

# CABINET

## MAYOR

Mayor John Biggs

## CABINET MEMBERS

Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing)
Councillor Amina Ali	(Cabinet Member for Environment)
Councillor Rachel Blake	(Cabinet Member for Strategic Development & Waste)
Councillor Asma Begum	(Cabinet Member for Community Safety)
Councillor David Edgar	(Cabinet Member for Resources)
Councillor Denise Jones	(Cabinet Member for Health & Adult Services)
Councillor Abdul Mukit MBE	(Cabinet Member for Culture and Youth)
Councillor Joshua Peck	(Cabinet Member for Work & Economic Growth)
Councillor Amy Whitelock Gibbs	(Cabinet Member for Education and Children's Services)

[The quorum for Cabinet is 3 Members]

## MEETING DETAILS

**Tuesday, 28 November 2017 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](mailto:matthew.mannion@towerhamlets.gov.uk)

Web: <http://www.towerhamlets.gov.uk>

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## 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.

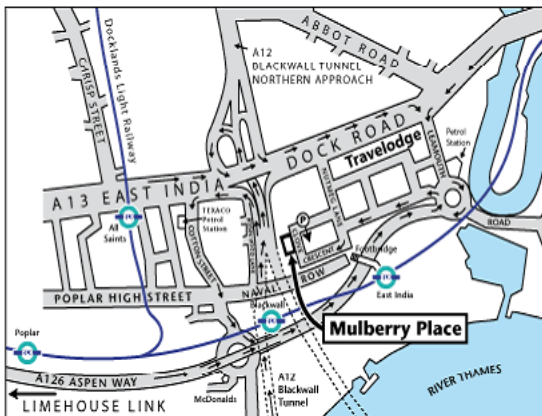
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### **Mobile telephones**

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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.

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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](http://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, 30 November 2017**
- The deadline for call-ins is: **Thursday, 7 December 2017**

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, 28 NOVEMBER 2017**

**5.30 p.m.**

	<b>Pages</b>
<b>1. APOLOGIES FOR ABSENCE</b>	
To receive any apologies for absence.	
<b>2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS</b>	<b>11 - 14</b>
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.	
<b>3. UNRESTRICTED MINUTES</b>	<b>15 - 26</b>
The unrestricted minutes of the Cabinet meeting held on Tuesday 31 October 2017 are presented for approval.	
<b>4. OVERVIEW &amp; SCRUTINY COMMITTEE</b>	
<b>4.1 Chair's Advice of Key Issues or Questions</b>	
Chair of Overview and Scrutiny Committee (OSC) to report on any issues raised by the OSC in relation to unrestricted business to be considered.	
<b>4.2 Any Unrestricted Decisions "Called in" by the Overview &amp; Scrutiny Committee</b>	
(Under provisions of Article 6 Para 6.02 V of the Constitution).	

## 5. UNRESTRICTED REPORTS FOR CONSIDERATION

<b>5.1</b>	<b>Tower Hamlets Safeguarding Adults Board Annual Report 2016/17</b>	<b>27 - 50</b>
	<p><b>Report Summary:</b> The Safeguarding Adults Board (SAB) has a statutory duty under the Care Act 2014 to produce an annual report detailing what the SAB has done during the year to achieve its main objectives and implement its strategic plan. It should record what each member agency has done to implement the strategy as well as detailing the findings of any Safeguarding Adults Reviews and subsequent action.</p> <p>The report has been prepared within the Children's Services and Health, Adults and Community Services Policy, Programmes and Community Insight Team alongside the preparation of the Local Safeguarding Children Board Report. This helps to ensure consistency in terms of approach, content, structure and quality.</p> <p><b>Wards:</b> All Wards <b>Lead Member:</b> Cabinet Member for Health and Adult Services <b>Corporate Priority:</b> Creating opportunity by supporting aspiration and tackling poverty</p>	
<b>5.2</b>	<b>Tower Hamlets Safeguarding Children Board Annual Report 2016-17</b>	<b>51 - 88</b>
	<p><b>Report Summary:</b> This report and its appendix set out the annual report of Tower Hamlets Local Safeguarding Children Board (LSCB), which is a statutory requirement under the Children Act 2004 and Working Together to Safeguard Children Guidance 2015. The annual report sets out the Board's governance arrangement, key safeguarding information and response to the Ofsted Review of LSCB undertaken in February 2017.</p> <p><b>Wards:</b> All Wards <b>Lead Member:</b> Cabinet Member for Education and Children's Services <b>Corporate Priority:</b> Creating opportunity by supporting aspiration and tackling poverty</p>	
<b>5.3</b>	<b>Re-ablement Service Scrutiny Report &amp; Action Plan</b>	<b>89 - 148</b>
	<p><b>Report Summary:</b> This paper submits the report and recommendations of the Health Scrutiny sub-committee Scrutiny review on Re-ablement, and the Action Plan for implementation.</p> <p><b>Wards:</b> All Wards <b>Lead Member:</b> Cabinet Member for Health and Adult Services <b>Corporate Priority:</b> Creating opportunity by supporting aspiration and tackling poverty</p>	

<b>5 .4</b>	<b>Universal Credit and Local Council Tax Reduction Scheme - Support for Residents</b>	<b>149 - 158</b>
<p><b>Report Summary:</b> To approve creation of an internal advice and support service for residents affected by the roll out of Universal Credit and Local Council Tax Reduction Scheme. Seek agreement to commissioning of specialist services from independent agencies.</p> <p><b>Wards:</b> All Wards  <b>Lead Member:</b> Cabinet Member for Resources  <b>Corporate Priority:</b> Creating opportunity by supporting aspiration and tackling poverty</p>		

<b>5 .5</b>	<b>Tower Hamlets Resident Support Scheme</b>	<b>159 - 176</b>
<p><b>Report Summary:</b> Approve the Residents Support Scheme policy to go out to consultation and to agree the commissioning of a short term pilot to provide support immediately pending the consultation outcome.</p> <p><b>Wards:</b> All Wards  <b>Lead Member:</b> Cabinet Member for Resources  <b>Corporate Priority:</b> (All Corporate Priorities)</p>		

<b>5 .6</b>	<b>Local Business Rates Relief Scheme</b>	<b>177 - 194</b>
<p><b>Report Summary:</b> Update to the original report detailing the outcome of the consultation and recommendations for the final qualifying criteria to be included in the local relief scheme.</p> <p><b>Wards:</b> All Wards  <b>Lead Member:</b> Cabinet Member for Resources  <b>Corporate Priority:</b> Creating and maintaining a vibrant, successful place</p>		

**5 .7 IDF: Approval of the allocation of S106 funding and approval for the adoption of a capital budget in respect of the following projects: 1. Wood Wharf Primary School PID; 2. Additional 6th Form places - Langdon Park and George Green's School PID** **195 - 272**

**Report Summary:**

Approval of the allocation of S106 funding and the approval for the adoption of a capital budget in respect of the following project:

- Wood Wharf Primary School PID;
- Additional 6th Form places - Langdon Park and George Green's School PID

Approval to fund these project is sought as they will allow for the delivery of Infrastructure and achieve the objectives set out in the community plan including:

- A great place to live;
- A fair and prosperous community;
- A safe and cohesive community;
- A healthy and supportive community.

**Wards:** Blackwall & Cubitt Town; Island Gardens; Lansbury; Poplar  
**Lead Member:** Cabinet Member for Education and Children's Services, Cabinet Member for Strategic Development and Waste  
**Corporate Priority:** A transformed council, making best use of resources and with an outward looking culture; Creating opportunity by supporting aspiration and tackling poverty

**5 .8 Amendment to Private Sector Renewal Policy 2016 - 2018** **273 - 304**

**Report Summary:**

The Private Housing Improvement Team are currently dealing with two Disabled Facilities Grant home extension applications where the costs are in excess of the mandatory Disabled Facilities Grant ceiling of £30k. It has recently become apparent that the two owner occupiers concerned may struggle to raise their contribution towards the costs.

In order for the Council to fully fund these extensions the Mayor in Cabinet is asked to approve a single amendment to the current Private Sector Renewal Policy in order to allow a top up discretionary grant for these and other cases to be considered where it is the best interests of the client to be awarded an additional discretionary grant.

**Wards:** All Wards  
**Lead Member:** Deputy Mayor and Cabinet Member for Housing  
**Corporate Priority:** Creating and maintaining a vibrant, successful place

<b>5 .9 Cohesion Scrutiny Challenge Report Action Plan</b>	<b>305 - 340</b>
<b>Report Summary:</b>	
The Mayor in Cabinet is recommended to:	
<ul style="list-style-type: none"> <li>• Note the report and recommendations of the Scrutiny Challenge Session on community cohesion as set out in Appendix 1; and</li> <li>• Approve the action plan which sets out the Council's response to the recommendations from the Community Cohesion Scrutiny Challenge Session.</li> </ul>	
<b>Wards:</b>	All Wards
<b>Lead Member:</b>	Cabinet Member for Community Safety
<b>Corporate Priority:</b>	Creating and maintaining a vibrant, successful place
<b>5 .10 Disposal of Land at Ailsa Street, Lochnagar Street and Bromley Hall Road E14</b>	<b>341 - 356</b>
<b>Report Summary:</b>	
The Mayor will be asked to agree the disposal of Council-owned land to facilitate its redevelopment.	
<b>Wards:</b>	Lansbury
<b>Lead Member:</b>	Cabinet Member for Resources
<b>Corporate Priority:</b>	A transformed council, making best use of resources and with an outward looking culture
<b>5 .11 Update of the Strategy for the Identification of Contaminated Land 2017</b>	<b>357 - 458</b>
<b>Report Summary:</b>	
The Mayor in Cabinet will be asked to approve the Tower Hamlets Strategy for the identification of contaminated land.	
<b>Wards:</b>	All Wards
<b>Lead Member:</b>	Cabinet Member for Environment
<b>Corporate Priority:</b>	(All Corporate Priorities)



**Report Summary:**

The Mayor in Cabinet is recommended to:

1. Note the Council's forecast outturn position against Revenue and HRA budgets agreed for 2017-18, based on information as at the end of September as detailed in Sections 3-7;
2. Note the summary savings position;
3. Endorse Management action to achieve savings; and.
4. Note the position on the Mayoral Priority Budget.

**Wards:** All Wards  
**Lead Member:** Cabinet Member for Resources  
**Corporate Priority:** (All Corporate Priorities)

**Report Summary:**

Regular noting report setting out recent individual mayoral decisions.

**Wards:** All Wards  
**Lead Member:** Mayor  
**Corporate Priority:** A transformed council, making best use of resources and with an outward looking culture

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

## **7. EXCLUSION OF THE PRESS AND PUBLIC**

Due to the nature of the business to be conducted at Agenda Item 10.1, the Mayor in Cabinet will be recommended to use the following provisions:

“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**

**10.1 Ocean Site H - Revised Capital Estimate**

**Report Summary:**

This report deals with specific financial issues related to the funding of land assembly work for the "Site H" area (formerly containing Allonby, Channel and Studland Houses) on the Ocean Estate, to enable the development of 225 homes (50% affordable), the second phase of the Ocean Estate Regeneration.

**Wards:** St Dunstan's  
**Lead Member:** Cabinet Member for Resources  
**Corporate Priority:** A transformed council, making best use of resources and with an outward looking culture

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

**Next Meeting of the Cabinet:**

Tuesday, 19 December 2017 at 5.30 p.m. in C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG

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# 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:-

Asmat Hussain, Corporate Director, Governance and Monitoring Officer. Tel 020 7364 4800

## 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>

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**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE CABINET**

**HELD AT 5.35 P.M. ON TUESDAY, 31 OCTOBER 2017**

**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)
Councillor Amina Ali	(Cabinet Member for Environment)
Councillor Rachel Blake	(Cabinet Member for Strategic Development & Waste)
Councillor Asma Begum	(Cabinet Member for Community Safety)
Councillor David Edgar	(Cabinet Member for Resources)
Councillor Denise Jones	(Cabinet Member for Health & Adult Services)
Councillor Abdul Mukit MBE	(Cabinet Member for Culture and Youth)
Councillor Joshua Peck	(Cabinet Member for Work & Economic Growth)

**Other Councillors Present:**

Councillor Dave Chesterton	(Chair of the Overview and Scrutiny Committee)
Councillor Peter Golds	(Leader of the Conservative Group)
Councillor Andrew Wood	

**Apologies:**

Councillor Amy Whitelock	(Cabinet Member for Education and Children's Services)
Gibbs	

**Officers Present:**

Stephen Bramah	(Deputy Head of the Mayor's office)
Zena Cooke	(Corporate Director, Resources)
David Courcoux	(Head of the Mayor's Office)
Sharon Godman	(Divisional Director, Strategy, Policy and Partnerships)
Asmat Hussain	(Corporate Director, Governance and Monitoring Officer)
Debbie Jones	(Corporate Director, Children's)
Tom McCourt	(Strategic Director)
Christine McInnes	(Divisional Director, Education and Partnership, Children's)
Matthew Pullen	(Infrastructure Planning Manager)
Denise Radley	(Corporate Director, Health, Adults & Community)
Ann Sutcliffe	(Acting Corporate Director, Place)
Will Tuckley	(Chief Executive)
Elizabeth Bailey	Senior Strategy, Policy and Performance Officer

Janice Beck	(Head of Building Development, Children & Adults Resources)
Bola Akinfolarin	(Interim Head of Development Compliance and Commissioning)
Richard Chilcott	(Acting Divisional Director, Property and Major Programmes)
Ann Corbett	(Divisional Director, Community Safety)
Abdul J. Khan	(Sustainable Development Manager, Strategy Innovation & Sustainability, Development and Renewal)
Veronica Parker	(Communications Adviser Communications)
David Tolley	(Head of Environmental Health and Trading Standards)
Matthew Mannion	(Committee Services Manager, Democratic Services, Governance)
David Knight	(Senior Democratic Services Officer)
Rushena Miah	(Committee Services Officer)

## **AGENDA ORDER**

During the meeting the Mayor agreed to change the order of business to take Agenda Item 5.1 at the top of the meeting. All other agenda items were taken in order. For clarity, the minutes are presented in the order the items were set out on the agenda.

### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillor Amy Whitelock Gibbs, Cabinet Member for Education and Children's Services.

### **2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**

There were no Declarations of Disclosable Pecuniary Interests.

### **3. UNRESTRICTED MINUTES**

#### **RESOLVED**

1. That the unrestricted minutes of the Cabinet meeting held on Tuesday 19 September be approved and signed by the Chair as a correct record of proceedings.

#### 4. OVERVIEW & SCRUTINY COMMITTEE

##### 4.1 Chair's Advice of Key Issues or Questions

Pre-Decision Scrutiny Questions were received on the following agenda items:

- Item 5.5 (Approval and allocation of S106 and CIL funding)
- Item 5.7 (Statement of Licensing Policy Review)
- Item 5.9 (Contract Forward Plan)
- Item 5.12 (School Place Investment Planning)

The questions and responses were considered during discussion of each relevant agenda item.

In addition, Councillor Dave Chesterton, Chair of the Overview and Scrutiny Committee, provided Cabinet with an update on their meeting the previous week. He highlighted a number of issues that had been examined, including:

- A Spotlight session on the Medium Term Financial Strategy, with the Committee particularly examining the Strategic Investment plans, Children's and Adult Care spending, the Better Care Fund and the Council Tax reduction scheme.
- There was an update on the Scrutiny review of disabled and ethnic minority staff representation at senior management levels of the Council.
- Christabel Shawcross the Independent Chair of the Safeguarding Adults Board had presented their annual report which highlighted the focus on personalising safeguarding and empowering the vulnerable.
- The Community Safety Partnership Plan had been considered and endorsed by the Committee, although a number of suggested improvements were raised.

Councillor Dave Chesterton also thanked all those, including Cabinet Members who had presented at the meeting.

The **Mayor** thanked Councillor Chesterton for his update and welcomed the engagement of Cabinet Members in the work of Scrutiny.

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

Nil items.

## 5. UNRESTRICTED REPORTS FOR CONSIDERATION

### 5.1 Climate Change Mitigation & Adoption Strategy

Councillor Rachel Blake, Cabinet Member for Strategic Development introduced the report. She welcomed the report as a vital step in tackling the poor air quality suffered across the Borough. She explained that the Council had consulted widely on the planned Strategy which had been particularly beneficial in highlighting areas where awareness raising would be effective. She highlighted that a number of the specific actions set out, such as developing charging points for electric vehicles, were already being progressed.

Kate Hand, Hackney and Tower Hamlets Friends of the Earth, addressed the Cabinet meeting. She welcomed the report as a big step forward for the Borough. She urged the Council to pursue the most ambitious targets possible and, in particular, requested the Council review some of the existing targets to make sure they were specifically measurable.

Following discussion of the report, the **Mayor** thanked everyone for their contributions and welcomed the report. He also welcomed action being taken by the Mayor of London to tackle this issue. He stated that he would be monitoring progress and then **agreed** the recommendations as set out in the report.

#### RESOLVED

1. To note that a mayoral priority growth bid was passed and an air quality fund has been approved in the last budget. The fund is for £200,000 over a two year period of 17/18 and 18/19. The fund is intended for 'prospective bidders to support activities aligned to the Council priorities in improving air quality'. Criteria for the proposed projects include:
  - be related to either reducing emissions of, reducing exposure to or increasing awareness of air pollution;
  - be directly relevant to actions in our AQAP;
  - have a measurable impact; and
  - have wider community benefits
2. To approve the Air Quality and Climate Change Strategy.
3. To approve the Air Quality Action Plan.

### 5.2 Community Safety Partnership [CSP] Plan 2017 - 21

Councillor Asma Begum, Cabinet Member for Community Safety, introduced the report. She briefly took Cabinet through the key points of the Plan and highlighted that there had been 1,400 responses during the consultation from residents and workers in the Borough.

During discussion, the **Mayor** noted the Pre-Decision Scrutiny Questions and the discussions that had taken place at the recent Overview and Scrutiny Committee meeting. He agreed to allow delegated authority to the Corporate Director, Health, Adults and Community to make minor changes to the Plan where required. With that change he **agreed** the recommendations as set out in the report.

#### **RESOLVED**

1. To recommend that Full Council approve the Community Safety Partnership Plan 2017-21 (Appendix 1 to the report), as per the Council Constitution.
2. To delegate to the Corporate Director, Health, Adults and Community authority to make minor changes to the Plan before submission to Council.

### **5.3 Funding for Additional Youth Activity**

Councillor Abdul Mukit, Cabinet Member for Culture and Youth, introduced the report. He explained that the report set out the Youth Service Outcomes Framework as well as specific proposals for funding a number of additional services for young people. He was particularly pleased with the innovation shown in some of the proposals, for example in the setting up of a youth innovation fund to allow young people to bid for funds for particular projects/ideas.

The other proposals were to extend youth service provision down to eleven year-olds and a specific proposal to support A Team Arts and these were also welcomed.

A number of members of the Youth Council (Shaïam Islam, Milly Parvin, Said Uddin, Mazha Alam and Imad Ali) were present and they took Cabinet through their key target outcomes of Accountability, Accessibility, Trust, Safety and Agency as set out in the Outcomes Framework. They also commented on how well they felt they had been engaged by officers to help develop the Framework.

The **Mayor** thanked them for coming along and giving their views. He welcomed the report and **agreed** the recommendation as set out.

#### **RESOLVED**

1. To approve the allocation to the Youth Service of £300,000 additional funding from Council reserves on the items set out in the main body of the report.

#### 5.4 Scrutiny Review Youth Services - Action Plan

Councillor Abdul Mukit, Cabinet Member for Culture and Youth, introduced the report. He explained that the proposed action plan was in response to an Overview and Scrutiny Committee challenge session.

The **Mayor** reviewed the report and **agreed** the recommendations as set out.

#### RESOLVED

1. To note the report and recommendations of the Scrutiny Challenge Session on Youth Services as set out in Appendix 1 to the report.
2. To approve the action plan in Appendix 2 to the report, which sets out the Council's response to the recommendations of the Scrutiny Challenge Session.

#### 5.5 IDF: Approval of the allocation of S106 and CIL funding and Approval for the Adoption of a Capital Budget in Respect of the following projects: King Edward Memorial Park Masterplan Delivery; Aberfeldy Village Health Centre; Suttons Wharf Health Centre; Wellington Way Health Centre; Raines Foundation School.

The **Mayor** introduced the report and briefly reminded everyone present how decisions of this nature were progressed.

Councillor Andrew Wood, Ward Councillor for Canary Wharf Ward, addressed Cabinet. He highlighted concerns that additional infrastructure spending was required on the Isle of Dogs considering the large scale developments that were expected. The **Mayor** reported that he was monitoring infrastructure investment across the Borough and that indeed some of the investments being proposed would bring benefits across the area and not just to the locality in which they were based.

The **Mayor** reviewed each of the proposals in turn, considered the Pre-Decision Scrutiny Questions and responses and then **agreed** the recommendations as set out.

#### RESOLVED

1. To approve the allocation of £3,267,241 in Section 106 (S106) funding to the proposals set out in the "*King Edward Memorial Park Masterplan Delivery*" Project Initiation Document (PID), which is attached to the Cabinet report at Appendix A and Table 1.
2. To approve the allocation of £3,119,421 in Section 106 (S106) funding to the proposals set out in the "*Aberfeldy Village Health Centre*" Project Initiation Document (PID), which is attached to the Cabinet report at Appendix B and Table 1.

3. To approve the allocation of £2,937,287 in Section 106 (S106) and £182,091 in Community Infrastructure Levy (CIL) funding to the proposals set out in the "Suttons Wharf Health Centre" Project Initiation Document (PID), which is attached to the Cabinet report at Appendix C and Table 1.
4. To approve the allocation of £1,493,700 in Section 106 (S106) funding to the proposals set out in the "Wellington Way Health Centre" Project Initiation Document (PID), which is attached to the Cabinet report at Appendix D and Table 1.
5. To approve the allocation of £4,000,000 in Section 106 (S106) funding to the proposals set out in the "Raines Foundation School" Project Initiation Document (PID), which is attached to the Cabinet report at Appendix E and Table 1.
6. To approve the adoption of a capital estimate for the five projects described in this document and the attached PIDs and incorporate them into the Council's capital programme.

#### **5.6 Disposal of 2 Trinity Green, Mile End Road, E.1. 4TS**

Councillor David Edgar, Cabinet Member for Resources, introduced the report. He explained that there had been further discussions with the Friends of Trinity Green and that he proposed that consideration of the report be deferred to allow these discussions to conclude.

He explained that he expected the report would return at an upcoming Cabinet meeting and that the recommendations may not change but that it was important to ensure the discussions were concluded before a decision was taken.

The **Mayor** noted the proposal. He **agreed to defer** consideration of the report to a later Cabinet meeting.

#### **RESOLVED**

1. To defer consideration of the report to a future Cabinet meeting to allow for further discussion on potential disposal processes.

#### **5.7 Statement of Licensing Policy Review 2018**

Councillor Asma Begum, Cabinet Member for Community Safety, introduced the report. She highlighted that since the introduction of the policy there had been a reduction in anti-social behaviour and in licensing applications. The report considered a proposal to extend the Cumulative Impact Zone (CIZ) in the Brick Lane area but concluded there was insufficient evidence for that expansion. However, the report did provide evidence that it could be worth considering a new CIZ in the Bethnal Green area and so it was proposed to consult on that option.

Councillor Peter Golds, Leader of the Conservative Group, addressed the meeting. He confirmed his view that the Council had a robust licensing policy and the Licensing Committee received good advice from officers which ensured very few decisions had been successfully challenged. He stated it was important to review the CIZ areas as a duty to residents who were impacted by the problems highlighted in the report.

The **Mayor** welcomed the comments received and noted the Pre-Decision Scrutiny Question and Response. He suggested that the Overview and Scrutiny Committee may wish to take on a role of monitoring the effectiveness of the Council's licensing policies should they wish. He noted the public expectation that new applications would normally be refused in CIZ areas. He **agreed** the recommendations including to consult on a potential new CIZ in Bethnal Green.

### **RESOLVED**

1. To agree the forward programme for consulting on the proposed Statement of Licensing Policy.
2. To agree, that the consultation should be based on the proposed changes detailed in Appendix Two to the report.
3. To delegate to the Corporate Director, Place authority to make any pre consultation amendments to the policy deemed necessary following consultation with the Corporate Director Governance.
4. To consult whether to retain the current Cumulative Impact Zone in the Brick Lane area at Appendices 1 and 3 to the report.
5. To consult on a further Cumulative Impact Zone for Bethnal Green Road/ Cambridge Health Road to Old Bethnal Green Road that forms part of the Licensing Policy.

### **5.8 Passenger Transport Contact Extension**

Councillor Amina Ali, Cabinet Member for Environment, introduced the report. She highlighted that the Council had a responsibility to provide transport services to certain groups and that it was important to ensure the provision could continue uninterrupted.

The **Mayor** highlighted the importance of making progress on the new contract arrangements and **agreed** the recommendations as set out.



**RESOLVED**

1. To agree to continue to operate within the existing Passenger Transport Contract Framework for a period of 1 year and 6 months to ensure continuity of service.
2. To authorise the Corporate Director of Place (or in the Corporate Director's absence the Divisional Director) after consultation with the Corporate Director, Governance, to agree the final terms and conditions of any agreement to implement this decision; and
3. To authorise the Corporate Director, Governance, to execute all necessary contract documents to implement this decision.
4. To amend the estimated value of contract spend for the re-procurement of the Passenger Transport Framework shown on the contracts forward plan and presented to the Mayor in Cabinet on the 26<sup>th</sup> July 2016 to read £10.8 million.

**5.9 Contracts Forward Plan 2017/18 Q3**

Councillor David Edgar, Cabinet Member for Resources, introduced the report. He explained that the report was provided to give an opportunity for Members to request that a more detailed report be presented to Cabinet on any of the contracts listed. However, all Cabinet Members were involved in discussions with relevant Corporate Directors anyway and he was not aware of any requests to bring forward specific reports to Cabinet.

The **Mayor** agreed that he would expect all his Cabinet Members to be on top of the arrangements for contract awards in their areas. He noted the Pre-Decision Scrutiny Question and response and he **agreed** that all contracts listed could proceed to award following tender.

**RESOLVED**

1. To note the Contracts Forward Plan at Appendix 1 to the report.
2. To confirm that all contracts can proceed to contract award after tender.
3. To authorise the Divisional Director, Legal Services to execute all necessary contract documents in respect of the awards of contracts referred to in recommendation 2 above.
4. To note the procurement forward plan 2017-22 schedule detailed in Appendix 2 to the report.

### 5.10 Appointments to External Bodies October 2017

The **Mayor** introduced the report and **agreed** its recommendations.

#### RESOLVED

1. To agree to the removal of Councillor John Pierce from the Board of the Norton Folgate Almshouses Charity.
2. To agree to the removal of Councillor Andrew Cregan from the Board of East End Homes.
3. To agree to the appointment of Councillor John Pierce to serve on the Board of East End Homes, to serve until further notice.
4. To agree to the removal of Councillor Rachael Saunders from and the appointment of Councillor Denise Jones, to serve until further notice on:
  - a. East London & The City University Mental Health NHS Trust (East London NHS Foundation Trust),
  - b. East London Nursing Trust and
  - c. the role of Older People's Member Champion.
5. To agree to the appointment of Councillor Amy Whitelock-Gibbs to serve on the Tower Hamlets Education Partnership Advisory Council, to serve until further notice.

### 5.11 Mayor's Individual Executive Decisions - List of Recently Published Decisions

The **Mayor** introduced the report and **agreed** its recommendation.

#### RESOLVED

1. To note the Individual Mayoral Decisions set out in the Appendices.

### 5.12 School Place Investment Planning, Children's Services Capital Programme

The **Mayor** introduced the report and agreed the reasons for urgency as set out, namely that:

"The report is being brought to Cabinet outside of the usual process as a consequence of recent redrafting to ensure decisions are informed by the most recent data so the Council meets its Best Value Duty with regard to significant capital investment."

The report was then discussed and a number of issues were noted including:

- The challenges in predicting the total number of school places required.

- Whether existing buildings were suitable for the proposed uses and whether repairs were required.
- Whether the Bow Boy's School site was suitable for high needs provision.
- How the Council were undertaking longer term planning on the future best use of school buildings.

Councillor Andrew Wood, Ward Councillor for Canary Wharf Ward, addressed Cabinet, commenting on a number of the points raised and in particular expressed concern that if parents did not see a suitable school near to them then they may simply leave the Borough.

The **Mayor** welcomed all the contributions to the discussion and, taking the recommendations in turn, **agreed** the recommendations as set out.

### **RESOLVED**

1. To note the contents of this report and the anticipated out-turn for the 2016/17 Children's Services Capital Programme and proposed allocation of the funding available in 2017/2020 as set out in Appendix A.1 and 2 (paragraph 3.2) to the report;
2. To note the deferral of the scheme to create a new primary school on the Bromley Hall School site (paragraph 3.5 of the report);
3. To note that discussions are ongoing regarding the future use of the former Bow Boys' School site to meet primary place needs in the area and wider high needs special provision requirements (paragraph 3.10 of the report)
4. To approve the adoption of a capital estimate of £5m for the opening of a primary school at Wood Wharf (paragraph 4.3 to the report);
5. To agree that the Council should enter into an Agreement for Lease with Canary Wharf Group for the proposed school (paragraph 3.27 of the report) and authorise the Corporate Director, Governance to finalise the terms of the lease and agreement for lease;
6. To approve the adoption of a capital estimate of £9m for works at Langdon Park and George Green's Schools to provide additional 6<sup>th</sup> Form accommodation and also the replacement of the temporary classroom block at George Green's School (paragraph 4.4 of the report);
7. To approve the adoption of a capital estimate of £3m for works at Bow School to provide additional accommodation (paragraph 4.5 of the report);
8. To agree that authority is delegated to the Corporate Director, Children's Services, in consultation with the Corporate Director of Resources, to agree tenders for projects in respect of all proposed

tenders referred to in this report, within the approved programmes and capital estimate;

9. To agree that authority is delegated to the Corporate Director, Children's Services, in consultation with the Corporate Director of Resources, to prepare and carry out a Bill of Reductions for any scheme that exceeds the budget to ensure expenditure is contained within the agreed costs.

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

Nil items.

**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 7.33 p.m.

MAYOR JOHN BIGGS

<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Denise Radley, Corporate Director, Health, Adults and Community Services</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Safeguarding Adults Board Annual Report 2016/17</b></p>	

<b>Lead Member</b>	Councillor Denise Jones, Cabinet Member for Health and Adult Services
<b>Originating Officer(s)</b>	Pauline Swan, Interim Strategic and Governance Manager for Adult Safeguarding
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	No
<b>Community Plan Theme</b>	A Safe and Cohesive Community

**Executive Summary**

The Safeguarding Adults Board (SAB) has a statutory duty under the Care Act 2014 to produce an annual report detailing what the SAB has done during the year to achieve its main objectives and implement its strategic plan. It should record what each member agency has done to implement the strategy as well as detailing the findings of any Safeguarding Adults Reviews and subsequent action.

The report has been prepared within the Children’s Services and Health, Adults and Community Services Policy, Programmes and Community Insight Team alongside the preparation of the Local Safeguarding Children Board Report. This helps to ensure consistency in terms of approach, content, structure and quality.

**Recommendations:**

The Mayor in Cabinet is recommended to:

1. Note the annual report for the local Safeguarding Adults Board for 2016/17

**1. REASONS FOR THE DECISIONS**

- 1.1 The local Safeguarding Adults Board (SAB) is required to publish an annual report on the effectiveness of adult safeguarding arrangements and promoting the awareness raising, safety and wellbeing of adults in Tower Hamlets who may be at risk of harm or abuse. The annual report will be available within the Council and across partner agencies and available in the public domain. The SAB annual report, which fulfils this responsibility, is appended to this briefing paper.

## **2. ALTERNATIVE OPTIONS**

- 2.1 There are no alternative options, as it is a statutory requirement for this report to be reported to the Mayor.

## **3. DETAILS OF REPORT**

- 3.1 The Safeguarding Adults Board (SAB) has a statutory duty under the Care Act 2014, to produce an annual report detailing what the SAB has done during the year to achieve its main objectives and implement its joint business and strategic plan. Additionally it should record what each member agency has done to implement the strategy as well as detailing any Safeguarding Adults' Reviews and subsequent action.
- 3.2 The report has been prepared within the Children's Services and Health, Adults and Community Services Policy, Programmes and Community Insight Team alongside the preparation of the Local Children's Safeguarding Board Report. This helps to ensure consistency in terms of approach, content, structure and quality.
- 3.3 The Annual Report gives an overview of the membership, governance and accountability arrangements for the SAB, together with the legal, national and local contexts in which it operates.
- 3.4 In accordance with the Care Act 2014, the SAB has a strategy regarding the safeguarding of adults with an associated business plan. The strategy and business plan are structured around the six key principles of safeguarding as defined by the Care Act 2014. These are: Empowerment, Prevention, Proportionality, Protection, Partnership and Accountability. The Annual Report provides an overview of the progress made in delivering the business plan in relation to each of these six key principles. In addition the report provides the Board's priorities for 2017/18
- 3.5 The SAB has a legal duty to make arrangements for a Safeguarding Adults Review (SAR) in the event of a death of a vulnerable adult, where abuse or neglect has been a contributory factor. There are 4 current SARs at different stages of completion. One SAR was completed in Tower Hamlets in 2016/17 and the SAR report is published on the council web page.
- 3.6 The annual report provides an overview of data relating to adult safeguarding enquiries in 2016/17 as well as activity relating to Deprivation of Liberty Safeguards under the terms of the Mental Capacity Act 2007.
- 3.7 This year's annual report is presented in a different format than previous years moving away from a text heavy document to being a more reader friendly with infographics with the public in mind. It is therefore intentional that the report will not include in-depth details of all the SAB's work, but sufficient enough

information to provide a summary of some of the work of SAB, its member partners and the subgroups reporting into it.

- 3.8 Finally, the SAB Annual Report is accompanied by a summary “Infographic” which was very well received by the SAB last year and is in line with what is produced by LSCB.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 The Care Act 2014, requires the SAB to publish an annual report. This report sets out the achievements of the SAB, providing a summary of the outcomes set out under the six priorities of Safeguarding, Empowerment, Prevention, Proportionality, Protection, Partnership and Accountability.
- 4.2 The Funding of the SAB is received both in monetary terms and in kind. The SAB cost circa £129k in 2016/17, the Local Authority’s contribution was primarily that of utilising existing resources in the form of staff time from the Business Support, Strategy & Governance, Corporate SAB and Director Service team. The Local Authority’s contribution was met within existing service budgets.

#### **5. LEGAL COMMENTS**

- 5.1. The Council is required by section 1 of the Care Act 2014 to exercise its functions under Part 1 of the Act so as to promote the well-being of adults, which includes safeguarding adults who have care needs, who are at risk of abuse and neglect. Pursuant to section 42 of the Act, the Council has a positive obligation to enquire into actual and potential cases of abuse or neglect so as to enable decisions to be taken about what action should be taken in each adult’s case.
- 5.2. The Care Act 2014 places the Council’s duties in respect of safeguarding adults with care needs who are at risk of abuse or neglect on a statutory basis. The requirements in respect of establishing a Safeguarding Adults Board (SAB) are set out in Sections 43-45 and Schedule 2 of the 2014 Act. As with all of the Council’s duties under the Act, the duty to promote wellbeing applies to the Council’s safeguarding duties.
- 5.3. The Care and Support Statutory Guidance sets out further detail in respect of the requirement to publish the SAB strategic plan and annual reports, at paragraphs 14.155-14.161 of the Guidance. The SAB must comply with those requirements, unless they can demonstrate legally sound reasons for not doing so.
- 5.4. The Deprivation of Liberty Safeguards (‘DoLS’) is the procedure prescribed in the Mental Capacity Act 2005 when it is necessary to detain a resident or patient who lacks capacity to consent to their care, in order to keep them safe from harm. DoLS seek to ensure that a care home or hospital only deprives someone of their liberty in a safe and correct way, and only when it is deemed to be in the best interests of the person, where there is no other less

restrictive way to look after them. In the majority of cases, the Council is able to authorise these DoLS, although in certain circumstances an order must be obtained from the Court of Protection.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The Safeguarding Adults' Board Annual Report details action taken to address the risk of abuse and neglect against a wide range of vulnerable people who are at risk of discrimination. This includes but is not limited to people with learning disabilities, people with physical disabilities, people with mental health problems and older adults.

## **7. BEST VALUE (BV) IMPLICATIONS**

None identified

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

Not applicable

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 The production of the Safeguarding Adults' Board Annual Report ensures that the Council fulfils its statutory duty to do so under the terms of the Care Act 2014. With regard to the Council's identified risk around the safeguarding of vulnerable adults, the report also includes summary information on Safeguarding Adults' Reviews and the learning and sharing of best practice which takes place when a SAR is undertaken.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 The Annual Report includes a record of action by the local authority and its partners to tackle abuse and neglect which may include criminal acts against adults at risk living in Tower Hamlets.

## **11. SAFEGUARDING IMPLICATIONS**

- 11.1 The report details action taken by the local authority and all member agencies to tackle abuse and neglect. It includes the achievements of the Safeguarding Adults Board in 2016/17.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- n/a



**Appendices**

- Tower Hamlets Safeguarding Adults Annual Report 2016/17

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

- NONE

**Officer contact details for documents:**

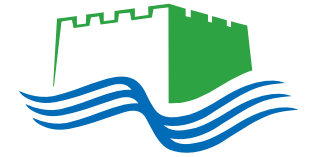
Pauline.swan@towerhamlets.gov.uk

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# Safeguarding Adults Board

Making Safeguarding Personal



TOWER HAMLETS

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## Annual Report 2016/17

Safeguarding is everyone's responsibility



INVESTORS IN PEOPLE | Silver



METROPOLITAN POLICE

TOTAL POLICING



**Tower Hamlets**  
Clinical Commissioning Group

## Foreword Independent Chair Christabel Shawcross



I am delighted to present this report on behalf of the Tower Hamlets Safeguarding Adults Board for 2016/17. This was my first year as Chair and we reviewed a lot of the structure and business plan to have a clearer focus on new requirements. We also strengthened the governance by having an executive board of key health and social care statutory agencies along with the borough police. This ensured better challenge between partners but also allowed the board partners to help shape direction and influence priorities and direction. The board is a very extensive one with a wide range of partners all committed to promoting the health and wellbeing of residents and to ensure people are safeguarded from abuse. This shows how partners have helped deliver on the strategy and raise issues for all to challenge and support. We took the opportunity with a new safeguarding and business manager to review

the effectiveness of the board. We streamlined activities principally ensuring better liaison with the community safety partnership and more integrated approaches on prevention and raising the profile of hate crime and underreporting by people with disabilities.

A key priority for the year was to focus on prevention, learning from safeguarding adults reviews (SARs), where improvements to hospital discharge and fire safety were themes. Part of this was also to recognise the Safeguarding Adults Board (SAB) needed to have more focus and engagement with local communities through its representative agencies. A focus particularly on people with learning disabilities and advocacy and engagement was developed. A review of the implementation of the Care Act requirements recognising that self neglect and hoarding was a real multi agency issue, led to some innovative ideas and approaches to be further developed.

Another key theme from SARs, both national and local was on sharing information and all partners agreed to look at how a Multi Agency Adults Safeguarding Hub might improve communications and help prevent abuse. This will be a key part of our revised strategy

for 2017/18, including making more effective links with the Local Safeguarding Children Board (LSCB). This follows analysis of the higher number of young people in transition to adult services with mental health problems needing a more integrated approach. A clear priority was also to understand more about the commissioning of services by the local authority and Clinical Commissioning Group (CCG), as good quality care is vital to support vulnerable residents. The local authority showed its commitment to this through a new commissioning approach to ensure high quality care and support at home, investing in the service to fund ethical care and the London living wage. Whilst LBTH has only six residential care homes, there was good joint work between the SAB and the CCG to improve the quality of care, which will continue as a priority for this year.

We recognised weaknesses in analysis of data and having key measures for the SAB by which to measure success and this will be quantified better for 2017/18. This will ensure areas of making safeguarding personal can be better judged. Having ambitious and measurable targets is important to illustrate the effectiveness of the SAB and its partnerships.

## Joint foreword by Mayor of Tower Hamlets, John Biggs and Councillor Denise Jones, Cabinet Member for Health and Adult Services



We are pleased to endorse the Safeguarding Adults Board annual report and acknowledge the continual commitment and work of the partner agencies to protect the most vulnerable citizens in Tower Hamlets.

The work of the board could not be achieved without the commitment of staff across all agencies that on a daily basis perform their duties amidst a backdrop of challenges, and are motivated to protect adults from abuse and neglect and respond where abuse has occurred.

This report sets out the achievements of the SAB, providing a summary of the outcomes set out under the six priorities of safeguarding, empowerment, prevention, proportionality, protection, partnership and accountability.

The work of the SAB has focused on a number of areas to further strengthen the safeguarding agenda in embedding the requirements of the Care Act 2014 and the lessons learnt and improvements made as a result of the SARs that have taken place.

It is acknowledged that a review of the focus of the SAB under the new chair took place with the Executive Safeguarding Group. There has been a reinvigoration of the sub groups reporting into the SAB to ensure the objectives set out in the joint strategic and business plan 2015-18 are met with greater scrutiny and accountability from all partner agencies to make safeguarding integral to all service delivery.

The work of the SAB will continue in 2017/18 to make the required changes to further develop work already started alongside the

key priorities to ensure services are delivered to keep people safe from abuse and neglect.

It is reassuring that the SAB undertake an annual self-audit of their work providing an overview of the safeguarding adults arrangements in place across the locality. This provides an opportunity to identify their strengths in order for good practice to be shared, common areas for improvement where organisations can work together and where single agency issues can be addressed. The outcome of this years self audit showed that partners are working well, having in place the key requirements and governance arrangements to provide safe services.

Finally, this year we have decided to present the annual report in a different way which I hope you will find informative and meaningful.

## Tower Hamlets Safeguarding Adults Board Governance and Accountability arrangements

The Care Act 2014, requires all local authorities to set up a Safeguarding Adults Board (SAB) with other statutory partners: the Police and Clinical Commissioning Group (CCG). Tower Hamlets Safeguarding Adults Board continues to work with partners to embed the requirements of the overarching Care Act to:

- Assure that local safeguarding arrangements are in place as defined by the Act
- Prevent abuse and neglect where possible
- Provide timely and proportionate responses when abuse or neglect is likely or has occurred.

