they present.
 - Food Standards will be combined with Food Hygiene inspections.
 - Illegal importation of food will be targeted as priority
 - Health & Safety inspections will be on a themed basis.
 - Focus on speciation sampling to verify that foods are what they are purported to be
 - Halal project focussing on authenticity, traceability, and advertising.
 - Closure and follow-up enforcement action, including prosecution of businesses as appropriate.
 - We will specifically target A risk premises and Higher B's with advice and enforcement
 - We will use alternative enforcement strategies in low risk premises and may not inspect some if reactive demands are increased.
- 3.2 Food Complaints/Requests for Service

3.2.1 The Environmental Health Commercial Team will record, assess, prioritise and deal appropriately with all requests for service. Requests for service will be classed as higher risk issues or lower risk issues. The target response time for service requests are:

- *To give a 1st response to 99% of service requests within 3 working days*
- *To respond to 100% of higher risk issue service requests within 24 hours.*
- *To register all new operating premises within 28 days of receipt of application form.*

3.2.2 The number of service requests for 2014/15 was 603.

3.2.3 The resource estimated for dealing with service requests is **1.93 FTE**.

3.3 Home Authority Principle

3.3.1 The Council formally adopted the Home Authority Principle at the Planning and Environmental Services Committee meeting of 13th June 1995. A Home Authority is the local authority where the decision making base of an enterprise is situated. The local authority provides advice to the enterprise and deals with enquiries from other councils in relation to the business. An Originating Authority premises is one where the food is manufactured, stored or first imported to, but to which the definition of Home Authority does not apply. The new concept of Primary Authority Partnerships that has recently been introduced by the Government may affect work plans for companies where the company trades across two or more Local Authority areas. This will enable one Authority to be a Primary Authority that will guide the business on compliance issues.

3.3.2 Approximately 200 businesses have been identified as probable Home or Originating Authority premises. Enquiries for advice from local businesses or other enforcement authorities will be treated as requests for service and will be prioritised accordingly.

3.3.3 The resource estimated for this area of work is **0.26 FTE**.

3.4 Advice to business

3.4.1 Advice is freely available to food businesses and is provided during visits and upon request. Business information packs have been produced for people considering setting up a food business and are sent to relevant applicants for planning permission. A variety of information leaflets, in community languages, are also available.

3.5 Food Inspection and Sampling

3.5.1 Food is inspected in accordance with UK and EU legislation. A documented sampling programme is produced each financial year covering planned microbiological and chemical sampling. Our sampling policy is at Annex D

3.5.2 The programme includes participation in co-ordinated projects organised by the Food Standards Agency, Public Health England (PHE), EU, London Food Co-ordinating Group and North East London Food Liaison Group. Planned local projects and Home Authority sampling are also included.

3.5.3 The target for 2015/16 is approximately 180 (Proactive sampling: 80 from FSA grant samples, 68 from NE sector, planned internal sampling and HPA; Reactive Sampling: a contingency sampling quota of 32 is set aside for internal samples from closures, seizures, outbreaks etc.). All samples to be taken by the end of the financial year. The budget for sampling is £12,000.

3.5.4 The total number of samples taken for 2014/15 was 210 of which 59 were unsatisfactory and follow up action was required.

3.5.5 The Laboratories to which samples are sent are subject to the appropriate accreditation. Analysis is undertaken by the Council's nominated Public Analysts:-

Duncan Arthur
Jeremy Wooten
Eurofins Scientific Laboratories, 445 New Cross Road, London, SE14

Microbiological examination is undertaken by:-
Nicola Elviss (Food Examiner)
Public Health England, Food, Water & Environmental Microbiology Unit (London), Food Safety Microbiology Laboratory,
Central Public Health Laboratory, 61, Colindale Avenue, London, NW9 5HT.

On occasions, samples for microbiological examination will be sent to Eurofins Scientific Laboratories.

- 3.5.6 The resource required for food sampling is estimated to be **0.6FTE**
- 3.6 Outbreak Control and Infectious Disease Control
- 3.6.1 We will investigate all suspected and confirmed outbreaks of food poisoning and the Outbreak Control Plan will be implemented in the case of a major outbreak (i.e. 4 or more cases).
- 3.6.2 Individual allegations of food poisoning caused from consumption of food within the borough, but which are not supported by medical evidence will be treated as service requests. The level of resource is estimated at **0.05 FTE**
- 3.7 Food Safety Incidents
- 3.7.1 We deal with Food Alerts in accordance with the Code of Practice and guidance issued by the Food Standards Agency. Alerts requiring action by the department will take priority over all other work. The out-of-hours emergency service will notify the duty officer in the event that the Food Standards Agency notifies them of a major incident of food contamination which occurs outside normal office hours.
- 3.7.2 There is a policy document and procedure note on dealing with Food Hazard Warnings.
- 3.7.3 Resources for this work are dependent on the demand. In 2014/15 there were 35 Food Hazard Warnings and 65 Allergy Alerts issued by the Food Standards Agency. Resources are therefore estimated at **0.07 FTE**. (Included in Service Requests above)
- 3.8 Liaison with Other Organisations
- 3.8.1 Liaison arrangements are in place to ensure that enforcement action in Tower Hamlets is consistent with neighbouring authorities and in particular: -
- Tower Hamlets is a member of the North East London Food Liaison Group which meets every eight weeks.
 - A PEHO attends regular sub-group meetings to discuss and arrange co-ordinated Approval processes.
 - Planned liaison meetings take place with Public Health England.
- 3.8.2 The resource required for these activities is estimated at **0.03 FTE**.
- 3.9 Food Safety Promotion

- 3.9.1 The Food Safety Officers will, subject to available resources, carry out food safety promotional work through participation in certain national campaigns and local projects, more specifically:
- It is intended to examine opportunities to participate in appropriate schemes, deliver talks, and provide displays for suitable groups or at events or locations throughout the year.
 - National Obesity Strategy working with Public Health.
 - Seeking small grants from the Food Standards Agency to carry out bespoke projects
- 3.9.2 The resource required for these activities is estimated at **0.03 FTE**.
- 3.10 Administration
- 3.10.1 The Service's central Admin team provides administration support.
- 3.11 Management
- 3.11.1 The Head of Consumer and Business Regulations Service provides overall management of all services in CBR. The Food Team is managed by the Food Team Leader with support from 1 PEHO who also has fieldwork duties. Management accounts for approximately **0.8 FTE**.
- 4.0 Resources**
- 4.1 Financial Allocation
- 4.1.1 The Food Safety financial allocation is part of the CBR Food Team cost centre.
- 4.1.2 Training costs are included in the Employee related expenses and a number of free courses are run by the Food Standards Agency.
- 4.1.3 Provision of other central, directorate support services which includes legal services is added at the end of the financial year to service costs. This recharge is on a divisional basis and not broken down into individual teams.

4.2 Staffing Allocation

4.2.1 The staffing for food safety work, is as follows:

0.2 x Head of Consumer and Business Regulations Service

1x Food Team Leader

1 x Principal Environmental Health Officer (PEHO)

2 x Senior Environmental Health Officer (SEHO) (1 seconded to Healthy Eating – post partly covered by contract EHO)

3.5 x Environmental Health Officer (EHO)

2 x Food Safety Officer (FSO)

1x Healthy Eating Project Lead (Seconded SEHO) – funded until April 2016

(Total Technical Staff as of 15/16 = **10.7FTE**)

(Total Technical Staff required for work identified in plan = 12.99 FTE)

4.2.3 Additional resources located outside of the CBR Food Team are as follows:

TSO/CSO –Animal Feeding-stuffs – resources allocated as required

CBR Food & Trading Standards Teams share administration resources:

Food Safety allocation is approximately: (This is split between hygiene and standards as part of the LAEMS return.

1 x Senior Support Services Manager (0.1 FTE)

1 x Support Services Manager (0.25 FTE)

4.5 x Administration Officers (1.125 FTE)

(Total Admin staff = **1.475 FTE**)

4.2.5 Authorisation and competencies

Head of Consumer and Business Regulations Service /PEHOs/EHOs:

- Fully qualified to Diploma/Degree level

- Authorised to inspect all categories (with the exception of any officers who have not been qualified for 6 months or have insufficient experience)
- Take all levels of enforcement action (with the exception of any officers who have not been qualified for 2 years or are Food Safety Officers)

4.3 Staff Development Plan

4.3.1 The Council uses its Performance Development and Review Scheme (PDR) to:

- Set individual aims and objectives for staff.
- Monitor and appraise performance.
- Assess the development needs of all staff.

At the start of the performance year all staff will have their own Personal Plan, which will comprise of their main objectives with targets and their own development plan.

4.3.2 Individual and Team training plans reflect the following

- Common training issues for the service
- Training issues linked to Corporate and Directorate priorities
- Training linked to new legislation, professional developments
- Training relating to organisational matters (IT, systems and procedures)

4.3.3 Training for the financial year 2015/16 is prioritised as follows:-

Food Issues

Update Seminars – providing technical information on food safety topics

Consistency of scoring for the Food Hygiene Rating Scheme

Use of the new Enforcement powers to stop business activities (RAN)

General Issues

Investigation techniques – general training for successful investigations, due to the increase in enforcement

Interviewing under caution – aimed at newly qualified staff to enable they feel confident in undertaking such legal processes

Working with the third sector

4.4 Allocation of Resources

4.4.1 **Table 5** in **Annex A** sets out the total resources available (i.e. **10.7 FTE** officers) and how the resources identified to complete the plan in 2014/15 were allocated. The table also sets out the resources required to fulfil the plan for 2015/16.

4.4.2 Section **6.0** of this Plan sets out the achievements of the team in 2014/15

4.4.3 The areas of work which were not completed were:

- Primary Authority Partnerships – no formal agreements were established. There was no demand from businesses to sign up to a formal agreement. However we have continued to provide informal agreements and advice to businesses.
- Programmed inspections were 85% of those due inspections for hygiene banded A-E and Unrated and 71% for due standards inspections rated A to C and Unrated. The Team concentrated on the higher risk premises to ensure food safety (i.e. 92% inspection rate for higher risk premises (A-C) due for hygiene). The inspections that have not been done will be carried forward into 2015/16. Standards inspections were led by the due date of the hygiene inspections. In some cases Standards inspections fall due when hygiene is not due, and since they are a secondary concern, they are sometimes carried forward to the next inspection date.

5.0 Quality Assessment

5.1 The measures to be taken by the CBR Food Team Management to assess quality and promote consistency include: -

- Desktop reviews of proactive and reactive case paperwork and files will be undertaken by the Food Team Leader or PEHO.
- New or Agency staff will be inducted into the departments procedures and shadowed on inspections to ensure competency and consistency.
- All staff will have a 6-8 weekly 1 to 1 with their immediate supervisor to discuss casework.
- Accompanied inspections will be carried out with each member of staff.
- Documented procedures
- Bi -monthly documented team meeting
- Occasional training sessions and other exercises which are organised to aid consistency, staff appraisals and 6 month reviews.
- Monthly monitoring reports will be produced using the CIVICA software system.

6.0 Review

6.1 Review against the Service Plan

6.1.1 The Head of Consumer and Business Regulations Service presents reports to the Service Management Team on performance of the food safety inspections against performance targets detailed in the Service Plan.

6.1.2 At the end of the financial year, a performance review is carried out by the Food Team Leader with input from team members, which will include information on the past year's performance and progress on any specified performance targets, service improvements and targeted outcomes. It will also identify service priorities for the coming year. The review of 2014/15 is set out in 6.4 below.

6.2 Identification of any variance from the Service Plan.

6.2.1 Any variance in meeting the Food Law Enforcement Service Plan is identified in the review in 6.4 together with any reasons for the variance. Where necessary any variance will be addressed in this years plan.

6.3 Areas of Improvement

6.3.1 Where a service improvement or a service development is identified as part of the review process or through quality assessments, it will be incorporated into this years plan. Key areas for improvement identified from the review are detailed in paragraph 6.17.

6.4 Inspection Programmes

6.4.1 92% of all food hygiene premises (Bands A-C) that were due for inspection had a food hygiene intervention. For the highest risk premises this was 100% A risk and 100% B risk. All overdue C premises have been carried forward to the 2015/16 programme.

6.4.2 399 re-inspections were carried out. This is an increase from 297 previous year. Taking into account that 1611 programmed inspections were carried out then approximately 25% of inspections warranted a re-inspection.

- 6.4.3 71% of the food standards programme was carried out – most were food standards inspections that fall due along side food hygiene inspections. The remaining were not carried out as hygiene inspections were not due or the premises had been assessed as low risk.
- 6.5 Enforcement
- 6.5.1 10(25 in the previous year) businesses or individuals were prosecuted as a result of either programmed inspections or complaint inspections. This resulted in total fines and costs awarded of £ £58,410.80 (£183,722.81 previous year)
- 6.5.2 117 (102 in the previous year) formal improvement notices were issued.
- 6.5.3 There were 12 Emergency prohibitions or voluntary closures in 14/15. This is comparable with 13/14. All were closures of a business for uncontrolled pest infestations.
- 6.6 Additional Priorities
- 6.6.1 Regular early morning inspections were carried out at Billingsgate Market. Programmed inspections were carried out as well as general supervision of the market. All Traders have now received their approval to trade at the market.
- 6.7 Food Complaints/Requests for Service
- 6.7.1 A total of 1171 service requests were received (up from 1034 for 13/14).
- 6.7.2 The main types of complaints received were: 123 were with regards to food poisoning complaints concerning food premises in the Borough (an increase from 108 last year), 71 about pest infestations (an increase from 65 last year), 78 for poor hygiene practices (78 last year), 22 for cleanliness of premises (an increase from 14 last year), and 131 complaints were received about food standards issues, such as food labelling (Use by dates)(an increase from 85 last year).
- 6.8 Home Authority Principle
- 6.8.1 No formal Home Authority Partnerships were established during the year due to the demands of other areas of work. However a number of the contacts from outside bodies were Home Authority enquiries from other authorities. Each of these was dealt with as appropriate and in line with the Home Authority Principle.

- 6.9 Advice to Business
- 6.9.1 Business packs for new businesses continued to be issued, along with a booklet giving advice on carrying out a hazard analysis.
- 6.10 Food Inspection & Sampling
- 6.10.1 210 food samples were taken, of which there were 59 failures (an increase from 26 last year). All of these failures were subsequently followed up.
- 6.10.2 A full Sampling Plan has been produced for 2015/16. The Sampling Policy is detailed in Annex D and is required to be approved as part of the Food Law Plan.
- 6.11 Outbreak Control & Infectious Disease Control
- 6.11.1 Some 123 service requests were investigated specific to incidents of alleged food poisoning originating from food consumed in the borough. There were several outbreaks identified/confirmed during the year that allegedly affected up to 150 people. Large scale, multi-agency investigations ensued. All premises were sampled extensively. There are still a number of Typhoid and Paratyphoid infections that are reported via Public Health England and contact tracing is undertaken to avoid outbreaks.
- 6.12 Food Alerts
- 6.12.1 100 Food Alerts were received from the Food Standards Agency (up from 83 the previous year). A Food Alert is a national alert on certain food stuffs i.e. contamination, food labelling deficiency. Most of these did not require any action, however a number did result in the issue of Press Releases to notify the public, some required a large number of businesses to be notified in writing, and some required officer visits/sampling.
- 6.12.2 Food Alerts attract a high priority and immediate response. When they happen resources have to be diverted from other food enforcement functions to facilitate the necessary action. This can impact on the target outputs of the Plan. The horse meat scandal pulled team resources into tracking down traceability of meat across the Borough, throughout the country, and throughout Europe. A sampling programme was also undertaken in liaison with the FSA.
- 6.13 Liaison with Other Organisations

- 6.13.1 The food safety unit fulfilled all of its liaison activities in the 2014/15 Plan.
- 6.14 Food Safety Promotion
- 6.14.1 Promotional activities on food hygiene were undertaken. Food businesses were provided with advice and the chance to take the level 2 certificate training in food hygiene.
- 6.14.2 Several press releases and mail merged information letters/alerts were produced throughout the year.
- 6.15 Staffing
- 6.15.1 The team was fully staffed during most of the year. There was a loss of a Senior officer and an FSO and so there were periods where these posts were empty in between recruitment. A senior EHO was seconded into the Food for Health team. Whilst this position was back filled, it was filled with a contract EHO.
- 6.16 Training
- 6.16.1 The food safety officers undertook a wide range of training activities during the year, these included:
- Sampling
 - Personal Safety
 - Interviewing techniques
 - Legal updates
 - Auditing food premises
 - Microbiology
 - Contamination
 - Bivalve molluscs
- 6.16.2 Quality Assessment
- 6.16.3 Documented team meetings took place.
- 6.16.4 Monthly monitoring reports are produced on a regular basis
- 6.17 Key areas for Improvement/Development

- 6.17.1 Professional Development of Food Safety Officers and newly qualified Environmental Health Officers.
- 6.17.2 Working with the private markets to control the hazards produced by stall holders and to obtain up to date trading details. The code of practice has altered and there will be much more administration required to contact registered authorities to ask if a premises should be inspected on their behalf and the information shared.
- 6.17.3 Procedures are systematically reviewed and completed and kept up to date.
- 6.17.4 Quality monitoring is continuing and staff have been requested to undertake a training needs analysis.
- 6.17.5 Development of enforcement strategies for low risk premises such as D rated food safety premises and broadly compliant C premises.
- 6.17.6 Consistency training for staff in relation to the Food Hygiene Rating Schemes
- 6.17.7 Development of our database with regards to Sampling data, UKFSS, a central shared database
- 6.17.8 Development of hand held/tablet computer IT systems
- 6.17.9 To recognise the Primary Authority Partnership scheme from the Better Regulation Executive
- 6.17.10 Revisits are to continue as this has resulted in enforcement action being taken when advice has not been followed.

7.0

Annexes

Annex A: Assessment of resources

Annex B: Current Council Decision Making Structure

Annex C: Current Council Corporate Structure

Annex D: Food Sampling Policy 2015/2016

Table 5

Estimation of Full Time Equivalent (FTE)

1 year	365 days
Annual Leave	31 days
Training / team meetings	24 days
Bank Holidays/Statutory leave	12 days
Sick leave/dependency/Special leave etc	5 days
Weekends	104 days
Downtime – reading, research etc.	18 days
Officer Administration	10 days
Number of working days	161 days
1 FTE	161 days (1127 hours)

Programmed Inspections (HYGIENE)

High risk premises (Cat A, B and not broadly compliant premises) = 361 inspections due (Table 3 as Total Inspections), at 3 ½ hours per inspection (this is in line with the average London authority – LFGG bench marking exercise), therefore 1264 hours to inspect 100%.

Broadly compliant premises (includes the 9 E rated premises to be done) = 756 inspections (Table 3 as Surveillance Inspections) due at 1.5 hours per inspection, therefore 1134 hours to inspect 100%.

Total for inspections/surveillance therefore = 2398 hours (343 days)

Low risk (E hygiene) premises are likely to be subject to alternative enforcement strategies:

Allow 5 hrs for management of scheme. Allow 0.25 hrs per premises (170) for implementation of scheme

Total for Alternative Enforcement Strategies = 42.5 hrs (6 days)

Approval inspection on processes of HACCP 73 premises @ 14 hours = 1022 hrs (146 days)

Resource required to achieve 100% inspection rate (total 495) days = **3.1 FTE**.

Programmed Inspections (STANDARDS)

High risk premises (Cat A) = 22 inspections due (Table 4). 13 of these will be inspected during hygiene inspections, at ½ hour per inspection (this is in line with the average London authority – LFGG bench marking exercise). 9 will be inspected as standards only as hygiene is not due at 2 ½ hour per inspection (this is in line with the average London authority – LFGG bench marking exercise). Therefore 6.5 hours to inspect the 13 A's due alongside hygiene inspections,
22.5 hours to inspect 9 A's due for standards only.
100% of A's inspected = Total of 29 hours (4.1 days) = **0.03 FTE**.

As stated previously efficiency is gained as medium to low risk food standard inspections are undertaken in the year that the food hygiene is due. 588 B's due, but 309 due alongside hygiene. 149 C's due, but 25 due alongside hygiene.

Other programmed inspections (B and C) due with hygiene = 334. At ½ hours per inspection 167 hours required = 24 days = **0.15 FTE**.
B inspections where no hygiene due = 279. At 2½ hours per inspection 697.5 hours required = 100 days = **0.62 FTE**.

Low risk (C standards) premises are likely to be subject to alternative enforcement strategies:

Allow 5 hrs for management of scheme. Allow 0.25 hrs per premises (124 C's not due for hygiene) for implementation of scheme = 31 hours = 4.4 days = **0.03 FTE**

Resource required to achieve 100% inspection rate (total 269.6) days = **0.83 FTE**.

Re inspections following programmed hygiene inspections

All Category A premises will require a revisit as will premises that fall out of the broadly compliant range.

A = 40 @ 3.5hrs = 140 hrs (20 days)

Premises falling out of broadly compliant category = 380 (Number based on mid-point between RVs carried out last year (399) v projected number of non B/C inspections from 15/16 inspections (361))

380 @ 3.5 hours = 1330 hours (190 days)

Resource required for re inspections = 210 days = **2.1 FTE**

Re inspections following programmed standards inspections

Food standards inspections revisits 22 @ 2hrs = 44hrs (6.3 days)

Resources required for food standard revisits = **0.04 FTE**

Service requests

It is expected that some 1000 food safety related service requests will be received during the year. It is estimated that each will take an average of 1.5 hrs, therefore 1500 hrs will be required to deal with these.

Total for Service Requests 1500 hours (214 days)

In addition:

50 Planning Applications @ 1 hr each = 50 hrs

Total time for Planning Applications = 50 hrs (7 days)

40 Premises Licence Applications @ 0.5 hr each = 20 hrs

Total time for Premises Licence Applications = 20 hrs (3 days)

100 food alerts @ 0.5 hr each = 50 hrs

10% approx will require extensive investigations etc. 10 @ approx. 3.5 hrs each = 35 hrs

Total time for Food Alerts = 85 hrs (12 days)

Approximately 150 new premises to open during year @ 3 ½ hrs each = 525 hrs

Total time for New Premises = 525 hrs (75 days)

Total for Service Requests = 311 days = **1.93 FTE**

Home Authority Premises

There are approximately 200 premises considered to be either Home or Originating Authority. Most of these will simply be dealt with during routine inspections. However it is estimated that approximately 15 premises will require greater attention.

15 premises @ 7 hrs each = 105 hrs

185 premises @ 1 hr each = 185 hrs

Total time for Home Authority = 290 hrs (41.4 days) = **0.26 FTE**

Advice to Businesses

Throughout the year advice to business forums etc will be given on an ad-hoc basis

Ad-hoc support & advice = 250 hrs

Total for Business Advice & Support = 250 hrs (35 days) = **0.2 FTE**

Food Sampling

Sampling will be based on the Sampling Plan - which consists of a number of projects co-ordinated, by either: EU, PHE or the NE Sector Liaison Group, plus a number of local projects and home authority sampling.

180 samples @ average of 3 hrs per sample = 540 hours

Follow up to adverse results 20% = 36 @ 4 hours per sample = 144 hours

Total for Sampling = 684 hrs (97 days) = **0.6 FTE**

Outbreak Control

The resource required to deal with an outbreak will depend on the size and complexity of the incident. Estimated **0.02 FTE**.

Liaison

Attendance at Sector Group meetings, study groups etc and follow-up work = 5 days

Total resource required is = **0.03 FTE**

Food Safety Promotion

A number of initiatives are planned, as follows:

- Miscellaneous press releases and events @ 35 hrs (5 days)

Total time for Health Promotion = 35 hrs (5 days) = **0.03 FTE**

Other Activities

Inspections will be carried out at major festivals and outside events such as the Brick Lane Festival and events in Victoria Park.

Total for festivals 200hrs (28 days)

Billingsgate Market:

Allow 4 hrs per week for Proactive visits, including dealing with service requests.

Allow 125 hours for auditing approval standards

Total for Billingsgate Market = 333 hrs (47 days)

Imported Food Projects/Surveillance allow 300 hrs

Total for Imported Food Control = 300 hrs (43 days)

Approved Premises:

Allow 70 hrs for processing additional premises identified during year

Total for approved = 70 hrs (10 days)

Food Standards Projects:

Allow 140 hrs for Food Standards Projects

Total for Food Standards Projects = 140 hrs (20 days)

Approximately 20 closures @ up to 50 hrs each (inc of legal action) = 1000 hrs

Total time for Closures = 1000hrs (142 days)

Total for other activities = 290 days= **1.8 FTE**

Healthy Eating Funding

The Tower Hamlets Public Health grant funded the Food Service to the sum of £70,000 to deliver a Healthy Food Choices Award with the aim to reduce obesity within the Borough. This funding has enabled us to employ **1 FTE** to work on this project until March 2016.

Technical Support

The Food Safety Officers are responsible for supporting officers in their activities and for maintaining back-up systems and equipment and other resources along with their own inspection targets **0.25 FTE**

Admin Support

Admin support is provided by a generic admin function sitting within the Strategy and Resources Division of CLC.

Management

The Head of Service for Environmental Health & Trading Standards is responsible management functions across CBR (0.1 FTE). The Food Team Leader is responsible for management functions in the Food Team (0.5 FTE). Also, approximately 0.2 FTE of the PEHO's time is accounted for in management functions. Total for management is therefore **0.8 FTE**

A summary of resources required to meet the requirements of the service plan for 2015/16, allowing Tower Hamlets to obtain a position in the top quartile of high performing councils in relation to the number of high risk inspections carried out that are due to be carried out is shown below in Table 6:

Table 6

Activity	Time identified to complete work in Service Plan (2014/2015)	Time identified to complete work in Service Plan (2015/2016)
Programmed Inspections (hyg)	3.7	3.1
Programmed Inspections (std)	Not accounted for other than As	0.83
Re-inspections	2	2.1
Food standards re-inspections	0.02	0.04
Service Requests	1.9	1.93
Home Authority	0.25	0.26
Advice to businesses	0.2	0.2
Food sampling	0.6	0.6
Food Poisoning outbreaks	0.02	0.02
Liaison	0.03	0.03
Food Safety Promotion	0.03	0.03
Other Activities	1.8	1.8
Technical Officer Support	0.25	0.25
Management	0.8	0.8
Healthy Eating Award	1	1
Total	12.6	12.99
	Actual availability	Actual availability
	10.7	10.7

Standards not accounted for separately in 14/15. The standards A inspections (13) and standards AES for C (412) was accounted for as a part of the programmed inspections section (3.7). The FSA have now asked us to separate this and account for standards work fully. It is now 0.83 FTE

Annex B ; Decision Making Structure:

Cabinet

Mayors Executive Decision Making

Commissioner's Decision Making Meeting

Commissioner's Individual Decision Making

Council

Overview and Scrutiny

Health Scrutiny Panel

Inner North East London Joint Health Overview & Scrutiny Committee

Overview and Scrutiny Committee

Committees and Panels of Council

Appeal Committee

Appointments Sub Committee

Audit Committee

Development Committee

Freedom of Borough Ad hoc Panel

General Purposes Committee

Human Resources Committee

Investigation and Disciplinary Sub-Committee

King Georges Field Charity Board

Licensing Committee

Licensing Sub Committee

Pensions Committee

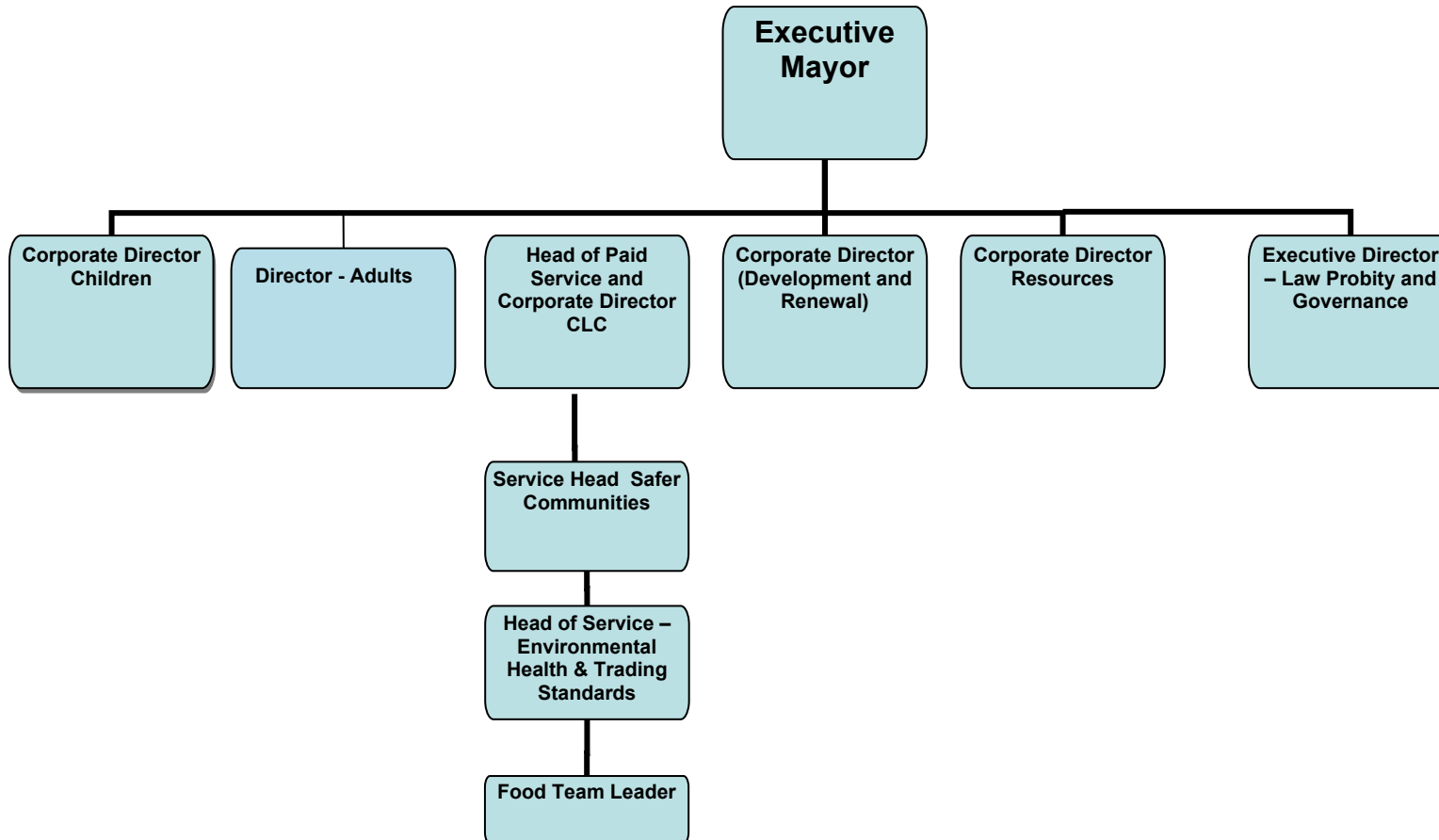
Standards (Advisory) Committee

Strategic Development Committee

Tower Hamlets Health and Wellbeing Board

Annex C

Corporate Structure



LONDON BOROUGH OF TOWER HAMLETS

FOOD SAMPLING POLICY 2015/16

It is a requirement of the Code of Practice, which outlines procedures for sampling made under the Food Safety Act 1990 and The Food Safety and Hygiene (England) Regulations 2013 that local authorities publish a sampling policy and outline programmes for each financial year.

In common with all London boroughs, Tower Hamlets is part of the London Food Co-ordinating Group (LFCG). This has been set up by ALEHM (Association of London Environmental Health Officers), previously the London Chief Environmental Health Officers' Association to co-ordinate the food enforcement function of London Boroughs.

Membership of the Group includes Environmental Health Officers, Public Analysts and a representative of the Health Protection Agency. One of the key functions of the Group is the co-ordination of food sampling in London – this is achieved by dividing the 33 London Boroughs into 4 regional sectors, with each sector arranging sampling programmes in its own area only after proper liaison with the other 3 sectors. Tower Hamlets is in the NE sector.

FOOD SAMPLING OBJECTIVES AND PRIORITIES

The main objective of food sampling should be the protection of the consumer through the enforcement of food legislation and the encouragement of fair trading. In attempting to achieve this objective it is important that the Council considers the most effective use of limited resources. Therefore, the Council has identified its food sampling programmes in the following priority order:

- (i) Investigation of food poisoning outbreaks and food contamination incidents
- (ii) Complaints where sampling is necessary
- (iii) Imported food responsibilities
- (iv) Home authority responsibilities
- (v) EU co-ordinated sampling programme
- (vi) PHE sampling programme
- (vii) Co-ordinated programmed sampling – with other London Boroughs
- (viii) Local projects in individual boroughs

TYPES OF SAMPLES

There is a need for a common approach to sampling in the Borough, and this is set out as follows:

Random informal samples

- (i) These should be avoided for both chemical and microbiological samples.
- (ii) There is, however, a place for informal samples but principally within a programmed sampling project concentrating on a particular food issue.
- (iii) There will also be occasions when informal samples will be justified when testing a new product or process on the market.

Microbiological samples

- (i) Formal samples being taken in accordance with the Regulations should be the normal procedure.
- (ii) There are no advantages in taking informal microbiological samples – the procedures laid down in the Regulations are in any case good sampling practice and the additional information gathering required is minimal. However, only samples taken with the intention of legal proceedings in the event of adverse results should be submitted to the HPA as Formal samples. In these cases the relevant HPA Formal Sample form should be used.

Chemical samples

- (i) In view of the resource and time implications of taking formal chemical samples it is accepted that a significant amount of chemical sampling will be informal – this is especially the case when project or programmed sampling is being carried out as a monitoring or fact finding exercise.
- (ii) Formal samples should, however, be taken when:
 - Problems and contraventions of legislation are suspected
 - Results are not thought repeatable, e.g. pesticide residues or aflatoxins in food
 - In response to food complaints
 - Repeat sampling following a previous unsatisfactory informal sample

Sampling in manufacturing premises

- (i) The level and type of samples taken at individual manufacturing premises will depend on a number of factors including:
 - The nature of the raw materials, intermediate and finished products
 - The existence or absence of Hazard Analysis Critical Control Points (HACCP) type procedures
 - The existence of in-house quality control systems
 - The level of in-house sampling and the quality of procedures and documentation
- (ii) It is important, however, to ensure that food sampling forms an integral part of routine inspections within the risk assessment system laid down in the relevant Code of Practice and LACORS guidance. Ad hoc samples taken without regard to the above and without set objectives and protocols should be avoided.

SAMPLING PROCEDURE

It is wasteful of resources to carry out sampling without first considering and agreeing the objectives – this is especially the case for any sampling project or programme carried out in conjunction with other London Boroughs.

A sampling and analytical protocol should be prepared in conjunction with the selected laboratory in order to ensure an agreed procedure and to encourage a uniform approach. Clearly the subsequent status of the sampling will depend upon the objectives and protocol agreed.

The results and conclusions from the sampling exercise should be collated and circulated through sector groups. It is recognised that on occasions individual local authorities, sectors or the LFCG will want to consider wider publication.

LEVEL OF SAMPLING

Local authority sampling levels are closely monitored by the Food Standards Agency through returns. This data will be aggregated and returned to Brussels in accordance with the Official Control of Foodstuffs Directive.

CO-ORDINATION

In order to achieve maximum effectiveness and the best use of scarce resources, the Council should ensure that food sampling, other than for reactive duties such as complaints, food poisoning and port health and home authority duties, is carried out in conjunction with the LFCG.

Proposed sampling projects should be cleared initially through the relevant sectors. Sector co-ordinators will be in a position to ensure that other sectors are not proposing to carry out similar surveys – this will avoid duplication.

Reports of surveys should be passed through sectors and ultimately through the LFCG in order to ensure a wide distribution and a sharing of information. UKFSS implementation will aid with information sharing.

SUMMARY

The aim of this Policy is to ensure that the Council protects the consumer, and in so doing follows good practice and uses scarce resources in the most effective way.

The Policy is intended only as a guide. It is flexible enough to allow initiative, but points the way forward to a more locally based approach to food sampling.

Nothing in the Food Sampling Policy is intended to preclude initiative on the part of individual enforcement officers – there will be occasion, in circumstances of constant market change, when ad hoc sampling will be necessary.

Appendix Two – Benchmarking data

North East London Food Liaison Group (NELFLG):

The term “broadly compliant” relates to the way a food business complies with food hygiene legislation. Previously a National Performance Indicator (NI184), it was intended for the monitoring of local authorities.

A Food Safety Officer currently risk rates every food business that they inspect having regard to a food hygiene scoring system based on the Food Law Code of Practice.

A food business will be classed as broadly compliant, if they score in the manner described below in the categories listed.

- a) Hygiene compliance record = 10 or less
- b) Structural compliance record = 10 or less
- c) Confidence in management = 10 or less

Therefore in order to be classed as broadly compliant the business should score 10 or less in each category a) - c), and have a total of 30 or less for the sum of the categories.

One would class a broadly compliant business as generally satisfactory.

We also benchmark how many unrated premises are currently waiting an inspection as these have an unknown risk.

LA	Total No. of Premises	% Broad Compliance (inc. unrated)	% Broad Compliance (excl. unrated)	No. of Unrated Premises	% Unrated Premises
Camden	3789	70%	87%	767	20%
Enfield	2714	63%	74%	358	13%
Hackney	2440	78%	80%	62	3%
Havering	1890	77%	87%	226	12%
Islington	2440	71%	81%	282	12%
Newham	2419	78%	87%	264	11%
Redbridge	1717	95%	98%	66	4%
Tower Hamlets	2733	81%	87%	206	8%

Waltham Forest	1521	84%	78%	87	6%
----------------	------	-----	-----	----	----

The above table is a snap shot of activity from January 2015, where most Authorities gave information to the NELFG return.

Which? (February 2015), data drawn from 13/14 returns

Which? produce a ranking of the 398 food safety authorities nationally every year based on the Food Standards return.

They look at three criteria: the proportion of premises ranked as high or medium risk in a local authority that were broadly compliant with food hygiene requirements; the percentage of premises yet to receive a risk rating; and the proportion of inspections and other follow-ups that were required.

Tower Hamlets were 310th out of 398. This number may at first glance appear underwhelming, but in terms of benchmarking a London Borough, we are in the top third.

The formula used by Which? is not weighted to account for how many premises there are; where you are in the country; different demographical issues you face; how much enforcement takes place. As such, a smaller, rural authority with similar inspection percentages and less enforcement will rank better.

Tower Hamlets ranking is below. We are 9th in London out of 33 – just behind boroughs like Kensington and Chelsea, City of London, Hammersmith and Fulham and Greenwich.

Below us in the overall rankings were all of our neighbours. Enfield were bottom of the table, the poorest performing local authority out of the 398, and there were five other London councils in the bottom 10 overall across the country – they were Lewisham, Ealing, Harrow, Camden and Brent.

WHICH? ranking of the 33 London Boroughs:


1	Redbridge	110
2	Kensington and Chelsea	166
3	Hillingdon	191
4	Wandsworth	217
5	Barnet	230
6	City of London	235
7	Greenwich	298
8	Hammersmith and Fulham	308
9	Tower Hamlets	310
10	Barking and Dagenham	313
11	Kingston Upon Thames	314
12	Westminster	316
13	Lambeth	319

14	Merton	322
15	Bromley	326
16	Croydon	336
17	Sutton	343
18	Waltham Forest	344
19	Islington	350
20	Richmond upon Thames	354
21	Newham	370
22	Bexley	377
23	Havering	379
24	Hackney	381
25	Hounslow	382
26	Haringey	383
27	Southwark	387
28	Brent	389
29	Camden	390
30	Harrow	394
31	Ealing	395
32	Lewisham	396
33	Enfield	398

This page is intentionally left blank

Appendix Three

EQUALITY ANALYSIS QUALITY ASSURANCE CHECKLIST

Name of 'proposal' and how has it been implemented (proposal can be a policy, service, function, strategy, project, procedure, restructure/savings proposal)	Food Law Enforcement Service Plan 2015/2016
Directorate / Service	CLC, Safer Communities, Consumer and Business Regulations
Lead Officer	David Tolley, Head of Consumer and Business Regulations
Signed Off By (inc date)	Andy Bamber
Summary – to be completed at the end of completing the QA (using Appendix A) (Please provide a summary of the findings of the Quality Assurance checklist. What has happened as a result of the QA? For example, based on the QA a Full EA will be undertaken or, based on the QA a Full EA will not be undertaken as due regard to the nine protected groups is embedded in the proposal and the proposal has low relevance to equalities)	 Proceed with implementation As a result of performing the QA checklist, the policy, project or function does not appear to have any adverse effects on people who share <i>Protected Characteristics</i> and no further actions are recommended at this stage.


Page 63

Stage	Checklist Area / Question	Yes / No / Unsure	Comment (If the answer is no/unsure, please ask the question to the SPP Service Manager or nominated equality lead to clarify)
1	Overview of Proposal		
a	Are the outcomes of the proposals clear?	Yes	This proposal sets out the Council's annual plan for effective

			<p>enforcement of food safety legislation. It aims to ensure that food in the Borough is produced and sold under hygienic conditions, without risk to health and is of the quality expected by consumers.</p> <p>Once the plan is approved by the Mayor in Cabinet, effective enforcement of food safety legislation will be implemented to encourage businesses to maintain high standards and help protect customers.</p>
<p>b</p>	<p>Is it clear who will be or is likely to be affected by what is being proposed (inc service users and staff)? Is there information about the equality profile of those affected?</p>	<p>Partial</p>	<p>The Plan aims to ensure that a programme of food enforcement activity is carried out, providing public confidence that food is produced without risk and sold under hygienic and safe conditions in the Borough.</p> <p>All residents in the Borough and visitors to the Borough will be positively affected by this proposal through securing food safety in the Borough. All food related businesses in the Borough benefit as reputations are maintained and potential Business risks are minimised by engagement with the service.</p> <p>Among a number of food safety activities included in the Plan, enforcement activity potentially makes significant impact on businesses, especially those not being compliant with the requirements. In 2014/15, there were 12 premises closures, 10 emergency prohibitions and 2 voluntary closures.</p> <p>Whilst the profile of food law enforcement or compliance against equality strands is not known, the service believe that the make-up of food businesses reflects the borough's population profile in general, i.e. one third of the population is of Bangladeshi origin and over half of Tower Hamlets' population are from ethnic minorities.</p> <p>The data picture is further complicated by the fact that the</p>

			<p>service engages with companies who may be owned by people in different equality strands from those who operate the business premises in the Borough.</p> <p>The Development and Renewal (D&R) directorate have corporate lead responsibility for Business related data capture and are currently reviewing the technical implications in developing an equalities strand of their business data base.</p>
2	Monitoring / Collecting Evidence / Data and Consultation		
a	Is there reliable qualitative and quantitative data to support claims made about impacts?	NA	There is reliable data regarding the profile of residents who live and work in the Borough. There are basic assumptions made regarding equalities engagement based on this data. However, as explained above there is currently no data available to the Council on protected characteristics specific to borough businesses and no clear way of securing this accurately. This is a problem faced by all Local Authorities. D&R are reviewing this issue.
	Is there sufficient evidence of local/regional/national research that can inform the analysis?	NA	See above
b	Has a reasonable attempt been made to ensure relevant knowledge and expertise (people, teams and partners) have been involved in the analysis?	Yes	
c	Is there clear evidence of consultation with stakeholders and users from groups affected by the proposal?	NA	This is a Technical Plan the format of which is guided by the FSA.
3	Assessing Impact and Analysis		
a	Are there clear links between the sources of evidence (information, data etc) and the interpretation of impact amongst the nine protected characteristics?	NA	
b	Is there a clear understanding of the way in which proposals applied in the same way can have unequal impact on different groups?	Yes	The key issues specific to this service relate to communication and education. Depending on protected characteristics of any specific business operative or owner

			the balance of effort specific to each varies. A range of targeted initiatives outlined in the plan address these issues within their design and application in the field.
4	Mitigation and Improvement Action Plan		
a	Is there an agreed action plan?	NA	There is no action plan to mitigate the impact on a particular group by the enforcement. However, the service undertakes a wide range of advice/training activities and food safety promotion for businesses in the Borough, which have helped them understand food safety and regulations and act accordingly.
b	Have alternative options been explored	NA	If the Council take no action the FSA have the power to remove food safety responsibilities and engage another authority to deliver the service.
5	Quality Assurance and Monitoring		
a	Are there arrangements in place to review or audit the implementation of the proposal?	Yes	The service, including the numbers of inspection ratings for food hygiene and food standards, has been monitored. Some of the monitoring results are included in a following year's annual Food Law Enforcement Service Plan.
b	Is it clear how the progress will be monitored to track impact across the protected characteristics??	NA	
6	Reporting Outcomes and Action Plan		
a	Does the executive summary contain sufficient information on the key findings arising from the assessment?	Yes	The summary identifies that the percentage of broadly compliant food premises in the Borough (85% currently) may drop slightly as the effect are felt of a change in the Food Hygiene Rating Scheme implementation. The Council (D&R) is planning to develop a business equality data collection system, following the research study on the ownership and management characteristics of Tower Hamlets businesses.

<p>Cabinet Decision</p> <p>6 October 2015</p>	
<p>Report of: Stephen Halsey – Head of Paid Service, Communities, Localities, Culture – Corporate Director</p>	<p>Classification: Unrestricted</p>
<p>Gambling Policy Review– Statutory Consultation</p>	

Lead Member	Councillor Shiria Khatun, Deputy Mayor and Cabinet Member for Community Safety
Originating Officer(s)	Andy Bamber – Service Head David Tolley – Head of Consumer and Business Regulations
Wards affected	All wards
Key Decision?	Yes
Community Plan Theme	A Safe and Cohesive Community

Executive Summary

As a Licensing Authority the Council must review the existing Gambling Policy and adopt a new policy by November 2016, as one of the responsibilities it has to administer ‘high street’ licences under the Gambling Act 2005. The purpose of the policy is to define how the responsibilities under the Act are going to be exercised and administered. This is highly prescribed and limited by statute. The Council is not able, for example, to ban gambling or specific forms of gambling.

A statutory consultation process must be undertaken. In addition there will be the opportunity for the local community to comment along with other partners. Following consultation the reviewed policy will ultimately go to Full Council for adoption.

Recommendations:

The Mayor in Cabinet is recommended to:

1. To agree the forward programme for revising the Gambling Policy
2. To agree that the proposed consultation should be based on the existing Policy updated in accordance with guidance from the central government agencies.

1. REASONS FOR THE DECISIONS

- 1.1 All relevant local authorities have to review their gambling policy, as one of the responsibilities they have, under the Gambling Act 2005.
- 1.2 The purpose of the policy is to define how the responsibilities under the Act are going to be exercised and administered.
- 1.3 A statutory consultation process must take place prior to the adoption of the revised Gambling Policy by full Council.

2. ALTERNATIVE OPTIONS

- 2.1 Pursuant to the Gambling Act 2005, the Council is a responsible authority for the licensing of premises used for gambling. If the Council did not have a policy it would be acting ultra vires with regards to any decisions it makes determining gambling premises licences.
- 2.2 The Gambling Commission has laid down requirements which the Council must follow with regards to the Gambling Policy. If these requirements are not followed, the Council could be at risk of judicial challenge. The Gambling Commission guidance has been followed in drafting the revised Gambling Policy. The policy is limited to considering the elements covered by the licensing objectives. The Council must follow the guidance laid down by the Gambling Commission.

3. DETAILS OF REPORT

- 3.1 The Gambling Act 2005 gives local authorities a range of responsibilities relating to gambling. The Gambling Policy states how the Licensing Authority will exercise its authority.
- 3.2 This policy covers the following:
 - How the Licensing Authority will use its regulatory powers in relation to applications and reviews of the activities it regulates, to the extent it is allowed by statute.
 - The main licensing objectives for the authority is protecting children, preventing crime and disorder and ensuring gambling is fair and open.
 - The Licensing Authorities approach to regulation
 - The scheme of delegation
- 3.3 The statutory and regulatory limitations of the Gambling Policy should also be noted with regards to addiction, noise, clustering and the provision of gambling machines.

- 3.4 The Gambling Policy is prescribed by central government and the Gambling Commission. The policy produced has to comply with guidance issued by both of these bodies. The current policy is compatible with this advice and guidance.
- 3.5 Members should note that some of the more common concerns about gambling are not addressed in the policy and in any consultation. For example, gambling addiction is outside the remit of the consultation, as are arguments about the public benefits, or otherwise, of a more liberal gambling regime.
- 3.6 In addition, 'noise nuisance' is not a licensing objective, so the regime will not consider the impact of licensed premises on nearby residents. Any issues relating to noise and nuisance will be dealt with by the Council's Environmental Health Service.
- 3.7 The Local Authority does not have the powers within its Gambling Policy to regulate on-line gambling sites. All gambling websites trading with, or advertising to, consumers in Britain must have a Gambling Commission licence issued by the Gambling Commission.
- 3.8 Earlier this year the government changed the use class order so that betting shops were removed from their previous A2 use class and made a 'sui generis' use. As such planning permission is now required to change the use from any other use to a betting shop. This has meant that there is slightly more control under planning legislation to control the growth of Betting Shops.
- 3.9 Planning powers cannot control existing betting shops if they have already opened up under a permitted change of use (i.e. before the recent changes to the use class order moving betting shops from A2 to 'sui generis'), however any further change of use applications for a betting shop would be subject to a planning application. As part of the determination of the application, issues such as the number of betting shops in the surrounding area could be a consideration if the area was becoming saturated with betting shops.
- 3.10 There have been several concerns raised though London Councils concerning the fixed odds betting terminals (FOBT's) that have been installed within betting shops. These B2 gambling machines play games of chance such as roulette. With a betting shop licence, the operator can install up to four machines, which have a maximum stake of £100 and a maximum prize of £500. London Councils are promoting that the maximum £100 stake on B2 machines should be changed to £2 to prevent the clustering of betting shops due to the profitability of such gambling machines. Tower Hamlets is a signatory to this campaign.
- 3.11 We have not experienced the same volume of applications in gambling as we have in other areas of licensing. There has been one application in the preceding year for a Paddy Power Shop in Roman Road. This application was objected to by the community, but after consideration by the Licensing Sub Committee and legal advice the licence was issued.