The legal framework for the Care Act 2014 is supported by statutory guidance which provides information and guidance on how the Care Act works in practice. The guidance has statutory status which means there is a legal duty to have regard to it when working with adults with care and support needs and carers.

The SAB takes the lead for adult safeguarding across Tower Hamlets to oversee and co-ordinate the effectiveness of

the safeguarding work of its members and partner organisations.

The SAB concerns itself with a range of matters which can contribute to the prevention of abuse and neglect such as:

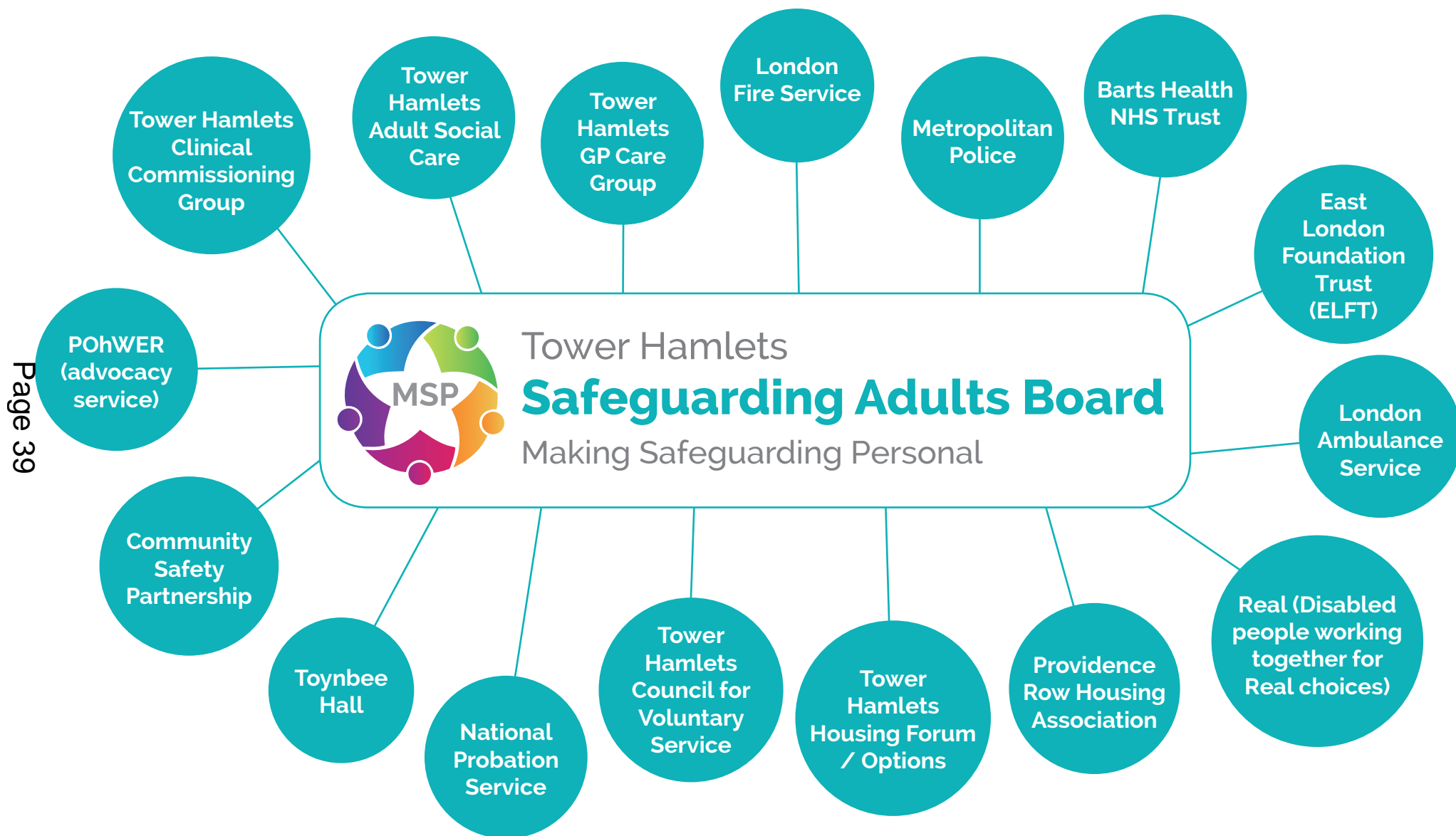
- Safety of patients in local health services
- Quality of local care and support services
- Effectiveness of prisons in safeguarding offenders and approved premises
- Awareness and responsiveness of further education services

Safeguarding Adults Boards have three core duties, they must:

- Develop and publish an Annual Strategic Plan setting out how they will meet their strategic objectives and how their members and partner agencies will contribute.
- Publish an annual report detailing how effective their work has been.
- Arrange safeguarding audit reviews for any cases which meet the criteria for such enquires, detailing the findings of any safeguarding adult review and subsequent action, (in accordance with Section 44 of the Act).

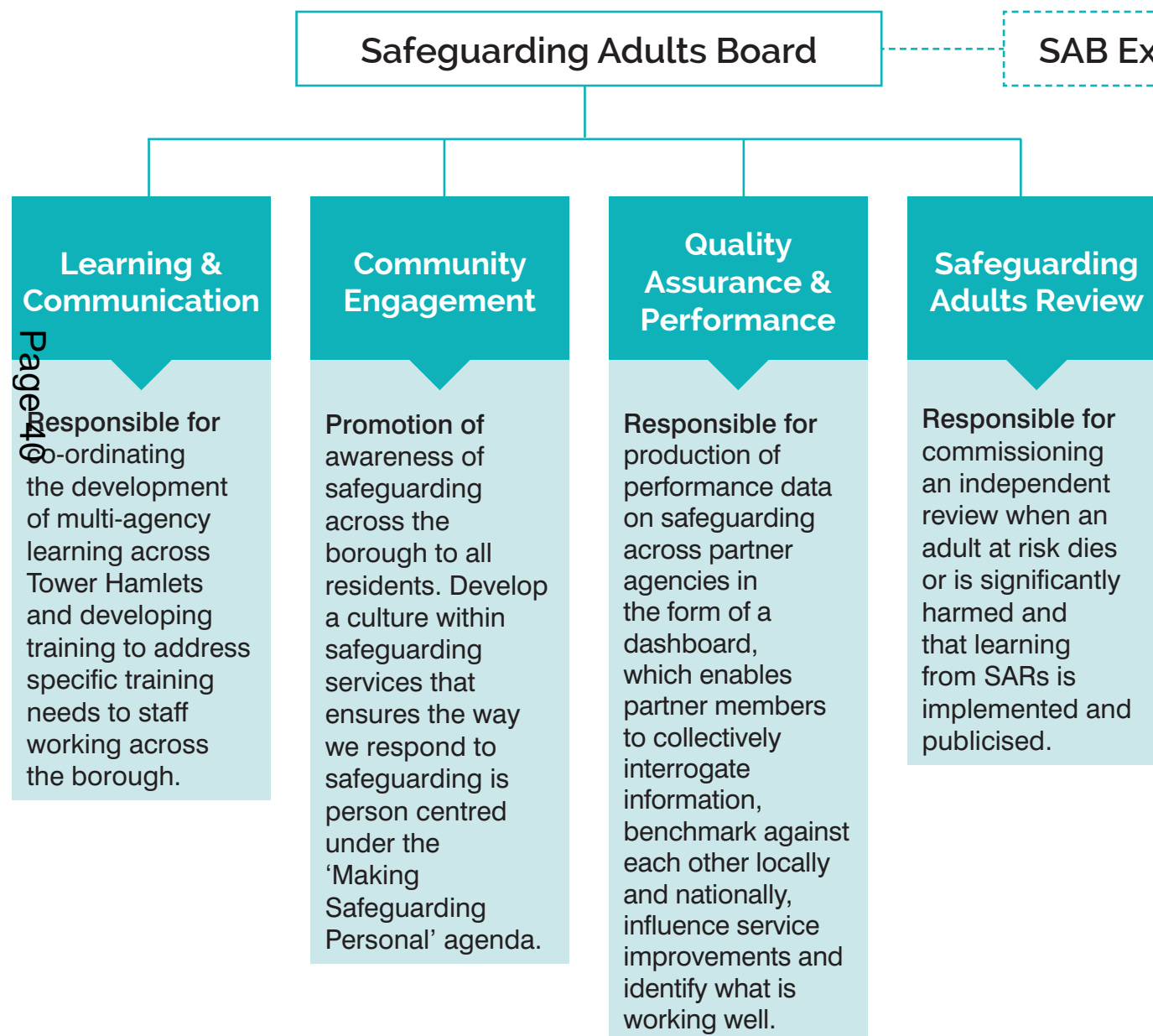


Tower Hamlets Safeguarding Adults Board partner members



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SAB Structure Chart



The Tower Hamlets Safeguarding Adults Board (SAB) has four sub groups that assist the board in meeting its obligations as set out in the Tower Hamlets Safeguarding Adults Board Joint Strategy Business Plan 2015 – 2018. Some of the sub groups have not been held regularly throughout the year, and as a result they have been revised and redesigned with new terms of reference with the expectation that they deliver specific key aspects of the joint strategy and business plan. Monitoring of these is by the joint strategy and governance manager who reports to the SAB. The sub groups are chaired by members of the SAB and are expected to meet bi-monthly and more frequently where required.

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## These are the strategic boards linked to the safeguarding adults board

### The Health and Wellbeing Board

Having a Health and Wellbeing Board is a statutory requirement for local authorities. The board brings together the NHS, the local authority and Health Watch to jointly plan how best to meet local health and care needs, to improve the health and wellbeing of the local population, reduce health inequalities and commission services accordingly.

### Local Safeguarding Children Board

The Local Safeguarding Children Board is a statutory requirement set out in the Children's Act 2004 which gives duties to ensure that all agencies work together for the welfare of children. There has been more focus on the two boards to work more closely together and this has resulted in shared areas being developed to improve responses to both children and adults safeguarding.

### Community Safety Partnership Board

The Community Safety Partnership Board is required by law to conduct and consult on an annual strategic assessment of crime,

disorder, anti-social behaviour, substance misuse and re-offending within the borough and the findings are then used to produce the partnership's Community Safety Plan.

### Learning Disability Board

The Learning Disability Partnership Board leads on work to drive strategic improvements for adults with a learning disability in Tower Hamlets. The work of Learning Disability Voices is fed into the work of the board.

### Prevent Board

The Prevent Board is a multi-agency board that meets regularly to work together to prevent and respond to radicalisation. The Counter Terrorism & Security Act 2015 places a legal duty on NHS Trusts and Foundation Trusts to consider the Prevent Strategy when delivering their services. The Counter-Terrorism and Security Act 2015 contains a duty on specified authorities to have due regard to the need to prevent people from being drawn into terrorism. This is also known as the Prevent duty.



## Local Demographics

The estimated resident population of Tower Hamlets is

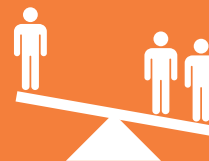
**304,000**



Over recent years, the borough has seen some of the fastest population growth in the country.

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Reducing inequalities in health and wellbeing experienced by many Tower Hamlets residents is one of the biggest challenges facing the borough. Although life expectancy has risen over the last decade, it continues to be lower than the London and national averages, and significant health inequalities persist.



Tower Hamlets is the **10th most deprived** borough in the country.



Tower Hamlets **females** have the 5th lowest healthy life expectancy (HLE) in the country, **82.4 years** compared to the national average of **83.1 years**. This difference can be attributed to the high levels of deprivation in the borough.



Tower Hamlets **males** have the lowest healthy life expectancy (HLE) in the country, **78.4 years** compared to the national average of **79.5**. This difference can be attributed to the high levels of deprivation in the borough.



The profile of the borough is one of increasing diversity, with



**43%** of the population born outside of the UK.

There are sizeable Bangladeshi (**32%**) and White British communities (**31%**) and an increasing number of smaller ethnic groups in the resident population.

## Safeguarding adults performance data

### Safeguarding adults concerns

*formally known as referrals*

This section of the report presents provisional information for 2016/17 in relation to safeguarding adults. The council, in its lead role for safeguarding, has an overview of all safeguarding concerns received within the area, and as such data from the council's case management systems has been used to inform this section of the report. It gives an overview of concerns that have been received and the section 42 inquiries that have been concluded.

### Number of concerns

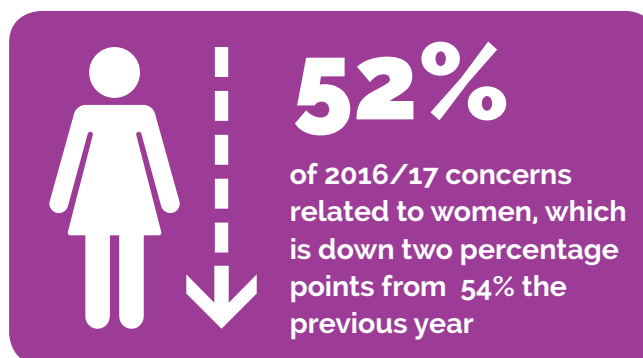
In 2016/17, 720 safeguarding concerns were recorded in Tower Hamlets.

- The number of concerns has increased compared to the previous year when 467 concerns were made in Tower Hamlets.
- There is an increased awareness of safeguarding and this contributed to more concerns being raised by practitioners and people in the community and greater scrutiny of the concern by social workers.



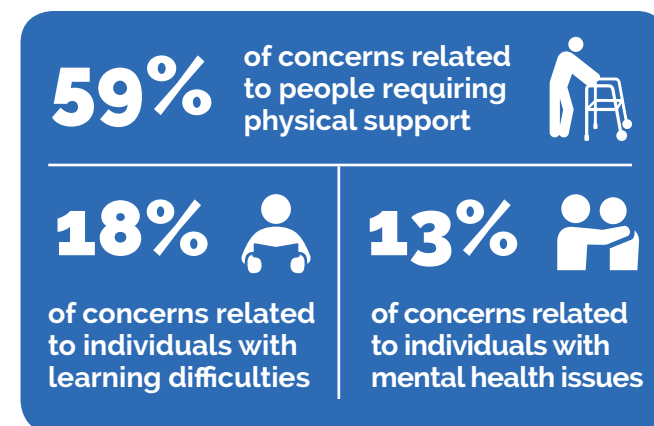
### Who is being referred?

- 52% of 2016/17 concerns related to women, which is down two percentage points from 54% the previous year. The proportion of the borough's adult population who are female is 48%, suggesting an over representation of women in referrals.



- 58% of 2016/17 concerns related to older people (over 65), which is up three percentage points compared with the previous year. This is slightly below the profile of social care service users, 62% of whom are over 65.

- 58% of 2016/17 concerns related to people from a 'white' ethnic background. This is in line with the previous year. This figure is higher when compared against the overall profile of the borough (45% 'white' in the last Census). However, 63% of the older population in Tower Hamlets are white and as noted above, most safeguarding referrals come from this group.
- 59% of 2016/17 safeguarding concerns related to people requiring physical support, which is up five percentage points compared with 54% the previous year. 18% of concerns related to individuals with learning disabilities (down from 24% the previous year) and 13% related to individuals with mental health issues (up from 10% the previous year).



## Safeguarding adults performance data

### Safeguarding adults enquiries

Safeguarding adults enquiries are concerns received that have proceeded to a safeguarding investigation.

696 safeguarding adults enquiries were undertaken and concluded in 2016/17; an increase when compared to the figure of 521 for 2015/16. This increase can be seen as a result of more safeguarding concerns raised in 2016/17.

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### Where abuse takes place

Based on concluded safeguarding investigations, the majority of safeguarding issues take place in the alleged victim's own home. The figure is 58% in Tower Hamlets, which is higher than the 2015/16 result of 54%. Across the six care homes in Tower Hamlets the number of safeguarding enquiries for 2016/17 is down from 16% in 2015/16 to 14%.

### Types of abuse

Neglect was the largest single type of abuse investigated in Tower Hamlets in 2016/17 at 36%, similar to the previous year. Physical abuse accounted for 20% of investigations in Tower Hamlets in 2016/17, compared to 30% last year. Financial abuse investigations in Tower Hamlets accounted for 20% in 2016/17, up from 21% the previous year.



### Safeguarding inquiries Outcomes - Managing risk

Safeguarding can be a complex process with a number of factors that will render a person or situation being at risk. The interventions of safeguarding is to take an individual and proportionate approach ensuring where risk cannot be completely removed strategies are in place to monitor and inform the individual of what services are available to support them.

Of the 696 safeguarding enquiries the recorded level of risk posed to the individual was reduced in 366 cases. The risk was removed in 176 with risk remaining in 44 cases.

### Deprivation of Liberty Safeguards performance data

The Deprivation of Liberty Safeguards is an amendment to the Mental Capacity Act 2005 (amended in 2007). The Mental Capacity Act allows restraint and restrictions to be used but only if they are in a person's best interests and they lack capacity to make decisions about their care or treatment. The Deprivation of Liberty Safeguards (DoLS) can only be used if the person will be deprived of their liberty in a care home or hospital. In other settings the Court of Protection can authorise a deprivation of liberty.






	2016/17	2015/16
Total DoLS requests received	<b>*1076</b>	<b>885</b>
DoLS Authorised	<b>660</b>	<b>613</b>
DoLS Not Authorised	<b>106</b>	<b>83</b>
DoLS Withdrawn	<b>247</b>	<b>189</b>

\* this figure includes 63 DoLS cases pending authorisation

### Funding arrangements for SAB

Funding of Tower Hamlets Safeguarding Adults Board is received both in monetary terms and in kind. It is acknowledged that every organisation faces financial challenges each year; therefore it is with appreciation that partner members give their time and resources to support the functioning of the board.

The following table budget sets out the budget for 2016/17.

Page 45		<b>Staffing</b>	<b>£118,497</b>
		<b>Supplies &amp; services</b>	<b>£478</b>
		<b>Safeguarding adult reviews</b>	<b>£10,375</b>
		<b>Total</b>	<b>£129,350</b>
		<b>Contributions from partner agencies</b>	<b>£14,000</b>



### Training - Adults Safeguarding

Tower Hamlets provides a range of safeguarding adults training for staff at all levels, such as basic awareness and training for managers supervising staff undertaking safeguarding investigations. Bespoke training in conjunction with other agencies and organisations is provided such as domestic violence, hoarding and the law, human trafficking, modern day slavery and female genital mutilation. Partner agencies also provide a range of training for their staff.

Safeguarding adults basic awareness e-learning is a web based training portal and is available to all Tower Hamlets staff and those working in the private, independent sectors, carers and volunteers working with adults. Training is provided free of cost to the recipient.

### What have our service users said?

“ The safeguarding process was very stressful but I'm glad a positive outcome came out of it as \*\*\*\*\* is out of my life. ”

“ I am glad for the safeguarding process but I feel embarrassed that it took this long to report \*\*\*\*\*. ”

“ Going through the safeguarding process has made me feel stronger and I know now that I am not as vulnerable as people make me out to be. ”

“ I am glad I confided in my occupational therapist as it had made me feel less anxious. ”

## Tower Hamlets Safeguarding Adults Board Priorities for 2016- 2017

The priorities for 2016-17 came from the SAB annual workshop in May 2016 where partner agencies agreed the priorities for the forthcoming year. Each priority was built into the business plan relating to the six principles of safeguarding. This is monitored by SAB and work undertaken via the sub groups. Each partner agency has worked to ensure their organisation continues to provide a service and that the workforce receives safeguarding training and understand how to recognise abuse respond to it. Here is a summary of work carried out.

### EMPOWERMENT

#### Our Goals

People being supported and encouraged to make their own decisions and give informed consent.

#### Outcomes for Adults in Tower Hamlets

*"I am asked what I want as the outcomes from the safeguarding process and these directly inform what happens."*

#### What we achieved

**Providence Row:** We have implemented a programme of person centred support and care planning, using specifically designed support tools to evidence consultation and placing service users at the centre of any safeguarding plan.

**Tower Hamlets Adult Social Care:** Making Safeguarding Personal is a core component of the work we do where an individual is the subject of a safeguarding investigation.

**THCVS:** We have provided basic safeguarding awareness to people using our services through our informal safeguarding information session for a user-led mental health peer support group.

### PREVENTION

#### Our Goals

It is better to take action before harm occurs.

#### Outcomes for Adults in Tower Hamlets

*"I receive clear and simple information about what abuse is, how to recognise the signs and what I can do to seek help."*

#### What we achieved

**London Fire Service:** Our Home Fire Safety Visit service has been delivered to more than 80,000 households per year. A significant portion of the referrals made about vulnerable adults are as a direct result of a Home Fire Safety Visit.

**Toynbee Hall:** We have retrained all 80 staff at Toynbee Hall in safeguarding awareness and have made safeguarding awareness a key component of our induction training.

**Housing Options:** We undertook risk management of complex adult cases i.e. homeless people and those with mental health issues and raise the awareness of safeguarding needs of homeless people and people at risk of suicide.

### PROPORTIONALITY

#### Our Goals

The least intrusive response appropriate to the risk presented.

#### Outcomes for Adults in Tower Hamlets

*"I am sure that professionals will work in my best interests as I see them, and professionals will only get involved as much as needed."*

#### What we achieved

**Real:** Our Direct Payment team work closely with our clients and the social worker to ensure any potential safeguarding report made is sensitively managed and there is a good understanding of what the client wants from the process.

**The London Fire Brigade** recognises safeguarding as integral to quality and best practice. Relevant connections are made at all levels between related issues such as dignity in care; equality; balancing choice and safety.

**Violence Against Women and Girls (VAWG), Domestic Violence (DV) & Hate Crime (HC):** There are close links with victims of DV/VAWG and HC and those requiring adult social care interventions. We have secured funds and commissioned an independent victim support service who safeguard over 400 victims of high risk DV per year. We support victims in making choices. Our case panels and outreach campaigns aim to protect victims by encouraging reporting and access to support/protection.

## PROTECTION

### Our Goals

Support and representation for those in greatest need.

### Outcomes for Adults in Tower Hamlets

*"I get help and support to report abuse and neglect. I get help so that I am able to take part in the safeguarding process to the extent to which I want."*

### What we achieved

**Tower Hamlets Clinical Commissioning Group (THCCG):** As part of our work with organisations we carry out 'organisational health checks' that include basic questions on Disclosure and Barring Service checks and compliance with safeguarding adults procedures. Where organisations are not compliant, we work with them to meet the required standards.

**Barts Health NHS Trust:** The safeguarding principles set out in the Care Act have been incorporated into the Trust policies, emphasis has been placed on the needs and wishes of the person experiencing abuse or neglect.

**Community Safety Partnership (CSP):** Dedicated Community Safety Officers now work closely with borough Faith Officers to ensure Faith centres receive information around vulnerable individual who are likely to be radicalised.

**London Ambulance Service:** We have produced a set of four short films on dementia. We used the services of an expert in Dementia care and the film focused on Carers and people living with dementia. Film number four dealt with safeguarding concerns for vulnerable people living in a care or their own property.

## PARTNERSHIP

### Our Goals

Local solutions through services working with their communities. Communities have a part to play in preventing, detecting and reporting neglect and abuse.

### Outcomes for Adults in Tower Hamlets

*"I am confident that professionals will work together, with me and my network, to get the best result for me. I know that staff treat any personal and sensitive information in confidence, only sharing what is helpful and necessary."*

### What we achieved

**Tower Hamlets Clinical Commissioning Group (THCCG):** We jointly fund with Tower Hamlets Council the Safeguarding Adults Strategy and Governance post.

**London Ambulance Service:** We are working with the London Fire Brigade by providing fire safety support to people who would like information on how to reduce the risk of fires in their homes.

**East London Foundation Trust (ELFT):** We attend Safeguarding Adults Reviews which are conducted by London borough of Tower Hamlets. We share the information with our partners and ensure recommendations and learning from Safeguarding Adults Reviews are implemented.

**REAL:** When a client chooses to manage their own support and care needs through a direct payment, we work closely with other parties ensuring that everyone knows what is expected of them and what to do if there is a problem, ensuring our clients remain in control.

## ACCOUNTABILITY

### Our Goals

Accountability and transparency in delivering safeguarding.

### Outcomes for Adults in Tower Hamlets

*"I understand the role of everyone involved in my life and so do they."*

### What we achieved

**Tower Hamlets Community Voluntary Service:** We provide basic safeguarding advice to people leading groups who use services. We also raise safeguarding awareness for service users.

**Tower Hamlets Clinical Commissioning Group (THCCG):** The Trust's safeguarding adults policy was updated to take account of the changes following the Care Act. This includes a summary of the duties under Prevent and the Mental Capacity Act and information sharing. The Care Quality Commission rated us as good at keeping people safe.

**Barts Health NHS Trust:** We carried out a programme of face to face training events for all adult in-patient and community teams across the Trust and Trust Board members. We delivered 242 training sessions on Deprivation of Liberty Safeguards and the Mental Capacity Act where approximately 2,500 staff attended.

## Summary of achievements by THSAB and partner agencies

As from 1st April a Mind Advocate will be based on the wards of the East London Foundation Trust.

Tower Hamlets Community Mental Health teams have safeguarding managers and investigation officers who are well versed with the safeguarding adult process.

We the Police work in partnership with the borough which has an active and well resourced Prevent team. We also work closely with the Faith officer and central specialist units.

The London Fire Brigade has a number of local initiatives (such as our 'Christmas Dinners' event) which enable us to reach out further to those who are vulnerable in the community - providing additional opportunities for their voices to be heard and to effectively tackle the impact of social isolation.

Barts NHS Trust has undertaken a number of initiatives to meet Healthcare for All, (DH, 2008). This includes flagging all patients known to the local learning disability teams in the 3 boroughs. The use of the Hospital Passports and easy read materials have been implemented. We have been part of the national pilot for the mortality review and will use early findings from this project to influence health care that improves the outcomes for people with learning disabilities.

The Tower Hamlets Council for Voluntary Service has clear safeguarding policies and procedures that demonstrate accountability. Where a safeguarding alert is made, our response would be reviewed at a senior level and trustee level.

Adult social care has revived provision of qualitative safeguarding audits which is a mechanism to assess the quality of practice and identify any improvements trends or learning needs for the future.

The Community Safety Partnership's formation of the Prevent Board, and latterly Operational Working Group has helped improve joint working and fostered better links both between services within the council and between the council and local partners. The Prevent Delivery Plan invites all partners to update work (particularly partnership working) to ensure properly integrated approaches across all sectors to safeguarding in relation to Prevent are delivered.

At Real we have a key role in supporting clients referred for statutory advocacy. By the nature of the referral these clients are particularly vulnerable. Our advocates provide tailored support to enable our client to engage in the process and feel empowered to have their say and their wishes carried out.

Tower Hamlets Clinical Commissioning Group ensures robust and safe recruitment and has in place an allegations policy for issues regarding staff and safeguarding adults or children's concerns.



## Safeguarding Adults Review

Section 44 of the Care Act 2014 places a duty on Safeguarding Adults Boards to arrange a Safeguarding Adults Review (SAR), in cases where an adult has died or experienced significant harm or neglect.

In Tower Hamlets there are currently four SARs at different stages of conclusion.

On conclusion of the SAR, an action plan will be drawn up to ensure the recommendations of the findings are implemented.

The Executive summary of each SAR will be available on the Council webpage and a full report is available on request from the Safeguarding Adults Board Coordinator.

### The purpose of the SAR is to:

- Establish what lessons are to be learnt from a particular case in which professionals and organisations work together to safeguard and promote the welfare of adults at risk.
- Identify what is expected to change as a result, to improve practice.
- Improve intra-agency working to better safeguard adults at risk.
- Review the effectiveness of procedures, both multi-agency and those of individual organisations.

Mrs Q is a 75 year old white British woman who lived alone at the time of the review. She lived in a first floor level access flat reached via a lift. Mrs Q has a relative who lives outside London and has had some contact with her. Mrs Q has an advocate who is based in the community. Having a number of health problems and hospital admissions, Mrs Q found it difficult to accept help. Events led up to her being discharged from hospital without any support and Mrs Q was left alone for several days.

Tower Hamlets Safeguarding Adults Board commissioned a safeguarding adults review to investigate the events leading to Mrs Q being left without personal care services for several days. It was evident that if there were better communications between agencies, Mrs Q would not have been left in this situation. As a result, the working practices and operational procedures of key staff and agencies involved in Mrs Q's care were reviewed with a requirement to improve communications between agencies, specifically in the hospital discharge arrangements of people who are vulnerable. Management reports were commissioned from all the agencies working with Mrs Q and a round table learning event took place in January 2017. Recommendations were agreed at this event and these are included in this report.

[http://live-lbtower.cloud.contensis.com/IGNI/health\\_\\_social\\_care/safeguarding\\_adults/Safeguarding\\_Adults\\_Review.aspx](http://live-lbtower.cloud.contensis.com/IGNI/health__social_care/safeguarding_adults/Safeguarding_Adults_Review.aspx)

### Our Priorities for 2017/18



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### Other areas for development and implementation



# KEEPING ADULTS SAFE IN TOWER HAMLETS 2016-17

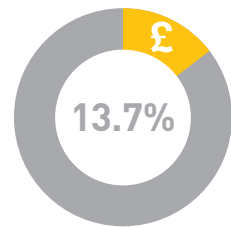


The SAB is a multi-agency board that oversees safeguarding arrangements for adults in the borough.

## POPULATION

**304,900**

We have the fastest growing population in the country



**49.7%** of older people live below the poverty line

**13.7%** of families have a household income of less than £15K

## HEALTH



**78.4** years – life expectancy for a man versus 79.5 years national average



**82.4** years – life expectancy for a woman versus 83.1 years national average



Severe Mental illness is the fifth highest in London

## ACHIEVEMENTS IN 2016-17

- A review of the Care Act 2014 requirements recognising that self-neglect and hoarding was a multi-agency issue with innovative ideas and new approaches identified.
- Adoption of the Ethical Care Charter by the Council with investment in domiciliary care services to improve the quality of care.
- Deprivation of liberty Safeguards: 1076 people were referred for assessment. 660 applications were authorised.
- Local communities have been supported to develop their understanding of safeguarding.
- Home Fire safety visits are delivered to more than 80,000 households per year of which many are vulnerable adults.

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## SAFEGUARDING ENQUIRIES

**696** safeguarding enquiries were conducted by adult social care teams to establish whether abuse has occurred



The most common types of abuse investigated were:

**36%** neglect

**20%** physical abuse

**20%** financial abuse

In **62%** of cases risks to the person were reduced and in 30% of cases the risk was completely removed

**58%** of safeguarding issues occur in the adult's own home

**14%** of safeguarding issues occurred in care homes

## SAFEGUARDING ADULTS BOARD

Making Safeguarding Personal



6 key principles of safeguarding:

**Empowerment**

**Prevention**

**Proportionality**

**Protection**

**Partnership**

**Accountability**

“Going through the safeguarding process has made me feel stronger and I know now that I am not as vulnerable as people make me out to be.”

Safeguarding Adults is everyone's responsibility

## PRIORITIES FOR 2017-18

- Professionals to take a person centred and holistic approach to safeguarding.
- Advocacy for individuals who lack mental capacity or difficulty in decision making.
- Minimise repeat safeguarding issues.
- Robust risk assessment and management arrangement involving adults, their families and carers.
- Improving data analysis to measure outcomes.
- Increase engagement with adults to ensure SAB reflects their views on how to prevent abuse.
- To ensure effective holding to account of agencies.

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<p><b>Cabinet</b></p> <p>28 November 2017</p>	
<p><b>Report of:</b> Debbie Jones, Corporate Director for Children's Services</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Tower Hamlets Safeguarding Children Board Annual Report 2016-17</b></p>	

<b>Lead Member</b>	<b>Councillor Amy Whitelock Gibb, Cabinet Member for Education and Children's Services</b>
<b>Originating Officer(s)</b>	Monawara Bakht, Safeguarding Children Strategy and Governance Manager
<b>Wards affected</b>	All Wards
<b>Key Decision?</b>	No
<b>Community Plan Theme</b>	<b>A Safe and Cohesive Community</b>

**Executive Summary**

This report and its appendix set out the annual report of Tower Hamlets Local Safeguarding Children Board (LSCB), which is a statutory requirement under the Children Act 2004 and Working Together to Safeguard Children Guidance 2015. The annual report sets out the Board's governance arrangement, key safeguarding information and response to the Ofsted Review of LSCB undertaken in February 2017.

**Recommendations:**

The Mayor in Cabinet is recommended to:

1. Note the annual report from the Local Safeguarding Children Board for 2016-17

**1. REASONS FOR THE DECISIONS**

- 1.1 The Local Safeguarding Children Board (LSCB) is required to publish an annual report on the effectiveness of child safeguarding arrangements and promoting the welfare of children in its locality, ensure the annual report is available within the professional and public domain. The LSCB annual report, which fulfils this responsibility, is appended to this paper.

## **2. ALTERNATIVE OPTIONS**

- 2.1 There are no alternative options. It is a statutory requirement for the LSCB to report to the leader of the council (Mayor) along with the Chief Executive, the Borough Commander, the Crime and Policing Commissioner and Chair of the Health and Wellbeing Board on an annual basis.

## **3. DETAILS OF REPORT**

- 3.1 Ofsted undertook a review of the LSCB in February 2017 and found it be 'inadequate' as it is was 'not discharging all of its statutory functions'. It was described to have a number of shortfalls including the LSCB Performance Dataset, which did not sufficiently focus on core business and its priorities, or able to monitor the quality of front line practice.
- 3.2 The LSCB has accepted Ofsted's judgement and findings and as a result, the annual report is limited in its ability to reflect the full range of activities undertaken by the board and partner members and demonstrate it has been able to keep all children safe from harm.
- 3.3 The 2016-17 annual report is a departure from previous years in that it is not able to provide an assessment of the effectiveness of the local safeguarding arrangements. The condensed annual report excludes analysis of its performance in 2016-17. It focuses on explaining how the LSCB will respond to the findings of the Ofsted Review and its future direction.
- 3.4 The content of the annual report includes its current governance information, local borough profile including key safeguarding information and setting out the national context for LSCBs in the near future.
- 3.5 The LSCB will ensure next year's report provides a full and detailed account of the areas of improvement and demonstrate it is able to challenge and hold its partners to account.

## **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 In response to Ofsted's findings and recommendations, Tower Hamlets LSCB may experience increased costs in 2017-18 as part of its efforts to implement the recommendations and the potential increase in the numbers of serious case reviews.
- 4.2 The 2017-18 cost is unquantified at this stage but is likely to be significantly higher than the circa. £86K incurred in 2016-17. Whilst the cost of running the LSCB is shared with partners, LBTH remains the highest contributor towards these costs.

## **5. LEGAL COMMENTS**

- 5.1 The Council's functions in relation to children include an obligation under section 11 of the Children Act 2004 to make arrangements to ensure that its functions are discharged having regard to the need to safeguard and promote the welfare of children.
- 5.2 The Council has established the LSCB in accordance with its current obligation under section 13 of the Children Act 2004. The LSCB carries out the following functions as prescribed in the Local Safeguarding Children Boards Regulations 2006 –
- (a) developing policies and procedures for safeguarding and promoting the welfare of children in Tower Hamlets;
  - (b) communicating to persons and bodies in Tower Hamlets the need to safeguard and promote the welfare of children, raising their awareness of how this can best be done, and encouraging them to do so;
  - (c) monitoring and evaluating the effectiveness of what is done by the authority and their Board partners individually and collectively to safeguard and promote the welfare of children, and advising them on ways to improve;
  - (d) participating in the planning of services for children in the area of the authority; and
  - (e) undertaking reviews of serious cases and advising the authority and their Board partners on lessons to be learned.
- 5.3 Section 14A of the Children Act 2004 requires the LSCB Chair to publish an annual report on the effectiveness of child safeguarding and promoting the welfare of children in the local area. The statutory guidance 'Working Together to Safeguard Children' published in March 2015 and updated on 16 February 2017 sets out that the annual report should be published in relation to the preceding financial year and should fit with local agencies' planning, commissioning and budget cycles. The report should be submitted to the Chief Executive, Mayor, the local police and crime commissioner and the Chair of the Health and Wellbeing Board.
- 5.4 The annual report should provide a rigorous and transparent assessment of the performance and effectiveness of local services. It should identify areas of weakness, the causes of those weaknesses and the action being taken to address them as well as other proposals for action. It is therefore appropriate that the report addresses the concerns raised in respect of the LSCB in the Ofsted Review and action plan to improve child safeguarding practice. The report should include lessons from reviews undertaken within the reporting period. The appended report complies with these requirements.

- 5.5 Please note that when Chapter 2 of the Children and Social Work Act 2017 comes into force, this will make changes to the arrangements for local child safeguarding partnerships and the serious case review process, including provision for a central Child Safeguarding Practice Review Panel for cases of national importance. The commencement date for these sections has not yet been published.
- 5.6 In particular, section 16 of the Act will introduce a new section to the Children Act 2004, setting out revised arrangements for local multi-agency safeguarding partnerships to replace the previous model of local safeguarding children boards (LSCBs). Under the new provisions, safeguarding partners for a local authority area (named as the local authority, clinical commissioning group and police) are required to make arrangements for themselves and relevant agencies to work together in exercising their functions for the purpose of safeguarding and promoting the welfare of children in the area.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The report sets out safeguarding issues for children in Tower Hamlets and how the LSCB intends to address them, ensuring that, all children are appropriately safeguarded at all times and are able to achieve a good level of wellbeing.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 There are no implications

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 There are no implications.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 The LSCB maintains a Risk and Issues Register, capturing risks as identified by a member agency or the LSCB Independent Chair. The LSCB chair and Executive Board members monitor the risks, mitigation and remedial actions.
- 9.2 The LSCB chair escalates risks causing significant partnership concern or difficulties to the chief executive or senior officer of the relevant agency. The LSCB chair updates the council's chief executive of the LSCB risk register at quarterly one-to-one meetings.



## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 Safeguarding has an important interface with crime and disorder. Effective safeguarding means that children and young people are safe from harm caused by crime, for example abuse and exploitation. The report sets out how the work of the LSCB links with that of the Community Safety Partnership.

## **11. SAFEGUARDING IMPLICATIONS**

- 11.1 This report sets out implications for safeguarding children following the Ofsted Review of the LSCB and how the LSCB intends to address them.

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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- None

#### **Appendices**

- Tower Hamlets Safeguarding Children Board Annual Report 2016-17

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

- None

#### **Officer contact details for documents:**

N/A

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## Tower Hamlets LSCB Annual Report 2016/17

Safeguarding is everyone's responsibility



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## Chair's Foreword



I am the Independent Chair of the Safeguarding Children Board and took up my role in November last year. I would like to thank Sarah Baker, the previous chair, for all her hard work.

This annual report has been written following a recent Ofsted inspection in to both Tower Hamlets children's social care and a review of Tower Hamlets Safeguarding Children Board. In both cases, Ofsted have graded the organisations as "inadequate". This is the lowest grading. The Metropolitan Police received a highly critical report on child safeguarding from Her Majesty's Inspectorate of Constabulary (a London wide report that was not specific to Tower Hamlets) and colleagues at Barts Health NHS Trust have been in special measures since their CQC inspection in 2015.

Against this backdrop it would not be appropriate to produce an annual report that attempts to demonstrate that our children are safeguarded to the standards we would hope. Whilst there has been some really good work, carried out by both individuals and organisations, this is overshadowed by the recent inspections.

As a result of the Ofsted inspection, Tower Hamlets Council now has an Improvement Board to oversee the necessary changes in children's services. The improvements will not be made by the local authority alone. All of the agencies engaged in child safeguarding will need to play their part. It is the job of the safeguarding board to facilitate this collaborative approach.

I appreciate that for front line professionals, the additional pressures of an improvement programme will make for a very challenging year ahead. I have met some outstanding individuals and I am confident that together we can meet the expectations that children, young people, families and carers have of our safeguarding services.

The safeguarding board has been re-designed and will focus on holding

agencies to account and ensuring that agencies work together in the best interests of our children and young people. We know that Tower Hamlets can be a challenging environment for children and young people. Agencies need to improve services and step up to these challenges.

As a result of this year's inspection, the annual report focuses on the improvements to be made and the way the board is dealing with those challenges.

I do thank all of those engaged in safeguarding our children in these challenging times, especially those voluntary services who do so much to support our children, young people and families.

I look forward to reporting progress in my report next year.

**Stephen Ashley**

Independent Chair  
Tower Hamlets Safeguarding Children Board

# KEEPING CHILDREN SAFE IN TOWER HAMLETS 2016-17

The Local Safeguarding Children Board is here to help keep children and young people free from abuse or neglect.

## POPULATION

**304,900**

Fasted growing local authority in the UK – first time it has exceeded 300,000 since World War II

**32%** Bangladeshi and 31% White British make up our top two groups

**12.4%** of White Other (Eastern/Western Europeans) is the third largest and fastest growing ethnic minority group




**20%** of our population are under 16

**26.6%** of households have dependent children

**49%** of children continue to live in poverty

## EDUCATION

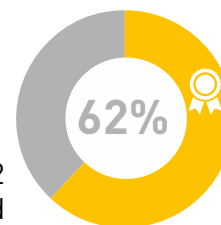
**9 in 10** pupils attending school is from an ethnic minority group 



**53%** were eligible for free school meals making it the highest in the country

**62%** achieved a good level of development at age 5

**62%** achieve expected KS2 levels in Reading, Writing and Maths at the end of primary school – above the national average of 54%



**57.1%** of pupils in 2016 achieved 5 grade A\*-C passes

## CHILDREN LOOKED AFTER

**333** children were looked after by the local authority

**43** were under 5

**48** were aged 5 to 9


**122** were aged 10 to 15

**120** were aged 16 to 17



**18** children live in private fostering arrangement

## VULNERABLE CHILDREN

Most children grow up safe, happy and well. However, a small number of children and young people face some serious challenges in their lives. 

**61** young people were referred to multi-agency sexual exploitation panel – the average were 14 year old females

**238** incidents of children missing from care


**176** incidents of children missing from home

**25** potential victims of trafficking were identified

**36** child deaths reported this year of which majority were expected (life limiting illness) and under the age of 1

**1** serious case review was published on the LSCB website

## CHILDREN PROTECTED

**1,417** child protection investigations were carried out 

**388** children were subject to a child protection plan at the end of March 2017 under the following categories:

**Sexual Abuse - 15**

**Emotional Abuse - 182**

**Neglect - 105**

**Physical Abuse - 74**

**Multiple Abuse - 12**

Children living with domestic abuse continue to be the most common reason why children become subject to child protection plans under the category of domestic abuse.