- 3.12 The issues of betting shop clustering and concern over fixed odd betting terminals (FOBT) have shown that gambling generates extremely strong feelings. Whilst licensing authorities do not have the powers to refuse new applications or limit FOBT machines, the requirement for operators to prepare local risk assessments in relation to their premises from April 2016 means that licensing authorities need to set out their expectations within their statements of Gambling Policy.
- 3.13 The additional requirements to include in the Gambling Policy are noted below:
- to set out a local profile, the Policy links to the Borough profile held on the website, therefore the profile can be updated without the need to re-consult on amending the full Policy.
 - details of the inspection format to be used
 - risk assessment format for operators
 - sample licence conditions
- 3.14 The responsibilities the Council have under the Gambling Act 2005 have not been controversial. Licences have been issued primarily to betting shops and adult amusement arcades. These businesses are nearly all national companies that have conducted their business within the legal requirements. The number of premises in a particular area is not grounds for objection.
- 3.15 The only controversial applications have been where betting shops have applied to open in close proximity to schools or places of worship. The powers the Council have are limited and it is not possible to make either policy or decisions regarding this issue under the Gambling Policy.
- 3.16 The Gambling Policy is in Appendix 1 to the report. Due to change in guidance, proposed changes to the policy are outlined in Appendix Two.
- 3.17 It is proposed that the current 'no casino' resolution that is currently in the existing policy remains.
- 3.18 An Equalities checklist has been undertaken as is at Appendix three.
- 3.19 The programme for adoption and consultation is as follows:-

Date	Committee / Action
6th October 2015	Cabinet
October 2015	Licensing Committee
October 2015	Consultation Starts
January 2016	Consultation ends
May 2016	Mayor's Executive Decision Making
June 2016	Overview and Scrutiny Update
September 2016	Full Council
October 2016	Publish Statutory Notices

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The report sets out the responsibilities for the Council as a Licensing Authority to review the existing Gambling Policy and adopt a new policy following consultation on any changes. The adoption of any of the proposed changes listed in Appendix 2 can be delivered within the existing budgeted resources. The Licence fees are expected to cover the cost of administration and compliance.

5. LEGAL COMMENTS

- 5.1 Pursuant to the Gambling Act 2005, the Council is a responsible authority for the licensing of premises used for gambling.
- 5.2 Section 349 of the Gambling Act 2005 requires the Council to prepare a statement of the principles that it proposes to apply in exercising its functions under the Act and to determine and then publish this statement. This statement is more commonly known as a gambling policy. The preparation of the statement of principles is to be undertaken every 3 years. The latest statement of policy was published on 1st November 2013, and therefore the fresh statement should be published before 1st November 2016.
- 5.3 The Gambling Act 2005 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006 set out the required form of the statement and the current gambling policy complies with that form. The revised Gambling Policy will also comply with that form.
- 5.4 Prior to publishing the statement, the Council must undertake the statutory consultation as provided by section 349(3) of the Gambling Act 2005 and any Regulations made under the Act. The Council must consult with the following people: the chief officer of police for Tower Hamlets; one or more persons who represent the interests of gambling businesses in Tower Hamlets; and one or more persons who represent the interests of person who are likely to be affected by the exercise of the Council's functions under the Gambling Act.
- 5.5 The report sets out the timeframe for consultation. The consultation should comply with the following criteria: (1) it should be at a time when proposals are still at a formative stage; (2) the Council must give sufficient reasons for any proposal to permit intelligent consideration and response; (3) adequate time must be given for consideration and response; and (4) the product of consultation must be conscientiously taken into account. The duty to act fairly applies and this may require a greater deal of specificity when consulting people who are economically disadvantaged. It may require inviting and considering views about possible alternatives.
- 5.6 The Gambling Act 2006 (Licensing Authority Policy Statement) (England and Wales) Regulations 2006 set out a process that must be followed in respect of publishing the statement and before the statement comes into effect. A

minimum of 4 weeks is required between publication and the statement coming into effect.

- 5.7 Pursuant to Article 4.01(a) of the Council's constitution the publication of the statement of Policy under section 349 of the Gambling Act 2006 is within the council Policy Framework and must be approved by the full Council. The Budget and Policy Framework Procedure Rules specify the procedure to be followed in preparing and agreeing policies in the Policy Framework and will need to be complied with in relation to the Gambling Policy. The terms of reference of the Licensing Committee also provides that it considers statements of Licensing Policy, so consultation with that Committee may also be appropriate.
- 5.8 In carrying out its functions, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). An equality analysis will be required which is proportionate to the function in question (adopting a new Gambling Policy) and its potential impacts. The current equality checklist will likely require development into a more detailed analysis in the course of the consultation process.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 The Equalities Impact Assessment has been reviewed in respect of this policy and no adverse issues have been identified.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 The Gambling policy details the regulatory approach to gambling establishments with the Borough. The fees imposed for the licence are set by government and have been adopted by the Licensing Committee. The fees cover the cost of regulating and administering the Gambling Policy.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 There are no environmental impacts with regards to this policy or the consultation process.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 There are no risk management issues with the revised policy or the consultation process.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 One of the key licensing objectives is to prevent gambling from being a source of crime and disorder. The policy supports and assists with crime and disorder reduction by controlling those who are able to offer gambling to members of the public and imposing conditions on relevant premises licences.

11. SAFEGUARDING IMPLICATIONS

- 11.1 A statutory licensing objective of the Gambling Policy concerns the protection of children from harm. The Policy details how regulation through licencing promotes this objective.
-

Linked Reports, Appendices and Background Documents

Linked Report

None

Appendices

Appendix One: Gambling Policy 2013-2016

Appendix Two: Gambling Policy proposed changes for consultation

Appendix Three: Equalities Checklist

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

None

Officer contact details for documents:

N/A

This page is intentionally left blank

Gambling Act 2005

The London Borough of Tower Hamlets Gambling Policy 2013- 2016

Effective 1st November 2013

Summary of Local Authority Gambling Policy

1. Licensing local authorities in England and Wales have all been required by the Gambling Act 2005 to adopt a gambling policy following consultation.
2. The following policy was adopted after consultation, including but not confined to the consultation required by the legislation.
3. The policy has to be reviewed every three years and consequently it is now being sent out for a new round of consultation. Again the consultation will include but not be confined to the statutory consultation.
4. The policy sets out in detail how the licensing authority will discharge its licensing functions under the Gambling Act 2005.
5. There are three licensing objectives set out in the Act, as follows:
 - Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
 - Ensuring that gambling is conducted in a fair and open way
 - Protecting children and other vulnerable people from being harmed or exploited by gambling
6. The main area of involvement for the licensing authority is protecting the vulnerable, and the licensing policy is largely devoted to seeking to achieve this, across the range of premises licences and permits which the authority will administer.
7. The licensing authority approach to enforcement is defined.
8. The scheme of delegation that defines the responsibility for decision making, administration and enforcement is also included.

Contents

Item	Page
Summary of Local Authority Gambling Policy	2
Contents	3
Part A	
1. The licensing objectives	4
2. Introduction	4
3. Declaration	5
4. Responsible Authorities	5
5. Interested parties	6
6. Exchange of information	7
7. Enforcement	7
8. Licensing authority functions	8
Part B - Premises licences and Other issues	
1. General Principles	10
2. Premises	10
3. Location	11
4. Duplication with other regulatory regimes and licensing objectives	11
5. Licensing Objectives	11
6. Conditions	12
7. Door Supervisors	15
8. Adult Gaming Centres	15
9. (Licensed) Family Entertainment Centres	16
10. Casinos	16
11. Bingo Premises	16
12. Betting Shops	17
13. Tracks	17
14. Travelling Fairs	19
15. Provisional Statements	20
16. Reviews	20
Part C – Permits / Temporary and Occasional Use Notices	
1. Unlicensed Family Entertainment Centre gaming machine permits	21
2. (Alcohol) Licensed premises gaming machine permits	22
3. Prize Gaming Permits	23
4. Club Gaming and Club Machines Permits	24
5. Temporary Use Notices	25
6. Occasional Use Notices	25
Part D – Scheme of Delegation	
1. Administration, Exercise and Delegation of Functions	26
2. Table of Delegations of Licensing Functions	27
Appendices	
Annex 1 - Map of the Borough showing where Gambling Premises licences issued	28
Annex 2 - A list of consultees	29
Annex 3 –Consultation responses	32
Annex 4 –Gambling Best Practice Guide	34

PART A

1. The Licensing Objectives

- 1.1 In exercising most of their functions under the Gambling Act 2005, (the Act) licensing authorities must have regard to the licensing objectives as set out in section 1 of the Act. The licensing objectives are:
- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime
 - Ensuring that gambling is conducted in a fair and open way
 - Protecting children and other vulnerable people from being harmed or exploited by gambling
- 1.2 The Gambling Commission's guidance emphasises that moral objections to gambling, or a view that it is generally undesirable are not licensing objectives and cannot inform any decisions by the licensing authority. Also neither public safety nor public nuisance are licensing objectives. These issues will largely be dealt with by the Council's Environmental Health Service
- 1.3 This authority recognises that in making decisions about premises licences and temporary use notices it should aim to permit the use of premises for gambling in so far as it thinks it is:-
- in accordance with any relevant code of practice issued by the Gambling Commission
 - in accordance with any relevant guidance issued by the Gambling Commission
 - reasonably consistent with the licensing objectives in accordance with the authorities statement of licensing policy

2 Introduction

- 2.1 The London Borough of Tower Hamlets is a single tier authority on the East side of inner London. The Borough is shown in the map in **Annex 1** where Gambling premises licences have been issued.
- 2.2 Licensing authorities are required by the Gambling Act 2005 to publish a statement of the principles that they propose to apply when exercising their functions. This statement must be published at least every three years. The statement must also be reviewed from "time to time" and any amended parts re consulted upon. The statement must be then re-published.
- 2.3 Tower Hamlets Council has consulted widely upon its policy statement before finalising and publishing it. A list of the persons and organisations

consulted is provided in **Annex 2** of the Policy adopted by the Council. We have consulted businesses, elected representatives, community and third sector organisations and responsible authorities.

- 2.4 The Gambling Act requires that the following parties are consulted by Licensing Authorities:
- The Chief Officer of Police
 - One or more persons who appear to the authority represent the interests of persons carrying on gambling businesses in the authority's area
 - One or more persons who appear to the authority to represent the interests of persons who are likely to be affected by the exercise of the authority's functions under the Gambling Act 2005.
- 2.5 The consultation took place between 18th October 2012 and 30th November 2012. The results of the consultation are summarised in **Annex 3**
- 2.6 The policy has to be approved at a meeting of the Full Council published via our website as well as being available in the Town Hall and Idea Stores.
- 2.7 It should be noted that this policy statement will not override the right of any person to make an application, make representations about an application, or apply for a review of a licence. Each will be considered on its own merits and according to the statutory requirements of the Gambling Act 2005.
- 2.8 The Licensing Authority would like to encourage the highest standards within premises that hold a licence under the Gambling Act 2005. The Licensing Authority has produced a 'Gambling Best Practice Guide' to assist both new applicants and existing operators.
- 2.9 The list of recommended measures listed in **Annex 4** is not exhaustive but gives an indication of some of the suitable measures and procedures that are expected in well managed premises.

3 Declaration

- 3.1 In producing this licensing policy the Authority has had regard to the licensing objectives of the Gambling Act 2005 and the guidance issued by the Gambling Commission. The policy has also had regard to any responses from those consulted on the policy statement.

4 Responsible Authorities

- 4.1 The licensing authority is required to state the principles it will apply to designate a body which is competent to advise the authority about the protection of children from harm. The principles are:
- the need for the body to be responsible for an area covering the whole of the licensing authority's area
 - the need for the body to be answerable to democratically elected persons, rather than any particular vested interest group
- 4.2 In accordance with the Gambling Commission's Guidance for local authorities this authority designates the Local Safeguarding Children Board for this purpose. This is the statutory body charged with coordinating the activities of organisations in Tower Hamlets who are instrumental in safeguarding and promoting the welfare of children.
- 4.3 The contact details of all the responsible authorities are found on the Council's website at www.towerhamlets.gov.uk

5 Interested parties

- 5.1 Interested parties can make representations about licence applications, or apply for a review of an existing licence. Interested parties are defined as a person who in the opinion of the licensing authority
- a) lives sufficiently close to the premises to be likely to be affected by the authorised activities,
 - b) has business interests that might be affected by the authorised activities,
 - c) represents persons who satisfy paragraph (a) or (b)
- 5.2 The licensing authority is required to state the principles it will apply in exercising its powers under the Gambling Act 2005 to determine whether a person is an interested party.
- 5.3 These principles are that :-
- Each case will be decided upon its merits.
 - This authority will not apply a rigid rule to its decision making.
 - It will consider the examples of considerations provided in the Gambling Commission's Guidance to local authorities.
 - It will also consider the Gambling Commission's advice that "business interests" should be given its widest possible meaning and includes partnerships, charities, faith groups, and medical practices.
- 5.4 The Gambling Commission has recommended that the licensing authority states that interested parties include trade associations and trade unions, and residents' and tenants' associations. This authority will not however generally view these bodies as interested parties unless they have a member who can be classed as one under the terms of the Gambling Act

2005 e.g. lives sufficiently close to the premises to be likely to be affected by the activities being applied for.

5.5 Interested parties can be persons who are democratically elected, such as Councillors and MP's. Other than these persons, this authority will require written evidence that a person 'represents' someone who either lives sufficiently close to the premises to be likely to be affected by the authorities activities and/or business interests that might be affected by the authorised activities. A letter from one of these persons, requesting the representation is sufficient.

5.6 Individuals may wish to approach Councillors to ask them to represent their views. If Councillors take on a representative role they will not be able to be part of the decision making process. If they are a member of the Committee they will withdraw for the hearing.

6 Exchange of Information

6.1 Licensing Authorities have a number of responsibilities relating to the control and exchange of information that has been gained in carrying out its duties and responsibilities under the Act.

6.2 The principle that this licensing authority applies is that it will act in accordance with the provisions of the Gambling Act 2005 in its exchange of information which includes the provision that the Data Protection Act 1998 will not be contravened.

6.3 The licensing authority will also have regard to any guidance issued by the Gambling Commission to Local Authorities on this matter when it is published, as well as any relevant regulations issued by the Secretary of State under the powers provided in the Gambling Act 2005. Any protocols that are adopted will be made available if requested.

7 Enforcement

7.1 Licensing authorities are required to state the principles to be applied by the authority in exercising the functions with respect to the inspection of premises; and the powers to institute criminal proceedings in respect of the offences committed under the Gambling Act 2005.

7.2 This Licensing Authority's general principles of enforcement are set out in its enforcement policy. In addition we will be guided by the Gambling Commission's Guidance for local authorities and we will endeavour to be:

- **Proportionate:** regulators should only intervene when necessary: Remedies should be appropriate to the risk posed, and costs identified and minimised;

- **Accountable:** regulators must be able to justify decisions, and be subject to public scrutiny;
 - **Consistent:** rules and standards must be joined up and implemented fairly;
 - **Transparent:** regulators should be open, and keep regulations simple and user friendly; and
 - **Targeted:** regulation should be focused on the problem, and minimise side effects
 - **Avoid duplication** with other regulatory regimes so far as possible.
- 7.3 This licensing authority has, as recommended by the Gambling Commission's Guidance for local authorities, adopted a risk based inspection programme.
- 7.4 The local authority does expect that premises that are licensed are aware of and keep to the terms of their licence. The Authority will take appropriate enforcement action to ensure that this is the case, and is especially concerned to ensure that the licensing objective relating to children is met in full.
- 7.5 The main enforcement and compliance role for this licensing authority will be to ensure compliance with the Premises Licences and other permissions which is authorises. The Gambling Commission will be the enforcement body for the Operator and Personal Licences. Concerns about manufacture, supply or repair of gaming machines will not be dealt with by the licensing authority but will be notified to the Gambling Commission.
- 7.6 This licensing authority also intends to monitor non-licensed gambling, and is especially concerned to stop non-destination gambling by children and young adults. Non destination gambling is where the destination is not primarily a gambling premises and is mainly visited for a different purpose. This typically (but not exclusively) involves gaming machines in premises open to the public such as public houses
- 7.7 This Licensing Authority will continue to keep informed of developments with the work from Central Government and sister organisations on the principles of Better Regulation Executive in its consideration of the regulatory functions
- 7.8 Bearing in mind the principle of transparency, this licensing authority's enforcement/compliance protocols/written agreements will be available upon request to the licensing department and on the Council's web site. Our risk methodology will also be available upon request. (A charge may be made for hard copies).
- 7.9 The authority recognises that bookmakers and other operators may have a number of premises within its area. In order to ensure that compliance

issues are recognised and dealt with at the earliest possible stage, operators are requested to give the authority a single named contact., who should be a senior individual, and whom the authority will contact first should any compliance queries or issues arise. The authority however, reserves the right to institute proceedings, or take other action as necessary and consistent with its general policies.

8 Licensing Authority Functions

8.1 Licensing Authorities are required under the Act to:

- Be responsible for the licensing of premises where gambling activities are to take place by issuing Premises Licences
- Issue Provisional Statements ("in principle" licences where premises are not yet developed)
- Regulate members' clubs and miners' welfare institutes who wish to undertake certain gaming activities via issuing Club Gaming Permits and/or Club Machine Permits
- Issue Club Machine Permits to Commercial Clubs (Commercial Clubs are member clubs that operate on a "for profit" basis)
- Grant permits for the use of certain lower stake gaming machines at unlicensed Family Entertainment Centres (Premises where low level gambling is permitted for children)
- Receive notifications from alcohol licensed premises (under the Licensing Act 2003) for the use of two or fewer gaming machines
- Grant Licensed Premises Gaming Machine Permits for premises licensed to
- sell/supply alcohol for consumption on the licensed premises, under the Licensing Act 2003, where more than two machines are required
- Register small society lotteries below prescribed thresholds
- Issue Prize Gaming Permits
- Receive and Endorse Temporary Use Notices
- Receive Occasional Use Notices
- Provide information to the Gambling Commission regarding details of licences issued (see section above on 'information exchange')
- Maintain registers of the permits and licences that are issued under these functions

8.2 This list may be added to on the advice of the Gambling Commission

8.3 Local licensing authorities will not be involved in licensing remote gambling. (Remote gambling is via the internet or interactive television). This will fall to the Gambling Commission via Operator Licences.

PART B - Premises Licences and other matters

1 General Principles

- 1.1 Premises licences will be subject to the requirements set out in the Gambling Act 2005 and regulations, as well as specific mandatory and default conditions which will be detailed in regulations issued by the Secretary of State. Licensing authorities are able to exclude default conditions and also attach others, where it is believed to be appropriate.

2 Premises

- 2.1 Premises are defined in the Act as “any place”. Different premises licences cannot apply in respect of a single premises at different times. However it is possible for a single building to be subject to more than one premises licence provided they are for different parts of the building. Different parts of the building can reasonably be regarded as separate premises will always be a question of fact in the circumstances. However areas of a building that is artificially or temporarily separate can be properly regarded as different premises.
- 2.2 This licensing authority will take particular note of the Gambling Commission’s Guidance to local authorities that: -
- "Licensing authorities should take particular care in considering applications for multiple licences for a building and those relating to a discrete part of a building used for other (non-gambling) purposes. In particular they should be aware that entrances and exits from parts of a building covered by one or more licences should be separate and identifiable so that the separation of different premises is not compromised and that people do not “drift” into a gambling area"
 - "Licensing authorities should pay particular attention to applications where access to the licensed premises is through other premises (which themselves may be licensed or unlicensed), especially if this raises issues in relation to children. There will be specific issues that authorities should consider where children can gain access; compatibility of the two establishments; and ability to comply with the requirements of the Act. But, in addition an overriding consideration should be whether, taken as a whole, the co-location of the licensed premises with other facilities has the effect of creating an arrangement that otherwise would, or should, be prohibited under the Act."
- 2.3 An applicant cannot obtain a full premises licence until the premises in which it is proposed to offer the gambling are constructed. The Gambling Commission has advised that reference to “the premises” are to the

premises in which gambling may now take place. Thus a licence to use premises for gambling will only be issued in relation to premises that are ready to be used for gambling. This authority agrees with the Gambling Commission that it is a question of fact and degree whether premises are finished to a degree that they can be considered for a premises licence. The Gambling Commission emphasises that requiring the building to be complete ensure that the authority can, if necessary, inspect it fully, as can other responsible authorities with inspection rights.

3 Location

- 3.1 This licensing authority is aware that demand issues (for example whether or not there is sufficient customer demand to make a site commercially viable) cannot be considered with regard to the location of premises but that considerations in terms of the licensing objectives can. In line with the Gambling Commission's Guidance for local authorities, this authority will pay particular attention to the protection of children and vulnerable persons from being harmed or exploited by gambling, as well as issues of crime and disorder.
- 3.2 It is the licensing authorities' view that premises should not normally be licensed which are close to schools, playgrounds, or other educational establishments such as museums. However any such policy does not preclude any application being made and each application will be decided on its merits, with the onus upon the applicant showing how the concerns can be overcome.

4 Duplication with other regulatory regimes and licensing objectives

- 4.1 This authority will seek to avoid any duplication with other statutory / regulatory systems where possible, including planning. This authority will not consider whether a licence application is likely to be awarded planning or building consent, in its consideration of it. This authority will though listen to, and consider carefully, any concerns about conditions which are not able to be met by licensees due to planning restrictions, should such a situation arise.

5 Licensing Objectives

- 5.1 Premises licences granted must be reasonably consistent with the licensing objectives. With regard to these objectives, this licensing authority has considered the Gambling Commission's Guidance to local authorities and some comments are made below.
- 5.2 *Preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime.*
This licensing authority is aware that the Gambling Commission will be taking a leading role in preventing gambling from being a source of crime.

The Gambling Commission's Guidance does however envisage that licensing authorities should pay attention to the proposed location of gambling premises in terms of this licensing objective. Thus, where an area has known high levels of organised crime this authority will consider carefully whether gambling premises are suitable to be located there and whether conditions may be suitable such as the provision of door supervisors. This licensing authority is aware of the distinction between disorder and nuisance and will consider factors such as whether police assistance was required and how threatening the behaviour was to those who could see it, so as to make that distinction. Issues of nuisance cannot be addressed via the Gambling Act provisions. These will be addressed by the relevant regulatory authority e.g. Environmental Health.

- 5.3 Ensuring that gambling is conducted in a fair and open way. This licensing authority has noted that ensuring that gambling is conducted in a fair and open way is a matter for the Gambling Commission. This will not be the case if the licensing authority becomes involved in licensing betting track operators.
- 5.4 Protecting children and other vulnerable persons from being harmed or exploited by gambling. This licensing authority has noted the Gambling Commission Guidance to local authorities that this objective means preventing children from taking part in gambling (as well as restriction of advertising so that gambling products are not aimed at or are, particularly attractive to children). The licensing authority will therefore consider, as suggested in the Gambling Commission's Guidance, whether specific measures are required at particular premises, with regard to this licensing objective. Appropriate measures may include supervision of entrances/machines, segregation of areas.
- 5.5 This licensing authority will also make itself aware of the Codes of Practice which the Gambling Commission issues as regards this licensing objective, in relation to specific premises such as casinos.
- 5.6 As regards the term "vulnerable persons" it is noted that the Gambling Commission is not seeking to offer a definition but states that "it will for regulatory purposes assume that this group includes people who gamble more than they want to; people who gambling beyond their means; and people who may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs." This licensing authority will consider this licensing objective on a case by case basis. Should a practical definition prove possible in future then this policy statement will be updated with it, by way of a revision.

6 Conditions

- 6.1 Any conditions attached to licences will be proportionate and will be:

- relevant to the need to make the proposed building suitable as a gambling facility
 - directly related to the premises and the type of licence applied for;
 - fairly and reasonably related to the scale and type of premises: and
 - reasonable in all other respects.
- 6.2 Decisions upon individual conditions will be made on a case by case basis, although there will be a number of control measures, this licensing authority will consider utilising should there be a perceived need, such as the use of door supervisors, supervision of adult gaming machines, appropriate signage for adult only areas.
- 6.3 There are specific comments made in this regard under each of the licence types below. This licensing authority will also expect the licence applicant to offer his/her own suggestions as to way in which the licensing objectives can be met effectively. The licensing authority will consider the following specific measures in relation to all licensed premises, to the extent that they are relevant to a specific application:
- Leaflets aimed at giving assistance to problem gamblers clearly displayed in prominent areas and also more discreet areas such as toilets
 - Self exclusion forms available
 - The odds clearly displayed on all fixed odds machines
 - All ATM or other cash terminals to be separate from gaming machines, so that clients have to leave the machines for more funds as required. They should also display stickers with GamCare (or replacement organisation) Helpline information prominently displayed.
 - There must be clear visible signs of any age restrictions in any gaming or betting establishments. Entrances to gambling and betting areas must be well supervised and age verification vetting operated.
 - Posters with details of GamCare's (or replacement organisation) telephone number and website

The above list is not exhaustive.

- 6.4 This licensing authority will also consider specific measures which may be required for buildings which are subject to multiple premises licences. Such measures may include the supervision of entrances; segregation of Gambling from non-gambling areas frequented by children; and the supervision of gaming machines in non-adult gambling specific premises

in order to pursue the licensing objectives. These matters are in accordance with the Gambling Commission's Guidance.

- 6.5 This authority will also ensure that where category C or above machines are on offer in premises to which children are admitted:
- all such machines are located in an area of the premises which is separated from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
 - only adults are admitted to the area where these machines are located;
 - access to the area where the machines are located is supervised the area where these machines are located is arranged so that it can be observed by the staff or the licence holder; and
 - at the entrance to and inside any such areas there are prominently displayed notices indicating that access to the area is prohibited to persons under 18.
- 6.6 These considerations will apply to premises including buildings where multiple premises licences are applicable.
- 6.7 This licensing authority is aware that betting tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. As per the Gambling Commission's Guidance, this licensing authority will consider the impact upon the third licensing objective and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.
- 6.8 It is recognised that there are conditions which the licensing authority cannot attach to premises licences which are:
- any condition on the premises licence which makes it impossible to comply with an operating licence condition
 - conditions relating to gaming machine categories, numbers, or method of operation;
 - conditions which provide that membership of a club or body be required (the Gambling Act 2005 specifically removes the membership requirement for casino and bingo clubs and this provision prevents it being reinstated) and
 - conditions in relation to stakes, fees, winning or prizes
 - Applicants will however need to demonstrate social responsibility and adhere to best practice in the protection of the vulnerable

7 Door Supervisors

- 7.1 The Gambling Commission advises in its Guidance for local authorities that licensing authorities may consider whether there is a need for door supervisors in terms of the licensing objectives of protection of children and vulnerable persons from being harmed or exploited by gambling, and also in terms of preventing premises becoming a source of crime.
- 7.2 The Private Security Industry Act 2001 exempts door supervisors for casinos and bingo halls from requiring a Door Supervisors Licence. Irrespective of the provision this authority will require door supervisors used at these premises to be licensed.
- 7.3 For other premises, where supervision of entrances/machines is appropriate any requirements for door supervisors or others will be on a case by case basis. In general betting offices will not require door supervisors for the protection of the public. A door supervisor will only be required if there is clear evidence that the premises cannot be adequately supervised from the counter and that door supervision is both necessary and proportionate.

8 Adult Gaming Centres

- 8.1 This licensing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the premises.

Appropriate licence conditions may cover issues such as:

- Proof of age schemes
- CCTV
- Door supervisors
- Supervision of entrances / machine areas
- Physical separation of areas
- Location of entry
- Notices / signage
- Specific opening hours
- Self-barring schemes
- Provision of information leaflets/ helpful numbers for organisations such as GamCare

- 8.2 This list is neither mandatory nor exhaustive, and is merely indicative.

9 (Licensed) Family Entertainment Centres:

9.1 This licensing authority will specifically have regard to the need to protect children and vulnerable persons from harm or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machine areas. Appropriate licence conditions may cover issues such as:

- Proof of age schemes
- CCTV
- Door supervisors
- Supervision of entrances / machine areas
- Physical separation of areas
- Location of entry
- Notices / signage
- Specific opening hours
- Self barring schemes
- Provision of information leaflets/ helpful numbers for organisations such as GamCare
- Measures/training for staff on how to deal with suspected truant school children on the premises

9.2 This list is not mandatory, nor exhaustive, is it merely indicative.

9.3 This licensing authority will, in accordance with the Gambling Commission's guidance, refer to the Commission's website to see any conditions that apply to operator licences covering the way in which the area containing the category C. Category C machines give a higher payout than children are permitted to use should be delineated. This licensing authority will also make itself aware of any mandatory or default conditions on these premises licences, when they have been published.

10 Casinos

10.1 The Gambling Act, section 166, allows licensing authorities to resolve not to issue casino premises licences. The licensing authority has consulted with residents and businesses to seek their views before deciding whether to make such a resolution. As a result of the consultation the council has resolved not to issue casino premises licences. (Council decision 18th September 2013)

11 Bingo premises

11.1 This licensing authority recognises that the Gambling Commission's Guidance states:

"It is important that if children are allowed to enter premises licensed for bingo that they do not participate in gambling, other than on category D machines. Where category C or above machines are available in premises to which children are admitted licensing authorities should ensure that::

- all such machines are located in an area of the premises separate from the remainder of the premises by a physical barrier which is effective to prevent access other than through a designated entrance;
- only adults are admitted to the area where the machines are located;
- access to the area where the machines are located is supervised;
- the area where the machines are located is arranged so that it can be observed by staff of the operator or the licence holder; and
- at the entrance to, and inside any such area there are prominently displayed notices indicating that access to the area is prohibited to persons under 18."

11.2 This licensing authority is aware that the Gambling Commission is going to issue further guidance about the particular issues that licensing authorities should take into account in relation to the suitability and layout of bingo premises. This guidance will be considered by this licensing authority once it is made available.

12 Betting Premises

12.1 Betting Machines - This licensing authority will have regard to the Gambling Commission's Guidance, take into account the size of the premises, the number of counter positions available for person-to-person transactions, and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number/nature/circumstances of betting machines an operator wants to offer.

13 Tracks – (This section refers to where racing takes place, such as horse or greyhound racing) and other matters

13.1 This licensing authority is aware that tracks may be subject to one or more than one premises licence, provided each licence relates to a specified area of the track. In accordance with the Gambling Commission's Guidance, this licensing authority will especially consider the impact upon the third licensing objective (i.e. the protection of children and vulnerable persons from being harmed or exploited by gambling) and the need to ensure that entrances to each type of premises are distinct and that children are excluded from gambling areas where they are not permitted to enter.

- 13.2 This authority will therefore expect the premises licence applicant to demonstrate suitable measures to ensure that children do not have access to adult only gaming facilities. It is noted that children and young persons will be permitted to enter track areas where facilities for betting are provided on days when dog racing and/or horse racing takes place, but that they are still prevented from entering areas where gaming machines (other than category D machines) are provided
- 13.3 This licensing authority will expect applicants to offer their own measures to meet the licensing objectives however appropriate measures / licence conditions may cover issues such as:
- Proof of age schemes
 - CCTV
 - Supervision of entrances / machine areas
 - Physical separation of areas
 - Location of entry
 - Notices / signage
 - Specific opening hours
 - Self-baring schemes
 - Provision of information leaflets / helpline numbers for organisations such as GamCare
- 13.4 This list is not mandatory, nor exhaustive, and is merely indicative of example measures.
- 13.5 Gaming machines - Further guidance from the Gambling Commission is awaited as regards where such machines may be located on tracks and any special considerations that should apply in relation, for example, to supervision of the machines and preventing children from playing them. This licensing authority notes the Commission's Guidance that licensing authorities therefore need to consider the location of gaming machines at tracks, and applications for track premises licences will need to demonstrate that, where the applicant holds a pool betting operating licence and is going to use their entitlement to four gaming machines, these machines are located in areas from which children are excluded. Children and young people are not prohibited from playing category D gaming machines on a track.
- 13.6 Betting machines - This licensing authority will, having regard to the Gambling Commission's Guidance, take into account the size of the premises and the ability of staff to monitor the use of the machines by children and young persons (it is an offence for those under 18 to bet) or by vulnerable people, when considering the number /nature / circumstances of betting machines an operator wants to offer. It will also take note of the Gambling Commission's suggestion that licensing

authorities will want to consider restricting the number and location of such machines in respect of applications for track betting premises licences.

- 13.7 Condition on rules being displayed - The Gambling Commission has advised in its Guidance for local authorities that “licensing authorities should attach a condition to track premises licences requiring the track operator to ensure that the rules are prominently displayed in or near the betting areas, or that other measures are taken to ensure that they are made available to the public. For example, the rules could be printed in the race-card or made available in leaflet form from the track office.”
- 13.8 Applications and plans - This licensing authority awaits regulations setting-out any specific requirements for applications for premises licences but is in accordance with the Gambling Commission’s suggestion “To ensure that licensing authorities gain a proper understanding of what they are being asked to license they should, in their licensing policies, set out the information that they will require, which should include detailed plans for the racetrack itself and the area that will be used for temporary “on-course” betting facilities (often known as the “betting ring”) and in the case of dog tracks and horse racecourses fixed and mobile pool betting facilities operated by the Tote or track operator, as well as any other proposed gambling facilities.” And that “Plans should make clear what is being sought for authorisation under the track betting premises licence and what, if any, other areas are to be subject to a separate application for a different type of premises licence.”
- 13.9 This licensing authority also notes that in the Commission’s view that it would be preferable for all self-contained premises operated by off-course betting operators on track to be the subject of separate premises licences, to ensure that there is clarity between the respective responsibilities of the track operator and the off-course betting operator running a self-contained unit on the premises.

14 Travelling Fairs

- 14.1 It will fall to this licensing authority to decide whether, and where category D machines and / or equal chance prize gaming without a permit is to be made available for use at travelling fairs, provided that the statutory requirement that the facilities for gambling amount to no more than an ancillary amusement at the fair is met.
- 14.2 The licensing authority will expect applicants to show how they will meet the licensing objectives, in particular in relation to children and young persons.
- 14.3 The licensing authority will also consider whether the applicant falls within the statutory definition of a travelling fair.

14.4 It has been noted that the 27-day statutory maximum for the land being used as a fair, is per calendar year, and that it applies to the piece of land on which the fairs are held, regardless of whether it is the same or different travelling fairs occupying the land. This licensing authority will work with its neighbouring authorities to ensure that land which crosses our boundaries is monitored so that the statutory limits are not exceeded.

15 Provisional Statements ("in principle" licences where premises are not yet developed)

15.1 This licensing authority notes the Guidance for the Gambling Commission which states that "It is a question of fact and degree whether premises are finished to a degree that they can be considered for a premises licence" and that "Requiring the building to be complete ensures that the authority could if necessary inspect it fully".

15.2 In terms of representations about premises licence applications, following the grant of a provisional statement, no further representations from relevant authorities or interested parties can be taken into account unless they concern matters which could not have been addressed at the provisional statement stage, or they reflect a change in the applicant's circumstances.

15.3 In addition, the authority may refuse the premises licence (or grant it on terms different to those attached to the provisional statement) only by reference to matters: -

(a) which could not have been raised by objectors at the provisional licence stage; or

(b) which is in the authority's opinion reflect a change in the operator's circumstances.

16 Reviews:

16.1 Requests for a review of a premises licence can be made by interested parties or responsible authorities, however, it is for the licensing authority to decide whether the review is to be carried-out. This will be on the basis of whether the request for the review is relevant to the matters listed below, as well as consideration as to whether the request is frivolous, vexatious, will certainly not cause this authority to wish alter/revoke/suspend the licence, or whether it is substantially the same as previous representations or requests for review.

- in accordance with any relevant code of practice issued by the Gambling Commission;
- in accordance with any relevant guidance issued by the Gambling Commission;

- reasonably consistent with the licensing objectives; and
- in accordance with the authority’s statement of licensing policy.
- The licensing authority can also initiate a review of a licence on the basis of any reason which it thinks is appropriate.

PART C - Permits / Temporary & Occasional Use Notice

1 Unlicensed Family Entertainment Centre Gaming Machine Permits

- 1.1 Where premises do not hold a premises licence but wishes to provide gaming machines, it may apply to the licensing authority for this permit. It should be noted that the applicant must show that the premises will be wholly or mainly used for making gaming machines available for use
- 1.2 A licensing authority may prepare a statement of principles that they propose to consider in determining the suitability of an applicant for a permit and in preparing this statement, and/or considering applications, it need not (but may) have regard to the licensing objectives and shall have regard to any relevant guidance issued by the Commission
- 1.3 The Gambling Commission’s Guidance for local authorities also states: “In their three year licensing policy statement, licensing authorities may include a statement of principles that they propose to apply when exercising their functions in considering applications for permit. Licensing authorities will want to give weight to child protection issues.”
- 1.4 Guidance also states: “An application for a permit may be granted only if the licensing authority is satisfied that the premises will be used as an unlicensed Family Entertainment Centres, and if the chief officer of police has been consulted on the application. Licensing authorities might wish to consider asking applicants to demonstrate:
- a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed Family Entertainment Centres;
 - that the applicant has no relevant convictions and
 - that staff are trained to have a full understanding of the maximum stakes and prizes.
- 1.5 It should be noted that a licensing authority cannot attach conditions to this type of permit.

- 1.6 Statement of Principles - This licensing authority will expect the applicant to show that there are policies and procedures in place to protect children from harm. Harm in this context is not limited to harm from gambling but includes wider child protection considerations. The efficiency of such policies and procedures will each be considered on their merits, however, they may include appropriate measures / training for staff as regards suspected truant school children on the premises, measures / training covering how staff would deal with unsupervised very young children being on the premises, or children causing perceived problems on / around the premises. Location will also be expected to be dealt with, and it is the licensing authorities view that premises should not normally be licensed which are close to schools, playgrounds, or other educational establishments such as museums and places of worship.
- 1.7 This licensing authority will also expect that applicants demonstrate a full understanding of the maximum stakes and prizes of the gambling that is permissible in unlicensed Family Entertainment Centres; that the applicant has no relevant convictions and that staff are trained to have a full understanding of the maximum stakes and prizes.

2 (Alcohol) Licensed premises gaming machine permits

- 2.1 There is provision in the Act for premises licensed to sell alcohol for consumption on the premises, to automatically have 2 gaming machines, of categories C and/or D. Full definitions of the Gaming Machine Categories can be found on the Councils website; www.towerhamlets.gov.uk. The premises merely need to notify the licensing authority. In relation to all applications the licensing authority will use nationally recommended forms from LACORS as far as possible. The licensing authority can remove the automatic authorisation in respect of any particular premises if:
- provision of the machines is not reasonably consistent with the pursuit of the licensing objectives;
 - gaming has taken place on the premises that breaches a condition of section 282 of the Gambling Act (i.e. that written notice has been provided to the licensing authority, that a fee has been provided and that any relevant code of practice issued by the Gambling Commission about the location and operation of the machine has been complied with);
 - the premises are mainly used for gaming; or
 - an offence under the Gambling Act has been committed on the premises.

- 2.2 If a premises wishes to have more than 2 machines, then it needs to apply for a permit and the licensing authority must consider that application based upon the licensing objectives, any guidance issued by the Gambling Commission issued under Section 25 of the Gambling Act 2005, and “such matters as they think relevant..” The licensing authority will require that an application for more than two machines is considered against the above and the matters in 2.3 below before it is granted or refused.
- 2.3 This licensing authority considers that “such matters” will be decided on a case by case basis but generally there will be regard to the need to protect children and vulnerable persons from harmed or being exploited by gambling and will expect the applicant to satisfy the authority that there will be sufficient measures to ensure that under 18 year olds do not have access to the adult only gaming machines. Measures which will satisfy the authority that there will be no access may include the adult machines being in sight of the bar, or in the sight of staff that will monitor that the machines are not being used by those under 18. Notices and signage may also be help.
- 2.4 As regards the protection of vulnerable persons applicants may wish to consider the provision of information leaflets / helpline numbers for organisations such as GamCare.
- 2.5 It is recognised that some alcohol licensed premises may apply for a premises licence for their non-alcohol licensed areas. Any such application would most likely need to be applied for, and dealt with as an Adult Gaming Centre premises licence.
- 2.6 The licensing authority can decide to grant the application with a smaller number of machines and/or a different category of machines than that applied for conditions (other than these) cannot be attached.
- 2.7 The holder of a permit must comply with any Code of Practice issued by the Gambling Commission about the location and operation of the machine.

3 Prize Gaming Permits

- 3.1 The licensing authority may “prepare a statement of principles that they propose to apply in exercising their functions under this Schedule” which “may, in particular, specify matters that the licensing authority propose to consider in determining the suitability of the applicant for a permit”.

- 3.2 This licensing authority has prepared a Statement of Principles which is that the applicant should set out the types of gaming that he or she is intending to offer and that the applicant should be able to demonstrate:
- that they understand the limits to stakes and prizes that are set out in Regulations;
 - and that the gaming offered is within the law.
- 3.3 In making its decision on an application for this permit the licensing authority does not need to have regard to the licensing objectives but must have regard to any Gambling Commission guidance.
- 3.4 It should be noted that there are conditions in the Gambling Act 2005 by which the permit holder must comply, but that the licensing authority cannot attach conditions. The conditions in the Act are:
- the limits on participation fees, as set out in regulations, must be complied with;
 - all chances to participate in the gaming must be allocated on the premises on which the gaming is taking place and on one day; the game must be played and completed on the day the chances are allocated; and the result of the game must be made public in the premises on the day that it is played;
 - the prize for which the game is played must not exceed the amount set out in regulations (if a money prize), or the prescribed value (if non-monetary prize); and
 - participation in the gaming must not entitle the player to take part in any other gambling.

4 Club Gaming and Club Machines Permits

- 4.1 Members Clubs and Miners' welfare institutes (but not Commercial Clubs) may apply for a Club Gaming Permit or a Clubs Gaming machines permit. The Club Gaming Permit will enable the premises to provide gaming machines (3 machines of categories B, C or D), equal chance gaming and games of chance as set-out in forthcoming regulations.
- 4.2 A Club Gaming machine permit will enable the premises to provide gaming machines (3 machines of categories B, C or D).
- 4.3 Gambling Commission Guidance states: "Members clubs must have at least 25 members and be established and conducted "wholly or mainly" for purposes other than gaming, unless the gaming is permitted by separate regulations. It is anticipated that this will cover bridge and whist clubs, which will replicate the position under the Gaming Act 1968. A members' club must be permanent in nature, not established to make commercial profit, and controlled by its members equally. Examples include working

men's clubs, branches of Royal British Legion and clubs with political affiliations.”

4.4 The Commission Guidance also notes that “licensing authorities may only refuse an application on the grounds that:

- a) the applicant does not fulfil the requirements for a members' or commercial club or miners' welfare institute and therefore is not entitled to receive the type of permit for which it has applied;
- b) the applicant's premises are used wholly or mainly by children and/or young persons;
- c) an offence under the Act or a breach of a permit has been committed by the applicant while providing gaming facilities;
- d) a permit held by the applicant has been cancelled in the previous ten years; or
- e) an objection has been lodged by the Commission or the police.

4.5 There is also a 'fast-track' procedure available under the Act for premises which hold a Club Premises Certificate under the Licensing Act 2003 (Schedule 12 paragraph 10). As the Gambling Commission's Guidance for local authorities states: “Under the fast-track procedure there is no opportunity for objections to be made by the Commission or the police, and the ground upon which an authority can refuse a permit are reduced.” And “The grounds on which an application under the process may be refused are:

- (a) that the club is established primarily for gaming, other than gaming prescribed under schedule 12;
- (b) that in addition to the prescribed gaming, the applicant provides facilities for other gaming; or
- (c) that a club gaming permit or club machine permit issued to the applicant in the last ten years has been cancelled.”

4.6 There are statutory conditions on club gaming permits that no child uses a category B or C machine on the premises and that the holder complies with any relevant provision of a code of practice about the location and operation of gaming machines.

5 Temporary Use Notices

5.1 The granting of a temporary use notice allows premises without a premises licence to be used by a gambling operator temporarily to provide facilities for gambling

- 5.2 Licensing authorities are being asked to mindful of the restrictions that allow premises to be licensed for at the most 21 days per year under Temporary Use Notices
- 5.3 It is possible licence part of a building or set of premises if the location can be rightfully regarded as being separate in terms of ownership, occupation and control.
- 5.4 This authority will object to a Temporary Use Notice application if it appears that regular gambling is taking place in locations the could be described as one set of premises.

6 Occasional Use Notices

- 6.1 Occasional Use Notices relate to occasional "track" uses. Betting Track is usually thought of as horse or dog racing. These notices will be for events like point to points on agricultural land.
- 6.2 The licensing authority has very little discretion as regards these notices aside from ensuring that the statutory limit of 8 days in a calendar year is not exceeded. This licensing authority will though consider the definition of a 'track' and whether the applicant is permitted to avail him/herself of the notice.

PART D

1 Administration, Exercise and Delegation of Functions

- 1.1 The Council will be involved in a wide range of licensing decisions and functions and has established a Licensing Committee to administer them.
- 1.2 Appreciating the need to provide a speedy, efficient and cost-effective service to all parties involved in the licensing process, the Committee has delegated certain decisions and functions and has established a number of Sub-Committees to deal with them.
- 1.3 Further, with many of the decisions and functions being purely administrative in nature, the grant of non-contentious applications where no representations have been made has been delegated to Council Officers. All such matters dealt with by Officers will be reported for information and comment only to the next Committee meeting. The decisions cannot be reversed.
- 1.4 The following Table sets out the agreed delegation of decisions and functions to Licensing Committee, Sub-Committees and Officers.

- 1.5 This form of delegations is without prejudice to Officers referring an application to a Sub-Committee, or a Sub-Committee to Full Committee, if considered appropriate in the circumstances of any particular case.

1 TABLE OF DELEGATIONS OF LICENSING FUNCTIONS

MATTER TO BE DEALT WITH	BY WHOM
Three year licensing policy (responsibility shared with Cabinet) Policy to permit or not to permit casinos	THE FULL COUNCIL
Fee Setting- (but when appropriate Corporate Director) Application - for a premises licence, variation of a premises licence, transfer of a premises licence, application for a provisional statement in connection with a premises, in all cases where representations have been received and not withdrawn. Review- of a premises licence. Application for, or cancellation of club gaming /club machine permits where representations have been received and not withdrawn Decision to give a counter notice to a temporary use notice	LICENSING COMMITTEE/ SUB-COMMITTEE
For a premises licence, variation of a premises licence, transfer of a premises, application for a provisional statement in connection with a premises, in all cases where no representations have been received/ or representations have been withdrawn. Application for a club gaming machine/ club machine permit where no representations received/ representations have been withdrawn. Applications for other permits Cancellation of licensed premises gaming machine permits Consideration of temporary use notice	OFFICERS

Annexes

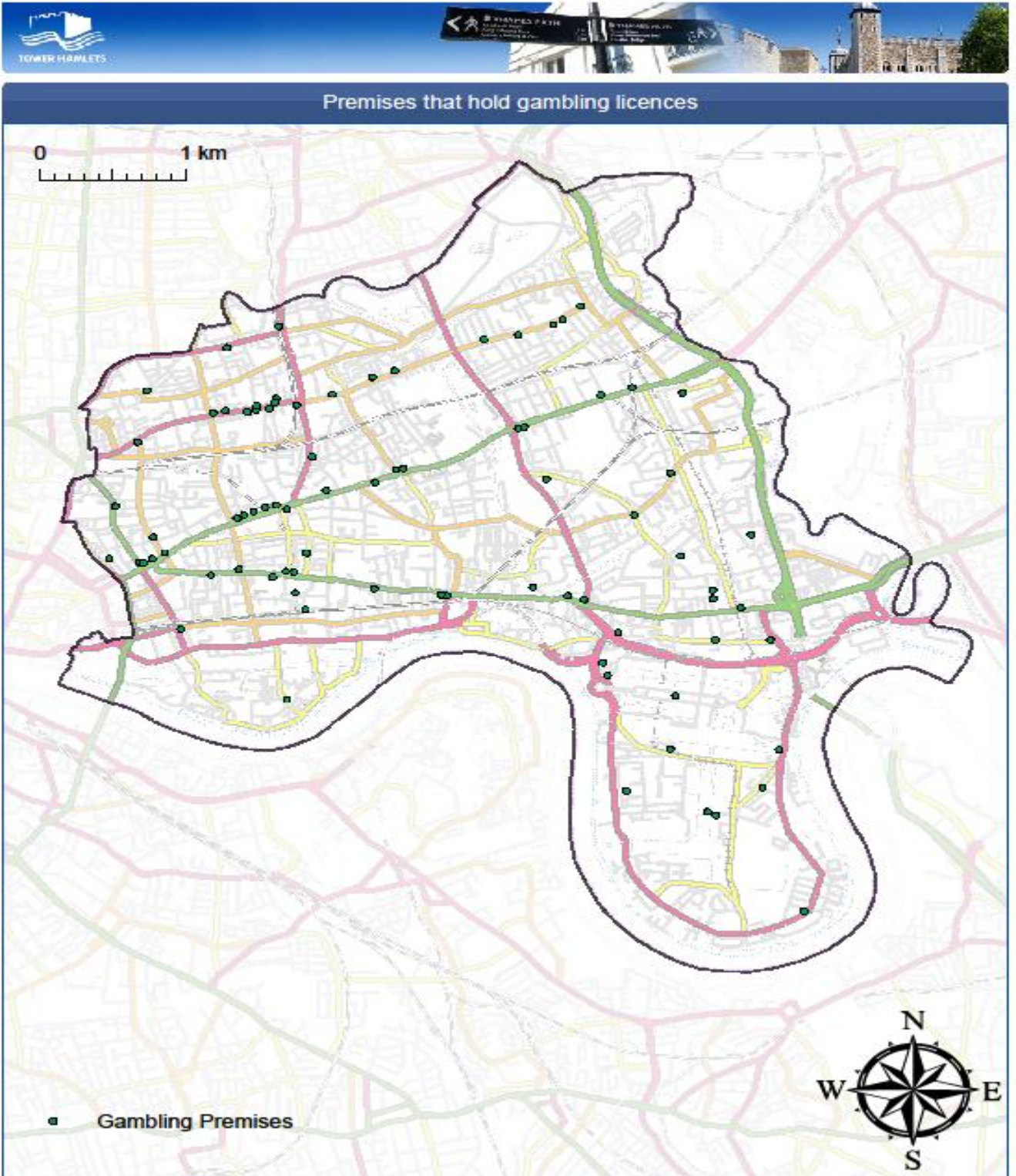
Annex 1 Map of London Borough of Tower Hamlets showing where Gambling Premises Licences have been issued

Annex 2 Details of those consulted.

Annex 3 Results of Consultation

Annex 1

Map of Tower Hamlets showing Gambling Premises Licences issued



This map is based upon Ordnance Survey material with the permission of Ordnance Survey on behalf of the Controller of Her Majesty's Stationery Office © Crown copyright. Unauthorised reproduction infringes Crown copyright and may lead to prosecution or civil proceedings. London Borough of Tower Hamlets 100019295, 2012. Drawn by WN GIS for CLC September 2012

Annex 2

List of consultees:

Authorities/Bodies

The Gambling Commission
Metropolitan Police Service
Her Majesty's Revenue & Customs
Directorate of Development & Renewal
London Fire & Emergency Planning Authority
c/o The Maritime & Coastguard Agency
Jane Cook CPRS Unit
British Waterways Board
The Environment Agency
NSPCC
Tower Hamlets Primary Care Trust
Young Mayor and Youth Panel
Inter Faith Forum
Schools
Adults Safeguarding Board
Community Safety Partnership

Gambling Support Services

GamCare
Gamblers Anonymous
Responsibility in Gambling Trust

Businesses

Agora Betting (UK) Ltd
Arcade Shop
Bet Share Racing
Betex
Betfred Ltd
Better
Betting Shop Services Ltd
Canary Wharf Sports Exchange Ltd
Carousel Amusements
Cashino
Collins Bookmakers
Coral Racing Ltd
Frankice (Golders Green) Ltd
Gala Coral Group
Gold Room

Grove Leisure Ltd
Joe Jennings Bookmakers Ltd
Ladbrokes Betting & Gambling Ltd
Leisure World (UK) Ltd
Lucky 8 Limited
Paddy Power Limited
Quicksilver Limited
Roar Betting
Roma
Shirt Hot Limited
Talarius Ltd
Tote Bookmakers
TWL Holdings Limited
Two Way Media Ltd
William Claridge Ltd
William Hill Organisation Ltd

Licensing Committee Members

Cllr Carli Harper-Penman
Cllr Rajib Ahmed
Cllr Khales Uddin Ahmed
Cllr Lutfu Begum
Cllr Mizanur Chaudhury
Cllr Marc Francis
Cllr Peter Golds
Cllr Sirajul Islam
Cllr Denise Jones
Cllr Gulam Robbani
Cllr Amy Whitelock
Cllr David Snowdon

Housing Associations

A 2 Dominion Housing
Eastend Homes
Gateway Housing
Mitali Housing Association
One Housing Group
Poplar Harca
Peabody Housing Association
Spitalfields Housing Association
Tower Hamlets Community Housing
Tower Hamlets Homes
Oxford House
Industrial Dwellings Society
Karin Housing Association

Look Ahead Housing Care
Newlon
Old Ford Housing Association
Peter Bedford Housing Association
Reside Housing Association Ltd
South Poplar and Limehouse Action for Secure
Housing
St Margarets House Settlement
The Kipper Project

Annex 3

Consultation Comments

Consulted	Comment	Response
Lee Daly Old Ford Housing Association	The policy is comprehensive and covers all areas of concern	Noted Action: None
Chris Lovitt NHS Tower Hamlets	A review has been undertaken by NHS Tower Hamlets in relation to problem gambling. The main points made covered: Monitoring Gambling premises, monitoring advertising, assessing the impact on the quality of life, foster a research agenda, adopt harm reduction via health authorities intervention.	NHS Tower Hamlets provided a comprehensive review of macro issues relating to gambling. The majority of issues covered were out of the scope of the Policy however, agreement has been made for the Council and public Health to review and work to an agreed agenda to address some of the issued outlined in the response. Action: Monitoring of Gambling premises is part of the Service Planning process.
Jane Cooke – Child Protection Reviewing Service	Should there be a definition of ‘close to schools. Playgrounds or other educational establishments such as museums and places of worship’	The Gambling Commission Policy requires children and vulnerable groups to be considered only. The licence consultation process could be restrictive if specific distances were imposed. Any application that has an representation made against it will be referred to the Licensing Sub-Committee
John Rutherford Adult Safe Guarding Board	The major issue from our perspective would be having safeguards that protect adults without	Noted: the policy requires vulnerable groups to be protected.

	mental capacity from getting into situations of financial difficulties	
Member Consultation	Good Practice Guide for businesses to follow	Introduction of Annex 4 the Gambling Best Practice Guide

Annex 4: Gambling Best Practice Guide

We expect all Gambling premises in the Borough to carry out the measures listed in this Best Practice Guide along with the measures detailed in the main Policy. This guide is about businesses that promote gambling have the responsibility in protecting the vulnerable who may be exposed by their activities.

- All premises to hold and maintain a log of incidences and the handling of problem gambling that occur in the premises. This information should be shared with Licensing Officers on request. Relevant data that should be held include the date and a short description of the intervention in relation to voluntary/mandatory exclusions and whether individuals have tried to gain entry, attempts of those that are underage to gain entry whether with an adult or not. Any incident requiring an intervention from staff
- Staff should be aware on how to tackle irresponsible gambling and have sufficient knowledge on how to promote responsible gambling. Be able to signpost customers to support services with respect to problem gambling, financial management and debt advice. Leaflets on how to identify problem gambling should available for customers in the premises.
- Staff should be aware of the importance of social responsibility, the causes and consequences of problem gambling, intervention with vulnerable persons, dealing with the exclusion of problem gamblers and escalating them for advice or treatment.
- Staff should be aware of refusing customers entry due to alcohol or drugs, age verification processes, identifying forged ID, the importance of time and spend limits
- Staff to be familiar with the offences under the Gambling Act, the categories of gaming machines, the stakes and odds associated with each machine.
- Staff should also be aware of not encouraging customers to increase the amount or time they gamble, re-gamble winnings and chase losses.
- Staff to be excluded from gambling at the premises where they are employed and the premises to have a 'no tipping' rule.
- Applicants may wish to seek support with their applications from the Crime Reduction Officer and GamCare with a view to obtaining a certificate of Social Responsibility.
- Where Fixed Odds Betting Terminals are installed within the premises they should be positioned in direct sight of a supervised counter.

Appendix Two

Gambling Policy – Proposed Changes for consultation:

Section/Page	Addition/Deletion	Rationale
PART A		
At page 3 in the table of contents add	<u>Add:</u> <i>Annex 5 Sample conditions</i> <i>Annex 6 Local Area Profiles</i>	Re-ordering of references
At page 4 after paragraph 1.3	<u>Add:</u> The Gambling Commission’s Licence Conditions and Code of Practice (LCCP) require gambling premises to undertake a risk assessment taking into consideration their local information. Specific information about localities is provided in this policy at Annexe 6. The risk assessment is required to be shared with the Council where there is a new application and or a variation to an existing premises licence.	Requirement for risk assessments to be carried out by licence holder and shared with the Council.
At page 5 paragraph 5, change the consultation dates	October 2015 to January 2016	New consultation period
At page 9 after paragraph 7.9	<u>Add:</u> The Authority uses the templates inspection forms produced by the Leicester, Rutland and Leicestershire Licensing Forum and	Open and transparent inspection formats.

	<p>Leicestershire Local Economic Partnership.</p> <p>To assist the targeting of the Council’s enforcement activity the Council will request that operators / premises share:-</p> <ul style="list-style-type: none"> • test purchasing results (subject to the terms of primary authority agreements) ; • incidents in premises, which managers are likely to be required to report to head office; • information about numbers of self-excluded gamblers to help it develop its understanding about the risk of problem gambling in its area. <p>This information will help the Council to get a clearer picture of which premises may be experiencing issues, meaning that the inspection and enforcement activity is appropriately structured</p> <p>Operators are not automatically required to share their risk assessments with licensing authorities except when they are applying for a new premises licence or to vary an existing one. However, the Gambling Commission is advising operators to do so.</p> <p>The Council will request a copy of each premises risk assessment during the first year of this Policy.</p>	
Part B		
At page 11 after 3.2	<p><u>Add:</u> The council will need to be satisfied that there is sufficient evidence that the particular location of the premises would not be harmful to the licensing objectives.</p>	Content and detail of local risk assessments

	<p>From 6 April 2016, it is a requirement of the Gambling Commission's Licence Conditions and Codes of Practice (LCCP), under section 10, for licensees to assess the local risks to the licensing objectives posed by the provision of gambling facilities at their premises and have policies, procedures and control measures to mitigate those risks. In making risk assessments, licensees must take into account relevant matters identified in this policy.</p> <p>The LCCP goes on to say licensees must review (and update as necessary) their local risk assessments:</p> <ol style="list-style-type: none"> a. to take account of significant changes in local circumstance, including those identified in this policy; b. when there are significant changes at a licensee's premises that may affect their mitigation of local risks; c. when applying for a variation of a premises licence; and d. in any case, undertake a local risk assessment when applying for a new premises licence. <p>The Council will expect the local risk assessment to consider as a minimum:</p> <ul style="list-style-type: none"> • whether the premises is in an area of deprivation • whether the premises is in an area subject to high levels of crime and/or disorder • the ethnic profile of residents in the area • the demographics of the area in relation to vulnerable groups • the location of services for children such as schools, playgrounds, toy shops, leisure centres and other areas where children will gather 	
--	--	--

	<p>In any case the local risk assessment should show how vulnerable people, including people with gambling dependencies, are protected.</p> <p>Other matters that the assessment may include:</p> <ul style="list-style-type: none"> • The training of staff in brief intervention when customers show signs of excessive gambling, the ability of staff to offer brief intervention and how the manning of premises affects this. • Details as to the location and coverage of working CCTV cameras, and how the system will be monitored. • The layout of the premises so that staff have an unobstructed view of persons using the premises; • The number of staff that will be available on the premises at any one time. If at any time that number is one, confirm the supervisory and monitoring arrangements when that person is absent from the licensed area or distracted from supervising the premises and observing those persons using the premises. • Arrangements for monitoring and dealing with under age persons and vulnerable persons, which may include dedicated and trained personnel, leaflets, posters, self-exclusion schemes, window displays and advertisements not to entice passers-by etc. • The provision of signage and documents relating to games rules, gambling care providers and other relevant information be provided in both English and the other prominent first language for that locality. • Where the application is for a betting premises licence, other than in respect of a track, the location and extent of any part of the premises which will be used to provide facilities for gambling in reliance on the licence. <p>To assist operators, Annex 6 sets out the Council's Gambling Local</p>	
--	---	--

	Area Profiles criteria.	
At page 13 after 6.2	<u>Add:</u> The Gambling Commission have produced a list of sample conditions, and these are reproduced at Annex 5. These could be imposed in a number of circumstances to address evidence based concerns.	Potential standard conditions that could be imposed on new or reviewed licences.
At Page 27	<u>Add:</u> Annex 4 Gambling Best Practice Guide Annex 5 Sample conditions Annex 6 Local area profiles	Re-ordering of references
At page 34	<u>Add:</u> Appendix 5: Sample of premises licence conditions This Annex, reproduced from the Gambling Commission's Guidance to Licensing Authorities, provides a sample of conditions that have been attached to premises licences by licensing authorities, with some amended for illustrative purposes. These are not blanket conditions but have been imposed in a number of circumstances to address evidence based concerns. Part 9 of the Gambling Commission's Guidance to Licensing Authorities provides further details on the principles licensing authorities should apply when exercising their discretion to impose premises licence conditions. The conditions listed below have been grouped under specific headings for ease of reference. There will inevitably be some overlap between those conditions that address different concerns, for example those related to security and to anti-social behaviour. 1. Security	Examples of standard conditions that could be used

	<p>1.1 No pre-planned single staffing after 8pm and, when this is unavoidable, for a Maglock to be in constant use.</p> <p>1.2 A minimum of two members of staff after 10pm.</p> <p>1.3 A minimum of two members of staff will be on duty throughout the whole day.</p> <p>1.4 The premises will have an intruder alarm and panic button.</p> <p>1.5 Maglock systems are employed and access is controlled.</p> <p>1.6 Requirements for full-height security screens to be installed.</p> <p>1.7 A requirement for 50% of the shop frontage to be clear of advertising so that staff have a clear view and can monitor the exterior of the premises.</p> <p>1.8 The premise shall maintain a 'safe haven' to the rear of the counter.</p> <p>1.9 The premises shall install and maintain a comprehensive CCTV system as per the minimum requirements of a Metropolitan Police Crime Prevention Officer. All entry and exit points will be covered enabling frontal identification of every person entering in any light condition. The CCTV system shall continually record whilst the premises is open for licensable activities and during all times when customers remain on the premises. All recordings shall be stored for a minimum period of 31 days with date and time stamping. Recordings shall be made available immediately upon the request of Police or an authorised officer throughout the preceding 31-day period.</p> <p>1.10 A member of staff from the premises who is conversant with the operation of the CCTV system shall be on the premises at all times when the premises are open to the public. This member of staff must be able to show a member of the police or authorised council officer recent data or footage with the absolute minimum of delay when requested.</p> <p>1.11 A monitor shall be placed inside the premises above the front</p>	
--	---	--

	<p>door showing CCTV images of customers entering the premises.</p> <p>1.12 If at any time (whether before or after the opening of the premises), the police or licensing authority supply to the premises names and/or photographs of individuals which it wishes to be banned from the premises, the licensee shall use all reasonable endeavours to implement the ban through staff training.</p> <p>2. Anti-social behaviour</p> <p>2.1 The Licensee shall develop and agree a protocol with the police as to incident reporting, including the type and level of incident and mode of communication, so as to enable the police to monitor any issues arising at or in relation to the premises.</p> <p>2.2 The Licensee shall take all reasonable steps to prevent street drinking of alcohol directly outside the premises and to ban from the premises those who do so.</p> <p>2.3 The Licensee shall place a notice visible from the exterior of the premises stating that drinking alcohol outside the premises is forbidden and that those who do so will be banned from the premises.</p> <p>2.4 Notices indicating that CCTV is in use at the premises shall be placed at or near the entrance to the premises and within the premises.</p> <p>2.5 The Licensee shall place and maintain a sign at the entrance which states that 'only drinks purchased on the premises may be consumed on the premises'.</p> <p>2.6 The Licensee shall implement a policy of banning any customers who engage in crime or disorder within or outside the premises.</p> <p>2.7 The Licensee shall install and maintain an ultraviolet lighting system in the customer toilet.</p> <p>2.8 The Licensee shall install and maintain a magnetic door locking system for the customer toilet operated by staff from behind the counter.</p>	
--	--	--

	<p>2.9 Prior to opening the Licensee shall meet with the Crime Prevention Officer in order to discuss any additional measures to reduce crime and disorder.</p> <p>3. Underage controls</p> <p>3.1 The Licensee shall maintain a bound and paginated 'Think 21 Refusals' register at the premises. The register shall be produced to the police or licensing authority forthwith on request.</p> <p>3.2 Customers under 21 will have to provide ID.</p> <p>3.3 The premises will operate a 'challenge 25' policy and prominent signage and notices will be displayed showing the operation of such policy</p> <p>3.4 Compulsory third party test purchasing on a twice yearly external system and the results to be reported to the Local Authority and police. In the first twelve months (from the date of the Review) two additional internal test purchase operations to be carried out.</p> <p>3.5 A physical barrier (ie a supermarket metal type or similar) acceptable to the licensing authority, and operated in conjunction with the existing monitored alert system, to be put in place within 3 months from the date of the review.</p> <p>3.6 No machines in the Unlicensed Family Entertainment Centre to be sited within one metre of the Adult Gaming Centre entrance.</p> <p>4. Player protection controls</p> <p>4.1 Prominent GamCare documentation will be displayed at the premises.</p> <p>4.2 There shall be no cash point or ATM facilities on the premises.</p> <p>4.3 The Licensee shall train staff on specific issues related to the local area and shall conduct periodic refresher training. Participation in the training shall be formally recorded and the records produced to the police or licensing authority upon request.</p> <p>4.4 New and seasonal staff must attend induction training. All existing</p>	
--	---	--

	<p>staff must attend refresher training every six months.</p> <p>4.5 All notices regarding gambling advice or support information within the vicinity of XXX must be translated into both simplified and local languages.</p> <p>4.6 Infra Red Beam to be positioned across the entrance to the premises. To be utilised whenever:</p> <p>(a) The first member of staff is not positioned within the Cash Box or,</p> <p>(b) The second member of staff is not on patrol</p> <p>Annex 5 Local area profiles</p> <p>The aim of local area profiles is to build up a picture of the locality, and in particular the elements of it that could be impacted by gambling premises.</p> <p>The Council publishes Area profiles – ward profiles on its website at http://www.towerhamlets.gov.uk/lgs/901-950/916_borough_profile/area_profiles.aspx</p> <p>As part of its Gambling Policy the Council is building separate local area profiles for the purpose of its gambling Policy. The profile will therefore include reference to:</p> <ul style="list-style-type: none"> • schools, sixth form colleges, youth centres etc, with reference to the potential risk of under-age gambling ; • hostels or support services for vulnerable people, such as those with addiction issues or who are homeless, given the greater risk of problem gambling among these groups ; • religious buildings ; • any known information about issues with problem gambling ; 	
--	--	--

	<ul style="list-style-type: none"> • the surrounding night time economy, and possible interaction with gambling premises ; • patterns of crime or anti-social behaviour in the area, and specifically linked to gambling premises ; • the socio-economic makeup of the area ; • the density of different types of gambling premises in certain locations ; • specific types of gambling premises in the local area. <p>These Local Area Profiles will build on the area profiles and will be posted on the Council’s website in the Licensing Section under the Gambling heading.</p>	

Appendix Three

EQUALITY ANALYSIS QUALITY ASSURANCE CHECKLIST

Name of 'proposal' and how has it been implemented (proposal can be a policy, service, function, strategy, project, procedure, restructure/savings proposal)	Gambling Policy Review
Directorate / Service	CLC / Safer Communities
Lead Officer	David Tolley, Head of Consumer and Business Regulation
Signed Off By (inc date)	17/6/15
Summary – to be completed at the end of completing the QA (using Appendix A) (Please provide a summary of the findings of the Quality Assurance checklist. What has happened as a result of the QA? For example, based on the QA a Full EA will be undertaken or, based on the QA a Full EA will not be undertaken as due regard to the nine protected groups is embedded in the proposal and the proposal has low relevance to equalities)	<div data-bbox="1133 735 1211 815" style="display: inline-block; width: 20px; height: 20px; background-color: green; margin-right: 10px;"></div> Proceed with implementation As a result of performing the QA checklist, the policy, project or function does not appear to have any adverse effects on people who share <i>Protected Characteristics</i> and no further actions are recommended at this stage.

Stage	Checklist Area / Question	Yes / No / Unsure	Comment (If the answer is no/unsure, please ask the question to the SPP Service Manager or nominated equality lead to clarify)
1	Overview of Proposal		
a	Are the outcomes of the proposals clear?	Yes	<p>The Mayor in Cabinet is recommended to:</p> <ul style="list-style-type: none"> • Agree the forward programme for adopting the Gambling Policy • Agree that the consultation should be based on the existing Policy including updated guidance from the central government agencies. <p>The Council's current Gambling Policy has not been controversial and has served the Council well over the last three years. All local authorities have to review their existing gambling policy and adopt a new policy by November 2016, as one of the responsibilities they have to administer licences under the Gambling Act 2005. The additional requirement to include in the Gambling Policy are:</p> <ul style="list-style-type: none"> • to set out a local profile, the Policy links to the Borough profile held on the website, therefore the profile can be updated without the need to re-consult on amending the full Policy. • details of the inspection format to be used • risk assessment format for operators • sample licence conditions. <p>The identified forward programme shows that a consultation period will start in October 2015 and end in January 2016 and a final draft Gambling Policy, into which the feedback from the consultation is incorporated, will be submitted to the Council in September 2016.</p>

			<p>It should be noted that some major concerns about gambling (e.g. gambling addiction, arguments of a more liberal gambling) are not addressed in the policy. The impact of licensed premises on nearby residents, such as noise, is also out of scope.</p>
b	<p>Is it clear who will be or is likely to be affected by what is being proposed (inc service users and staff)? Is there information about the equality profile of those affected?</p>	Yes	<p>The Gambling Policy states how the Licensing Authority will exercise its authority. This policy covers the following:</p> <ul style="list-style-type: none"> • How the Licensing Authority will use its regulatory powers in relation to applications and reviews of the activities it regulates, to the extent it is allowed by statute. • The main licensing objective for the authority is protecting children, preventing crime and disorder and ensuring gambling is fair and open. • The Licensing Authority approach to regulation • The scheme of delegation <p>The proposed changes (Appendix 2) will affect businesses who apply for a licence and those who have received licences. The business operators will be requested to follow the changes of the policy, including undertaking local risk assessments in relation to their premises. These changes will not adversely affect any protected characteristics.</p> <p>The licencing objectives remain including protecting children and the vulnerable, including 'people may not be able to make informed or balanced decisions about gambling due to a mental impairment, alcohol or drugs.'</p>

2	Monitoring / Collecting Evidence / Data and Consultation		
a	Is there reliable qualitative and quantitative data to support claims made about impacts?	NA	<p>The proposed changes are listed in Appendix 2.</p> <p>Regarding the business related data, the Development and Renewal (D&R) directorate have corporate lead responsibility for data capture and are currently reviewing the technical implications in developing an equalities strand of their business data base.</p>
	Is there sufficient evidence of local/regional/national research that can inform the analysis?	NA	See above. Note the Gambling Commission's Licence Conditions and Code of Practice (LCCP) require gambling premises to undertake a risk assessment taking into consideration their local information.
b	Has a reasonable attempt been made to ensure relevant knowledge and expertise (people, teams and partners) have been involved in the analysis?	Yes	<p>The Gambling Policy is prescribed by central government and the Gambling Commission. The policy produced has to comply with guidance issued by both of these bodies. The current policy is compatible with this advice and guidance.</p> <p>The stakeholders will be consulted on the proposed changes between October 2015 and January 2016.</p>
c	Is there clear evidence of consultation with stakeholders and users from groups affected by the proposal?	Yes	The stakeholders will be consulted on the proposed changes between October 2015 and January 2016.
3	Assessing Impact and Analysis		
a	Are there clear links between the sources of evidence (information, data etc) and the interpretation of impact amongst the nine protected characteristics?	Yes	The proposed changes listed in Appendix 2 highlight stakeholders that will be affected by the changes.
b	Is there a clear understanding of the way in which proposals applied in the same way can have unequal impact on different groups?	N/A	

4	Mitigation and Improvement Action Plan		
a	Is there an agreed action plan?	Yes	The forward programme for adopting the Gambling Policy is identified.
b	Have alternative options been explored	Yes	The Gambling Policy is prescribed by central government and the Gambling Commission.
5	Quality Assurance and Monitoring		
a	Are there arrangements in place to review or audit the implementation of the proposal?	Yes	The forward programme identifies the consultation and forward plan.
b	Is it clear how the progress will be monitored to track impact across the protected characteristics??	Yes	A consultation process will be held.
6	Reporting Outcomes and Action Plan		
a	Does the executive summary contain sufficient information on the key findings arising from the assessment?	Yes	

This page is intentionally left blank

<p>Cabinet</p> <p>6th October 2015</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Aman Dalvi, Corporate Director Development & Renewal</p>	<p>Classification: Unrestricted</p>
<p>South Quay Masterplan Supplementary Planning Document (SPD) – draft for adoption</p>	

Lead Member	Councillor Rachel Blake, Cabinet Member for Strategic Development
Originating Officer(s)	Thomas Clarke, Planning Officer
Wards affected	Canary Wharf, Blackwall & Cubitt Town
Key Decision?	No
Community Plan Theme	A Great Place to Live

Executive Summary

The South Quay Masterplan will be a Supplementary Planning Document (SPD), providing design guidance for development and a vision for the South Quay area. It supplements policies in the Local Plan including the Core Strategy (2010), Managing Development Document (2013) and Site Allocations. It will supersede the Millennium Quarter Masterplan SPD which will be revoked; however, the Millennium Quarter Public Realm Guidance Manual will continue to be used to inform development. Since the draft version of the South Quay Masterplan SPD was approved for public consultation in December 2014, it has been a material consideration in helping to determine decisions on planning applications within the Masterplan boundary. Once adopted, it will gain further weight. The content of the Masterplan will complement and inform the development of the Isle of Dogs and South Poplar Opportunity Area Planning Framework (OAPF).

Recommendations:

The Mayor in Cabinet is recommended to:

1. Adopt the South Quay Masterplan SPD (contained in Appendix 1) and approve its supporting documents (contained in Appendices 2-7).
2. Agree that upon adoption of the South Quay Masterplan SPD, the Millennium Quarter Masterplan SPD (2000) will be revoked.

1. REASONS FOR THE DECISIONS

- 1.1 The Council identified a need for further guidance in addition to existing planning policies to help steer future development within the South Quay area.
- 1.2 It will better allow the existing and future community to benefit from development, delivering the Local Plan vision which is to create “a well-designed, vibrant and above all, a great place to live” in South Quay and the Masterplan vision to create “A thriving dockside urban neighbourhood of varied densities integrated with the wider area and home to a diverse community.”
- 1.3 There are around thirty potential development sites within the South Quay area, each in different ownership. This presents challenges and opportunities for coordinating development proposals and managing their impacts. The SPD is considered necessary to ensure that development coming forward does so in a co-ordinated and planned way.
- 1.4 The Council recognises that together these sites bring collective opportunities to create a high-quality, coherent but varied built environment.

2. ALTERNATIVE OPTIONS

- 2.1 The Council’s Local Plan, comprising the Core Strategy (2010) and Managing Development Document (2013), provides a vision and strategic objectives for the borough and individual places including those found in South Quay (Millwall & Cubitt Town). This, along with the London Plan, are used to guide and support development in the South Quay area. However, without the specific design guidance illustrated in the Masterplan, development could be disjointed resulting in a poorly used public realm interspersed between isolated tall buildings.
- 2.2 The Masterplan has also provided guidance on the additional social infrastructure needed to support both the existing and future communities in South Quay.

3. DETAILS OF REPORT

Planning policy context

- 3.1 The Masterplan will be a Supplementary Planning Document (SPD). SPDs are used as a material consideration in determining planning applications; however they are not part of the Local Plan. The National Planning Policy Framework (NPPF) requires SPDs to only provide further detail to Local Plan policies to help applicants make successful applications or aid infrastructure delivery. The guidance provided in the Masterplan accords with this guidance.
- 3.2 The Local Plan is comprised of the Core Strategy (2010) and the Management Development Document (2013). The latter outlines the

borough's Site Allocations, two of which cover areas within the Masterplan boundary (Millennium Quarter and Marsh Wall East). The brief for Marsh Wall East describes it as being a "comprehensive high-density mixed-use development opportunity", while Millennium Quarter recognised the built form as "evolving into high-density tall building residential developments".

- 3.3 The SPD will supersede the existing Millennium Quarter Masterplan (2000) once adopted. The Millennium Quarter Public Realm Guidance manual (2008) will continue to be used to inform development across the whole of the South Quay area.
- 3.4 The Greater London Authority's London Plan (2011) and Further Alterations (2015) identify the Isle of Dogs as an "Opportunity Area" in which new housing, a wider mix of services and appropriate infrastructure can be delivered. It seeks to "focus on realising local benefits arising from improvements in public transport across London; a reappraisal of the balance between housing and employment in light of changing commercial occupier requirements; the scope to extend the area covered by the framework further north to open up employment and housing opportunities, for example towards Poplar; the potential for greater synergies with other development partners; more effective coordination of social infrastructure, especially schools to support growing local needs; and exploring ways in which the town centre offer of Canary Wharf can be broadened as well as extended to reflect aspirations for it to develop into a Metropolitan centre."
- 3.5 The Council and the Greater London Authority are working in partnership to develop an Opportunity Area Planning Framework (OAPF) for the wider area (Isle of Dogs and South Poplar). The Mayor of Tower Hamlets is on the OAPF Strategic Board as vice-chair to influence decisions on work produced in relation to this area.

Reason for a Masterplan

- 3.6 A Masterplan is needed for South Quay to help the Council to:
- To provide further design guidance to help steer the future development in South Quay in a coordinated and planned way.
 - To help ensure the existing and future community can benefit from development that delivers the Local Plan vision.
- 3.7 The Greater London Authority's London Plan has been updated to reflect the need to deliver more housing across the capital. The London Plan (2015) sets the annual housing target for the London Borough of Tower Hamlets which has risen from 2,885 to 3,931 new homes per year for the next ten years. This requires the Council to deliver a minimum of 39,310 new market and affordable homes across the borough by 2025. The need to deliver more housing is resulting in higher densities being proposed by developers across the borough, particularly in South Quay. This is requiring the Council to update its population and infrastructure modelling to ensure existing and future residents and businesses are supported by services and a high quality built environment.

3.8 As such, further planning guidance is required to supplement existing policies.

Role of the Masterplan

3.9 The role of the Masterplan is to help determine decisions on planning applications within the SPD boundary by providing supplementary design guidance for development to secure community benefits for the borough by:

- coordinating the delivery of almost thirty individually owned development sites;
- guiding the form and scale of development;
- identifying social and physical infrastructure requirements and opportunities (including improved pedestrian and cycle connectivity, new bridges, new schools and new areas of public open space).

Producing the Masterplan

3.10 The Masterplan has being developed by Plan Making officers with support from the following specialist consultants:

- Maccreanor Lavington (design)
- Deloitte (viability)
- Land Use Consultants (Strategic Environmental Assessment)

3.11 Officers have worked directly with a wide range of stakeholders including the Greater London Authority, Transport for London, Environment Agency, Historic England (formerly English Heritage), Canal & River Trust, the Maritime Greenwich World Heritage Site, Registered Providers and the local community.

3.12 The Strategic Environmental Assessment has informed the development of the Masterplan in relation to environmental considerations (attached in Appendix 4).

3.13 An Equalities Analysis has also been undertaken to inform the development of the Masterplan and ensure that the impacts on the equalities groups are understood and, if required, are addressed (attached in Appendix 7). This has been informed by the Local Plan Equalities Impact Assessment.

Consultation

3.14 Significant consultation has been undertaken in producing the Masterplan, including giving the public an opportunity to comment on proposals at an early stage, engaging with stakeholders including landowners and developers throughout the process, working with officers from across the Council, and formally consulting following approval by Cabinet in December 2014.

3.15 'Informal' consultation efforts included:

- Holding drop-in sessions for the local community on 28th August and 3rd September 2014; and
- Hosting 'surgeries' for land owners on 10th April 2014 and contributing to a number of pre-application discussions.

- Regularly meeting with statutory consultees and other stakeholders, such as London City Airport.
- 3.16 A formal consultation on the Strategic Environmental Assessment Scoping Report was carried out between 15th September and 20th October 2014. This consultation sought views on the methodologies and process to be used for the draft South Quay Masterplan: Strategic Environmental Assessment Report (November 2014).
- 3.17 Formal public consultation on the Masterplan was held for a six-week period between 5th January and 16th February 2015. During the formal consultation period, the Council held the following events:
- Holding drop-in sessions for the local community on 22nd and 30th January 2015 at Jack Dash House and Canary Wharf Idea Store
 - Holding a public presentation and question and answer session at Alpha Grove on 5th February 2015
 - Hosting a 'Developer's Forum at the Town Hall on 13th February 2015
- 3.18 A total of sixty-three representations were received during the period of formal consultation. These were considered, and informed the final draft SPD for adoption in accordance with Regulation 12(a) of the Town and Country Planning (Local Planning) (England) Regulations 2012 . A summary of representations and how they have been addressed within the final Adoption version of the Masterplan (October 2015) are set out in an accompanying Consultation Statement (Appendix 2).

Masterplan content

- 3.19 The content of the Masterplan has been developed to supplement the Local Plan. It provides clear and concise design guidance to aid the delivery of new development and capture community benefits. It consists of the following sections:
- 3.20 Introduction
Provides an overview of the aims and purpose, role and status of the Masterplan, and how it has been developed.
- 3.21 Policies, local history and current context
Provides a summary of policy context, local history and current context of the Masterplan area.
- 3.22 Vision, principles and Masterplan approach
Sets out a strategic vision and design principles for the Masterplan area, linking into the recommendations proposed by the Strategic Environmental Assessment
- 3.23 Design guidance
Provides detailed guidance to steer development in terms of housing density, connections & public spaces, massing and urban blocks, skyline and waste management infrastructure.

- 3.24 Delivery, Management and Monitoring
Identifies how the Masterplan will be delivered including a range of potential projects and management mechanisms.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 Following public consultation, this report asks the Mayor in Cabinet to approve the adoption of the South Quay Masterplan Supplementary Planning Document (SPD).
- 4.2 The Masterplan provides a framework to guide development and a programme for infrastructure delivery within the Masterplan area. The Masterplan will provide evidence to inform and assist future decisions on resource allocation in this part of the Borough, and will assist the Authority in determining and prioritising contributions due from developers as part of both the recently introduced Community Infrastructure Levy process and the remaining elements of the Planning Obligations system.
- 4.3 The Masterplan area includes Jack Dash House which the Council currently holds on a long lease with a term of approximately 100 years remaining. The Council is currently reviewing its future needs for service delivery from Jack Dash House including any proposals for the site which have significant financial implications for the Council. Although not required at this Masterplanning stage, any decisions in respect of the site will ultimately be subject to separate Member consideration.
- 4.4 The cost of preparation of the Masterplan, including the consultation process, has been met from within revenue resources set aside for this purpose. There is a possibility that a longer term project team may be required to continue the Masterplanning process and if so appropriate funding will need to be identified.

5. LEGAL COMMENTS

- 5.1 The Council in its capacity as the local planning authority may decide to make a supplementary planning document to expand upon its policies in the Local Plan, which the Council intends as described in the report, and is empowered to do pursuant to sections 17 (2) and 17(3) of the Planning and Compulsory Purchase Act 2004.
- 5.2 Supplementary planning documents are subject to statutory procedures under Regulations 11 to 14 of the Town and Country Planning (Local Planning) (England) Regulations 2012. In accordance with Regulation 13 a process of public consultation and engagement with relevant parties has been carried out and representations have been received and taken into account in amendments made to the draft SPD.
- 5.3 Pursuant to Regulation 12 the Council must not adopt the SPD until it has considered the representations made during the consultation period and prepared a statement setting out who was consulted, a summary of the main

issues raised in the representations and how these main issues have been addressed in the SPD that the Council intends to adopt.

- 5.4 The purpose of a supplementary planning document is to expand policies set out in the Local Plan. The National Planning Policy Framework (“NPPF”) provides at paragraph 153 that supplementary planning documents should be used where they can help applicants or aid infrastructure delivery, and build upon and provide more detailed advice or guidance on the policies in the Local Plan, but not be used to add unnecessarily to the financial burdens on development.
- 5.5 In exceptional cases a Strategic Environmental Assessment (“SEA”) may be required pursuant to the Environmental Assessment of Plans and Programmes Regulations 2004, and the report confirms compliance since it was concluded that an SEA applies to the making of this SPD and an SEA has been carried out as referred to under paragraph 3.16 above.
- 5.6 By virtue of the default provisions in section 9D of the Local Government Act 2000, the SPD is required to be approved by Cabinet.
- 5.7 Before adopting the SPD, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). The report indicates that an equality analysis has been carried out and no negative equality impacts arise.
- 5.8 Once the SPD is adopted the Council must publish an adoption statement in accordance with Regulation 14 Town and Country Planning (Local Planning) (England) Regulations 2012 which this report seeks authorisation to do so.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 An Equalities Analysis has been undertaken in support of the SPD. The analysis reviews and assesses any impacts of the SPD relating to the diversity of the borough including, race, gender, disability, age, sexual orientation, faith and deprivation. The Equalities Analysis is attached as Appendix 7 to this paper. It identifies a general positive impact, with no negative impacts from an equality perspective.
- 8.2 It should also be noted that the SPD is consistent with the Council’s Local Plan which was itself subject to a full Equality Impact Assessment.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 Under Section 3 Local Government Act 1999 the Council ‘must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness’. The proposed plan will help the Council steer the future development of land at South Quay and will better allow the existing

and future community to benefit from development, and will help the Council to respond to rapid growth in South Quay, particularly high-density residential-led tall buildings and provide further design guidance to help steer the future development in South Quay in a coordinated and planned way.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 The South Quay Masterplan SPD is subject to regulation 9(1) of the Environmental Assessment of Plans and Programmes Regulations 2004 (“the ‘Regulations’”), which requires the responsible authority to determine whether a Strategic Environmental Assessment (SEA) is necessary.
- 8.2 As the responsible authority, the Council is of the view that an SEA was required following a Strategic Environmental Assessment (SEA) Screening. As such a Strategic Environmental Assessment was carried out, to assess and inform the development of the Masterplan in relation to environmental aspects.
- 8.3 The SPD will help ensure a greener and sustainable environment by creating a high quality living and working environment for existing and future community in a number of ways, including: delivering exemplary sustainable housing design, delivering new public open space and amenity spaces; delivering new and improved sustainable transport options; and ensuring development explores the use of innovative waste management technologies.
- 8.4 The Strategic Environmental Assessment documents are attached within Appendix 4, with an Adoption Statement in Appendix 5.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 The South Quay Masterplan SPD has been reported through a number of internal groups that consider risk management issues and mitigation. These include:
- Asset Management and Strategic Capital Board
 - Development & Renewal Directorate Management Team
 - Corporate Management Team
 - Planning and Building Control Major Projects Advisory Group

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 The South Quay Masterplan SPD provides guidance for building typologies and public spaces that seek to deliver clear, legible and active open spaces and movement routes to create safe environments.
- 10.2 New developments will also have to satisfy the relevant polices in the Council’s Local Plan relating to ‘Secured by Design’ principles. Development will be required to ensure crime prevention measures are considered to assist with reducing the opportunity for crime and the fear of crime, by creating a safer and more secure environment.

11. SAFEGUARDING IMPLICATIONS

11.1 There are no specific safeguarding implications associated with this report.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

1. South Quay Masterplan Supplementary Planning Document (October 2015)
2. Adoption Statement
3. Consultation Statement
4. Strategic Environmental Assessment
5. Strategic Environmental Assessment - Adoption Statement
6. Statement in respect of Habitats Regulations Assessment Conservation of Habitats and Species Regulations 2010
7. Equalities Analysis

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012


- NONE

Officer contact details for documents:

- Thomas Clarke
- thomas.clarke@towerhamlets.gov.uk
- 020 7364 5414

This page is intentionally left blank

Agenda Item 5.5

CABINET 6 October 2015	 TOWER HAMLETS
Report of: Aman Dalvi, Corporate Director of Development and Renewal	Classification: Unrestricted
CPO Resolution: Aberfeldy Estate Phases 3, 4, 5 & 6 (Poplar HARCA)	

Lead Member	Councillor Rachel Blake, Cabinet Member for Housing and Development
Originating Officer(s)	Jackie Odunoye – Service Head for Strategy Regeneration & Sustainability Niall McGowan – Housing Regeneration Manager Monju Ali – Projects Officer, Housing Regeneration
Wards affected	Lansbury Ward
Community Plan Theme	A Great Place to Live
Key Decision?	Yes

1. EXECUTIVE SUMMARY

- 1.1 This report seeks agreement to the making of a Compulsory Purchase Order (CPO) and approval for the delegated authority to make and give effect to the CPO, which would address specific land interests (predominantly leasehold dwellings) on Phases 3, 4, 5 & 6 of the Aberfeldy Estate to facilitate:
- The delivery of the on-going Aberfeldy Estate regeneration programme in compliance with commitments to the Council and local residents
 - To deliver new homes for rent and sale
 - To deliver the new neighborhood center
 - To deliver new retail provision
 - To deliver new public realm and environmental change
- 1.2 The proposed CPO Resolution will progress the Mayor's regeneration aims by enabling the Council's registered provider partner, Poplar HARCA, to undertake this important housing and community renewal programme.
- 1.3 This report notes that the approach proposed is for a single CPO covering the remaining phases of the proposed estate regeneration scheme, to deliver the overall multi-phased renewal of Aberfeldy Estate. To ensure that land assembly takes place with minimal delay and the avoidance of additional costs which will otherwise impact on the scheme.
- 1.4 The proposed CPO once made would run in tandem with Poplar HARCA's continuing efforts to achieve negotiated settlements with all land interests wherever possible. However, the use of the Council's CPO powers is considered necessary and appropriate to progress the Aberfeldy regeneration scheme by reducing the risks arising in uncertainty with land assembly.

2. RECOMMENDATIONS

The Mayor in Cabinet is recommended to:-

- 2.1 Agree the making, confirming and implementation of a Compulsory Purchase Order (CPO) to include specific land interests that must be acquired to facilitate the redevelopment by Poplar HARCA of Aberfeldy Estate phases 3-6, to provide new housing and estate regeneration.
- 2.2 Subject to recommendation 2.6, delegate to the Corporate Director of Development and Renewal, after consultation with the Director of Law Probity and Governance (or their nominee), the power to effect the making, confirming and implementation of the CPO and to take all necessary steps to give effect to the CPO in respect of the land shown edged red on the plan at **Appendix 1** including, but not limited to, the following procedural steps:
 - 2.2.1 Acquiring all known interests in land and any additional interests identified through the land referencing process within the CPO boundary, as shown at **Appendix 1**, either by private agreement or compulsorily, including those specific interests listed in **Appendix 3**.
 - 2.2.2 Appointing land referencing agents, making the CPO, the publication and service of any press, site and individual notices and other correspondence for such making.
 - 2.2.3 Monitoring of negotiated agreements by Poplar HARCA with land owners or others as applicable, setting out the terms for withdrawal of objections to the CPO, including where appropriate seeking exclusion of land or new rights from the CPO.
 - 2.2.4 Seeking confirmation of the CPO by the Secretary of State (or, if permitted, by the Council pursuant to Section 14A of the Acquisition of Land Act 1981), including the preparation and presentation of the Council's case at any Public Inquiry which may be necessary.
 - 2.2.5 Publication and service of notices of confirmation of the CPO and thereafter to execute and serve any General Vesting Declarations and/or notices to treat and notices of entry, and any other notices or correspondence to acquire those interests within the area.
 - 2.2.6 Issuing of General Vesting Declarations and/or Notices to Treat in respect of the land/interests within the area edged red on the plan at **Appendix 1** and those listed at **Appendix 2**.
 - 2.2.7 Referral and conduct of disputes, relating to compulsory purchase compensation, at the Upper Tribunal (Lands Chamber).
 - 2.2.8 Transfer of any land interests compulsorily acquired by the Council to Poplar HARCA, for nil consideration, within a timescale to be agreed with Poplar HARCA.
 - 2.2.9 To agree the terms and conditions, including any consideration, of the transfer of the freehold or long leasehold interests to Poplar HARCA of the three land parcels referred to below and enter into such documentation necessary to complete the transactions.

- 2.2.10 To invoke its powers under section 237 of the Town and Country Planning Act 1990, or any other enabling power, to manage any Rights of Lights claims that may arise, including issuing any compensation payments.
- 2.3 Agree that the delegation set out in 2.2.9 should include the finalisation of all terms and conditions, including any financial consideration, for the transfer of the freehold interests to Poplar HARCA of the three land parcels described in section 10 (Land Disposal) below and identified on the plan at **Appendix 2**, the plots of land which are currently in the freehold ownership of the Council and are required by Poplar HARCA for the purposes of the delivery of the regeneration. The sites are:
- The 'Community Access Centre' and Multi Use Games Area on Aberfeldy Street on long lease to Poplar HARCA
 - Kirk Michael Road and adjoining pavement
 - The pavement fronting the existing shops at No.25-55 Aberfeldy Street
- 2.4 Determine that the use of CPO powers is exercised after balancing the rights of individual property owners with the requirement to obtain vacant possession of the site.
- 2.5 Determine that the interference with the human rights of the property owners affected by these proposals, and in particular their rights to a home and to the ownership of property, is proportionate, given the adequacy of their rights to object and to compensation, and the benefit to the economic, social and environmental well-being of the areas of Tower Hamlets affected by these proposals.
- 2.6 Delegate to the Corporate Director, Development and Renewal, in consultation with the Director of Law Probity and Governance (or their nominee), the power to agree the terms of and enter into an Indemnity Agreement with Poplar HARCA which provides a framework for the respective obligations of the Council and Poplar HARCA in the promotion and application of powers, including an obligation for the Council to transfer the land to Poplar HARCA for nil consideration, and the ability for the Council to recover its costs in conducting and managing the CPO, including all compensation costs to be paid.

3. REASONS FOR THE DECISIONS

- 3.1 The proposed CPO resolution will progress the Council's regeneration aims by enabling its provider/partner Poplar HARCA to roll out and deliver phases 3-6 of a major regeneration scheme on the Aberfeldy Estate. Poplar HARCA has requested that the Council exercises its powers to make a single CPO to safeguard land assembly across the proposed regeneration area, so that the scheme can be delivered in a timely and cost effective way, thus guaranteeing delivery of the social housing and other associated regeneration benefits for the community, whilst minimizing delays and additional costs to future phases.
- 3.2 Poplar HARCA will endeavour to acquire all of the affected land interests on a voluntary basis. Council officers are monitoring Poplar HARCA's negotiations, but this approach now needs to be supported by the formal use of Compulsory Purchase Powers. The CPO process would run in tandem with Poplar HARCA's efforts to secure vacant possession voluntarily, helping to ensure that land interests can ultimately be acquired, thus enabling the proposed re-development scheme to progress without indeterminate delays.
- 3.3 Under the single CPO approach it is expected that any land acquired through the CPO process will be vested only when it is needed to enable the next phase, which will allow

time for Poplar HARCA to secure voluntary settlements wherever possible, alongside the CPO process, which is in line with the approach the Council has adopted in recent years for itself and on behalf of regeneration partners.

- 3.4 The regeneration scheme is described in section 6, further to the already approved outlined planning consent for the whole scheme, additional planning approvals required under reserved matters are in place for phases 1 and 2 (with phase 1 nearly complete and phase 2 under construction) and a further reserved matters application has been submitted to the Council's Planning Department for phase 3. The scheme is therefore well underway and Poplar HARCA has asked that the CPO is made as soon as possible to help achieve land assembly for phase 3, particularly as this is due to start in 2016 and also includes much of the community hub elements. This phase and future phases maybe at risk if the CPO is not made. Council officers have been liaising closely with Poplar HARCA to review its strategy for land assembly and its approach to negotiations with affected land interests, which are underway.

4. ALTERNATIVE OPTIONS

- 4.1 The alternative option is to NOT agree to the proposed CPO. Poplar HARCA has stated that without a commitment from the Council to use CPO powers to support the delivery of the land assembly, it may not be able to progress the scheme, as the cost risk will be too high. In this instance negotiations by Poplar HARCA with individual land interests would continue, but the absence of a back-up CPO process could potentially have negative impacts, including:

- Risk of losing specific planned investment and commitment by Poplar HARCA to provide comprehensive regeneration across the wider area, including:
 - New affordable homes for people in housing need
 - Community hub with health and faith provision
 - New retail provision
 - Public realm and general neighbourhood regeneration
 - Planned investment in training and apprenticeships
- Risk of losing cross-subsidy from the homes for sale to provide the affordable homes in each phase.
- Risk to the land assembly, which cannot be guaranteed without resorting to compulsory purchase; thus development of the proposed new homes and estate regeneration would be jeopardised, or at the very least delayed. Delay leads to higher costs of land assembly and build costs, which in turn impacts upon overage and the level of additional affordable homes for the scheme as set out in the s106 Planning Agreement.
- Potentially higher costs for Poplar HARCA, i.e. by necessitating acquisitions at a higher than market value, which in turn could reduce scheme funding, the amount of affordable housing or overall financial viability.
- Uncertainty for tenants and leaseholders as to whether the scheme will progress, which will make it harder for them to make informed decisions about their future, or to get alternative accommodation which meets their requirements.
- Without a statutory CPO there would be no obligation on Poplar HARCA to reimburse leaseholders' additional costs for reaching voluntary settlements, such as surveying and legal fees.

- 4.2 Poplar HARCA has advised that it experienced difficulties in securing voluntary settlements on Phase 2 of the scheme which led to delays, and accordingly is urging that the Council supports its on-going negotiation efforts for future phases with the use of precautionary CPO powers.
- 4.3 Any liabilities which the Council may assume in becoming the 'Acquiring Authority' by making the CPO will be indemnified by Poplar HARCA in an agreement which will set out the responsibilities and requirements of both parties and fully underwrite the Council's costs.

5. DETAILS OF REPORT

5.1 Meeting the Council's requirements for CPO

The Council has previously made CPOs to support its own, or its Registered Provider (RP) partners' regeneration projects. The need for this provision arises where acquisition of land interests (i.e. residential dwellings, shops, rights of way etc.) is necessary to fulfil commitments to deliver new affordable homes and/or to achieve wider regeneration benefits, such as the provision of related infrastructure or community facilities.

- 5.2 This report seeks the Mayor's approval to make a CPO Resolution now. For the reasons set out in sections 3 and 4 of this report, it is important to commence the CPO processes for all the non-acquired land interests included in, or affected by the CPO land within the red-line boundary shown in **Appendix 1**. The report explains why the proposed CPO is needed to support the housing and wider regeneration work proposed on Aberfeldy Estate, which will provide crucial new homes for people in housing need.

- 5.3 Circular 06/04 provides the statutory guidance for making of a CPO. In accordance with the guidance, the Council needs to demonstrate that compulsory purchase is used as a measure of the last resort and, once made, is enforced after all reasonable efforts to acquire by agreement have been exhausted.

- 5.4 Before making a CPO, Council officers require that Poplar HARCA demonstrates that it is and will continue to be vigorously seeking voluntary negotiated settlements with all those whose interests will be acquired, offering the full market value applicable and compensation compatible with statutory requirements. This includes reimbursement by Poplar HARCA for independent valuation and legal support, payment of the full market value for their property interest, and an appropriate compensation package to meet statutory requirements. This is achieved through regular meetings with Poplar HARCA's team as well as review of documentary evidence that supports the information provided during meetings.

- 5.5 It is emphasized that the CPO is the solution of last resort. Council officers will regularly meet Poplar HARCA's representatives to monitor progress in securing vacant possession through voluntary negotiation. Poplar HARCA's approach to voluntary negotiations with land interests is described in paragraph 6.12 below.

6. ABERFELDY ESTATE REGENERATION SCHEME

- 6.1 Aberfeldy Estate is located in the East India and Lansbury Ward – see **Appendix 1, site location & CPO plan**. It was transferred to Poplar HARCA in two tranches, one in 1998 and another in 2007 following positive outcomes from ballots of residents. The transfer took place with the specific intention of securing significant improvement to the quality of

the homes and environment. At transfer, the parts of the estate to be regenerated comprised 297 homes, comprising 211 tenanted homes and 86 leasehold homes.