18 children remained subject to child protection plans lasting 2 years due to neglect at home

# KEEPING CHILDREN SAFE IN TOWER HAMLETS 2016-17

The Local Safeguarding Children Board is here to help keep children and young people free from abuse or neglect.



## ACTIVITY OVER THE LAST YEAR

### EARLY HELP SUPPORT WITH PARENTS/CARERS

**200** parent/carers attended the Annual Parent Conference on 'Keeping our children safe and well'



**669** parent/carers accessed advice/information to support their child's school transition

**32,591** unique visits to the Local Offer website

**31** Parent Ambassadors were trained and actively delivering healthy eating sessions in schools

**15,550** contacts made with the Family Information Service

**250** plus members on the Parent and Carer Council regularly contribute to help shape council services for families

## PRIORITIES FOR 2017-18

It is critical that the future priorities for the LSCB focuses on those areas that will directly impact on frontline practice and the support given to families and children.

### Priority 1 - Performance & Audit

- Will monitor the quality of front line practice through an improved and robust statistical analysis of child protection performance and partner agency intelligence for emerging safeguarding issues
- Will ensure there is effective inter-agency scrutiny, a culture of information sharing and constructive challenge through quality assurance

### Priority 2 - Situational awareness

- We will create systems-based leadership to drive safeguarding strategy and practice across key statutory partners and beyond
- We will create and foster opportunities for our safeguarding partners to identify barriers to partnership working

### Priority 3 - Learning from Serious Case Reviews

- We will maintain an effective case review system that applies systemic approaches to reviewing critical incidents
- We will learn from the work partners do to enhance our collective safeguarding knowledge and practice

### Priority 4 - Engagement

- We will share listen and share learning with our local and professional communities
- We will involve and listen to what children & young people need

## Section 1

### Introduction

The Tower Hamlets Local Safeguarding Children Board (LSCB) has a statutory duty<sup>1</sup> to prepare and publish an annual report on its findings of safeguarding arrangements in the area:

*“The chair of the LSBC must publish an annual report on the effectiveness of child safeguarding and promoting the welfare of children in the local area. The annual report should be published in relation to the preceding financial year..... The report should be submitted to the chief executive, leader of the Council, the local police and crime commissioner, and the chair of the Health and Wellbeing Board”*

The Annual Report is published on the LSCB Website

The year’s report is a departure from previous annual reports, which provided an assessment of our effectiveness. The ‘inadequate’ judgement made by Ofsted, following its review of Tower Hamlets LSCB in February 2016, imposes on us the need to focus on what we need to do to improve our local safeguarding arrangements alongside our key statutory partners. Therefore, the revised structure of this report is as follows:

<b>Executive Summary</b>	consolidates our borough profile and performance information to provide a snapshot summary of this report.
<b>Section 1</b>	describes the legislative and local governance framework of Tower Hamlets LSCB.
<b>Section 2</b>	provides local statistical and safeguarding information providing context for our work in the borough.
<b>Section 3 sets out the:</b>	national and local context for LSCBs in general and what this means for Tower Hamlets safeguarding responsibilities.
	provides a clear response to how we will tackle our shortfalls and strive to improve the way in which we know children in the borough are protected and safeguarded.
	sign-posts our direction of travel for the coming year and beyond. Priorities for 2017-18 are singularly linked to the improvement journey of Tower Hamlets Children’s Social Care and LSCB as a partnership body.

<sup>1</sup> Working Together to Safeguarding Children 2015 (DfE)



## Governance

### Legal Context

In April 2006, Tower Hamlets LSCB was established in response to statutory requirements under the Children Act 2004.

Now in its tenth year, the LSCB partnership continues to provide ongoing opportunities to improve local leadership and commitment to drive the safeguarding children agenda, enhance collaborative inter-agency working, increase wider engagement and influence from the professional and local community, develop effective ways in which children are safeguarded for their long-term outcomes and promote the sharing of good practice.

The core objectives of all Local Safeguarding Children Boards (LSCBs) are:

- To co-ordinate what is done by each person or body represented on the board for the purposes of safeguarding and promoting the welfare of children in the area of the authority.
- To ensure the effectiveness of what is done by each person or body for that purpose.

The scope of LSCBs includes safeguarding and promoting the welfare of children in three broad areas of activity:

- Activity that affects all children and aims to identify and prevent maltreatment, or impairment of health or development, and ensure children are growing up in circumstances consistent with safe and effective care.
- Proactive work that aims to target particular groups.
- Responsive work to protect children who are suffering, or are likely to suffer significant harm.

### Chairing and Support

The LSCB is chaired independently, in accordance with 'Working Together to Safeguard Children 2015.' Stephen Ashley was appointed as Independent Chair in November 2016 and reports directly to the chief executive of the local authority. His predecessor, Sarah Baker left her chairing position in Tower Hamlets in September 2016.

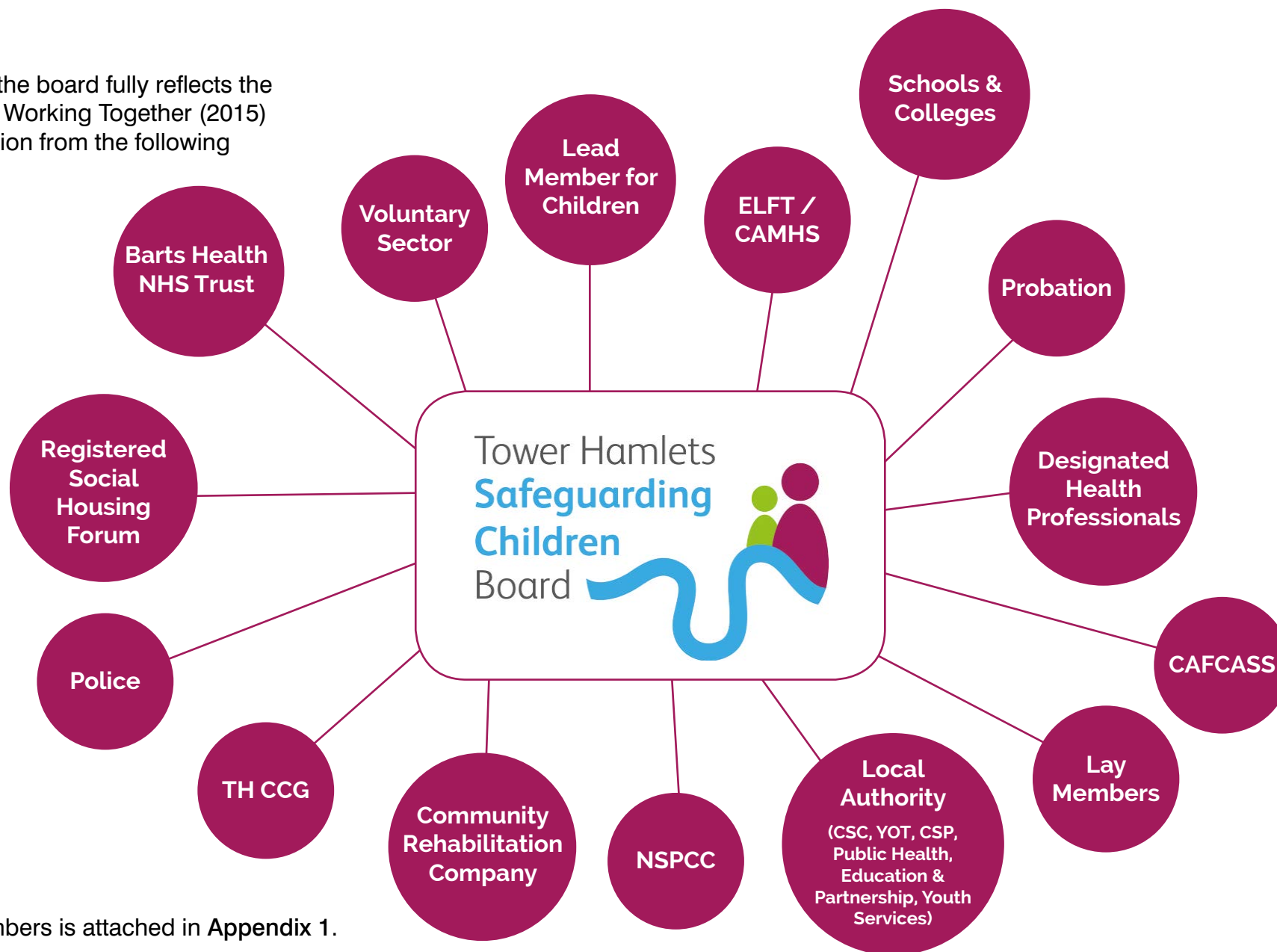
This report covers the period of both chairs' tenure.

A full-time business manager and business support officer along with the child death single point of contact officer support the LSCB. Barts Health NHS Trust funds the latter. Additional support is also provided by the Policy, Programmes and Community Insight function in the Council.



### Membership

Membership of the board fully reflects the requirements of Working Together (2015) with representation from the following partners:

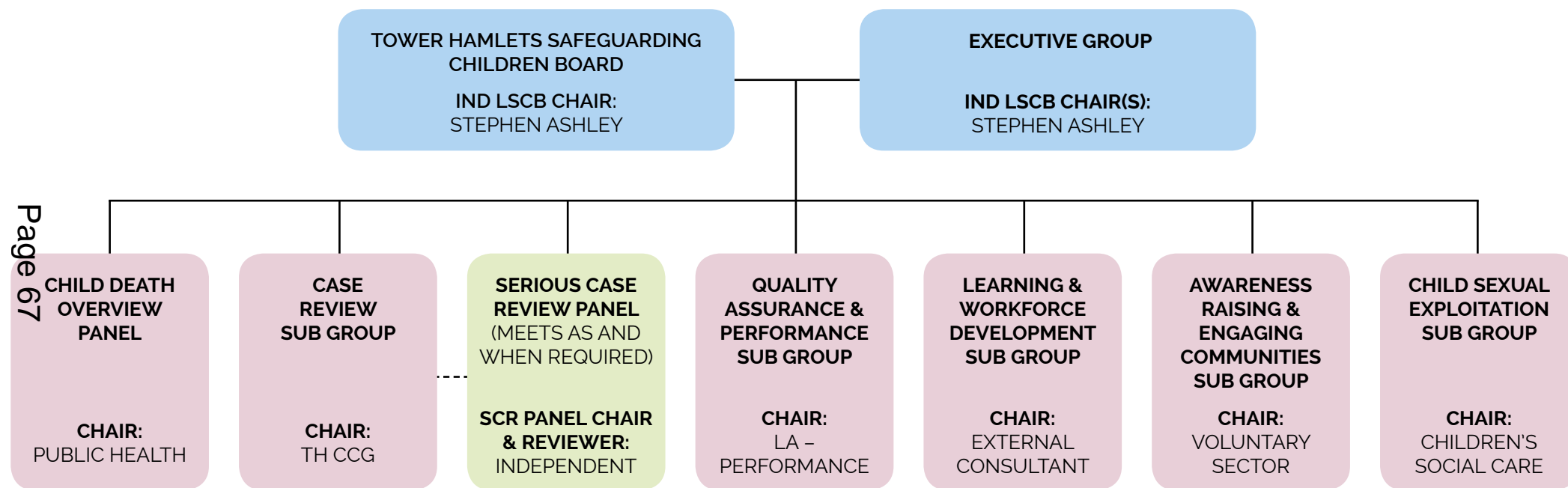


A full list of members is attached in Appendix 1.

### Structure

The Main Board meets every two months. Attendance at the LSCB meetings has been, as always, exceptionally good. The Executive Group also meets bi-monthly.

**The LSCB has six subgroups delivering the key functions of the LSCB:**

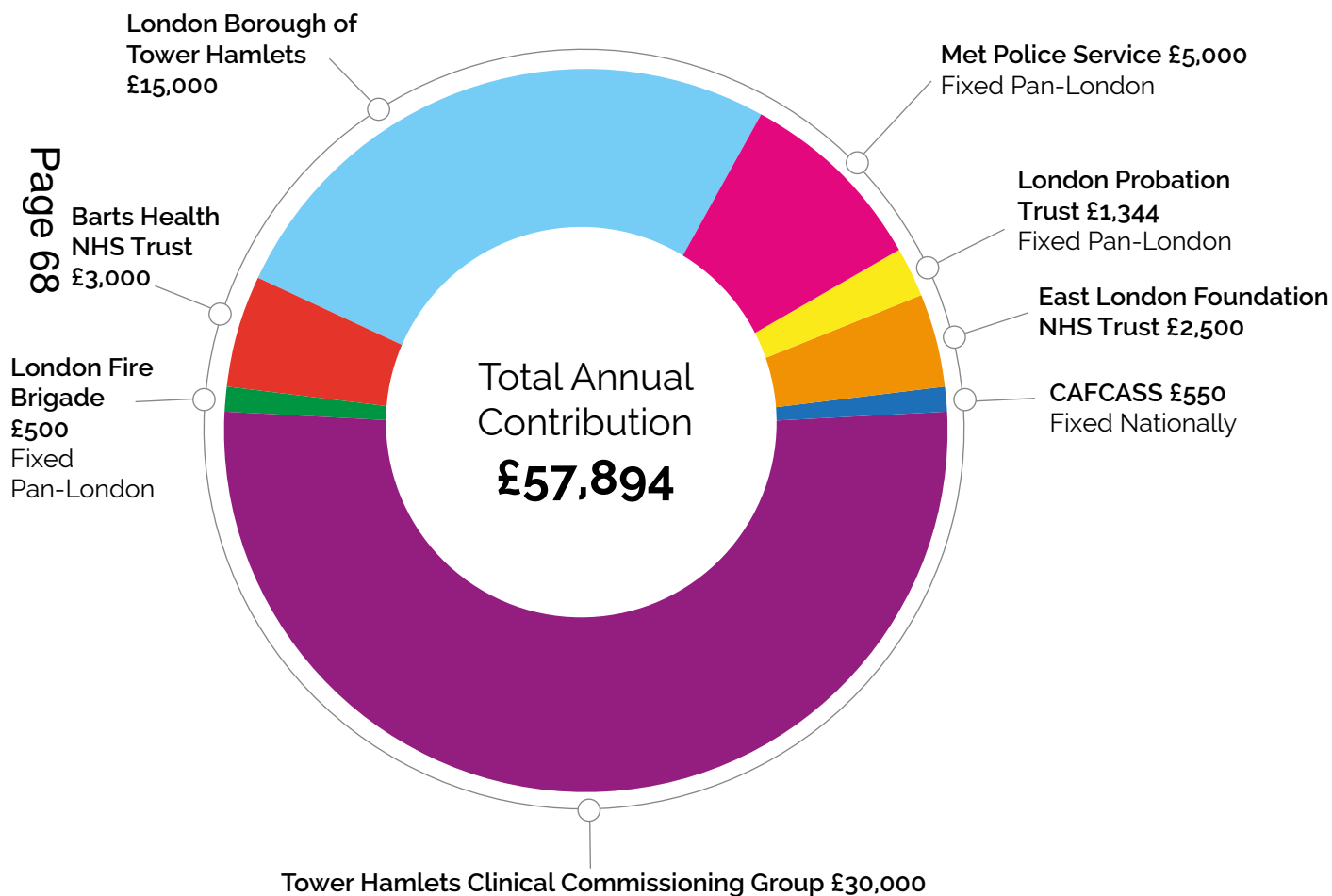


The membership of sub-groups was reviewed to ensure full multi-agency representation and members are able to make decisions on behalf of their organisations. Each sub-group is now well represented by children’s social care, mental health, community and acute health services, police, education and the voluntary sector.

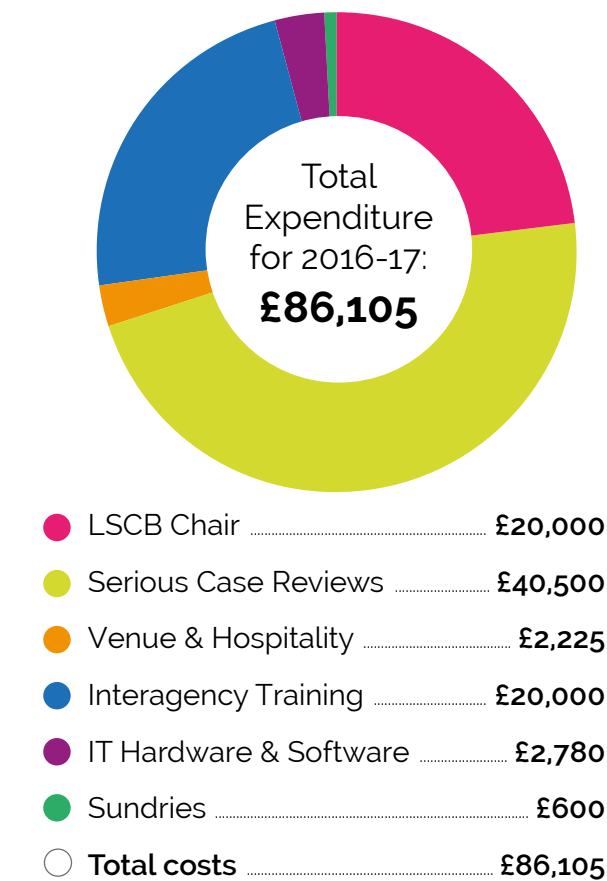
### Budget

The LSCB budget consists of contributions from a number of key statutory partners and is managed by the London Borough of Tower Hamlets (LBTH). Working Together, 2013 first placed an increased emphasis on no single agency being overly burdened with the cost of running the LSCB and stated that the LSCB budget is a shared responsibility across the partnership.

The following table shows contributions to the LSCB for 2016-17:



### Total expenditure for 2016-17:



The LSCB does not receive sufficient contribution to cover the cost of its annual spend. **The local authority covered this year's shortfall of £28,211**, in addition to staff costs of £55,900.

Unforeseen overspend is largely dependent on the number of serious case and other independent reviews conducted in the year.

## Section 2

### Local background and safeguarding context in Tower Hamlets

#### Population

Based on mid-year population estimates published by the Office of National Statistics (ONS) in June 2017, Tower Hamlets borough's population:

Reached **304,900** in June 2016.

This is the first time the area's population has exceeded 300,000 and first time since World War II.



Between June 2015-2016, **the borough gained 9,600 additional residents** – drivers for this are twofold: natural and migration changes. More birth than deaths and international immigration has increased our growth.



**Our proportion of under-16s at 20%** is similar to that of London and England (20% and 19% respectively).



Conversely, Tower Hamlets has proportionally one of the fewest older residents compared to with other areas. 9% are over 60 compared to London (16%) and England (23%).



Doubled in the past **30 years, making it the fastest growing Local Authority in the UK.**

Local population growth rate (40%) has doubled that of London (16%) and four times that of England (8%).

Gender of our residents comprises of **52.2% male** and **47.8% female** making it the forth highest proportion of male residents in the UK, more than London as a whole (49.8%) and England (49.4%). There are 13,300 more males than females.



Has a relatively **young population**, placed **forth youngest in the UK** with a median age range of 30.6.



## Diversity

The most recent Census in 2011 shows that Tower Hamlets has one of the most diverse populations in the country, home to many communities. Our ethno-demographic profile remains relatively unchanged since we last reported in 2015-16; the next census is due in 2021.

**Bangladeshis remain the largest ethnic minority group at 32%**, the largest in the country, followed by **White British at 31%**. This group has decreased from 42.9% since the 2001 census. The third largest ethnic group is other white (12.4%) consisting largely of eastern and western Europeans, Australian and Americans. This is the fastest growing ethnic group and has almost doubled between the 2001 and 2011 Census.

**At least 90 different languages being used in the borough** and 66% of our residents used English as their main language and 18% use Bengali, making it the fourth most linguistically diverse area in England and Wales.



**Households have grown by 28.9% since 2001 with an extra 22,727**, the highest growth seen within London.

A breakdown of households comprises of single person (34.6%), married or civil partner couples (23.7%), cohabiting couples (9.5%), lone parents (10.6%), other households with more than one family residing together (19.6%) and households with full time students (1.9%).

**There are 26,916 (26.6%) households with dependent children.** This is lower than London (30.9%) and England (29.1%). Of this, half live with two parents (49.1%) and a quarter (27.2%) live within a lone parent household.



The 2011 Census found 9% of our residents aged 16 plus, a total of **18,311 adults**, had **low levels of English proficiency in England.**

It is substantially higher than the average across London (4%) and England (2%). Only Newham was placed higher than Tower Hamlets.



## Diversity - School Population

While two thirds of the boroughs population are from an ethnic minority group (i.e. non-White British), nine in 10 pupils attending school in Tower Hamlets are from an ethnic minority group. The majority of pupils are from a Bangladeshi background (63%).

In the Spring School Census 2017<sup>2</sup>, the Department for Education (DfE) collected information on pupils' country of birth for the first time. However, it should be cautioned that data was missing for a significant proportion of pupils. 23% of all records are missing country of birth. This can be in part due to voluntary information provided by parents in fear of how the information could be misused for other purposes i.e. enforcing immigration regulations.

<sup>2</sup> Source: Tower Hamlets School Census, spring 2017.

Notes: Figures include pupils of all age groups: nursery, primary, secondary and post-16. Figures exclude dual registered pupils. Percentages are based on valid data only (excluding records with missing data).

### Tower Hamlets Pupil Population by country of birth – Spring 2017

	No of pupils	% of pupils
<b>Born in the UK</b>	<b>31,437</b>	<b>91.6</b>
<b>Not Born in the UK</b>	<b>2,878</b>	<b>8.4</b>
Africa	189	0.6
The Americas & the Caribbean	93	0.3
<b>Asia</b>	1,116	3.3
Bangladesh	920	2.7
Other Asian Countries	196	0.6
<b>Europe</b>	1,426	4.2
Italy	856	2.5
Spain	110	0.3
Other EU countries	403	1.2
Other non-EU countries	57	0.2
Middle East	41	0.1
Oceania/ Australasia	13	0.0
<b>Missing Data</b>	<b>9,970</b>	-
Total	44,285	100

## Health

Reducing inequalities in health and wellbeing experienced by so many Tower Hamlets residents is one of the biggest challenges facing the borough.

**Life expectancy has risen over the last decade** it continues to be lower than the London and national averages, and significant health inequalities persist. People in Tower Hamlets tend to become ill at an earlier age and this is reflected in the 'healthy life expectancy' figure, which is lower than the national average. The life expectancy gap between Tower Hamlets and England as a whole is 1.9 years for men and 0.5 years for women.

**13.5% of residents have a health condition or disability that limits their daily activities** and Tower Hamlets has a higher number of residents with a severe disability compared with London and England, despite our relatively young population.



Tower Hamlets has some of the **highest death rates** due to cancer, cardiovascular disease and chronic lung disease in the country.

Tower Hamlets also has amongst the highest adult infection rates of HIV, tuberculosis and sexually transmitted infections in London.



**The health and wellbeing of children in Tower Hamlets is mixed compared with the England average.** Infant and child mortality rates are similar to the London average. However, children in Tower Hamlets have worse than average levels of obesity: 22.5% of children aged 4-5 years and 41.9% of children aged 10-11 years are classified as overweight or obese. In addition, oral health is poor, with 45% of 5-year-old children experiencing tooth decay compared to 28% nationally.

In addition to improvements in maternity services, local NHS services have, in recent years, made **significant improvements to immunisation rates**, with coverage amongst the highest in the country for under fives.

Whilst there are **high levels of sexually transmitted diseases amongst adults in Tower Hamlets** (8th highest in the country), the available data suggests that amongst young people, infections may be relatively low. The rate of chlamydia infections in 15-24 year olds is below London and national averages. Whilst the rate of alcohol use in young people is low, drug use in the population is high.

The relationship between the LSCB and health partners, both commissioning and providers, is critical if we are to have an impact on improving the lives of vulnerable children and young people.



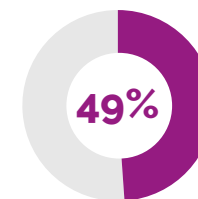


## Child Poverty

In 2014, there were an estimated 69,300 children and young people aged 0 to 19 living in Tower Hamlets, representing approximately 20% of the total population. The young population in the borough is projected to rise in line with the general population growth.

- The latest available child poverty data remains from 2015<sup>3</sup> and shows that 49% of children and young people in the borough live in poverty. This is the highest child poverty rate in the UK, despite recent falls in line with the rest of London. In the same year, 53% of pupils were eligible for free school meals in state-funded secondary schools, which is the highest level in the country. This level of disadvantage is likely to have lifelong negative effects on the health and wellbeing of children.
- The majority (83%) of these children live in families reliant on out-of-work welfare benefits where the unemployment rate was 9.4% in 2011, the second highest across London.

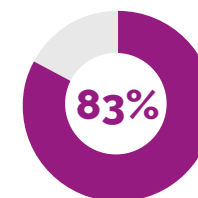
- The rate of homelessness acceptances is in line with the average for London in 2014 (5.1% per 1,000 households) despite it having fallen from a higher rate five years previously (8% per 1,000 households) while across London the rate rose. Similarly, while the rate of households in temporary accommodation rose in London between 2010-2015, it fell in Tower Hamlets though the rate is still higher than average (18.6% per 1,000 households compared to 13.6% as the London average). There is a high rate of overcrowding in the borough with 16% of all households overcrowded.



49% of children and young people in the borough live in poverty



53% of pupils were eligible for free school meals in state-funded secondary schools



83% of these children live in families reliant on out-of-work welfare benefit



<sup>3</sup> London's Poverty Profile Report 2015, New Policy Institute, [www.londonspovertyprofile.org.uk/indicators/boroughs/](http://www.londonspovertyprofile.org.uk/indicators/boroughs/)



## Education and Employment

In 2016, 62% of children achieved a good level of development at the age of five compared to a national average of 69%. Despite steady improvement over the last three years, this indicates that the issues highlighted above are continuing to impact on children in the early years.

Despite this disadvantage, children at school do well. In 2016, 62% of children achieved the expected Key Stage 2 level in reading, writing and maths by the end of primary school. This figure was above the national average of 54%. In 2016 GCSE results revealed that 57.1% of children achieved five grade A\*-C passes including English and Maths compared with a national figure of 57.7% for state funded schools in England.

Tower Hamlets results for GCSEs have been above national average since 2011.

At the age of 16, the proportion of young people who are not in education, employment or training is relatively high, although this figure drops to below the London average for those aged 18.

Level 3 (A-Level or equivalent) results are below the London and national average, although there has been some improvement. Between 2013/14 and 2014/15, the gap between Tower Hamlets and the national average (for state schools and colleges) has reduced.



## Children in need of help and protection

To fulfil its statutory function under Regulation 5<sup>4</sup> an LSCB should use data and, as a minimum, assess the effectiveness of the help provided to children and families, including early help.

### Based on our local safeguarding data for 2016-17:

There were a total of 2,528 referrals to children's social care in 2016-17 of which 317 were repeat referrals. This has decreased compared to the previous year 3,333 referrals of which 301 were repeats.

1,417 child protection investigations (s47s) were undertaken

183 of investigations against an adult working with a child were resolved within the 30 day DfE target

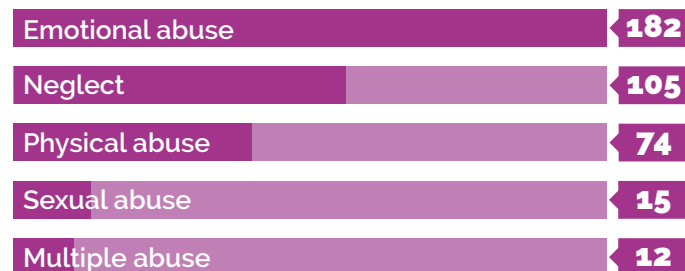
As of March 2017, 388 children were subject to a child protection plan over the 12-month period

Of these, 18 were subject to child protection plans for two years or more. The main reason was neglect

23 children were on a child protection plan for a second or subsequent time, within two years of the previous plan

<sup>4</sup> LSCB Regulation 2006

### Category of Abuse



Emotional abuse is the most common reason for children becoming subject to a child protection plan. These are mainly children who have experienced living with domestic abuse at home

**333 children were looked after by the local authority at the end of March 2016**

Children Looked After by age		
Age at 31 March	Boys	Girls
Under 1:	8	8
1 - 4:	4	23
5 - 9:	28	20
10 - 15:	65	57
16 - 17:	74	46
<b>TOTAL</b>	<b>179</b>	<b>154</b>
<b>Total of Children Looked After at the end of March 2017:</b>	<b>333</b>	

**178 children** were subject to a court application (including care and supervision orders)

**139 out of 183 children looked after** received their annual health and dental check within the 12 month period. **This has decreased from 83.2%**

**87 out of 287 young care leavers** are not in employment, education or training. This is based on the group of young people (aged 19-24) who were looked after at age 16

**18 children** live in private fostering arrangement

**61 young people** were referred to the multi-agency sexual exploitation panel and are mainly young girls at an average age of 14

**414 return home interviews** were undertaken children missing from home or care of which:

Missing children from care	<b>238</b>
Children from care return home interviews conducted	<b>115</b>
Children from care return home interviews declined	<b>123</b>
Missing from home	<b>176</b>
Missing from home return interviews conducted	<b>80</b>
Missing from home return interview declined	<b>96</b>

Young people who are missing are sometimes trafficked internally for the purposes of criminal and sexual exploitation. The National Referral Mechanism (NRM) is a framework for identifying victims of human trafficking or modern slavery and ensuring they receive the appropriate support. Data is collated nationally by the Modern Slavery Human Trafficking Unit (National Crime Agency). This information contributes to building a clearer picture about the scope of human trafficking and modern slavery victims in the UK.

25 “potential victims of trafficking” were referred to the National Crime Agency

36 child deaths were reported in the year

The child death overview panel reviewed 31 child deaths, of which, 26 were recorded as expected deaths (life limiting illness) and five were unexpected deaths. 28 of the 31 child deaths were under the age of 6 months. The number of neo-natal deaths and those under the age of 1, were the biggest group

2,302 professionals received safeguarding training provided by the LSCB

## Early Help Support with Parents/Carers

The local authority's Parental Engagement Service provides a range of support to parents in schools and other settings such as parenting programmes, awareness events, survey, information and advice.

200 parents/carers attended the Annual Parent Conference 'Informed and Empowered! Keeping our Children Safe and Well'

90% Parents who attend a Parental Engagement course/session report they have increased confidence and awareness to help them support their child's learning, development and wellbeing

91% of the parents attending the 'Emotional First Aid' course felt more optimistic about their future and that confidence in their ability to manage stress in their daily lives increased by the end of the course (using the Edinburgh Emotional Well-being Scale)

School Ready/Neglect pilot programme saw an average 7% increase in school attendance of the children targeted

32,591 unique visits to the Local Offer

669 parents/carers accessed information and advice sessions to support school transition

15,500 calls/drop-ins made to the Family Information Service

31 Healthy Families Parent Ambassadors are trained and active – delivering healthy eating sessions for parents in schools

There are more than 250 active members on the Parent & Carer Council who regularly contribute to the borough wide forum and help shape council services for families

Annual Parent Carer Survey indicated that a quarter (26%) report that their children have been bullied in the past year and nearly six in ten (58%) say they often worry about their children's health and well-being

## Section 11 (Children Act 2004)

Section 11 of the Children Act places a statutory requirement on key organisations to ensure arrangements are in place to discharge their duty to safeguard and promote the welfare of children. Biennial self-assessments are undertaken by the

LSCB partners to assess the effectiveness of the local safeguarding arrangements at a strategic and operational level. The last section 11-audit exercise took place in January 2016 and partners identified a number of key actions to ensure full compliance. The following sets out areas of challenge that arose across the partnership:

- Disclosure and Barring Processes causing delay in safer recruitment standards
- Safeguarding Escalation Processes for safeguarding concerns need further understanding and use
- Budget cuts affecting our training offer and some front line children practitioners are finding it increasingly difficult to attend learning opportunities due to work demand
- Safeguarding is not explicitly part of MOPAC 7 (Mayor's Office for Policing and Crime). Police officers performance are monitored against MOPAC 7
- Safeguarding is not considered in service development and a responsibility of all workers, not just those with a designated role
- Need to embed safeguarding within registered social housing landlords.

### Section 3

## Inspection and Reviews

In August 2016, the corporate director for children’s services commissioned an **independent review of Tower Hamlets Safeguarding Children Board**. The review reported its findings in September 2016 and highlighted that the LSCB:

- Had reviewed its governance arrangement to take account of the boards growing remit. However, partners expressed concern about the board’s membership, function, breadth of work and capacity to deliver consistently. A number of the issues interlinked and were found to be fundamental to the organisational ‘health’ of the board and unless tackled would become a pernicious force, undermining the capability of the board to properly fulfil its core businesses.

The board was seen to be largely compliant with statute but there was evidence that on occasions demand and pressures meant that key dates were missed.

- There was evidence that the board is aware of its responsibilities and had met a number of key functions.
- Specific areas for consideration were made and accepted by the board, these were:

- ✓ To improve the lines of sight between the chair and the board
- ✓ To improve the quality audit programme and resolve information sharing barriers
- ✓ To improve the future role, purpose and structure of the board
- ✓ To improve the current LSCB Website

The **Children and Social Work Act** received Royal Assent in April 2017, which makes a number of changes around social work practice and the care of looked after children. Significantly, the Act will see the abolition of all sections of the Children Act 2004 that relate to LSCBs. Section 16 describes the arrangement to replace current LSCB structures:

<b>1</b>	<b>The safeguarding partners for a local authority area in England must make arrangements for:</b>
	<ul style="list-style-type: none"> <li>(a) the safeguarding partners, and</li> <li>(b) any relevant agencies that they consider appropriate, to work together in exercising their functions, so far as the functions are exercised for the purpose of safeguarding and promoting the welfare of children in the area.</li> </ul>
<b>2</b>	<b>The arrangements must include arrangements for the safeguarding partners to work together to identify and respond to the needs of children in the area:</b>
	<p>The safeguarding partners are:</p> <ul style="list-style-type: none"> <li>(a) the local authority;</li> <li>(b) a clinical commissioning group for an area any part of which falls within the local authority area;</li> <li>(c) the chief officer of police for a police area any part of which falls within the local authority area.</li> </ul>

Tower Hamlets LSCB is required to publish its new safeguarding children arrangements in the near future.

In February/March 2017, Ofsted undertook a **review of the effectiveness of the LSCB** in conjunction with Children's Social Care Inspection of services for children in need of help and protection; children looked after and care leavers. Ofsted judged Tower Hamlets LSCB to be '**inadequate**' as it found that we were not effectively discharging all our statutory functions. Ofsted found that the recently revised governance framework was not established enough to be effective in facilitating the monitoring and evaluation of the impact of our work programme.

In addition, Ofsted also cited:

- The board was excessively large therefore limiting meaningful debate and effective decision-making
- The lead member had not exercised their responsibility as a participating observer, weakening scrutiny of the board
- The board had not ensured timely oversight of key practice areas
- Insufficient monitoring of the quality of front line practice meant the board was not aware of the failings of children's social care to protect children.

#### Ofsted issued five recommendations:



Urgently review monitoring and governance arrangements to ensure the board is fulfilling its statutory functions



Prioritise multi-agency monitoring of frontline practice to ensure that the board has effective awareness of the quality of practice and its impact on outcomes for vulnerable children



Ensure the business management capacity of the board is sufficient to meet the need



Ensure the board prioritises the response of the partnership to the issues of youth violence and gang activity and their relationship to child sexual exploitation, including the development of a comprehensive problem profile



Ensure the effectiveness of multi-agency training is monitored and evaluated, including training for staff in recognising and assessing risks to sexually exploited children

Tower Hamlets LSCB accepted the judgement and recommendations made by Ofsted in April 2017

## Responding to Inspection

Following the local and Ofsted review of the LSCB and publication of the Children and Social Work Act 2017, it was critical for the board to focus on improving areas that directly impact on front line practice and the support given to children and families. It identified six areas to enable the board to improve child-safeguarding practice across agencies and these are incorporated in to 2017-18's priorities:

- Creating systems leadership to drive safeguarding strategy and practice across children's social care, police, health and beyond.
- Developing robust statistical analysis of child protection performance and pan-agency intelligence of emerging safeguarding issues.
- Developing effective inter-agency scrutiny and audit processes and a culture of constructive challenge.
- Maintaining an effective case review system that applies systemic approaches to reviewing critical incidents.
- Promoting pan-agency, single agency and individual learning in order to enhance safeguarding practice and promote service development.
- Effectively engaging with the community and service users in order to create learning to improve strategy and practice.

## What have we done so far

The LSCB urgently revised its structure and immediately put in place a smaller executive board responsible for setting the direction of the board, ensuring it is compliant with its statutory function. It will performance manage the LSCB through its systems, processes and impact.

There is now an operational group reflecting a wider partnership contingency. This group will resolve issues raised by partners, draw up and agree policy and undertake an initial governance role. Its focus will be on:

- Resolving multiagency performance and audit issues
- Situational awareness of the safeguarding environment, sharing intelligence and resolving obstacles
- Implementing learning from serious case reviews
- Ensuring safeguarding messages reach professionals and the public
- Coordinate interface with other partnership boards to enhance safeguarding children's work

A new child-level performance dataset is being developed to provide a detailed understanding of live frontline practice. Partner data from health agencies, police, public health and children's social care will be triangulated to enhance the knowledge base.

There is now a Health Forum led by Tower Hamlets CCG that will look specifically at health performance issues and identify problematic areas where they interface with children's social care.

A new quality assurance framework is being developed to allow the LSCB to test out practice through deep dive, single and multiagency case audit.

Increased collaboration with other partnership boards including the community safety partnership and adults safeguarding boards.

A number of issues relating to children’s social care data were identified during the Ofsted Inspection, this highlighted that recording practice and compliance issues had undermined the accuracy of some of the child data being used in Tower Hamlets. While some of these data quality issues were known to children’s social care and remedial actions were being taken, the effectiveness of these actions was not yet evident at the time the Inspection took place. However, the LSCB has decided to include the children’s safeguarding data that was known to the board at the time. **See Appendix 2.**

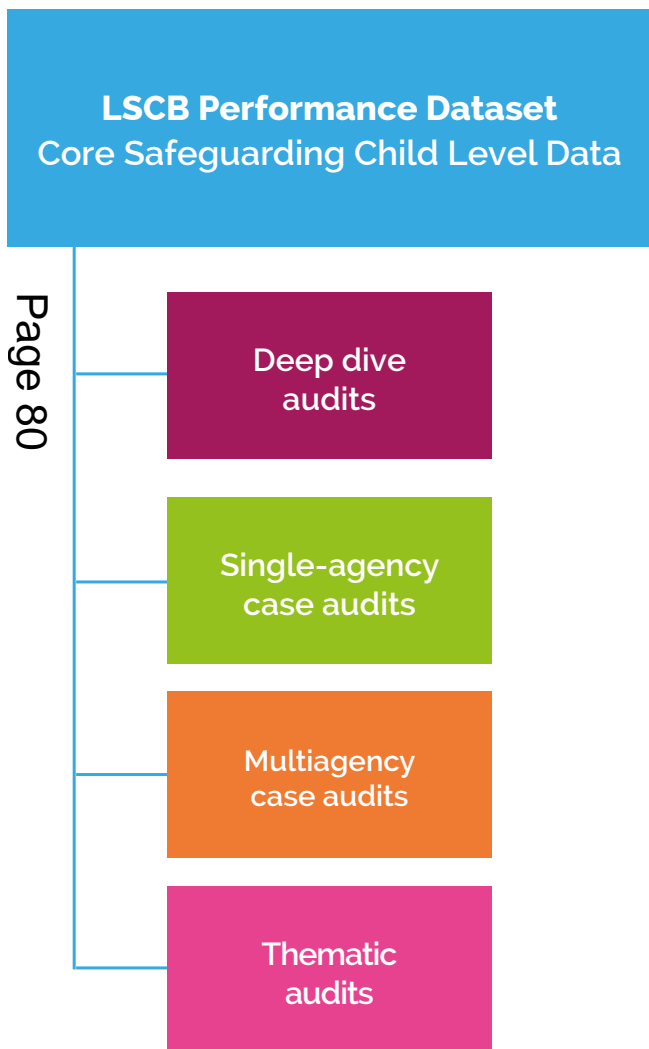
A revised child-centred performance management process has since been put in place for 2017-18. This focuses on the needs of the child through their safeguarding journey and demands a much higher level of compliance and scrutiny. The LSCB is working with key partner agencies to ensure there is an accurate multi-agency dataset in place and that information is tested regularly through quality assurance processes.

The business management capacity has been increased with the recruitment of a permanent board coordinator post. Plans are in place for a performance and quality assurance officer to oversee the increased monitoring activities of the board.

A new LSCB website in conjunction with Safeguarding Adults Board will replace the current version.

Next year, the LSCB aims to provide a full account of what our local data tells us about children who are in need of support, protection and are looked after. In addition, children’s social care, metropolitan police and Barts Health NHS Trust will report on the improvements made to safeguard children work following their respective inspections.

**The LSCB will demonstrate that through its improved oversight, monitoring and scrutiny, children in Tower Hamlets are safe.**





## Priorities for 2017-2018

It is critical that the future priorities for the LSCB focus on those areas that will directly impact on frontline practice and the support given to families and children. It will need to be easily adaptable to the new statutory arrangements as we move forward:

### Priority 1

#### PERFORMANCE & AUDIT

Developing robust statistical analysis of child protection performance and pan-agency intelligence of emerging safeguarding issues.

Developing effective inter-agency scrutiny and audit processes and a culture of constructive challenge.

We will monitor the quality of front line practice through case audits and thematic deep-dive

We will improve and agree an information sharing protocol to support our work

We will refine our quality assurance framework

### Priority 2

#### SITUATIONAL AWARENESS

Creating systems leadership to drive safeguarding strategy and practice across children's social care, police, health and beyond.

Create and foster opportunity for partners to discuss pertinent issues in their agencies, blockages to partnership working, information sharing.

We will increase our scrutiny of partners through improved governance

We will review all current LSCB policies/protocols, identify gaps

We will revise our threshold guidance

### Priority 3

#### LEARNING FROM SERIOUS CASE REVIEWS

Maintaining an effective case review system that applies systemic approaches to reviewing critical incidents.

Promoting pan-agency, single agency and individual learning in order to enhance safeguarding practice and promote service development.

We will undertake serious case and other learning reviews

We will monitor the impact of learning and demonstrate outcomes for children

### Priority 4

#### ENGAGEMENTS

Effectively engage with the community and service users in order to create learning to improve strategy and practice.

- Ascertain what children and young people need
- Disseminating safeguarding messages
- Working with other partnership boards

We will share pertinent learning through a Safeguarding Awareness Month

We will involve and listen to the views of children and young people

We will improve our communication with the public and local community

## Section 4

### Appendices

#### Appendix 1 – Membership List (as of 31 March 2017)

Name	JOB TITLE
Alex Nelson	Voluntary Sector Children & Youth Forum Coordinator
Alexandra Law	Nursery School Heads Forum Representative (Harry Roberts Nursery)
Alice Smith	CAFCASS Rep
TBC	Service Head - Safer Communities - LBTH
Shahzia Ghani	LBTH Deputy rep
Vacant	Secondary School Heads Rep (Bow Secondary School)
Chris Hahn	Interim Named Nurse for Safeguarding Children - BHT
Christine McInnes	Service Head, Learning & Achievement - LBTH
Christabel Shawcross (Papers only)	Independent Chair Tower Hamlets Safeguarding Adults Board
Claire Belgard	Interim Service Head – Youth & Community Service – LBTH
Clare Hughes	Lead Named Nurse for Safeguarding Children - BHT

Name	JOB TITLE
Cllr Rachael Saunders	Lead Member for Children's Services
Debbie Jones	Corporate Director, Children's Services – LBTH
Diane Roome	Lay Member
TBC	Head of Stakeholder & Partnerships - Community Rehabilitation Company (London)
Rebecca Scott (Dr)	GP Representative Tower Hamlets CCG
Esther Trenchard-Mabere	Associate Director of Public Health
Hanspeter Dorner	ELFT CAMHS Rep
Vacant	Service Head, Housing & RSL Rep
Jan Pearson	Associate Director for Safeguarding Children - ELFT
Judith Lewsey	Designated Nurse for Safeguarding Children & LAC
Julia Hale (Dr)	Designated Doctor, Barts Health NHS Trust

## Appendix 1 – Membership List continued

Name	JOB TITLE
Layla Richards	Service Manager, Policy, Programmes & Community Insight - LBTH
Lucy Marks	Chief Executive , Compass Wellbeing CIC
Marian Moore	Service Manager for Tower Hamlets, NSPCC
Mike Hirst	Primary School Heads Forum Rep (Seven Mills)
Nasima Patel	Service Head – CSC, LBTH
Neherun Nessa Ali	Lay Member
Nick Steward	Director of Student Services Tower Hamlets College
Nikki Bradley, MBE	Service Manager, YOS and Family Interventions/Troubled Families LBTH
Pauke Arrindell	Voluntary Sector Rep Home Start
Sandra Reading	Director of Midwifery & Nursing (RLH), Barts Health NHS Trust
Stuart Cheek (DCI)	Met Police Service – Child Abuse Investigation Team

Name	JOB TITLE
Stuart Webber	Head of Safeguarding Hackney, City of London and Tower Hamlets - National Probation Service
Sue Williams	Borough Commander, Met Police Tower Hamlets
DCI Ingrid Cruickshank	Deputy rep
Sarah Williams	Legal Services – LBTH
Stephen Ashley	Independent LSCB Chair
Tom Strannix	Voluntary Sector Representative – Manager, Place2Be
Tracey Upex	Deputy Borough Director – Tower Hamlets, ELFT
Will Tuckley	Chief Executive - LBTH

**Appendix 2 - LSCB Performance Data 2016-17**

The recent Ofsted inspection of children’s social care identified a number of issues with recording practice and compliance that undermined the accuracy of the data being used to inform decision-making. While some of these data quality issues were known to children’s social care, and actions were

being taken, the effectiveness of these actions was not yet evident. In 2017/18, a revised child-centred performance management process has been put in place, which focuses on the needs of the child and demands a much higher level of compliance with all recording standards.

The analysis below does not highlight any specific data quality concerns for 2016/17 data, but in general this data should be read with caution and within the described context.

**Children in Need**

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 There was a relatively low rate of referrals into children’s social care services per 10,000 of the children & young people population. We believe that high thresholds to social care intervention in the “front door” teams contributed to this lower level of referrals i.e. contacts were not always appropriately escalated to referral stage and beyond. This is similarly reflected in the low rate of assessments completed compared to statistical neighbours.

Source	Description	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	England Average	Statistical Neighbours
LOCAL1	Referral rate per 10,000 of the children & young people (C&YP) population	426.7	431.7	443.8	529.0	404	532.2	566.8
APA SS6	Percentage of Referrals that were repeat referrals	9.6%	10.6%	10.0%	9.1%	12.5%	22.3%	15.5%
N07	Rate of assessments per 10,000 of the C&YP population	413.6	410.8	331.8	336.0	376	489.5	488.3
N14	Assessments completed within 45 days or less from point of referral (CIN Census methodology)	74.8%	75.8%	85.1%	87.1%	71.4%	83.4%	78.1%

## Child Protection

There were high rates of activity in relation to formal child protection enquiries, with a high rate of formal enquiries (section 47s) and a high rate of children subject to a child protection plan, though the trend over the last few years has been a reduction of the rate of children on child protection plans. The proportion of child protection plans lasting over two years has reduced over the last three years and there are a comparatively low proportion of 'repeat' child protection plans (where children become subject to child protection plans for a second or subsequent time).

Performance in relation to timeliness of Initial Child Protection Conferences deteriorated since the previous year and was well below comparator groups. Though the proportion of children visited in line with the timescales set out in their plan increased, the proportion of children receiving a timely review of their child protection plan reduced and was below comparator group benchmarks.

Source	Description	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	England Average	Statistical Neighbours
	Rate of Children Subject of a Child Protection Plan per 10,000 at 31 March	58.2	55.6	51.0	50.1	45.9	43.1	39.0
N08	Section 47 (child protection) enquiries rate per 10,000 C&YP population	190.2	167.0	162.1	191.7	167.5	147.5	141.2
N13	Initial Child Protection Case Conferences – rate per 10,000 C&YP population	63.9	57.4	62.1	65.3	68.2	62.6	57.9
N15	Initial Child Protection Case Conferences convened within 15 days from point Child Protection Strategy meeting held	59.1%	52.2%	58.2%	69.5%	63.2%	76.7%	70.3%
N17 (Formerly NI 64)	Percentage of Child Protection Plans lasting two years or more at 31 March and for child protection plans which have ended during the year.	10.1%	7.1%	11.4%	7.0%	5.6%	3.8%	3.4%
N18	Percentage of children becoming the subject of Child Protection Plan for a second or subsequent time	14.5%	17.9%	15.2%	19.3%	12.2%	17.9%	17.4%
N20 (6 months Rolling Year)	Percentage of cases where the lead social worker has seen the child in accordance with timescales specified in the CPP.	N/A	65.4%	54.5%	51.0%	69.9%	N/A	N/A
NI 67	Percentage of Child Protection Reviews carried out within statutory timescale	98.0%	97.6%	94.9%	99.5%	91.2%	93.7%	96.0%
APA SS13	Percentage of children with CP plans who are not allocated to a Social Worker	0.0%	0.3%	0.0%	1.0%	0.0%	N/A	N/A
LOCAL2	Percentage of LADO cases resolved in 30 days or less	74.1%	69.6%	69.0%	67.0%	64.9%	N/A	N/A

## Looked After Children

The number of looked after children per 10,000 of children & young people population, at 50, was below the England and statistical neighbour average. Long term placement stability, an important factor in maintaining good levels of wellbeing, was above comparator group performance but has decreased over the last three years. Short term placement stability was worse than comparator groups, having increased over the same three year period.

The proportion of looked after children receiving regular health and dental checks had apparently reduced to 59%, although this is an area where there have been known recording issues in 2016/17. Similarly, known recording issues have impacted on the apparent proportion of looked after children who received a timely review.

There was a significant increase in the percentage of children who went missing from care at some point during the year, though this increase is reflected nationally and amongst our statistical neighbour group. Locally, improved attention to, and recording of, this issue has driven this increase.

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Source	Description	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	England Average	Statistical Neighbours
	Rate of Looked After Children per 10,000 as at 31st March	53.0	55.0	44.0	47.3	50	60.0	62.4
LACP01 (Formerly NI 62)	Percentage of CLA with three or more placements	11.2%	11.0%	9.7%	11.1%	12.7%	10%	10.9%
LACP02 (Formerly NI 63)	CLA under 16, looked after for 2.5 years or more and in the same placement for 2 years	69.6%	79.0%	78%	75.0%	71.6%	68%	67.1%
LACP04	The percentage of children looked after who went missing from care during the year as a percentage of all children looked after during the year (new definition)	-	-	5.1%	8.1%	15%	9%	9.8%
PAF C63	CLA who participated in their review	98.4%	88.6%	92.4%	89.4%	86%	N/A	N/A
NI 66	CLA cases which were reviewed within required timescales	96.4%	89.9%	85.5%	65.0%	54.1%	N/A	N/A
APA SS(LAC)5	Percentage of CLA with a named Social Worker	99.0%	98.2%	99.3%	98.3%	99.1%	N/A	N/A
PAF C19	Percentage of CLA >12 months who had an annual Health and Dental check	85.6%	91.5%	89.8%	68.0%	59%	86.4%	90.7%
PAF C19	Percentage of CLA >12 months whose Immunisations were up to date	79.7%	78.5%	88.2%	77.4%	69%	N/A	N/A

## Care Proceedings

Timeliness of care proceedings has improved over the last few years, with latest average of 29 weeks below the England and statistical neighbour average, though short of the 26 week national target. There was a significant increase in the percentage of children who went missing from care at some point during the year, though this increase is reflected nationally and amongst our statistical neighbour group. Locally, improved attention to, and recording of, this issue has driven this increase.

Source	Description	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	England Average	Statistical Neighbours
A08	Average length of care proceedings locally (weeks)	53	42	35	29	29	30	35

## Leaving Care

Outcomes for children leaving care remain positive compared to England and statistical neighbour group, with more care leavers entering employment, education or training, and living in suitable accommodation.

Source	Description	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	England Average	Statistical Neighbours
LACLC02 (Formerly NI 148)	The proportion of young people aged 19 who were looked after aged 16 who were in employment, education or training	85%	61%	56%	58%	58%	49%	53%
LACLC03 (Formerly NI 147)	The proportion of young people aged 19 who were looked after aged 16 who were in suitable accommodation	90%	67.6%	92%	94%	91%	83%	83%

## Appendix 3 - Glossary

BHT	Barts Health Trust	DHR	Domestic Homicide Review	NSPCC	National Society for the Prevention of Cruelty to Children
CA04	Children Act 2004	DV&HCT	Domestic Violence and Hate Crime Team	NTDA	National Trust Development Agency
CAF	Common Assessment Framework	ED	Emergency Department (A&E)	PFSS	Parent and Family Support Service
CAG	Clinical Academic Group	ELFT	East London Foundation NHS Trust	PVE	Preventing Violent Extremism
CAIT	Child Abuse Investigation Team	FGM	Female Genital Mutilation	RLH	Royal London Hospital
CAMHS	Child and Adolescent Mental Health Service	FNP	Family Nurse Partnership	SAB	Safeguarding Adults Board
CCG	Clinical Commissioning Group	IPST	Integrated Pathways & Support Team	SCR	Serious Case Review
C&F ACT 2014	Children & Families Act 2014	LAC	Looked After Child	SEND	Special Education Needs and Disabilities
CHAMP	Child & Adolescent Mental Health Project	LADO	Local Authority Designated Officer	SI	Serious Incident
CLA	Children Looked After	LCS	Leaving Care Services	SIP	Social Inclusion Panel
CME	Children Missing from Education	LSCB	Local Safeguarding Children Board	SoS	Signs of Safety
CPS	Crown Prosecution Service	MARAC	Multi-Agency Risk Assessment Conference	TH	Tower Hamlets
CSC	Children's Social Care	MASE	Multi-Agency Sexual Exploitation (Panel)	THSCB	Tower Hamlets Safeguarding Children Board
CSE	Child Sexual Exploitation	MASH	Multi-Agency Safeguarding Hub	VAWG	Violence Against Women and Girls
CSP	Community Safety Partnership	MPS	Metropolitan Police Service	WT15	Working Together 2015
CQC	Care Quality Commission	NICE	National Institute for health and Care Excellence		
DCOS	Disabled Children Outreach Service				



### **LSCB contact details**

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Tower Hamlets  
**Safeguarding  
Children**  
Board



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<p><b>Cabinet</b></p> <p>29/11/2017</p>	
<p><b>Report of:</b> Denise Radley, Corporate Director, Health, Adults &amp; Community</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Reablement Scrutiny Report &amp; Action Plan</b></p>	

<b>Lead Member</b>	<b>Councillor Denise Jones, Cabinet Member for Health &amp; Adult Services</b>
<b>Originating Officer(s)</b>	Daniel Kerr, Strategy, Policy & Performance Officer
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	Yes
<b>Community Plan Theme</b>	<b>A Healthy &amp; Supportive Community</b>

### Executive Summary

This report submits the report and recommendations of the review of Reablement services in Tower Hamlets, by the Health Scrutiny Sub-Committee, and the action plan for implementation.

### Recommendations:

The Mayor in Cabinet is recommended to:

1. Consider the report of the Health Scrutiny Sub-Committee and agree the action plan in response to the report recommendations.

### 1. REASONS FOR THE DECISIONS

- 1.1 During the 2016/17 Municipal Year the Health Scrutiny Sub-Committee is taking a thematic approach to its work programme and is looking at access to health and social care services in Tower Hamlets. As part of this, the Sub-Committee has identified the performance of the Council's 'Reablement' service as the subject for a Scrutiny Review.
- 1.2 The Reablement service offers support to residents aged 18+ when they are discharged from hospital and/or are already at home and starting to struggle with activities of daily living. The main focus is to support residents to regain or improve their independence and functioning.

- 1.3 National evidence suggests that supporting early and safe discharge from hospital into a reablement-type service delivers better outcomes for individuals when compared to longer periods of hospitalisation or immediate transfer into domiciliary care. It is also cost effective for health and adult social care services, by reducing the pressure on bed-capacity in the acute sector and the need for large packages of ongoing care in the community.
- 1.4 Due to the rising population of residents who are aged 65+ and on-going pressure on health and adult social care budgets, the performance of the 'Reablement' service is an issue which is of major significance to the Tower Hamlets population. Currently, Tower Hamlets benchmarks less well in terms of the number of residents discharged from hospital who receive the service and also the effectiveness of interventions (when measured by the number of people who receive the service and do not require further care).
- 1.5 This report seeks the endorsement of the Mayor in Cabinet of the Sub-Committee's review and its related Action Plan. Through the implementation of the Action Plan many of the issues identified in the review will be targeted and improved.

## **2. ALTERNATIVE OPTIONS**

- 2.1 To take no action. This is not recommended as the scrutiny review provides an evidence base for improving Reablement services in Tower Hamlets.
- 2.2 To agree some, but not all recommendations. All of the recommendations are achievable within existing resources as outlined in the Action Plan.

## **3. DETAILS OF REPORT**

- 3.1 The Health Scrutiny Sub-Committee identified the performance of the Council's Reablement Service as the subject for a Scrutiny Review, as it is a key gateway into the social care system from both acute and community health services. The ever increasing pressure on the NHS and adult social care arising from the needs of a growing, older population and continued public spending restraint, means the performance of the Reablement Service is an issue of major importance to the sustainability and effectiveness of the boroughs social care services.
- 3.2 The Sub-Committee wanted to review the performance of the Reablement Service in Tower Hamlets to understand whether the current service offers accessible and effective care, and determine whether this is delivered to the right people, in the right place and at the right time. Moreover the Sub-Committee wanted to review the service user experience to ensure it was supportive, safe and compassionate. The review is underpinned by four core questions:

- How is the Reablement Service delivered and how does it perform in Tower Hamlets?
- What is the patient experience for residents of Tower Hamlets being supported by the Reablement Service?
- How do partner organisations view the Reablement Service in Tower Hamlets and what level of integration exists across services?
- How does the Reablement Service in Tower Hamlets compare to London and national benchmarks, and what can be learnt from areas of good practice in London?

3.3 It was clear from the evidence base presented, and through talking with Reablement staff and service users that there are a lot of positive things happening within the Reablement Service. However there are also areas which can be improved. We do not work with our third sector partners as productively as we could, and there are sometimes issues with the way the service communicates its aims with service users and their families. Whilst we work closely with the NHS on many parts of Reablement and related packages, there is still some work to be done to establish true partnership working. Too many patients are being discharged too late in the day, without proper preparation or medications. This is having an impact both on patient dignity and on the Reablement Service's ability to manage demand and use its resources effectively.

3.4 The review makes a number of practical recommendations for the council and its partners for improving the service. The recommendations focus on improving communication and training to increase awareness of the service, improving the hospital discharge process, better utilisation of the third sector, the Reablement Service performing a social prescribing or commissioning role, and better performance monitoring during the first week after discharge.

The report with recommendations is attached at Appendix 1. 18 recommendations have been made:

**Recommendation 1:** That the Reablement Service delivers additional training to social care staff in strength based practice to ensure they are able to convey the aims of the service and the reablement approach positively to service users and their families/carers.

**Recommendation 2:** That the Reablement Service works with Real to review cases where concerns were raised, and use this information to improve service delivery for disabled service users via tailored training for specific teams or individuals in association with Real.

**Recommendation 3:** That the Reablement Service develops a communications plan linked into the launch of the new integrated single pathway to educate the community on the role and aims of the Reablement

Service so they are better advocate for themselves, and identify and challenge poor practice.

**Recommendation 4:** That the Reablement Service explores options to provide emergency provision for supplies through pre-payment cards and food vouchers to assist those who are discharged from hospital into the service

**Recommendation 5:** That Barts Health reviews its discharge procedures so that all patients are provided with dosette boxes when they leave hospital and medication is accompanied by a Medicine Administration Record (MAR) chart.

**Recommendation 6:** That Barts Health reviews its discharge planning process to ensure that the appropriate quantity of correctly fitted continence pads are provided to the at the point of discharge.

**Recommendation 7:** That Barts Health reviews its discharge planning process to ensure that discharge does not take place at the end of the week without advance communication to the Reablement Service, allowing for better planning that takes account of service users full range of needs and smoother handovers.

**Recommendation 8:** That the Reablement Service reviews service user data to identify which hospital wards require further training to educate staff members on the purpose of the Reablement Service, its referral pathways and how it aligns with other rehabilitation provision.

**Recommendation 9:** That the Reablement Service examines the procedures for liaison with environmental health so that response times to address issues faced by some patients upon discharge, such as bed bugs, are improved.

**Recommendation 10:** That the Reablement Service improves its engagement with service users by working with the Third Sector to help strengthen the transparency of its performance monitoring process, including closer involvement of the OPRG.

**Recommendation 11:** That the Reablement Service establishes procedures for contacting service users by phone or in person within 24hrs of discharge to ensure they are safe and have no immediate issues about their care and support.

**Recommendation 12:** That the Reablement Service learns from observed good practice in Greenwich and introduces a questionnaire for all Reablement service users within the first 5-10 days after discharge from hospital.

**Recommendation 13:** That the Reablement Service learns from observed good practice in Greenwich and explores how they could use ICT systems to improve the coordination and efficiency of staff planning and rostering.

**Recommendation 14:** That the Reablement Service explores options to link the Reablement Service into existing mental health provision to provide more

integrated physical and mental health support as part of the six week reablement intervention.

**Recommendation 15:** That the Reablement Service explores the possibility of performing a social prescribing or commissioning function to refer people on to appropriate community support/activities at the end of its formal intervention.

**Recommendation 16:** That the Reablement Service develops a forum to share information on ongoing projects, available services, and opportunities for partnership working between the third sector and statutory services, perhaps building on the multi-agency meetings of each of the GP localities.

**Recommendation 17:** That the Reablement Service explores options to train formal and informal carers and volunteers to support the reablement process and promote the principles of recovery and independence.

**Recommendation 18:** That the Reablement Service reviews how social care staff introduce reablement positively to residents and their families and examines how the annual re-assessment procedure for people with long term care packages to establish how reablement may assist service users.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 The Council's Reablement Service, which is funded from the Better Care Fund (BCF), has a base budget of £2.4m in 2017/18 and is required to deliver efficiency savings of £0.85m by 2019/20 as agreed in the 2017/18 budget approved by Full Council on the 22<sup>nd</sup> February 2017. The recommendations within this report will need to be delivered in the context of these budget reductions.

#### **5. LEGAL COMMENTS**

- 5.1 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. The Committee may also make reports and recommendations to the Full Council or the Executive in connection with the discharge of any functions.
- 5.2 Section 2 of the Care Act 2014 imposes a duty on the Local Authority to provide or arrange for the provision of services, facilities or resources, or take other steps, which it considers will—
- (a) contribute towards preventing or delaying the development by adults in its area of needs for care and support;

- (b) contribute towards preventing or delaying the development by carers in its area of needs for support;
  - (c) reduce the needs for care and support of adults in its area;
  - (d) reduce the needs for support of carers in its area.
- 5.3 Section 3 of the Care Act 2014 imposes an additional obligation that local authorities must exercise its social care functions with a view to ensuring the integration of care and support provision with health provision and health-related provision where it considers that this would—
- (a) promote the well-being of adults in its area with needs for care and support and the well-being of carers in its area,
  - (b) contribute to the prevention or delay of the development by adults in its area of needs for care and support or the development by carers in its area of needs for support, or
  - (c) improve the quality of care and support for adults, and of support for carers, provided in its area (including the outcomes that are achieved from such provision).
- 5.4 The Care and Support (Preventing Needs for Care and support) Regulations 2014 make further provisions relating to reablement support which is defined as a ‘facilities or resources provided by an adult... which consist of a programme of services, facilities or resources are for a specified period and have as their purpose the provision of assistance to an adult to enable to maintain or regain the ability needed to live independently at their home.’ These regulations require that the local authority must not charge the adult for any services, facilities or resources provided for the first 6 weeks of the specified period.
- 5.5 The Care Act guidance, which the local authority is obligated to follow unless there are cogent reasons to disapply, sets out additional consideration for the Local Authority when designing reablement services so as to ensure that these are able to fulfil additional duties, including the provision of information and advice under s.4 Care Act 2014, duties under s.5 Care act to promote the efficient and effective operation of a market in services for meeting care and support needs and under s6-7 to cooperate with relevant partners including health bodies. It should also be noted that, in providing these services, the Local Authority must have regard to the duty to promote the wellbeing of the individual in line with the duty set out in s.1 Care Act 2014.
- 5.6 The review explored the current offer within the borough and made the recommendations set out within this report. Whilst it will be for statutory partners to implement some of these recommendations, the recommendations reflect the duty for those partners to cooperate with the Council in fulfilling their statutory functions under s6 of the Care Act 2014. It should be noted that, under this provision, partners are expected to comply with any request, including in relation to provision in specific cases (section 7 Care Act) unless this would be incompatible with their own duties or otherwise have an adverse effect on the exercise of their functions.



- 5.7 When considering the recommendations above regard must be given to the public sector equalities duty to eliminate unlawful conduct under the Equality Act 2010 and the duty set out at Section 149 of the 2010 Act. This requires the Council, when exercising its functions, to have 'due regard' to the need to eliminate discrimination (both direct and indirect discrimination), harassment and victimization and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' and those who do not share that protected characteristics. Provision of an effective reablement service, particularly if additional consideration is given to how to address mental health as well as physical health needs, should ensure greater compliance with these duties.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The core focus of this review is on the council's approach to delivering an effective Reablement Service as part of its statutory obligations under the Care Act 2014. Reablement is available for all residents, however the significant majority of service users are aged 65 and over. This review makes a number of recommendations to ensure all elderly people in the borough are supported to be as independent as possible and have easy access to reablement services through improved partnership working with the NHS and other key stakeholders, strengthening engagement with the third sector, and improving communication to effectively convey of the role of the reablement service.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 The recommendations in this report are made as part of the Overview & Scrutiny Committee's role in helping to secure continuous improvement for the council, as required under its Best Value duty
- 7.2 Many of the recommendations relate to improving early intervention and prevention activities, which have the potential to reduce demand on health and social care services in the longer term.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 There are no direct environmental implications arising from the report or recommendations.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 There are no direct risk management implications arising from the report or recommendations.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 There are no direct crime and disorder implications arising from the report or recommendations.

## **11. SAFEGUARDING IMPLICATIONS**

- 11.1 The report relates to services that have frequent contact with vulnerable adults. Although there are no direct safeguarding implications from this report or 'Action Plan', practitioners must remain mindful of potential safeguarding issues during the implementation of the recommendations.
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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- NONE

#### **Appendices**

Appendix 1 – Health Scrutiny Sub-Committee Reablement Review Report  
Appendix 2 – Community Health Services in Tower Hamlets  
Appendix 3 – Healthwatch Tower Hamlets Reablement Report  
Appendix 4 – Reablement Action Plan

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

- NONE

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# **Tower Hamlets Health Scrutiny Sub-Committee**

## **Reablement Service Scrutiny Review**



April 2017

## Chair's Foreword

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I am pleased to present this report which explores the challenges facing the Reablement Service in Tower Hamlets. An effective Reablement Service is beneficial for residents, local authorities, and the NHS as it assists individuals to lead full and independent lives whilst reducing the overall cost of provision. Reablement can play a decisive role in helping people to regain their independence and maximising their health and wellbeing following hospitalisation or ill health. It can also reduce the amount of time a person needs to stay in hospital, therefore aiding faster recovery and preventing deconditioning.

It is also clear to me that a commitment to providing an effective Reablement Service is not only beneficial to clinical outcomes and residents' health and wellbeing, but also provides opportunity to make savings at a time of public sector funding cuts. Reablement can help to ease the financial and capacity pressures placed on both Local Authorities and the NHS through decreasing the need for hospital admission, decreasing the need for long term care packages, and appropriately reducing the level of ongoing home care support required. These financial pressures are driving services to identify opportunities to work in different and innovative ways. The Discharge to Assess pilot programme, for example, demonstrates that financial savings can be achieved through greater integration between health and social care. However as programmes like these drive savings in the NHS, I hope appropriate funding flows through to local authorities who will be picking up the extra work in the community.

Although there are a lot of things our Reablement Service does well, there is always room for improvement. We do not work with our third sector partners as productively as we could, and there are sometimes issues with the way the service communicates its aims with service users and their families. Whilst we work closely with the NHS on many parts of Reablement and related packages, there is still some work to be done to establish true partnership working. Too many patients are being discharged too late in the day, without proper preparation or medications. This is having an impact both on patient dignity and on the Reablement Service's ability to manage demand and use its resources effectively.

This report therefore makes a number of practical recommendations for the council and its partners for improving the service. The recommendations focus on improving communication and training to increase awareness of the service, improving the hospital discharge process, better utilisation of the third sector, the Reablement Service performing a social prescribing or commissioning role, and better performance monitoring during the first week after discharge.

I would like to thank all officers and external speakers that contributed to the review, especially Cath Scholefield (Lead for New Models of Care) and Paul Swindells (Reablement Team Manager) for providing their support and

knowledge to the review, and officers from Greenwich Council for providing us with their time and insight of good practice in the service. I am also grateful to my Health Scrutiny colleagues for their support, advice and insights.

**Councillor Clare Harrison**  
**Chair of the Health Scrutiny Sub-Committee**

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## 1. Recommendations

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**Recommendation 1:** That the Reablement Service delivers additional training to social care staff in strength based practice to ensure they are able to convey the aims of the service and the reablement approach positively to service users and their families/carers.

**Recommendation 2:** That the Reablement Service works with Real to review cases where concerns were raised, and use this information to improve service delivery for disabled service users via tailored training for specific teams or individuals in association with Real.

**Recommendation 3:** That the Reablement Service develops a communications plan linked into the launch of the new integrated single pathway to educate the community on the role and aims of the Reablement Service so they are better advocate for themselves, and identify and challenge poor practice.

**Recommendation 4:** That the Reablement Service explores options to provide emergency provision for supplies through pre-payment cards and food vouchers to assist those who are discharged from hospital into the service.

**Recommendation 5:** That Barts Health reviews its discharge procedures so that all patients are provided with dosette boxes when they leave hospital and medication is accompanied by a Medicine Administration Record (MAR) chart.

**Recommendation 6:** That Barts Health reviews its discharge planning process to ensure that the appropriate quantity of correctly fitted continence pads are provided to the at the point of discharge.

**Recommendation 7:** That Barts Health reviews its discharge planning process to ensure that discharge does not take place at the end of the week without advance communication to the Reablement Service, allowing for better planning that takes account of service users full range of needs and smoother handovers.

**Recommendation 8:** That the Reablement Service reviews service user data to identify which hospital wards require further training to educate staff members on the purpose of the Reablement Service, its referral pathways and how it aligns with other rehabilitation provision.

**Recommendation 9:** That the Reablement Service examines the procedures for liaison with environmental health so that response times to address issues faced by some patients upon discharge, such as bed bugs, are improved

**Recommendation 10:** That the Reablement Service improves its engagement with service users by working with the Third Sector to help strengthen the transparency of its performance monitoring process, including closer involvement of the OPRG.

**Recommendation 11:** That the Reablement Service establishes procedures for contacting service users by phone or in person within 24hrs of discharge to ensure they are safe and have no immediate issues about their care and support.

**Recommendation 12:** That the Reablement Service learns from observed good practice in Greenwich and introduces a questionnaire for all Reablement service users within the first 5-10 days after discharge from hospital.

**Recommendation 13:** That the Reablement Service learns from observed good practice in Greenwich and explores how they could use ICT systems to improve the coordination and efficiency of staff planning and rostering

**Recommendation 14:** That the Reablement Service explores options to link the Reablement Service into existing mental health provision to provide more integrated physical and mental health support as part of the six week reablement intervention.

**Recommendation 15:** That the Reablement Service explores the possibility of performing a social prescribing or commissioning function to refer people on to appropriate community support/activities at the end of its formal intervention.

**Recommendation 16:** That the Reablement Service develops a forum to share information on ongoing projects, available services, and opportunities for partnership working between the third sector and statutory services, perhaps building on the multi-agency meetings of each of the GP localities

**Recommendation 17:** That the Reablement Service explores options to train formal and informal carers and volunteers to support the reablement process and promote the principles of recovery and independence.

**Recommendation 18:** That the Reablement Service reviews how social care staff introduce reablement positively to residents and their families and examines how the annual re-assessment procedure for people with long term care packages to establish how reablement may assist service users.



## 2. Introduction

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- 2.1. Over the course of 2016-17 the Health Scrutiny Sub-Committee has taken a thematic approach to its work programme and focussed on issues relating to the access of health and social care services in Tower Hamlets. As part of this, the Sub-Committee identified the performance of the council's 'Reablement' Service as the subject for a Scrutiny Review, as it is a key gateway into the social care system from both acute and community health services. The ever increasing pressure on the NHS and adult social care arising from the needs of a growing, older population and continued public spending restraint, means the performance of the Reablement Service is an issue of major importance to the sustainability and effectiveness of the boroughs social care services.
- 2.2. The Reablement Service offers a short-term, six week Occupational Therapy-led intervention that supports people to regain their abilities to manage everyday tasks following an accident, ill health, disability or a stay in hospital, enabling them to live as independently as possible in the community. This has significant benefits for a person's health and wellbeing and allows the council to concentrate its limited resources on those who have eligible needs for care and support.
- 2.3. National evidence suggests that supporting early and safe discharge from hospital into a reablement-type service delivers better outcomes for individuals when compared to longer periods of hospitalisation or immediate transfer into domiciliary care. It is also cost effective for health and adult social care services, both reducing pressure on bed-capacity in the acute sector and the need for large packages of ongoing community or institutional care.
- 2.4. The Sub-Committee wanted to review the performance of the Reablement Service in Tower Hamlets to understand whether the current service offers accessible and effective care, and determine whether this is delivered to the right people, in the right place and at the right time. Moreover the Sub-Committee wanted to review the service user experience to ensure it was supportive, safe and compassionate. The review is underpinned by four core questions:
  - How is the Reablement Service delivered and how does it perform in Tower Hamlets?
  - What is the patient experience for residents of Tower Hamlets being supported by the Reablement Service?
  - How do partner organisations view the Reablement Service in Tower Hamlets and what level of integration exists across services?

- How does the Reablement Service in Tower Hamlets compare to London and national benchmarks, and what can be learnt from areas of good practice in London?
- 2.5. There are a number of reablement and rehabilitation pathways delivered in the borough, including the Admission Avoidance & Discharge Services, Community Health Teams (including Physiotherapy and Occupational Therapy led rehabilitation), Elderly Care Rehabilitation Services, and Specialist Rehabilitation Services such as stroke rehab for patients after an acute stroke and cardiac rehab and heart failure services. There are many issues identified in this report which are applicable across all of these services, including the experience after the first week of discharge, housing adaptations and environmental health issues such as bed bugs. Whilst the scope of this review explicitly covers the LBTH Reablement Service, the Health Scrutiny Sub-Committee wish to use this review as a proxy for the other services and hope to apply the learning and recommendations from this review to other services where applicable. *See appendix 1 for a detailed breakdown of the services provided by each of these services.*

## **2a) Review Approach**

- 2.6. The review was chaired by Councillor Clare Harrison, Chair of the Health Scrutiny Sub-Committee and supported by Daniel Kerr, Strategy, Policy and Performance Officer; LBTH.
- 2.7. To inform the Sub-Committee's work a range of meetings and evidence gathering activities were undertaken between January 2017 and February 2017. These included:
- **26<sup>th</sup> January 2017**

The first evidence session set out the context to the review, including an overview of local needs and demand for the Reablement Service. Service managers from Reablement met with the Sub-Committee to detail the role and aims of the service, how it is delivered in Tower Hamlets, and how it performs compared to London and national benchmarks.
  - **6<sup>th</sup> February 2017**

The second evidence session invited key local health partners to share their views on the Reablement Service, including both commissioners and health providers. Colleagues from the Tower Hamlets Clinical Commissioning Group, Bart's Health Trust, Tower Hamlets GP Care Group, East London Foundation Trust, LBTH Occupational Therapy, and LBTH Housing all offered their perspectives on the service and participated in a discussion that focused on the level of integration across partner organisations,

highlighted gaps in the current provision, and identified possible actions for service improvement.

- **16<sup>th</sup> February 2017**

The third evidence session invited service user groups to share the experiences and views of people who have been through the Reablement Service. Real, a local disability advocacy organisation, provided insight on the experience of disabled people who are often referred to the service as part of the process to reassess their care package. AgeUK East London, which offers support to elderly people in both the hospital and the community, shared their views on the care and support needs of the 65 and over group. The Carers Centre and the Older People’s Reference Group both provided written submissions of evidence detailing the views of their clients and, in addition, the Sub-Committee worked with Healthwatch Tower Hamlets to contact and interview 14 service users who had left the Reablement Service in the last three months.

- **23<sup>rd</sup> February 2017**

A site visit to meet with officers from the London Borough of Greenwich Reablement Service was conducted. The Greenwich Reablement Service has been identified as an example of good practice and the Sub-Committee visited with them to learn how they achieve successful outcomes for residents, minimise demand for ongoing care and support, and how their residents feel about the service they receive.

A site visit to meet LBTH reablement officers. Reablement officers discussed their experiences of working with services users, key partners in the hospital and in the community, and detailed the challenges they face in their role.

A final meeting of the Sub-Committee and key partners to review the evidence collected as part of the review and discuss the findings and recommendations.

2.8. Health Scrutiny Sub Committee Members;

Councillor Clare Harrisson	Health Scrutiny Sub-Committee Chair
Councillor Dave Chesterton	Health Scrutiny Sub-Committee Member
Councillor Sabina Aktar	Health Scrutiny Sub-Committee Member
Councillor Peter Golds	Health Scrutiny Sub-Committee Member
Councillor Muhammad Ansar Mustaquim	Health Scrutiny Sub-Committee Member
Councillor Abdul Asad	Health Scrutiny Sub-Committee Member
David Burbidge	Health Scrutiny Co-Opted Member

The panel received evidence from a range of officers including;

### **London Borough of Tower Hamlets**

Cath Scholefield	Lead for New Models of Care
Brian Turnbull	Interim Service Manager – Community & Hospital Integrated Services
Gill Beadle-Phelps	Service Manager – Community & Hospital Integrated Services
Paul Swindells	Team Manager - Reablement
Alex Hadayah	Head of Integrated Occupational Therapy Services
Martin Ling	Housing Strategy Manager
Helen Sims	Senior Occupational Therapist
Siobhan Davey	Occupational Therapist
Julie Archer	Occupational Therapist
Saleh Abed	Independence Planner
Ann Marie Bacchus	Independence Planner
Leyla Maxamed	Reablement Officer
Masum Bhuiya	Reablement Officer
Laura Ayles	Reablement Officer
Gulam Hossain	Reablement Officer
Bibi Mohabeer	Reablement Officer
Masad Miah	Reablement Officer

### **London Borough of Greenwich**

Claire Northover	Service Manager for Hospital Discharge Team
Steve Martin	Team Manager Hospital Discharge Team
Elaine Maunsell	Scheduling and Support Officer
Janet Bennett	ICAH Reablement Manager

### **External Partners**

Rahima Miah	Integrated Commissioning, Tower Hamlets CCG
Richard Fradgley	Director of Integration, East London Foundation Trust
Phillip Bennett-Richards	Chair of Tower Hamlets GP Care Group
Claire Hogg	Director of Community Health Services and Mile End Hospital

### **Service User Groups**

Karen Linnane	Delivery and Development Manager, Real
Chris Tymkow	Project Coordinator, The Royal London Home & Settle service, AgeUK East London
Neil Hardy	Director, Carers Centre
Diane Hackney	User Involvement Coordinator, Older Peoples Reference Group
Dianne Barham	Chief Officer, Healthwatch Tower Hamlets

### 3. National context

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- 3.1. Reablement was first set out as a concept in 2006 in the Department of Health's '*Our Health; Our Care; Our Say*' strategy, which aimed to deliver the then Labour Government's vision of more effective community health services. This vision was based on five priority areas: more personalised care, services closer to home, integration between health & social care services, increased patient choice and a focus on prevention rather than cure. This was followed by the 'Putting People First' White Paper in 2008 which promoted a shared vision for the transformation of Health and Social Care based around the aims that people stay healthy (prevention), receive rapid and timely support (early intervention) and are helped to get back on their feet after an illness and to do as much as possible for themselves (reablement). In 2010, 'Think Local; Act Personal' was introduced and established a national partnership of more than 50 organisations committed to transforming health and care through personalisation and community-based support. The partnership includes central and local government, NHS, the provider sector, and people with care and support needs, carers and family members.
- 3.2. The Care Act 2014 introduced by the Coalition Government replaced much of the preceding social care legislation and underpins the council's reablement practice. It promotes wellbeing for individuals and their families, promotes personal resilience, and places a duty on local authorities to prevent and delay ongoing need for formal care. Furthermore, it formalises the integration agenda as it ensures that care and support services work together with health colleagues. Specifically the Care Act mandates local authorities to provide reablement for free, for a period of up to six weeks.
- 3.3. Reablement is an area which is seen as critical to a sustainable adult social care system as it helps people to get back on their feet and regain their independence, reducing social care costs and the burden placed on hospitals. Performance statistics from across the UK support this, for example, in Kent, 90 per cent of clients required no further long term support packages following a reablement intervention, whilst equivalent figures in Tyneside were 68 per cent, and in Greenwich 60 per cent. In 2013, Southwark reported that their social care costs reduced by 40 per cent as a result of Reablement Service intervention.
- 3.4. Reablement services are a significant part of the health and social care integration agenda. The Better Care Fund (BCF) is the Government's primary funding mechanism for the integration of health and social care, and it is intended to shift resources out of hospital into community services. Nationally the effectiveness of integrating health and social care, and the importance of the reablement service, can be seen through the impact of the BCF, which in its first year of operation saw the proportion of older people who were still at home 91 days after discharge from hospital

into reablement or rehabilitation services increase to 82.7 per cent, exceeding the target of 81.9 per cent.

- 3.5. Improving support for older people at home, either to prevent hospital admission (or readmission) or to facilitate discharge when they are ready to leave hospital is key to patient flow and ultimately to delivering the four hour A&E waiting times target. Delayed transfers of care (DTOC) have increased substantially over the past three years and have contributed to a shortage of hospital beds in a number of NHS Trusts. This is a significant issue which is costly to the NHS and impacts on hospitals capacity to admit emergency A&E patients and treat patients effectively. A DTOC occurs when a patient is ready to depart from their current care setting but is still occupying a bed. In 2016 there were 2.16 million 'delayed days' due to delayed transfers of care – an average of just under 6,000 each day. This was 23 per cent higher than in 2015 and 56 per cent higher than in 2011. Delayed transfers of care involving patients with both health and social care needs are occurring with increasing frequency. Between December 2013 and December 2016, the number of delayed discharges from hospital attributable to local authorities (or jointly to local authorities and to the NHS) rose from 36,000 (32 per cent of all delayed transfers of care) to 86,000 (44 per cent). The majority of delayed discharges in 2016 were as a result of people awaiting a care package in their own home, or awaiting nursing home placements. Delays in both of these categories have risen by over 40% in the last year alone.

#### **4. Local context; background to LBTH Reablement Service**

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- 4.1. Tower Hamlets has seen the largest population growth of any area in the country over the last 10 years, increasing by 27 per cent and this trend is projected to continue over the next decade with the borough's population expected to grow by a quarter to 2024, the largest increase in England. There is likely to be an increased demand for adult social care from all sections of the population as it continues to expand. Evidence shows that people aged 65 and over are the highest users of the Reablement Service in the borough and, significantly, in 2014-2015 there was a higher rate of hospital episodes per 100 people (91.76) in Tower Hamlets residents aged 65 and over than in London (84.10) and England (80.30). In 2015, there were 16,700 older people in Tower Hamlets, which represents 5.8 per cent of the Tower Hamlets population and this is projected to increase over the next 15 years to reach 7 per cent by 2030. However, the increase in healthy life expectancy in Tower Hamlets has not kept pace with improvements in total life expectancy. This means that if the extra years of increased longevity are mostly spent in poor health and disability, there will be an increase in demand on services across all client groups.
- 4.2. Within Tower Hamlets the work of the Reablement Service is linked to a number of strategies. The Reablement Service is crucial for helping the council to deliver its strategic priority of 'supporting more people living

healthily and independently for longer'. The council's Strategic Plan sets out a series of actions to improve care and support for vulnerable adults and their carers, integrate with health services, promote independence, and keep people safe from all forms of abuse. Additionally, the work of the service is linked to the ambition set out in the refreshed Health and Wellbeing Strategy to 'develop an integrated system'. The service will also link into the LBTH Aging Well strategy which is currently being developed. The Aging Well strategy aims to enhance the health, wellbeing and quality of life of people growing older in Tower Hamlets to ensure they are able to retain their independence and dignity with the assistance of family, friends and community services.