6.2 In the past four years, Poplar HARCA, in partnership with the Council, has embarked upon an extensive programme of place-making called 'Reshaping Poplar'. In addition to providing new homes, this programme seeks to transform the built environment and the quality of life in Poplar, with new and improved health facilities, schools, leisure facilities, retail and commercial workspace, green spaces and physical infrastructure. Examples of these are:

- Spotlight Centre
- St Paul's way Community Centre
- Significantly improved public realm of Brownfield estate
- Nutmeg Way pedestrian crossing

6.3 Poplar HARCA is comprehensively regenerating Aberfeldy over 6 phases, and investing over £300M in improvements to the area. Phase 1 is nearly complete and Phase 2 is under construction. Poplar HARCA has previously decanted or acquired 52 tenanted and 20 leasehold homes for the first 2 phases. The requested CPO will safeguard land assembly for the remaining phases 3-6, and decant for these phases will include the remaining 82 tenants and 66 leaseholders, as described in more detail in paragraphs 7.4 –7.7 below.

6.4 The London Thames Gateway Development Corporation (LTGDC) granted both outline planning permission for the whole Aberfeldy Estate scheme and detailed planning permission for Phase 1 of the scheme on 20 June 2012, and a detailed consent for Phase 2 of the scheme was obtained from the Council on 27 March 2014. The Council was a statutory consultee to the outline and Phase 1 planning applications. A Reserved Matters application for Phase 3 was submitted to the Council's Planning Department and validated on 20 July 2015, with a decision expected by November 2015.

6.5 Phases 3-6 of the Aberfeldy scheme will include:

- Demolition of 13 residential blocks
- Provision of 619 new homes across the phases, including:
 - 529 for private sale
 - 63 for social rent
 - 27 intermediate (including affordable rent)

The above figures are indicative as overall provision and tenure split within the consented scheme. Provision within each phase is determined in accordance with the agreed mechanism in the s106 agreement. The indicative split is 70% private: 30% social & intermediate by habitable rooms. However, when the scheme is fully delivered and taking the Aberfeldy Estate overall into account, the tenure split will be close to 50% private and 50% affordable.

- New retail hub with shopping parade }
 - New larger inclusive community hub }
 - New accessible health centre }
 - New multi-faith space in Phase 4 }
 - New vibrant public realm with associated open green spaces with shared surfaces and active frontages, with widened avenues to incorporate trees, dedicated cycle ways, roads and parking to serve local movement
- (All in Phase 3)*

6.6 The approved outline scheme delivers 25% affordable homes and guarantees to replace all of the social rented habitable rooms lost through demolition, and to provide a

minimum of 5% additional habitable rooms split 60/40 between rent and intermediate tenures.

6.7 At least 45% of all replacement social rented homes and additional affordable rented homes will be family sized (3+ bed). All homes provided as affordable housing will be let at social rents.

6.8 This current mix is supported by a detailed viability appraisal which will be re-run with the Council's Planners under the s106 provisions prior to the development of each phase and, where viable, the amount of affordable habitable rooms will be increased up to a maximum of 35% overall.

6.9 There are a number of reasons for the multi-phased approach:

6.9.1 The regeneration scheme has been developed to:

- provide the most efficient build programme
- create new community, faith, health and retail spaces in advance of existing spaces being removed; and to
- minimise disruption to other residents in the demolition and build processes.

6.10 It maximises the opportunity for internal decants from existing properties to the new affordable homes and provides the opportunity for leaseholders to acquire new properties within the re-developed parts of the estate, thus retaining existing communities. This has positive benefits in that those tenants being decanted or leaseholder properties acquired in Phases 3-6 wishing to remain part of the community will be able to do so, which in turn has a positive benefit in maintaining and building community cohesion.

6.11 To deliver these improvements Poplar HARCA needs the Council to use its CPO powers to assist with the acquisition of all land interests on a phased basis and ensure vacant possession so that the scheme can progress without delay. Poplar HARCA will continue to seek to acquire all interests through voluntary negotiations, but the CPO process for the remaining phases is an important element underpinning the delivery of the scheme.

6.12 **Re-housing Offer**

Poplar HARCA has made the following commitment to its **tenants**:

- Awarded decant priority status
- Relocation to a suitable home of a type and size that meets their housing need
- Help with the cost of moving
- Home Loss payment
- Option to return to the new scheme for all existing tenants being decanted
- Existing former Council tenants who transferred to Poplar HARCA will keep their protected rights (such as Right to Buy) if they decant to another Poplar HARCA property.
- Other Poplar HARCA tenants will keep their assured tenancy rights if they choose to move within Poplar HARCA properties or to any other Housing Association

Poplar HARCA has made the following commitments to **resident leaseholders**:
(i.e. who live in the properties they own)

- Full market value for property

- Home loss payment along with reasonable costs of relocation and legal/conveyancing fees, stamp duty etc.
- For leaseholders that cannot afford an alternative home the following options are available:
 - Shared ownership on Aberfeldy Estate
 - Shared equity arrangements on Aberfeldy Estate
 - Lease swap on Aberfeldy Estate
- Poplar HARCA has confirmed that it will hold properties within the development for existing resident owners to purchase for a direct move, if the owners are able to do so. For those who are not able to obtain a mortgage to buy a new replacement home the options outlined above will apply, and Poplar HARCA has confirmed it will help resident leaseholders further by way of its hardship policies where applicable.

Poplar HARCA has made the following commitments to **non-resident leaseholders**:

- Full market value for property
- Basic loss payment along with reasonable costs of relocation and legal fees, stamp duty etc. (applicable for 12 months from date of acquisition).

- 6.13 As per earlier phases, Poplar HARCA through its consultation process, drop in sessions and home visits, gathers information about the personal and financial circumstances of resident leaseholders, to identify any hardship considerations and to arrive at options that fit with each resident leaseholder's financial circumstances. Council officers monitoring the decant programme will regularly review this information to confirm that Poplar HARCA is providing robust options that meet the needs of all resident leaseholders.
- 6.14 Poplar HARCA is expected to be as flexible as possible in its efforts to negotiate with resident home-owners. However, the CPO is necessary to ensure that the land earmarked for development is secured as quickly as possible, to enable the development to begin.

7. PURPOSE OF DECANT AND ACQUISITION OF LAND INTERESTS

- 7.1 The decant and the proposed CPO to ensure the acquisition of land interests will secure vacant possession and "clean title" of the site to enable phased re-development to commence in accordance with the following indicative timeline:
- Phase 3: Start 2016 – Complete 2018
 - Phase 4: Start 2017 – Complete 2019
 - Phase 5: Start 2018 – Complete 2020
 - Phase 6: Start 2020 – Complete 2022
- 7.2 Residents, landowners and local stakeholders were consulted by Poplar HARCA about the regeneration scheme with project updates, particularly in relation to the planning process, the options available and the construction programme. This has been done by way of regular newsletters/brochures, offering one-to-one meetings, web-site updates, social media, open days and community action days.
- 7.3 The CPO would run in tandem with Poplar HARCA's ongoing negotiations with the remaining dwelling owners (mixture of resident and non-resident), and other land interests, to seek voluntary settlements where possible. Poplar HARCA is currently offering to provide valuations for all leaseholders and to make settlement offers to try to

reach voluntary settlements with as many owners as possible, to minimise the need for acquisitions through the CPO route.

- 7.4 Poplar HARCA's demolition programme which will be facilitated by the proposed CPO will be delivered in 4 phases, including 13 blocks of flats which are in Poplar HARCA's freehold ownership, and a number of retail units. The residential properties to be demolished include 200 rental units and 66 leasehold properties. The tables below show the numbers of tenants, leaseholders and retail units to be decanted and/or acquired in each phase. Decant status has already been secured through the Common Housing Register and positive progress is being made with relocating tenants.

Phase 3: Blocks to be demolished

- Adams House
- Arapalies House
- Athenia House
- Jones House
- Sam March House
- Theseus House
- Trident House

The following table sets out the current tenure of the residential properties:

Phase 3

Leasehold Properties to be acquired for demolition:

Block	Leasehold Properties in Block	Leaseholds Terms agreed – with solicitors	Leaseholds acquired	Leaseholder acquisitions outstanding
Adams House	3	0	0	3
Arapalies House	4	0	0	4
Athenia House	10	0	0	10
Jones House	2	0	0	2
Sam March House	5	0	1	4
Theseus House	10	5	1	9
Trident House	7	1	1	6
Total	41	6	3	38

Tenanted Properties to be decanted:

Block	Rented units in block	Void in use as Temporary Accom	Tenants awaiting rehousing
Adams House	15	11	4
Arapalies House	11	8	3
Athenia House	14	5	9
Jones House	16	15	1
Sam March House	13	13	0
Theseus House	14	9	5
Trident House	8	6	2
Total	91	67	24

- 7.5 In Phase 3, 38 Leaseholders remain, of whom 16 are currently believed to be resident and 23 non-resident: 7 of these owners are understood to have agreed terms for sale to Poplar HARCA with three acquisitions completed. There are currently 24 tenants waiting decant, of whom 12 have accepted offers to relocate to the neighbouring new Phase 1 development or other local properties.

Phase 4: Residential properties to be demolished

- 7.6 Residential flats directly above retail shops at 25-55 Aberfeldy Street – See **Appendix 3** for full details.

The following table sets out the current use of the residential properties:

Block	No of Properties	Leasehold properties to be acquired	Tenants awaiting rehousing	Void / temporary accommodation
Aberfeldy Street 25A – 55A	16	8	7	1
Aberfeldy Street 36A – 50A	6	3	1	2
Total	22	11	8	3

- 7.7 In phase 4, there are 11 leaseholders, 10 of whom are currently believed to be resident and 1 is non-resident. There are 8 tenants remaining to be decanted.

Phase 5: Blocks and building to be demolished

- Heather House
- Tartan House
- Thistle House
- Neighbourhood (CAC) centre

The following table sets out the current use of the residential properties:

Block	No of Properties	Leasehold properties to be acquired	Tenants awaiting rehousing	Void / temporary accommodation
Heather House	16	4	10	2
Tartan House	18	4	14	0
Thistle House	16	3	13	0
Total	50	11	37	2

In Phase 5 there are 11 leaseholders, of whom 8 are currently believed to be resident and 3 are non-resident; 37 tenants remaining to be decanted.

Phase 6: Block to be demolished

- Jura House

Block	No of Properties	Lease hold properties to be acquired	Tenants rehousing outstanding	Void
Jura House	12	3	9	0

In phase 6 there are 3 leaseholders, all currently believed to be resident. There are currently 9 tenants remaining to be decanted.

8. NEGOTIATING SETTLEMENTS WITH PRIVATE INTERESTS

- 8.1 To deliver Phases 3-6 it is necessary for Poplar HARCA to acquire **66** residential leaseholders and **21** retail properties. Poplar HARCA has undertaken a full referencing exercise to determine all land ownership and interests that will need to be acquired or extinguished through the CPO: this is reflected in the Schedule of Interests to be acquired **Appendix 3**.

- 8.2 Commercial interests are set out at **Appendix 3**, all of which must be acquired to enable Phase 4 of the scheme. There are 5 retail properties where existing leases are due to expire before they are required for the scheme.
- 8.3 Poplar HARCA is required to seek and continue negotiations with the remaining land interests, to acquire all interests by agreement wherever possible, without having to rely on the CPO unless this becomes absolutely necessary.
- 8.4 Approving the making of the Order under delegation will not result in any reduction in efforts to continue negotiations to achieve vacant possession by voluntary agreement, and indeed should stimulate those negotiations by commencement of the formal process. The CPO is however, an essential step which signals the Council's support for Poplar HARCA's scheme, which will provide significant housing, community and educational benefits to local residents, by safeguarding full land assembly.
- 8.5 The Housing Regeneration Team will monitor the financial and relocation offers made by HARCA to ensure compliance with the Council's requirements to support the CPO route.

Residential Property Acquisitions

- 8.6 Poplar HARCA has commenced the process of engagement to acquire leasehold premises and has so far been successful in preliminary negotiations to communicate with the affected leaseholders and to offer settlements. It has adopted a similar good practice approach to that used by the Council, some of its other Registered Provider Partners and its own extensive experience from previous schemes, where land interests have been acquired to facilitate regeneration.
- 8.7 When a property is to be purchased the owner is encouraged to seek independent valuation advice to assist in negotiations with Poplar HARCA's valuer and reasonable costs for this are reimbursed. Owners are offered the full current market value of their property. Owners who occupy their properties as their 'principal' home receive an additional 10% of the final market value as a statutory Home Loss payment. Property owners who do not occupy their homes may be eligible for an additional 7.5% of the acquisition price as a Basic Loss payment if the property has been well maintained.
- 8.8 To help displaced property owners move to their new homes, their reasonable moving costs are paid, including legal and valuation professional fees, the hire of removal companies, disconnection and reconnection of cookers, washing machines and all associated domestic costs of moving from one property to another, including an allowance for carpets and curtains etc. Where a property owner makes their own arrangements to acquire alternative premises, the Registered Provider meets the reasonable cost of stamp duty.
- 8.9 As indicated in paragraph 6.12 above Poplar HARCA is offering further options such as lease swaps, conversion to shared equity or shared ownership options where there is insufficient capital in the existing property and hardship circumstances within the family to enable the displaced leaseholder to purchase a new replacement home at current market values and to remain in the area.

Commercial Leases (Aberfeldy Estate)

- 8.10 There are 21 shops to be acquired and demolished, at 25-55 Aberfeldy Street, all in Phase 4. Poplar HARCA confirms negotiations have started with leaseholders / occupiers of all retail premises to establish their aspirations for maintaining their business, and the options for relocation. Irrespective of the length of the lease remaining,

and whether or not a leaseholder has a statutory right to renew it, Poplar HARCA will do the following to secure voluntary settlements or possession of these shop premises:

- Offer active businesses relocation to new premises within the scheme on commercial terms
- Guarantee automatic relocation offers to premises both on and off site

8.11 Poplar HARCA has in place a policy which guides its approach to acquiring commercial premises via voluntary agreements in a regeneration scheme. The guiding principles are:

- Occupiers of Poplar HARCA commercial premises will be valued and treated with respect.
- Negotiations with occupiers of commercial properties will be fair and reasonable and based on prevailing market conditions and current legislation and associated guidance.
- Poplar HARCA's policies and procedures are applied consistently, impartially and equitably.

8.12 The policy sets out the approach that Poplar HARCA will apply in securing vacant possession of the retail premises to secure vacant possession through:

- Negotiating voluntary settlements
- Securing vacant possession through use of the Landlord and Tenant Act for expired leases
- Acquisition via compulsory purchase by the Council

8.13 The policy sets out how Poplar HARCA will endeavour to secure possession through negotiated settlements, only utilising the other options where the interest owner does not fully engage in negotiations to secure a settlement. Poplar HARCA will use all reasonable endeavours to maintain shopkeepers in business if this is their preferred option. Using their own resources, support from other local housing associations and premises in the private market, Poplar HARCA aims to secure the offer of alternative premises to which shopkeepers can relocate to continue their business activities.

8.14 Poplar HARCA states it has no desire to force businesses to close and that it will enter into negotiation with all leaseholders and businesses to establish their requirements and to seek to negotiate a voluntary agreement on the acquisition of the lease and any business relocation that may result from this.

8.15 Poplar HARCA has appointed a surveying/valuation service to undertake detailed negotiations with commercial leaseholders to review their intentions and to plan how these can be met.

- Where the preference is for relocation within the new scheme Poplar HARCA advises that there should be sufficient provision to facilitate this in phase 3.
- Where the retailer prefers off site relocation, Poplar HARCA will provide support in identifying suitable alternative premises.
- If the option chosen by the business owner is to extinguish the business, then Poplar HARCA will take advice on an appropriate fee to achieve this, but will also have regard to any representations from professional surveyors appointed by the retailer.

- 8.16 Poplar HARCA encourages all commercial interest owners to obtain independent valuation and appoint a valuer to negotiate on their behalf. Poplar HARCA will reimburse reasonable costs incurred by the commercial property leaseholders and businesses with legal and valuation professional fees to support independent valuation and negotiation services.
- 8.17 Poplar HARCA's default offer to owners / occupiers of business premises is based on statutory provisions. Should it be required to rely on the council's CPO, business occupiers (with a compensatable interest) will be entitled to full compensation under the Compensation Code including:
- Full market value (FMV) – based on agreement or determination by a third party in the absence of agreement;
 - Their reasonable relocation costs in moving to new premises;
 - A basic loss payment equivalent to 7.5% of the FMV capped at £75,000, and an Occupiers Loss payment equivalent to 2.5% of the FMV or £2.50 sqm GIA, whichever is the highest, subject to a cap of £25,000;
 - Reimbursement for reasonable professional fees

Other Relocations

- 8.18 There are 4 community based groups that have use of retail units as listed within the schedule in **Appendix 3 and described below:**
- South Bromley Forum (SBF)
 - Aberfeldy Islamic Cultural Centre (AICC)
 - Poplar Bangladeshi Community Project (PBCP)
 - Culloden Bangladeshi Parents Association (CBPA)

Under the transfer agreement with the Council, Poplar HARCA has an obligation to provide suitable provision for the Aberfeldy Islamic Cultural Centre (AICC) and temporary re-provision is being made available for them in Phase 5 of the scheme. Poplar HARCA is working closely with the AICC on the arrangements for the relocation to a permanent home which is planned to be within the new faith space in phase 4.

- 8.19 The other community groups in situ have been granted short term use of vacant shops with no ongoing commitment for re-provision. Provision of a new larger community space is being made within the scheme in phase 3, which Poplar HARCA advises will be available for use by all local community groups.

Other Land Interests

- 8.20 On Aberfeldy Estate there is:
- An electricity substation where land has been leased to the provider. Whilst it is likely that agreement will be made with the suppliers for the relocation and/or enhancement of this service, a CPO resolution will reinforce the necessity to reach such an agreement.
 - The Council owns the freehold of the "Community Access Centre" (CAC) and adjoining Multi Use Games Area (MUGA), which is leased to Poplar HARCA. Agreement will need to be reached in relation to an acquisition or a land swap.

- There is a small piece of pedestrian footpath land fronting No.25-55 Aberfeldy Street. The land is in the Council's ownership which is required for the development. Agreement will need to be reached in relation either to acquisition or a land swap.
- There is an estate access road named "Kirk Michael Road" and adjoining pavement in the Council's ownership, which also adjoins Culloden Primary School and one of its access gates. The road does not form part of the Councils' adopted highways. Agreement will need to be reached in relation to its original stock transfer date and relocation of the existing school access gate.
- There are two plots of land in the ownership of Telford Homes Plc. These plots of land are currently used as a car park and a small landscaped area. Poplar HARCA are currently in negotiations with Telford Homes in acquiring these plots of land.

8.21 There are likely to be other minor land interests and rights which will need to be extinguished or acquired by CPO. These will include such matters as:

- Way-leaves
- Rights of Way
- Third Party rights
- Rights to Light
- Over-sailing rights

8.22 All land interests will be established via a referencing process and where appropriate, negotiated settlements will be reached to allow the redevelopment to proceed unhindered.

9. Rights of Light

9.1 One of the implications of high-density development is the potential to reduce the light reaching windows of surrounding homes; this is an important consideration in the planning process, where there are well-established methodologies for calculating Daylight/Sunlight penetration. However there are increasing instances where, even when a development has planning consent, there are still adverse implications to some neighboring homes.

9.2 Where there is a significant impact upon right to light there may, in certain circumstances, be an entitlement to injunct against the proposed development. Any private properties affected in this way will be outside the red-line CPO area. However, one of the effects of enabling regeneration by compulsory purchase of land through the use of planning powers (s226 of the Town and Country Planning Act 1990) is to override private third party rights, including interference with any "rights to light"

9.3 "Rights to Light" only appears to impact on certain freehold or long leasehold interests and not on tenancies, where the interest is usually of limited duration.

9.4 The effect of the proposed CPO on any such owners would not be to compulsorily purchase their property, but rather to override any entitlement to injunct against the development of Poplar HARCA's approved scheme and to automatically convert any such entitlement into a claim for compensation. Their right to full statutory compensation would not be affected.

9.5 Detailed design work has not yet been carried out for phases 4, 5 and 6 of the Aberfeldy scheme. Nevertheless expert assessments based on the phase parameters of the

consented outline scheme indicate that 24 premises may potentially be impacted in this way, subject to tenure and individual property-based entitlements.

9.6 In terms of the proposed CPO for Aberfeldy, Poplar HARCA has undertaken that once any interference with the Rights of Light of any properties adjoining the land within the red line area becomes ascertainable and quantifiable - both in the extent of the interference and the calculation of entitlements for compensation - it will use reasonable endeavours to devise a detailed scheme in relation to each phase of the development that seeks so far as possible to reduce any such impacts and reach voluntary settlements with all those affected. The use of compulsory purchase powers does not affect the absolute entitlement of any affected owners to compensation; it merely prevents the risk of injunctions to halt development. This process will be reflected in the Indemnity Agreement between the Council and Poplar HARCA in order to assess the detailed design scheme with the above objectives in mind and to ensure that Council officers will be able to regularly review and monitor Poplar HARCA's ongoing negotiations with rights of light claimants, just as they will do for other affected land interests directly affected by the CPO.

9.7 It is proposed that, following the confirmation of the Order, land interests will be vested by the Council in phases. At this point actionable rights will cease, whilst remaining fully compensatable. The Council will be able to request the following information at each vesting stage, to ensure that Poplar HARCA is engaging appropriately with all affected claimants:

- disclosure of technical rights of light assessments, including actionable claims;
- details of the estimated compensation schedule and HARCA's current offers (e.g. "book value" and the multiple being offered);
- details of any covenants in leases which prohibit rights of light entitlements, i.e. in some right to buy / transferred council homes which would otherwise have been affected;
- details of ongoing, robust negotiations with all those owners who have actionable rights of light claims, and evidence that injunction has been threatened and/or is a real risk;
- update on general negotiations with other land interests to date, including leaseholders etc.;
- confirmation that reasonable alternatives to the extinguishment of rights of light have been fully explored by HARCA, e.g. design solutions considered in liaison with Planners and, where applicable, evidence of revised designs and non-material amendments, to avoid the necessity of using the powers;

9.8 Poplar HARCA has commissioned a specialist Rights of Light surveyor to undertake a preliminary assessment of the scheme using the approved outline planning consent and building massing, to establish how many premises around the development site are likely to be affected by rights of light impacts. The assessment has currently identified 24 potentially affected properties, the details of which are summarised in the tables below:

Phase 3

No.	Addresses	Extent of affect
1	1 - 14 Wharf view court	No actionable injuries
2	8 Athol Square	No actionable injuries
3	51 - 57 Athol Square	Actionable claim
4	1 - 7 Athol Square	Actionable claim
5	45 - 50 Athol Square	No actionable injuries
6	Culloden Primary School	No actionable injuries
7	Aberfeldy Tavern and previous building	Actionable claim
8	1 Wooster Gardens	No actionable injuries
9	1 Ada Gardens	No actionable injuries
10	1 Goodway Gardens	No actionable injuries
11	30 Goodway Gardens	Actionable claim
12	2 Goodway Gardens	Potentially actionable claim
13	Travelodge, East India Dock Road	Actionable claim

Phases 4-6

No.	Addresses	Extent of affect
14	2 - 12 Lansbury Gardens	Potential for actionable claim
15	1 - 7 Wooster Gardens	No actionable injuries
16	9 - 15 Wooster Gardens	No actionable injuries
17	Aberfeldy Tavern Public House	Potential for actionable claim
18	54 Sherman House	Unlikely to be actionable injuries
19	Culloden Primary School	Potential for actionable claim

20	St Nicholas Church centre	Potential for actionable claim
21	Kilbrennan House	Potential for actionable claim
22	Balmore Close	Potential for actionable claim
23	1 - 146 Balfron Tower	Unlikely to be actionable injuries
24	Carradale House	Unlikely to be actionable injuries

10. **LAND DISPOSAL**

10.1 The CPO boundary includes land parcels currently in the freehold ownership of the Council (see **Appendix 2**) which are required by Poplar HARCA to facilitate the development and to deliver the regeneration: -

- The 'Community Access Centre' and Multi Use Games Area on Aberfeldy Street
- Kirk Michael Road and adjoining pavement
- The footpath fronting No.25-55 Aberfeldy Street

10.2 The Council has retained external consultants to advise on the value of the various land parcels for the purpose of negotiating the terms and conditions, including any consideration, for the transfer of these freehold or long leasehold interests to Poplar HARCA.

10.3 In addition there are two plots of land in use as a private car park on land owned by Telford Homes Plc which are further discussed in section 10.17 below.

10.4 **Community Access Centre and Multi Use Games Area**

10.5 Within the CPO boundary and in particular phase 5 of the scheme is an existing community centre facility and adjoining multi use games area (MUGA), which the Council has freehold ownership over. The building is currently on a long term lease to Poplar HARCA with a commitment to deliver local community services. As part of the CPO request, Poplar HARCA would also like to acquire the community centre and adjoining MUGA in order to obtain freehold status across the site.

10.6 As part of the proposed regeneration scheme, Poplar HARCA has agreed the re-provision of the current Community Access Centre (CAC) within Phase 3 of the regeneration scheme for which land assembly is currently underway.

10.7 The proposed community centre will be larger than the current facility (Current 513 SqM – Proposed 926 SqM). This excludes the separate provision of a faith space which is to be provided within Phase 5 of the scheme. The advice offered to all current users and providers of services at the existing CAC is that they will relocate to the new CAC, which will be built and ready before the current facility is demolished.

10.8 With regards to replacement play space for the MUGA, the outline planning permission fully considers the re-provision of all play space in detail, both within the site and in the context of the surrounding area. The permission established a strategy, via the Design and Access Statement (Document AV04a dated October 2011, pages 139 to 143) that

sets out play provision for the Aberfeldy New Village taking account of the type, quality and proximity of the existing provision, including the MUGA on Aberfeldy Street, the adventure play equipment for older children at Braithwaite Park, the quiet play opportunities and the amphitheatre at Millennium Green and the multi-sports courts at Leven Road, all of which are within a short walking distance of the site. Overall, the outline planning permission concludes that the play area provision introduced within the masterplan area will result in a significant increase in re-provision - providing a total of 4,500 sqm of play space where only 1,674 sqm originally existed.

10.9 In conclusion, there is no place within the masterplan area that would appropriately accommodate a replacement caged playing pitch, whereas this exists within the wider area (Leven Road). The new courtyards within the development are ideal for toddler play, and this is what is being introduced as supported by the outline consent. Older play is accommodated to the required standard within the new masterplan linear green. Planning Officers have advised that Poplar HARCA's proposal in respect of the future loss of this MUGA is acceptable in the context of its re-provision elsewhere and therefore the disposal proposed is supported.

10.10 **Kirk Michael Road and footpath fronting No.25-55 Aberfeldy Street**

10.11 Part of the proposed development site land also includes two plots of land in the ownership of the Council. These plots are Kirk Michael road and the adjoining pavement and the footpath fronting the retail units at No.25-55 Aberfeldy Street.

10.12 Kirk Michael Road does not form part of the Council's adopted highway, instead it is an estate access road maintained by Poplar HARCA. Kirk Michael Road and its adjoining pavement also abuts a gated access point to the adjoining Culloden Primary School and the rear access to the shops along 25-55 Aberfeldy Street. Both these plots of land were not included in the stock transfer in 2008 in order to preserve ways of access to Culloden Primary school and the retail units. This has resulted in an anomaly where since the transfer has taken place Poplar HARCA has been maintaining Kirk Michael Road but now requires the land for its own regeneration programme.

10.13 Under the new development scheme Kirk Michael Road and adjoining pavement, the shop units and the pavement fronting No.25-55 Aberfeldy Street will form part of new homes with rear gardens abutting the Culloden Primary School boundary. The existing shop units will be re-provided in phase 3 of the development and therefore Kirk Michael Road will no longer be needed.

10.14 **Culloden Primary School – New Access Point**

10.15 Poplar HARCA has confirmed it has agreed with Culloden Primary School to provide an alternative safe access route along Blair Street to replace that which will be closed if HARCA acquires and builds across Kirk Michael Road, utilising either the existing gate on to that street or creating a new one (this would be subject to any necessary planning requirements).

10.16 Poplar HARCA has also agreed to fund the associated design costs, the costs of re-locating the access point and any reasonable costs associated with any additional works to the planned sensory garden area in the school. The proposed changes will form part of Poplar HARCA's ongoing consultation strategy who will manage any consultation required and work with the school and all other interested parties to keep them informed at the appropriate time.

10.17 **Other Interests to be acquired - Telford Homes Land**

Part of the proposed development site land includes two plots of land in the ownership of Telford Homes Plc. These plots of land are currently used as a car park to Julius House and a small landscaped area adjacent to the car park access to Wharf View Court. As part of the development scheme the car park area is to be reconfigured which will lead to an improved environment, but a reduction in car parking space.

10.18 Poplar HARCA has provided evidence it has approached Telford Homes with a view to acquiring these sites as well as the freeholds of Franklin, Julius and Sherman Houses through a voluntary acquisition. The blocks themselves are to remain unaltered and do not impact on the Aberfeldy Estate development. However, the associated parking areas for Julius House and a minor impact on Franklin House do and their acquisition is needed to facilitate the new development and access to completed new blocks. In principle, this acquisition has been agreed by Telford Homes, subject to finalising commercial terms. However, until such time as the voluntary acquisition is completed Poplar HARCA has requested that LBTH include these two plots of land within the CPO area.

10.19 The scheme will have some impact on residents of the neighbouring Julius House in that Poplar HARCA seeks to acquire from the freeholder the current car parking area, which can then be improved by incorporating this area into the wider landscape plan for the estate. This will have a limited impact upon the total amount of car parking space and this is subject to current consultation with the residents of the block.

10.20 Poplar HARCA has confirmed there are 12 existing parking spaces associated with Julius House that are currently leased, 11 are owned by a single individual and 1 by a company, Vendforce. Poplar HARCA are in dialogue with Vendforce regarding assignment of this lease to Poplar HARCA. Importantly, none of the properties at Julius House have an automatic right to a car parking space as part of the demise. The new development will replace 9 spaces in the immediate vicinity of Julius House and it is planned to offer 3 further parking spaces which are slightly further afield in order to re-provide all spaces.

10.21 Primary pedestrian access to the block is via East India Dock Road via a small footbridge over a grassed area. This area is included in the proposals for landscaping, but this will not impact upon access.

10.22 Vehicular access to the car park may be impacted upon during the works programme as will pedestrian access over an estate path to the north of the block. All pedestrian and vehicular access will be maintained as far as possible during the works programme and will be fully reinstated at the end of the programme.

10.23 The residents of Julius House will enjoy the benefit of living in an improved environment at the end of the works with a vastly improved retail/community area as well as access to improved green corridors and play space for children. Poplar HARCA undertook a consultation on 27 July 2015 with residents of Julius House to inform them about the development and impact to the car park space.

11. **COMPULSORY PURCHASE**

11.1 Using compulsory purchase powers will facilitate the delivery of this regeneration project. The current known interests in the land are listed in **Appendix 3**, but other interests may emerge through land referencing across the red-line area for each of the proposed CPOs.

- 11.2 Circular 06/2004 Paragraph 1 (Compulsory Purchase and the Crichel Down Rules) (“the Circular”) sets out statutory guidance to acquiring authorities in England making CPO’s.
- 11.3 The Circular states that “Ministers believe that compulsory purchase powers are an important tool for local authorities and other public bodies to use as a means of assembling the land needed to help deliver social and economic change. Used properly, they can contribute toward effective and efficient urban and rural regeneration, the revitalisation of communities, and the promotion of business – leading to improvements in quality of life. Bodies possessing compulsory purchase powers – whether at local, regional or national level – are therefore encouraged to consider using them pro-actively wherever appropriate to ensure real gains are brought to residents and the business community without delay.”
- 11.4 The Circular, para 24, sets out that “acquiring authorities should seek to acquire land by negotiation wherever practicable. The compulsory purchase of land is intended as a last resort in the event that attempts to acquire by agreement fail.”
- 11.5 The Circular also sets out (para 24) that acquiring authorities “should plan a compulsory purchase timetable at the same time as conducting negotiations.” This is to reflect the amount of time that needs to be allowed to complete the compulsory purchase process. The guidance goes on to state “it may often be sensible for the acquiring authority to initiate the formal procedures in parallel with such negotiations. This will help to make the seriousness of the authority’s intentions clear from the outset, which in turn might encourage those whose land is affected to enter more readily into meaningful negotiations.”
- 11.6 Paragraph 17 of the Circular refers to the balance that has to be struck between ensuring a compelling case in the public interest and that the regeneration project sufficiently justifies interfering with the human rights of those with an interest in the land affected. It reads as follows:
- “A compulsory purchase order should only be made where there is a compelling case in the public interest. An acquiring authority should be sure that the purposes for which it is making a compulsory purchase order sufficiently justify interfering with the human rights of those with an interest in the land affected.”*
- 11.7 Paragraph 19 of Circular 06/04 states –
- “If an acquiring authority does not have a clear idea of how it intends to use the land which it is proposing to acquire, and cannot show that all the necessary resources are likely to be available to achieve that end within a reasonable time-scale it will be difficult to show conclusively that the compulsory acquisition of the land included in the order is justified in the public interest... Parliament has always taken the view that land should only be taken compulsorily where there is clear evidence that the public benefit will outweigh the private loss.”*
- 11.8 Consideration is given to the human rights implications of the decision to make a CPO in section 15 below.
- 12. WHEN COMPULSORY PURCHASE IS TO BE USED**
- 12.1 The circumstances in which CPO may be used by relevant authorities is summarised as follows:

- To unlock situations where a scheme is being blocked by an owner (or owners) unwilling to dispose of property either at all or only at a price considerably in excess of market value a ransom situation.
 - To ensure effective negotiations for land assembly where there is a multiplicity of ownerships and absent landlords
 - Where there are unknown owners
- 12.2 The use of CPO in the case of the Aberfeldy Estate accords with the first two of these circumstances.

13. COMMENTS OF THE CHIEF FINANCE OFFICER

- 13.1 This report updates Members on Poplar HARCA's progress on the acquisition of land and properties on the Aberfeldy Estate, and seeks approval for Compulsory Purchase Order proceedings to be implemented should efforts to acquire all of the appropriate property interests by agreement fail. Arranging for these back-up procedures to be put in place now will reduce any subsequent delays in the regeneration programme that will arise if agreements cannot be reached with individual owners.
- 13.2 The report seeks approval to enter into a CPO Indemnity Agreement with Poplar HARCA (recommendation 2.6). Subject to this being approved, there are no overall financial implications for the Authority because the costs of the purchases and associated compensation packages will be borne by Poplar HARCA, with the cost of all officer time involved in the CPO process also being recharged to the organisation. As part of the indemnity arrangements it will be necessary for the financial standing of Poplar HARCA to be assessed, particularly in light of the recent Government announcements on rent reductions within the social rented sector.
- 13.3 The costs of officer time and legal fees to be met by Poplar HARCA will be dependent on whether or not the CPO is challenged at a public inquiry. In that case, the reimbursement for staff and legal costs incurred could exceed £100,000. The costs to be incurred by Poplar HARCA to acquire the multiple land interests are likely to exceed £17 million.
- 13.4 It should be noted that the Council owns several sites within the redevelopment area, and it is proposed that ultimately these will be disposed to Poplar HARCA. Details are provided within paragraphs 10.5 to 10.13, and concern the Community Access Centre and Multi Use Games Area on Aberfeldy Street, land at Kirk Michael Road and the footpath fronting 25-55 Aberfeldy Street. Future reports will need to consider the arrangements on how these sites will be acquired by Poplar HARCA, together with the proposals for the reprovision of the amenities and appropriate financial compensation.
- 13.5 The redevelopment area also includes Culloden Primary School. The proposed redevelopment impacts upon the access to the school, and as part of the consultation process, Poplar HARCA has agreed to finance the relocation of the access points, together with necessary associated works.
- 13.6 On completion of the CPO process, any properties that were not acquired via negotiation will ultimately be vested in the Council. At that stage it will be necessary to formally agree to transfer the interests of these properties to Poplar HARCA at nil consideration in accordance with the terms of the proposed indemnity agreement.

14. LEGAL COMMENTS

- 14.1 The Council is empowered under section 226 (1)(a) of the Town and Country Planning Act 1990 (“TCPA”) as amended, to acquire any land in its area if it is satisfied that the proposed acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to the land.
- 14.2 The Council may make a compulsory acquisition under section 226 of the TCPA (a) if it thinks the acquisition will facilitate the carrying out of development or redevelopment or improvement on or in relation to the land or (b) which is required for a purpose which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated. In order to make an acquisition under (a), the Council must also consider that the development, redevelopment or improvement will contribute to the promotion or improvement of the economic social or environmental well-being of its area.
- 14.3 The Acquisition of Land Act 1981 (“**the 1981 Act**”) governs the procedures which apply to such an acquisition, the Compulsory Purchase Act 1965 (“**the 1965 Act**”) governs post-confirmation procedures and the Land Compensation Act 1961 (“**the 1961 Act**”) governs the amount and assessment of compensation.
- 14.4 The Council may dispose of the land under section 233 of the TCPA for the purpose of bringing it forward for development or otherwise facilitating development. Any such disposal must be for the best consideration that can reasonably be obtained, unless the Secretary of State’s consent is obtained. By a combination of sections 226 and 233 of the TCPA, it is open to the Council to compulsorily acquire land for planning purposes and then transfer it to a developer or Registered Provider partner.
- 14.5 It is further noted as set out in paragraph 2.3 above that the proposed scheme will require disposal to Poplar HARCA of three parcels of land, each of which are currently in the freehold ownership of the Council. To the extent that these parcels of land have not been acquired or appropriated for planning purposes (in which case the powers under paragraph 14.4 above apply), the Council has the power under section 123 of the Local Government Act 1972 to dispose of its land in any manner it may wish. Except in the case of a short tenancy, the consideration or such disposal must be the best that can reasonably be obtained. Otherwise, the Council requires the consent of the Secretary of State for such a disposal.
- 14.6 To the extent that any of the three parcels of land is housing land, the general power of disposal outlined in paragraph 14.5 does not apply, which is instead covered by section 32 of the Housing Act 1985. Pursuant to that section the Council may dispose of land held for housing purposes with the consent of the Secretary of State.
- 14.7 The Secretary of State has given general consent for specified categories of disposal of housing land in the General Housing Consents 2013. Pursuant to paragraph A3.1.1 of the General Housing Consent, the Council may dispose of housing land at market value.
- 14.8 The Council is a best value authority within the meaning of section 3 of the Local Government Act 1999 and is obliged to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. The report confirms at paragraph 10.2 that the Council has retained external valuers for the purpose of negotiating the consideration and terms for disposal of these parcels of land. Such a process may be sufficient to demonstrate best consideration or market value for the purposes of the disposal powers identified in the paragraphs above. Officers will nevertheless need to keep under consideration whether the process is delivering the best consideration or

market value (as the case may be) to ensure the Council complies with its statutory requirements.

- 14.9 The 1981 Act provides that the authorisation of a compulsory purchase is to be conferred by an order, called a compulsory purchase order (“**CPO**”). A CPO is required to be made in a prescribed form and must describe by reference to a map the land to which it applies. If the Council makes a CPO, it must submit the CPO to the Secretary of State for confirmation. Prior to submission to the Secretary of State, the Council must publish notice of the making of the CPO specifying that the order has been made, describing the land and the purpose for which it is required, naming a place where the order and map may be inspected and specifying a time which (and the manner in which) objections may be made. The Council must also serve a notice in prescribed form on affected owners, lessees, tenants or occupiers of the land allowing them the opportunity to object. The procedure for confirmation is specified in the 1981 Act and may require the conduct of a public inquiry if there are objections.
- 14.10 As an acquisition will extinguish third party rights, the Council will need to take care that it does not contravene the rights of individuals under the European Convention on Human Rights (“**ECHR**”). Section 6 of the Human Rights Act 1998 makes it unlawful for the Council to act in any way which is incompatible with a right under the ECHR. Pursuant to Article 1 of the First Protocol to the ECHR, every person is entitled to the peaceful enjoyment of his or her possessions and no one shall be deprived of those possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law. In order to avoid contravening individual human rights by making a CPO, it must be demonstrated that the CPO is in the public interest and that it is necessary and proportionate to make the CPO. Counsel’s opinion has been obtained in respect of Human Rights issues. It is considered that, as the requirements of S226 (1) and (1a) have been fulfilled (i.e. the development, redevelopment or improvement will contribute to the promotion or improvement of the economic social or environmental well-being of its area), this will provide a very substantial basis upon which to make the case that the scheme is policy based and is consistent with statutory objectives .
- 14.11 The fact of the land being held or acquired (whether through private treaty or a CPO) for planning purposes is important because of the operation of s.237 of the TCPA. This provides that the erection, construction or carrying out or maintenance of any building or work on land which has been acquired or appropriated by a local authority for planning purposes (whether done by the local authority or by a person deriving title under them) is authorised if it is done in accordance with planning permission, notwithstanding that it involves—(a) interference with an interest or right to which this section applies, or (b) a breach of a restriction as to the user of land arising by virtue of a contract. Moreover section (1A) provides that, subject to subsection (3), the use of any land in England which has been acquired or appropriated by a local authority for planning purposes (whether the use is by the local authority or by a person deriving title under them) is authorised by virtue of this section if it is in accordance with planning permission even if the use involves—(a) interference with an interest or right to which this section applies, or (b) a breach of a restriction as to the user of land arising by virtue of a contract. The interests and rights to which this section applies are any easement, liberty, privilege, right or advantage annexed to land and adversely affecting other land, including any natural right to support. Accordingly, any rights of light (which are covered in detail in paragraph 9) are included under this section. The obligations of Poplar HARCA to fulfil the statutory obligations in this respect are dealt with in paragraph 9.7 of this report.
- 14.12 As this entire cost of the project is being underwritten by Poplar HARCA, an Indemnity Agreement between this Council and Poplar HARCA is to be entered into prior to making the CPO in order to protect the financial interests of the Council. Given that the proposed

scheme will involve a transfer back of the land acquired at a nil consideration to Poplar HARCA, the consent of the Commissioners will be required to enter into the Indemnity Agreement. Commissioner consent will also be required in respect of the transfer of the land referred to in paragraph 2.3 of this report (i.e. land in present ownership of the Council). Pending finalisation of the terms of the Indemnity Agreement, an undertaking for legal and other related costs has been given by the solicitors acting on behalf of Poplar HARCA for all work carried out since the 1st March 2015 limited to £50,000. It is envisaged that this sum should be sufficient to underwrite costs until such time as the Indemnity Agreement is completed.

- 14.13 The making of a CPO should be a last resort and should be preceded by vigorous attempts to acquire the land interests by agreement. There should be evidence of intransigence on the part of owners such that the development is put at risk. It must be clear that the development offers public benefits, such as improved housing and amenities for the estate. The balance of interests between the protection of individual rights and the public benefits to be obtained must be considered and there should be a compelling case in the public interest for the CPO. In doing so it may be noted that the impact on individual rights is lessened by the existence of rights of objection and a statutory compensation regime which includes payments above the market price to compensate for the involuntary nature of the process.
- 14.14 The Government Circular 06/2004, which was issued on 31 October 2004, provides guidance to acquiring authorities in England on the use of compulsory acquisition powers. The guidance has been referred to, as appropriate, in the preparation of this report.
- 14.15 Before making a CPO, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. Some form of equality analysis will be required which is proportionate to the potential impact of the CPO on individuals or communities.
- 14.16 The making of a CPO is an executive function, by virtue of section 9D of the Local Government Act 2000 and the Local Authorities (Functions and Responsibilities) (England) Regulations 2000. Pursuant to section 9E(2) of the Local Government Act 2000, the Mayor may arrange for the discharge of an executive function by an officer of the authority.

15. HUMAN RIGHTS IMPLICATIONS

- 15.1. Section 6 of the Human Rights Act 1998 prohibits public authorities from acting in a way that is incompatible with the European Convention on Human Rights. Various convention rights are likely to be relevant to the Order, including:
- *Entitlement to a fair and public hearing in the determination of a person's civil and political rights (Convention Article 6). This includes property rights and can include opportunities to be heard in the consultation process.*
 - *Peaceful enjoyment of possessions (First Protocol Article 1). This right includes the right to peaceful enjoyment of property and is subject to the State's right to enforce such laws as it deems necessary to control the use of property in accordance with the general interest.*

- *Right to life, in respect of which the likely health impacts of the proposals will need to be taken into account in evaluating the scheme (Convention Article 2).*

15.2 The European Court has recognised that "regard must be had to the fair balance that has to be struck between the competing interests of the individual and of the community as a whole". Both public and private interests are to be taken into account in the exercise of the Council's powers and duties as a local planning authority. Any interference with a Convention right must be necessary and proportionate.

15.3 The Council is therefore required to consider whether its actions would infringe the human rights of anyone affected by the making of the CPO. The Council must carefully consider the balance to be struck between individual rights and the wider public interest. It is considered that any interference with the Convention rights caused by the CPO will be justified in order to secure the social, physical and environmental regeneration that the project will bring. Appropriate compensation will be available to those entitled to claim it under the relevant provisions of the national Compensation Code.

16. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

16.1 The housing stock transferred from the Council to Poplar HARCA was designed to an environmental performance consistent with standards for build in place at the time the properties were built (mid 1900's). The performance standards will have been improved to a limited degree in the social; housing properties through investment to bring them to the Decent Homes standard, but these improvements will not have been applied to all of the leasehold properties.

16.2 The proposed new scheme will provide homes built to a far higher standard of environmental performance, which will mean they are far more cost effective to run, thereby reducing the potential for fuel poverty amongst low income households that are expected to occupy the new affordable homes within the scheme.

17. CRIME AND DISORDER REDUCTION IMPLICATIONS

17.1 Aberfeldy Estate has experienced significant issues of anti-social behaviour (ASB). These ASB issues are exacerbated by the design and isolated nature of the estate, caused by being surrounded by major roads. These major roads and the associated underpasses and bridges provide easy access to other local estates as well as fast 'getaway' routes. This enables those committing ASB to easily evade police and other enforcement activities.

17.2 The nature of the ASB largely relates to so called 'postcode gangs' but there are recent developments of further incursions into the area by a gang known to be introducing a drug culture and engaging local teenagers to further develop this culture. This particular gang is known to be violent and all gang members are armed with knives.

17.3 Further physical factors which contribute to the ability for the gangs to conduct ASB are the poor estate lighting and lack of CCTV in the locality.

17.4 The proposed redevelopments are applying the following principles to address the ASB issues:

- The Masterplan seeks to achieve the development of a vibrant core to the new neighbourhood. This is achieved by relocating the existing retail core south along

Aberfeldy Street, The position of the new hub is designed to be an anchor to draw footfall through the site, via the new A13 crossing.

- This will ensure that the public realm of the scheme is truly public with people walking through to go to the commercial/community uses.
- Aberfeldy Gateway is a key arrival point into this new community, the new pedestrian crossing traversing the busy East India Dock Road connects this area to the East India Dock DLR reinforcing this as a primary location for retail and community uses.
- The widening of Aberfeldy Street at this location creates long sightlines from the south; the scale of the adjacent blocks reinforces the urban nature of this shared surface public space. The eastern block marks the arrival point and brings the commercial uses into clear visibility from the A13.
- The new shared surface street encourages people to use the shops which is in line with the desires of residents
- The commercial hub includes the potential for a small amount of A3 space to accommodate a cafe/bar or restaurant. This will be of a relatively small scale and will service the occupants of Aberfeldy and the immediate environs.
- The facilities are grouped around a new public space featuring dancing water jets that offer children opportunities to play at the point where the new East India Green interfaces with the space. The aim is to create a lively space, a new focus for the residents of Aberfeldy and visitors alike.
- The A12 transformed into boulevard faced with active frontages, widened edges to incorporate avenues of trees, dedicated cycle ways, roads and parking to serve local movement
- Provision of new community and faith space
- Delivering the principles and requirements of the Secured by Design application and Checklist

18. EFFICIENCY STATEMENT

- 18.1 All expenditure to be incurred in managing and delivering the proposed CPO processes, including reasonable costs arising from work by the council's Legal and Housing Regeneration Teams, will be reimbursed by Poplar HARCA.

19. ONE TOWER HAMLETS CONSIDERATIONS

- 19.1 The council has a range of statutory duties to facilitate development in the borough and provide affordable homes for local residents. Regeneration and development is a key factor to ensuring economic prosperity for the individual and for the community. The council has to plan for the overall social infrastructure to meet the needs of the rising local population.

20. RISK IMPLICATIONS

- 20.1 The risks associated with not agreeing the CPO resolutions for each project are set out in Section 4 of the report. Failure to acquire the land interests through negotiation could jeopardize the Aberfeldy Estate regeneration proposals unless this risk is off-set by taking steps to make a precautionary CPO in each area, to acquire the land interests identified in this report.
- 20.2 The council is working with Poplar HARCA on the redevelopment proposal. The programme bears some time risks due to the need to vacate the residential and

commercial properties. The programme is being monitored closely. The CPO resolution for Aberfeldy Estate will support the programme delivery if the need arises.

Linked Reports, Appendices and Background Documents

Linked Report

- None.