- 4.3. The Reablement Service will perform a critical role in the delivery of the NHS Transforming Services Together programme (TST). TST is a joint partnership programme between Newham, Tower Hamlets and Waltham Forest CCGs and Barts Health NHS Trust, which responds to the challenges posed by the changing healthcare needs of the population. It aims to improve and modernise healthcare services across the three boroughs by addressing inequalities, helping patients take control of their own health, and tackling the problems faced by health services across the area. As part of TST there is an aim to reduce the number of inpatients and shorten the length of stay for vulnerable people. In order to respond to these changes and ensure they are successful, community care and social services need to be able to safely and effectively support patients back into community settings.
- 4.4. The role of the Reablement Service is currently under operational review and is being redesigned as part of the Tower Hamlets Together (THT) Vanguard program. The Vanguard brings together commissioners and providers of acute, community, mental health, social care and primary health services to create a joined up approach that combines the resources of different local organisations. This will improve patient experience by allowing for a more personalised approach to health and social care, and help reduce pressure on the system through better coordination of services. In regard to Reablement, the driving aspiration of Tower Hamlets Together is to reshape the separate reablement and rehabilitation services into an integrated pathway which is easier for everybody to understand and that better utilises resources.
- 4.5. The LBTH Reablement Service is a large service with 66 members of staff (58.65 FTE) and a budget of £2.4 million in 2016/17, which is funded through the BCF. Reablement officers are trained up to NVQ diploma Level 2 and NVQ diploma Level 3 in Health and Social Care. A number of staff members are contracted to Barts Health but are embedded in the Reablement Service. If all staff members have full rosters the service is able to ensure it is supplemented through the domiciliary care contract. Support is also provided to service users out of hours through a dedicated support service.

- 4.6. A CQC inspection of LBTH Reablement Service in September 2016 rated the service as 'Good' overall. The service was rated as good in four out of five CQC lines of enquiry; safe, effective, caring, and responsive. In the final category which inspected whether the 'service is well led' the service was rated as 'requires improvement,' however this was because of a failure to formally notify the CQC of administrative and regulatory incidents and is not reflective of problems in leadership or performance. The inspection recognised that there were good support structures in place and the service worked well together as a team.
- 4.7. The majority of service users are aged 65 and over. From April 2016 to December 2016 508 out of 640 (79 per cent) service users were aged 65 and over. Those with new disabilities tend to be younger and they often experience traumatic injuries or neurological conditions and are more likely to go through a rehabilitation pathway. There were 368 female service users, and 265 male service users (7 service users gender were unknown). The majority of users were white British (305), with Bangladeshi users representing the next highest client group (154).
- 4.8. A key performance indicator for the service is the proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement or rehabilitation services. In 2015-2016, 79 per cent of older people were still at home 91 days after discharge from hospital into reablement or rehabilitation. This was below the London (85 per cent) and national (83 per cent) averages; however this has increased to 89 per cent for Q1 2016-2017. The other key measure for performance is the proportion of older people discharged from hospital offered reablement services. At 3 per cent Tower Hamlets is in line with the national average; however it is marginally below the London average (4 per cent). Furthermore, in 2015-2016, 262 out of 372 (70 per cent) new service users (new to social care and without any established support plans in place) had no long-term support needs following their time with the reablement service, demonstrating the effectiveness of the service's interventions.
- 4.9. Demand for the service is increasing. Currently there are 800-900 referrals per year (averaging 71 per month) and this has been increasing since October 2016. The service is forecasting almost 600 independence plans in 2016/-2017 (when a completed assessment is performed) and this will represent an increase of 10-15 per cent on the previous year. There has been a 50 per cent increase in referrals from Hospital Social Work Teams since July 2016, although this can be explained to some extent by a new pilot project from health called 'Discharge to Assess.'
- 4.10. 'Discharge to Assess' aims to enable patients who have been deconditioned as a result of their admission to the Royal London Hospital to return home and receive a period of up to six weeks integrated Rehabilitation and Reablement. This supports NHS partners to reduce delayed discharges, therefore freeing up bed capacity, and enables people to return to independence at home rather than in hospital. This was a pilot project and it aimed to provide a much more accurate assessment of the



service users' needs, taking into account the fact they have been deconditioned by their hospital stay and that their starting point is not a true reflection of their long term care and support needs.

- 4.11. This scheme involves a team of nurses, physiotherapists, and occupational therapist (run by Barts Health) and reablement officers. The pilot scheme achieved a number of positive outcomes, with reductions to the cost of commissioning, reduction in the readmission rate (none of whom were readmitted for the original reason they were in hospital), and positive service user feedback. Barts Health is looking to extend this pilot.
- 4.12. Housing and Planning services have expertise in developing adaptable new housing stock and Occupational Therapists and surveyors work with residents to adapt existing housing stock wherever possible. Further developments of these services are included in the Ageing Well strategy. Therapists try to install quick fixes as soon as the person goes home such as disability equipment, assistive technology and ramps so that the person can begin their reablement immediately. Longer term adaptations can then be considered once the person has completed their period of Reablement and their level of ongoing support can be assessed.

#### 4a). How is the LBTH Reablement Service currently delivered

- 4.13. The current pathway into Reablement is via the two social care access points; the Royal London Hospital and the community based access service (Assessment and Intervention Team). Often, when people are referred from hospital there is a need for reablement at the point of discharge and when this is the case, the service aims to ensure that reablement support is in place within 24 hours.
- 4.14. There are significant differences in the referral criteria across the country. In Tower Hamlets the referral criteria is relatively open, with the only people excluded from the service being people who are at end-of-life, people who need rehabilitation before reablement can take place, and people with no potential to be re-abled. As there is a flexible eligibility criteria it means the service works with people with complex disabilities.
- 4.15. Once a referral to the service has been made, a robust functional assessment is performed by Occupational Therapists, Independence Planners, or Trusted Assessors in order to understand and accurately assess the needs of service users. This is an objective assessment of what the person is able to do through providing them with tasks and tests to perform. The assessments identify the support and treatment required for people to become independent.
- 4.16. Based on the results of the assessment an independence plan is developed in consultation with the service user which identifies the areas that people need support with. A goal setting document is used to identify SMART goals that people will work towards to regain their independence.

- 4.17. The average case lasts for six weeks but this can vary and be shorter or longer depending on the user's needs. After each case closes there is a review process which includes service user feedback and if required a referral is made for long term support.

## 5. Findings

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- 5.1. The Sub-Committee examined various sources of service user experience and performance information. As detailed above, members of the Sub-Committee met with patients and service user groups, officers from the London Borough of Tower Hamlets' Reablement Service, their counterparts at the Royal London Borough of Greenwich and other key partners who are integral to the health and social care integration agenda in the borough.
- 5.2. In presenting and summarising the findings of this review it is important to stress that the Sub-Committee heard a range of views about the Reablement Service, some positive and some not so positive. The Sub-Committee was able to access this feedback as the service offers every user a service user questionnaire at the end of their intervention.
- 5.3. In general, users tended to agree that the service fulfilled its primary function, with 91% agreeing with the statement 'the support I get helps me to stay as independent as possible' in Quarter 2 of 2016-17 and 75% in Quarter 3.

*"They worked with me... encouraged me where it was needed. They were able to see when they felt I could do a little bit more and supported me to do that, to gain that confidence..."*

(Service user feedback)

*"Now I can manage on my own"*

(Service user with Multiple sclerosis – referred after knee replacement)

*"The Reablement team help you get back on your feet, they're not there to do it for you.....slowly but surely each day you're supported do a little bit more for yourself... they're there to help me to do it for myself."*

(Service user feedback)

*"Two or three weeks down the line, I was actually getting up and washing myself..."*

(Service user feedback)

*"Staff were always friendly, helpful, and enabled me to get better. They were a great source of support through a difficult period."*

(Service user feedback)

*"The service was great they helped keep her independent and when she was not comfortable about doing some things they understood."*

(Service user feedback from HWTH report)

*"My last carer was fantastic. She helped me regain my independence slowly and encouraged me to eat even though I suffer from an eating disorder and really only like to drink shakes."*

(Service user feedback from HWTH report)

*“They knew where she required some extra equipment and made her feel a little more comfortable about doing things on her own with that acquired equipment”*  
(Service user feedback from HWTB report)

- 5.4. The key ingredients to the delivery of a successful reablement intervention seem to include:
- Service users being clearly informed of what the Reablement Service is so that expectations are properly managed;
  - Service users being discharged at a reasonable time of day to ensure there is a coordinated and effective transition into the service and to allow for an immediate needs assessment and independence planning;
  - Advanced discharge planning must take place to ensure that any housing adaptation needs or environmental health issues such as bed bugs are addressed, and so that service users leave hospital with the correct medicines.
- 5.5. During the course of the review some key themes came through very strongly, including: issues around hospital discharge, quality assurance checks, social commissioning, understanding of the service, clear communication, the role of the third sector, social worker training, reassessment of people with long term support needs, navigation of different pathways and the cultural approach to social care services in Tower Hamlets.
- 5.6. The Sub-Committee identified a number of areas for improvement that would further enhance service effectiveness and outcomes for service users:
- Navigation of reablement and understanding of provision;
  - The hospital discharge process;
  - Service design and improvement;
  - Social commissioning and the role of the third sector;
  - The approach to social services in Tower Hamlets.

#### **5a) Navigation of reablement and understanding of provision**

- 5.7. There are currently a number of reablement and rehabilitation pathways in Tower Hamlets which caused the Sub-Committee to raise concerns about how people are expected to be empowered and involved in making choices

about the care they receive if there is no easy comprehension of the system or accessible information about it.

Currently service users can be referred to the following:

- Reablement
- Community Health Service, which provides a combination of both nurses and therapists who deliver nursing interventions which are not specifically related to rehabilitation but have a strong emphasis on self-management.
- Admission Avoidance and Discharge Service, which provides help and support for people with intensive nursing and therapy needs who would traditionally have been admitted to, or have remained in, a hospital bed or rehabilitation bed at Mile End Hospital.
- Specialist pathways: if patients have a specific health issue which has caused them to be in hospital they will be referred to a more specific rehabilitation pathway e.g. Stroke Rehab Team, Specialist Community Neuro Team, and Cardiac Rehab Team.

5.8. Within these services, the Sub-Committee heard that teams are sometimes performing similar tasks and the Director of the Community Health Team explained that whilst there is a good relationship between the Reablement Service and the Community Health Team there is a sense of confusion among staff and patients around what service is most appropriate. Streamlining provision would help make the pathways more navigable to clients and staff, and avoid duplication within the system.

5.9. The Sub-Committee was informed that some of this work was already underway, with a review of the reablement and rehabilitation pathways currently being undertaken as part of the Tower Hamlets Together Vanguard programme. The aspiration of Tower Hamlets Together is to move the separate services into an integrated service with a single point of access, which would provide one route into community health and social services for Tower Hamlets residents. This will be easier for both professionals and service users to understand and improve resource utilisation. Work is currently being undertaken to scope out the detail of an integrated service and it is anticipated that the new integrated service will commence in April 2018.

5.10. The Sub-Committee heard a number of examples to suggest that amongst some service users there is a misunderstanding of the role of the Reablement Service. This creates unrealistic expectations about the service people will receive and therefore negatively impacts on people's outcomes and satisfaction. From their interviews with service users Healthwatch Tower Hamlets concluded that the more extensive a service

users knowledge of reablement is, the more likely they were to provide positive feedback and satisfaction.

- 5.11. However, despite 83 per cent of respondents to the Healthwatch Tower Hamlets interviews confirming that they were aware of the purpose of the Reablement Service, comments made when asked about whether the service helped them to regain their independence (64 per cent felt it did not) suggests many do not fully comprehend the philosophy behind the service.

*“They are good. But this isn’t what I need. I need to move where there are people who can take care of me. They have adapted my doors, so that’s been good.”*

(Service user feedback from HWTH report)

*“My mother in-law isn’t independent I have to do everything for her. She isn’t interested in being shown how to make snacks and drinks. She can do those things, she needs other support. I don’t see the point of this service”*

(Service user feedback from HWTH report)

*“Like I said my mother in-law needs a carer and someone to take her out. I am her main carer and we asked for some type of respite care. I’m not sure what the point of this service is. When I asked the helper to do it for her she said no and said she is only here to show her. She is old and she isn’t in need of becoming independent. I asked to be given a carer. I have my own ailments that need to be managed. When you ask for help they don’t want to help you”*

(Service user feedback from HWTH report)

- 5.12. As these comments suggest, some clients have a view that the service does not provide the level of intervention they think is required. This indicates that either users/carers are unaware that the service is designed to foster independence rather than provide ‘Homecare’ style interventions, or that they understand the reablement approach and consider it inappropriate for their needs.

- 5.13. The Sub-Committee concluded that further work needs to be undertaken within the community and acute settings to explain the role of the Reablement Service to patients and staff. This would help promote a more widespread understanding of reablement philosophy, but also help to explain where it fits into the wider social/community healthcare offer (e.g. it may be that a referral to Homecare is required in future).

- 5.14. More specific user feedback was provided by Real, which evidenced a lack of understanding of the service amongst disabled service users and how it can support their needs. There is a widespread perception amongst their users that referral to the Reablement Service is the council’s way of cutting support packages and that it is not appropriately designed to support a person with limited reablement potential. For example, some disabled service users felt that that Reablement Service is ineffective for certain groups and that it is not the right setting to assess people with long term conditions/degenerative disabilities, especially where there are limits to how much they can benefit from Occupational Therapy support, adaptations, and reablement equipment.

- 5.15. The service reported that these issues were likely the result of a lack of confidence amongst social workers about how to perform an assessment of changing needs if there is a request for an increase in a person's care package, which is something that has historically caused some issues. In recognition of this, the service has invested a lot of time empowering social workers to feel more assured when identifying whether the reablement service is appropriate as a default pre-cursor to increases in care package, as it is clearly not a suitable pathway for all clients. In addition, there is currently a training programme underway to improve conversational technique and the language used amongst social care staff to help better communicate the empowering objectives of the service.
- 5.16. However there clearly remains some challenges and the Sub-Committee felt that more work was required to convey the purpose of the service and dispel negative perceptions amongst disabled service users. There is a significant programme of change for social care staff planned, which builds on the introduction of the practice framework and is moving towards a more empowering and enabling approach through the conversations that staff have with service users, with a specific focus on the language used.
- 5.17. Service user groups also expressed their confusion over how the system works. The Tower Hamlets Older Peoples Reference Group informed the Sub-Committee that it was not aware that the service was available for older people who are already in their homes and struggling to maintain their independence, or how to get a referral to the service. Furthermore, the Carers Centre stated that they were unclear about whether people are able to refer directly to the Reablement Service or if they have to go through the Assessment and Intervention Team.
- 5.18. The difficulty in navigating the reablement and rehabilitation system is also experienced by GPs. The GP Care Group informed the Sub-Committee that it is not always clear which pathway a patient is on if they've been discharged from an acute setting, or which reablement/rehabilitation service is appropriate for a community referral. Improving the flow of information about patients at the point of discharge would be useful for GPs, and better communication about the role of the Reablement Service would help GP decision making when considering a referral.
- 5.19. Feedback from the Healthwatch Tower Hamlets interviews with service users supports the view that there is a lack of clarity amongst GPs around referral pathways and patient's suitability for the service. The majority of respondents to Healthwatch Tower Hamlets interview were referred by the GP and Healthwatch discovered that many of these patients were elderly and felt that they needed long-term care rather than reablement. As such, many did not benefit from the service because they were too ill to regain independence or had not been appropriately advised about the remit and expectations of the service. Healthwatch concluded that with the GP referrals it was less clear that people would benefit from reablement (three

referrals were for people with mental health issues) and they were generally more negative about the benefits of the programme.

*“I’m not sure why they sent them because my mother in law has mental health issues so her opportunity to be independent is very limited. They told us they will be coming for about six weeks but when they weren’t any help we asked them not to come again.”*

(Service user feedback from HWTH report)

*“The GP referred us because he has mental health issues.”*

(Service users feedback from HWTH report)

- 5.20. The Sub-Committee expressed its particular apprehension over the ability of new GPs and locum doctors to understand how the Reablement Service works and fits onto the reablement/rehabilitation pathway. The GP Care Group accepted this as a legitimate concern given the severity of GP shortages and recognised that it is easier to navigate the system and respond to patient needs if you are a regular GP with familiarity of the medical history and needs of your patient. However, the Care Group also stated that GP surgeries are moving away from this mode of working and that regardless of the duration a GP has spent in a General Practice they still have a professional responsibility to liaise with other colleagues. In practice it should not be a significant issue; especially given the integrated care programme assigns a named GP as part of a patients care package.
- 5.21. In light of this, the Sub-Committee feels that communication to stakeholders and key partners needs to be improved so that GPs, and colleagues at the Carers Centre and Older Peoples Reference Group, amongst others, know how the system works and how to access it.

**Recommendation 1:** That the Reablement Service delivers additional training to social care staff in strength based practice to ensure they are able to convey the aims of the service and the reablement approach positively to service users and their families/carers

**Recommendation 2:** That the Reablement Service works with Real to review cases where concerns were raised, and use this information to improve service delivery for disabled service users via tailored training for specific teams or individuals (in association with Real).

**Recommendation 3:** That the Reablement Service develops a communications plan linked into the launch of the new integrated single pathway to educate the community on the role and aims of the Reablement Service so they are better advocate for themselves, and identify and challenge poor practice.

## **5b) Hospital discharge process**

- 5.22. Discharge from hospital is an important part of the patient pathway. Evidence heard as part of this review highlighted that effective hospital discharges can only be achieved when there is good joint working between the hospital, local authorities, housing organisations, primary care and the voluntary sector, with each having a clear understanding of their respective roles and responsibilities. Whilst the Sub-Committee heard a number of examples of this joint working happening effectively, there remains a clear need for improvement, specifically in the relationship between the Barts Health Trust and the Reablement Service.
- 5.23. The Sub-Committee is alarmed by a number of issues in the hospital which appear to be having a significant impact on the performance of the Reablement Service and outcomes for service users. Reablement officers reported that there is a pattern of increased risk-taking with discharges as a result of the current pressures on the hospital, which is resulting in less notice being provided to the Reablement Service of discharge, and less involvement of adult social care in the discharge decisions making process.
- 5.24. The chief concern of the Sub-Committee relates to the time and day that patients are discharged. The Sub-Committee heard from a number of partners, officers, and service user groups that discharge into reablement too often occurs at the end of the week, without adequate notice given to the Reablement Service. This impacts on the capacity of the service to sufficiently prepare their support package for the client, which in-turn undermines the service user experience, outcomes, and physical and mental wellbeing. There are no longer home visits by therapy staff from the hospital wards which leads to people being discharged without the hospital or relevant adult social care teams having any knowledge of the situation a person will be placed in. Consequently, reablement officers will visit a person for the first time and it will often transpire that there are no basic supplies in the house such as food or electricity, leaving the person at risk. Reablement officers informed the Sub-Committee that this often requires them to respond to emergency situations in the first 24-48 hours. AgeUK East London try to pick this up and support people being discharged from hospital but there is no formal procedure in place for this and relies on them being in the right place at the right time as somebody is being released from the hospital ward. The danger this poses to a person's wellbeing, and the challenge it places on the capacity of the Reablement Service is exacerbated when the person is released at the end of the week at a time when all essential services and shops are closing and it is far harder for the Reablement officer to get the essential provisions in place.
- 5.25. Department of Health and NHS guidance recognises that assessments for NHS Continuing Care and Community Care need to take place as soon as possible and well before a person is discharged. However the Sub-Committee feel that this is not happening in Tower Hamlets, or if it is it is, is not being communicated effectively to the Reablement Service. The Sub-Committee would like to see Barts Health review its discharge planning



process so that a person's full range of needs, including their physical and mental health, housing, and financial situation, are taken into consideration and communicated to the Reablement Service in advance of discharge. Where possible, the Sub-Committee would like the hospital to undertake discharge planning early and not leave it until Thursday or Friday when the Reablement Service is less able to respond effectively.

- 5.26. The Sub-Committee identified that some service users are being discharged without access to money, which is having a significant impact on resources. Withdrawing money from a client's account requires two Reablement officers to receive signed consent from the service user and, where somebody does not have a bank card, Reablement officers have reported needing to visit food banks to obtain groceries. Both of these are extremely time-consuming and an ineffective use of staff time.
- 5.27. The Sub-Committee identified the process for the provision of medication for hospital discharge as ineffective, potentially dangerous, and wasteful. The likelihood that an elderly medical patient will be discharged on the same medicines that they were admitted on appears to be less than 10%. Currently patients are discharged with a bag of medication, which is very challenging for patients who are unable to read the medication boxes and administer the correct dosage (especially for older patients or those suffering with dementia). This presents a challenge as Reablement officers are not permitted to administer medication from individual boxes without a Medication Administration Record (MAR) chart or unless it is transferred into a dosette box first. At present, it appears the pharmacy in the hospital does not issue MAR charts and there is inconsistent use of dosette boxes.
- 5.28. A MAR chart should accompany the medication as part of the discharge process and the Reablement Service has raised this point at discharge meetings however it is yet to receive the appropriate action or response. If a MAR chart is not provided at the point of discharge then the alternative option to allow officers to handle medication is for people to be discharged with a dosette box however this is not happening and is just as problematic to solve. The Sub-Committee feel that this is an unnecessary misuse of resources as the old medication is often taken away to be incinerated and new medication is filled into the dosette box by the pharmacy. One Reablement officer stated that the NHS procedures do not permit the hospital pharmacy to prescribe medication in dosette boxes and this was illustrated to her when she recently visited the hospital rehabilitation unit. This also very time consuming and ineffective use of a reablement officer's capacity. One reablement officer commented that in the evening when they undertake a half an hour visit it can sometimes take the duration of that visit just to support the service user to arrange their medication. In cases where the service user is released with a dosette box it makes the process far more efficient. The Sub-Committee questioned whether hospital volunteers could be utilised to assist hospital pharmacies to fill the dosette box.
- 5.29. Reablement officers informed the Sub-Committee that there was insufficient provision of incontinence support from the hospital, which often

leaves the people they support in a compromising and an undignified position. As it takes time to provide people with correctly fitted pads via community nursing services they are provided with temporary pads at the point of discharge, however there are not enough pads to cover the patients' needs and it takes too long for the correctly sized pads to be provided. Reablement officers who were spoken to as part of this review voiced their frustration that the fitting of continence pads is not undertaken whilst the patient is in hospital as the patient will be wearing them during their stay and the hospital will have knowledge of whether the patient will need to wear the pads when they return home. Moreover Reablement officers reported that it was particularly difficult to communicate with the District Nurse to rectify this issue as the central telephone number they are provided with does not work.

5.30. AgeUK East London reported that the main problem their service users encounter is when their reablement needs are not identified in the hospital. Many service users are not referred to reablement and only realise they require the service once they are back home. The Sub-Committee found that knowledge and understanding of the reablement and rehabilitation services available does not translate across all wards within the hospital. If patients are not on the main wards where there is a greater level of dialogue and knowledge about rehabilitation and reablement services then it can lead to patients being discharged without the appropriate discharge planning taking place. Moreover, therapy input is not available on every ward which means that they do not benefit from early discharge planning and this can lead to instances where the patients' reablement needs are not identified. AgeUK also reported that another way a patient's needs are missed is if they are moved between wards and discharged from a different ward to the one they were originally in.

5.31. There is a significant programme of ICT updates as part of the Tower Hamlets Together Vanguard programme and TST, and the ambition is for Tower Hamlets to move into greater sharing with Health during the 2017-2018. The London Borough of Newham has already begun to share data with GPs and wider health colleagues. The Sub-Committee feels that this is an opportune time to ask for the new system to incorporate a method to manipulate service user data in order to identify which wards have discharged people without the appropriate reablement package in place. This will then allow the service to track the wards in the hospital which required further awareness and tailor a training package and promotional campaign at them.

**Recommendation 4:** That the Reablement Service explores options to provide emergency provision for supplies through pre-payment cards and food vouchers to assist those who are discharged from hospital back home without sufficient notice.

**Recommendation 5:** That Barts Health reviews its discharge procedures so that all patients are provided with dosette boxes when they leave hospital and medication is accompanied by a Medicine Administration Record (MAR) chart.

**Recommendation 6:** That Barts Health reviews its discharge planning process to ensure that the appropriate quantity of correctly fitted continence pads are provided to the patient at the point of discharge.

**Recommendation 7:** That Barts Health reviews its discharge planning process to ensure that discharge does not take place at the end of the week without advance communication to the Reablement Service, allowing for better planning that takes account of service users full range of needs and smoother handovers.

**Recommendation 8:** That the Reablement Service reviews service user data to identify which hospital wards require further training to educate staff on the purpose of the Reablement Service, its referral pathways and how aligns with other rehabilitation provision.

**Recommendation 9:** That the Reablement Service examines the procedures for liaison with environmental health so that response times to address issues such as bed bugs are improved.

### **5c) Service design and improvement**

- 5.32. The Sub-Committee was informed that performance is monitored in a number of ways including service user questionnaires, case audits, and regular staff supervision meetings, spot checking cases, and attending site visits with junior staff to check performance. The Sub-Committee welcomes this clear commitment of the Reablement Service to improving the service user experience and outcomes for clients, but believes that more could still be done.
- 5.33. All informal and formal complaints are recorded and reported to senior management and where patterns of poor performance are identified the service aims to implement changes to address this. The Sub-Committee identified public involvement in the monitoring process is a significant gap, and believe the third sector (particularly the Older People's Reference Group) should be involved with case audits to encourage greater transparency. The Reablement Service acknowledged that there is very limited engagement with service users, particularly in improving and auditing the service, and there is an opportunity to develop this for the future.
- 5.34. Healthwatch Tower Hamlets reported a number of experiences where patients felt as though their goals were not taken into consideration by the Reablement Service. This could mean that the service is not personalised enough, or that people's goals are not aligned with the philosophy of

independence. The Sub-Committee feel that these issues should be identified and reviewed as part of ongoing performance monitoring and case audits.

- 5.35. The Sub-Committee identified the first week after discharge as a crucial stage in the reablement process. It is clear to the Sub-Committee that the majority of issues, such as those arising as a consequence of the hospital discharge process, bed-bugs in the home, housing adaptations or mobility assisting equipment not being ready in time, occur during this first week and it is therefore critical to ensure that this stage of the process is delivered effectively. The Sub-Committee feels that the performance monitoring of this stage of the reablement process needs to be strengthened. The Sub-Committee suggested an additional questionnaire be introduced into the performance monitoring process which could take place one or two weeks after the service has started as the experience after the first week and the experience after three months are significantly different. A questionnaire after one week would capture the acute problems which arise at the point of discharge and the issues which arise coordinating service provision. In Mental Health there is a national requirement to follow people up within seven days with a telephone calls or a visit. As part of the integrated care programme there could be a role to follow up with all patients discharged from hospital.
- 5.36. The London Borough of Greenwich Reablement Service provided a number of useful areas of learning to demonstrate how the performance monitoring of patient experiences immediately following hospital discharge can be undertaken. In Greenwich they have a quality assurance officer undertake a site visit to clients within the first week to two weeks to make sure that they are happy with the service, that all provision is in place, that there has been therapist input and a quality assurance form is completed. It also allows the Reablement Service to check that the client is on the correct pathway. This does not always have to be undertaken face to face, it can also be performed over the phone. Moreover they have a diary check within the first 48 hours which involves a senior officer visiting the client to explain service and find out what the users experience is.
- 5.37. The Sub-Committee was informed that a Discharge Forum has been set up and the issue of people not knowing who to contact if they had a problem within the first week to two weeks in their reablement and rehabilitation was highlighted. There are some teams which have a good system in place such as the Stroke Rehab Team and Barts Health are now trying to look at replicating this for General Discharges.
- 5.38. The Sub-Committee also identified the ICT system in place at Greenwich as another area of good practice to be adapted in Tower Hamlets. Greenwich has the IConnect Staff Plan ICT System in place which allows them to increase operational efficiency and improve care delivery. Referrals which are made to the service are digitised and all information about service users is sent directly to officers phones. This removes the need to communicate with staff as often as was required when paper rotas were in

place and can speed up the process of relaying information from hospital to officers. It helps the service to manage capacity as they can use the system to determine workloads and it is easier to view this on a screen than on paper rotas. Moreover they are able to send reablement officers to visit service users based on their proximity which helps to reduce travel time. They have split the service into three areas, Greenwich, Eltham and Woolwich and colour coded the areas to help manage and coordinate officer's workload. This could help in Tower Hamlets as the service reported that some members of their staff are traveling for up to 2-3 hours over the course of the day.

5.39. The Sub-Committee questioned whether there is any mental health provision included in the service given the elderly composition of service users, and that many are referred to the service following a prolonged hospital stay which may have impacted on their mental wellbeing. The Sub-Committee was informed that there is currently no recognised mental health support within the Reablement Service. There are a range of officers who have both physical health and mental health training however the service is very much focused on physical health. If mental health needs are identified officers try to refer people to the appropriate mental health teams. The Sub-Committee are concerned that this is a gap in the service which could significantly impact on outcomes. Healthwatch Tower Hamlets identified this as an issue and concluded that in some cases the service did not seem to be personalised as it could have been. Unless the service is able to deal with the issue that is most important to that person at the time their experience of the service overall is going to be negative. With referral to a mental health service often requiring a waiting period before treatment the Sub-Committee feel the Reablement Service will perform more effectively if the treatment of both physical health and mental health is aligned.

5.40. Service users felt that if people with mental health issues are going to continue to be part of the reablement programme staff may need more mental health awareness training. Healthwatch Tower Hamlets found that people with mental health issues were generally more negative about the benefits of the programme.

*"I'm not sure why they sent them because my mother in law has mental health issues so her opportunity to be independent is very limited. They told us they will be coming for about six weeks but when they weren't any help we asked them not to come again."*

(Service user feedback from HWTH report)

*"They should educate the carers on mental health issues"*

(Service user feedback from HWTH report)

**Recommendation 10:** That the Reablement Service improves its engagement with service users by working with the Third Sector to help strengthen the transparency of its performance monitoring process, including closer involvement of the OPRG.

**Recommendation 11:** That the Reablement Service establishes procedures for contacting service users by phone or in person within 24hrs of discharge to ensure they are safe and have no immediate issues about their care and support.

**Recommendation 12:** That the Reablement Service learns from observed good practice in Greenwich and introduces a questionnaire for all Reablement service users within the first 5-10 days after discharge from hospital.

**Recommendation 13:** That the Reablement Service learns from observed good practice in Greenwich and explores how they could use ICT systems to improve the coordination of staff planning and improve the efficiency of staff planning.

**Recommendation 14:** That the Reablement Service explores options to link the Reablement Service into existing mental health provision to provide more integrated physical and mental health support as part of a six week reablement period.

#### **5d) Social commissioning and the role of the third sector**

- 5.41. The CCG are currently pioneering work around social prescribing in Tower Hamlets at a primary care level, allowing GP's to prescribe non-medical things for people that need additional support. However, the Sub-Committee feel that Reablement officers are also perfectly placed to perform a similar function as they have more frequent interaction with service users and can identify issues such as social isolation and refer people to the appropriate social activities or clubs, such as lunch clubs or befriending services, especially as part of exit planning from the service. The Sub-Committee was informed that there is an acknowledgement across the council and the Tower Hamlets Partnership that there are opportunities within the voluntary and third sector which need to be explored further. There is a programme within the Vanguard which focuses on greater community engagement and is working to strengthen the relationship with the voluntary sector and the linkages need to be made.
- 5.42. AgeUK East London informed the Sub-Committee that they have recently been working with a GP and both were unaware of the role each other performed. There are a number of care navigators in the community that do not appear to be linked into mainstream services. The Sub-Committee feel it would be valuable to link the care navigators with the social prescribing pilot, Reablement officers, voluntary sector, and advocacy sector as an information sharing forum. There are currently four locality community boards that are led by GPs who are looking to refresh their membership. This could be expanded to become a wider care team to include everybody who is in the local area, including both the statutory and the voluntary sectors. One of the drivers for health and social care change is to work in localities more, for example the new domiciliary care contract is spread across the four sectors which also tie in with the GP primary localities, and an information sharing forum could work to a similar framework.

5.43. As the pressures placed on adult social care budgets increase, the Sub-Committee wanted to understand the implications for this on the service. The Sub-Committee were informed that the move towards self-care and community based care can support the council to be more flexible with their resources. The Sub-Committee suggested that a possible course of action is to train formal and informal carers and volunteers to support the reablement process. This may also lead to improved service user outcomes, as in many cases the success of reablement depends on the attitude of the family, not just that of the service user. It will also help to increase the service's reach and help support service users in the transition beyond the 6 week reablement period. The Carers Centre expressed their view that there needs to be better communication with the 'cared for', their carers and their advocates.

**Recommendation 15:** That the Reablement Service explores the possibility of performing a social prescribing or commissioning function to refer people on to appropriate community support/activities at the end of its formal intervention.

**Recommendation 16:** That the Reablement Service develops a forum to share information on ongoing projects, available services, and opportunities for partnership working between the third sector and statutory services, perhaps building on the multi-agency meetings of each of the GP localities

**Recommendation 17:** That the Reablement Service explores options to train formal and informal carers and volunteers to support the reablement process and promote the principles of recovery and independence.

#### **5e) Tower Hamlets approach to social care services**

5.44. The Sub-Committee was informed of the view that, historically, types of adult social care in Tower Hamlets were about providing a certain type of interventionist care that sometimes encouraged dependence rather than independence. The work of the Reablement Service is premised on an alternative approach, which offers service users the chance to regain their independence without ongoing, long term support.

5.45. This is indicative of the trend across the health and social care sector in the UK, although embedding this ethos is a challenge in terms of service user expectations and professional practice. The Sub-Committee was informed that there is recognition within adult social care, the council, and also across the wider Tower Hamlets Together partnership that the philosophy does need to change and that this is a key component part of the Vanguard program.

5.46. The Sub-Committee found that there is a need to encourage a culture of reablement across the local system (not just within the Reablement Service), particularly in the hospital and amongst social care providers. A

handover to a more traditional home care service might undo the progress made following a period of reablement. Reablement officers provided examples of where people who were discharged were allocated care workers who provide a high level of intervention and then shortly afterwards the reablement staff turn up with the aim to reduce dependency, however by this time the service user is accustomed to the care service. This is likely to happen when somebody who has an existing package of care goes into hospital and then is referred through the reablement pathway at discharge. It also occurs where there is not the capacity in the service on discharge to provide the Reablement officers so the next step is to set up what the hospital wants through brokerage service. The aim is to move these care packages back into the service as quickly as possible but it may be too late. This then creates the perception that reablement service's role is to cut services.

- 5.47. The Sub-Committee heard from reablement officers that the annual review of those on long term support is not being enforced as robustly as it should be. This leaves the council in a position where it is paying for high levels of support for somebody who is no longer in need of it. Moreover it can cause resentment in the community and create a negative attitude towards reablement as people are unable to understand why they are being supported to regain independence and not being provided with the same level of support as people who are no longer as immobile or in ill health.

**Recommendation 18:** That the Reablement Service reviews how social care staff introduce reablement positively to residents and their families and examines how the annual re-assessment procedure for people with long term care packages to establish how reablement may assist service users.



**Community Health Services in Tower Hamlets**  
***Supporting discharge from hospital***

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**The Admission Avoidance & Discharge Services (AADS)**

The AADS is an integrated service which combines the following functions:-

- Admission avoidance in ED with follow up in AAU and/or the community (7 days per week in ED from 8am to 7pm)
- Hospital at home for medically optimised patients who need increased nursing / therapy support (e.g. for 2 weeks) to support prompt discharge from hospital (7 days per week from 8am to 6pm)
- In-reach nursing team who work between wards and community health teams to facilitate discharge for patients with complex needs (7 days per week from 8am to 6pm)
- Home support pathway or discharge assess, which enables patients to be discharged home for assessment of care needs with additional health & social care packages in place. This pathway includes providing CHC assessment in a person's home where appropriate. (7 days per week from 8am to 6pm)

The AADS team includes nurses, occupational therapists, physiotherapists and social workers. The team is made up of both permanent and temporary employees due to the nature of the funding arrangements currently in place with the CCG.

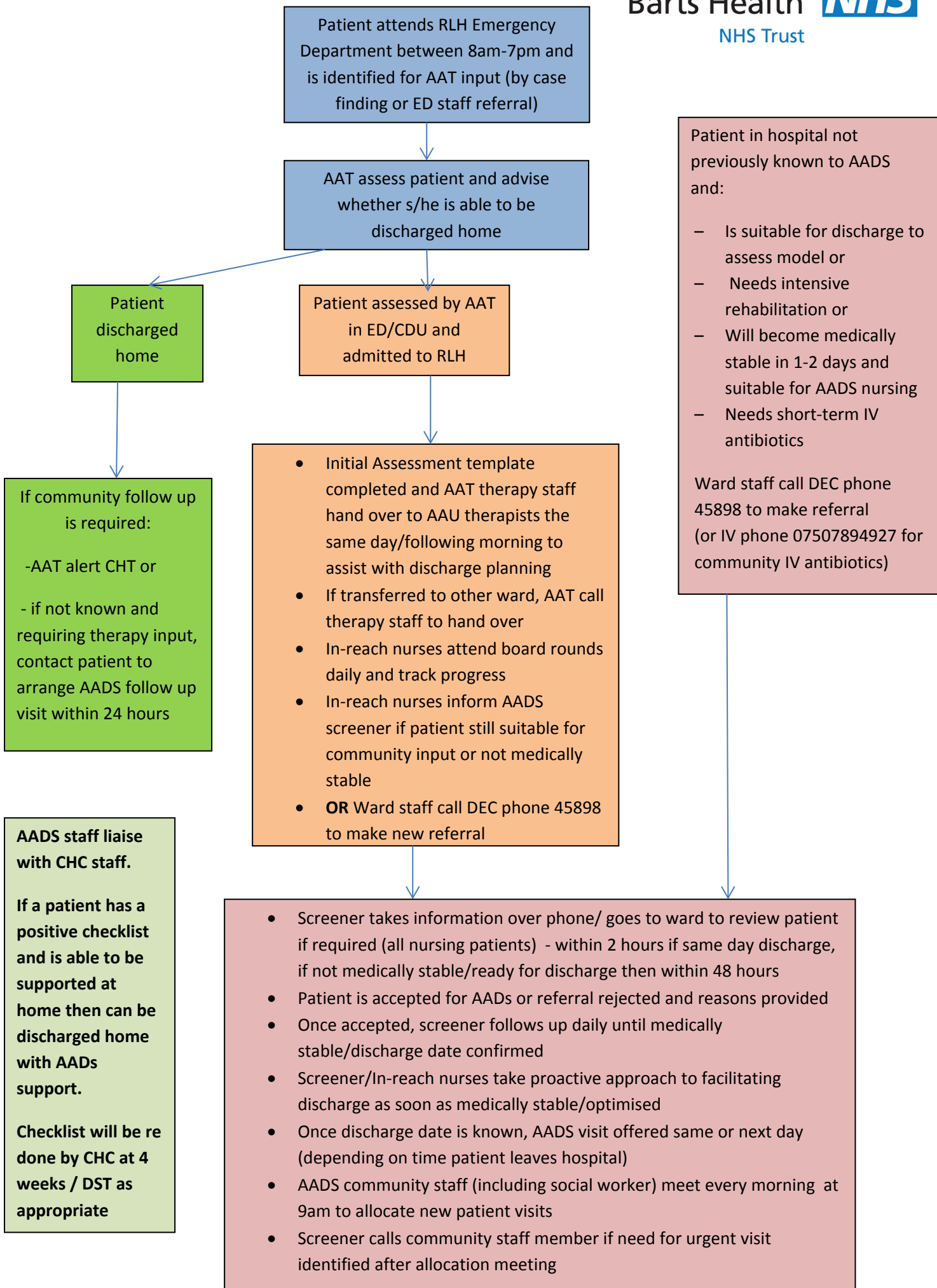
The AADS aims to:

- Avoid unnecessary admissions for patients who attend the Emergency Department
- Improve the transfer of care from the Royal London Hospital to community services
- Facilitate discharge for patients who are expected to become clinically stable in the next 1-2 days and can be safely managed by community nurses with advanced clinical skills
- Support patients who require further health/therapy assessments to go home as soon as they are medically stable
- Support patients who require short term rehabilitation to return to their previous level of function

Identifying patients for the AADS starts in the Emergency Department with patients identified by the admission avoidance team who can be safely discharged home and followed up in the community by therapies or other members of multi-disciplinary team (MDT). It will not always be possible to discharge all patients home and where this is the case, the AADS team follow the patient into the hospital ensuring that their discharge back home is planned from point of admission.

Patients are identified from the wards by the in-patient therapy teams, who make direct referrals to AADS as well as by the nurse screeners who form part of the AADS team. The nurse screeners as well as the in-reach team work directly with wards to case find and identify patients suitable for the home support pathway. The nurse screeners & in-reach teams will also refer cases to CHC assessors where appropriate. The in-reach team attend daily board rounds on RLH, with their main focus being on the 11<sup>th</sup>, 13<sup>th</sup> & 14<sup>th</sup> floor, to enable them to work with ward teams to support the prompt discharge of patients home and identify additional cases for AADS. Clinical dialogue will take place if patients are already known to the CHTS/ specialist teams to ensure the right person sees the patient to support discharge.

A member of the AADS team also attends the RLH daily safety huddle and at least one of the thrice daily capacity meetings to ensure all patients who will benefit from the AADS service are identified and referred to the team.



If community follow up is required:  
-AAT alert CHT or  
- if not known and requiring therapy input, contact patient to arrange AADS follow up visit within 24 hours

**AADS staff liaise with CHC staff.**

**If a patient has a positive checklist and is able to be supported at home then can be discharged home with AADs support.**

**Checklist will be redone by CHC at 4 weeks / DST as appropriate**

- Initial Assessment template completed and AAT therapy staff hand over to AAU therapists the same day/following morning to assist with discharge planning
- If transferred to other ward, AAT call therapy staff to hand over
- In-reach nurses attend board rounds daily and track progress
- In-reach nurses inform AADS screener if patient still suitable for community input or not medically stable
- **OR** Ward staff call DEC phone 45898 to make new referral

Patient in hospital not previously known to AADS and:

- Is suitable for discharge to assess model or
- Needs intensive rehabilitation or
- Will become medically stable in 1-2 days and suitable for AADS nursing
- Needs short-term IV antibiotics

Ward staff call DEC phone 45898 to make referral (or IV phone 07507894927 for community IV antibiotics)

- Screener takes information over phone/ goes to ward to review patient if required (all nursing patients) - within 2 hours if same day discharge, if not medically stable/ready for discharge then within 48 hours
- Patient is accepted for AADs or referral rejected and reasons provided
- Once accepted, screener follows up daily until medically stable/discharge date confirmed
- Screener/In-reach nurses take proactive approach to facilitating discharge as soon as medically stable/optimised
- Once discharge date is known, AADS visit offered same or next day (depending on time patient leaves hospital)
- AADS community staff (including social worker) meet every morning at 9am to allocate new patient visits
- Screener calls community staff member if need for urgent visit identified after allocation meeting

## **Community Health Teams (CHT)**

Community Health Teams are multi-disciplinary teams of Nurses, Occupational Therapists, Physiotherapists, Care Navigators, Social workers, Psychologists and access to additional health care professionals. Services operate 24 hours a day, 7 days a week for nursing. The community nursing team focus on nursing interventions which are not specifically related to rehabilitation but have a strong emphasis on self-management.

Referral to the services is via the Single Point of Access.

## **CHT Therapy Physiotherapy and Occupational Therapy Rehabilitation Service:**

The therapy service within CHT are mainly focused on rehabilitation and working towards a person's individual goals. A thorough home based assessment will be carried out by a fully trained health care professional and a treatment plan tailored from the assessment findings. Various strategies will be employed to assist a patient in attaining their goals which will include use of functional rehabilitation, home based exercises, provision of appropriate equipment etc. All interventions will be discussed with the patient in advance and aim to work towards their personal goals.

The therapy service provides short term intervention with a strong focus on self-management and continued improvement once therapy provision from CHT has stopped. The therapists within CHT will work with patients suffering from a variety of medical conditions and complaints. The following are examples of common reasons for referral to the therapy service:

- Falls
- Balance impairments
- Fractured Hips (traumatic)
- Pre-habilitation (preparation of patients for elective orthopaedic surgery)
- Musculo-skeletal complaints for those who are housebound
- Post admission rehabilitation
- BPPV
- Difficulty in managing activities of daily living e.g: difficulty with managing meal preparation
- Cognitive Rehabilitation

### Referral Pathway and referral triage process:

Referral to the CHT therapy team is received from varying health care professionals. All new referrals are submitted to the Single Point of access. Here the referral is registered and placed in the correct locality in accordance to patient's GP and address demographics. All new referrals are screened and triaged by integrated locality team members daily. Each new referral is prioritised and placed into the correct therapy service.

CHT therapy team have a priority criterion as follows:

### Rapid Response (2 hrs)

Immediate assessment and intervention (needs based contact within 2 hours) to keep the person at home if safe and possible to do so, or facilitate a safe discharge

- Sudden deterioration (within the past 24 hrs) in the community with immediate high risk of admission
- Facilitation of discharge from ED of hospital (i.e. non-admitted patients) whereby patient is at high risk of readmission (within 24 hours)
- Palliative care – to enable dying at home
- Urgent Response (24 hrs) Needs based contact within 24hrs for assessment and intervention as required to facilitate safe and timely discharge home from hospital or prevent an admission to hospital
- Breakdown of urgent equipment (if not covered by CES)

- Client / carer at high risk of injury due to manual handling
- Acute chest infection / aspiration. Client at risk of admission and requires assistance with secretion clearance (must have already been seen by medic within 24 hours and commenced on antibiotics)
- High falls risk e.g. recurrent (2 or more) within past 5 days. Not presented to other health services.
- Replacement walking aid for indoor mobility required (not known to CES)
- Non routine post-surgical e.g. Total Hip Replacement assessment / intervention to decrease risk of dislocation
- High risk of readmission of palliative care client

#### Routine Care (5 days)

- Facilitate safe and timely discharge home from hospital or prevent an admission to hospital / long term placement
- Palliative care at risk of readmission or to facilitate discharge / carer advice
- Assessment of client who has not received an assessment from another CHT clinician / HSW / Lead Care Navigator within 5 days of referral
- Falls risk
- Post-op intervention for orthopaedic surgery with risk of deterioration or readmission
- Significant high level of risk in carrying out essential care and daily living tasks
- Manual Handling issues for carers
- High risk of pressure area breakdown & needing MDT input

#### Non urgent Rehabilitation (3weeks) (which may include long-term rehab client with on-going potential)

- Post-op intervention for progression of function with no risk of readmission or deterioration
- Progression of mobility aid with no risk of readmission or deterioration
- Outdoor mobility and community access
- Patients who are reprioritised following, for example, psych input and are therefore ready for treatment
- Client has on-going rehab needs but is able to maintain function
- Long-term chronic pain
- Vocational rehabilitation

#### Hours of service:

The therapy team operates from 08.30hrs – 17.00hrs Monday- Friday and 09.00hrs - 17.00hrs Saturday and Sunday.

#### **Elderly Care Rehabilitation Services**

Elderly care rehabilitation services are based at Mile End Hospital. There is one elderly care rehabilitation ward (24 beds) which is supported by a multi-disciplinary team of nurses, doctors and therapists.

Criteria for admission to the ward is over 65, accepted under the care of the elderly care consultants at the Royal London.

Patients will have on going rehabilitation needs or complex discharge needs eg anxiety or 3 to transfer. Patients can stay for up to 42 days but average length of stay is much shorter- last year average length of stay was 11.2 days.

### Specialist Rehabilitation Services

Barts Health runs some specialist rehabilitation services that support patients who have been discharged from hospital following a specific condition related episode. These teams are:-

- Stroke Rehab for patients after an acute stroke.
- Cardiac rehab and heart failure services.
- Adult Community Neuro Team for patients with acute, chronic and progressive neurological conditions.
- Adult Community Respiratory Team (ArCare) for patients with chronic lung disease and patients with heart failure.

These specialist services: aim to provide timely high quality care for patients and their families/ carers who have been diagnosed with a long term condition or had an acute episode of care. The focus is on early intervention and assessment in the community, involving a range of health care professionals with specialist knowledge. The services provide a multi-disciplinary holistic assessment. They work as an integrated part of the team with secondary care Consultants and ward staff to facilitate early supported discharge. They provide admission avoidance and anticipatory care in the community by case management and care co-ordination, aiming to minimize risk, complications and to manage changing conditions. They provide on-going goal orientated rehabilitation within community settings

The teams include occupational therapists, physiotherapists, specialist nurses, speech and language therapists, psychologists, support workers, care navigators, dietician's physiologists and administration staff. The services aim to meet the physical and psychological needs of the individuals and their support network.

The services run with varying hours for each team but across 7 days. Referrals are taken directly from the ward, from AADs , from the CHTs or via SPA.

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# healthwatch

## Tower Hamlets

### Supporting independence



Report on service  
user views of the  
reablement  
programme in  
Tower Hamlets  
2017

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Healthwatch Tower Hamlets is an independent organisation led by local volunteers. It is part of a national network of Healthwatch organisations that involve people of all ages and all sections of the community.

Healthwatch Tower Hamlets gathers local people’s views on the health and social care services that they use. We make sure those views are taken into account when decisions are made on how services will be delivered, and how they can be improved.

[www.healthwatchtowerhamlets.co.uk](http://www.healthwatchtowerhamlets.co.uk)



## Introduction

Healthwatch Tower Hamlets interviewed 14 local users of the local authority reablement service. The aim was to get an understanding of their experience of the service: what had worked well; what had not worked so well; and how the service could be improved.

The purpose was to provide this information to the Local Authority Health Scrutiny Committee to support their review of the reablement service and to improve the service for local residents.

## What is reablement?

Following an accident, ill health, or a stay in hospital people may have lost confidence or ability to do everyday tasks for themselves. Reablement is a short-term support service that can help them to regain their skills or ability to cope with everyday tasks, and helps them to live as independently as possible. The service lasts for up to six weeks.

A range of both personal care and household support is provided as part of an Independence Plan. This can include:

- Getting washed and dressed
- Using the toilet
- Taking care of their health or managing their medication
- Preparing snacks and meals
- Completing laundry and housework
- Doing the shopping
- Getting out and about
- Accessing social activities

## Method

The Health Scrutiny Committee provided us with a list of 34 service users who had gone through the reablement service in the past two to three months. They also provided an interview question guide (attached Appendix 1).

A member of staff and two Healthwatch volunteers contacted all of the individuals

on the list by phone and 14 agreed to take part in a phone interview.

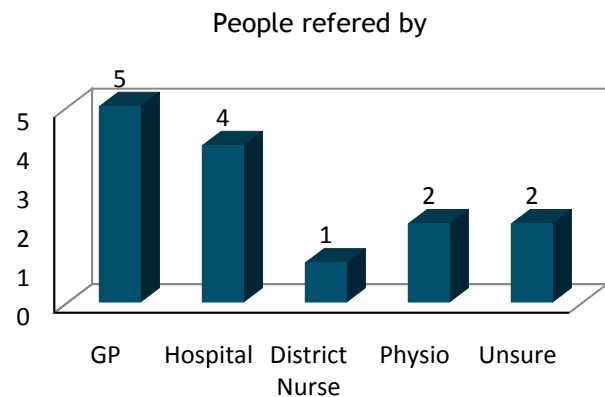
## Participants

We spoke to 14 people, 5 men, 9 women, five of whom were both Bangladeshi and Sylheti speakers.

## Key Findings

### 1. Referral

People were generally referred to the programme by their GP or the hospital.



The hospital and physio referrals seem to be appropriate to the aims of the service.

*I had spinal surgery done and they set me up with the service when I was discharged.*

*My mum broke her leg and is incontinent. The physio referred her to this service.*

However with the GP referrals it was less clear that they would benefit from reablement (three referrals were for people with mental health issues) and they were generally more negative about the benefits of the programme.

*I'm not sure why they sent them because my mother in law has mental health issues so her opportunity to be independent is very limited. They told us they will be coming for about six weeks but when they weren't any help we asked them not to come again.*

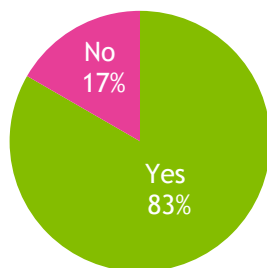
*The GP referred us because he has mental health issues.*

Some patients were confused as to why they had been referred and a number were under the impression that they were being assigned a carer rather than an individual who would aid them in achieving personal goals and become more independent.

## 2 Understanding the service

The majority of people did know what the Reablement service was and were pleased with the idea of becoming more independent after their injury or illness.

Do you understand the purpose of reablement



*Yes they explained what the service was clearly. That it's about increasing the independence and not doing it for my sister. They would be with her for approximately 6 weeks*

When asked follow up questions regarding their knowledge, their feedback was more positive based on their awareness of exactly the type of care they were going to receive. Patients who were not aware of the specific aims of the service were caught off guard and rather confused. Some people needed full time carers and were unhappy when “told what to do” without much consultation.

*Yes they did explain what the service is, but we thought they were going to help us and not just give advice. They explained everything.*

All in all, people were generally pleased with the service when regaining independence was what they desired. When people did not know exactly what

the service aimed to provide, they were dissatisfied due to a misunderstanding of the carer's intentions.

*It is the biggest waste of money Tower Hamlets could ever have. They did not tell me anything they just went ahead and bossed me around. I need a carer forever. This was not what I needed.*

The patient's extensive knowledge of the service was more likely to result in positive feedback and satisfaction.

## 3 Views of the service

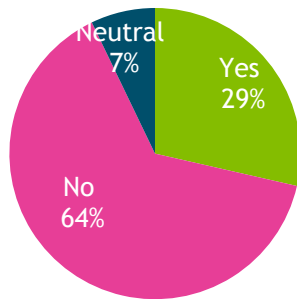
If the Reablement workers helped patients become independent doing tasks they asked for help with and wanted, patients were very satisfied with the service. For those who wanted it, the service helped them cook and prepare food in the kitchen, clean, take medications, wash clothes, bathe safely, and get out of bed safely.

*The service was great they helped keep her independent and when she was not comfortable about doing some things they understood.*

*My last carer was fantastic. She helped me regain my independence slowly and encouraged me to eat even though I suffer from an eating disorder and really only like to drink shakes.*

However, a significant number of patients felt as though their goals were not taken into consideration. These patients tended to become frustrated with the care they received with tasks they did not need or could not perform. Many of these patients were elderly and felt that they needed long-term care rather than independence. Thus, they did not benefit because they were too ill to be independent.

Did reablement help you to regain independence



Many patients felt as though the service was beneficial in theory, but not relevant to them. It did not seem to match up with their needs or what was really important to them at that point

*We didn't benefit from the service at all. They tried to show my mother in-law how to use the bathroom taps. She wasn't interested and in fact it made her more annoyed. My mother in-law isn't independent I have to do everything for her. She isn't interested in being shown how to make snacks and drinks. She can do those things, she needs other support. I don't see the point of this service*

*I know how to make myself a cup of tea and food. I live alone and am very scared. They are good. But this isn't what I need. I need to move where there are people who can take care of me. They have adapted my doors, so that's been good.*

*They did not do what I asked, which was to install hand rails for my bath. They put in an electric seat with a remote control that moves me in and out, but I still need a hand rail.*

*They just bossed me around without asking me how I feel.*

#### 4 Suggested improvements

Patients reported that the staff were competent to meet their needs for the most part. At the same time, some felt unsure because the Reablement workers did not spend enough time with them or

assumed what they needed without asking them.

*They knew where she required some extra equipment and made her feel a little more comfortable about doing things on her own with that acquired equipment*

*Hard to tell because they did not spend much time with me*

Even though some patients did not feel as though they were involved in identifying their goals or aims whatsoever, some did; responses varied greatly.

Patients were almost always encouraged to prepare their own light snacks and drinks, but some were unable to do this because of their medical condition. Again, this was very frustrating for them.

*I was encouraged to make my own shakes.*

*I cannot cook - only microwave. They did not ask me about any of this, they only installed the bath seat*

After their experience with the service came to an end, some patients were aware of how to report any concerns or complaints in relation to any aspect of the care they received from the Reablement, whereas others were not. Some patients suggested a standardized protocol for providing them with information about contacting Reablement after the service ends.

Some people felt that what they really needed was a permanent care package and that reablement was a waste of time and money.

*My sister got annoyed with the service. They would show her how to bathe, but if she got any water on the floor because she needs assistance, then she was expected to wipe up the water herself. She is elderly and could easily slip and fall. But they said they cannot help her. She got annoyed and she told them not to come back after four weeks. She knows how to make food and drinks alone. She needs assistance and not showing how to become independent. She isn't any more better off from this service*

*Like I said my mother in-law needs a carer and someone to take her out. I am her main carer and we asked for some type of respite care. I'm not sure what the point of this service is. When I asked the helper to do it for her she said no and said she is only here to show her. She is old and she isn't in need of becoming independent. I asked to be given a carer. I have my own ailments that need to be managed. When you ask for help they don't want to help you*

*It did not do anything. And yeah I need 24 hour care not this reablement stuff*

If people with mental health issues are going to continue to be part of the reablement programme staff may need more mental health awareness training.

*They should educate the carers on mental health issues and explain that they are just there to help not to judge or say anything about people's lifestyles. There was also an issue with logging their hours. They needed to go to a certain amount of people and if they did not have time they just would not come which also set me back*

## Summary

Although people appreciated what it was that the reablement service was trying to achieve and the staff it was concerning how few of them felt that it had actually helped them to regain their independence. Those for whom it did work were people who had had a single incidence of need e.g. operation or fall and there wasn't a preexisting deterioration.

There appears to be a mismatch between what service users think the programme will do and what staff are there to do. A clear assessment needs to be made of whether regaining independence is what the person wants and that realistic steps can be made towards that goal within the six week period. There seems to be a delicate balance between supporting and pushing someone to achieve their goals and being seen as being bossy and not listening.

A number of users and carers felt that what they really needed was longer term social care support and the objective of regaining independence was unrealistic. For this reason they became very frustrated and sometimes annoyed by the programme. There was a sense that from some that they saw reablement as a hurdle you have to go through in order to establish that you need an ongoing care package.

In some cases the service did not seem to be personalised as it could have been. Unless you are able to deal with the issue that is most important to that person at the time their experience of the service overall is going to be negative.

*They did not do what I asked, which was to install hand rails for my bath. They put in an electric seat with a remote control that moves me in and out, but I still need a hand rail.*

*I know how to make myself a cup of tea and food. I live alone and am very scared. They are good. But this isn't what I need. I need to move where there are people who can take care of me.*

It is unclear how reablement links to wider integrated care and integrated personal commissioning programmes in the Borough. It seems that some of the users could benefit more from links to longer term support through social prescribing, home adaptation and carers support services.

## Interview Question Guide

### 1) How did you come into contact with Reablement?

### 2) Do you understand what the purpose of the reablement service is?

- **(Prompt)** Did you feel you had enough information about the Reablement Service prior to you being seen by them?
- **(follow up)** Were the aims of Reablement made clear to you when you entered the service?
- **(Prompt)** When you were admitted to the service did the staff talk to you about how long you would be expected to remain in the service?

### 3) What are your views on the performance of the service? What went well?

- **(Prompt)** Can you tell me what went well about your time with the reablement service?
- **(Prompt)** Did the service help you to regain your independence? Did you need a home care service after the team stopped working with you?
- **(Prompt)** Do you feel the staff were competent to meet your needs?
- **(Prompt)** Did you feel you were involved in identifying your goals or aims?

- **(Prompt)** Did you feel you were encouraged to prepare your own light snacks and drinks?

- **(Prompt)** Were you aware of how to report any concerns/complaints in relation to any aspect of the care you received from the Reablement Service?

### 4) What are your views on the performance of the service? What could be improved

- **(Prompt)** Can you tell me what issues you had with the reablement service? What do you feel could be improved?
- **(Prompt)** Did you feel you were encouraged to wash and dress yourself?
- **(Prompt - if discharged from hospital)** When you were discharged from hospital was a reablement package already in place or did you have to wait? Did you have any issues getting the right support in place?
- **(Prompt)** Did you require any equipment or home adaptations from the reablement service? How long did this take to arrive?

### 5) Do you have any other comments about any aspects of the reablement service?

#### Close

Thank you for answering my questions.

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SCRUTINY REVIEW ACTION PLAN: Reablement Service

Action	Responsibility	Date
<b>Recommendation 1:</b> That the Reablement Service delivers additional training to social care staff in strength based practice to ensure they are able to convey the aims of the service and the Reablement approach positively to service users and their families/carers.		
Service to review promotional material and update as required; this is to include website information, leaflet, and promotional presentations for other services and partners	LBTH Reablement Service	September 2017
Timetable of promotional events and presentations to the operational teams within social care customer journey and integrated teams	LBTH Reablement Service	From September 2017
Continue to offer all new social care staff a visit/time with the Reablement Service as part of their induction period	LBTH Reablement Service	Ongoing
Liaise with Workforce Development leads to ensure there is a rolling programme of training and awareness sessions for social care staff regarding the Practice Framework, Care Act principles, and the strengths based assessment process; look at options to incorporate Reablement themes within this session	LBTH Reablement Service and Workforce Development Team	October 2017
<b>Recommendation 2:</b> That the Reablement Service works with Real to review cases where concerns were raised, and use this information to improve service delivery for disabled service users via tailored training for specific teams or individuals in association with Real.		
Acknowledged that there is a need to build a more positive collaborative relationship with our third sector partners		
Team Manager to liaise and meet with the management team in REAL to explore some 360 degree feedback mechanisms to better understand the issues raised by users	LBTH Reablement Service	August 2017
Embark upon a series of events and meetings to promote the Service with REAL and improve understanding of the service and its role within the social care customer journey	LBTH Reablement Service	September 2017
Create a feedback process for REAL and the users they represent to communicate any issues that arise from Reablement Service input; inc regular meetings to discuss themes if required	LBTH Reablement Service	October 2017

SCRUTINY REVIEW ACTION PLAN: Reablement Service

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<p><b>Recommendation 3:</b> That the Reablement Service develops a communications plan linked into the launch of the new integrated single pathway to educate the community on the role and aims of the Reablement Service so they are better advocate for themselves, and identify and challenge poor practice.</p>		
<p>Any future communication plan will be built into the Project Plan for the new Integrated Rehab/Reablement Service planned from April 2018</p>		
<p>For the Service to participate in the review of the Rehabilitation and Reablement service within TH; contributing positively to the future model proposed for 2018</p>	<p>LBTH Reablement Service and partners in ELFT</p>	<p>April 2018</p>
<p><b>Recommendation 4:</b> That the Reablement Service explores options to provide emergency provision for supplies through pre-payment cards and food vouchers to assist those who are discharged from hospital into the service.</p>		
<p>The occurrence of such scenario's is sporadic and normally for low cost items; the present procedure in place resolves these emergency situations in the majority of cases</p>		
<p>The Service will review its present procedure regarding 'emergency provision' for supplies for vulnerable users; ensure re-payment of any expenses to staff is efficient and streamlined through the HR self-service process</p>	<p>LBTH Reablement Service</p>	<p>September 2017</p>
<p><b>Recommendation 5:</b> That Barts Health reviews its discharge procedures so that all patients are provided with dosette boxes when they leave hospital and medication is accompanied by a Medicine Administration Record (MAR) chart.</p>		
<p>Currently, patients who are admitted already using compliance aids (dosette boxes) are discharged with these filled. However, patients should always be assessed for initiation of compliance aids in the community, rather than in an acute setting. The workload involved in filling dosette boxes also has a negative impact on discharge times.</p>		
<p>In order to support reablement patients with their medicines on discharge, pharmacy will investigate the means by which MAR charts can be produced on site (preferable electronically), and work towards supplying these for this group of patients. The work will also include embedding a reliable method by which reablement patients are identified to pharmacy. Early identification will also ensure that pharmacy staff can work with patients to identify potential medication management issues and make recommendations/ take appropriate supportive action before discharge.</p>	<p>Barts Health</p>	<p>July 2017</p>



<p>MARS charts. We have had previous discussions with ICT regarding the possibility of creating an electronic/printable MAR chart from the list of discharge medication. Although this should be technically possible, ICT have informed us that it requires further work which they and Cerner would need to undertake,</p> <p>An alternative we can consider is to agree a process where a handwritten MAR template/proforma is produced concurrently with the preparation of reablement packages for patients being worked up for discharge via this route.</p> <p>We have nominated a senior project pharmacist (Carol Greening) to lead a task and finish group, this would need direct input and participation from someone suitably senior from the reablement team. We would envisage this requiring no more than one or two meetings as BH Pharmacy would do the bulk of the operational preparation work. If we have a named reablement contact, and depending on the number and complexity of patients involved, this could potentially start within a matter of weeks.</p> <p>This work will be the basis for assessing the potential for extending beyond reablement patients.</p>		
<p><b>Recommendation 6:</b> That Barts Health reviews its discharge planning process to ensure that the appropriate quantity of correctly fitted continence pads are provided to the at the point of discharge.</p>		
<p>This compliance for the referral process and identification of appropriate patients will continue to be monitored via the sites safety huddles. The monitoring of the effectiveness of this process (explicitly the new style nursing documentation &amp; referral guidance) will occur via the monthly senior nurse compassionate care working group, chaired by the director of nursing.</p>		
<p>For continence we will for new care plans make reference to the Trust continence nurse to ensure the correct method is used. Where this occurs the patient would usually receive appropriate pads within 3 days.</p>	<p>Barts Health</p>	<p>July 2017 <i>*New care plans &amp; integrated documentation rolled out across the RLH site in August</i></p>

SCRUTINY REVIEW ACTION PLAN: Reablement Service

<p>The continence team will provide one pack of pads on discharge and will also make a referral to the District Nurse at the point of discharge. Pads will continue to be kept as core ward stock on each inpatient ward. The continence team have access to these. Note the new nursing documentation has the continence care plan and assessment paperwork embedded (old style paperwork had this a separate piece of nursing documentation)</p>		<p>Already in place <i>*monitoring of process strengthened</i></p>
<p><b>Recommendation 7:</b> That Barts Health reviews its discharge planning process to ensure that discharge does not take place at the end of the week without advance communication to the Reablement Service, allowing for better planning that takes account of service users full range of needs and smoother handovers.</p>		
<p>Wards and Complex Discharge team will ensure they have the correct contact details for reablement. The lead for Complex Discharge will work with reablement to ensure capacity is managed to deliver early in week discharges.</p>	<p>Barts Health</p>	<p>July 2017 <i>*Action complete</i></p>
<p>Late in the week discharges will have a documented conversation with a names person in their notes.</p>		
<p>Where reablement are unable to address the patients' needs late in the week a collective risk assessment will be undertaken where family members are engaged in the safety of the discharge.</p>		
<p><b>Recommendation 8:</b> That the Reablement Service reviews service user data to identify which hospital wards require further training to educate staff members on the purpose of the Reablement Service, its referral pathways and how it aligns with other rehabilitation provision.</p>		
<p>Processes already in place to identify 'referrers' where there is evidence of lack of understanding of Reablement and its benefits; data is collected on an ongoing basis</p>		
<p>To continue to use forums in place eg...ADDS weekly meetings, HSWT monthly meetings to feedback patterns and themes from data collected</p>	<p>LBTH Reablement Service</p>	<p>Ongoing</p>
<p>Reablement promotion events with HSWT (see recommendation 1) will assist SW colleagues based at hospitals to reinforce Reablement ethos and positive messages</p>	<p>LBTH Reablement Service</p>	<p>From September 2017</p>
<p><b>Recommendation 9:</b> That the Reablement Service examines the procedures for liaison with environmental health so that response times to address issues faced by some patients upon discharge, such as bed bugs, are improved</p>		
<p>The occurrence of this issue is sporadic for the Service; the specific issue of beg bugs is linked in with a larger issue of planning for</p>		

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hospital discharges in a timely way where 'deep cleans' or infestations in general at present in a user's home.		
Issue will be escalated to Environmental Health Service by the Service Manager for Hospital and Community Services to seek a review of the process and timescales for response	LBTH Reablement Service	July 2017
<b>Recommendation 10:</b> That the Reablement Service improves its engagement with service users by working with the Third Sector to help strengthen the transparency of its performance monitoring process, including closer involvement of the OPRG		
See actions from Recommendation 2 for specific actions with REAL		
Embark upon a series of events and meetings to promote the Service with OPRG and Carers Centre and improve understanding of the service and its role within the social care customer journey	LBTH Reablement Service	October 2017
<b>Recommendation 11:</b> That the Reablement Service establishes procedures for contacting service users by phone or in person within 24hrs of discharge to ensure they are safe and have no immediate issues about their care and support.		
A process already exists for users to have a 'welfare call' from the HSWT within a day of their discharge.		
Liaise with HSWT colleagues to ensure the present 'Welfare Check' process is being done consistently and the checks are robust; if required review and amend the present welfare check process being completed by the HSWT	LBTH Reablement Service and HSWT	July 2017
Introduce a Reablement Service welfare check process to be completed with users by the Reablement Officers using a standardised checklist template within 72 hrs of discharge from a hospital setting	LBTH Reablement Service	June 2017
<b>Recommendation 12:</b> That the Reablement Service learns from observed good practice in Greenwich and introduces a questionnaire for all Reablement service users within the first 5-10 days after discharge from hospital.		
Liaise with LB Greenwich to review/share the user feedback processes within their	LBTH Reablement	August 2017

SCRUTINY REVIEW ACTION PLAN: Reablement Service


Reablement Service	Service	
Work collaboratively with LBTH Corporate Teams to review the Services present user feedback process and explore the options to introduce a series of new user feedback opportunities including earlier in the Reablement pathway	LBTH Reablement Service	August 2017
<b>Recommendation 13:</b> That the Reablement Service learns from observed good practice in Greenwich and explores how they could use ICT systems to improve the coordination and efficiency of staff planning and rostering		
The appropriateness and success of this is partially dependent on the comparable ICT rostering systems in use at LB Greenwich and LBTH		
The Reablement Service will arrange for the 'Newcare rostering' supa-users within the Service to visit LB Greenwich and review their processes and systems for rostering	LBTH Reablement Service	September 2017
Any new ideas or learning from the above visit will be brought back for discussion and possible implementation within the Service	LBTH Reablement Service	November 2017
<b>Recommendation 14:</b> That the Reablement Service explores options to link the Reablement Service into existing mental health provision to provide more integrated physical and mental health support as part of the six week reablement intervention.		
Joint working protocols already exist between the Reablement Service and some of the Community Mental Health Teams for adults and Older People		
The Service will review its present joint working procedures for working with the mental health teams within the borough	LBTH Reablement Service	September 2017
Above procedures (eg.. RO Only Procedure) to be re-launched with the Adults and Older People's Community Mental Health Teams	LBTH Reablement Service	October 2017
Themes regarding mental health issues to be incorporated into the Reablement Officers Training programme for 2017-18	LBTH Reablement Service	April 2018
<b>Recommendation 15:</b> That the Reablement Service explores the possibility of performing a social prescribing or commissioning function to refer people on to appropriate community support/activities at the end of its formal intervention.		
This opportunity already exists for the Service where it is appropriate to meet an identified social care need		

SCRUTINY REVIEW ACTION PLAN: Reablement Service

<p>Ensure all staff within the Reablement Service are educated and aware of community options for users within TH and the surrounding areas; the Service already has a Universal Services Champion in place that can share this knowledge within Team Meeting forums</p>	<p>LBTH Reablement Service</p>	<p>Ongoing</p>
<p><b>Recommendation 16:</b> That the Reablement Service develops a forum to share information on ongoing projects, available services, and opportunities for partnership working between the third sector and statutory services, perhaps building on the multi-agency meetings of each of the GP localities</p>		
<p>Any Service developments can be communicated and shared with partners as part of the Reablement Promotion series of events – see Recommendation 1 / 2 / 10.</p>		
<p>No further actions</p>		
<p><b>Recommendation 17:</b> That the Reablement Service explores options to train formal and informal carers and volunteers to support the Reablement process and promote the principles of recovery and independence.</p>		
<p>To a limited degree some of this already exists within the Service role when working with users/informal carers who are motivated to become involved; when this occurs it is generally on a 1:1 basis</p>		
<p>IBCF bid to be submitted for specific resources to work with Third Sector partners, and external commissioned providers on outcome focused interventions and working in a Reabling way with long term support users in the community</p>	<p>LBTH Reablement Service</p>	<p>May 2017</p>
<p>Further actions will follow subject to the success of the above bid; at present no further actions can be done within present operational resources</p>	<p>LBTH Reablement Service</p>	<p>TBC</p>
<p><b>Recommendation 18:</b> That the Reablement Service reviews how social care staff introduce Reablement positively to residents and their families and examines how the annual re-assessment procedure for people with long term care packages to establish how Reablement may assist service users.</p>		

SCRUTINY REVIEW ACTION PLAN: Reablement Service

This approach and behaviour can be communicated and encouraged with social care teams and partners as part of the Reablement Promotion series of events – see Recommendation 1 / 2 / 10.		
No further actions		

<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Zena Cooke, Corporate Director, Resources</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Universal Credit and Local Council Tax Reduction Scheme – Support for Residents</b></p>	

<b>Lead Member</b>	<b>Councillor Sirajul Islam, Cabinet Member for Housing</b>
<b>Originating Officer(s)</b>	Ellie Kershaw
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	Yes
<b>Community Plan Theme</b>	<b>Tackling Poverty</b>

## Executive Summary

Tackling poverty is a Mayoral priority, with a budget of £5 million having been set aside to enable work to be undertaken that will assist those residents in the borough living or at risk of living in poverty.

A range of projects are currently being developed that will contribute towards this aim.

The most pressing issue that has been identified is the roll out of Universal Credit (UC) across the borough, and the potential difficulties this may pose for the borough's residents including those in receipt of Local Council Tax Reduction and in particular self-employed claimants. In order to mitigate the impact, this report is proposing to ensure that the Council provides timely and holistic support to residents going through this transition. This support will be funded through the Mayor's Tackling Poverty Fund.

## Recommendations:

The Mayor in Cabinet is recommended to:

1. Approve the creation of an internal advice and support service for residents affected by the roll out of Universal Credit and self-employed residents in receipt of Local Council Tax Reduction.
2. Agree that specialist services should be commissioned as set out at 1.2 from a range of independent agencies.
3. Delegate authority to Corporate Director of Resources, after consultation with Corporate Director of Governance, to enter into any necessary agreements following a procurement exercise for the specialist services
4. Note the budget from which staffing requirements is to be funded derives from the Tackling Poverty Fund.

## **1. REASONS FOR THE DECISIONS**

- 1.1 The creation of an in house advice and support team would allow the Council to keep an ongoing record of advice and support offered, ensuring that referrals are made as required to, for example, debt advice, employment support and for Discretionary Housing Payment.
- 1.2 However, in order for customers to access the best quality and range of provision, specialist services would be better commissioned from other organisations with specialist knowledge of key areas of provision, such as advice in community languages, support for those with mental health conditions and those affected by domestic abuse.

## **2. ALTERNATIVE OPTIONS**

- 2.1 The Council could choose not to provide or fund advice to residents on the basis that Universal Credit is the responsibility of the Department for Work and Pensions (DWP) and not the Council. This option is not recommended as it would leave residents with little or no support, will impact on recipients of the Council's Local Council Tax Reduction scheme, significantly increasing the risk of poverty and homelessness.
- 2.2 The Council could offer its own internal advice and not fund any other providers. This option is not recommended as it removes the option to commission specialist services that may be required.
- 2.3 The Council could choose to commission external advice only. This option is not recommended as the Council would lose a number of opportunities to record advice and map customer progress, leading to the ability to undertake proactive and informed support work with residents.

## **3. DETAILS OF REPORT**

### **Universal Credit**

- 3.1 Universal Credit (UC) replaces several existing "legacy benefits" for working age residents including: Housing Benefit, Job Seekers Allowance, Employment Support Allowance, Tax Credits and Income Support. There are two elements to UC: Living costs, which replace JSA, ESA, IS and Tax Credits and Housing Costs which replaces Housing Benefit. The entire claim is administered by the DWP and not by the Council.
- 3.2 UC will usually be paid via a single payment to the applicant monthly in arrears. This means only one member of the household will receive the payment some of which would previously have been paid to both partners in a couple. This raises some potential issues, particularly in households where there are issues of domestic or financial abuse or child poverty for example. It also raises the requirement for budgeting support in some households as currently payments are made weekly.
- 3.3 UC is assessed using a common assessment criteria and an income taper in the same way as legacy benefits, the maximum amount of UC comprises of



standard components for the household composition. It includes a Housing Cost element for rent if applicable. It will also include ‘premiums’ for disability, limited work capability and caring responsibilities. Where a claimant is not in work this will be the total amount payable, where a claimant is in work the total monthly UC amount is reduced by the earnings, less a work allowance of either £192 (if rent is paid) or £397 (if no rent is paid). A taper of 63% is then applied. For example:

Maximum Universal Credit per month	£2000	This is the maximum UC entitlement for this person
Earnings per month	£1,000	Earnings are taken into account in the assessment of UC subject to a set disregard known as the “work allowance” and a taper
Less work allowance	£192	The work allowance is subtracted from the net earnings. So, £1000 - £192 = £808.
Less 63% taper	£509.40	A 63% taper is then applied to the £808, which equals £509.04
Total Universal Credit paid to household	£1490.96	UC is calculated by subtracting £509.04 from maximum UC. So, £2000 - £509.04 = £1490.96. This is the monthly UC award.

3.4

Both working and non-working households are eligible to claim UC. However, households with more than two children, pensioners and some persons from abroad are currently ineligible.

3.5

Conditions are placed on the claimant, with a claimant commitment being agreed to during the application process. If the claimant does not comply with their commitment to either find work or increase their working hours, they can be sanctioned or even have their UC ended.

3.6

Claims for UC are made and maintained online, meaning that the Council’s digital inclusion work will become even more important. The DWP want UC claimants to access UC services online. UC claimants can contact by phone but this previously incurred high call charges at a premium rate (this has now been ended). Payments can only be made into a bank account or Credit Union account, so urgent work will need to be undertaken to get unbanked residents into mainstream financial institutions.

3.7

Claims for UC take a minimum of six weeks to process, but current information indicates it is not uncommon for it to take up to 12 weeks. UC also has a waiting days period of seven days for which only specified UC claims qualify for payment. As all benefits are combined into one UC payment, this means the household receives no money during the assessment period. The claimant can apply for an advance, but repayment terms are over a short number of payments so could cause future hardship. Local food banks have reported they are already seeing an increase in

demand and have expressed concern that the support required under UC is much greater than under legacy benefits.

- 3.8 The Benefit Cap will be applied to UC entitlement and can extend to the Living Cost element; this is important as it is not contained purely to Housing costs as it currently is with Housing Benefit. Consequently the negative financial impact will potentially be even greater on a household's finances under UC.
- 3.9 The Housing Cost element will be subject to Local Housing Allowance (LHA) restrictions and the Social Rented Size Criteria (SRSC) otherwise known as "the bedroom tax" as is the case with Housing Benefit. LHA rates limit the amount of Housing Costs payable in the private sector, for example the maximum amount that can be paid for a claimant requiring two bedrooms is £1,310.10 per month. With regard to the SRSC anyone in social sector housing whose home has more bedrooms than they require will lose 14% of their housing costs for one bedroom and 25% if they have two or more extra bedrooms.
- 3.10 UC awards could fluctuate on a monthly basis particularly for those applicants working variable hours as "real time" adjustments are made to UC claims. This means that the claimant will have less certainty in terms of what they will receive each month as their earnings and UC entitlement fluctuate.
- 3.11 There are a number of housing issues related to Universal Credit. Residents are expected to pay their rent to their landlord rather than a direct payment being made as is the current case for the social rented sector. Added to the issues of a monthly payment, and the delays in processing UC claims there is a significant risk of arrears. Tower Hamlets Homes reports that of 300 tenants currently on Universal Credit, arrears of £371,796 have accumulated. The council's Homeless Service reports high levels of rent arrears among households on UC. Landlords can apply to have the rent element paid direct to them if they can convince DWP that the applicant would have difficulties paying the rent or is unlikely to do so. They can also apply for this once the claimant is in arrears. However, this is at the discretion of the DWP and the Council has no influence over the decision.
- 3.12 The council's role in the administration of Universal Credit is extremely limited. Under the Full Service UC roll out, administration is confined to ending Housing Benefit entitlement on UC claims and calculating LCTR entitlement. Previously the council's Benefit Service worked in partnership with DWP for the roll out of single claimants and through direct liaison arrangements for this phase, the council was able to identify and rectify errors directly in partnership with DWP. Under the Full Service roll out the council no longer has direct liaison access with DWP to remedy incorrect UC assessments. This is because the DWP national model design for UC Full Service excludes Local Authorities from liaising on such cases, instead the DWP expectation is that UC claimants themselves are expected to identify errors on their own claims and to take these up with Universal Credit Service Delivery Centres themselves or to seek help from Advice Agencies who are then expected to telephone the UC national help line rather than any direct liaison

arrangements. It should also be noted that only MP's presently have authority to write and enquire to DWP on behalf of UC claimants experiencing difficulties. The council is challenging the DWP on these liaison issues and providing evidence of substantial error rates on UC assessments which officers are identifying.

- 3.13 In March of this year, Southwark, Croydon and Hounslow councils made a submission of evidence to the Work and Pensions Select Committee, followed by a letter to the Secretary of State in July. They were subsequently approached by the Select Committee to provide updated evidence. This included the impact of rent arrears, the development of a landlord portal, consent issues and the shortcomings of existing arrangements for alternative payments. In order to add weight to their evidence, both Tower Hamlets and Hammersmith & Fulham were requested to provide evidence to add to the submission, showing the patterns among the five boroughs. This information was provided and further activity will be undertaken as required to inform policy at a national level.
- 3.14 The provision of advice is just one of a range of measures that the Council is either already, or intends to take to tackle poverty in the borough. Other work initiatives include a revised Resident Support Scheme that is intended to help residents not only with their short term needs in terms of goods and support, but also to assist them to improve their financial circumstances in the long term. The Council also has a number of services that provide advice and support as part of the Tackling Poverty agenda, including Workpath, The Economic Growth Team, Housing and Children's Centres Team.
- 3.15 The Council is also involved in research projects with both the Child Poverty Action Group and the Chartered Institution of Housing to ascertain the impact of UC on different groups within the borough and to provide evidence that can be shared with DWP policy makers. It is hoped that providing evidence of the issues caused by the current implementation of UC will result in improvements to the system and changes in policy where necessary.
- 3.16 If approved, the Tackling Poverty Reference Group will be consulted on this proposal

### **Support for Residents affected by Universal Credit changes**

- 3.17 In order to assist residents through the implementation of UC it is important that they are able to access good quality, timely advice and support. A range of options has been considered as to how this advice and support could be provided, and the most effective method is considered to be the creation of an in house advice team for first stage generic advice and support and the commissioning of specialist advice services from a range of independent bodies across the borough.
- 3.18 It is envisaged that this support will also be opened up to those benefit capped households who have not transitioned to UC due to their household size.

- 3.19 It is proposed that the in house team be recruited from the existing Housing Benefits team at an approximate cost of £250k per year for two years, with a review at the end of year 1 to evaluate the impact the team has made. It is also proposed that a separate £250k funding per year for 2 years be made available to commission specialist services from relevant agencies that are identified and not already available from existing service provision. All commissioned services will be subject to monitoring and evaluation and their impact will be formally assessed and reported on.