Appendices

Appendix 1: Aberfeldy Estate - Site Location & CPO Boundary Plan (ph3-6)

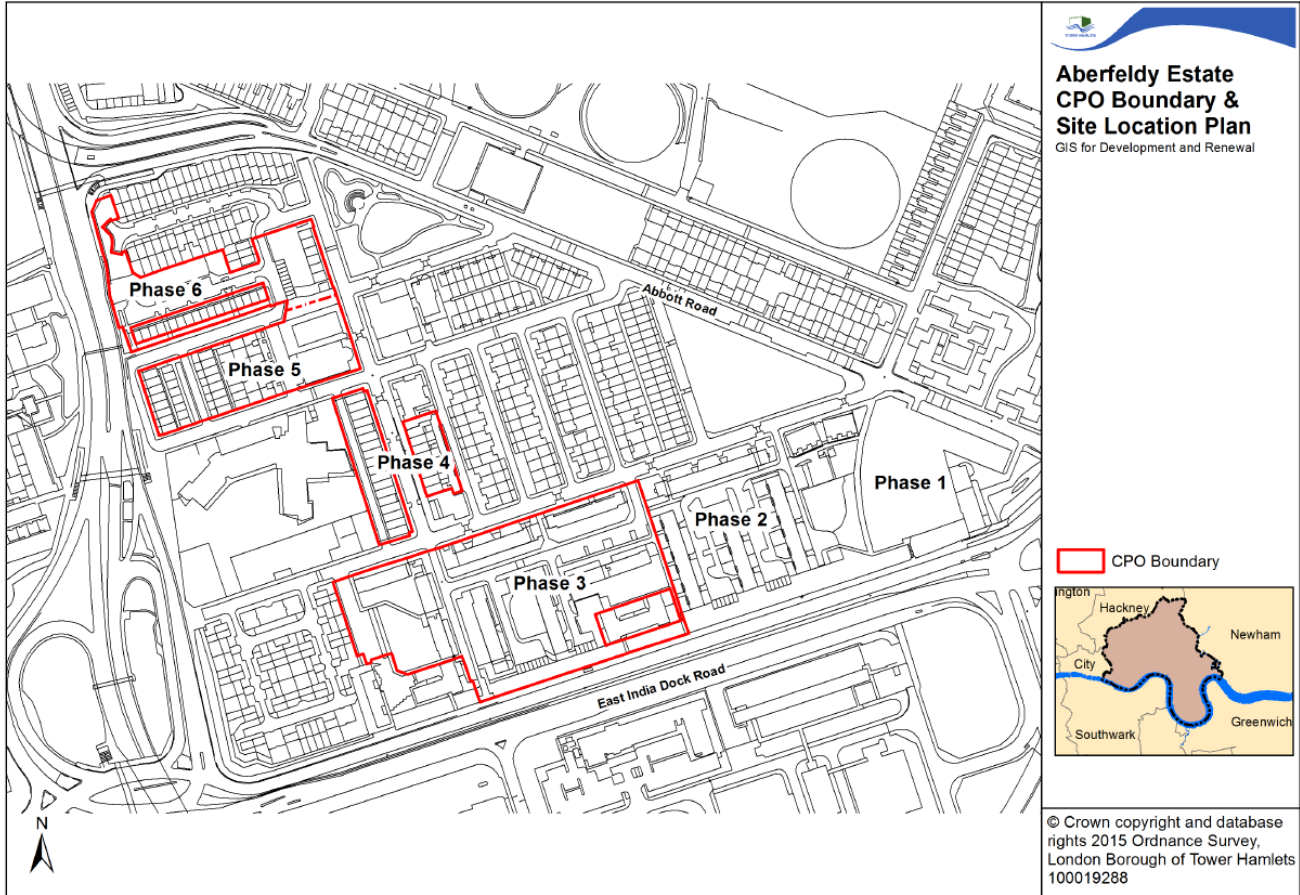
Appendix 2: Aberfeldy Estate - Land Disposal Plan (ph3-6)

Appendix 3: Aberfeldy Estate - Schedule of all Land Interests to be acquired

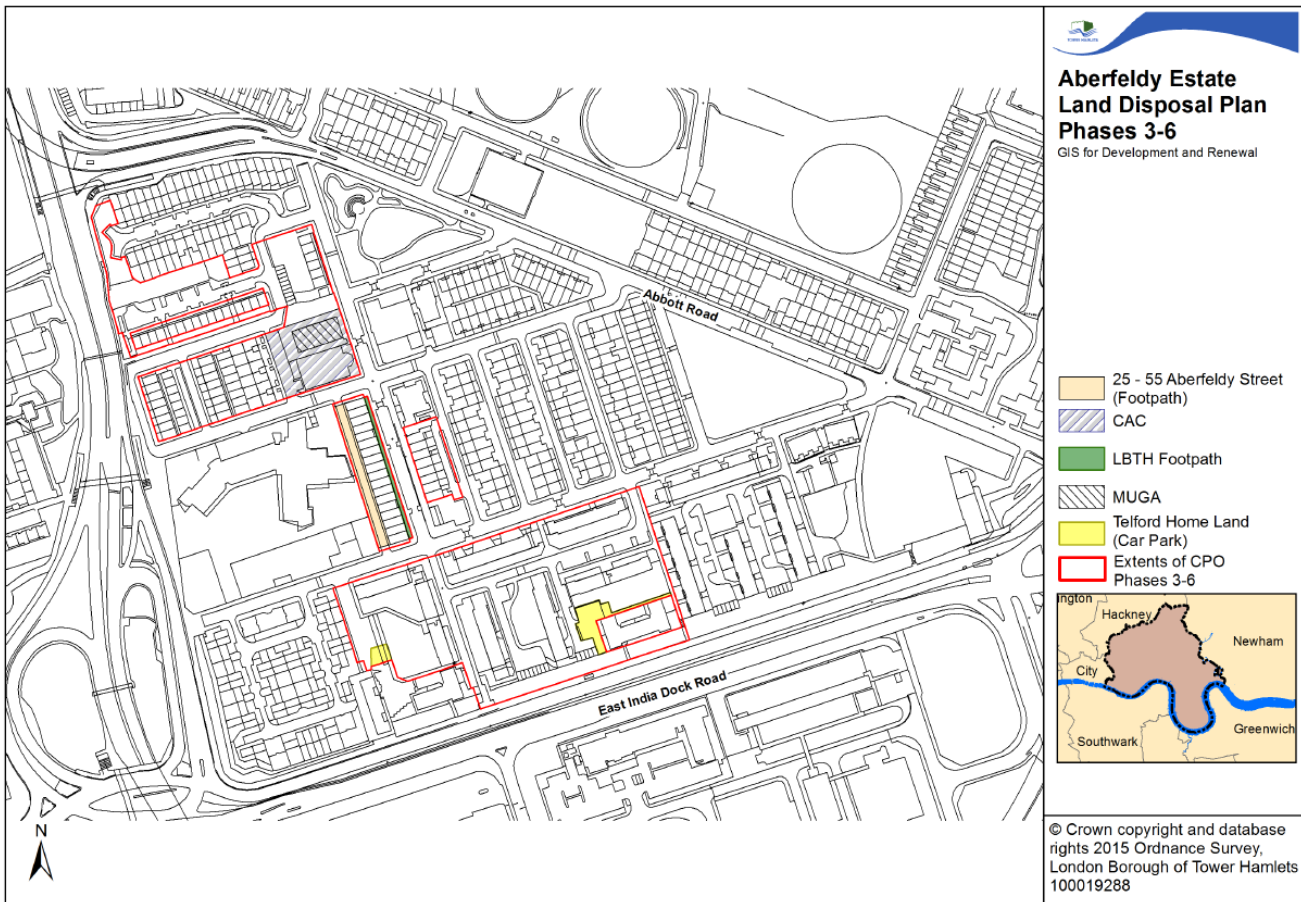
Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- None.

**Appendix 1:
Aberfeldy Estate – CPO Boundary & Site Location Plan (phases 3-6)**



**Appendix 2:
Aberfeldy Estate – Land Disposal Plan (phases 3-6)**



Appendix 3:

1. Aberfeldy Estate Phase 3-6 - Schedule of all Land Interests to be acquired

Land interests to be purchased: Listed for inclusion in the proposed Compulsory Purchase Order

The leasehold properties known as:-

Phase 3

2 Adams House E14 0NS
4 Adams House E14 0NS
17 Adams House E14 0NS
2 Arapiles House E14 0PH
3 Arapiles House E14 0PH
10 Arapiles House E14 0PH
12 Arapiles House E14 0PH
2 Athenia House E14 0PA
5 Athenia House E14 0PA
6 Athenia House E14 0PA
7 Athenia House E14 0PA
8 Athenia House E14 0PA
9 Athenia House E14 0PA
11 Athenia House E14 0PA
16 Athenia House E14 0PA
17 Athenia House E14 0PA
19 Athenia House E14 0PA
7 Jones House E14 0NT
11 Jones House E14 0NT
3 Sam March House E14 0PG
7 Sam March House E14 0PG
8 Sam March House E14 0PG
17 Sam March House E14 0PG
1 Theseus House E14 0QA
6 Theseus House E14 0QA
11 Theseus House E14 0QA
14 Theseus House E14 0QA
16 Theseus House E14 0QA
18 Theseus House E14 0QA
20 Theseus House E14 0QA
22 Theseus House E14 0QA
2 Trident House E14 0NX
4 Trident House E14 0NX
6 Trident House E14 0NX
12 Trident House E14 0NX
14 Trident House E14 0NX
15 Trident House E14 0NX

Phase 4

27A Aberfeldy Street E14 0NU
31A Aberfeldy Street E14 0NU
37A Aberfeldy Street E14 0NU
41A Aberfeldy Street E14 0NU
49A Aberfeldy Street E14 0NU
51A Aberfeldy Street E14 0NU
53A Aberfeldy Street E14 0NU
55A Aberfeldy Street E14 0NU
44A Aberfeldy Street E14 0NU
46A Aberfeldy Street E14 0NU
50A Aberfeldy Street E14 0NU

Phase 5

2 Heather House	E14 0PE
5 Heather House	E14 0PE
7 Heather House	E14 0PE
11 Heather House	E14 0PE
8 Tartan House	E14 0PF
14 Tartan House	E14 0PF
17 Tartan House	E14 0PF
18 Tartan House	E14 0PF
4 Thistle House	E14 0PD
11 Thistle House	E14 0PD
14 Thistle House	E14 0PD

Phase 6

65 Jura House	E14 0QB
69 Jura House	E14 0QB
71 Jura House	E14 0QB

2. Aberfeldy Estate Phase 3-6 - Schedule of Tenanted Interests to be decanted

Residential tenanted interests to be decanted: Listed for inclusion in the proposed Compulsory Purchase Order

The tenanted properties known as:-

Phase 3

1 Adams House E14 ONS
3 Adams House E14 ONS
5 Adams House E14 ONS
6 Adams House E14 ONS
7 Adams House E14 ONS
8 Adams House E14 ONS
9 Adams House E14 ONS
10 Adams House E14 ONS
11 Adams House E14 ONS
12 Adams House E14 ONS
13 Adams House E14 ONS
14 Adams House E14 ONS
15 Adams House E14 ONS
16 Adams House E14 ONS
18 Adams House E14 ONS

1 Arapiles House
4 Arapiles House
5 Arapiles House
6 Arapiles House
7 Arapiles House
8 Arapiles House
9 Arapiles House
11 Arapiles House
13 Arapiles House
14 Arapiles House
15 Arapiles House

1 Athenia House
2A Athenia House
3 Athenia House
4 Athenia House
10 Athenia House
12 Athenia House
13 Athenia House
14 Athenia House
15 Athenia House
18 Athenia House
20 Athenia House
21 Athenia House
22 Athenia House

23 Athenia House

1 Jones House

2 Jones House

3 Jones House

4 Jones House

5 Jones House

6 Jones House

8 Jones House

9 Jones House

10 Jones House

12 Jones House

13 Jones House

14 Jones House

15 Jones House

16 Jones House

17 Jones House

18 Jones House

1 Sam March House

2 Sam March House

4 Sam March House

5 Sam March House

6 Sam March House

9 Sam March House

10 Sam March House

11 Sam March House

12 Sam March House

13 Sam March House

15 Sam March House

16 Sam March House

18 Sam March House

1 Trident House

3 Trident House

5 Trident House

8 Trident House

9 Trident House

10 Trident House

11 Trident House

13 Trident House

2 Theseus House

3 Theseus House

3A Theseus House

4 Theseus House

5 Theseus House

7 Theseus House

8 Theseus House

9 Theseus House

10 Theseus House

- 15 Theseus House
- 17 Theseus House
- 19 Theseus House
- 21 Theseus House
- 23 Theseus House

Phase 4

- 25A Aberfeldy Street
- 29A Aberfeldy Street
- 33A Aberfeldy Street
- 35A Aberfeldy Street
- 39A Aberfeldy Street
- 43A Aberfeldy Street
- 45A Aberfeldy Street
- 47A Aberfeldy Street
- 36A Aberfeldy Street
- 42A Aberfeldy Street
- 48A Aberfeldy Street

Phase 5

- 1 Heather House
- 3 Heather House
- 4 Heather House
- 6 Heather House
- 8 Heather House
- 9 Heather House
- 10 Heather House
- 12 Heather House
- 13 Heather House
- 14 Heather House
- 15 Heather House
- 16 Heather House
- 1 Tartan House
- 2 Tartan House
- 3 Tartan House
- 4 Tartan House
- 5 Tartan House
- 6 Tartan House
- 7 Tartan House
- 9 Tartan House
- 10 Tartan House
- 11 Tartan House
- 12 Tartan House
- 13 Tartan House
- 15 Tartan House

- 16 Tartan House
- 1 Thistle House
- 2 Thistle House
- 3 Thistle House
- 5 Thistle House
- 6 Thistle House
- 7 Thistle House
- 8 Thistle House
- 9 Thistle House
- 10 Thistle House
- 12 Thistle House
- 13 Thistle House
- 15 Thistle House
- 16 Thistle House

Phase 6

- 57 Jura House
- 59 Jura House
- 61 Jura House
- 63 Jura House
- 67 Jura House
- 73 Jura House
- 75 Jura House
- 77 Jura House
- 79 Jura House

3. Aberfeldy Estate - Schedule of Commercial Interests to be acquired

The commercial interests known at 25-55 Aberfeldy Street are as:

Unit	Tenant	Business	Lease details	Comments	Additional Notes
No.25	MA Malik	Chicken Takeaway	20 year lease from 28/04/01	Lease term expires in 2021	
No.27	South Bromley Forum	Community Facility	5 year lease from 22/12/03	Lease term expired 22/12/08	Supplemental 5 year lease from 22/09/2008
No.29	VACANT (was Eurasia frozen food)	VACANT	20 year lease from 24/03/97	Lease term expires in 2017	
No.31	BC & SB Patel	Newsagent/off licence	10 year lease from 1/9/04	Lease term expires in 2014	
No.33	J Parker	Dry cleaners	20 year lease from 29/1/03	Lease term expires in 2023	
No.35	IS Birdi	Pharmacy	20 year lease from 9/3/89	Lease term expired 9/3/09	Supplemental 15 year Lease from 09/03/2009
No.36	Aberfeldy Islamic Cultural Centre	Mosque	No details	No details	
No.37	S Miah	Clothing	20 year lease from 29/9/00	Lease term expires in 2020	
No.38	Aberfeldy Islamic Cultural Centre	Mosque	No details	No details	
No.39	Poplar Bangladeshi Community Project	Community facility	20 year lease from 20/12/01	Lease term expires in 2021	
No.40	AS Sheikh	Café	10 year lease from 10/11/01	Lease term expired 10/11/11	
No.41	AS Sheikh	Household goods	20 year lease from 25/12/01	Lease term expires in 2021	
No.42-44	P Monnan	Grocery	20 year lease on no 42 from 29/9/05 20 year lease on no 44 from 29/9/98	Lease term expires on no 42 in 2025 Lease term expires on no 44 in 2018	
No.43	VACANT	VACANT	20 year lease from 1/1/04	Lease term expires in	

				2024	
No.45-47	AS Sheikh	Mini-supermarket	20 year lease from 25/12/01	Lease term expires in 2021	
No.46	VACANT	VACANT	No lease in place	Vacant possession secured	
No.48	B Hussain	Furniture	No details	No details	
No.49-51	Culloden Bangladeshi Parents Assoc	Community facility	15 year lease from 9/03	Lease term expires in 2018	
No.50	VACANT	VACANT	20 year lease from 29/04/05	Lease term expires in 2025	
No.53	D Stone & A Miles	Heating/plumbing	10 Year lease from 21/04/2003	Lease term expired in 2013	
No.55	HW Mak	Chinese takeaway	20 year lease from 25/12/03	Lease term expires in 2023	

Other Land Interests:


Electricity substation adjacent to the southern boundary of Phase 4
Rights of way
Over sailing
Way-leaves
Telecommunications equipment

Other non-residential interests as identified during the land referencing process within the red line boundary shown on the plan in Appendix 1

Acquire interests in land and new rights within the compulsory purchase order boundary either by private agreement or compulsorily.

Acquire new rights arising from the compulsory purchase order in relation to properties outside of the red line area

Agenda Item 5.6

Cabinet 6 October 2015	 TOWER HAMLETS
Report of: Zena Cooke – Corporate Director of Resources	Classification: Unrestricted
Strategic Performance and Corporate Revenue and Capital Budget Monitoring Q1 2015/16 (Month 3)	

Lead Member	Councillor David Edgar, Cabinet Member for Resources
Originating Officer(s)	Kevin Miles, Chief Accountant & Louise Russell, Service Head Corporate Strategy and Equality
Wards affected	All Wards
Key Decision?	No

Executive Summary

This monitoring report details the financial position of the Council at the end of June 2015 (Month 3) compared to budget. The report includes details of;

- General Fund Revenue
- Housing Revenue Account;
- Capital Monitor Q1
- Performance Monitoring Report

Recommendations:

The Mayor in Cabinet is recommended to:

1. Note the Council's financial performance compared to budget for 2015/16 as detailed in Sections 2 to 5 and Appendices 1-4 of this report.
2. Review and note performance for strategic measures and Strategic Plan activities in Appendix 5.
3. Note details of Ashington East Capital Programme included in the report titled 'Housing Resources and Capital Delivery', agenda item 5.4

1. REASONS FOR THE DECISIONS

- 1.1. Good financial practice requires that regular reports be submitted to Council/Committee setting out the financial position of the Council against budget, and its service performance against targets.
- 1.2. The regular reporting of the Strategic Performance and Corporate Revenue and Capital Budget Monitoring should assist in ensuring that Members are able to scrutinise officer decisions.

2. ALTERNATIVE OPTIONS

- 2.1 The Council reports its anticipated annual outturn position against budget for both revenue and capital net spend. It also reports its strategic performance.
- 2.2 Significant variations, trends and corrective action are reported in the body and appendices of the report. No alternative action is considered necessary beyond that included below and this report is produced to ensure that Members are kept informed about decisions made under the delegated authority.

3. DETAILS OF REPORT

1.2 General Fund

As at the end of June 2015, the net projected General Fund outturn position is £291.222m. This represents a £0.141m underspend. This is less than 0.05%, on the approved budget of 291.363m.

The current position is summarised below

Narrative	£m
Budget	291.363
Resources – operational variances	(0.058)
Legal, Probity and Governance – operational variances	(0.065)
Development & Renewal – operational variances	(0.018)
Forecast Outturn – Per system	291.222

1.3 HRA

The HRA is projecting an underspend position of 0.465m for 2015/16. This is 0.5% of the total budgeted income of £92.1m.

1.4 Capital Programme

Directorates have spent 3% of their capital budgets for the year (£6.9m against budgets of £211.1m). Further information is provided in section 5 of the report and Appendix 4.

1.5 More detailed financial information is contained in the following report appendices:

- **Appendix 1** - lists revenue and capital budget / target adjustments (including virements).
- **Appendix 2** - provides the General Fund budget outturn forecast by Directorate and explanations of any major variances.
- **Appendix 3** – provides the budget outturn forecast for the HRA
- **Appendix 4** – provides the projected Capital Monitoring outturn position
- **Appendix 5** – provides a summary of the Strategic Measures

2. FINANCE OVERVIEW

2.1 The following table summarises the current expected outturn position for the General Fund.

SUMMARY	Latest Budget £'000	Budget to Date £'000	Actual to Date £'000	Forecast Outturn £'000	Variance £'000
Law, Probity and Governance	9,291	2,323	(115)	9,226	(65)
Communities, Localities and Culture	79,295	15,944	7,742	79,295	0
Development and Renewal	15,887	3,972	5,044	15,869	(18)
Education, Social Care and Wellbeing	212,259	53,066	39,093	212,259	0
Resources	7,438	1,858	14,900	7,380	(58)
Corporate Costs / Capital Financing	(32,807)	(8,994)	2,851	(32,807)	0
Total	291,363	68,169	69,630	291,222	(141)

Variances are explained in the detailed budget analysis in Appendix 2. The summary position for each service directorate is set out below.

2.3 Law Probity and Governance £65k Underspend

The LP&G directorate is showing a small underspend as a result of vacancies in the Corporate Management structure.

2.4 Communities, Localities & Culture Nil

The CLC directorate is forecasting a nil variance at the end of the financial year.

2.5 Development and Renewal £18k Underspend

The D&R directorate is forecasting a small underspend for the financial year

2.6 Education, Social Care and Wellbeing Nil

There is significant overall pressure which is reflected within divisional budgets, particularly in Adults Social Care however the drawdown of grants, reserves, and the potential to evidence growth pressures for extra central resources allows a balanced position to be reflected.

There remain risks affecting the budget position, some of which may improve the position, others may make the position worse. At present there are savings of £2.493m which are yet to be allocated across the directorate - £500k of these relate to the Admin review, which leaves £1.993m as savings which need to be delivered, mitigated, or a case made for additional corporate resources via a target adjustment due to slippage/non-deliverability.

The Schools Budget is reporting a forecast unallocated DSG at year-end of £2.926m

From the 1st July (period 4) the ESCW Directorate will be split between Children's Services and Adults Services, and reported as separate directorates.

2.7 Resources £58k Underspend

There are small underspends in the resources directorate

2.8 Corporate Costs & Capital Financing

Nil

A breakeven position is forecast for the financial year. Spend to date variance is due to items such as depreciation and minimum revenue provision being processed at year-end.

3. Housing Revenue Account £0.46 m Underspend

The overall projected HRA underspend is the net result of a number of variances, the main variance for HRA income is that rental income is forecast to be lower than budgeted due to the high number of Right to Buy sales taking place – in the first three months of 2015/16 there were 49 sales. In addition, energy costs are forecast to be lower than budgeted, although this is a volatile budget and will be closely monitored.

4. CAPITAL

4.1 The capital budget for 2015/16 now totals £211.1m, increased from the £172.0m reported to Cabinet in February 2015 as part of the budget-setting process. The increase is due to slippage from 2014/15 being incorporated into the current year budget.

4.2 Details of all the changes to the capital budget are set out in Appendix 1.

4.3 Total capital expenditure to the end of Quarter 1 represented 3% of the revised capital programme budget for 2015/16 as follows:

	Annual Budget as at 30-Jun-15	Spent to 30-Jun-15	% Budget Spent
	£m	£m	%
TOTALS BY DIRECTORATE:			
Education, Social Care and Wellbeing	24.060	1.490	6%
Communities, Localities and Culture	17.885	-0.142	-1%
Development and Renewal	11.324	1.673	15%
Building Schools for the Future (BSF)	1.015	0.581	57%
Housing Revenue Account (HRA)	154.308	3.332	2%
Corporate	2.504	0.000	0%
GRAND TOTAL	211.096	6.934	3%

This compares with 7% at the same stage last year. Expenditure tends to be heavily profiled towards the latter half of the year as new schemes are under development at the start of the year.

4.4 Projected capital expenditure for the year compared to budget is as follows:

	Annual Budget as at 30-Jun-15	Projection 31-Mar-16	Forecast Variance
	£m	£m	£m
TOTALS BY DIRECTORATE:			
Education, Social Care and Wellbeing	24.060	23.449	-0.611
Communities, Localities and Culture	17.885	17.778	-0.107
Development and Renewal	11.324	9.137	-2.187
Building Schools for the Future (BSF)	1.015	1.015	0.000
Housing Revenue Account (HRA)	154.308	103.960	-50.348
Corporate GF provision for schemes under development	2.504	1.122	-1.382
GRAND TOTAL	211.096	156.461	-54.635

Programme slippage of £54.635m is currently being projected. The projection does not reflect an underspend but is due to timing differences between years. Any amount of slippage will be spent in future years. The main reasons for the variance are as follows:

- New Housing Supply – retained RTB receipts (£24.1m)**
 Provision was set aside in the 2015/16 HRA budget report for the use of these capital resources on new-build schemes in order to spend £14.5m of 1-4-1 receipts held by the Authority. A number of new-build schemes are being assessed by Cabinet for their viability and whether they are affordable.
- Housing Capital programme (£18.2m)**
 In light of the summer budget announcements and the need to maximise the use of 1-4-1 receipts, and the stock condition survey that is currently being undertaken, uncommitted elements of the HRA capital programme are being reviewed. £10.9m of the projected slippage relates to a provision that was set aside in the 2015/16 HRA budget report for schemes under development.
- New Affordable Housing – Ashington Estate East (£6.1m)**
 The scheme is being reviewed in the light of the changes in the budget including the need to utilise RtB receipts, and the need to review the technical aspects of a difficult scheme to ensure value for money and the best design for affordable homes. Further detail of this project is contained in agenda item 5.4 titled ‘Housing Resources and Capital Delivery’.
- Community Buildings Support Fund (£1.5m)**
 This project is currently under review.

- **Whitechapel Civic Centre (£1.4m)**

Following the decision of the Mayor in Cabinet on 28 July 2015, a further report will be considered by Cabinet in respect of the delivery and procurement options for the new civic centre. At this stage it has been assumed that £1.12 million of the residual £2.5 million of resources earmarked for the project will be spent this year, with the further report including the financial requirements of the full project.

- 4.5 The total approved budget, taking into account the whole life of all capital schemes, is currently £1,014.5m against which £1,001.0m is forecast. The £13.5m underspend relates to the HRA scheme for new affordable housing at Ashington Estate East.

The breakdown by directorate is shown below:

	All years budget as at 30-Jun-15	Projection (all years)	Variance
	£m	£m	£m
Education, Social Care and Wellbeing	116.301	116.301	0.000
Communities, Localities and Culture	64.373	64.373	0.000
Development and Renewal	30.973	30.973	0.000
Building Schools for the Future (BSF)	332.146	332.146	0.000
Housing Revenue Account (HRA)	458.714	445.214	-13.500
Corporate	12.000	12.000	0.000
GRAND TOTAL	1,014.507	1,001.007	-13.500

- 4.6 Capital receipts received in 2015/16 from the sale of Housing and General Fund assets as at 30th June 2015 are as follows:

Capital Receipts		
	£m	£m
Sale of Housing assets		
Receipts from Right to Buy (49 properties)	5.796	
less pooled amount paid to DCLG	-0.444	
		5.352
Sale of General Fund assets		
None	0.000	
		0.000
Total Capital Receipts 2015/16		5.352

Retained Right to Buy receipts must be set aside to meet targets on housing provision as set out in regulations governing the pooling of housing capital receipts, so they must be ring-fenced for this purpose and are not available for general allocation.

5. **STRATEGIC PERFORMANCE MEASURES**

2014/15 Final Outturn Reporting Update

5.1 Since the year end performance reporting was undertaken, final outturns for the following outstanding performance measures are now available and are included in appendix 5.

- ***Percentage of CAF reviews with an improved average score*** – the final outturn for 2014/15 was 70.6% against a minimum expectation of 74.5%.
- ***Social Care-related quality of life*** – the final outturn for 2014/15 financial year was 18.3 (out of a maximum score of 24) for the self-reported experience of social care users. The minimum expectation of 18.5 was missed.
- ***Self-Directed Support*** – in 2014/15 the proportion of people using social care who receive self-directed support or a direct payments was 64.7%. The minimum expectation of 61.7% was exceeded.
- ***Smoking quitters*** – in 2014/15 the smoking quit rate per 100,000 residents aged 16 or above was 626.18 equating to 1,364 residents achieving the four week smoking quit target. This measure did not meet the minimum expectation set of 833.
- ***People Killed or Seriously Injured (KSI)*** – the final outturn for people killed or seriously injured in road traffic accidents was 114.3. The outturn is a three year rolling average of 2012, 2013 and 2014. Performance was better than the minimum expectation of 119.3 but the target (112 or lower) was missed. The number of people killed or seriously injured in each year was 168, 87 and 88 respectively.
- ***Children Killed or Seriously Injured (KSI)*** – the final outturn for children killed or seriously injured in road traffic accidents was 5.7. The number of children killed or seriously injured was 11, 4 and 2 across the three year rolling period 2012, 2013 and 2014. Performance was better than the target of 8 (or lower).

5.2 There is one measure where the 2014/15 year-end outturn is still outstanding:

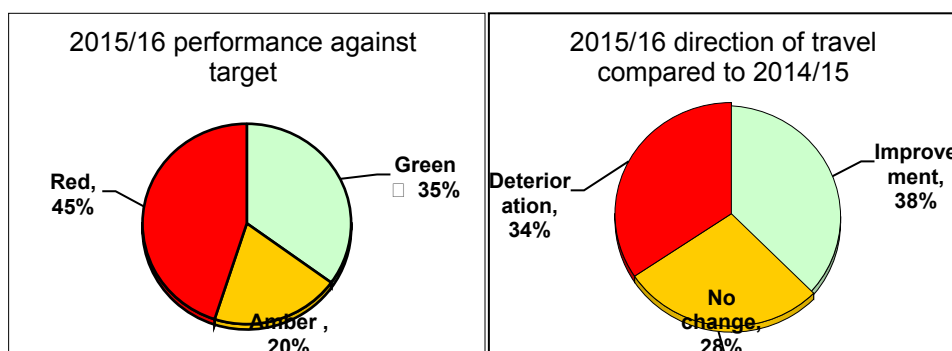
- **Percentage of overall council housing stock that is non-decent**
– year end data is expected shortly after quality checks have been completed.

Strategic Performance Measures – Quarter 1 (March-June 2015)

- 5.3 The strategic measures enable the Council to monitor progress against its priorities outlined in the Strategic Plan. The strategic measures reflect the Council's continued commitment to set itself stretching targets. They are reviewed on an annual basis as part of the refresh of the Strategic Plan to ensure that they remain fit for purpose. Where necessary, there will also be in-year reviews of the measures.
- 5.4 Appendix 5 illustrates the latest performance against our strategic measures. Performance against the current target is measured as either 'Red', 'Amber' or 'Green' (RAG). Should performance be worse than the minimum expectation – indicated as the dotted red line, it is marked as 'Red'. Should it be at or better than the minimum expectation, but below the target – indicated as the solid green line, it is 'Amber'. Where performance is at or better than the target, it is 'Green'. Performance is also measured against the equivalent quarter for the previous year, as a 'direction of travel'. Where performance is deteriorating compared to the same time last year, it is indicated as a downward arrow (↓), if there is no change (or less than 5% change, or no statistically significant change for survey measures) it is neutral (↔), and where performance has improved compared to the previous year, it is indicated as an upward arrow (↑).
- 5.5 The number of strategic measures available for reporting fluctuates between periods due to the different reporting frequencies of the measures. Of the 58 measures in the strategic set, including subset of measures, 33 are reportable this quarter, including the 6 2014/15 outturns mentioned above. Of these:
- Seven (35%) are meeting or exceeding their target (Green), with five of these an improvement from last year (↑); one a deterioration (↓); and one remaining unchanged (↔);
 - Four (20%) are better than the minimum expectation but below the target (Amber), two of these are improving (↑); and two have remained unchanged (↔) compared to last year's performance;
 - Nine (45%) are below the minimum expectation (Red), with five measures having improved since this time last year (↑), performance remaining unchanged for four measures (↔), and three deteriorating (↓); and

- For those measures where targets have not yet been set (e.g. because of a lag in 2014/15 outturn data) performance against target cannot be reported; however, one has improved since last year, two have maintained performance and seven have deteriorated.

5.6 Annual targets for the Smoking Quitters measure has not yet been set. Annual and in-year targets have not been set for the Job Starts measure. The Total Notifiable Offences and the 7 MOPAC measures have yet to have targets agreed by the Community Safety Partnership. It is expected that the target-setting exercise for these measures will be included as part of the Quarter 2 monitoring report.



5.7 Performance Summary

Areas of strong performance, where the target has been exceeded, include:

- **Percentage of council tax collected**
At the end of Q1, 26.93% of Council Tax had been collected against a target of 24.25%.
- **Percentage of non-domestic rates collected**
At the end of Q1, 29.82% of Council Tax had been collected against a target of 24.9%.
- **Lets to overcrowded households**
Between April-June 2015, 279 overcrowded families were rehoused against a quarterly target of 234. At the end of Q1, 29.36% of the annual target has been achieved. The outturn is 58% higher than this time last year, when 171 families were rehoused due to overcrowding. The total number of lets is greater compared to this time last year, however it is still low compared to previous years.
- **Overall employment rate – gap between the Borough and London average**

The employment rate in Tower Hamlets is 69.7% compared to the London average of 71.7 percent; a gap between Tower Hamlets and the London average of 2 percentage points. The target of ensuring the gap is less than 2.5 percentage points has been exceeded, and this also represents a considerable improvement from this time last year, when this gap was 5.9 percentage points.

□

- ***JSA Claimant Rate (gap between the Borough and London average rate)***

The Q1 performance shows a 0.3 percentage point gap between Tower Hamlets and London – the target of 0.55 percentage point maximum gap has been exceeded. The JSA Claimant Rate for Tower Hamlets was 2.4% and the London Average was 1.9%. The trend is positive compared to this time last year when the gap was 0.8 percentage points.

The number of residents on JSA has reduced; in June 2015, 4,588 working aged residents in the borough were claiming JSA compared to 6,643 in June 2014.

High Risk Areas

5.8 As part of the monitoring of our performance each quarter, analysis is undertaken to identify those measures at risk of not achieving their annual target. This includes measures that are below the minimum expectation target and have deteriorated since the corresponding quarter for the previous year.

- ***Number of working days / shifts lost to sickness absence per employee***

At the end of June 2015, the average days lost per FTE was 8.42 days. This is 2.32 days above the end of year target of 6.1 days; an increase of 0.02 (0.27%) compared to last month; and an increase of 1.30 (15.39%) days compared to the same period last year. Short term absence has decreased from 3.69 to 3.66 days but long term has increased from 4.70 to 4.75 days.

Action taken over the last few months includes:

- Since March 2015, non-compliant managers have been identified and written to by their Corporate Director. Directorate People Panels, supported by HR Business Partners, monitor and review compliance in completing sickness absence returns. Improving compliance has resulted in improved accuracy of sickness absence reporting. The top

30 cases of sickness absence cases are considered by Directorate People Panels each month with a view to ensuring consistency and appropriate pace for action.

- Since May 2015, areas of the organisation which are consistently high are put onto special measures. These are monitored by Directorate People Panels and SMTs in conjunction with HR Business Partners.
- Guidance relating to the Sickness Absence Procedure has been reviewed by HR Strategy and the HR Business Partners to ensure it is clear and unambiguous.
- Since July 2015, zero hours posts have been removed from the calculation of sickness absence to ensure a consistent method of calculation.

- ***Smoking quitters***

This is an annual outturn. In 2014/15 the smoking quit rate per 100,000 residents aged 16 or over was 626. The minimum expectation of 833 was missed. The 2014/15 outturn was a deterioration on the previous year's performance of 862 residents per 100,000.

The total number of people supported to quit smoking was 3,600; this led to 1,364 quits which is in line with performance across London due, in the main, to a fall in smoking prevalence. Statistics from the NHS Stop Smoking Service in England for 2014/15 ranked Tower Hamlets quit rate as 13th out of the 33 London boroughs.

We are refining the targeting of our services, to people with the most capacity to benefit and protect others from harm (e.g. pregnant smokers) and ensuring enhanced support is available to those with high tobacco addiction e.g. people with mental health or long term conditions. Although this has the greatest potential to reduce health inequalities, these groups require more intensive interventions, along with a number of unsuccessful attempts to stop smoking, and the effect on the quit rate will be smaller. With approximately still around 45,000 smokers in Tower Hamlets the challenge remains and a range of actions have been implemented:

- Extensive work with the core primary providers including training and advice on optimum prescribing.
- Local campaigns in partnership with providers for Stoptober (October), New Year and No Smoking Day (March).
- Implementation of a new data collection system for community pharmacies and the two specialist stop smoking/tobacco services.

- An increase of satellite clinics throughout the borough.
- Increase of service provision for all BAME groups.
- Close partnership working with Barts to increase referrals from secondary care and maternity services including an increase referrals into stop smoking support from pregnant mums who smoke.
- ***Average time between a child entering care and moving in with adoptive family (time to adoption)***

The Q1 outturn for this measure was 762 days; the minimum expectation target of 614 days was missed. The previous reported figure (645) was based on a 3 year rolling average in accordance with the DFE Adoption Scorecard definitions. Now that the Adoption Leadership Board (ALB) has taken over collection and publication of adoption data, they have reverted to a single year annual figure. Our performance for 2014/15 was 759 days under this definition. The reported 762 days is the rolling year to end of June, so is in line with the previous period based on the new definition. It is worth noting that the old “three year rolling” definition would show us at 634 days up to end of June 2015, and the actual figure for Q1 performance is 229 days (that is, there has been one adoption between April and June that took 229 days from the child entering care until placement with adopters). Improving adoption performance remains a priority and Children’s Services is setting up a new permanence team and increasing the pool of available adopters to support this.

We’re currently in the process of amending all internal reporting to be in line with how ALB are publishing their data.

The performance figure measures the time between a child entering care, and them being placed with adoptive parents following a placement order awarded by the courts. Difficulty matching children with suitable adopters can cause delay in the process. It is particularly hard to find suitable adopters for black and minority ethnic children, sibling groups and those with special educational need / complex health needs. In addition, delays can occur in court processes particularly if a case is contested. Finally because of the small number in the cohort for this indicator (21 in 2014-15), the average time figure can be skewed by small number of very complex cases- over half of our adoptions in 2014-15 were completed in less than the national average time, but the average time was dragged up by very few complex cases (see chart below). Nationally, the average time for this process was 533 days in 2014/15.

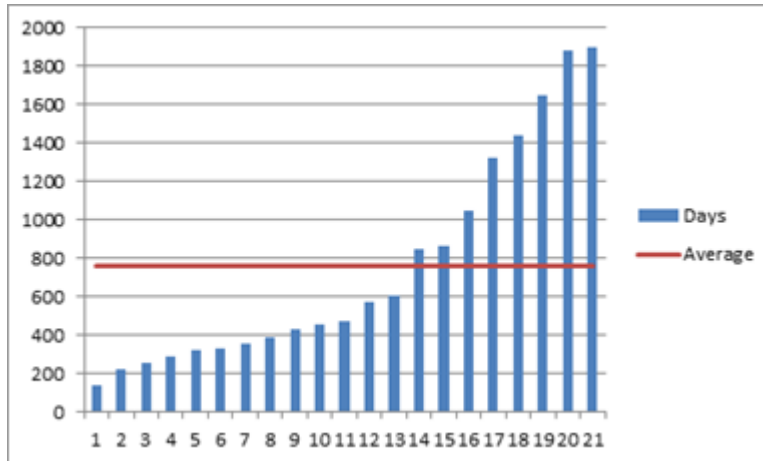


Figure 1: distribution of time to adopt

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 Under Financial Regulations it is the responsibility of senior managers to contain expenditure within budgets and, where necessary, management action will need to be taken over the remainder of the financial year to avoid overspend.
- 6.2 Any ongoing revenue overspend during 2015/16 will have a negative impact on the Medium Term Financial Plan. At present a broadly break-even position for Directorates is predicted for 2015/16, however there are cost pressures within social care that potentially require the use of earmarked reserves during the year.

7. LEGAL COMMENTS

- 7.1 The report provides performance information, including by reference to key performance indicators and the budget. It is consistent with good administration for the Council to consider monitoring information in relation to plans and budgets that it has adopted. For the same reason, it is reasonable for the Council to consider the views of residents about the borough and how the Council is discharging its functions.
- 7.2 Section 3 of the Local Government Act 1999 requires the Council as a best value authority to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”. Monitoring of performance information is an important way in which that obligation can be fulfilled.
- 7.3 The Council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The

Council's chief finance officer has established financial procedures to ensure the Council's proper financial administration. These include procedures for budgetary control. It is consistent with these arrangements for Members to receive information about the revenue and capital budgets as set out in the report.

- 7.4 When considering its performance and any procurement, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). The Council's targets are formulated by reference to its public sector equality duty and monitoring performance against those targets should help to ensure they are delivered.

8. ONE TOWER HAMLETS CONSIDERATIONS

The Council's Strategic Plan and Strategic Indicators are focused upon meeting the needs of the diverse communities living in Tower Hamlets and supporting delivery of One Tower Hamlets. In particular, strategic priorities include the reduction of inequalities and the fostering of strong community cohesion and are measured by a variety of strategic indicators

9. BEST VALUE (BV) IMPLICATIONS

Best Value implications for 2015/16 are incorporated within the forecast outturn.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

An element of the monitoring report deals with environmental milestones within the Great Place to Live theme.

11. RISK MANAGEMENT IMPLICATIONS

In line with the Council's risk management strategy, the information contained within the Strategic Indicator Monitoring will assist the Cabinet, Corporate Directors and relevant service managers in delivering the ambitious targets set out in the Strategic Plan. Regular monitoring reports will enable Members and Corporate Directors to keep progress under regular review.

There is a risk to the integrity of the authority's finances if an imbalance occurs between resources and needs. This is mitigated by regular monitoring and, where appropriate, corrective action. This report provides a corporate

overview to supplement more frequent monitoring that takes place at detailed level.

The explanations provided by the Directorates for the budget variances also contain analyses of risk factors.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

The Strategic Indicator set contain a number of crime and disorder items under the Safe & Cohesive theme, however there are no specific crime and disorder reduction implications.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE.

Appendices

- **Appendix 1** - lists revenue and capital budget / target adjustments (including virements).
- **Appendix 2** - provides the General Fund budget outturn forecast by Directorate and explanations of any major variances.
- **Appendix 3** – provides the budget outturn forecast for the HRA
- **Appendix 4** – provides the projected Capital Monitoring outturn position
- **Appendix 5** – provides a summary of the Strategic Measures

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

- N/A

CONTROL BUDGET 2015/16	Total General Fund	Education, Social Care and Wellbeing	Communities, Localities and Culture	Development and Renewal	Law, Probity and Governance	Resources	Corporate Costs	Central Items
2015/16 Original Budget at Cash Prices	291,362,495	212,375,897	80,543,136	15,979,045	9,331,841	9,244,592	14,196,200	(50,388,216)
Approved Savings 2015/16 - Employment Options (Outside Restructure & Vacant Posts Deletion)	0	(21,038)	(711,481)	(91,000)		(183,252)	1,006,771	
Approved Savings 2015/16 - Employment Options (Restructure)	0	(95,205)	(319,000)				562,205	(148,000)
Reversal of Approved Service Growth 2015/16 -(Welfare Reform – Measures to Protect Vulnerable Residents)	0					(1,600,000)		1,600,000
Approved Savings 2015/16 - Employment Options (Restructure)	0			(219,592)	(40,702)	(23,700)	283,994	
Corporate Landlord Model Transfer of Ideas Stores Staff	0		(218,958)	218,958				
	0							
	0							
	0							
	0							
Total Adjustments	0	(116,243)	(1,249,439)	(91,634)	(40,702)	(1,806,952)	1,852,970	1,452,000
Revised Current Budget 2015/16	291,362,495	212,259,654	79,293,697	15,887,411	9,291,139	7,437,640	16,049,170	(48,856,216)

This page is intentionally left blank

Corporate Monthly Budget Monitoring		Budget Original	Budget Current	Budget To Date	Actuals	Variance To Date	Forecast Previous	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Comments
June 2015		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	
CHE Directorate of Law, Probity and Governance											
GEN General Fund Account											
Expenditure		17,755	17,714	4,428	620	-3,808	1,906	17,649	-65	-0.37%	
Income		-8,423	-8,423	-2,105	-735	1,370	0	-8,423	0	0.00%	
Net Expenditure		9,332	9,291	2,323	-115	-2,438	1,906	9,226	-65	-0.70%	
Net Expenditure Directorate: CHE		9,332	9,291	2,323	-115	-2,438	1,906	9,226	-65	-0.70%	
COM Communities & Localities											
GEN General Fund Account											
Expenditure		135,299	134,121	27,705	16,207	-11,498	131,497	132,205	-1,916	-1.43%	
Income		-54,756	-54,826	-11,761	-8,465	3,296	-51,987	-52,910	1,916	-3.49%	
Net Expenditure		80,543	79,295	15,944	7,742	-8,202	79,510	79,295	-0	0.00%	
Net Expenditure Directorate: COM		80,543	79,295	15,944	7,742	-8,202	79,510	79,295	-0	0.00%	
COP Corporate Cost and Central Items											
GEN General Fund Account											
Balance Sheet		-50,308	-48,856	-12,214	203	12,417	-48,856	-48,856	0	0.00%	
Capital Expenditure		4,551	4,356	2,026	287	-1,739	0	4,356	0	0.00%	
Expenditure		12,095	14,143	1,807	2,415	608	0	14,143	0	0.00%	
Income		-2,450	-2,450	-613	-54	559	0	-2,450	0	0.00%	
Net Expenditure		-36,112	-32,807	-8,994	2,851	11,845	-48,856	-32,807	0	0.00%	
Net Expenditure Directorate: COP		-36,112	-32,807	-8,994	2,851	11,845	-48,856	-32,807	0	0.00%	
DEV Development & Renewal											
GEN General Fund Account											
Expenditure		72,298	71,307	17,826	14,228	-3,598	7,125	72,218	911	1.28%	
Income		-56,319	-55,420	-13,854	-9,184	4,670	1,066	-56,349	-929	1.68%	
Net Expenditure		15,979	15,887	3,972	5,044	1,072	8,191	15,869	-18	-0.11%	
Net Expenditure Directorate: DEV		15,979	15,887	3,972	5,044	1,072	8,191	15,869	-18	-0.11%	
ESW Education, Social Care & Wellbeing											
GEN General Fund Account											
Expenditure		270,400	279,406	69,851	46,209	-23,642	281,012	281,380	1,974	0.71%	
Income		-58,024	-67,147	-16,785	-7,116	9,669	-68,763	-69,121	-1,974	2.94%	
Net Expenditure		212,376	212,259	53,066	39,093	-13,973	212,255	212,259	0	0.00%	
Net Expenditure Directorate: ESW		212,376	212,259	53,066	39,093	-13,973	212,255	212,259	0	0.00%	
RES Resource Services											
GEN General Fund Account											
Expenditure		296,893	296,687	74,169	82,912	8,743	23,790	298,083	1,396	0.47%	
Income		-287,649	-289,249	-72,311	-68,012	4,299	-18,766	-290,703	-1,454	0.50%	
Net Expenditure		9,244	7,438	1,858	14,900	13,042	5,024	7,380	-58	-0.78%	
Net Expenditure Directorate: RES		9,244	7,438	1,858	14,900	13,042	5,024	7,380	-58	-0.78%	
Net Expenditure Total		291,363	291,363	68,169	69,515	1,346	258,030	291,222	-141	-0.05%	

Law Probity and Governance - Summary by Service Area

This directorate is projected to show a small underspend of 65K at year end, although there are variances within the separate votes lines, overall these will be contained with the overall net budget for LPG.

	Budget Original	Budget Current	Budget To Date	Actuals	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: C11 Corporate Management								
Expenditure	2,118	2,118	530	124	2,066	(52)	-2.5%	This underspend is due to vacancy held within LPG (former Chief Executive post)
Income	0	0	0	0	0	0	0.0%	
Net Expenditure	2,118	2,118	530	124	2,066	(52)	-2.5%	
Service Area: C13 Legal Services								
Expenditure	5,096	5,096	1,273	1,709	5,092	(4)	-0.1%	
Income	(4,283)	(4,283)	(1,070)	(426)	(4,283)	0	0.0%	
Net Expenditure	813	813	203	1,283	809	(4)	-0.5%	
Service Area: C18 Communications								
Expenditure	2,578	2,578	645	507	2,648	70	2.7%	Additional expenditure incurred managing and responding to high profile media activity and public relations - will be contained within overall LPG budget.
Income	(2,553)	(2,553)	(638)	(244)	(2,553)	0	0.0%	
Net Expenditure	25	25	7	263	95	70	280.0%	
Service Area: C19 Registrars & Democratic Services								
Expenditure	4,970	4,929	1,232	778	4,929	0	0.0%	
Income	(597)	(597)	(150)	(65)	(597)	0	0.0%	
Net Expenditure	4,373	4,332	1,082	713	4,332	0	0.0%	
Service Area: C20 Business Support								
Expenditure	848	848	212	159	848	0	0.0%	
Income	(833)	(833)	(208)	0	(833)	0	0.0%	
Net Expenditure	15	15	4	159	15	0	0.0%	
Service Area: C54 Corporate Strategy & Equalities								
Expenditure	2,145	2,145	536	331	2,066	(79)	-3.7%	Underspend represents posts left vacant, and underspends in the grant making process.
Income	(157)	(157)	(39)	0	(157)	0	0.0%	
Net Expenditure	1,988	1,988	497	331	1,909	(79)	-4.0%	
Directorate Summary								
Net Expenditure	17,755	17,714	4,428	3,608	17,649	(65)	-0.4%	
Net Income	(8,423)	(8,423)	(2,105)	(735)	(8,423)	0	0.0%	
Net Variance	9,332	9,291	2,323	2,873	9,226	(65)	-0.7%	

Communities & Localities - Summary by Service Area

Overall this directorate is projected to be on budget at year end. Individual variances are due to recharge adjustments that are put through at year end, and timings of contract payments. These are closely monitored to ensure that any delays do not affect either the councils cashflow position or endanger the councils standing with its debtors or creditors.

	Budget Original	Budget Current	Budget To Date	Actuals	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: CPR Public Realm (Parking Control)								
Expenditure	8,042	7,942	1,456	1,303	8,042	100	1.3%	
Income	(8,042)	(7,942)	(4,012)	(4,200)	(8,042)	(100)	1.3%	
Net Expenditure	0	0	(2,556)	(2,897)	0	0	0.0%	
Service Area: CAL Cultural Services								
Expenditure	24,331	23,683	4,649	4,231	23,811	99	0.4%	
Income	(8,194)	(8,096)	(2,047)	(1,803)	(8,224)	(99)	1.2%	
Net Expenditure	16,137	15,587	2,602	2,428	15,587	(0)	0.0%	
Service Area: CMS CLC Management & Support								
Expenditure	3,286	3,280	820	833	1,895	(1,746)	-53.2%	This is a recharge put through at the end of year
Income	(3,286)	(3,286)	0	0	(1,901)	1,746	-53.1%	
Net Expenditure	0	(6)	820	833	(6)	0	0.0%	
Service Area: CPR Public Realm								
Expenditure	63,977	63,805	12,923	5,393	63,046	(759)	-1.2%	Variance reflects the payments and receipts of contracted sums
Income	(19,995)	(20,263)	(3,995)	(412)	(19,504)	759	-3.7%	
Net Expenditure	43,982	43,542	8,928	4,981	43,542	0	0.0%	
Service Area: CSC Safer Communities								
Expenditure	35,361	35,109	7,782	4,420	35,109	0	0.0%	
Income	(15,239)	(15,239)	(1,707)	(2,047)	(15,239)	0	0.0%	
Net Expenditure	20,122	19,870	6,075	2,373	19,870	0	0.0%	
Service Area: CSI Service Integration								
Expenditure	300	300	75	27	300	0	0.0%	
Income	0	0	0	(3)	0	0	0.0%	
Net Expenditure	300	300	75	24	300	0	0.0%	
Directorate Summary								
Expenditure	135,297	134,119	27,705	16,207	132,203	0	0.0%	
Income	(54,756)	(54,826)	(11,761)	(8,465)	(52,910)	0	0.0%	
Net Variance	80,541	79,293	15,944	7,742	79,293	0	0.0%	

Corporate Cost and Central Items - Summary by Service Area

This service represents the corporate centre.

	Budget Original	Budget Current	Budget To Date	Actuals	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Corporate Costs & Central Items								
Expenditure	16,646	18,499	3,833	2,702	18,499	0	0%	
Income	(2,450)	(2,450)	(613)	(54)	(2,450)	0	0%	
Central Items	(50,308)	(48,856)	(12,214)	0	(48,856)	0	0%	
Net Expenditure	(36,112)	(32,807)	(8,994)	2,648	(32,807)	0	0%	

Development & Renewal - Summary by Service Area

Small variances shown within the Planning and Building Control service area.

	Budget Original	Budget Current	Budget To Date	Actuals	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: JAM Corporate Property & Capital Delivery								
Expenditure	17,394	16,714	4,179	4,078	17,613	898	5.4%	Budget adjustment due to be actioned in p4. Coding adjustment required to correct Corporate Landlord model.
Income	(16,521)	(15,623)	(3,906)	(687)	(16,519)	(896)	5.7%	
Net Expenditure	873	1,091	273	3,391	1,094	2	0.2%	
Service Area: JEE Economic Development								
Expenditure	3,501	3,431	858	675	3,431	0	0.0%	
Income	(1,518)	(1,518)	(379)	33	(1,518)	0	0.0%	
Net Expenditure	1,983	1,913	479	708	1,913	0	0.0%	
Service Area: JES Resources								
Expenditure	7,075	7,024	1,757	1,230	7,024	0	0.0%	
Income	(709)	(709)	(177)	145	(709)	0	0.0%	
Net Expenditure	6,366	6,315	1,580	1,375	6,315	0	0.0%	
Service Area: JHO Housing Options								
Expenditure	34,421	34,330	8,582	6,393	34,330	0	0.0%	
Income	(30,565)	(30,565)	(7,641)	(8,062)	(30,565)	0	0.0%	
Net Expenditure	3,856	3,765	941	(1,669)	3,765	0	0.0%	
Service Area: JPB Planning & Building Control								
Expenditure	6,401	6,302	1,574	1,214	6,314	12	0.2%	Vacancies incorporated as part of saving process. Review of Infrastructure Planning Budget underway
Income	(4,728)	(4,728)	(1,182)	(381)	(4,760)	(32)	0.7%	
Net Expenditure	1,673	1,574	392	833	1,554	(20)	-1.3%	
Service Area: JRS Regen Strategy and Sustainability								
Expenditure	3,506	3,506	876	638	3,506	0	0.0%	
Income	(2,278)	(2,278)	(569)	(232)	(2,278)	0	0.0%	
Net Expenditure	1,228	1,228	307	406	1,228	0	0.0%	
Directorate Summary								
Net Expenditure	72,298	71,308	17,826	14,228	72,218	911	1.3%	
Net Income	(56,319)	(55,421)	(13,854)	(9,184)	(56,349)	(928)	1.7%	
Net Variance	15,979	15,887	3,972	5,044	15,869	(18)	-0.1%	

Education, Social Care & Wellbeing - Summary by Service Area

Variations with the service will be internally managed. This report will be split from period 4 into Adult Care and Children Services.

	Budget Original	Budget Current	Budget To Date	Actuals	Variance To Date	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: GLA Learning & Achievement									
Expenditure	74,440	74,440	18,610	5,957	(12,653)	73,218	(1,222)	-1.6%	Schools transactions posted at year end
Income	(3,177)	(3,177)	(795)	529	1,324	(3,207)	(30)	0.9%	
Net Expenditure	71,263	71,263	17,815	6,486	(11,329)	70,011	(1,252)	-0.7%	
Service Area: GRE ESCW Resources									
Expenditure	5,979	6,157	1,539	19	(1,520)	5,898	(259)	-4.2%	Schools transactions posted at year end
Income	(331,830)	(331,830)	(82,957)	(37)	82,920	(330,602)	1,228	-0.4%	
Net Expenditure	(325,851)	(325,673)	(81,418)	(18)	81,400	(324,704)	969	-0.3%	
Service Area: GSC Childrens Social Care									
Expenditure	706	787	197	75	(122)	910	123	15.6%	DSG Schools transactions posted at year end
Income	(363)	(363)	(91)	0	91	(460)	(97)	26.7%	
Net Expenditure	343	424	106	75	(31)	450	26	6.1%	
Service Area: GSH Schools									
Expenditure	291,670	291,411	72,851	124,595	51,744	291,670	259	0.1%	
Income	(37,427)	(37,427)	(9,358)	(34,973)	(25,615)	(37,427)	0	0.0%	
Net Expenditure	254,243	253,984	63,493	89,622	26,129	254,243	259	0.1%	
Service Area: ACS Commissioning & Health									
Expenditure	22,023	21,614	5,403	3,736	(1,667)	21,526	(88)	-0.4%	Lower than anticipated costs for early retirement and underspends in the supporting people vote.
Income	(1,402)	(967)	(241)	(41)	200	(985)	(18)	1.9%	
Net Expenditure	20,621	20,647	5,162	3,695	(1,467)	20,541	(106)	-0.5%	
Service Area: APH Public Health									
Expenditure	29,503	29,503	7,376	513	(6,863)	27,802	(1,701)	-5.8%	Public Health is no longer forecasting for the free school meals as it is now assumed that the funding will be from the saving already made at the start of the year.
Income	0	0	0	(47)	(47)	0	0	0.0%	
Net Expenditure	29,503	29,503	7,376	466	(6,910)	27,802	(1,701)	-5.8%	

	Budget Original	Budget Current	Budget To Date	Actuals	Variance To Date	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: ASC Adults Social Care									
Expenditure	79,495	81,189	20,299	16,366	(3,933)	89,451	8,262	10.2%	Continuing pressures on ACS budgets for Care Packages and Home care budgets.
Income	(6,154)	(7,918)	(1,980)	279	2,259	(9,960)	(2,042)	25.8%	
Net Expenditure	73,341	73,271	18,319	16,645	(1,674)	79,491	6,220	8.5%	
Service Area: GDS ESCW Directors Services									
Expenditure	408	408	102	33	(69)	392	(16)	-3.9%	
Income	0	0	0	0	0	0	0	0.0%	
Net Expenditure	408	408	102	33	(69)	392	(16)	-3.9%	
Service Area: GLA Learning & Achievement									
Expenditure	27,667	27,650	6,911	5,635	(1,276)	27,419	(231)	-0.8%	
Income	(9,065)	(9,065)	(2,265)	(766)	1,499	(8,637)	428	-4.7%	Review of SLA income underway to establish if income target is achievable,
Net Expenditure	18,602	18,585	4,646	4,869	223	18,782	197	1.1%	
Service Area: GRE ESCW Resources									
Expenditure	46,319	53,760	13,440	9,109	(4,331)	47,267	(6,493)	-12.1%	Variance to cover internal overspends on adult care packages
Income	(36,505)	(44,000)	(11,001)	(6,213)	4,788	(44,161)	(161)	0.4%	
Net Expenditure	9,814	9,760	2,439	2,896	457	3,106	(6,654)	-68.2%	

Page 197

	Budget Original	Budget Current	Budget To Date	Actuals	Variance To Date	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: GSC Childrens Social Care									
Expenditure	48,785	49,082	12,271	10,818	(1,453)	51,323	2,241	4.6%	High agency cover staffing costs, and uncertainties around take up on the Looked after Children service.
Income	(4,898)	(5,197)	(1,298)	(328)	970	(5,378)	(181)	3.5%	
Net Expenditure	43,887	43,885	10,973	10,490	(483)	45,945	2,060	4.7%	
Service Area: GSH Schools									
Expenditure	16,200	16,200	4,049	(1)	(4,050)	16,200	0	0.0%	
Income	0	0	0	0	0	0	0	0.0%	
Net Expenditure	16,200	16,200	4,049	(1)	(4,050)	16,200	0	0.0%	
GF Directorate Summary									
Expenditure	643,195	652,203	163,048	176,855	13,807	653,076	873	0.1%	
Income	(430,821)	(439,944)	(109,986)	(41,597)	68,389	(440,817)	(873)	0.2%	
Net Expenditure	212,374	212,259	53,062	135,258	82,196	212,259	0	0.0%	

Page 198

Resources - Summary by Service Area

There are a number of small variances on this directorate, chiefly penalties in the performance of the IT Contract. The net effect of this is an overall underspend of 58K

	Budget Original	Budget Current	Budget To Date	Actuals	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: R10 Director of Resources								
Expenditure	715	715	179	127	700	(15)	-2.1%	
Income	(709)	(709)	(177)	0	(709)	0	0.0%	
Net Expenditure	6	6	2	127	(9)	(15)	-2.1%	
Service Area: R11 Customer Access								
Expenditure	4,458	4,366	1,091	761	4,366	0	0.0%	
Income	(2,119)	(2,119)	(530)	(10)	(2,119)	0	0.0%	
Net Expenditure	2,339	2,247	561	751	2,247	0	0.0%	
Service Area: R12 Corporate Finance								
Expenditure	4,401	4,401	1,100	725	4,386	(15)	-0.3%	
Income	(4,126)	(4,126)	(1,032)	(316)	(4,111)	15	-0.4%	
Net Expenditure	275	275	68	409	275	0	0.0%	
Service Area: R13 Human Resources								
Expenditure	8,435	8,369	2,092	1,745	8,401	32	0.4%	
Income	(8,740)	(8,740)	(2,185)	(188)	(8,740)	0	0.0%	
Net Expenditure	(305)	(371)	(93)	1,557	(339)	32	-8.6%	
Service Area: R14 ICT								
Expenditure	11,437	11,389	2,847	1,074	12,088	699	6.1%	Potential underspend resulting from clawbacks against contract performance
Income	(11,433)	(11,433)	(2,858)	(421)	(12,232)	(799)	7.0%	
Net Expenditure	4	(44)	(11)	653	(144)	(100)	227.3%	
Service Area: R15 Revenue Services								
Expenditure	8,200	8,200	2,049	1,091	8,200	0	0.0%	
Income	(5,637)	(5,637)	(1,409)	(328)	(5,637)	0	0.0%	
Net Expenditure	2,563	2,563	640	763	2,563	0	0.0%	
Service Area: R16 Procurement								
Expenditure	730	730	182	184	752	22	3.0%	
Income	(747)	(747)	(187)	(9)	(747)	0	0.0%	
Net Expenditure	(17)	(17)	(5)	175	5	22	-129.4%	

	Budget Original	Budget Current	Budget To Date	Actuals	Forecast Current	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: R17 Risk Assessment								
Expenditure	1,698	1,698	425	4,462	1,650	(48)	-2.8%	
Income	(1,851)	(1,851)	(462)	(116)	(1,798)	53	-2.9%	
Net Expenditure	(153)	(153)	(37)	4,346	(148)	5	-3.3%	
Service Area: R19 Benefits								
Expenditure	256,266	256,266	64,066	73,814	256,264	(2)	0.0%	
Income	(251,821)	(253,421)	(63,355)	(66,591)	(253,421)	0	0.0%	
Net Expenditure	4,445	2,845	711	7,223	2,843	(2)	-0.1%	
Service Area: R62 Transformation Projects								
Expenditure	87	87	22	(1,150)	810	723	831.0%	One off project related expenditure on the transformation programme
Income	0	0	0	(33)	(723)	(723)	0.0%	Funded through earmarked reserves to be drawn down at year end
Net Expenditure	87	87	22	(1,183)	87	0	0.0%	
Service Area: R99 Rechargeable Works								
Expenditure	466	466	116	79	466	0	0.0%	
Income	(466)	(466)	(116)	0	(466)	0	0.0%	
Net Expenditure	0	0	0	79	0	0	0.0%	
Directorate Summary								
Net Expenditure	296,893	296,687	74,169	82,912	298,083	1,396	0.5%	
Net Income	(287,649)	(289,249)	(72,311)	(68,012)	(290,703)	(1,454)	0.5%	
Net Variance	9,244	7,438	1,858	14,900	7,380	(58)	-0.8%	

Corporate Monthly Budget Monitoring		Original Budget	Current Budget	Budget to Date	Hard Comms	Actuals	Current Forecast	Variance Current Forecast v. Current Budget	% Variance Current Forecast v. Current Budget	Explanation of any variance that is considered to be significant and all variances greater than £100k
June 2015	HRA	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	
Service Area: HRA Housing Revenue Account										
INCOME										
DIRECTLY CONTROLLED INCOME BUDGETS										
Dwelling & Non Dwelling Rents										
	Income	-72,900	-72,900	-18,151	0	-16,894	-72,200	700	-0.96%	When setting this budget it was assumed that 200 Right to Buy sales would take place in 2014/15, and 150 in 2015/16. There were actually 255 sales in 2014/15, and the forecast assumes that there will be more than 150 sales this year. As at the end of June 2015, 49 sales had taken place. RISK: Depending on the number of sales that take place this year there may be further pressure on this budget.
	Net Expenditure	-72,900	-72,900	-18,151	0	-16,894	-72,200	700	-1.0%	
Tenant & Leaseholder Service Charges										
	Income	-18,871	-18,871	-13,905	0	-13,921	-19,230	-359	1.90%	Leaseholder Service Charge income is forecast to be higher than budgeted as a result of additional income being received due to the projected number of right to buy sales.
	Net Expenditure	-18,871	-18,871	-13,905	0	-13,921	-19,230	-359	1.9%	
INDIRECTLY CONTROLLED INCOME BUDGETS										
Investment Income Received										
	Income	-225	-225	0	0	-6	-217	8	-3.56%	
	Net Expenditure	-225	-225	0	0	-6	-217	8	-3.6%	
Contributions Towards Expenditure										
	Income	-115	-115	0	0	0	-115	0	0.00%	
	Net Expenditure	-115	-115	0	0	0	-115	0	0.0%	
TOTAL INCOME		-92,111	-92,111	-32,056	0	-30,821	-91,762	349		

Corporate Monthly Budget Monitoring		Original Budget	Current Budget	Budget to Date	Hard Comms	Actuals	Current Forecast	Variance Current Forecast v. Current Budget	% Variance Current Forecast v. Current Budget	Explanation of any variance that is considered to be significant and all variances greater than £100k
June 2015	HRA	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	
EXPENDITURE										
DIRECTLY CONTROLLED EXPENDITURE BUDGETS										
Repair & Maintenance										
	Expenditure	22,298	22,298	5,602		5,415	22,298	0	0.00%	
	Net Expenditure	22,298	22,298	5,602	0	5,415	22,298	0	0.0%	
Supervision & Management	Expenditure	23,623	23,623	5,310		4,596	23,548	-75	-0.32%	Tower Hamlets Homes collects water bill payments on behalf of Thames Water and receives an element of commission. It is currently forecast that more commission will be received than budgeted.
	Net Expenditure	23,623	23,623	5,310	0	4,596	23,548	-75	-0.3%	
Special Services, Rents, Rates & Taxes	Expenditure	15,690	15,690	3,230	14	1,499	14,953	-737	-4.70%	It is currently forecast that there will be an underspend on HRA buildings insurance. In addition a substantial underspend is forecast on the energy budget due to energy prices being lower than budgeted although this will continue to be closely monitored.
	Net Expenditure	15,690	15,690	3,230	14	1,499	14,953	-737	-4.7%	
INDIRECTLY CONTROLLED EXPENDITURE BUDGETS										
Provision for Bad Debts										
	Expenditure	1,400	1,400	0	0	0	1,400	0	0.00%	This budget was increased in order to mitigate against the risk that bad debt would increase due to welfare reform, but due to delays in implementing some of the reforms it is currently anticipated that the full level of provision will not be needed in 2015/16. However, the final position will not be known until the end of the year when the bad debt provision is calculated.
	Net Expenditure	1,400	1,400	0	0	0	1,400	0	0.0%	
Capital Financing Charges										
	Expenditure	29,100	29,100	0	0	0	29,100	0	0.00%	This budget assumes a Revenue Contribution to Capital (RCCO) of just under £10m; if this budget is not all needed to fund the HRA capital programme in 2015/16 then the resulting underspend will carry forward in HRA balances and be earmarked to be used to fund capital in future years.
	Net Expenditure	29,100	29,100	0	0	0	29,100	0	0.0%	
TOTAL EXPENDITURE		92,111	92,111	14,142	14	11,509	91,299	-812	-0.9%	
Contribution from Reserves		0	0	0	0	0	0	0	0.00%	
TOTAL HRA		0	0	-17,914	14	-19,312	-463	-463		

Appendix 4 - Capital Monitoring Q1

	All Years		In Year - 15/16					Future Years	All Years	
	Approved Budget	Spend to 31st March 2015	Revised Budget 15/16	Spend as at Q1	Projected Spend	Projected Variance	Spend (%)	Total Future Budget	Projected Spend	Variance
	£m	£m	£m	£m	£m	£m	%	£m	£m	£m
Education, Social Care and Wellbeing	116.301	64.808	24.060	1.490	23.449	-0.611	6%	27.433	116.301	0.000
Communities, Localities and Culture	64.373	41.557	17.885	-0.142	17.778	-0.107	-1%	4.930	64.372	0.000
Development & Renewal	30.973	18.918	11.324	1.673	9.137	-2.187	15%	0.730	30.973	0.000
Building Schools for the Future	332.146	331.131	1.015	0.581	1.015	0.000	57%	0.000	332.146	0.000
NSA	458.714	194.208	154.308	3.332	103.960	-50.348	2%	110.199	445.214	-13.500
Corporate	12.000	9.496	2.504	0.000	1.122	-1.382	0%	0.000	12.000	0.000
Grand Total	1,014.507	660.117	211.096	6.934	156.461	-54.635	3%	143.292	1,001.006	-13.500

Appendix 4 - Quarter 1 Capital Monitoring 2015-16

	All Years		In Year - 15/16					Future Years (FY)		FY Total	All Years			Variance %
	Approved Budget	Spend to 31st March 2015	Revised Budget 15/16	Spend to Q1	Projected Spend	Projected Variance	2015/16 Spend (%)	REASONS FOR CURRENT YEAR VARIANCES	16/17	17/18 Onwards	Budget	Projected Spend	Variance	
	A	B	C	D	E	E-C	D/C		F	G	H = F+G	I	I-A	
£m	£m	£m	£m	£m	£m	£m	%	£m	£m	£m	£m	£m	£m	
Education, Social Care and Wellbeing (ESCW)														
Mental health services	0.274	0.213	0.061	-	0.061	0.000	0%	Order placed, expenditure to start in 2nd quarter	-	-	-	0.274	-	0%
E-Marketplace purchase and delivery	0.074	0.059	0.015	-	0.015	- 0.000	0%	Remaining budget carried forward from 2014/15. To be reviewed.	-	-	-	0.074	-	0%
Tele Care/Telehealth Equipment	0.400	0.205	0.195	-	0.195	- 0.000	0%	Main spend to occur in Q4	-	-	-	0.400	-	0%
Ronald Street Roof Replacement	0.051	0.051	-	-	-	-	N/A		-	-	-	0.051	-	0%
Development of Learning Disability Hubs	0.508	0.504	0.004	-	0.004	0.000	0%	Budget represents Final Account payment - not due til final quarter	-	-	-	0.508	-	0%
ADULTS TOTAL	1.307	1.032	0.275	-	0.275	- 0.000	0%		-	-	-	1.307	-	0%
Condition & Improvement	5.634	2.781	2.853	0.088	2.852	-	3%	Works starting over school holiday period. Spend anticipated Q3	-	-	-	5.634	-	0%
Bishop Challoner - Community Facilities	0.600	-	0.600	-	-	- 0.600	0%	Project still subject to further discussion between parties.	-	-	-	0.600	-	0%
Universal Free School Meals - Kitchen Upgrade	0.384	0.316	0.068	0.000	0.068	-	0%	Equipment installed remaining works/budget to be reviewed	-	-	-	0.384	-	0%
Basic Need/Expansion	102.183	55.806	18.947	1.323	18.947	-	7%	Appointment of contractors for new schemes requires negotiation on cost/contract resulting in some slippage on start on site date and spend.	19.430	8.000	27.430	102.183	-	0%
Primary Capital Programme	4.844	4.704	0.140	0.011	0.140	-	8%	Final Account has been in dispute - adjudication process. Payment by Q3	-	-	-	4.844	-	0%
RCCO	0.010	-	0.010	-	-	- 0.010	0%	Contractor in Administration, awaiting outcome.	-	-	-	0.010	-	0%
Provision for 2yr Olds	1.339	0.169	1.167	0.068	1.167	- 0.000	6%	Projects required Commissioners/Cabinet approval. Commissioners approval obtained, spend to follow.	0.003	-	0.003	1.339	-	0%
ESCW TOTAL	116.301	64.808	24.060	1.490	23.449	- 0.610	6%		19.433	8.000	27.433	116.301	-	0%

All Years		In Year - 15/16						Future Years (FY)		FY Total	All Years			
Approved Budget	Spend to 31st March 2015	Revised Budget 15/16	Spend to Q1	Projected Spend	Projected Variance	2015/16 Spend (%)	REASONS FOR CURRENT YEAR VARIANCES	16/17	17/18 Onwards	Budget	Projected Spend	Variance	Variance %	
A	B	C	D	E	E-C	D/C		F	G	H = F+G	I	I-A		
£m	£m	£m	£m	£m	£m	%		£m	£m	£m	£m	£m	£m	%
Communities, Localities & Culture														
Transport														
TfL schemes including safety, cycling and walking	22.651	13.026	4.695	0.033	4.599	- 0.095	1%	Projects in design and development stage. No contract cost incurred to date. Anticipated contract spend due in 2nd half of the year.	2.465	2.465	4.930	22.651	-	0%
Public Realm improvements	3.501	1.411	2.090	- 0.238	2.090	0.000	-11%	Projects in design and development stage. No contract cost incurred to date. Anticipated contract spend due in 2nd half of the year.	-	-	-	3.501	-	0%
Bartlett Park Masterplan - Highways	1.732	0.313	1.419	0.005	1.419	-	0%	Contract process underway for landscape works.	-	-	-	1.732	-	0%
Highway improvement programme	3.084	3.084	-	-	-	-	N/A		-	-	-	3.084	-	0%
Developers Contribution	7.253	3.194	4.059	- 0.002	4.059	-	0%	Projects in design and development stage. No contract cost incurred to date. Anticipated contract spend due in 2nd half of the year.	-	-	-	7.253	-	0%
OPTEMS	0.963	0.766	0.197	0.012	0.175	- 0.022	6%	Programme of works to be approved by the funder.	-	-	-	0.963	-	0%
Transport Total	39.183	21.794	12.460	- 0.190	12.343	- 0.117	-2%		2.465	2.465	4.930	39.183	-	0%
Parks														
Millers Park/Island Gardens	0.206	0.203	0.003	-	0.003	- 0.000	0%	Awaiting Retention payment.	-	-	-	0.206	-	0%
Poplar Park	0.201	0.165	0.036	-	0.036	0.000	0%	Awaiting contractor invoices.	-	-	-	0.201	-	0%
Schoolhouse Lane Multi Use Ball Games Area	0.100	0.093	0.007	-	0.007	0.000	0%	Awaiting Retention payment.	-	-	-	0.100	-	0%
Victoria Park Masterplan	10.071	10.071	-	-	-	-	N/A		-	-	-	10.071	-	0%
Victoria Park sports hub	2.486	0.368	2.118	0.008	2.118	0.000	0%	Contract process underway.	-	-	-	2.486	-	0%
Victoria Park - Changing Block Extension & Upgrade	0.354	0.354	-	-	-	-	N/A		-	-	-	0.354	-	0%
Pennyfields	0.045	0.045	-	-	-	-	N/A		-	-	-	0.045	-	0%
Christ Church Gardens	0.350	-	0.350	-	0.350	-	0%	Extended project approvals being sought..	-	-	-	0.350	-	0%
Mile End Hedge	0.165	0.113	0.052	0.022	0.052	0.000	43%		-	-	-	0.165	-	0%
Trees - Boroughwide	0.021	0.021	-	- 0.002	-	-	N/A		-	-	-	0.021	-	0%
Conversion of Lawn area to York stone paving	0.055	0.036	0.019	- 0.001	0.019	- 0.000	-4%		-	-	-	0.055	-	0%
Cemetery Lodge	0.071	0.002	0.069	0.044	0.069	- 0.000	64%		-	-	-	0.071	-	0%
Albert Gardens	0.025	0.011	0.015	- 0.009	0.015	0.000	-63%	Awaiting contractor invoices.	-	-	-	0.025	-	0%
Parks Total	14.149	11.480	2.668	0.061	2.669	0.001	2%		-	-	-	14.149	-	0%

All Years		In Year - 15/16						Future Years (FY)		FY Total	All Years			
Approved Budget	Spend to 31st March 2015	Revised Budget 15/16	Spend to Q1	Projected Spend	Projected Variance	2015/16 Spend (%)	REASONS FOR CURRENT YEAR VARIANCES	16/17	17/18 Onwards	Budget	Projected Spend	Variance	Variance %	
A	B	C	D	E	E-C	D/C		F	G	H = F+G	I	I-A		
£m	£m	£m	£m	£m	£m	%		£m	£m	£m	£m	£m	£m	%
Culture and major projects														
Tennis courts	0.233	0.137	0.096	0.004	0.096	-	4%	Awaiting contractor invoices.	-	-	-	0.233	-	0%
Mile End Stadium Track resurfacing and Astro Turf	0.376	0.245	0.131	-	0.127	- 0.004	0%	Awaiting Retention payment.	-	-	-	0.376	-	0%
Public Art Projects	0.250	0.011	0.239	-	0.239	-	0%	Awaiting developer confirmation of spend proposal	-	-	-	0.250	-	0%
Mile End Park Capital	0.212	0.212	-	- 0.000	-	-	N/A		-	-	-	0.212	-	0%
Bancroft Library Phase 2b	0.645	0.493	0.153	-	0.153	0.000	0%	Awaiting contractor invoices.	-	-	-	0.645	-	0%
Watney Market Ideas Store	4.401	4.348	0.053	-	0.053	- 0.000	0%	Awaiting Retention payment.	-	-	-	4.401	-	0%
St Georges Pool	0.106	0.030	0.076	-	-	- 0.076	0%	Equipment now purchased. Underspend has been reallocated to cover increased costs for John Orwell astro turf project following tender process.	-	-	-	0.106	-	0%
Brick Lane Mural	0.045	-	0.045	-	0.045	-	0%		-	-	-	0.045	-	0%
Banstead Art Trail & Arches	2.021	1.500	0.521	- 0.019	0.521	- 0.000	-4%	Review scheme is currently underway.	-	-	-	2.021	-	0%
Stepney Green Astro Turf	0.451	0.431	0.020	0.001	0.020	- 0.000	5%		-	-	-	0.451	-	0%
John Orwell Sports Centre	0.296	0.096	0.200	0.002	0.288	0.088	1%	Budget increased following PCOP and RCDA approval following tender process	-	-	-	0.296	-	0%
Culture and Major projects total	9.036	7.502	1.534	- 0.013	1.542	0.008	-1%		-	-	-	9.036	-	0%


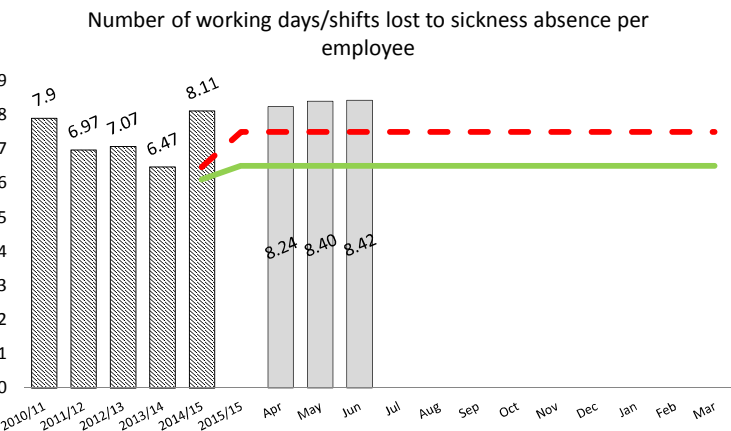
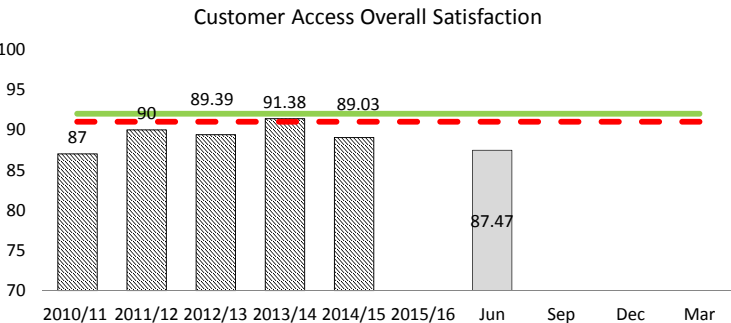
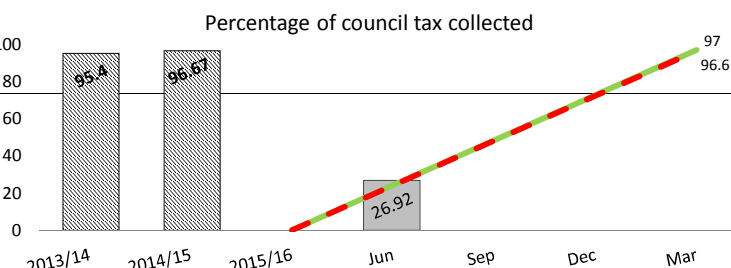
All Years		In Year - 15/16						Future Years (FY)		FY Total	All Years			
Approved Budget	Spend to 31st March 2015	Revised Budget 15/16	Spend to Q1	Projected Spend	Projected Variance	2015/16 Spend (%)	REASONS FOR CURRENT YEAR VARIANCES	16/17	17/18 Onwards	Budget	Projected Spend	Variance	Variance %	
A	B	C	D	E	E-C	D/C		F	G	H = F+G	I	I-A		
£m	£m	£m	£m	£m	£m	%		£m	£m	£m	£m	£m	£m	%
Other														
CCTV Improvement and Enhancement	0.601	0.440	0.161	-	0.161	0.000	0%	Awaiting PCOP approval for new scheme.	-	-	-	0.601	-	0%
Generators @ Mulberry Place & Anchorage House	0.250	0.241	0.009	-	0.009	-	0%	Awaiting contractor invoices.	-	-	-	0.250	-	0%
ICT Solution - PSI Handhelds	0.550	-	0.550	-	0.550	-	0%	Awaiting contractor invoices.	-	-	-	0.550	-	0%
Contaminated land survey and works	0.603	0.099	0.504	-	0.504	-	0%	Survey works to be carried out following tender process.	-	-	-	0.603	-	0%
Other Total	2.004	0.781	1.224	-	1.224	0.000	0%		-	-	-	2.004	-	0%
CLC TOTAL	64.373	41.557	17.885	- 0.142	17.778	- 0.108	-1%		2.465	2.465	4.930	64.372	-	0%

All Years		In Year - 15/16						Future Years (FY)		FY Total	All Years			
Approved Budget	Spend to 31st March 2015	Revised Budget 15/16	Spend to Q1	Projected Spend	Projected Variance	2015/16 Spend (%)	REASONS FOR CURRENT YEAR VARIANCES	16/17	17/18 Onwards	Budget	Projected Spend	Variance	Variance %	
A	B	C	D	E	E-C	D/C		F	G	H = F+G	I	I-A		
£m	£m	£m	£m	£m	£m	%		£m	£m	£m	£m	£m	£m	%
Development & Renewal														
Millennium Quarter	0.387	0.061	0.326	-	0.326	-	0%	-	-	-	0.387	-	0%	
Bishops Square	0.264	0.200	0.064	-	0.064	-	0%	-	-	-	0.264	-	0%	
Town Centre & High Street Regeneration	0.067	0.068	-0.000	-0.005	-0.000	-	N/A	-	-	-	0.067	-	0%	
Regional Housing Pot	7.080	6.399	0.681	-	0.681	-	0%	-	-	-	7.080	-	0%	
High Street 2012	9.133	7.308	1.825	1.303	1.825	-	71%	-	-	-	9.133	-	0%	
Disabled Facilities Grant	4.742	3.045	0.967	0.276	0.967	-	28%	0.730	-	0.730	4.742	-	0%	
Private Sector Improvement Grant	1.866	0.609	1.257	0.020	0.600	-0.657	2%	Resources are ring-fenced and any underspends will be carried forward into 2015/16 to fund ongoing commitments.	-	-	-	1.866	-	0%
Installation of Automatic Energy Meters	0.107	0.107	-	-	-	-	N/A	-	-	-	0.107	-	0%	
Facilities Management (DDA)	0.074	0.022	0.052	-	-	-0.052	0%	-	-	-	0.074	-	0%	
Community Buildings Support Fund	2.000	0.499	1.501	0.023	0.023	-1.479	1%	This project is currently under review.	-	-	-	2.000	-	0%
Community Facilities	0.650	0.580	0.070	-	0.070	-	0%	-	-	-	0.650	-	0%	
S106 Schemes	4.603	0.021	4.582	0.056	4.582	-	1%	-	-	-	4.603	-	0%	
D&R TOTAL	30.973	18.918	11.324	1.673	9.137	-2.188	15%	0.730	-	0.730	30.973	-	0%	

	All Years		In Year - 15/16					Future Years (FY)		FY Total	All Years			
	Approved Budget	Spend to 31st March 2015	Revised Budget 15/16	Spend to Q1	Projected Spend	Projected Variance	2015/16 Spend (%)	REASONS FOR CURRENT YEAR VARIANCES	16/17	17/18 Onwards	Budget	Projected Spend	Variance	Variance %
	A	B	C	D	E	E-C	D/C		F	G	H = F+G	I	I-A	
	£m	£m	£m	£m	£m	£m	%		£m	£m	£m	£m	£m	%
<u>Buildings Schools for the Future</u>														
BSF Design and Build Schemes	311.381	310.123	1.257	0.513	1.257	-	41%		-	-	-	311.381	-	0%
ICT infrastructure schemes	18.615	19.082	-0.467	0.069	-0.467	-	-15%		-	-	-	18.615	-	0%
Wave 5 BSF (previously LPP)	2.150	1.926	0.224	-	0.224	-	0%		-	-	-	2.150	-	0%
BSF Total	332.146	331.131	1.015	0.581	1.015	-	57%		-	-	-	332.146	-	0%
<u>Housing Revenue Account</u>														
Decent Homes Backlog	184.987	122.974	52.013	4.032	50.000	-2.013	8%	The residual Decent Homes programme is currently being reviewed by Tower Hamlets Homes. An updated position will be provided in future Cabinet reports.	10.000	-	10.000	184.987	-	0%
Housing Capital Programme	78.253	28.503	21.750	-0.161	14.500	-7.250	-1%	In light of the summer budget announcements and the need to maximise the use of 1-4-1 receipts, and the stock condition survey that is currently being undertaken, uncommitted elements of the HRA capital programme are being reviewed.	14.000	14.000	28.000	78.253	-	0%
Housing Capital Programme - Provision for schemes under development	10.905	-	10.905	-	-	-10.905	0%	Provision was set aside in the 2015/16 HRA budget report for the use of these capital resources. In light of the summer budget announcements and the need to maximise the use of 1-4-1 receipts, the potential use of these resources is being assessed.	-	-	-	10.905	-	0%
Ocean Estate Regeneration	27.870	27.013	0.856	-1.930	0.856	-	-225%	Expenditure is showing as negative in the current year due to an adjustment carried out in 2015/16 between the Ocean programme and High Street 2012 in order to correct the cumulative position.	-	-	-	27.870	-	0%
Blackwall Reach	14.419	10.615	3.805	0.028	3.805	-	1%		-	-	-	14.419	-	0%
Fuel Poverty and Insulation Works on HRA Properties	4.307	1.025	3.282	0.106	3.282	-	3%		-	-	-	4.307	-	0%
New Affordable Housing at Bradwell St Garages	3.058	1.968	1.090	0.425	1.090	-	39%		-	-	-	3.058	-	0%
New Affordable Housing - Ashington Estate East	13.920	0.392	6.124	0.027	0.027	-6.097	0%	Following the approval of this project, the tendering process resulted in significant cost increases. The scheme is therefore under review and for the purposes of this report no further expenditure is assumed.	7.404	-	7.404	0.419	-13.500	-97%
New Affordable Housing -Extensions	3.607	0.309	3.298	0.040	3.298	-	1%		-	-	-	3.607	-	0%
New Affordable Housing -Watts Grove	27.198	0.591	10.827	0.716	10.827	-	7%		15.780	-	15.780	27.198	-	0%
New housing supply - Local Growth Fund	11.289	0.016	3.931	-	3.931	-	0%		7.342	-	7.342	11.289	-	0%
New housing supply - retained 1-4-1 RTB receipts	50.333	0.028	25.540	0.001	1.457	-24.083	0%	Provision was set aside in the 2015/16 HRA budget report for the use of these capital resources on new-build schemes in order to spend £14.5m of 1-4-1 receipts held by the Authority. A number of new-build schemes are being assessed by Cabinet for their viability and whether they are affordable.	24.765	-	24.765	50.333	-	0%
New housing supply - Housing Covenant	26.868	0.020	9.940	-	9.940	-	0%		15.314	1.594	16.908	26.868	-	0%
Short Life Properties	1.700	0.753	0.947	0.048	0.947	-	5%		-	-	-	1.700	-	0%
D&R - Indicative Schemes as agreed at Budget Council	-	-	-	-	-	-	N/A		-	-	-	-	-	N/A
HRA Total	458.714	194.208	154.308	3.332	103.960	-50.348	2%		94.605	15.594	110.199	445.213	-13.500	-3%

All Years		In Year - 15/16						Future Years (FY)		FY Total	All Years			
Approved Budget	Spend to 31st March 2015	Revised Budget 15/16	Spend to Q1	Projected Spend	Projected Variance	2015/16 Spend (%)	REASONS FOR CURRENT YEAR VARIANCES	16/17	17/18 Onwards	Budget	Projected Spend	Variance	Variance %	
A	B	C	D	E	E-C	D/C		F	G	H = F+G	I	I-A		
£m	£m	£m	£m	£m	£m	%		£m	£m	£m	£m	£m	£m	%
Whitechapel Civic Centre	12.000	9.496	2.504	-	1.122	- 1.382	0%	Following the decision of the Mayor in Cabinet on 28 July 2015, a further report will be considered by Cabinet in respect of the delivery and procurement options for the new civic centre. At this stage it has been assumed that £1.12 million of the residual £2.5 million of resources earmarked for the project will be spent this year, with the further report including the financial requirements of the full project.	-	-	-	12.000	-	0%
Corporate Total	12.000	9.496	2.504	-	1.122	- 1.382	0%		-	-	-	12.000	-	0%
Total	1,014.506	660.116	211.097	6.934	156.460	- 54.637	0.033		117.233	26.059	143.293	1,001.004	- 13.500	-1.3%

Description		Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)
		One Tower Hamlets					
Percentage of LP07 or above Local Authority staff that are women (%) Measured in: % Good Performance: Higher	Percentage of staff that are LP07 or above that are women 	49.89	50.00	55.00	49.28	N/A	↔
The Workforce to Reflect the Community Strategy is under review. The total FTE of all staff at LPO7 and above in this quarter is 247.43. The total FTE of women at LPO7 and above is 121.93. The anticipation is that over the course of the year there will be an increase in women at senior positions and this change is already beginning to take shape at CMT level.							
Percentage of LP07 or above Local Authority staff that are from an ethnic minority (%) Measured in: % Good Performance: Higher	Percentage of earners that are LP07 or above of LA staff that are from an ethnic minority 	23.34	25.00	35.00	24.80	N/A	↔
The Workforce to Reflect the Community Strategy is under review. The total FTE of all staff at LPO7 and above in this quarter is 247.43. The total FTE of minority ethnic staff at LPO7 and above is 61.36. The expectation is that with initiatives such as Take a Chance and mentoring that there will be a gradual, but positive, impact on the number of senior BME managers.							
Percentage of LP07 or above Local Authority staff who have a disability (excluding those in maintained schools) (%) Measured in: % Good Performance: Higher	Percentage of earners that are LP07 or above of LA staff that have a disability 	9.29	10.00	11.80	8.78	N/A	↑
The Workforce to Reflect the Community Strategy is under review. The total FTE of all staff at LPO7 and above to make a declaration as to whether they do or don't have a disability in this quarter is 223.31. The total FTE of disabled staff at LPO7 and above is 19.6. For this indicator, very small changes in the number of staff can have a dramatic effect on performance.							


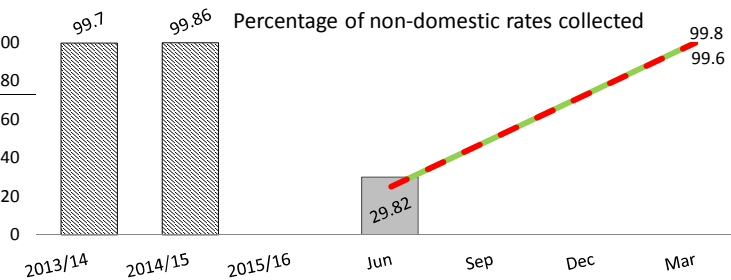
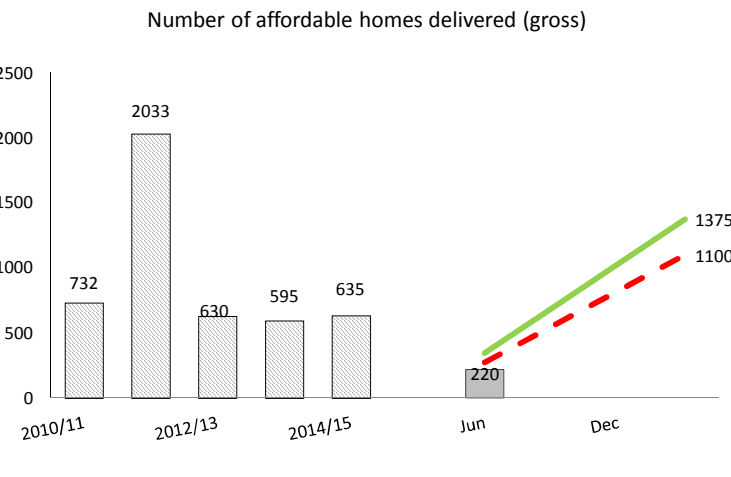
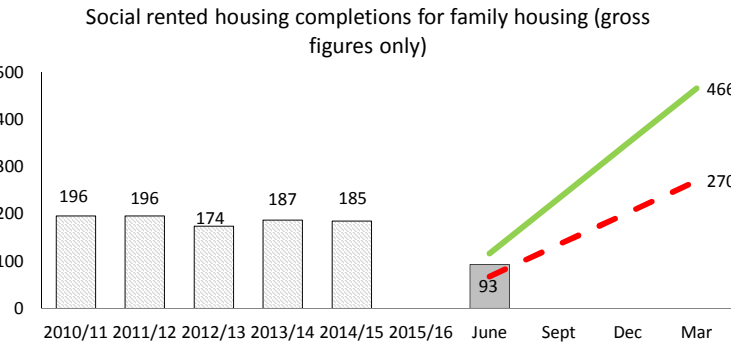
Description	 --- Minimum — Target	Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)																				
<p>Number of working days/shifts lost to sickness absence per employee</p> <p>Measured in: Number (the aggregate of working days lost due to sickness absence divided by the average number of FTE staff) Good Performance: Lower</p>	<p>Number of working days/shifts lost to sickness absence per employee</p>  <table border="1"> <caption>Sickness Absence Data</caption> <thead> <tr><th>Year</th><th>Value</th></tr> </thead> <tbody> <tr><td>2010/11</td><td>7.9</td></tr> <tr><td>2011/12</td><td>6.97</td></tr> <tr><td>2012/13</td><td>7.07</td></tr> <tr><td>2013/14</td><td>6.47</td></tr> <tr><td>2014/15</td><td>8.11</td></tr> <tr><td>2015/15</td><td>8.11</td></tr> <tr><td>Apr</td><td>8.24</td></tr> <tr><td>May</td><td>8.40</td></tr> <tr><td>Jun</td><td>8.42</td></tr> </tbody> </table>	Year	Value	2010/11	7.9	2011/12	6.97	2012/13	7.07	2013/14	6.47	2014/15	8.11	2015/15	8.11	Apr	8.24	May	8.40	Jun	8.42	8.11	7.50	6.50	8.42	RED	↓
Year	Value																										
2010/11	7.9																										
2011/12	6.97																										
2012/13	7.07																										
2013/14	6.47																										
2014/15	8.11																										
2015/15	8.11																										
Apr	8.24																										
May	8.40																										
Jun	8.42																										
<p>Customer Access Overall Satisfaction (telephone contact)</p> <p>Measured in: % Good Performance: Higher</p>	<p>Customer Access Overall Satisfaction</p>  <table border="1"> <caption>Customer Access Satisfaction Data</caption> <thead> <tr><th>Year</th><th>Value</th></tr> </thead> <tbody> <tr><td>2010/11</td><td>87</td></tr> <tr><td>2011/12</td><td>90</td></tr> <tr><td>2012/13</td><td>89.39</td></tr> <tr><td>2013/14</td><td>91.38</td></tr> <tr><td>2014/15</td><td>89.03</td></tr> <tr><td>2015/16</td><td>87.47</td></tr> <tr><td>Jun</td><td>87.47</td></tr> </tbody> </table>	Year	Value	2010/11	87	2011/12	90	2012/13	89.39	2013/14	91.38	2014/15	89.03	2015/16	87.47	Jun	87.47	89.03	91.00	92.00	87.47	RED	↔				
Year	Value																										
2010/11	87																										
2011/12	90																										
2012/13	89.39																										
2013/14	91.38																										
2014/15	89.03																										
2015/16	87.47																										
Jun	87.47																										
<p>Percentage of Council Tax Collected</p> <p>Measured in: % Good Performance: Higher</p>	<p>Percentage of council tax collected</p>  <table border="1"> <caption>Council Tax Collection Data</caption> <thead> <tr><th>Year</th><th>Value</th></tr> </thead> <tbody> <tr><td>2013/14</td><td>95.4</td></tr> <tr><td>2014/15</td><td>96.67</td></tr> <tr><td>2015/16</td><td>26.92</td></tr> <tr><td>Jun</td><td>26.92</td></tr> <tr><td>Mar</td><td>96.6</td></tr> </tbody> </table>	Year	Value	2013/14	95.4	2014/15	96.67	2015/16	26.92	Jun	26.92	Mar	96.6	96.67	24.15	24.25	26.92	GREEN	↔								
Year	Value																										
2013/14	95.4																										
2014/15	96.67																										
2015/16	26.92																										
Jun	26.92																										
Mar	96.6																										


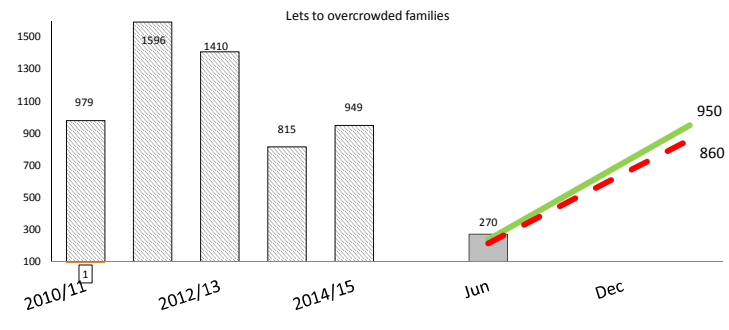
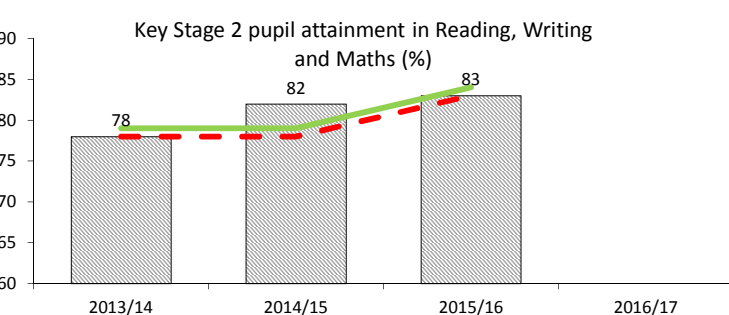
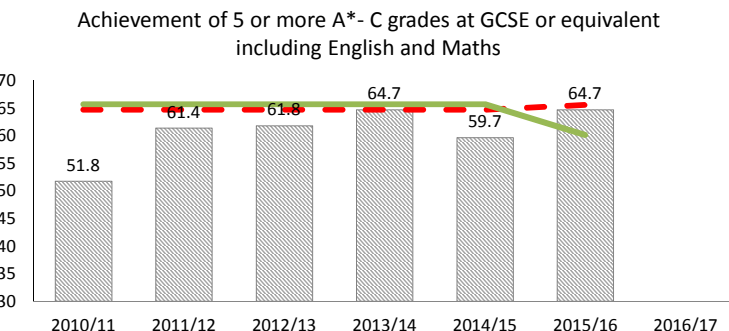
At the end of June 2015, the average days lost per FTE was 8.42 days. This is 2.32 days above the end of year target of 6.1 days; an increase of 0.02 (0.27%) compared to last month; and an increase of 1.30 (15.39%) days compared to the same period last year. Short term absence has decreased from 3.69 to 3.66 days but Long term has increased from 4.70 to 4.75 days.