### **Support for Self Employed Residents in receipt of Local Council Tax Reduction**

- 3.20 In addition to the changes resulting from the UC rollout, the Council made changes to its own Local Council Tax Reduction Scheme (LCTRS) this year, retaining a scheme that continued to provide up to 100% reduction, but making a number of changes to the assessment criteria that took account of the changes that will mean the Council will no longer be responsible for Housing Benefit for working age claimants. One of the changes made was the introduction of a Minimum Income Floor (MIF) based on 35 hours work at the National Minimum Wage. This is the same criteria as is applied under UC and will increasingly impact on the borough's self-employed claimants as UC is fully rolled out.
- 3.21 The change to the LCTRS has had an impact on some self-employed claimants and given that the impact when they move to Universal Credit will be significantly greater and cover all of their living and housing costs, it is proposed that this group of claimants would benefit from additional support to grow their business or find alternative work. In order to ensure that the Council is providing a holistic service, it is proposed that the UC support offer also be opened to this cohort of people to ensure they have sufficient support.

### **Support for residents with disabled non-dependants**

- 3.22 Under the new scheme, deductions for non-dependents living in the household are based on the gross amounts of weekly income they have, including any benefits. In some cases those adult non-dependants with a disability who get DLA, PIP or ESA will incur a deduction that is greater than the lowest deduction due to level of income they have. It is acknowledged that these households may incur additional disability related expenditure and the council is keen to ensure that they do not suffer hardship due to the LCTRS changes. All households with disabled non-dependant adults in receipt of PIP or DLA potentially affected by the change to non-dependant deductions are in the process of being contacted by the Council's benefit service to consider a discretionary reduction to their council tax liability in accordance with S13A of the Local Government 1992. The support provided to these households will be closely monitored to identify any wider support from the Council and its partners that may be considered appropriate.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 The phased introduction of Universal Credit (UC) presents a number of challenges for residents previously in receipt of Housing Benefits as it is a consolidation of many benefits into one payment. The Council is also facing significant challenges both operationally and financially as a result of Universal Credit.
- 4.2 Tackling Poverty is a Mayoral priority and this report proposes to allocate £500k per year for two years to provide residents with essential support throughout the rollout of UC.
- 4.3 Tackling Poverty is supported by The Welfare Reform Reserve which totals £5m over 3 years. The Council also receives some funding for administration which will be used to fund the team.

#### **5. LEGAL COMMENTS**

- 5.1 This report is seeking the approval of Cabinet for the creation of an internal advice and support service for residents affected by the roll out of Universal Credit and self-employed residents in receipt of Local Council Tax Reduction.
- 5.2 This report also seeks approval for the commissioning of specialist support services from external contractors to provide advice and assistance to residents (Services).
- 5.3 The Council has power to enter into a contract for a third party to deliver the Services which arises by virtue of section 111 of the Local Government Act 1972, providing the power enabling the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. Furthermore, under section 1 of the Localism Act 2011, the Council has the power 'to do anything that an individual may do' 'for the benefit of the authority', its area or persons resident or present in its area'. The Council may be satisfied that it has the enabling power(s) to commence a procurement process and award any contracts for the Services further to a competitive tender.
- 5.4 The proposal to create an internal advice and support service for residents and the commission of specialist services as set out in the report can be supported by the exercise of the Council of its general power of competence.
- 5.5 The subject matter of the Services falls within the description of Part 2 of the Public Contracts Regulations 2015 (Regulations) and the estimated value of the contract (circa, £250k per year for two years) falls below the relevant threshold contained in the Regulations. In view of this, the Council would not be required to fully comply with the Regulations. However, the Council must subject the Services to a level of competition to ensure compliance with the principles of transparency and equal treatment in any event. In this regard, the Council should advertise the opportunity to tender for the Services in

publishing forums such as the Council's tendering portal and relevant local magazines.

- 5.6 The Council's procurement procedures (Procedures) require that for this type and value of procurement for the Services, the "tollgate" process is followed and it would appear from the information provided that those relevant requirements have been complied with to date.
- 5.7 Given that the Council is not subject to the Regulations as stated in paragraph 5.5, the Council has considerable discretion in the form and manner of any tendering exercise it instigates provided that all the bidders are treated in a fair and open manner. These include:
- a) The ability to have a shorter time frame for procurement.
  - b) The ability to talk about the procurement before the procurement – by engaging with the market and relevant stakeholders.
  - c) The ability to be creative with award criteria (but linking them to subject-matter of the contract). For example, the empowerment of service users, and taking into account their needs, are ostensibly encouraged in that the ability of procurers to do so is specifically referred to.
  - d) Awarding contracts in lots, and limiting the number of lots which a single supplier can bid for – or even win.
  - e) Potentially, the ability to go beyond the "traditional" lists of mandatory and discretionary exclusion criteria – and to introduce others (as long, of course, as they are relevant, reasonable and proportionate and do not breach equal treatment and transparency).
- 5.8 The anticipated reduction in workload for the Housing Benefits team may create a redundancy situation. The creation of an in-house advice and support team could provide suitable alternative work for the affected employees and reduce the costs to the Council of any such redundancies. The Council will need to have regard to the requirements of the Handling Organisational Change procedure when making these decisions.
- 5.9 The Council has an obligation as a best value authority under section 3 of the Local Government Act 1999 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." Compliance by the Council with its own Procedures in tendering for the services should assist to satisfy these requirements.
- 5.10 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 which should be proportionate to the function in question and its potential impacts.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

Equality and diversity considerations have been considered in these proposals. It is not considered that there are any negative implications arising as a result. Indeed, it is considered that the proposal will benefit those adversely affected by the introduction of Universal Credit.

## **7. BEST VALUE (BV) IMPLICATIONS**

7.1 The Best Value duty requires the Council to ‘make arrangements to secure continuous improvement in the way in which its functions are exercised , having a regard to a combination of economy, efficiency and effectiveness’

7.2 The proposed support aims to provide a service that will help to mitigate cost pressures on Council services such as homelessness and on arrears.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

There are no environmental implications.

## **9. RISK MANAGEMENT IMPLICATIONS**

9.1 The risks arising from the implementation of Universal Credit in the borough will be managed by the in-house team in the Housing Benefits Service.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

10.1 There are no crime and disorder reduction implications.

## **11. SAFEGUARDING IMPLICATIONS**

11.1 There are no direct safeguarding implications arising from this report.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- None.

### **Appendices**

- None.

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

- None.

**Officer contact details for documents:**

N/A



<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Zena Cooke, Corporate Director Resources</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Tower Hamlets Resident Support Scheme</b></p>	

<b>Lead Member</b>	<b>Councillor Sirajul Islam, Cabinet Member for Housing</b>
<b>Originating Officer(s)</b>	Ellie Kershaw
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	Yes
<b>Community Plan Theme</b>	<b>A fair and prosperous community</b>

**Executive Summary**

Tackling poverty is a Mayoral priority, with a budget of £5 million over 3 years having been set aside to enable work to be undertaken that will assist those residents in the borough living or at risk of living in poverty. Work is being undertaken with a range of partners to establish a borough wide Tackling Poverty Action Plan, which will bring together all of the work in the borough that is being done to help those in or at risk of poverty and this funding will be used to create a range of projects and initiatives that will contribute towards this aim. The first of these to be developed is the attached Resident Support Scheme, which will be a key tool in assisting residents who need support in both the short and longer term.

The aim of the scheme is to relieve short term pressure while offering support and advice to assist residents in improving their financial circumstance in the longer term income.

The scheme will introduce greater flexibility in terms of the residents that it supports and represents a move from the current cash based policy to one which is more responsive and provides goods and services required by residents. This will ensure that residents receive the goods and support that they need and is also more cost effective, meaning that the funding will go further, to help more residents.

**Recommendations:**

The Mayor in Cabinet is recommended to:

1. Approve the attached Residents Support Scheme policy to go out to consultation.
2. Agree the commissioning of a short term pilot to provide support immediately pending the outcome of the consultation.

## **1. REASONS FOR THE DECISIONS**

- 1.1 The proposed Scheme provides for advice and support to help residents improve their future financial circumstances, by tackling the causes, rather than just meeting an immediate need.
- 1.2 Offering goods and services would allow the Council to track any trends in the type of goods and required. This would allow for further proactive work to be undertaken: for example, if high numbers of people are requesting energy top ups, the Fuel Poverty Team could be utilised in helping residents to switch to more cost effective tariffs or providing measures such as property insulation to ensure that residents are assisted in the long term.
- 1.3 The Council's current Welfare Assistance Policy makes it hard to prove value for money. A goods based service would allow the Council to reclaim VAT, meaning that the same budget allocation would provide for more awards.
- 1.4 The proposed scheme would allow the Council to make efficiencies in staff time as currently awards are distributed from cash offices which is time and cost intensive.

## **2. ALTERNATIVE OPTIONS**

- 2.1 The following options have been considered but are not recommended:

The Council could continue with the current cash policy.

The Council could choose not to offer any form of support.

The Council could offer a service that provides only for immediate need and does not take into account other forms of support to assist residents in the long term.

## **3. DETAILS OF REPORT**

- 3.1 Local Welfare Provision was previously administered by the Department for Work and Pensions where it was known as the Social Fund. The provision was transferred to Local Authorities in April 2013 but since the end of the first year, the scheme's previously ring fenced funding has been absorbed into Government finance settlements to Local Authorities and it is no longer clear what, if any funding is actually still provided. The operation of the scheme is discretionary. Tower Hamlets Council has decided that operating a policy is important to the welfare of its residents, and it will continue to be funded through the Tackling Poverty Fund.

- 3.2 The current scheme provides for two types of support:
- Crisis Grants – Provide assistance for residents who need help due to a sudden crisis. Awards can cover short term living costs, such as food, heating and accommodation
  - Support Grants - Provide longer term financial support to enable residents to live independently and safely in the community. Typical awards include provision of help to care leavers or residents who move to or from supported and temporary homeless accommodation.
- 3.3 The revised scheme is intended to be simpler both for residents to navigate and from an administrative perspective also. It will offer a range of goods and services, with cash payments in the form of pre-paid cards being made in exceptional circumstances.
- 3.4 Both households claiming benefits and those low income households not in receipt of benefit will be eligible to make an application for support, with each case being judged on merit, using the eligibility criteria at section six.
- 3.5 Where appropriate, the Council will refer the applicant to another Council service or for advice and support where it is considered that their long term financial situation would be improved by doing so.
- 3.6 Residents will have the right to seek a review of negative decisions.
- 3.7 The revised scheme will be based on the provision of goods and services with cash being offered only in exceptional circumstances. This approach will allow the Council to achieve the most value for money, due to both purchasing power and the ability to reclaim VAT on goods. Furthermore, through monitoring the reasons for claims and most requested item, the Council will be able to commission services or undertake new work streams to mitigate what the information tells us.
- 3.8 It is also proposed that school uniform grants be moved into this scheme to enable the Council to offer wider support to households with children making that application.
- 3.9 In order to assist with decision making and to increase efficiency, an IT solution will be commissioned for applications to be made and assessed. Other access options will be made available to those with no access to IT to ensure the scheme is as widely available as possible. This will also allow the Council to monitor the demographic profile of those applying to the scheme to assess whether it is being advertised appropriately to ensure fair access.
- 3.10 Whilst this scheme is not open to people with no recourse to public funds, the Council uses other funding sources to assist such households where appropriate.

- 3.11 Funding for the scheme is held within the £5 million Tackling Poverty fund. The current Local Welfare Provision costs in the region of £500,000 per year and forms part of the £5 million.
- 3.12 It is recommended that the Council proceed with a pilot to ascertain the benefits and drawbacks of introducing a goods based scheme, taking into account such things as customer choice and use of recycled goods. This will enable a full procurement specification to be written taking the learning into account to ensure a fair and robust service provision.
- 3.13 Over the next 6 to 12 months the Council is seeking to create a broader Tackling Poverty Scheme, which will include this policy, discretionary housing payments and will investigate options for low cost loans that may be appropriate in some circumstances. This work will be carried out in conjunction with a range of stakeholders and organisations leading in the field of tackling poverty such as Toynbee Hall to ensure that the final Tackling Poverty scheme is sufficiently broad, robust and fit for purpose to support the borough's residents in improving their financial circumstances.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 This report sets out proposed changes to the existing Welfare Assistance Policy is one of the Council's preventative initiatives aimed at reducing the impact of the current welfare reform programme and the wider financial climate and the potential financial burden that may be placed on local residents.
- 4.2 These changes will ensure value for money, whilst maximising potential outcomes for those residents most in need of assistance.
- 4.3 The Tackling Poverty Fund is currently in place until 2020. The fund is supported by The Welfare Reform Reserve which totals £5m.

#### **5. LEGAL COMMENTS**

- 5.1 The Government introduced wide ranging changes to the welfare benefits system through the Welfare Reform Act 2012. A key area was to the discretionary elements of the Social Fund, which under the Department of Work and Pensions (DWP) scheme, sought to meet a range of needs that were not met through regular benefits or tax credit payments. From April 2013 Community Care Grants (CCG) which met, or helped to meet, a need for community care; and Crisis Loans (CL) for general living expenses which met, or helped to meet an immediate short term financial need, were replaced by a non-ring fenced grant paid to local authorities to provide a new Local Welfare Assistance Provision (LWA).
- 5.2 There is no duty on local authorities in respect of the LWA as the Government's view was that authorities needed to be able to be flexible to provide this support in a way that was suitable and appropriate to meet the needs of local communities. The Council introduced the Welfare Assistance

Policy and this report presents a proposed new local discretionary support scheme “the Tower Hamlets Resident Support Scheme policy” and which provides for advice and support to help residents improve their future financial circumstances, by tackling the causes, rather than just meeting an immediate need. The proposed Scheme is intended to introduce greater flexibility and is therefore in line with the Government’s views and lawful.

5.3 There is no statutory requirement to consult on the support scheme but the Council will be undertaking consultation in accordance with common law as it is considered appropriate to do so. The consultation must comply with the following criteria:

- (a) it should be at a time when proposals are still at a formative stage;
- (b) the Council must give sufficient reasons for any proposal to permit intelligent consideration and response;
- (c) adequate time must be given for consideration and response; and
- (d) the product of consultation must be conscientiously taken into account.

5.4 The Local Welfare Assistance Provision is an Executive function and therefore decisions in relation to this proposed revised Scheme is for the Mayor in Cabinet to make.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

Equality and diversity considerations have been considered in the proposed policy changes. It is not considered that there are any negative implications arising as a result. Indeed, by delivering goods directly to residents it is considered that the new policy is an improvement for those people who may find it difficult to leave the house for reasons of illness or age. It is considered that the measures the scheme recommends will help to minimise inequality in the borough.

## **7. BEST VALUE (BV) IMPLICATIONS**

7.1 The Best Value duty requires the Council to ‘make arrangements to secure continuous improvement in the way in which its functions are exercised , having a regard to a combination of economy, efficiency and effectiveness’

7.2 The proposed scheme aims to provide a more cost effective method of service provision whilst ensuring that the service to residents is not negatively impacted.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

8.1 As part of the procurement of a goods based scheme, those bidding would be asked to give consideration to green issues including the potential for use of recycled goods.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 The policy will be consulted upon with partners prior to any implementation.
- 9.2 Should the policy be implemented, it will be monitored to ensure that it is delivering the expected outcomes.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 This report has no implications for crime and disorder.

## **11. SAFEGUARDING IMPLICATIONS**

- 11.1 Safeguarding children and adults in the borough is everybody's business and the Resident Support Scheme will, by its nature, be utilised by residents who are vulnerable and at risk. This may enable the council to ensure that the correct services are being accessed by vulnerable people, and ensure that they can receive long term support.
- 11.2 Any provider that is appointed to deliver scheme will be expected to have robust processes in place for escalating safeguarding concerns identified during the application and award phases of the scheme to the relevant council services

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## **Linked Reports, Appendices and Background Documents**

### **Appendices**

- Appendix A Tower Hamlets Resident Support Scheme

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

- None

### **Officer contact details for documents:**

N/A

# **Tower Hamlets Resident Support Scheme**

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## **Summary**

Tower Hamlets Resident Support Scheme is intended to support the Council's aim of will tackling poverty in the Borough. The scheme will offer goods and services along with financial and welfare benefits advice to residents facing severe difficulties.

The aim of the scheme is to provide short term support to residents to help them to improve their situation in the long term, for example by moving into employment if they are subject to the Benefit Cap or by moving home if they are subject to the Social Sector Size Criteria.

The Resident Support Scheme will act as one of a suite of ways in which the Council will aim to help residents. The scheme will include elements of the previous Local Welfare Provision which replaced the Department for Work and Pensions' Social Fund provision devolved to local authorities in April 2013.

The scheme will target those residents at risk as well as those already in need of assistance. The scheme will work towards applying universal eligibility criteria to determine whether a resident qualifies for help.

The scheme will be used where the claimant has no other recourse to other help or assistance. It is intended to support those residents who do not have the funds to pay for fuel, food or essential household furniture/white goods.

Access to the scheme will be through self-referral, the Council's statutory services and 'trusted partners'.

The scheme will offer residents additional support and advice to help them in the long term. The Council recognises that for welfare reform the solution is not only to provide temporary financial assistance but rather to do everything we can to empower those affected and support them out of welfare reform, helping residents improve their long-term circumstances while at the same time building their own financial resilience. The scheme will link residents to financial capability advice, the credit union, advice agencies, employment services, and other available support services.

# Tower Hamlets Resident Support Scheme

## 1 Introduction

1.1 Tower Hamlets Resident Support Scheme will tackle poverty by offering support to residents facing severe difficulties. The aim of the scheme is to help residents in the short term while improving their financial situation by maximising their long term income. Advice will be given to residents about other forms of support that are readily available; benefits maximisation, energy efficiency advice and grants, Council Tax single persons discount, provision of financial advice etc.

1.2 The scheme will run for a two year period and will be reviewed on a regular basis to ensure that it is achieving its aims. During this time the Council will be working towards a broader support policy that will include a suite of measures including loans and Discretionary Housing Payments.

1.3 The scheme will ensure that the council provides an overarching response to welfare reform by providing an integrated support network and offering for residents. The scheme will ensure that the Council is able to respond to need more efficiently and effectively without the restrictions of some current schemes such as DHP, which can only be claimed by those households claiming housing benefit.

This will enable the Council to reduce its on-going budget allocation, whilst allotting funds from reserves for specific priority projects and initiatives to tackle poverty for residents of all ages as well as mitigating the wider effects of welfare reform.

1.4 The Government's welfare reforms, along with the roll out of Universal Credit and the reduction in council funding from Government means there will be more residents affected by the reforms with less funding available to help mitigate the effects.

1.5 This scheme represents an opportunity for the council to develop a more focused, flexible support provision which will lead to long term positive change for residents

## 2 Background

2.1 Local Welfare Provision was previously administered by DWP where it was known as the Social Fund. The provision was transferred to Local Authorities in April 2013 but since the end of the first year, the scheme's previously ring fenced funding has been absorbed into Government finance settlements to Local Authorities and it is no longer clear what, if any funding is actually still provided. The operation of the scheme is discretionary.

2.2 Tower Hamlets Council is committed to tackling poverty and has therefore chosen to continue to fund a scheme. However, it is important that the Council is able to get the best possible value for money from a scheme whilst ensuring that residents can access the support they need in a timely fashion.

### 3. Principles

3.1 The Resident Support scheme will incorporate the following principles:

#### 3.1.1 Outcome focussed

- Residents are assisted out of poverty
- Residents are provided with support and assistance to enable sustainable change
- Households are living in housing which is affordable and appropriate for their needs
- Households experience minimal disruption as a result of welfare reform
- Funding is used effectively and the amount reduced

**3.1.2 Effective targeting of spend:** The Council does not have sufficient funding to completely mitigate the impacts of Universal Credit and wider welfare reform as well as lifting other households out of poverty. Therefore, funding should be committed in a targeted fashion, providing the most impact possible. Funding streams that make up the Resident Support Scheme will not and cannot be used to make-up budget shortfalls and funding gaps in existing Council service support. Where other financial assistance is already provided this assistance will continue. An example of this would be payments made under Section 17 of the Children's Act by Children's Services. The scheme is intended to deliver value for money through effective procurement of goods and services.

**3.1.3 Holistic Understanding of need:** Through monitoring the goods and services provided and the reasons for application, the Council will work to understand the root causes of poverty to ensure that the correct advice is provided. This information will also help to inform projects that are commissioned across the borough for financial, employment and other support.

**3.1.4 Long term sustainable improvement:** The scheme will meet need by offering residents support to improve their long-term circumstances and help build their own financial resilience. The scheme will establish greater links with outreach and advice agencies to ensure residents are supported in relation to Universal Credit, sanctions, debt, rent arrears and council tax etc. At the same time the scheme will forge greater links with the credit union, Job Centre Plus, Age UK, advice agencies and employment services.

**3.1.5 Consistency in assessments and decision making:** the scheme is designed to enable professionals involved in assessing a person's need to make recommendations for awards, ensuring that decision making is fair, robust and consistent.

### 4 Funding

4.1 The Resident Support Scheme will be funded through the Mayor's Tackling Poverty fund until 2020. Provision will be reviewed during this time.

4.2 There will be no minimum or maximum award amount. The award will be determined using the criteria set out in this policy.

## 5 Types of support available

5.1 Awards will be made to qualifying residents in respect to the following:

- Essential household items such as fridges, cooking facilities etc
- Living Expenses e.g. food and heating
- School uniforms
- Cash will only be awarded where not providing it would put the household at risk. Where provided, this will be through means of a prepayment card which will be collectable from any local Credit Union office.

5.2 The scheme will not be used in respect of the following:

- Any request made where the assessment process deems that the need is not immediate or where alternative means of addressing the need is available
- Clothing (except in exceptional circumstances where someone is fleeing their home e.g. flood, fire, domestic violence)
- Minor structural repairs where these are the responsibility of the landlord or the owner.
- Furniture & household items where living in private rented furnished accommodation or furnished temporary accommodation where this is the responsibility of the landlord.
- Specialist disability equipment or adaptations, recliner chairs, wheelchairs and mobility scooters – we will refer to National Health Service provision for wheelchairs.
- Personal debts – we will refer to appropriate agencies for support.
- Phone costs or associated expenses

5.3 Cash payments will not usually be provided, instead, the scheme will offer goods and services. This may be achieved by provision of approved refurbished household items or by use of a supplier able to provide, supply and deliver new items which are guaranteed. Where it is agreed that a cash payment is required, this will be distributed by means of a prepayment card which can be posted or collected from a local Credit Union office.

## 6 Eligibility Criteria

6.1 Universal Eligibility Criteria - the basic principle is that a person must need the support requested and it would represent a risk to them or someone in their household

if assistance is not provided. The following are the basic universal eligibility criteria that a resident must usually meet in order to be considered to receive support. Meeting these criteria does not guarantee that support will be offered.

**Ineligible for Department for Work and Pensions support** – the applicant is not eligible for any loan or advance to meet their need. For the avoidance of doubt a person could be eligible for a loan or advance but the need and associated risk is such that an award should still be considered. The Council will

still reserve the right to refuse an application based on the circumstances of the case, but it will not be treated as an excluding factor in all cases.

**Residency** – the applicant must have been resident in the Borough for a minimum of 12 months, been placed in housing outside the borough by the London Borough of Tower Hamlets under its statutory homelessness duties or be providing a function that is supported by the London Borough of Tower Hamlets e.g. foster care.

**Responsibility of another Local Authority** – Where it is considered that the support requested is the responsibility of another Local Authority we reserve the right to signpost the person to that Local Authority before considering them for support from the Local Resident Support Scheme.

**Income** – A person must be on low income without the means to meet the need requested. Requests will be considered taking into account income and expenditure and the reason for the award. Expenditure will be defined as what the Council deems to be necessary expenditure which may differ from actual expenditure. Proof of income and expenditure will be required. Both residents on benefits and those who are working will be entitled to make an application under the scheme. Those with savings will either be ineligible, or will qualify for a reduced award based on the amount of capital they have.

**Immigration Status** – The scheme is only open to residents who have recourse to public funds.

**Previous Award** – As a general rule an applicant and/or their partner will only be entitled to one award in any 12 months period. The Council may offer a further award in exceptional circumstances at its discretion.

**Sanctions and disallowances-** Payments made under this scheme should not undermine sanctions imposed by DWP. Where someone is subject to sanctions or disallowances, an award should only be made in the case of a disaster or where a child is at risk. The applicant should first seek a hardship payment from the DWP.

#### **Exceptions to universal criteria**

The Council understands that there will sometimes be instances where households do not meet these criteria but their personal circumstances make it appropriate for the Council to offer support under this scheme. This would include, but is not limited to:

People fleeing domestic or other abuse

Circumstances where the Council believes that not assisting would put a child or vulnerable adult at risk

Where it is considered that not awarding support would put other Council services under avoidable pressure

6.2 Criteria for assessment and methods of verification are supplied in the table below.

<b>Eligibility Criteria</b>	<b>Method of verification</b>
Resident in the Borough, linked to the Borough through Temporary Accommodation or provides a function on behalf of the Council	Confirmed links to the Council and Council services via liaison and/or systems
Applicant must have recourse to public funds	Council systems DWP Proof from client such as a passport or that they are exercising treaty rights
Verification of identity	Documentary evidence from the resident Council systems DWP
No award in the previous 12 months	Council system
Resident is not eligible for other support from a statutory service or the DWP.	Application form check. Council systems
Additional support	For each application consider referral for finance, debt and/or welfare benefits advice or assistance to try and address the resident's long term needs.  Consider whether a referral to other council services is appropriate e.g. children's services, adults services, Work Path etc.  Ensure referrals are made as appropriate.

6.3 Identifying vulnerability and risks – the tables below show examples of how risk and vulnerability might be demonstrated within an application to the Local Welfare Support scheme.

<b>Risk</b>	<b>Vulnerability</b>

<p><b>High Risk</b></p> <ul style="list-style-type: none"> <li>○ Children under and of school age</li> <li>○ Pregnancy</li> <li>○ Documented mental health condition</li> <li>○ Documented medical condition or exacerbation of an existing medical condition</li> <li>○ Physical disability</li> <li>○ Documented learning disability</li> <li>○ Domestic violence</li> <li>○ Prevention of entry into institutional care</li> </ul> <p><b>Other Risks</b></p> <ul style="list-style-type: none"> <li>○ Significant risk to Tenancy</li> <li>○ Significant or immediate risk to independent living</li> <li>○ Significant risk to Safety</li> <li>○ Significant risk to health</li> <li>○ Significant risk of loss of family stability and cohesion</li> </ul>	<ul style="list-style-type: none"> <li>○ Old age</li> <li>○ Physical disability</li> <li>○ Long term limiting health condition</li> <li>○ Responsibility for dependent children or pregnant</li> <li>○ Domestic violence</li> <li>○ Mental Health issue</li> <li>○ Learning Disability</li> <li>○ Single young people establishing themselves including care leavers</li> <li>○ Significant risk of loss of family stability and cohesion</li> <li>○ Significant risk to health</li> <li>○ Significant risk to Safety</li> <li>○ Ex Armed Forces and their families as per the Armed Forces Covenant</li> </ul>
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## 7. Awards and support

7.1 Support will be provided to residents who experience an exceptional event that would represent a potential risk to a person's (or persons in a household) health.

7.2 An exceptional event is something that is unlikely to occur more than once in a 12 month period. On each application for support the Council will review the applicant's circumstances to identify whether further assistance or support can be provided to improve their longer term financial sustainability.

7.3 The normal universal eligibility criteria apply, as will the need to explore whether other sources of support should be first applied for e.g. short term advances, national voluntary assistance, local voluntary assistance, other statutory assistance that the council can provide. Provision from the scheme will always be seen as assistance of last resort.

## 8. Access

8.1 Access to scheme will be via the online application forms, or referral from a trusted partner including other council services (who will complete the online application form on their clients' behalf).

8.2 Statutory services – Adults and Children’s Services, Housing and Homeless Services will identify service users through their existing assessment processes and make referrals. All referrals must meet the universal eligibility criteria for support and for every referral there must be no access to other funds.

8.3 The scheme will operate within office hours. There will be no separate out of hours service for the scheme.

8.4 Trusted Partners – the scheme will continue to develop the Council’s working partnerships with key external organisations. These ‘Trusted Partner’ organisations will be able to make referrals and recommendations on behalf of residents to the scheme on the same basis as internal council services.

8.5 In order to support our trusted partners, the Council will provide clear guidelines on the aims of the scheme and the eligibility criteria. The service will also arrange for provision of training, support and online access arrangements for front line staff.

8.6 Access for residents who are housebound – Residents who are housebound and who are unable to complete an application with a trusted partner or by using the online application forms e.g. due to a disability, will be able to have a home visit.

## **9. Decision outcomes**

9.1 A decision on any application will be made as soon as possible, but within a maximum of two working days.

9.2 Applicants of both successful and unsuccessful applications will be made aware of the outcome of their application. Information will include:

- What has been awarded
- How the award will be made
- The right to request a review of the decision

9.3 Applicants will be asked for an e-mail address and telephone number so that the decision notification can be made as swiftly as possible.

## **10. Review requests**

10.1 An applicant can request a review if they can demonstrate

- There has been a factual error
- A piece of evidence has been overlooked
- They have new evidence to submit

10.2 Review requests must be made within ten working days of the decision being notified. The review will be carried out within five working days by an officer senior to the original decision. The reviewing officer’s decision will be final and there will be no further right to review.



## **11. Help with Housing Costs – Discretionary Housing Payments (DHP's)**

11.1 Where help is required with housing costs an application should be made through the Council's Discretionary Housing Payments scheme. This is predominantly used to allow Local Authorities discretion to top up Housing Benefit awards that fall below the eligible rent in circumstances where the shortfall is likely to cause the recipient hardship.

11.3 There is also provision to pay or contribute towards "rent deposits" and "rent in advance" payments required by HB recipients to access alternative accommodation.

## **12. Additional Support**

12.1 The Resident Support scheme offers an opportunity to develop a system for low income residents that gives them access to services that can improve their long-term circumstances and help to build their financial resilience.

12.2 Each resident who makes an application will be reviewed to see whether they would benefit from further assistance such as being put in contact with another service or agency.

12.3 Where possible this additional support will be undertaken at a face-to-face interview with the resident through the Council, trusted partner or referral agency.

12.4 Types of additional support – the following areas of support will be developed and it is expected that as the scheme matures more support will be provided:

### **Income and benefits –**

- Additional benefits entitlement/benefit check
- Income Maximisation
- Money advice
- Financial capability programmes
- Fuel poverty

### **Education, training and employment opportunities –**

- Intensive, joined up support between Council services and the local Job Centre Plus offices
- Targeting Benefit capped residents to provide help to overcome barriers to work as well as support to those furthest away from the labour market
- Making referrals to Work Path

### **Social well-being and reducing isolation –**

- Support for people who need access to community and social activities,
- Closer working with Age UK and pensioner benefits take up

12.5 **Residents who do not qualify for an award.** Where residents are not eligible for an award, they will be directed to other services, who may be able to provide assistance.

### **13. Fraud and error**

13.1 The Council is committed to the identification and prevention of fraud. Where it is alleged or considered that an application has been made fraudulently, the matter will be investigated. If fraud is found to have occurred, action will be taken including criminal proceedings where relevant.

### **14. Monitoring and review**

14.1 Monitoring of the scheme will allow the Council to make changes where deemed appropriate, to commission additional support where a need is identified and to gather information about who is applying.

14.2 Should it be identified that any particular demographic is making an under proportionate number of claims, further effort will be made to ensure that residents are aware of the scheme.

14.3 Regular feedback will be sought from trusted partners about the performance of the scheme.

<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Zena Cooke, Corporate Director, Resources</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Local Business Rates Relief Scheme</b></p>	

<b>Lead Member</b>	<b>Councillor David Edgar, Cabinet Member for Resources</b>
<b>Originating Officer(s)</b>	Roger Jones – Head of Revenue Services
<b>Wards affected</b>	(All Wards);
<b>Key Decision?</b>	No
<b>Community Plan Theme</b>	<b>A fair and prosperous community</b>

## Executive Summary

As part of the Budget on 8 March 2017, the Chancellor announced that the Government would make available a discretionary fund of £300 million over four years from 2017-18 to support those businesses that face the steepest increases in their business rates bills as a result of the revaluation.

The intention is that every billing authority in England will be provided with a share of the £300 million to support their local businesses. This will be administered through billing authorities' discretionary relief powers under section 47 of the Local Government Act 1988

The Government believes that local authorities are best placed to judge the particular circumstances of local ratepayers and direct the funding where it is most needed to support local economies. The Government will allocate the available funding to each billing authority area based on assumptions about how authorities will target their relief scheme.

The Council has been allocated the fifth largest amount nationally of £8.184m over four years, with no relief being funded for the final year of the rating list.

At the Cabinet meeting on 19<sup>th</sup> September 2017 the following was agreed –

1. Agree the 2 options proposed for awarding the relief on either a fixed amount or based on a percentage increase.
2. Commence a consultation process with local businesses and business organisation.
3. Note that a further report will be presented giving details of the outcome of the consultation and recommendations for the final qualifying criteria to be included in the local relief scheme.

The consultation was open from the 21<sup>st</sup> September 2017 until the 19<sup>th</sup> October 2017 and provided options for the Council to design a business rates relief scheme for revaluation support using the Government's allocation of funding to the borough.

The Council provided a number of options indicating no particular preference but invited views that were put forward in relation to determining eligibility to the relief.

The consultation was open to the general public with particular emphasis aimed at the residents, ratepayers and representative organisations that provide advice or services to ratepayers within the borough.

Based on the outcome of the consultation and the objective of ensuring as many businesses benefit from the relief, the relief scheme will be based on a percentage

### **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Agree the proposed scheme in **Appendix A** which will award a total of £4,654,709 to 2,616 local business ratepayers. This represent 80% of the increase experienced by ratepayers as a result of the 2017 Revaluation.
2. Commence rebilling immediately to all qualifying local businesses.

### **1. REASONS FOR THE DECISIONS**

- 1.1 Designing the scheme in this way means that the maximum number of local small to medium businesses are awarded the relief but also takes into account the feedback from the consultation on the types of business to be excluded. These include the following –

To be excluded from the scheme -

Payday lenders

Betting Shops

Public Sector and Local Government buildings

Housing Association Properties

Unoccupied Properties

- 1.2 Excluding the properties identified under the categories above, and those cases that have an overall increase of £100 or less, has resulted in the identification of 2,616 ratepayers that will receive the relief in the first year.

## 2. ALTERNATIVE OPTIONS

- 2.1 The simplest option would be to allocate a flat rate percentage to all ratepayers but this would not target small to medium sized businesses and would not reflect the size of the increase in rates payable as a result of the revaluation, or give the ability to exclude specific types of business.

## 3. DETAILS OF REPORT

- 3.1 The Council has been allocated the fifth largest amount nationally for a local discretionary rate relief scheme totalling £8.184m over four years which reduces substantially year on year as shown in the following table, with no relief being funded for the final year of the rating list.

Amount of Discretionary Relief Available						
Gross Increase in Rates Payable from 16/17 to 17/18	2017/2018	2018/2019	2019/2020	2020/21	2021/2022	Total
£40,567,000	£4,774,000	£2,319,000	£955,000	£136,000	£0.00	£8,184,000

- 3.2 To allocate the resource between authorities the Government has assumed that authorities will provide support only to those ratepayers who are facing an increase in their bills following revaluation. This will be a condition of the grant. It further assumes that more support will be provided to;

- Ratepayers or localities that face the most significant increases in bills; and
- Ratepayers occupying lower value properties

- 3.3 In line with those broad assumptions funding will be allocated to each billing authority by:

Working out the total increase in bills (excluding the impact of transitional relief and other reliefs), for every rateable property in the billing authority's area that satisfies both the following conditions:

- The property has a rateable value for 2017-18 that is less than £200,000;
- The increase in the property's 2017-18 bill is more than 12.5% compared to its 2016-17 bill (before reliefs);

Summing the total increase in bills in all billing authority areas and distributing the available funding in each year in accordance with the formula:

$$A \times B/C,$$

Where:

- A is the total funding available for the year;
- B is the total increase in bills in an individual authority's area; and
- C is the sum of the total increase in bills in all local authority areas.

3.4 Any discretionary relief paid by billing authorities in respect of "revaluation support" in excess of their allocation shown at paragraph 3.4 will not be supported by the Government by a Section 31 grant payment.

3.5 In each year of the scheme, the Government proposes to pay billing and major precepting authorities' Section 31 grant equivalent to their loss of income under the business rates retention scheme. Payments will be based on estimates of the relief to be provided to ratepayers, capped at the maximum of that year's allocation. Grant will be paid to authorities in four equal instalments, quarterly in arrears – i.e. at the end of June, September and December 2017 and the end of March 2018.

### 3.6 Feedback from the consultation -

3.7 A summary of responses is shown in **Appendix B**. The feedback received has informed the recommendation in this report to allocate the discretionary relief on a percentage basis with some exclusions.

3.8 There were 72 responses in total from local businesses, residents and the GLA. The larger proportion of respondents favoured the allocation based on a percentage increase and reaching as many ratepayers as possible preferring to award to those experiencing an increase over 5% (25) or over £100 (18).

3.9 43% agreed that ratepayers with more than 3 properties should be excluded with nearly 28% being unsure about this.

3.10 The proposal to exclude ratepayers who had experienced an increase of £100 or less was supported by 61% with 57% agreeing the scheme should be fixed for the whole period of the rating list.

3.11 There was general support for excluding certain categories -

Category	Number who selected
Payday Lenders	49
Betting Shops	52
Public Sector & Local Government Buildings	19
Housing Association Properties	15
Unoccupied Properties	52
Other	17
<b>Total</b>	<b>204</b>

Other suggestions included Banks, that would not qualify under the “having more than 3 properties rule, and charities.

There are 53 charitable cases that would benefit from the scheme with a total award of £33,822.39. There was no reason given as to why it was felt that charities should be excluded and they have remained in the scheme.

- 3.12 72% agreed that the relief should be awarded without the need to fill in an application form where the Council was able to ascertain that the qualifying criteria were met.
- 3.13 Just under 50% expressed an interest in attending quarterly workshops and the suggestions put forward by respondents (**included in Appendix B**) will be followed up at the first workshop being scheduled for December 2017.

#### **4. EQUALITIES IMPACT ASSESSMENT**

- 4.1 There are no direct equalities issues, but that the policy will support small and medium sized local businesses.

#### **5. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 5.1 The reduction in business rates income that would result from awarding this new discretionary relief will be met from a S.31 grant from central government, as long as the discounts awarded do not exceed the total allocation of £8.184m over the four year period 2017- 2022. The relief schemes being proposed are designed to ensure that this is the case. Thus there are no direct financial implications on Council resources arising from this report.

#### **6. LEGAL COMMENTS**

- 6.1 National Non Domestic Rates (NNDR) or Business Rates is charged on all non-domestic properties and as a national scheme has been in place since 1990. The government is regularly required to update the ‘rateable values’ of business properties in England to make sure they are paying the right amount of rates. A business rates revaluation took effect on 1<sup>st</sup> April 2017 and as part of the Budget on 8<sup>th</sup> March 2017, the Chancellor announced that the Government would make available a discretionary fund of £300 million over four years from 2017-2018 to support those businesses that face the steepest increases in their business rates bills as a result of the 2017 revaluation.
- 6.2 There are a number of reliefs and exemptions available to help meet liability. These may be part of the national scheme or via local discretion which each local authority decides upon. Section 47 of the Local Government Finance Act 1988 gives discretionary relief powers to local authorities, specifically where “it is satisfied that it would be reasonable for it to do so, having the regard to the interests of persons liable to pay council tax set by it.”
- 6.3 Section 47 requires the Council to maintain a Discretionary Rate Relief Scheme. The Council must have a Policy but the scale is discretionary and can be limited by appropriate factors as to what the Council wishes to support subject to Government Guidance. However, the discretionary fund that the

Government is making available will be in the form of a grant made under section 31 of the Local Government Act 2003, specifically sub-section (1) which provides: provided to only support those ratepayers who are facing an increase in their bills following revaluation and this will be a condition of the grant. The Government further assumes that more support will be provided to:

- Ratepayers or localities that face the most significant increases in bills; and
  - Ratepayers occupying lower value properties
- 6.5 European Union competition rules generally prohibit Government subsidies to businesses. Relief from taxes, including non-domestic rates, can constitute state aid. The Council must bear this in mind when granting discretionary rate relief.
- 6.6 Rate relief for charities and non-profit making bodies is not generally considered to be state aid, because the recipients are not in market competition with other businesses. However, where other bodies receive relief and are engaged in commercial activities or if they are displacing an economic operator or if they have a commercial partner, rate relief could constitute state aid.
- 6.7 Relief will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013). The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three year period (consisting of the current financial year and the two previous financial years).
- 6.8 For all Discretionary Rate Relief, the Council will need to ensure, as best as it can, that awards are in compliance with the De Minimis regulations.
- 6.9 As to Consultation, the consultation has been at a stage when the proposals were still at a formative stage. Sufficient reasons for the proposal to permit intelligent consideration were given and adequate time was given for such consideration and response. The Council has therefore complied with its common law duty in respect of such.
- 6.10 The function of setting a Discretionary Rate Relief Scheme is an Executive One and therefore is for the Mayor in Cabinet to make. Prior to agreeing the Scheme, the product of consultation must be conscientiously taken into account.
- 6.11 When considering setting a Discretionary Rate Relief Scheme, consideration should be given to the arrangements in place to ensure that the power that is exercised is consistent with the Council's best value arrangements. The Council is obliged as a best value authority under section 3 of the Local Government Act 1999 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 Best Value Duty). Paragraph 8 has certain considerations in respect of this duty



6.12 When deciding whether or not to proceed with the proposals, 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 (the public sector equality duty). Paragraphs 4 and 6 of the report have considerations in respect of this duty.

## **7. ONE TOWER HAMLETS CONSIDERATIONS**

7.1 Any financial assistance to local ratepayers will support economic growth and help local businesses to continue to trade and create local employment.

## **8. BEST VALUE (BV) IMPLICATIONS**

8.1 This proposal will give small and medium local businesses financial support to help alleviate the effect of the increase in rateable values as a result of the 2017 revaluation with all costs being met by central government. The options presented should ensure the most efficient and effective distribution of the funding.

## **9. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

9.1 There are no SAGE implications arising from this report.

## **10. RISK MANAGEMENT IMPLICATIONS**

10.1 There is a risk that the government funding will be insufficient to meet the full cost of the scheme. The budget for and impact of this policy will be monitored regularly to ensure spending is within the S.31 grant allocation from central government.