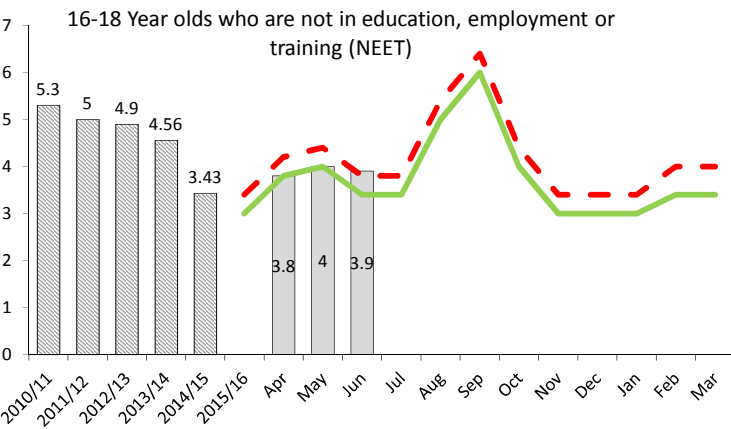
Summary of the actions taken over the last few months:
 Since March 2015, non-compliant managers have been identified and written to by their Corporate Director. Directorate People Panels supported by HR Business Partners monitor and review compliance. The top 30 cases of sickness absence cases are considered by Directorate People Panels each month with a view to ensuring consistency and appropriate pace for action.
 Since May 2015, areas of the organisation which have consistently high sickness levels are put onto special measures. This is monitored by Directorate People Panels and SMTs in conjunction with HR Business Partners. Since July 2015, zero hours posts have been removed from the calculation of sickness absence to ensure a consistent method of calculation. In addition, guidance relating to the sickness absence procedure has been reviewed by HR Business Partners and HR Strategy to ensure it is clear and unambiguous.


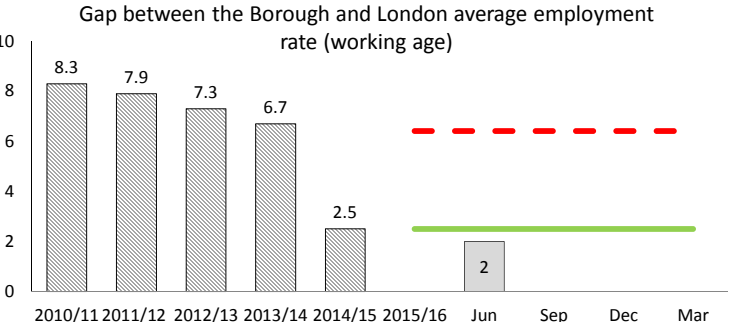
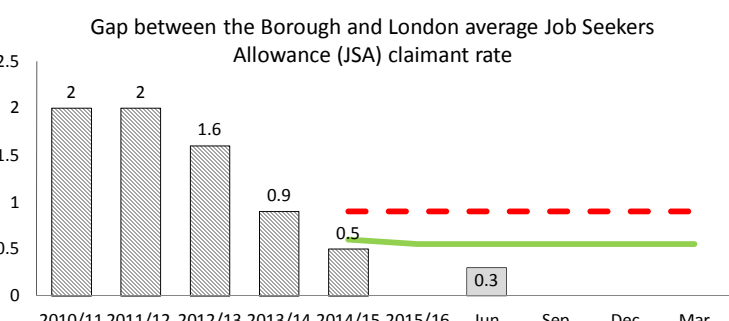
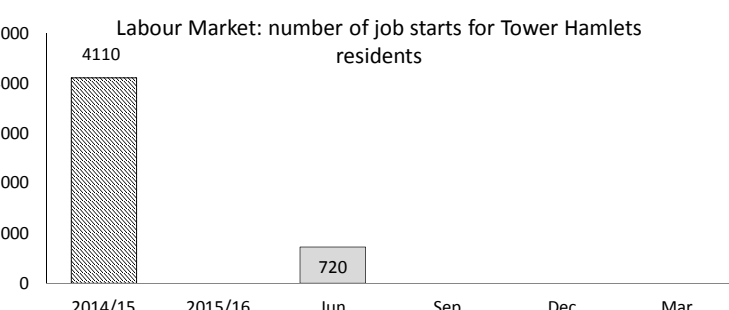
Contact Centre wait times continue to be impacted by the reduction in staff resources following 2015/16 savings. This increase in wait times is the likeliest driver for the dip in customer satisfaction. However the shift has been from satisfied to neither/nor (ie from "good service" to "average service"), leaving the level of active dissatisfaction very low at 2-3%.

Council Tax collection is performing well and is currently ahead of target and up on previous year's performance.

Description	 Minimum Target	Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)
Percentage of Non-Domestic Rates Collected Measured in: % Good Performance: Higher		99.86	24.95	24.90	29.82	GREEN	↓
Business Rate collection is on target for the first quarter of 2015/2016.							
Great Place to Live							
Number of affordable homes delivered (gross) Measured in: Number (the sum of social rent housing and intermediate housing - low cost home ownership and intermediate rent) Good Performance: Higher		635	275	344	220	RED	↑
Tower Hamlets has a strong track record of housing delivery and continues to provide amongst the highest numbers of affordable homes in the country. Whilst the quarterly target has been missed (344), 220 affordable homes have been delivered in quarter 1, 14% higher than this time last year. Our current prediction is for the completion of 1251 affordable units in this financial year. It is worth noting that performance for quarter 1 was expected to be higher, as over 500 units due for completion in quarter 4 of last year were reported as having slipped into quarter 1. However, despite these schemes achieving technical completion for the purposes of GLA grant claims, a number of them are still not complete, i.e. ready for occupation, in LBTH terms. Four different large schemes have been held up by problems such as legal documentation, contractor dispute, vandalism and utility delays. These delays are expected to be resolved soon and should lead to a high outturn for quarter 2. As is regularly reported, there can be no action plan to remedy quarterly underperformance, as the distribution of completions will never fall into an equal four quarter split. The number of units delivering in each quarter is dependent on the contractors' performance on site and other technical issues relating to completion of schemes. There is nothing that the council can do to influence the actual date of handovers.							
Number of affordable social rented housing completions for family housing (gross) Measured in: Number (a count of the number of affordable housing - local authority, housing associations, and co-operative tenants. Family housing is 3 bedrooms or more) Good Performance: Higher		785	67	116	93	AMBER	↑
93 family units were delivered in Q1, 66% higher than this time last year. Whilst delivery is below the target for the quarter (116), it is above our minimum expectation at 47% of all the rented units produced, influenced by the very high proportion of family units in the Indecon scheme.							

Description	 --- Minimum — Target	Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)
<p>The number of overcrowded families rehoused, lets to overcrowded households</p> <p>Measured in: Number (count of lets to overcrowded housing applicants and tenants of CHR partner landlords lacking one or more bedrooms) Good Performance: Higher</p>		949	212	237	270	GREEN	↑
<p>270 overcrowded families rehoused against a quarterly target of 234, 58% higher than this time last year.</p> <p>The total number of lets is greater compared to this time last year, however it is still low compared to previous years. The Council operates a choice based lettings scheme and has very little influence over the outcome of lets as offers are made in priority order, with an increased demand from other higher priority applicants who are not overcrowded, therefore there is never an equal movement in performance. This has been further compounded to by the increase in the number of lets to Band 3 applicants who are adequately housed. Housing options continue to be promoted to TH residents, through daily housing advice to applicants, mutual exchange events, and Lettings Open Day events, especially to those that are overcrowded to ensure lets are maximised to them.</p>							
Prosperous Community							
<p>Key Stage 2 pupil attainment in Reading, Writing and Maths (KS2 RWM) (%)</p> <p>Measured in: % Good Performance: Higher</p>		83 (P)	83.0	84.0	N/A	AMBER	↔
<p><u>Provisional</u></p> <p>The provisional result for KS2 results shows that 83% of pupils achieved level 4 or above, one percentage point higher than last year's result. Results are broken down as follows: English GPS 85% Reading (test) 91% Writing (teacher assessment) 88% Maths (test) 90%</p>							
<p>Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths.</p> <p>Measured in % Good performance: Higher</p>		64.7 (P)	60.10	65.60	N/A	AMBER	↑
<p><u>Provisional</u></p> <p>Provisional results as of August 2015 show that 64.7% of pupils attained 5 A*-C GCSE grades including English & Maths in the 2014/15 academic year. This represents a 5 percentage point increase on the previous year's performance and brings the LA average back to where it had been in 2012/13, before rule changes in 2013/14 led to drops in performance both locally and nationally. We expect provisional national and LA level data to be made available by the DfE in October when we will be able to benchmark LBTH performance against that of comparators, with final returns to be released in December.</p>							

Description		Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)
<p>16 to 19 year olds who are not in education, employment or training (NEET) (%)</p> <p>Measured in: % Good Performance: Lower</p>	 <p>16-18 Year olds who are not in education, employment or training (NEET)</p>	3.43	3.80	3.40	3.90	RED	↑
<p>The outturn for quarter 1 indicates that we are off target for the first quarter. This is quite normal at this stage as we expect the figures to be higher during this period. The main reason for this is that all year 11 school leavers automatically become NEET; this year this has meant that an additional 2647 young people were added to the NEET list. We expect to see the figures decline around September/October as September offers are confirmed for all year groups (12-14).</p> <p>A NEET fair was held on the 22nd July and a further one is being planned for late September/early October to assist those that did not obtain their results or get any confirmed places. It will also assist those who have been long term NEET with an increased focus on apprenticeships and employment. Further to this, we will be continuing to track young people on a monthly basis to provide support through Targeted Youth Support, Careers Service and other partner agencies including those from the voluntary community sector. A range of personal development programmes and Positive Activities are being delivered throughout the summer and will continue into quarter 2 for NEET young people. We have improved by 1 percentage point in comparison to figures this time last year (June 14) and 1 percentage point better than the England average of 4.9 %; we are on course to meet our target.</p>							

Description	 --- Minimum — Target	Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)
Overall employment rate - gap between the Borough and London average rate (working age) (ppts) Measured in: percentage points Good Performance: Gap - Lower		2.50	6.40	2.50	2.00	GREEN	↑
JSA Claimant Rate (gap between the Borough and London average rate (working age) (ppts) Measured in: percentage points Good Performance: Gap - Lower		0.50	0.90	0.55	0.30	GREEN	↑
Labour Market: number of job starts for Tower Hamlets Residents Measured in: % Good Performance: Higher		4110	Not Set	Not Set	720	N/A	N/A

The latest employment rate stats for the period April 2014 - March 2015 continues to show a positive trend upwards in the Borough's employment rate, now at 69.7%. The employment rate gap between TH and the London average has also further reduced by 0.5ppts since last quarter's update. The employment rate at 69.7% is the highest it has been for the Borough since recording began in 2004. It is worth noting that the employment rate data is taken from the Annual Population Survey, which provides survey based estimates, the methodology of which means that there may be variations in outturns and confidence levels from one quarter to the next.


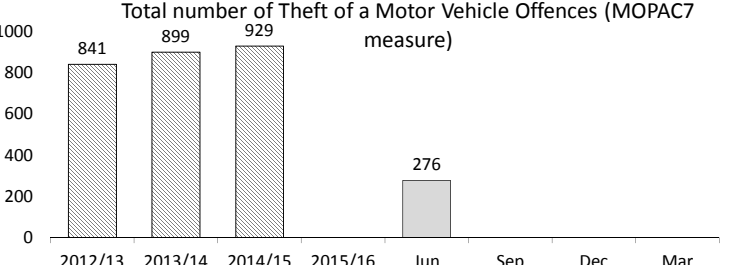
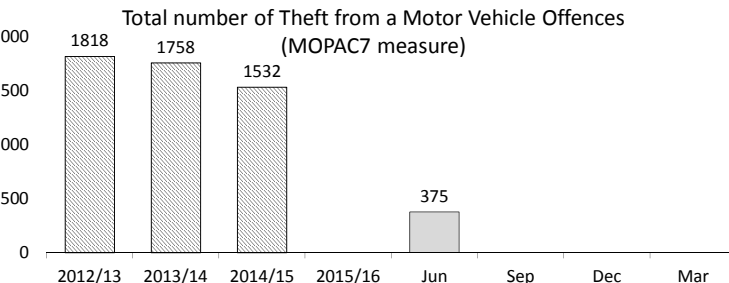
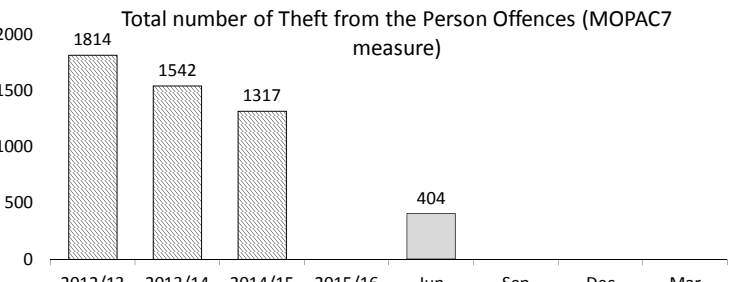
The employment rate for LBTH is 69.7% compared to the London average of 71.7% and the Great Britain average of 72.7%.

Target met. A positive month on month reduction continues in the numbers of JSA claimants for TH. The current gap of 0.3ppts is 0.2ppts lower than this time last year. The stock of JSA claimants was 4,525 in June 2014, this is 31% lower than June 2015 and the lowest its been since recording began in June 2006. There are 2,020 fewer JSA claimants in Tower Hamlets from June 2014 to June 2015. The quarterly reduction also standing at 650 since March 2015. The dataset published on NOMIS does not include claimants of Universal Credit who are claiming benefits principally for the reason of being unemployed, this is yet to be introduced for TH.

The JSA Claimant Rate for LBTH is 2.3% compared to the London average of 1.9% and the Great Britain average of 1.7%.

720 TH residents achieved job start in Q1 through collective partnership reporting (Excludes THH, as not available at time of submission). An outturn for Q1 2014/15 was not provided so no direction of travel can be calculated. Targets under review with new administration.

Description	Minimum Target		Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)
	Safe and Cohesive Community							
Number of Robbery incidents (MOPAC 7 measure) Measured in: Number (part of the MOPAC set. Including personal and business properties) Good Performance: Lower	Total number of Robbery Offences (MOPAC7 measure)		1,162	N/A	N/A	273	N/A	↓
			The London Mayor's Office for Policing and Crime [MOPAC] created a basket of seven crime indicators and set an overall target of a 20% reduction for the life of the MOPAC Policing and Crime Plan 2013-16; there are no individual borough reduction targets for individual crimes. The strategic measures report on the base data of these MOPAC indicators. Data taken from the met.police.uk website indicates that for the period between April-June 2015 there were 273 offences compared to 251 in the same period last year.					
Number of Violence with Injury incidents (MOPAC 7 measure) Measured in: Number (part of the MOPAC set. Murder, wounding/GBH, assault with injury) Good Performance: Lower	Total Violence with Injury (MOPAC7 measure)		2,731	N/A	N/A	769	N/A	↓
			Data taken from the met.police.uk website indicates that between April-June 2015/16 there were 769 violence with injury offences compared to 608 in the same period last year.					
Number of Burglary Incidents (MOPAC 7 measure) Measured in: Number (part of the MOPAC set. Theft or attempted theft from residential or non-residential property) Good Performance: Lower	Total number of Burglary Offences (MOPAC7 measure)		2,415	N/A	N/A	584	N/A	↔
			Data taken from the met.police.uk website indicates that between April-June 2015/16 there were 584 Burglary offences compared to 558 in the same period last year.					

Description		Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)
<p>Theft of a Motor Vehicle (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set) Good Performance: Lower</p>	<p>Total number of Theft of a Motor Vehicle Offences (MOPAC7 measure)</p> 	929	N/A	N/A	276	N/A	↓
<p>Theft from a Motor Vehicle (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set) Good Performance: Lower</p>	<p>Total number of Theft from a Motor Vehicle Offences (MOPAC7 measure)</p> 	1,532	N/A	N/A	375	N/A	↓
<p>Theft from the Person (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set) Good Performance: Lower</p>	<p>Total number of Theft from the Person Offences (MOPAC7 measure)</p> 	1,317	N/A	N/A	404	N/A	↓


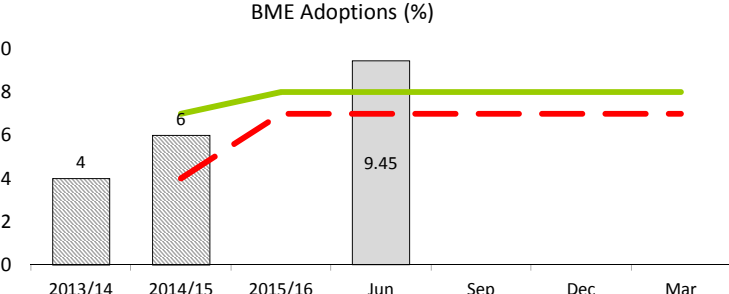
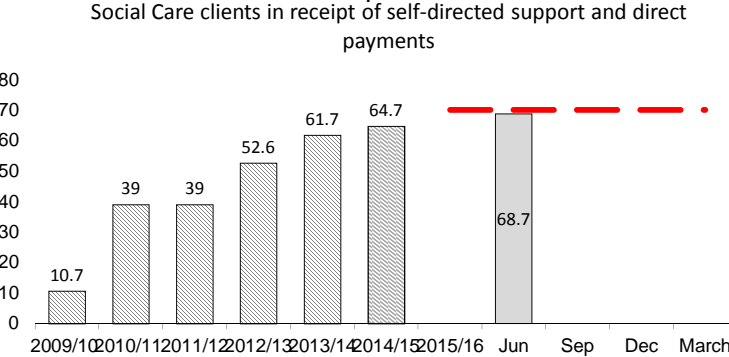
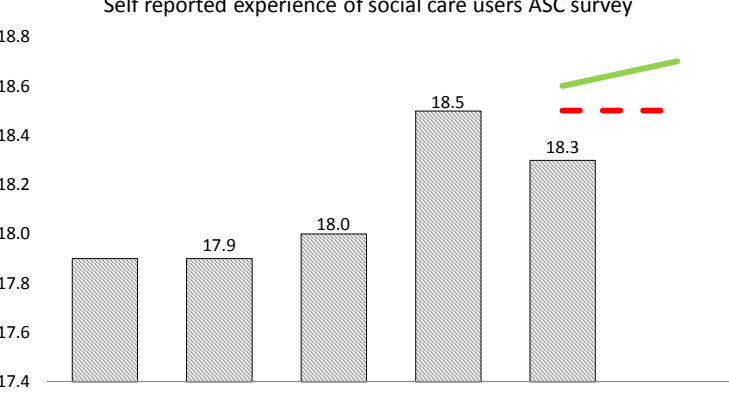
Description	Minimum ----- Target —————		Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)										
	<p>Vandalism (criminal damage) (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set) Good Performance: Lower</p>	<p>Total number of Criminal Damage Offences (MOPAC7 measure)</p> <table border="1"> <caption>Total number of Criminal Damage Offences (MOPAC7 measure)</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2012/13</td> <td>2190</td> </tr> <tr> <td>2013/14</td> <td>2126</td> </tr> <tr> <td>2014/15</td> <td>2383</td> </tr> <tr> <td>2015/16 (Jun)</td> <td>611</td> </tr> </tbody> </table>		Year	Value	2012/13	2190	2013/14	2126	2014/15	2383	2015/16 (Jun)	611	2,383	N/A	N/A	611	N/A
Year	Value																	
2012/13	2190																	
2013/14	2126																	
2014/15	2383																	
2015/16 (Jun)	611																	
<p>Data taken from the met.police.uk website indicates that between April-June 2015/16 there were 611 vandalism / criminal damage offences compared to 566 in the same period last year.</p>																		
<p>Total MOPAC 7 incidents</p> <p>Measured in: Number (includes MOPAC 7 crimes: robbery, burglary, criminal damage, theft from and theft of a motor vehicle, theft from the person, violence with injury) Good Performance: Lower</p>	<p>MOPAC 7 Total</p> <table border="1"> <caption>MOPAC 7 Total</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2013/14</td> <td>12537</td> </tr> <tr> <td>2014/15</td> <td>12469</td> </tr> <tr> <td>2015/16 (Jun)</td> <td>3292</td> </tr> </tbody> </table>		Year	Value	2013/14	12537	2014/15	12469	2015/16 (Jun)	3292	12,469	N/A	N/A	3,292	N/A	↓		
Year	Value																	
2013/14	12537																	
2014/15	12469																	
2015/16 (Jun)	3292																	
<p>Data taken from the met.police.uk website indicates that between April-June 2015/16 there were 3,292 total MOPAC7 offences compared to 2,853 in the same period last year.</p>																		
<p>Total Notifiable Offences (number)</p> <p>Measured in: Number Good Performance: Lower</p>	<p>Total Notifiable Offences</p> <table border="1"> <caption>Total Notifiable Offences</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2012/13</td> <td>29082</td> </tr> <tr> <td>2013/14</td> <td>27137</td> </tr> <tr> <td>2014/15</td> <td>27255</td> </tr> <tr> <td>2015/16 (Jun)</td> <td>6882</td> </tr> </tbody> </table>		Year	Value	2012/13	29082	2013/14	27137	2014/15	27255	2015/16 (Jun)	6882	27,255	N/A	N/A	6,882	N/A	↔
Year	Value																	
2012/13	29082																	
2013/14	27137																	
2014/15	27255																	
2015/16 (Jun)	6882																	
<p>Data taken from the met.police.uk website indicates that between April-June 2015/16 there were 6,882 total notifiable offences compared to 6,686 in the same period last year. A 5% tolerance for direction of travel applied to all measures means that performance compared to last year remains unchanged.</p>																		


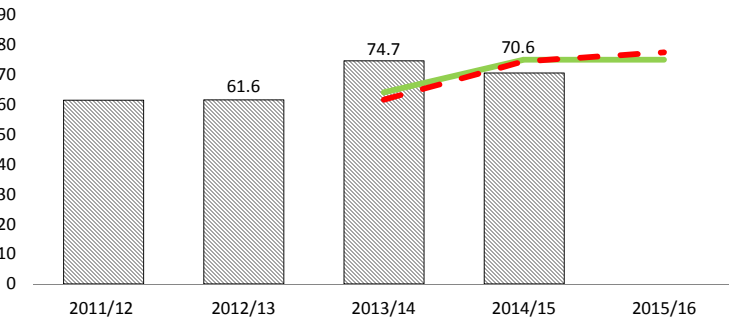

Description	Legend		Performance Metrics					
	--- Minimum	— Target	Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)
Number of people killed or seriously injured (3 year average) Measured in: Number Good Performance: Lower			114.3	114.3	107.0	N/A	AMBER	↔
Number of Children killed or seriously injured (3 year average) Measured in: Number Good Performance: Lower			5.7	5.7	4.5	N/A	GREEN	↑

14/15 Annual Outturn: The annual outturn shows the three year rolling average for the most up to date period; calendar years 2012, 2013, 2014. The number of people killed or seriously injured in those years were 168, 87 and 88 respectively. The minimum expectation for 2014/15 was 119.3 (or lower) and the target was 112 (or lower) - the minimum expectation was exceeded. Data for 2015 will be available in June 2016.

14/15 Annual Outturn: The annual outturn shows the three year rolling average for the most up to date period; calendar years 2012, 2013, 2014. The number of children killed or seriously injured in those years were 11, 4 and 2 respectively. The minimum expectation for 2014/15 was 8.5 and the target was 8.0 - the target was exceeded. Data for 2015 will be available in June 2016.


Description	Minimum		Target		Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)										
	Minimum		Target																	
Healthy and Supportive Community																				
<p>Smoking Quitters</p> <p>Measured in: rate per 100,000 of population (aged 16+) of four-week smoking quitters who have attended NHS Stop Smoking Services . Good Performance: Higher</p>	<p>Stopping Smoking (Rate per 100,000)</p> <table border="1"> <tr><th>Year</th><th>Rate per 100,000</th></tr> <tr><td>2011/12</td><td>1881</td></tr> <tr><td>2012/13</td><td>1585</td></tr> <tr><td>2013/14</td><td>862</td></tr> <tr><td>2014/15</td><td>626.2</td></tr> </table>				Year	Rate per 100,000	2011/12	1881	2012/13	1585	2013/14	862	2014/15	626.2	626.2	Not Set	Not Set	N/A	RED	↓
Year	Rate per 100,000																			
2011/12	1881																			
2012/13	1585																			
2013/14	862																			
2014/15	626.2																			
<p>14/15 Annual Outturn: The annual outturn shows the smoking quit rate per 100,000 population aged 16 and above. The annual minimum expectation of 833 was missed. The total number of people supported to quit smoking during 2014-15 was 3,600. This led to 1,364 quits which is in line with performance across London due in the main to a fall in smoking prevalence.</p> <p>We are refining our targeting of services to people with the most capacity to benefit and protect others from harm e.g. pregnant smokers and ensuring enhanced support is available to those with high tobacco addiction e.g. people with mental health or long term conditions. Although this has the greatest potential to reduce health inequalities more intensive interventions are required, along with a number of unsuccessful attempts to stop smoking. This targeting of services is likely to lead to a small reduction in the successful quit rate as these residents often have greater addiction to nicotine. With approximately 45,000 smokers in Tower Hamlets the challenge remains. Actions implemented include:</p> <ul style="list-style-type: none"> Local campaigns in partnership with providers for Stoptober (Oct), New Year and No Smoking Day (March); An increase of satellite clinics throughout the borough; Increase of service provision for all BAME groups; Close partnership working with Barts to increase referrals; Raising awareness of national legislation e.g. smokefree cars, standardised packaging and the local government and NHS tobacco declarations. 																				
<p>Average time between a child entering care and moving in with adoptive family (Time to adoption)</p> <p>Measured in: Days Good Performance: Lower</p>	<p>Time to Adoption</p> <table border="1"> <tr><th>Year</th><th>Days</th></tr> <tr><td>2013/14</td><td>550</td></tr> <tr><td>2014/15</td><td>645</td></tr> <tr><td>2015/16</td><td>762</td></tr> </table>				Year	Days	2013/14	550	2014/15	645	2015/16	762	645	614	566	762	RED	↓		
Year	Days																			
2013/14	550																			
2014/15	645																			
2015/16	762																			
<p>The previous reported figure (645) was based on a 3 year rolling average in accordance with the DFE Adoption Scorecard definitions. Now that the Adoption Leadership Board has taken over collection and publication of adoption data, they have reverted to a single year annual figure. Our performance for 14/15 was 759 days under this definition. The reported 762 days is the rolling year to end of June, so is in line with the previous period based on the new definition. It is worth noting that the old "three year rolling" definition would show us a 634 days up to end of June 2015, and the actual figure for Q1 the actual performance is 229 days (that is, there has been one adoption between April and June that took 229 days from entering care until placement with adopters). Improving adoption performance remains a priority and Children's Services is setting up a new permanence team and increasing the pool of available adopters to support this.</p>																				
<p>The performance figure measures the time between a child entering care, and them being placed with adoptive parents following a placement order awarded by the courts. Difficulty matching children with suitable adopters can cause delay in the process. It is particularly hard to find suitable adopters for black and minority ethnic children, sibling groups and those with special educational need/ complex health needs. In addition, delays can occur in court processes particularly if a case is contested. Finally because of the small number in the cohort for this indicator (21 in 2014-15), the average time figure can be skewed by small number of very complex cases- over half of our adoptions in 2014-15 were completed in less than the national average time, but the average time was pushed up by very few complex cases. Nationally, the average time for this process was 533 days in 2014-15.</p>																				

Description		Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)
<p>Percentage of ethnic minority background children leaving care who are adopted (BME adoptions)</p> <p>Measured in: % Good Performance: Higher</p>		6.0	7.0	8.0	9.45	GREEN	↑
<p>Proportion of people using social care who receive self-directed support, and those receiving direct payments</p> <p>Measured in: % Good Performance: Higher</p>		64.7	70.00	TBC	68.70	RED	↑
<p>Social Care-related quality of life</p> <p>Measured in: % Good Performance: Higher</p>		18.3 (P)	18.50	18.70	N/A	RED	↔
		<p>2014/15 Annual outturn: This measure is an average quality of life score based on responses to the Adult Social Care Survey. Performance at year end was 18.3 out of maximum possible score of 24. The score was lower than the minimum expectation because the overall response rate to the survey was lower compared to the previous year and this impacted the number of responses received for this composite measure. This measure uses responses to survey questions covering the eight domains identified in the ASCOT; control, dignity, personal care, food and nutrition, safety, occupation, social participation and accommodation.</p> <p>In future the service intends to increase the response rates by using methods as follows (depending on availability of resources):</p> <ul style="list-style-type: none"> - Providing interpreter via phone - Providing Interpreter via face to face interview - Following up by telephone after sending second reminder - Conducting additional telephone interviews. 					

Description		Annual Actual (2014/15)	Q1 Minimum Expectation (2015/16)	Q1 Target (2015/16)	Q1 Actual	Variance (performance against target)	Direction of Travel (comparing 14/15 and 13/14 actual)												
<p>Percentage of CAF reviews with an improved score</p> <p>Measured in: % Good Performance: Higher</p>	 <p>Percentage of CAF reviews with an improved score</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>61.6</td> </tr> <tr> <td>2012/13</td> <td>61.6</td> </tr> <tr> <td>2013/14</td> <td>74.7</td> </tr> <tr> <td>2014/15</td> <td>70.6</td> </tr> <tr> <td>2015/16</td> <td>-</td> </tr> </tbody> </table>	Year	Percentage	2011/12	61.6	2012/13	61.6	2013/14	74.7	2014/15	70.6	2015/16	-	70.6	75.0	78	N/A	RED	
Year	Percentage																		
2011/12	61.6																		
2012/13	61.6																		
2013/14	74.7																		
2014/15	70.6																		
2015/16	-																		
<p>2014/15 Annual outturn: The outturn for 2014-15 was 70.6 percent against a minimum expectation of 74.5 percent. The target has been missed.</p> <p>The detailed analysis of the sampled reviews has yet to be undertaken and will be presented to the Family Wellbeing Strategy Group in September 2015. The action plan will follow on from discussion at this meeting in the light of the detailist. It should however be noted that the target for 14/15 was increased following a significant leap in outcome between 12/13 and 13/14. The outcome for 14/15 (although below this target) is still above that for 12/13 and it may be that the increase experienced in 13/14 was exceptional. Taking a three year trend the drop in outcome is less significant. In 14/15 there was also an increase in volume of assessments; part of the detailed analysis will unpick whether this increase in volume has had an impact on the progress indicator and if so why.</p>																			

This page is intentionally left blank

Agenda Item 5.7

Cabinet 6 October 2015	 TOWER HAMLETS
Report of: Zena Cooke – Corporate Director Resources	Classification: Unrestricted
Contracts Forward Plan – Quarter 2 and 3 (2015-2016)	

Lead Member	Councillor David Edgar, Cabinet Member for Resources
Originating Officer(s)	Zamil Ahmed – Head of Procurement
Wards affected	All wards
Community Plan Theme	One Tower Hamlets
Key Decision	Yes

EXECUTIVE SUMMARY

The Council's Procurement Procedures require a quarterly report to be submitted to Cabinet, laying down a forward plan of supply and service contracts over £250,000 in value, or capital works contracts over £5 million. This provides Cabinet with the visibility of all high value contracting activity, and the opportunity to request further information regarding any of the contracts identified. This report provides the information in period quarter two and three of the Financial Year.

Only contracts which have not previously been reported are included in this report.

DECISION REQUIRED:

Cabinet is recommended to:-

1. Consider the contract summary at Appendix 1, and identify those contracts about which specific reports – relating to contract award – should be brought before Cabinet prior to contract award by the appropriate Corporate Director for the service area and
2. Confirm which of the remaining contracts set out in Appendix 1 can proceed to contract award after tender.
3. Authorise the Service Head - Legal Services to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 2 above.

1. **REASONS FOR THE DECISIONS**

- 1.1 The Council's Procurement Procedures require submission of a quarterly forward plan of contracts for Cabinet consideration, and it is a requirement of the Constitution that "The contracting strategy and/or award of any contract for goods or services with an estimated value exceeding £250,000, and any contract for capital works with an estimated value exceeding £5,000,000, shall be approved by the Cabinet in accordance with the Procurement Procedures". This report fulfils these requirements for contracts to be let during and after the period Q2 and Q3 of the Financial Year.

2. **ALTERNATIVE OPTIONS**

- 2.1 Bringing a consolidated report on contracting activity is considered the most efficient way of meeting the requirement in the Constitution, whilst providing full visibility of contracting activity; therefore no alternative proposals are being made.

3. **BACKGROUND**

- 3.1 This report provides the forward plan for the period Q2 and Q3 of the Financial Year in Appendix 1, and gives Cabinet Members the opportunity to select contracts about which they would wish to receive further information, through subsequent specific reports.

4. **FORWARD PLAN OF CONTRACTS**

- 4.1 Appendix 1 details the new contracts which are planned during the period Q2 and Q3 of the Financial Year. This plan lists all of the new contracts which have been registered with the Procurement Service, and which are scheduled for action during the reporting period.

Contracts which have previously been reported are not included in this report. Whilst every effort has been made to include all contracts which are likely to arise, it is possible that other, urgent requirements may emerge. Such cases will need to be reported separately to Cabinet as individual contract reports.

- 4.2 Cabinet is asked to review the forward plan of contracts, confirm its agreement to the proposed programme and identify any individual contracts about which separate reports – relating either to contracting strategy or to contract award – will be required before proceeding.
- 3.3 Equalities and diversity implications – and other One Tower Hamlets issues – are addressed through the Council's Tollgate process which provides an independent assessment of all high value contracts, and ensures that contracting proposals adequately and proportionately address both social considerations and financial ones (such as savings targets). The work of the Competition Board and Corporate Procurement Service ensures a joined-up approach to procurement.

- 4.4 The Tollgate process is a procurement project assurance methodology, which is designed to assist in achieving successful outcomes from the Council's high value contracting activities (over £250,000 for revenue contracts, and £5,000,000 for capital works contracts which have not gone through the Asset Management Board approval system). All Tollgate reviews are reported to Competition Board, and when appropriate contract owners are interviewed by the Board; contracts require approval of the Board before proceeding.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 This report describes the quarterly procurement report of the forward plan for Q2 and Q3 of the Financial Year and beyond, to be presented to Cabinet for revenue contracts over £250,000 in value and capital contracts over £5 million.
- 5.2 Approximately £7.2m of goods, services and works will be procured from external suppliers. Procured services comprise around 40% of the Council's annual expenditure and control of procurement processes is thus crucial to delivering value for money for local residents as well as managing the risks that may arise if procurement procedures go wrong. Consideration of the plan by Cabinet operates as an internal control and also provides the opportunity for the Mayor to comment on specific procurements at an early stage.

6. LEGAL COMMENTS

- 6.1 The Council has adopted financial procedures for the proper administration of its financial affairs pursuant to section 151 of the Local Government Act 1972. These generally require Cabinet approval for expenditure over £250,000 for revenue contracts and £5m for capital works contracts.
- 6.2 Cabinet has approved procurement procedures, which are designed to help the Council discharge its duty as a best value authority under the Local Government Act 1999 and comply with the requirements of the Public Contract Regulations 2015. The procurement procedures contain the arrangements specified in the report under which Cabinet is presented with forward plans of proposed contracts that exceed specified thresholds. The arrangements are consistent with the proper administration of the Council's financial affairs.
- 6.3 Pursuant to the Council's duty under the Public Services (Social Values) Act 2012, as part of the tender process and where appropriate, bidders will be evaluated on the community benefits they offer to enhance the economic social or environmental well-being of the borough. This is in accordance with the Council's Procurement Policy Imperatives adopted at Cabinet on 9th January 2013. The exact nature of those benefits will vary with each contract and will be reported at the contract award stage. All contracts delivered in London and which use staff who are ordinarily resident in London will require contractors to pay those staff the London Living Wage. Where workers are based outside London an assessment will be carried out to determine if the same requirement is appropriate.

- 6.4 When considering its approach to contracting, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). Officers are expected to continuously consider, at every stage, the way in which procurements conducted and contracts awarded satisfy the requirements of the public sector equality duty. This includes, where appropriate, completing an equality impact assessment as part of the procurement strategy, which is then considered as part of the tollgate process.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 The Council is required to consider the value for money implications of its decisions and to secure best value in the provision of all its services. The Council procures annually some £350m of supplies and services with a current supplier base of approximately 3,500 suppliers. The governance arrangements undertaking such buying decisions are set out in the Council's Procurement Procedures, which form part of the Financial Regulations.
- 7.2 Contracts listed in Appendix One are all subject to the Council's Tollgate process which involves a detailed assessment by Competition Planning Forum and Competition Board of the procurement strategy to ensure compliance with existing policies, procedures and best value duties prior to publication of the contract notice.

8. ONE TOWER HAMLETS CONSIDERATIONS

- 8.1 Equalities and diversity implications – and other One Tower Hamlets issues – are addressed through the tollgate process, and all contracting proposals are required to demonstrate that both financial and social considerations are adequately and proportionately addressed. The work of the Competition Board and the Procurement & Corporate Programme Service ensures a joined-up approach to procurement.

9. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 9.1 Contracts are required to address sustainability issues in their planning, letting and management. Again, this is assured through the Tollgate process, and supported through the Procurement & Corporate Programmes' Corporate Social Responsibility work stream.

10. RISK MANAGEMENT IMPLICATIONS

- 10.1 Risk management is addressed in each individual contracting project, and assessed through the tollgate process.

11. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 11.1 There are no specific crime and disorder reduction implications.

12. EFFICIENCY STATEMENT

- 12.1 Contract owners are required to demonstrate how they will achieve cashable savings and other efficiencies through individual contracting proposals. These are then monitored throughout implementation.

Linked Reports, Appendices and Background Documents

Linked Report

- None.

Appendices

- Appendix 1 – new contracts planned: Q2 and Q3 of the Financial Year and beyond

Background Documents – Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012

- None.

Officer contact details for documents:

- N/A

Appendix one – new contracts planned: Q2 and Q3 of the Financial Year 15-16

Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Date submitted to Competition Board or scheduled for submission*	Planned Date for Invitation to Tender or * Contract signature.	Community Benefits
<p align="center">Page 230</p> <p>DR 4948</p>	<p align="center">£1,397,950</p>	<p><u>Tower Hamlets Retail Marketing and Tendering Support Project</u> Small businesses make up the majority of businesses in Tower Hamlets and contribute significantly to the local community in terms of employment and business rate contribution. This project will provide substantial and effective support to small businesses in Tower Hamlets to increase their competitiveness, attract new customers, compete for new contracts and increase their viability in order that they see Tower Hamlets as an economically attractive place to trade from. The project will cover 3 services namely;</p> <ol style="list-style-type: none"> 1. <u>Supply Tower Hamlets</u> <ul style="list-style-type: none"> • To support 800 business based in Tower Hamlets in competing for public and private sector contracts through building their capacity and knowledge of bidding and winning contracts • Aim to secure £8M worth of new contracts for participating businesses • To support SME's to formulate a bespoke tendering plan to assist them in securing long term benefits from this project. 2. <u>Retail Marketing Support</u> <ul style="list-style-type: none"> • To engage and enhance the capacity of 240 retail business in Tower Hamlets (shops, market traders and online enterprises) to market their goods and services more effectively to increase their turnover. This will be 	<p align="center">26 months</p>	<p align="center">New Homes Bonus</p>	<p align="center">08/09/2015</p>	<p align="center">October 2015</p>	<p align="center">Included as part of the tender</p>

Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Date submitted to Competition Board or scheduled for submission*	Planned Date for Invitation to Tender or * Contract signature.	Community Benefits
Page 231		<p>achieved through the provision of 1-2-1 consultancy support and the development of a bespoke individual marketing plan.</p> <ul style="list-style-type: none"> • Aim to generate over £1M in sales for participating businesses. <p>3. <u>Website Development</u></p> <ul style="list-style-type: none"> • To enable businesses in Tower Hamlets to advertise and showcase their goods and services to the world on a common e-commerce platform. <p>The procurement will be carried out in accordance with the EU Open procedure. The project aims to increase the ability of local businesses in bidding and winning contracts thereby increasing net income and creating local employment opportunities. The project will support local businesses in developing an effective marketing skill which will help to increase footfall and visits to the community hence, increasing consumer spending and boosting local economy.</p>					
ESCW(C)4956	£325,440	<p><u>Children's Advocacy Service</u> The Council has a statutory duty to support looked after children and young people and care leavers to enable them to reach their full potential and enjoy the same opportunities in life as their peers. One of the services the Council is required to provide for is an independent advocacy and support service which offers confidential advice, information, representation and training. The contract for this service expired on 31 March 2015 but has been extended for an additional year. The existing</p>	3 years	CSC Core Budgets	20/07/2015	01/04/2016	Included as part of the tender


Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Date submitted to Competition Board or scheduled for submission*	Planned Date for Invitation to Tender or * Contract signature.	Community Benefits
Page 232		<p>service has been outsourced to Action for Children. The Children's Rights Advocacy Service has been necessarily outsourced in order to offer independent and impartial support to looked after children and young people and care leavers and also for this group to be heard and responded to appropriately by the Local Authority.</p> <p>Currently, the Disability Advocacy project provides advocacy and support to young disabled persons between the ages of 11 and 21 and has been outsourced to The Children Society. The contract for this service expires on 31st March 2016. Both services represent good value for money because of the additional work undertaken over and above that specified and is in line with those of other authorities.</p> <p>It is proposed that going forward the contracts for the above services are merged and tendered for as one contract. A single contract may not achieve cashable savings but will provide better value for money as there will not be two lots of management costs. The merging of contracts will also reduce monitoring as it will be a single service and will reduce the costs of procurement as there will not be the need for two procurements.</p> <p>The contracting approach will be an open tender due to the limited number of providers in the market and as well as being under the new LTR threshold.</p> <p>Bidders will be asked to submit innovative initiatives which can be measured and monitored throughout the lifetime of this contract.</p>					

Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Date submitted to Competition Board or scheduled for submission*	Planned Date for Invitation to Tender or * Contract signature.	Community Benefits
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 233 DR4932</p>	<p>£1,496,000</p>	<p>Storage and Removal Services The Council currently engages a number of storage and removal providers to meet its statutory obligation of removing and storing belongings of those homeless in accordance with its statutory duties under Regulation S211 of the 1996 Housing Act, and in accordance with the provisions of the Letting Policy. The service is also used as part of the Council's incentive scheme for assisting those downsizing to a smaller accommodation in the removal and delivery of their belongings to their new property and for office moves between council offices.</p> <p>This service will also be used for the disposal of items that are no longer required or surplus to Council's requirement; preference will be given to the re-use of such items within the community or donated to charity based projects either in the UK or as part of an overseas aid scheme. The contract will ensure that disposal firms comply with WEEE Regulation 2013.</p> <p>The procurement process will be carried out in accordance with the EU Restricted Procedure. The Framework Agreement will spread across the following lots:</p> <p>Lot 1 – Removal Service (Office and Homeless) Lot 2 – Removal Services (Under Occupied) Lot 3 – Storage Services (Office and Household items) Lot 4 – Disposal Services (Office and Household items) Community benefits commensurate with the contract size will be sought from the provider through the tender process. Benefits would be expected to include local employment opportunities, volunteer opportunities.</p>	<p>3 + 1 years</p>	<p>General Funds</p>	<p>08/06/2015</p>	<p>October 2015</p>	<p>Included as part of the tender</p>

Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Date submitted to Competition Board or scheduled for submission*	Planned Date for Invitation to Tender or * Contract signature.	Community Benefits
Page 234 CLC4949	£1,250,000	<p>Water Features and Landscaping This contract is for the provision of a range of landscape and aquatic maintenance works to parks and open spaces, within the boundaries of the London Borough of Tower Hamlets. The services to be provided will include:</p> <ul style="list-style-type: none"> • Cleaning and maintenance of public space landscape areas and features • Routine cleaning of water features including dredging, draining and recharging systems, monitoring recording and reporting of water consumption and water quality and the implementation of measures relating to these issues. • Maintenance and operation of water pumps, pipes, weirs, valves and other mechanical and electrical devices associated with the water features. • Recording and reporting of safety inspections of parks and open space equipment. <p>In addition to the above, the contract will also include the maintenance of canals, waterways, lakes and pounds at various sites within the London Borough of Tower Hamlets.</p> <p>This will be carried out in accordance with the EU Restricted Procedure.</p>	3 + 1 + 1 Years	General Funds	20/07/2015	October 2015	Included as part of the tender
CLC4951	£680,000	<p>Arboriculture Services This contract is for the provision of all arboriculture services to all sites within the portfolio of the London Borough of Tower Hamlets. The services to be provided will include but not limited to;</p>	3 + 1 + 1 Years	C&G Budget	20/072015	October 2015	Included as part of the tender

Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Date submitted to Competition Board or scheduled for submission*	Planned Date for Invitation to Tender or * Contract signature.	Community Benefits
Page 235		<ul style="list-style-type: none"> • Tree pruning and removal of dead woods • Bedding and tree planting • Tree removal, felling and grubbing out • Crown lifting, shaping and thinning • Re-tying and staking of young trees • Stump grinding and working with Elm trees. <p>In addition to the above, the contract will ensure that trees removed are properly disposed.</p> <p>This will be carried out in accordance with the EU Restricted Procedure.</p>					
	CLC4950	£375,000	<p>Weed Control</p> <p>This contract is for the control of weed growth on Highways and other areas within the boundaries of the London Borough of Tower Hamlets. This contract predominantly involves the performance of work on the Highway and requires the service provider to comply with all Road Traffic Regulations.</p> <p>The Borough's public spaces and the services provided therein will make key contributions towards achieving the Council's Strategic priorities. Key aspect of the open space provisions are;</p> <ul style="list-style-type: none"> • Safety and Amenity – To improve and maintain the visual attractiveness of the public realm and ensure the perceived and physical safety of facility users and visitors 	3 + 1 + 1 Years	C&G Budget	20/07/2015	October 2015

Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Date submitted to Competition Board or scheduled for submission*	Planned Date for Invitation to Tender or * Contract signature.	Community Benefits
		<ul style="list-style-type: none"> Conservation and Biodiversity – To conserve historical landscape and features, and to protect, expand and enhance the habitat for diverse species of plant and animal life in the Borough. <p>This will be carried out in accordance with the EU Restricted Procedure.</p>					
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 236</p> <p>CLC 4891</p>	<p>£250,000</p>	<p>Management of LBTH Parks Tennis Courts</p> <p>The contract is for the provision of online booking management services and maintenance of tennis courts. The contractor to be appointed will ensure that residents and park users are able to book online the use to the recently refurbished tennis courts (14 units) and provide a viable maintenance programme. The authority aims to form a five years partnership contracts that operates in a revenue share scheme basis.</p> <p>There are several operators in the market including our current partner Tower Hamlets Tennis that are currently managing the tennis facilities in various London Boroughs. An open procedure would be utilised in order to attract all the possible operators in the and therefore we believe there should be interest in the proposed tender.</p>	<p>5 years</p>	<p>Income Generated</p>	<p>20/07/2015</p>	<p>October 2015</p>	<p>Included as part of the tender</p>

<p>Cabinet</p> <p>6 October 2015</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Louise Russell, Service Head – Corporate Strategy and Equality</p>	<p>Classification: Unrestricted</p>
<p>Scrutiny Challenge Session – Contract Specification and Management in Tower Hamlets</p>	

Lead Member	Councillor David Edgar, Cabinet Member for Resources
Originating Officer(s)	Gulam Hussain, Corporate Strategy and Equality
Wards affected	All Wards
Community Plan Theme	ALL
Key Decision?	No

Executive Summary

This report provides recommendations from, and an action plan in response to, a challenge session on contract specification and management in the Council. The session used, as a case study, the contract with Veolia for environmental services.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Consider this report of the scrutiny working group and agree the action plan in response to the review recommendations.

1. REASONS FOR THE DECISIONS

- 1.1 In 2013/14 the Council spent £355.5 million on procuring goods and services. Tower Hamlets Council, like other local authorities, has been presented with significant reductions in its spending powers. By the end of 2015/16 the Council expects to have delivered a cumulative saving in excess of £118 million since the spending review of 2010.
- 1.2 In light of the financial pressures faced by the council the review sought to explore the existing approach to procurement and contract management to ensure it effectively balanced the need to achieve value for money whilst still delivering effective services and wider social benefits. The focus of the challenge session was underpinned by three core questions;

- a) How does value for money and quality of service provision inform contract specification and management?
 - b) What options are available for improving value for money and quality of service provision from contracts?
 - c) What are the challenges faced by the Council in securing its requirements (including financial and community benefits) within the existing framework?
- 1.3 In light of the current procurement exercise being undertaken by the council to secure waste management services as of 2017 and a London Councils' report noting waste management to be typically the third largest area of spend for London authorities after education and social care, this area was chosen as a case study for the purposes of this enquiry.

2. ALTERNATIVE OPTIONS

- 2.1 To take no action. This is not recommended. The proposed response includes activities set out and agreed in the Best Value Procurement Action Plan produced in response to directions from the Secretary of State. A timetable for delivering the recommendations has also been agreed by officers. The action plan is outlined in Appendix Two.
- 2.2 To agree some, but not all, recommendations. All of the recommendations are achievable at little additional cost to the organisation.

3. DETAILS OF THE REPORT

- 3.1 The challenge session took place on 22nd January 2015 led by Cllr Abjol Miah, Scrutiny Lead for Resources in 2014/15.
- 3.2 The session took place in the context of the Council needing to find further financial savings, maintain effective services and seek community benefits from procurement. The focus of the challenge session was therefore to understand the approach used in developing contract specifications and the management of contracts, utilising the Council's waste management contract with Veolia UK as a case study.
- 3.3 The report with recommendations is attached at **Appendix One**. Six recommendations have been made:

RECOMMENDATION 1:

Publish the quarterly Contracts Forward Plan on the Council's website and use the Members Bulletin to alert Councillors when it is updated.

RECOMMENDATION 2:

Officers periodically review the Council's approach to securing Community Benefits to ensure that:

- Community benefits are maximised whilst securing value for money, and
- Community benefits good practice is shared across Council services and category management areas.

RECOMMENDATION 3:

Communicate to residents the community benefits that are being achieved by the Council through major procurement activity and current contracts.

RECOMMENDATION 4:

Consider accredited learning for those involved in supporting high risk or high spend procurement and contract management activities.

RECOMMENDATION 5:

Publicise further Find it, Fix it, Love it (FIFILI) to increase its use including a focus on utilising the support of the 37% of staff members who live in Tower Hamlets.

RECOMMENDATION 6:

Explore wider use of mobile (app) technology in Council services informed by the experience of FiFiLi.

- 3.4 This review was timely as the council is currently exploring options to procure a new waste management contract as of 2017.
- 3.5 The scope of Recommendation 2 is restricted by the obligations placed on the council under the Public Contracts Regulations 2015 which implements European procurement regulations in to UK law.
- 3.6 The Executive proposes a broader approach to mobile technology be pursued in response to Recommendation 6. This reflects general advice, including from the Government, that apps can duplicate existing channels and that responsive web design (which optimises users' experiences across a range of devices, including mobile) is preferable.
- 3.7 The report with recommendations is attached as **Appendix One**. The action plan which accompanies the report is attached as **Appendix Two**.

4. ANY IMPLICATIONS

4.1 COMMENTS OF THE CHIEF FINANCIAL OFFICER

4.1.1 There are no financial implications as a result of the recommendations within this report. The additional publicity and communications are being implemented through existing resource arrangements.

4.2 LEGAL COMMENTS

4.2.1 The Council is required by section 9F 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 may consider any matter affecting the area or its inhabitants and may 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 that the Scrutiny Challenge Session Report and recommendations in it be submitted to Cabinet for consideration.

4.2.2 Section 3 of the Local Government Act 1999 requires that the Council as a best value authority "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". Reviewing and where required updating the Council's procurement approach is an important way in which that obligation can be fulfilled.

4.2.3 Following the Scrutiny challenge session, the Scrutiny Challenge Session Report makes a number of recommendations relating to the Council's procurement approach, with particular focus on maximising value for money and securing community benefits through effective contract management and contract specifications.

4.2.4 The recommendations set out at paragraph 3 are consistent with the Tower Hamlets Procurement Policy Imperatives 2012-2015, particularly Imperative 1 which relates to "delivering budget efficiencies and providing value for money".

4.2.5 The Council is required to take into account the prevailing European and Domestic law relating to competition when considering the promotion of local benefits within its contract specifications.

4.2.6 Recommendation 2 relates specifically to securing community benefits. The inclusion of local benefits as specific contract deliverables may be anticompetitive to the extent that they can be difficult to deliver by contractors who are based outside of the borough. It is therefore important that the Council maintains the ability to consider each

contract on a case by case basis to determine the appropriate local deliverables so that potential discrimination against bidders is removed.

- 4.2.7 Additionally and in any event, the total score available for local community benefits within a particular evaluation methodology should not exceed 5% of the overall score available in order that the Council does not fall foul of the general principle of non-discrimination.
- 4.2.8 It should be noted that where there is reference to the Public Contracts Regulations 2006 within the Scrutiny Challenge Session Report, this legislation has, since 26 February 2015, been replaced by the Public Contracts Regulations 2015. The 2015 Regulations do not change the position on the contents of the report or the recommendations made in it.
- 4.2.9 In its consideration of the Scrutiny Challenge Scrutiny Report and its recommendations, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the Public Sector Equality Duty). A proportionate level of equality analysis will be required by the Council in developing contract specifications and when considering the nature of local community benefits being sought from individual contracts.

4.3 ONE TOWER HAMLETS CONSIDERATIONS

- 4.3.1 The recommendations contained within this report support the Council's strategic priority to work 'Work efficiently and effectively as One Council'.
- 4.3.2 Achieving efficiencies through effective contract management will support the council to continue delivering key frontline services affecting all residents of the borough.

4.4 SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 4.4.1 There are no direct environmental implications arising from the report or recommendations.

4.5 RISK MANAGEMENT IMPLICATIONS

- 4.5.1 There are no direct risk management implications arising from the report or recommendations.

4.6 CRIME AND DISORDER REDUCTION IMPLICATIONS

- 4.6.1 There are no direct implications of crime and disorder as a result of the recommendations of this review.

4.7 EFFICIENCY STATEMENT

- 4.7.1 Recommendations 5 and 6 encourage the council to encourage the wider adoption of the FIFILI application through the 37% of the total employees of the organisation who also reside in the borough. The recommendations also encourage a wider application of mobile technology to support greater mobile working and encourage efficiency.

4.8 BEST VALUE IMPLICATIONS

- 4.8.1 The Scrutiny Review supports the Best Value duty by setting out a number of recommendations which aim to support improvement, informed by consideration of economy, efficiency and effectiveness. The report recommends that work be undertaken to assess the effectiveness of existing arrangements to support effective contract management and review periodically review the council's approach to securing community benefits to ensure the continued availability of high quality front line services delivering value for money.

5 CONCLUSIONS

Cabinet is recommended to agree the action plan contained as Appendix Two, which responds to the review's recommendations.

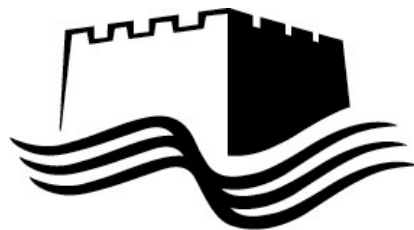
Appendix One: Scrutiny Challenge Session – Contract Specification and Management in Tower Hamlets

Appendix Two: Action Plan

APPENDIX ONE

Contract Specification and Management: Ensuring maximum value for money and securing community benefits

Scrutiny Challenge Session Report



TOWER HAMLETS

**London Borough of Tower Hamlets
March 2015**

Chair's Foreword

Councillor Abjol Miah

Local authorities play a critical role in running most of the day-to-day services that keep local communities ticking. It is estimated that £45 billion is spent nationally each year by councils in securing goods and services from contractors. Following the 2010 Spending Review, local government bodies across the country have been faced with significant reductions in funding, encouraging local authorities to rethink existing approaches to service delivery.

Effective contract specification and management plays an important role in supporting the Council to deliver public services that provide value for money. Supported by the provisions of the Social Value Act 2012, local authorities are also empowered to secure wider benefits for the local community through procurement.

In February 2014, the Communities and Local Government Select Committee concluded that local authorities could achieve a national saving of approximately £1.8 billion each year and recognised the need to invest in developing commissioning, procurement and contract management skills. In 2013/14 Tower Hamlets Council spent £355.5 million, approximately 32% of its total budget, through procurement activity.

Given the need to find financial savings, maintain effective services and seek significant community benefits from procurement, I felt now was a good time to consider further the Council's approach and future plans.

RECOMMENDATIONS

RECOMMENDATION 1:

Publish the quarterly Contracts Forward Plan on the Council's website and use the Members Bulletin to alert Councillors when it is updated.

RECOMMENDATION 2:

Officers periodically review the Council's approach to securing Community Benefits to ensure that:

- Community benefits are maximised whilst securing value for money
- Community benefits good practice is shared across Council services and category management areas

RECOMMENDATION 3:

Communicate to residents the community benefits that are being achieved by the Council through major procurement activity and current contracts.

RECOMMENDATION 4:

Consider accredited learning for those involved in supporting high risk or high spend procurement and contract management activities.

RECOMMENDATION 5:

Publicise further Find it, Fix it, Love it (FIFILI) to increase its use including a focus on utilising the support of 37% of staff members who live in Tower Hamlets.

RECOMMENDATION 6:

Explore wider use of mobile app technology in Council services informed by the experience of FiFiLi.

1. Introduction

- 1.1 The 2010 Spending Review heralded in significant cuts to public spending. Within the new financial climate, procurement in the public sector is often seen as a significant area of public spending capable of delivering substantial savings as well as acting as a lever for stimulating growth and other community benefits.
- 1.2 Each year the public sector, as a whole, spends in the region of £230 billion on the procurement of goods and services – amounting to almost 40% of GDP. In 2013/14, local government contributed to almost 20% of the total public sector procurement bill, a total of £45 billion a year.
- 1.3 As public sector bodies, councils are bound by EU treaty principles and directives as well as UK legislation requiring them to ensure free and fair access to all prospective service providers. Councils are also obliged to ensure contracts represent value for money under Best Value obligations and have regard for the improvement to the economic, environmental and social well-being of the local area under the Public Services (Social Value) Act 2012.
- 1.4 In 2013/14 the Council spent £355.5 million on procuring goods and services. Tower Hamlets Council, like other local authorities, has been presented with significant reductions in its spending powers. By 2016/17 the Council expects to have delivered a cumulative saving of £146.113 million since the spending review of 2010.
- 1.5 In addition to the pressure to deliver effective services within a constrained financial environment, there is also an expectation to achieve community benefits from procurement.
- 1.6 As part of its Best Value Inspection of the Council, PricewaterhouseCoopers (PwC) considered procurement in Tower Hamlets. The final report did not judge the Council to have failed to achieve its Best Value obligations in this respect. Nevertheless, the report highlights areas some areas for improvement.
- 1.7 The aim of the Challenge Session was not to review the PwC report nor duplicate its focus. Rather, the meeting sought to consider other aspects of the Council's procurement approach.
- 1.8 A London Councils report in 2013 noted waste management as being a large area of procurement spend – typically the third largest area for local authorities in London after education and social care. Given this and the Council's current work on the re-procurement of waste management, this area was chosen as a case study for the purposes of this enquiry.
- 1.9 The session was chaired by Councillor Abjol Miah. It took place on Thursday 22nd January 2015.

1.10 The session was attended by:

Cllr Abjol Miah	Chair, Scrutiny Lead for Resources
Jamie Blake	Service Head, Public Realm
Simon Baxter	Head of Clean & Green
Barry Scarr	Interim Service Head, Finance and Procurement
Zamil Ahmed	Head of Procurement
Kevin Kewin	Service Manager, Strategy and Performance
Gulam Hussain	Strategy, Policy and Performance Officer

1.11 The Scrutiny Challenge Session took the format of an evening meeting which was held at the Town Hall in Mulberry Place.

1.12 The agenda for the session included an introduction to the key issues under review by Councillor Abjol Miah followed by presentations and discussions on a range of issues. These included the Council's procurement policy and its implementation, management of the Council's waste contract and the approach to developing contract specifications within the Council.

1.13 The session was underpinned by three core questions;

- a) How do value for money and quality of service provision inform contract specification and management?
- b) What options are available for improving value for money and quality of service provision from contracts?
- c) What are the challenges faced by the Council in securing its requirements (including financial and community benefits) within the existing framework?

1. Statutory and Policy Context

EU Procurement Framework

- 1.1 Government bodies across the European Union are bound by a set of treaty obligations and directives governing the procurements process. These obligations aim to open up the public procurement market, ensure free movement of goods of services within the EU and ensure procurement is based on achieving 'value for money' through a competitive process. A full list of EU treaties and directives governing procurement activity is available in Appendix 1.
- 1.2 Under the terms of the EU framework, contracting authorities are bound by procurement rules subject to the type of goods or services being sourced and the value meeting or exceeding the specified thresholds. The most recent rules effective as of 1st January 2014 under the Public Contracts Regulations 2006 are set as follows;

	SUPPLIES	SERVICES	WORKS
Other public sector contracting authorities	£172,514	£172,514	£4,322,012

- 1.3 The EU framework allows contracting authorities to choose from a range of approaches in progressing the procurement process. Each procedure sets its own limitations on the contracting authority which must be considered when choosing the tendering approach. Details of each process can be seen in Appendix 2.
- 1.4 All contracting authorities are required to publish details of contracts in the Official Journal of the European Union (OJEU). Thereafter details of contracts may be advertised in other sources, however the details may not include any additional information not included in the OJEU.

UK Legislation and Policy

- 1.5 Since April 2000, all English Local Authorities in the UK have been governed by the Best Value Statutory Guidance issued by the Department for Communities and Local Government (DCLG) and introduced as part of the Local Government Act 1999.
- 1.6 Best Value authorities are under a general duty to "make arrangements to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness."¹
- 1.7 Under the duty of delivering 'Best Value' local authorities are required to consider the overall value including economic, environmental and social value, when reviewing service provision. The revised Best Value guidance issued by the DCLG in September 2011 defines social value as;

¹ Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007)

*'... seeking to maximise the additional benefit that can be created by procuring or commissioning goods and services, above and beyond the benefit of merely the goods and services themselves.'*²

- 1.8 The obligation of local authorities to pay regard to the wider impact of procuring goods and services is further defined by the Public Services (Social Value) Act 2012. This requires local authorities and other commissioners of public services to consider how their services can benefit people living in the local community.

Waste Management

- 1.9 Since the abolition of the Greater London Council in 1986, waste collection and disposal responsibilities amongst the London Boroughs have split between joint statutory partnerships and independent waste authorities.
- 1.10 At present, there are four statutory partnerships encompassing 21 London Boroughs. The boroughs of Croydon, Kingston, Merton and Sutton form a fifth voluntary partnership known as the South London Waste Partnership.

Figure 1.1: Waste Collection Authorities in London

WASTE AUTHORITY	PARTICIPATING BOROUGHs
East London	Newham, Barking and Dagenham, Redbridge, Havering
North London	Barnet, Camden, Enfield, Islington, Hackney, Haringey, Waltham Forest
West London	Brent, Ealing, Harrow, Hillingdon, Hounslow, Richmond
Western Riverside	Hammersmith and Fulham, Kensington and Chelsea, Lambeth, Wandsworth
South London Waste Partnership*	Croydon, Kingston, Merton, Sutton
Independent Authorities	City of Westminster, City of London, Bexley, Bromley, Greenwich, Lewisham, Southwark, Tower Hamlets

*Voluntary partnership

- 1.11 The London Borough of Tower Hamlets is one of 8 authorities which continues to independently manage their waste collection and disposal obligations. At present, its waste management obligations are delivered through Veolia UK covering cleansing, waste and recycling collection, waste disposal and treatment of refuse and recycling.
- 1.12 The local authority is currently preparing to undertake a renewed procurement exercise to secure waste management services beyond the expiry of its existing contracts in 2017.

² Best Value Statutory Guidance, DCLG, September 2011

Local Context

Tower Hamlets Procurement Policy Imperatives

- 1.13 The role of public sector procurement is increasingly prominent, in part driven by the squeeze on resources faced by public bodies. In its sixth session, the Communities and Local Government Select Committee undertook an enquiry into the impact of policies on improving procurement practices across local government.
- 1.14 The committee's report entitled 'Local government procurement' was published in March 2014 and recognised the scale of the challenge faced by local authorities. The report concluded that, despite positive developments, opportunities for collaborative working and more effective contract management were being missed. The report states that savings in the region of £1.8 billion could be achieved each year by conservative estimates.
- 1.15 Parallel to the report of the Communities and Local Government Select Committee, the Local Government Association (LGA) published its 'National Procurement Strategy for Local Government in England' setting out a vision for local government procurement. The strategy emphasises four key delivery outcomes in the areas of delivering savings, supporting local economies, demonstrating leadership and modernising procurement practices.
- 1.16 The London Borough of Tower Hamlets, like all local authorities, relies on the ability to procure goods and commission services in order to meet the needs of the local population. In 2013/14 the authority spent £355.5 million and used 6,000 suppliers on procuring these goods and services.
- 1.17 The Council's Procurement Policy Imperatives (PPI) 2012-15 governs the procurement process used by the authority. It brings together statutory obligations, the Council's medium term financial plan objectives and the vision of the executive.
- 1.18 The PPI identifies targets to be achieved through the procurement process. These include the delivery of 300 new jobs for residents of the borough by 2015, increased local spend from 22% to 40% by the financial year 2014-15 and the promotion of the London Living Wage and environmental sustainability in all procurement activities.
- 1.19 Since April 2013, a 'Community Benefits Schedule' has been incorporated into the Council's procurement policy with 5% of contract award criteria relating to securing community benefits. The policy recognises the need to support the development of a strong local enterprise sector capable of engaging with the Council and commits the authority to supporting this through training and development delivered by itself and its contractors as part of their community benefit obligations.
- 1.20 The Corporate Procurement Service provides the corporate leadership, policy and support to the Council in its commissioning and procurement activities, including oversight of the Council's engagement with its external supply base.

2. Key Findings and Recommendations

Procurement and Governance

- 2.1 The session began with an overview of the Council's procurement service and the governance frameworks affecting its work. Setting out the approach of the service as 'centre led but not centralised' and defined by a category management approach³, the presentation highlighted new developments in the sector such as the launch of the 'National Procurement Strategy' by the Local Government Association, new directives from the European Union and the launch of the Local Government Transparency Code 2014.
- 2.2 The presentation outlined the internal governance structures aimed at ensuring procurement activity was aligned to the objectives of the Council. Through the Competition Board and Competition Planning Forum, the Council has arrangements in place for the review of top spend categories and key strategic contracts, the development of policies governing procurement and to help ensure that the Council's strategic objectives are delivered through the procurement process.
- 2.3 Within the Council's procurement arrangements, the introduction of a new stage – Tollgate 3 review – now allows for greater post award scrutiny. This stage aims to ensure the presence of effective contract management arrangements and the realisation of community, financial and efficiency benefits. The session was also advised that changes had also been initiated within the Council in January 2014 to reduce the threshold at which contracting was supported by the Procurement Service. Previously set at EU levels (paragraph 2.2) the reduction of the corporate threshold to £25,000 has allowed for the service to play a role across a wider range of procurement activity. At present 80% of contracts have the London Living Wage embedded as a requirement.
- 2.4 As part of its Best Value Inspection of the Council, PricewaterhouseCoopers (PwC) considered procurement in Tower Hamlets. The final report did not judge the council to have failed to achieve its Best Value obligations in this respect. Nevertheless, the report highlights areas for improvement, which are being developed and managed through a Best Value Improvement Plan. The Procurement Service also highlighted the need to revise its existing strategy and adopt a revised ethical governance framework.
- 2.5 Officers were asked to set out the approach used by the Council to develop specifications and contract measures. Cllr Miah was advised that whilst specification development was ultimately the responsibility of the service seeking to award a contract, the Council's governance process – including Tollgate 1 stage – ensured that contract provisions reflect the wider council context, such as community benefits and arrangements to identify and manage risks.

³ Category Management as defined by the Chartered Institute of Procurement and Supply is 'a strategic approach which organises procurement resources to focus on specific areas of spends. This enables category managers to focus their time and conduct in depth market analysis to fully leverage their procurement decisions on behalf of the whole organisation. The results can be significantly greater than traditional transactional based purchasing methods.'

- 2.6 Given the significant contribution of procurement activity in relation to Council spend and performance, there is legitimate role for all elected Members to ask questions and scrutinise forthcoming contracting decisions. It was noted that the Contracts Forward Plan is considered by Cabinet on a quarterly basis. Information provided on the Forward Plan includes a description of what will be procured, the estimated value, funding source and timetable.
- 2.7 In order to improve transparency, it is recommended that the Contracts Forward Plan is published in a clear way on the Council's website (i.e. not just within the papers for the relevant Cabinet meeting) with all councillors being advised of its update through the Members Bulletin. This will provide all Members – and members of the public – with basic information about significant service(s) being procured and the opportunity to ask for further information.

RECOMMENDATION 1:

Publish the quarterly Contracts Forward Plan on the Council's website and use the Members Bulletin to alert Councillors when it is updated.

Value for Money and Community Benefits

- 2.8 It was explained that the relative weighting given to different elements when procuring – such as cost and service quality – were not consistent across all services. This is a deliberate policy in order to ensure that the approach best fits the service being procured. However, it was stated that the Council typically now allocates a 5% weighting to community benefits, whilst also seeking to ensure that the contractor pay the London Living Wage. These requirements are not universal across other London local authorities.
- 2.9 There was a discussion as to whether the Council's requirements in terms of community benefits were likely to increase the costs of contracts. It was stated that there is currently no evidence of a detrimental impact. Nevertheless, it was acknowledged that community benefits are of a growing importance. As such, it was felt important that the Council should periodically review its approach to community benefits – both to ensure that these benefits are maximised whilst securing value for money but also to ensure that good practice in this areas is shared across the Council.

RECOMMENDATION 2:

Officers periodically review the Council's approach to securing Community Benefits to ensure that:

- Community benefits are maximised whilst securing value for money
- Community benefits good practice is shared across Council services and category management areas

- 2.10 Community benefits from existing large contracts were considered. For example, benefits of the current Veolia waste contract includes:
- independently led waste campaigns in schools and the local community;
 - sponsorship for community events;
 - a successful apprenticeship scheme; and

- a Tower Hamlets workforce where 58% of staff are also residents of the borough

It was felt that such benefits from contractual arrangements are often not communicated to local residents – as such there is a limited understanding of the community benefits that are being achieved by the Council through major procurement activity.

RECOMMENDATION 3:

Communicate to residents the community benefits that are being achieved by the Council through major procurement activity and current contracts.

Commercial Skills and Training

- 2.11 The session considered the findings of a Communities and Local Government Select Committee report in 2014 which suggested that the lack of commercial acumen amongst contract managers in the public sector contributed to poor value for money. Cllr Miah was advised of the internal training and development opportunities for contract managers and the possibility of industry standard accredited learning was being investigated.
- 2.12 The Head of Procurement Service highlighted that there was a national debate across the public sector about the appropriate skills and experience needed to support effective procurement and contract management. He stated that the Procurement Service had, since 2013, delivered a number of workshops to develop procurement knowledge and skills across the organisation. The Best Value Procurement Improvement Action Plan had also embedded organisational development in procurement and commercial skills training as a key theme.

RECOMMENDATION 4:

Consider accredited learning for those involved in supporting high risk or high spend procurement and contract management activities.

Waste Management in Tower Hamlets – Case Study

- 2.13 The session was presented with an overview of the Council's waste management arrangements by the Head of Clean and Green services. This includes refuse and recycling collection, processing and street cleansing. It was explained that the contracts were awarded in 2005 to Cleanaway UK and subsequently transferred to Veolia UK after its acquisition of the former in 2006. The contracts are currently due to expire in 2017.
- 2.14 The presentation provided details on the performance of the contract. In 2013/14 the contract delivered:
- a 99.88% waste collection rate
 - a reduction of waste sent to landfill from over 80% to less than 9% (thus complying with the European Landfill Directive)
 - 98.10% of streets meeting the national street cleanliness performance target

- 3.14 The presentation also stated that whilst the recycling rate in the borough of 27.99% appeared to be comparatively low for London, when compared to other authorities sharing similar attributes – e.g. high population density with significant numbers of flats – the Council's performance compared more favourably. Of the 13 inner London Boroughs Tower Hamlets has the second best dry recycling rate, the first being the City of London
- 2.15 The session considered details of the relationship between the Council and Veolia in terms of contract management, including the balance between weekly operational and bi-monthly strategic meetings.
- 2.16 The Head of Clean and Green estimated that the Council saved in the region of £250,000 per annum through using community volunteers and effort to support waste management and street cleanliness. This includes both the use of Tower Hamlets Community Champions, Community Payback and private sector volunteer programmes supported by Veolia.
- 2.17 The importance of using technology to further harness residents' knowledge and energy was discussed further. For example, the use of QR codes supported the Council to recognise the need to increase collection frequencies for bins near docking stations following the introduction of the Cycle Hire Scheme in the borough. Similarly, the Council's mobile app, Find it, Fix it, Love it (FIFILI) has reduced the administrative process for raising public realm issues by allowing residents to report issues straight to the contractor with supporting photographs. This both saves money and reduces response times.
- 2.18 Responding to a query on how well the application was advertised and used, the Head of Clean and Green set out that with an initial development cost of £3,000 the application now had a base of 1,200-1,500 regular users. It was estimated that the app had resulted in a saving in the region of £120,000 since 2013. The application has seen limited advertisement to date – in part to allow the Council to learn and refine the app. Cllr Miah felt that now was a good time for publicising the service more widely, including to the 37% or almost 2,000 Council employees who are residents of the borough.
- 2.19 The wider applications of mobile technology, to harness residents' knowledge and energy, were considered. For example, it was noted that potential planning infringements had been highlighted to the Council using FiFiLi – despite the fact that this was not an initially intended use.

RECOMMENDATION 5:

Publicise further Find it, Fix it, Love it (FIFILI) to increase its use including a focus on utilising the support of 37% of staff members who live in Tower Hamlets.

RECOMMENDATION 6:

Explore wider use of mobile app technology in Council services informed by the experience of FiFiLi.

Waste Management Service Requests and Complaints

- 2.20 Councillor Miah highlighted the levels of concern in relation to waste management amongst residents in estates managed by Registered Social Landlords (RSLs). The Head of Clean and Green noted that this was a recognised issue but that RSLs were responsible for waste arrangements within their estates. In the case of bulk waste, the Head of Clean and Green stated that the transfer of waste by the RSL to Tower Hamlets Council as the recognised Waste Disposal Authority could not take place legally under the Environmental Protection Act 1990 without the Council charging for this service. Although the Council has worked with RSLs to promote its own bulk collection service, in many instances RSLs have preferred to retain independent operations.
- 2.21 More generally, the issues of residents raising service requests and complaints were considered. In response, the Service Head for Public Realm clarified that an initial call from a resident highlighting a missed collection was seen as a service request – and not a corporate complaint. It is understood that this practice is in line with that used by other local authorities, and the historic calculation of what was until recently known as BVPI 88.
- 2.22 The Head of Clean and Green further clarified that service requests had an independent escalation process which ultimately resulted in the contractor being fined for every failed collection that they were responsible for. The session was advised that some missed collections were outside of the contracted provider's control. For example, as a small densely populated borough, with narrow streets in many areas, road works and scaffolding can often impede access.
- 2.23 Where a resident specifically requests to report an issue, such as a missed collection, as a complaint this is handled through the corporate complaints procedure. In 2013/14 885 complaints were recorded representing a 19% decrease over the previous year. This figure should be seen in the context of 235,348 collections. It was noted that the Council's website does provide a monthly update on missed collections on its website.⁴

Renewing Waste Management Services

- 2.24 In 2011 Tower Hamlets Council participated in a roundtable event organised by London Councils exploring the future of waste management services. The subsequent report entitled 'Cutting Waste, Not Services' recognised the strain on Council finances and the need to find innovative solutions to continue delivering waste management services. The report concluded that authorities needed to manage expectations, share cost and review existing contracts. Councillor Miah asked officers how this report had influenced the approach adopted by the Council in deciding to pursue the renewal of its waste management services in 2017.
- 2.25 Officers highlighted that although the Council had considered a joint procurement exercise, entering in to such an arrangement with boroughs currently part of the East London Waste Authority (Figure 1.1) required changes in legislation. In addition, the example of North London showed joint arrangements can be problematic. The Council has also explored a potential

⁴ http://www.towerhamlets.gov.uk/lgn/environment_and_planning/recycling_and_waste.aspx

joint exercise with Westminster and the City of London but this is not being actively pursued. However, Tower Hamlets does at present have a joint hazardous waste contract in place and is exploring a joint clinical waste agreement. It was stated that the current arrangements, where Tower Hamlets is not part of a general larger sub-regional alliance, has worked to the advantage of the Council, including by providing the authority with flexibility in its approach.

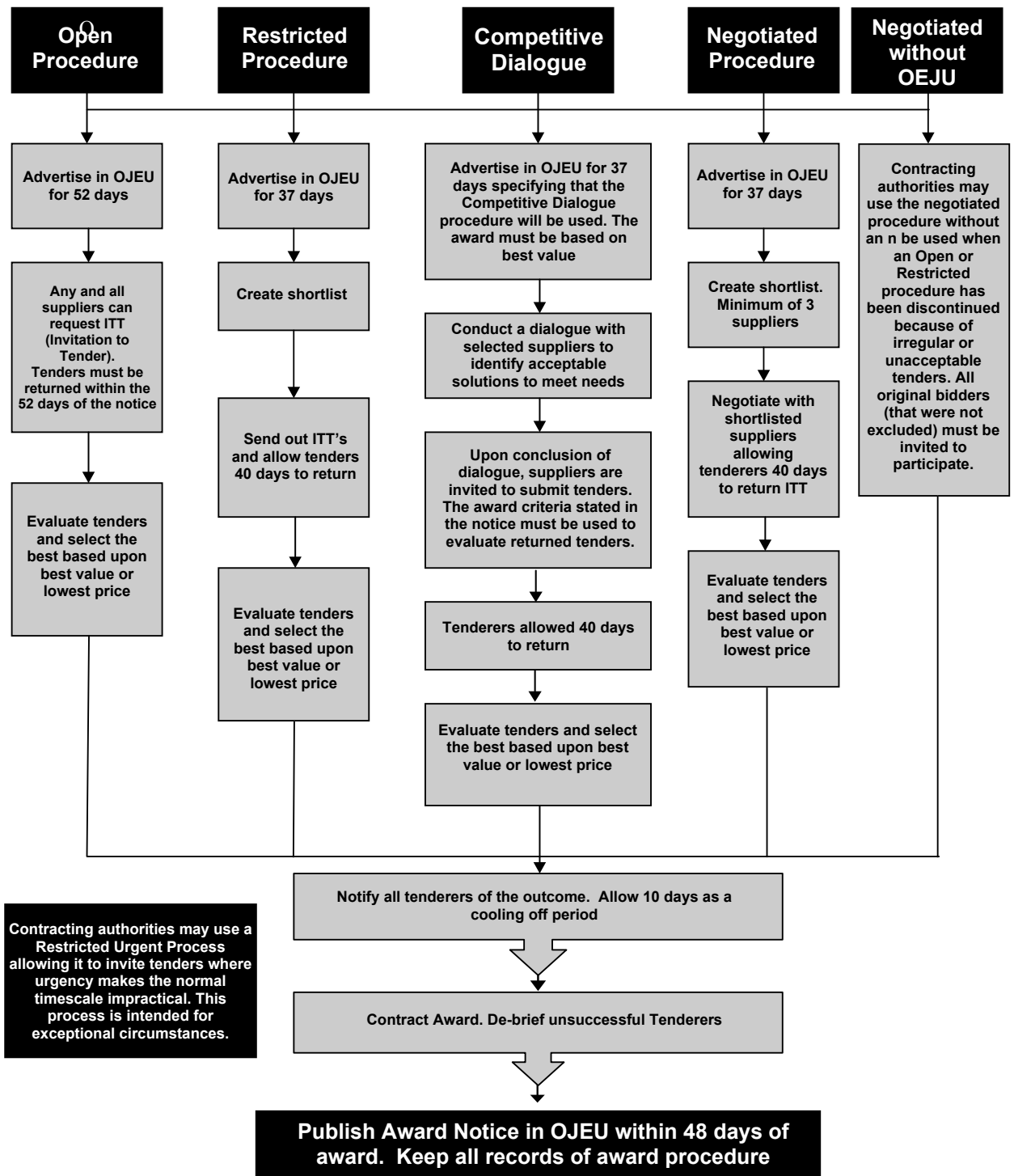
- 2.26 Given the ongoing work to renew Council's waste management contracts in 2017, information was sought on the approach taken to date, including market testing. It was confirmed that a soft market testing exercise had been undertaken in 2014 and that the Council expected to use a competitive dialogue process. This would allow the market to set out what could be provided rather than the Council overly prescribe the service in advance. The importance of recent technological developments within the waste management market was highlighted.
- 2.27 The session considered the current status of the Council's approach, including whether an in-borough asset (e.g. Council depot) would be part of the planned arrangements. It was confirmed that this issue was being explored with potential advantages to an in-borough site – including in terms of cost and potentially local employment – whilst also recognising the competing priorities on scarce public land (such as housing and other social infrastructure). It was noted that a more detailed report would be forthcoming prior to the formal commencement of the waste management procurement process.

Appendix 1: Legislation and Statutory Frameworks governing procurement

EU DIRECTIVE	UK LEGISLATION/STATUTORY GUIDANCE	OFFICE OF GOVERNMENT COMMERCE (OGC) GUIDANCE
The Public Contracts Directive 2004	The Public Contracts Regulations 2006	Framework agreements
The Remedies Amending Directive 2007	The Public Contracts (Amendment) Regulations 2009	Competitive dialogue procedure
Standard Forms Regulation	Best Value Statutory Guidance 2000	Environmental Issues and procurement
Threshold amendments Regulation	The Public Procurement (Miscellaneous Amendments) Regulations 2011	Social Issues and procurement
Public Contracts Directive 2014	Public Services (Social Value) Act 2012	Introduction to EC rules
	Local government transparency code 2014	Mandatory exclusion of economic operators
	Public Contracts Regulations 2015 (draft)	Mandatory standstill period
		Time limits for challenges under the public procurement regulations
		Use of the Accelerated Restricted Procedure in 2011

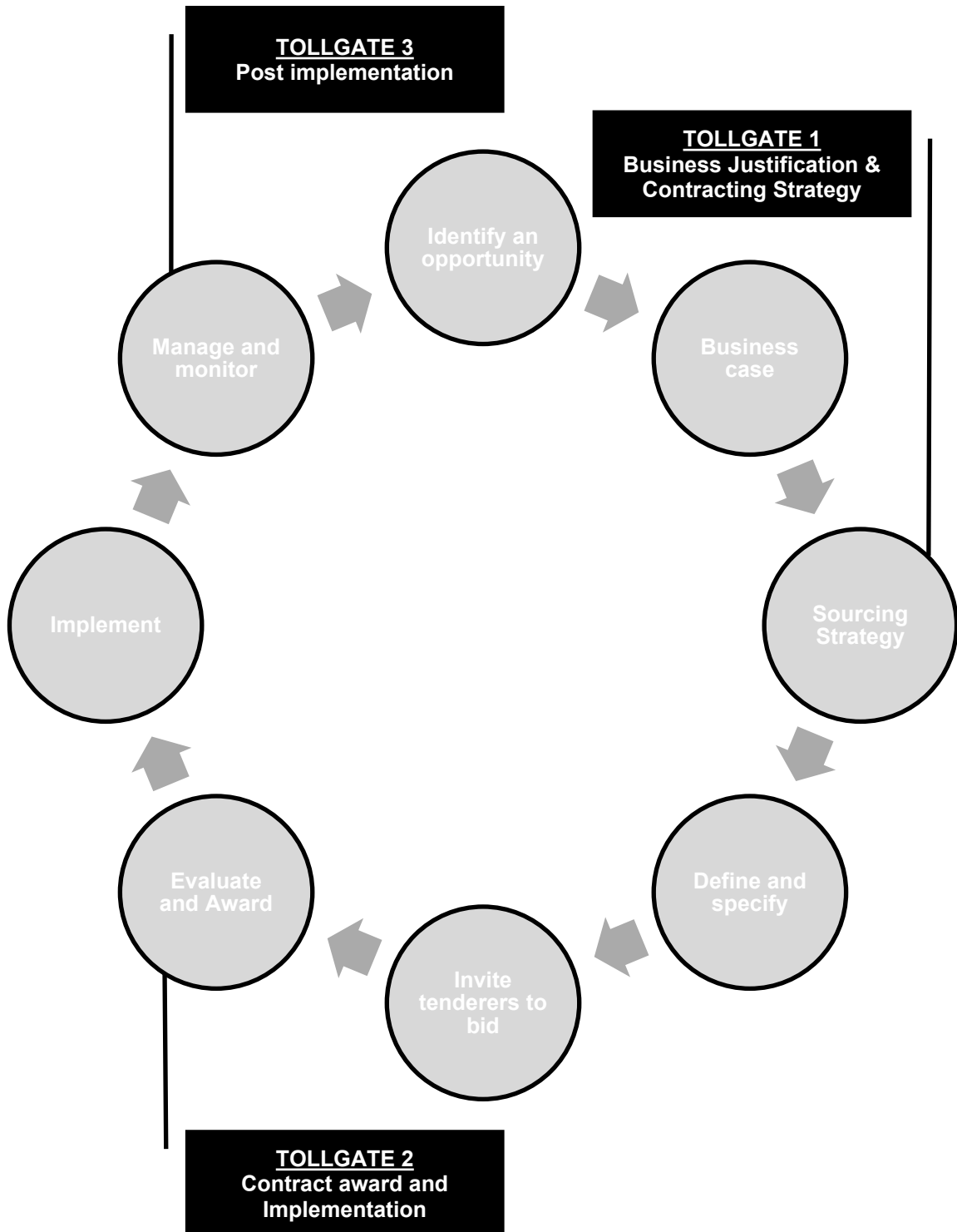
Appendix 2: EU Procurements Process

The following chart provides a simplified overview and quotes the maximum time frame for each process. Contracting authorities may operate at a reduced time frame through electronic publication in the OJEU or the publication of a Prior Information Notice (PIN) notifying tenderers of an intention to purchase.



Adapted from Cherwell District Council

Appendix 3: Tower Hamlets Procurements Cycle



This page is intentionally left blank

Appendix 2

	Recommendation	Response	Assigned to	Timeframe	Update
1	Publish the quarterly Contracts Forward Plan on the Council's website and use the Members Bulletin to alert Councillors when it is updated	<ul style="list-style-type: none"> Quarterly Contracts Forward Plan is currently published on the Council's intranet as part of the quarterly reporting to Cabinet. The Contracts Forward Plan will now also be published on the main Council website Notification will be published in the Members Bulletin every quarter 	Procurement/ Communications	September 2015	Action Completed
2	<p>Officers periodically review the Council's approach to securing Community Benefits to ensure that:</p> <ul style="list-style-type: none"> Community benefits are maximised whilst securing value for money Community benefits good practice is shared across Council services and category management areas 	<ul style="list-style-type: none"> Central Contracts Register has been updated to record Community Benefits secured against each contract. Work has commenced with Economics Development team to review guidance and support for bidders. A Project Manager has been appointed to support contract officers on economics and community benefits requirements as part of contracts specification development. Communication of community benefits good practices will be incorporated as part of the wider Best Value Procurement Improvement Programme is underway. A review of all Community Benefits secured since implementation of the Community Benefits into contract has been initiated. 	Procurement	September 2015	<ul style="list-style-type: none"> Progress will be reported as part of the Annual Procurement Report, which will be reported to Cabinet.
3	Communicate to residents the community benefits that are being achieved by the Council through major procurement activity and current contracts.	<ul style="list-style-type: none"> Work has commenced into investigating wider publication of the employment and community benefits which been secured for Tower Hamlets residents. 	Procurement / Communications	September 2015	<ul style="list-style-type: none"> Progress will be reported as part of the Annual Procurement Report, which will be reported to Cabinet.

4	Consider accredited learning for those involved in supporting high risk or high spend procurement and contract management activities.	<ul style="list-style-type: none"> • Targeted Procurement training is underway to improve procurement knowledge and skills across the organisation. • A Procurement Training Programme is being developed as part of the Best Value Procurement Improvement Programme to improve procurement and commercial skills within the organisation. Additionally, a new approach to local supplier development programme is also being investigated. 	Procurement	December 2015	<ul style="list-style-type: none"> • New Corp Procurement Training Programme implemented as of July 2015 • Series of training and development programme for local businesses/suppliers being commissioned through Economic Development
---	---	--	-------------	---------------	--

	Recommendation	Response	Assigned to	Timeframe	Update
5	Publicise further Find it, Fix it, Love it (FiFiLi) to increase its use including a focus on utilising the support of 37% of staff members who live in Tower Hamlets.	<ul style="list-style-type: none"> Once the redesigned app is ready to go live, this will be publicised widely, both internally and externally. Internally, this will include an article on the council Intranet; in both Members' and Managers' briefing emails; in the TH Now internal magazine and the CLC directorate newsletter. Externally, this will be publicised with an article in East End Life – based on a press release that will be circulated to the local media, Black and Minority Ethnic (BME) media and regional news outlets. This will then be publicised widely on social media, most notably through Twitter. 	CLC / Communications	June / July 2015	<p style="text-align: center;">Action Completed</p> <ul style="list-style-type: none"> A press release was published on the intranet and the LBTH website and circulated to 118 local, regional, BME and local authority trade media outlets in June 2015. This was supplemented by articles in East End Life. Information has also been shared via the Manager's briefing and an article will also be published in the August edition of the TH Now magazine. The press release was actively publicised between June 1 and August 1, 2015 and regular posts continue to be published on Twitter and Facebook.
	Explore wider use of mobile app technology in Council services informed by the experience of FiFiLi.	<ul style="list-style-type: none"> Mobile technology (including mobile app technology) will be considered at the Council's ICT Partnership governance forums, known as Strategic Operations Boards and the Strategic Partnership Board. Digital developments for both residents and staff will form part of the overall Digital Strategy being developed. The FiFiLi experience to date will provide valuable information as to our future direction. 	ICT	Ongoing	<ul style="list-style-type: none"> A Digital Strategy is being developed and will be considered by Cabinet

This page is intentionally left blank

<p>Cabinet</p> <p>6 October 2015</p>	
<p>Report of: Zena Cooke, Corporate Director of Resources</p>	<p>Classification: Unrestricted</p>
<p>Corporate Directors' Decisions</p>	

Lead Member	Councillor David Edgar, Cabinet Member for Resources
Originating Officer(s)	Alimul Kadir, Accountant - Financial Planning
Wards affected	All wards
Key Decision?	No
Community Plan Theme	One Tower Hamlets

Executive Summary

This report sets out Corporate Directors' decisions under Financial Regulation B10 which stipulates that such decisions be the subject of a noting report to Cabinet if they involve expenditure between £100,000 and £250,000.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Note the Corporate Directors' decisions set out in Appendix 1.

1. REASONS FOR THE DECISIONS

- 1.1 Financial Regulations require that regular reports be submitted to Cabinet setting out financial decisions taken under Financial Regulation B10.
- 1.2 The regular reporting of Corporate Directors' Decisions should assist in ensuring that Members are able to scrutinise officer decisions.

2. ALTERNATIVE OPTIONS

- 2.1 The Council is bound by its Financial Regulations (which have been approved by Council) to report to Cabinet setting out financial decisions taken under Financial Regulation B10.
- 2.2 If the Council were to deviate from those requirements, there would need to be a good reason for doing so. It is not considered that there is any such reason, having regard to the need to ensure that Members are kept informed about decisions made under the delegated authority threshold and to ensure that these activities are in accordance with Financial Regulations.

3. DETAILS OF REPORT

- 3.1 Financial Regulation B10 sets out the Cabinet 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
- 3.2 Under Financial Regulation B10, if the transaction involves a sum between £100,000 and £250,000 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.
- 3.3 Appendix 1 sets out the Corporate Directors' decisions, under the stipulations in 3.1 above, that have taken place since the previous Cabinet.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The comments of the Chief Financial Officer have been incorporated into the report and Appendix.

5. LEGAL COMMENTS

- 5.1 The report sets out individual Corporate Directors' Decisions for noting by Cabinet, as required by Financial Regulation B10.

- 5.2 Internal guidelines have been published setting out the process by which Records of Corporate Directors' Decisions are completed. These specify that the proposed decision must be in accordance with the Council's Financial Regulations and its Procurement Procedures. There are limited circumstances in which a waiver of the Procurement Procedures is permissible and the guidelines reinforce that waivers should not be sought as a substitute for proper planning.
- 5.3 Each director's decision requires prior authorisation by the relevant service head, the responsible procurement officer, the directorate finance manager, and the chief legal officer before agreement by the corporate director. A template form is completed to record each director's decision and these Records of Corporate Directors' Decisions (RCDDs) must be maintained by each directorate. The legal implications of each of the individual decisions are provided as part of the decision making process and are recorded on the relevant RCDD.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 This report is concerned with the notification of officers' decisions under Standing Orders and has no direct One Tower Hamlets implications. To the extent that there are One Tower Hamlets Considerations arising from the individual decisions, these would have been addressed in the records of each decision.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 Best Value implications associated with each of the Corporate Directors' decisions as set out in Appendix 1 would have been identified and evaluated as an integral part of the process which led to the decision.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 There are no Sustainable Action for A Greener Environment implications arising from this report.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 The risks associated with each of the Corporate Directors' decisions as set out in Appendix 1 would have been identified and evaluated as an integral part of the process which led to the decision.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 There are no Crime and Disorder Reduction implications arising from this report.

11. SAFEGUARDING IMPLICATIONS

- 11.1 Safeguarding risks or benefits associated with each of the Corporate Directors' decisions as set out in Appendix 1 would have been identified and evaluated as an integral part of the process which led to the decision.
-

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1 – Corporate Directors' Decisions under Financial Regulation B10

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- None


Officer contact details for documents:

- Paul Leeson, Finance Business Partner, Development & Renewal, Ext. 4995
- Sajeed Patni, Finance Business Partner, Adults' Services and Children's Services, Ext. 4960

Appendix 1: Corporate Directors' Decisions under Financial Regulation B10

Corporate Director	Reference	Amount	Description of Decision	Justification for Decision	Contractor's Name and Address	Date signed	Contact
Aman Dalvi Development & Renewal	156-2014/15	£194,980	Adoption of a Capital Estimate	Required to enable S106 resources to be passported to NHS TH CCG to expand the capacity at St Katharine Docks Practice. The expansion will enable it to support another GP, as well as utilise technology such as remote monitoring and tele-consultations, resulting in an increase in clinical appointments available within the surgery.	N/A	12/08/2015	Helen Green, Planning and Building Control Ext. 3124
Aman Dalvi Development & Renewal	023-2015/16	£123,298	Waiving of Procurement Procedures	There is an urgent need to appoint the contractor for the provision of scaffolding services (installation, hire, and inspection), in order to enhance and strengthen the existing scaffolding system at the site of 3-11 Vallance Road. This is part of a package of remedial works to manage the risk to life and property from the dangerous condition of the building. Furthermore, the works and services are specialised, and the appointment of the contractor would utilise their previous involvement with the site, as GKR installed the original scaffolding, which the enhanced system will need to link to. This covers a 24 month period between August 2015 and August 2017.	GKR Scaffolding Medway City Estate Rochester Kent ME2 4QW	24/08/2015	Nadir Ahmed, Resources Ext. 6710
Luke Addams Adults' Services	019-2015/16	£140,000	Adoption of a Capital Estimate: Occupational Therapy Demonstration Suite 229 Bethnal Green Road	There is a need to replace the Occupational Therapy (OT) demonstration suite, previously accommodated at Southern Grove, for various aids and adaptations that can be supplied at the homes of service users. Where adaptations are under consideration for an individual, they would have the opportunity to visit the demonstration suite to see and try the aids that may be suitable for them.	N/A	30/07/2015	Calvin Coughlan, Children's and Adults' Resources Ext. 4414

This page is intentionally left blank

<p>Cabinet</p> <p>6 October 2015</p>	
<p>Report of: Matthew Mannion, Committee Services Manager</p>	<p>Classification: Unrestricted</p>
<p>Mayor's Individual Executive Decisions – List of Recently Published Decisions</p>	

Lead Member	Mayor, John Biggs
Originating Officer(s)	Matthew Mannion, Committee Services Manager
Wards affected	All wards
Key Decision?	No
Community Plan Theme	All

Executive Summary

The Council's Constitution provides for the Mayor to take Executive decisions either at meetings of Cabinet or outside of the meetings as Individual Mayoral Decisions.

These individual decisions are published on the Council's website but to aid transparency, this noting report lists recent individual decisions that have been taken.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Note the Individual Mayoral Decisions set out in Appendix 1.

1. REASONS FOR THE DECISIONS

- 1.1 This is a noting report to aid transparency.
- 1.2 The reasons each decision were taken are set out in their specific reports.

2. ALTERNATIVE OPTIONS

- 2.1 The alternative option would be to not produce this report, but that would not aid transparency of decision making.

3. DETAILS OF REPORT

- 3.1 The Council's Constitution (Part 4.4 Executive Procedure Rules) sets out that "decisions on executive functions are taken by the Mayor, either at the Cabinet meeting or separately". Decisions taken outside of Cabinet are known as Individual Mayoral Decisions.
- 3.2 The majority of decisions are taken at Cabinet meetings but on occasion, due to the nature of the decision (for example, the urgency required), decisions are taken individually by the Mayor outside of the Cabinet meetings.
- 3.3 Any individual decisions taken must follow standard procedures including, for Key Decisions, advance publication of a notice to take the decision on the website. The final decision report and sign off sheet are also published on the website once the decision has been taken. Reports are available on the Tower Hamlets website through www.towerhamlets.gov.uk/committee.
- 3.4 If a specific decision report is Exempt/Confidential under the Access to Information Procedure Rules (Part 4.2 of the Constitution) then notice that the decision has been taken will still be published along with the reason why the report is exempt but the report itself will not be published. In other cases only part of the report may be exempt.
- 3.5 In line with the Constitution, all Individual Mayoral Decisions are subject to the Call-In procedure (Part 4.5 Overview and Scrutiny Procedure Rules). Councillors may call-in the decision within 5 working days of the decision being published on the website.
- 3.6 Each individual decision is given a unique reference number which is recorded on the relevant sign-off sheet and agenda front sheet. Numbers from 101 upwards relate to individual decisions taken by Mayor John Biggs.
- 3.7 The Mayor has requested that, to aid transparency, a noting report be presented at each Cabinet meeting listing recent Individual Mayoral Decisions.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 This is a noting report. The comments of the Chief Financial Officer in relation to each individual decision have been incorporated into each respective report.

5. LEGAL COMMENTS

- 5.1 This is a noting report. Legal comments in relation to each individual decision have been incorporated into each respective report.
- 5.2 The decision making processes set out in the Constitution and outlined above are in accordance with the legislation governing local authority decision making including the Local Government Act 2000 (as amended) and The

Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

6. ONE TOWER HAMLETS CONSIDERATIONS

6.1 None directly related to this report.

7. BEST VALUE (BV) IMPLICATIONS

7.1. None directly related to this report.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

8.1 None directly related to this report.

9. RISK MANAGEMENT IMPLICATIONS

9.1 None directly related to this report.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

10.1 None directly related to this report.

11. SAFEGUARDING IMPLICATIONS

11.1 None directly related to this report.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1 – List of Individual Mayoral Decisions

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- None

Officer contact details for documents:

- Matthew Mannion, Committee Services Manager, 020 7364 4651

List of Individual Mayoral Decisions

Decision Number	Date of Decision*	Report Title
101	22/06/15	Rich Mix Litigation (This report was originally exempt but was republished as an unrestricted document on 25 September 2015 following completion of legal proceedings)
103	06/07/15	Agreement to enter into a lease to accommodate homeless households
102	07/07/15	Nomination of representatives to Tower Hamlets Homes 2015/16
84	27/07/15	Disposal of 296 Bethnal Green Road by Auction (Response to Call-In)
104	31/07/15	Appointments to External Bodies (2015/16)
105	04/08/15	Tower Hamlets Homes Governance
101	13/08/15	Rich Mix Litigation (Response to Call-In) (This report was originally exempt but was republished as an unrestricted document on 25 September 2015 following completion of legal proceedings)
109	09/09/15	Shipton House
110	11/09/15	Tower Hamlets Homes Board Governance
111	16/09/15	Bow Bridge CPO – Amendment to Post Titles in Delegation (Exempt Report)
112	21/09/15	Reducing frequency of East End Life to fortnightly
113	24/09/15	LBTH/GLA Contract for £13.27m Decent Homes Additional Backlog Funding

* The date of the decision refers to the date of publication on the Council's website.