## **11. CRIME AND DISORDER REDUCTION IMPLICATIONS**

11.1 There are no crime and disorder implications arising from this report

## **12. SAFEGUARDING IMPLICATIONS**

12.1 There are no safeguarding implications arising from this report.

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### **Linked Reports, Appendices and Background Documents**

**Linked Report**  
NONE

#### **Appendices**

A - Tower Hamlets Local Discretionary Relief Scheme  
B - Summary of Responses

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

**Officer contact details for documents:**

N/A

## Tower Hamlets Local Discretionary Relief Scheme (LDRS) 2017

1. The scheme will be open to ratepayers that have a liability to pay the business rates within the London Borough of Tower Hamlets (LBTH).
2. The rateable value of the property entered in the Local Rating List must be below £200,000 therefore in order to qualify, the relief will be applied to qualifying properties with a rateable value of £199,999 or less.
3. Ratepayers that are in receipt of the Supporting Small Business Rate relief 2017 (SSB) will not be eligible to receive relief under the LDRS 2017.
4. The relief will not apply to organisations that have three or more properties that operate within or outside of LBTH.
5. The property must have been entered into the 2010 Local Rating list as at the 31<sup>st</sup> March 2017 and also in the 2017 Local Rating list as at the 1<sup>st</sup> April 2017.
6. The property must have been occupied since the 31<sup>st</sup> March 2017 and remain occupied in order to qualify for the relief. Once a property becomes unoccupied the relief will be cease with effect from the date that the property became unoccupied.
7. The relief will be calculated after any other allowable reductions to the rate account have been applied.
8. In cases where there has been an amendment in rateable value in relation to the 2010 or 2017 Local Rating lists any subsequent adjustment will only apply where the amendment to the Rateable Value has resulted in a decrease of the amount of relief awarded. This means that the overall amount of relief previously awarded cannot exceed the original award under any circumstances.
9. Organisations will not be required to complete an application form as the relief will be awarded automatically by the Council based on the qualifying criteria established in the scheme.
10. Ratepayers that do not receive an automatic award but believe that they are eligible to receive the relief can ask for a review of the decision. The council will consider the full circumstances of the organisation and if it appears that the organisation is eligible the relief will be applied, subject to the condition in paragraph 11 below.
11. In cases where there is a retrospective amendment to the rateable value or a review is requested the relief will only be applied to the financial year in which the actual application is made. An award cannot be retrospectively applied to previous financial years under any circumstances.

12. The relief is based on a percentage of the actual amount of the increase as at the 1<sup>st</sup> April 2017. The increase is calculated by comparing the charge amount less any reliefs or exemptions for 2016-2017 against the same calculation for 2017-2018.
13. Any property that is used for the following purposes will be automatically excluded from receiving the relief:
  - a. Payday Lenders
  - b. Betting Shops
  - c. Public Sector & Local Government Buildings
  - d. Housing Association Properties
  - e. Unoccupied Properties
14. Eligibility for the relief is determined based on a fixed list which has been extracted from the Council's Revenues system as at the 1<sup>st</sup> April 2017.
15. The scheme is fixed for a four year period based on the original list mentioned in paragraph 14. The amount of relief will be based on the percentage rates published on the Council's website. It should be noted that the percentage rate is variable and may be subject to change, although the qualifying criteria will remain constant throughout the scheme.
16. The relief will be transferrable in the event that the recipient vacates the property and the new occupier fulfils the eligibility criteria to receive the relief.
17. The award of the relief will be subject to state aid rules and each recipient must inform the Council if awarding the local relief has the effect of exceeding the €200,000 De Minimis State Aid limit.

# Consultation on the Local Discretionary Relief Scheme 2017 following the business rates revaluation

## Summary of Responses

## Summary of Responses

1. In total 72 responses were received from residents and businesses as shown in the table below:

Respondent Type	Number of Respondents	Proportion of Total
Business	66	91.67%
Greater London Authority	1	1.39%
Resident	5	6.94%
<b>Total</b>	<b>72</b>	<b>100.00%</b>

2. **Question 1.** Which reduction option do you think that the council should adopt?

Reduction Option	Number of Respondents	Percentage
Fixed amount	30	41.67%
Percentage of increase	42	58.33%
<b>Total</b>	<b>72</b>	<b>100.00%</b>

3. 58.33% of respondents agreed that a percentage increase would be fairer than a fixed amount.
4. **Question 2.** Both proposed options have different levels of support depending on the increase experienced by ratepayers. This ranges from supporting those who have experienced any increase over £100 to only those who have experienced an increase of 15% or more.

Level of Support	Number of Respondents	Percentage
over £100	18	28.57%
over 5%	25	34.72%
over 7.5%	4	5.56%
over 10%	11	15.28%
over 12.5%	4	5.56%
over 15%	10	13.89%
<b>Total</b>	<b>72</b>	<b>100.00%</b>

5. **Question 3 -** Do you support the proposal to exclude ratepayers that have three or more accounts both within and outside of the borough?

Exclude Ratepayers	Number of Respondents	Percentage
Strongly Agree	16	22.22%
Agree	15	20.83%
Disagree	9	12.50%
Strongly Disagree	12	16.67%
Unsure	20	27.78%
<b>Total</b>	<b>72</b>	<b>100.00%</b>

6. More than 43% of respondents agreed that ratepayers with more than three accounts should be excluded from receiving the relief, 29% were against and nearly 28% were unsure.
7. **Question 4** - Do you agree that the amounts are fixed for the four year period based on the actual increases identified as at 01 April 2017?

Four Year Reduction	Number of Respondents	Percentage
Strongly Agree	18	25%
Agree	23	31.94%
Disagree	7	9.72%
Strongly Disagree	3	4.17%
Unsure	21	29.17%
<b>Total</b>	<b>72</b>	<b>100.00%</b>

8. Nearly 57% agreed that the relief should be fixed for the whole period of the scheme.
9. **Question 5** - Do you support the proposal of excluding ratepayers where the increase experienced is £100.00 or less?

Exclude Under £100 Increase	Number of Respondents	Percentage
Strongly agree	19	26.39%
Agree	25	34.72%
Disagree	8	11.11%
Strongly disagree	8	11.11%
Unsure	12	16.67%
<b>Total</b>	<b>72</b>	<b>100.00%</b>

10. 61.11% agreed that any ratepayer that has an increase of £100 or less should be excluded from receiving relief.
11. **Question 6** - Do you support the proposal to exclude ratepayers that are in receipt of the new Supporting Small Business Relief (SSBR)?

Exclude SSBR	Number of respondents	Percentage
Strongly agree	18	25%
Agree	15	20.83%
Disagree	11	15.28%
Strongly disagree	15	20.83%
Unsure	13	18.06%
<b>Total</b>	<b>72</b>	<b>100.00%</b>

12. 45.83% agreed that those businesses that had already received SSBR should be excluded from receiving this relief, with 18.06% being unsure.

13. **Question 7** - Do you think that certain categories of business should be excluded from the scheme?

Category	Number selected
Payday Lenders	49
Betting Shops	52
Public Sector & Local Government Buildings	19
Housing Association Properties	15
Unoccupied Properties	52
Other	17
<b>Total</b>	<b>204</b>

14. All respondents were able to choose more than one category in this question and it seems that there is support to exclude the categories stated when applying the relief.
15. Respondents were also asked to suggest other categories that they felt ought to be excluded from receiving the relief which is shown in the table below:

Category	Number selected
Banks and Financial Organisations	4
Charities	5

16. Banks would be excluded under the scheme as having 3 or more properties and exceeding State Aid rules.
17. **Question 8** - Do you support the proposal of the council identifying eligible ratepayers and applying the relief without the need for them to complete an application form unless in exceptional circumstances?

Automatic Identification of Ratepayers	Number of respondents	Percentage
Strongly agree	30	41.67%
Agree	22	30.56%
Disagree	7	9.72%
Strongly disagree	2	2.78%
Unsure	11	15.28%
Grand Total	72	100.00%

18. More than 72% of respondents agreed that the Council should identify eligible ratepayers and make the award automatically.
19. **Question 9** - We would welcome your views or ideas on what you think should be included or excluded from the proposed scheme. The following is an exact extract from the suggestions put forward by respondents and none of the content has been altered or modified in any way. These will also be picked in in the quarterly meetings with ratepayers.



1st timers to have all supports and advise and any company's have more accounts to be excluded

As a small business we are in the borough all day , we have no rights why we provide income and jobs for all we get for our service is nothing

Business rates should come down all together or, at least, include services like waste collection, footway licence or other externally paid services that should be already covered by the business rates.

Business that have low income should be given more rate relief

Challenge national government on this absolutely insane redistribution of rates.

Community Centres that host community activities and child care should receive full rate relief (such as our centre - Lascar Wharf Community Centre, 21 Repton Street, E14 7FN)

Every one know how we are suffering

Extra rate bill is a burden on the businesses and may force them out at this volatile Brexit environment

Freeze or reduce the payable rate - actual amount for ever, indicating where they used and let those who receive fund from this rate to support themselves.

Give us more information. The rates are killing some small businesses or putting huge pressure on us.

I really want Councils and Government to think twice before applying any increase. We are already suffering due to Brexit and business is not good.

I think the council need to be realistic and the business rates should be reduced to a more manageable level across the board especially for small business.

I think the council should be supporting independent businesses but not large corporations

I would welcome the scheme being extended to charities in properties whose RVs (before mandatory 80% charitable relief) are above the cap. The cap should be applied in those cases based upon the 20% actually payable (which is, for a charity, to all intents and purposes the true measure of effective RV), not upon the un-relieved RV. Otherwise small charities are pushed out of action disproportionately compared to other businesses.

It seems that rates have gone up as a drawn out consequence of the 2007 crash. The Financial services industry can comfortably afford this increase in cost and therefore should shoulder the majority of this tax. i.e. they should be excluded from support from this government scheme.

It should be available to all regardless of their ability to fill out a form

LBTH is one of the cheapest boroughs in London and has some of the most deprived areas in London . This needs to change . This can only change with increased funding from ALL BUSINESSES

Our detailed comments are set out in a separate written response which has been submitted to the Council by email.

Please do not force people over the limit of Small Business Relief. Listen to their case and how much rent they are actually paying. Tower Hamlets is going to lose so many assets it is in theory proud of.

Price hike to business rates we are paying too high

Small businesses like my own need an immediate reduction in rateable value as imposed April 2017 government so they can continue to be eligible for small rates relief as they were before April 2017

Small businesses that benefit the local community and bring socially responsible services should be given the highest relief - these companies are benefiting the whole of society, not just themselves, and this needs to be reflected in relief of these extensive business rate increases.

The council street shall has giving some relief to street sellers during the week expect Sunday market which has help many seller to keep the street market going rather empty street. I think the same should apply to the shops in the same area.

There should be regular visits to the local businesses and first hand comments and suggestions noted. Businesses that are in need of relief should be able to have access to support. Big franchise stores like Tesco and Morrisons in the local communities are making it difficult for small convenience stores to compete with and there is no support or grants available for the smaller businesses.

Tower Hamlets has a unique set of problems on its plate: about a minute's walk from our shop, is a Versace store on Redchurch Street. Our and their respective demographics could scarcely be more different, and the fabric of the borough is not stitched by those that buy thousand pound handbags, and it would behoove the council to recognise this. When shops (businesses) like Versace arrive, rent rises sharply, and rates follow behind. Multi-million pound companies swallow these with barely a flicker on the bottom line. Independent businesses (at least those with small margins) struggle on, before selling up or moving on. In the recent revaluation, our rates rose from £8,000 to £18,000 a year by 2020. If that increase does come into effect, that will be the end of our shop. We already draw less than the minimum wage, and our customers could not absorb the sort of price hike which would allow us to pay those bills. I would suggest thinking very carefully about the long term implications of the decisions being made now. You should be fostering small independent businesses not driving us out.

Young and new businesses should have a rates holiday period. Businesses with less profit after tax and all other costs should only be levied a % of actual profits.


20. **Question 10** - The Council will be holding quarterly workshops for interested ratepayers in the borough which will deal with all aspects of business rates. These sessions are intended to be interactive and provide expert advice on all business rate matters and provide a platform for specific questions from ratepayers.

Attend Quarterly Workshops	Number of respondents
Yes	35
No	31
No answer provided	6
Total	72

21. There was sufficient interest in attending the proposed quarterly workshops so the council will make the necessary arrangements to deliver these. The dates and venues will be published on the Councils website and the respondents that expressed an interest will be contacted directly to invite them to attend.
22. The Council would like to thank all those that took the time to respond to the public consultation, this has helped to the Council to devise a fair and equitable scheme that has been welcomed by the GLA, residents and ratepayers in the borough and will help as many eligible businesses as possible.
23. Following evaluation of the consultation responses and consideration of the proposals offered the final scheme to be adopted will be Option 2, which is based on a percentage of the increase. The full scheme details are at Annex A.
24. After taking into account the responses and removing the properties identified under the categories to be excluded from receiving the relief, and those that have an overall increase of £100 or less, this has resulted in the identification of 2,616 ratepayers that will receive the relief in the first year.
25. £4,654,709.80 will be awarded meeting 80% of the increase in rates bills due to the Revaluation in cases with an rateable value of less than £200,000.

	Year 1	Year 2	Year 3	Year 4
Percentage of Relief	80%	39%	17%	3.2%
Number of Ratepayers	2,616	2,412	1,486	414
Total Spend	£4,654,709.80	£2,253,090.69	£913,773.58	£118,835.96
Tolerance	-£119,290.20	-£65,909.31	-£41,226.42	-£17,164.04

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<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Ann Sutcliffe, Acting Corporate Director, Place</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>The Infrastructure Delivery Framework: Report to Cabinet recommending the approval of the allocation of S106 funding in respect of the following projects:</b></p> <ul style="list-style-type: none"> <li>➤ <b>Wood Wharf Primary School;</b></li> <li>➤ <b>Additional 6th Form places - Langdon Park and George Green’s School</b></li> </ul>	

<b>Lead Member(s)</b>	<p><u>Covering Cabinet Report</u> Councillor Rachel Blake, Cabinet Member for Strategic Development</p> <p><u>Wood Wharf Primary School Project Initiation Document</u> Councillor Amy Whitelock Gibbs, Cabinet Member for Education and Children’s Services</p> <p><u>Additional 6th Form places - Langdon Park and George Green’s School Project Initiation Document</u> Councillor Amy Whitelock Gibbs, Cabinet Member for Education and Children’s Services</p>
<b>Originating Officer(s)</b>	<p><u>Covering Cabinet Report</u> Owen Whalley, Divisional Director, Planning and Building Control, Place Directorate</p> <p><u>Wood Wharf Primary School Project Initiation Document</u> Janice Beck, Head of Building Development, Children’s Services</p> <p><u>Additional 6th Form places - Langdon Park and George Green’s School Project Initiation Document</u> Janice Beck, Head of Building Development, Children’s Services</p>
<b>Wards affected</b>	<p>Blackwall and Cubitt Town; Lansbury and Island Gardens, but meets borough-wide need.</p>
<b>Key Decision?</b>	<p>Yes</p>
<b>Community Plan Theme</b>	<p>A great place to live; A fair and prosperous community; A safe and cohesive community; A healthy and supportive community.</p>

## 1. **EXECUTIVE SUMMARY**

1.1 This document has been formed in order to seek approval from the Mayor in Cabinet for:

1. The allocation of £3m in Section 106 (S106) funding to the proposals set out in the “*Wood Wharf Primary School*” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix A.
2. The allocation of £7.5m in Section 106 (S106) funding to the proposals set out in the “*Additional 6th Form places - Langdon Park and George Green’s School*” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix B.

1.2 The projects to which this document relates can be summarised as follows:

- a) **Wood Wharf Primary School:** This project involves the expenditure of £3m of S106 funding for the fit-out of a new 2FE primary school. The total cost of the proposal is £5m. £2m of the overall cost is being met by DfE Basic Need Grant. The school is included within a mixed use development for which planning consent has been obtained. The shell and core construction is programmed for completion in June 2020, with fit-out completed to enable the school to open in September 2022.
- b) **Additional 6<sup>th</sup> Form places - Langdon Park and George Green’s Schools:** This project involves the expenditure of £7.5m of S106 funding on the delivery of additional accommodation at Langdon Park and George Green’s Schools to allow them to offer a 6th form curriculum to up to 250 students. This follows a review of all secondary schools with Sixth Forms, which demonstrated that neither Langdon Park School nor George Green’s School currently had all the accommodation required for a 250 place Sixth Form, as set out in the Government’s Building Bulletin.

1.3 Table 1 below sets out the amount requested for each of the projects highlighted in 1.2, including the source of requested funding related to CIL and S106.

**Table 1: Source of Funding and Overall Amount Requested for Allocation**

Project Title	Amounts			Funding (Capital/ Revenue)
	Overall Request (£m)	S.106 (£m)	CIL	
Wood Wharf Primary School	3.0	3.0	-	Capital
Additional 6 <sup>th</sup> Form places - Langdon Park and George Green's School:	7.5	7.5	-	Capital
<b>Total</b>	<b>10.5</b>	<b>10.5</b>	<b>-</b>	

## **RECOMMENDATIONS**

The Mayor in Cabinet is recommended to:

1. Approve the allocation of £3m in Section 106 (S106) funding to the proposals set out in the "*Wood Wharf Primary School*" Project Initiation Document (PID), which is attached to this Cabinet report at Appendix A and Table 1.
2. Approve the allocation of £7.5m in Section 106 (S106) funding to the proposals set out in the "*Additional 6th Form places - Langdon Park and George Green's Schools*" Project Initiation Document (PID), which is attached to this Cabinet report at Appendix B and Table 1.

## **2. REASONS FOR THE DECISIONS**

2.1 Approval is sought to deliver these projects for the following reasons:

1. They help contribute to the delivery of positive improvements to people's lives that will underpin the Community Plan themes of:
  - A Great Place to Live;
  - A Fair and Prosperous Community;
  - A Safe and Cohesive Community;
  - A Healthy and Supportive Community.

2. The Infrastructure Delivery Framework: Evidence Base identifies a need to increase the capacity of the education offer across the borough. These projects will result in an increase in primary and 6<sup>th</sup> form education spaces.

2.2 Please refer to the following associated documents/appendices for more information about the projects:

- Appendix A: Wood Wharf Primary School Project PID
- Appendix B: Additional 6th Form places - Langdon Park and George Green's Schools PID

### **3. ALTERNATIVE OPTIONS**

3.1 The projects within the attached PIDs can be individually or collectively approved. The only alternative option is to not allocate the funding to some or any of these projects.

3.2 It should be noted that the use of S106 funding proposed for allocation in this report is restricted, as it must be spent in accordance with the terms and conditions of its expenditure pertaining to a specific S106 agreement related to the development from which it originates. Further details of the specific restrictions attached to each S106 agreement can be found in the attached PIDs. Any alternative spend of this funding would have to be on the projects that would meet the requirements of the relevant S106 agreement.

### **4. BACKGROUND**

#### S106

4.1 S106 of the Town and Country Planning Act 1990 allows a Local Planning Authority (LPA) to enter into a legally-binding agreement or planning obligation with a developer over a related issue. Planning obligations/S106 Agreements are legal agreements, negotiated between a LPA and a developer, with the intention of making development acceptable which would otherwise be unacceptable in planning terms.

4.2 S106 contributions must be spent in accordance with the agreement to which they relate. The contributions secured in S106 Agreements are usually tied to the need to provide a certain type of project in a defined location.

#### PIDs

4.3 The background to the projects is provided below. For further information on the projects described in this report it is necessary to consult the PIDs attached at Appendices A and B.



#### **Wood Wharf Primary School Project (PID attached at Appendix A)**

- 4.4 This project involves the expenditure of £3m of S106 funding for the fit-out of a new 2FE (forms of entry) primary school.
- 4.5 The project is to provide a 2 FE primary school, accommodating 420 pupils. It is proposed that the school will open in September 2022 and admit up to 60 pupils each year at Reception year until all the year groups fill. No nursery provision is made within the scheme as the site available cannot support the required accommodation or external play space.
- 4.6 The new school is a site to the east of the wider Wood Wharf mixed use development and will share servicing access with adjacent site users. The scheme provides free access for the school to community leisure facilities immediately accessible from the school site, during the school day. This allows the scheme to meet requirements for play space.
- 4.7 The developer and Council officers have worked very closely on the design details of the school to ensure it is a good design and that the Council is able to assess the details and costs of the fit-out requirements. A schedule of fit-out items and other costs e.g. furniture and equipment, have now been agreed. These have been independently costed and amount to £5m.
- 4.8 At its meeting on 31 October Cabinet will be asked to agree to lease the proposed shell, core and site and approve the capital cost estimate of £5m for the fit-out. Although the school will not be operational until September 2022, the Council is required to make a decision on taking up the option significantly earlier than would normally be the case for delivery of a new school. This is because the developer requires the certainty in order to proceed with the scheme, enabling work for which is programmed to start on site in January 2018. The fit-out of the shell comprises all the mechanical and electrical installations, internal partitioning and sanitary fittings, provision of built in furniture, decoration and all floor finishes.

#### **Additional 6th Form places - Langdon Park and George Green's School (PID attached at Appendix B)**

- 4.9 This project involves the expenditure of £7.5m of S106 funding on the delivery of additional accommodation at George Green's and Langdon Park Schools to allow them to offer a 6th form curriculum to up to 250 students.

- 4.10 This project comprises the delivery of additional accommodation at George Green's and Langdon Park Schools to allow them to offer a 6<sup>th</sup> form curriculum of up to 250 students each. This follows a review of all secondary schools with Sixth Forms, which demonstrated that neither The George Green's School nor Langdon Park School currently had all the accommodation required for a 250 place Sixth Form, as set out in the Government's Building Bulletin.
- 4.11 George Green's School currently accommodates 160 students within 6<sup>th</sup> form and an analysis of the available accommodation indicated that to provide for 250 students a further 700m<sup>2</sup> of accommodation was required. A feasibility study which looked into the most economical way of delivering the necessary facilities, however, highlighted the potential for some existing poor quality provision to be replaced. This option was considered to provide the best match of accommodation to need and results in the removal of detached modern foreign languages under sized 'cabin' classrooms and the nursery block which currently houses 6<sup>th</sup> form to be replaced by a purpose build 1400m<sup>2</sup> two storey building. The overall increase in floor area is, however only 100m<sup>2</sup>, demonstrating a more efficient plan format whilst accommodating a further 90 6<sup>th</sup> form students.
- 4.12 At Langdon Park School the current accommodation can only support 87 6<sup>th</sup> form students and an overall increase in accommodation of circa 600m<sup>2</sup> is required to deliver the additional 163 places. The proposed scheme provides a new detached block over three floors, minimising the amount of external space lost by the development. Remodelling of existing accommodation will also provide additional improved science facilities.

## **5. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 5.1 In accordance with the Council's Infrastructure Delivery Framework, this report seeks the approval of the Mayor in Cabinet to allocate Section 106 resources totalling £10.5m to two projects, the scheme costs and relevant funding sources being summarised in the table below.

	<u>Scheme Cost</u>		<u>Funding</u>	
	Capital		Section 106	DfE Basic Need Grant
	£m		£m	£m
Wood Wharf Primary School	5		3.0	2.0
Additional 6 <sup>th</sup> Form Places: – Langdon Park and George Green's Schools	9		7.5	1.5
	<b>14</b>		<b>10.5</b>	<b>3.5</b>

- 5.2 In order that spending decisions can be made during the financial year by the Infrastructure Delivery Board and the Mayor in Cabinet, an initial provision of £30m for infrastructure delivery was incorporated within the 2016-17 capital programme, with uncommitted resources being carried forward into 2017-18 and future years as necessary. The approval to fund schemes from this budgetary provision can only be made following the receipt of the relevant developer contributions - in the case of the schemes proposed in this report, the required resources have been received by the Council. The planning contributions that are being applied to the projects are detailed in section 2 of each of the Project Initiation Documents that are included as Appendices A and B of this report.
- 5.3 A significant element of the Section 106 resources that are held by the Council relates to capital projects. The proposed allocation of these funds is undertaken by the Infrastructure Delivery Board and should take place in accordance with the priorities within the Council's capital strategy, although certain resources are specific to particular initiatives. In order to undertake Section 106 funded capital schemes, projects must be incorporated into the capital programme and appropriate capital budgets adopted. The capital budgets for the two projects were approved by the Mayor in Cabinet on 31<sup>st</sup> October 2017, pending formal approval of the Section 106 allocations.
- 5.4 Due to the risk that funding will have to be repaid to developers, with interest, if the time period specified in the Section 106 agreement expires, it is important to ensure that projects continue to be closely monitored and that actions are taken to mitigate any risk that resources will be lost. The possibility of applying funds to alternative projects should be considered if schemes are unlikely to draw down the funding before the time limited resources expire, although this must be done in accordance with the specific use conditions that are detailed in each Section 106 agreement.
- 5.5 Payments of Section 106 resources to external bodies can potentially be determined to be grants which require the approval of the Grants Determination Sub-Committee in accordance with the Council's decision making framework. In the case of the projects in this report, both relate to Local Authority maintained schools so do not require further approval unless payments are to be made to external voluntary organisations.
- 5.6 The revenue implications of the significant increases in school placement provision (420 additional primary school places and 250 additional 6<sup>th</sup> form places) that will result from the proposals in this report will be incorporated into future budget processes.

## **6. LEGAL COMMENTS**

- 6.1 It is one of the Council's statutory functions to ensure that there are sufficient primary and secondary education facilities in its area by virtue of section 14 of the Education Act 1996. Further by virtue of section 111 of the Local Government Act 1972 the Council has the power to do all things that are ancillary to the discharge of its functions. Therefore the Council has the legal power to take forward these projects.
- 6.2 Section 106 Planning Obligations are obligations secured pursuant to section 106 of the Town and Country Planning Act 1990. Such Planning obligations, commonly known as s.106 agreements, are the mechanism whereby development proposals which would otherwise not be acceptable can be made acceptable in planning terms. They are focused on site-specific mitigation of the impact of development. They can impose financial and non-financial obligations on a person or persons with an interest in the land and become binding on that parcel of land.
- 6.3 As a contract the Council are required to spend any monies received in accordance with the terms of the s.106 agreement. It is therefore important to consider the provisions of each agreement when allocating monies to a particular project.
- 6.4 This report is asking the Mayor in Cabinet to approve the allocation of s.106 resources to Wood Wharf Primary School and 6<sup>th</sup> Form Places at Langdon Park and George Green's School that were recommended for progression by the Infrastructure Delivery Steering Group on the 4th October 2017. The allocation of this section 106 funding is considered to be in accordance with the s.106 agreements and therefore lawful.
- 6.5 When making decisions, 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 is required to discharge the duty and this is met by the Equality Analysis' attached to the PIDs at appendices A and B.

## **7. ONE TOWER HAMLETS CONSIDERATIONS**

- 7.1 This report proposes to allocate funding to help deliver infrastructure at a local level. In scoping these infrastructure projects the objectives of One Tower Hamlets and those of the Community Plan have been considered.
- 7.2 It is hoped that these infrastructure projects will contribute to the reduction of inequality and will foster cohesion in the borough.

## **8. BEST VALUE (BV) IMPLICATIONS**

- 8.1 If approved, the project referred to in this document is required to be delivered in consideration of best value implications and the Council's Best Value Strategy and Action Plan (2015).

## **9. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 9.1 Sustainability considerations will be applied as far as possible to the use of building materials and fixtures.

## **10. RISK MANAGEMENT IMPLICATIONS**

- 10.1 The risks relating to the delivery of this project as well as mitigating measures are set out in detail in the attached PIDs.

## **11. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 11.1 It is hoped that a number of these projects will improve places in the borough including buildings, making them less susceptible to crime or disorder and increasing natural surveillance.

## **12. SAFEGUARDING IMPLICATIONS**

- 12.1 There are no safeguarding implications in respect of the fit-out of the new 2FE primary school.

- 12.2 On the Langdon Park project, THSL Quality Management System complies with the Quality, Environmental and Safety Management System Standards ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.

- 12.3 Both projects will be monitored during delivery by members of the Children & Adult Services Building Development Team to ensure compliance with the specification and to ensure the safe management of construction on occupied sites. Handover of projects will not be accepted unless the schools can make beneficial use of the facilities provided i.e. that they are a fit and safe condition to be used.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- None

**Appendices**

- Wood Wharf Primary School PID – Appendix A;
- Additional 6th Form places - Langdon Park and George Green's Schools PID – Appendix B.

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

- None

**Officer contact details for documents:**

Chris Horton, Infrastructure Planning Team Leader  
Tel: 020 7364 5249

## **PROJECT INITIATION DOCUMENT**

**(September 2017)**

**Wood Wharf Primary School**

**Plot H2 Wood Wharf E14**

## Version Control

<b>Version Number</b>	<b>Author and Job Title</b>	<b>Purpose/Change</b>	<b>Date</b>
0.1	Janice Beck – Head of Building Development	First draft to IDSG 4/10/17	31/8/17
0.2	Janice Beck – Head of Building Development	Minor adjustment to contributions and Equalities Impact Assessment	7/9/17
0.3	Janice Beck – Head of Building Development	Adjustment following IDSG Finance sub-group 18/9/17	20/9/17
0.4	Janice Beck – Head of Building Development	Addition of further information on timeframes and cashflow following IDSG on 4/10/17	9/10/17



## Project Initiation Document (PID)

<b>Project Name:</b>	<b>New Primary School, Wood Wharf, E14</b>		
<b>Project Start Date:</b>	August 2017	<b>Project End Date:</b>	September 2022
<b>Relevant Heads of Terms:</b>	Education		
<b>Responsible Directorate:</b>	Children's Services		
<b>Project Manager:</b>	Janice Beck		
<b>Tel:</b>	<b>4328</b>	<b>Mobile:</b>	
<b>Ward:</b>	Blackwall and Cubitt Town		
<b>Delivery Organisation:</b>	LBTH Children's Services Capital Programme		
<b>Funds to be passported to an External Organisation? ('Yes', 'No')</b>	No		
<b>Does this PID involve awarding a grant? ('Yes', 'No' or 'I don't know')</b>	No		
<b>Supplier of Services:</b>	Shell and core by Canary Wharf Group, fit-out by LBTH Capital Delivery Team		
<b>Is the relevant Lead Member aware that this project is seeking approval for funding?</b>	Yes		
<b>Is the relevant Corporate Director aware that this project is seeking approval for funding?</b>	Yes		
<b>Does this PID seek the approval for capital expenditure of up to £250,000</b>	No		

<b>using a Recorded Corporate Director's Action (RCDA)? (if 'Yes' please append the draft RCDA form for signing to this PID)</b>	
<b>Has this project had approval for capital expenditure through the Capital Programme Budget-Setting process or through Full Council? ('Yes' or 'No')</b>	Report to approval to proceed with the projects to be considered by Cabinet on 31 October 2017 in parallel with submission to IDB.
<b><u>S106</u></b>	
<b>Amount of S106 required for this project:</b>	£3m
<b>S106 Planning Agreement Number(s):</b>	See section 2.4 below
<b><u>CIL</u></b>	
<b>Amount of CIL required for this project:</b>	None
<b>Total CIL/S106 funding sought through this project</b>	£3m
<b>Date of Approval:</b>	

**This PID will be referred to the Infrastructure Delivery Steering Group (IDSG):**

<b>Organisation</b>	<b>Name</b>	<b>Title</b>
LBTH – Place	Ann Sutcliffe	Corporate Director, Place ( <i>Chair</i> )
LBTH – Place	Owen Whalley	Divisional Director Planning & Building Control
LBTH – Resources	Paul Leeson	Business Manager
LBTH – Place	Andy Scott	Acting Service Head for Economic Development
LBTH – Place	Matthew Pullen	Infrastructure Planning Manager
LBTH – Governance	Fleur Francis	Team Leader, Planning Legal
LBTH – Governance	Sophie Chapman	Planning Lawyer

Organisation	Name	Title
LBTH – Governance	Andy Simpson	Business Improvement & S106 Programme Manager
LBTH – Governance	Vicky Allen	S106 Portfolio Coordinator
LBTH – Governance	Tope Alegbeleye	Strategy, Policy & Performance Officer
LBTH – Governance	Oscar Ford	Service Manager - Strategy, Performance & Resources
LBTH – Health, Adults and Community	Flora Ogilvie	Associate Director of Public Health
LBTH – Children’s	Janice Beck	Head of Building Development
LBTH – Place	Adele Maher	Strategic Planning Manager
LBTH – Place	Paul Buckenham	Development Manager
LBTH – Place	Alison Thomas	Head of Housing Strategy, Partnerships and Affordable Housing Strategy, Sustainability and Regeneration
LBTH – Place	Richard Chilcott	Acting Divisional Director, Property & Major Programmes
LBTH – Place	Jonathan Taylor	Sustainable Development Team Leader
LBTH – Place	Abdul J Khan	Service Manager, Energy & Sustainability
LBTH – Place	Christopher Horton	Infrastructure Planning Team Leader
LBTH – Place	Hannah Murphy	Principal Growth & Infrastructure Planner

### Related Documents

ID	Document Name	Document Description	File Location
<b>If copies of the related documents are required, contact the Project Manager</b>			

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## **1.0 Purpose of the Project Initiation Document**

- 1.1 This project comprises the fit-out of a new 2FE primary school, the shell and core of which is provided by the Canary Wharf Group (CWG), under a s106 agreement signed in December 2014 (PA/2014/958840). The school is included within a mixed use development for which planning consent has been obtained. The Council will take a lease of the completed shell and core and then undertake the fit-out. Under the terms of the s. 106 agreement, the Council has to confirm its acceptance of the proposal after receiving the details of the proposed scheme from the developer. The shell and core construction is programmed for completion in June 2020, with fit-out completed to enable the school to open in September 2022. If, for any reason, the Council decides not to proceed with the school, the developer will pay a S106 contribution instead.
- 1.2 This Project Initiation Document (PID) will define the new primary school project and bring together the key components needed to start the project on a sound basis. It also provides the basis for building the principles of project management into the project right from the start by confirming the business case for the undertaking, ensuring that all stakeholders are clear of their role, agreeing important milestones, and ensuring that any risks involved have been assessed. The primary purposes of this PID are to:
- Justify the expenditure of S106 contributions on the named project which will provide the IDSG with a sound basis for their decision;
  - Provide a baseline document against which the Project Team, Project Manager (and in some cases) the Project Board can assess progress and review changes.

## **2.0 Section 106/CIL Context**

### Background

- 2.1 Section 106 (S106) of the Town and Country Planning Act 1990 allows a Local Planning Authority (LPA) to enter into a legally-binding agreement or planning obligation with a developer over a related issue. Planning Obligations/S106 agreements are legal agreements negotiated between a LPA and a developer, with the intention of making acceptable development which would otherwise be unacceptable in planning terms.

2.2 CIL is a £ per square metre charge on most new development. In April 2015, the council adopted its own CIL Charging Schedule. CIL must be spent on the provision, improvement, replacement, operation or maintenance of infrastructure, where a specific project or type of project is set out in the [Council's Regulation 123 List](#).

2.3 On the 5<sup>th</sup> January 2016, the Mayor in Cabinet agreed the implementation of a new Infrastructure Delivery Framework which will help ensure the process concerning the approval and funding of infrastructure using CIL/S106 will be appropriately informed and transparent.

### S106

2.4 The Section 106 (S106) of the Town and Country Planning Act 1990 allows a LPA to enter into a legally-binding agreement or planning obligation with a developer over a related issue. Planning Obligations/S106 agreements are legal agreements negotiated, between a LPA and a developer, with the intention of making acceptable development which would otherwise be unacceptable in planning terms.

2.5 This S106 PID is part of the Tower Hamlets Council S106 Delivery Portfolio and is aligned with the agreed Heads of Terms (HoT) for the Deed creating Planning Obligations and undertakings at the following developments. Details of the s106 contributions funding the project are listed in the table below, expressing the amount received and the reception & expiry dates of each contribution:

Planning Application	Heads of Term	Site Address	Expiry Date	Expiry Date Note	Funding Requirements	PA Amount Agreed	PA Amount Received	To allocate to WW PS
PA/06/02068	EDUC	Crossharbour	13/06/2022	10 years from date of payment	Improvement and increasing facilities required by the impact of the development on the existing educational facilities	524,877.00	521,514.54	131,219.25
PA/13/01532	EDUC	St Clements Hospital	12/12/2024	10 years from date of receipt	Additional education facilities in the borough to mitigate against the demand of	£675,887.00	£675,887.00	675,887.00

Planning Application	Heads of Term	Site Address	Expiry Date	Expiry Date Note	Funding Requirements	PA Amount Agreed	PA Amount Received	To allocate to WW PS
					the additional population on education facilities			
PA/06/02101	EDUC	Building C, Providence Tower	01/04/2020	5 years after payment made	Towards the improvement and increasing of education facilities required by the impact of the development on existing educational facilities in the London Borough of Tower Hamlets	£654,125	£685,649.09	685,649.09
PA/11/01120	EDUC	Land bounded by Limehouse Cut and St Anne's Row	03/06/2025	10 years from date of payment	Mitigate the demand of the additional population on education facilities	£376,761	£200,636.33	125,887.05
PA/12/00637	EDUC	land adjacent Langdon park station	TBC	Expended or committed within 7 years from date of practical completion of the whole development	Additional educational facilities (primary and secondary school places) in the borough	£555,753	£315,081.72	£315,081.72
PA/13/01656	EDUC	Former Job Centre Plus 307 Burdett Road	19/02/2026	Utilise within 10 years of payment or repay to developer	Primary education facilities in the borough	£326,260	£357,282.00	£357,282.00
PA/14/00944	EDUC	South Quay Plaza	07/04/2021	5 years from date of receipt	Primary School contribution	£1,254,529.00	£1,254,529.00	£283,121
PA/12/02577	EDUC	Central Foundation Girls School	27/05/2021	Expended in full or committed within 5 years from date of payment	Additional educational facilities in the borough	£118,844	£118,844.00	£118,844.00
PA/12/03315	EDUC	Arrowhead Quay	TBC	Expended in full or committed within 7 years from date of practical completion	Additional educational facilities (primary and secondary school places) in the borough	1,366,418.00	1,432,453.07	£277,010.89
PA/13/02644	EDUC	Former London Arena, 26 Limeharbour	13/06/2022	5 years after payment has been made	Improvement and increasing facilities required by the impact of the	161,237.25	30,018.00	£30,018.00

Planning Application	Heads of Term	Site Address	Expiry Date	Expiry Date Note	Funding Requirements	PA Amount Agreed	PA Amount Received	To allocate to WW PS
					development on the existing educational facilities			
TOTAL								£3,000,000.00

2.6 Of this proposed allocation, approximately £1.36m has been directed towards this project from the allocation previously made to the proposed 2FE school at Bromley Hall, due to be deferred at Cabinet on 31 October 2017.

### CIL

2.7 This PID does not seek approval for the expenditure of CIL funding.

## **3.0 Equalities Analysis**

3.1 When making decisions, 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 is required to discharge the duty.

3.2 An Equality Analysis review has been undertaken and the checklist is attached (Appendix C). In planning new school provision, data is collected on overall population growth as well as increases in demand associated with housing development. Whilst the overall number of additional pupils/students is projected based on the number and type of housing units (housing development 'pupil yield'), it is not possible to project the profile of the community which will occupy new housing and consequentially take up the new school places. The proposed residents' survey in new housing would assist in this regard in relation to future school proposals

3.3 All new school buildings must comply with DfE requirements for accessibility in relation to a range of disabilities, particularly where the school makes specialist provision for pupils with SEND.

3.4 New school provision in general terms, unlike school expansions, will normally serve the communities housed in the new residential properties which



surround them. This school will serve residences constructed as part of the wider mixed use development on Wood Wharf. This is particularly the case for primary provision. Aspects of the checklist attached are not applicable as the community profile cannot be known until the project is complete. Monitoring of the take up of places as part of the ongoing review of demand for provision does give an opportunity for equality issues to be reviewed.

#### **4.0 Legal Comments**

- 4.1 Legal Services considers that the development of Wood Wharf Primary School satisfies the terms of all S106 agreements set out in the table at paragraph 2.4 above.
- 4.2 The majority of the S106 agreements are clear that the contributions are to be used by the Council towards “additional educational facilities” in the borough. Some of the agreements are more specific and require that the funding is to be used only towards the provision of “primary school places”. Paragraph 5.1 confirms that the contributions shall only be used for providing a primary school.
- 4.3 PA/12/03315 requires the contribution to be spent on providing primary and secondary school places in the borough. It is noted that the full contribution is not being used towards this project and the s106 agreement does not specify the extent to which the money should be allocated between primary and secondary school places so officers should ensure a proportion of the remainder of this contribution is allocated towards a project which shall provide secondary school places.
- 4.4 PA/14/00944 requires the contribution to be used towards providing or improving facilities for publicly funded primary schools in the vicinity of the site. There is no legal definition of vicinity and a number of factors should be borne in mind such as proximity, accessibility, the availability of other such facilities and the extent to which occupiers of the land can be reasonably be expected to be served by the project. Appendix B is helpful in showing that the proposed site for Wood Wharf Primary School is only a short walk from the development subject to PA/14/00944 and so it would not be unreasonable to expect children to attend this school. Also, when the school is built it will be one of the closest primary schools in the borough to this development. This supports the proposition that it is in the vicinity.
- 4.5 Subject to the above comments, we consider the funding for this PID to be in accordance with the purposes for the contributions under the S106

agreements.

- 4.6 When approving this PID, the Council must have due regard to the need to PID 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 is required to discharge the duty.
- 4.7 These comments are limited to addressing compliance with the terms of the S106 agreements mentioned above (as based on the information detailed in the PID) and advice on any other legal matters (such as advice on procurement) should be sought separately if appropriate.

## **5.0 Overview of the Project**

- 5.1 The project is to provide a 2 FE (forms of entry) primary school, accommodating 420 pupils. It is proposed that the school will open in September 2022 and admit up to 60 pupils each year at Reception year until all the year groups fill. No nursery provision is made within the scheme as the site available cannot support the required accommodation or external playspace.
- 5.2 The new school a site to the east of the wider Wood Wharf mixed use development and will share servicing access with adjacent site users. The scheme provides free access for the school to community leisure facilities immediately accessible from the school site, during the school day. This allows the scheme to meet requirements for play space.
- 5.3 The developer and Council officers have worked very closely on the design details of the school to ensure it is a good design and that the Council is able to assess the details and costs of the fit-out requirements. A schedule of fit-out items and other costs e.g. furniture and equipment, have now been agreed. These have been independently costed and amount to £5m.
- 5.4 At its meeting on 31 October Cabinet will be asked to agree to lease the proposed shell, core and site and approve the capital cost estimate of £5m for the fit-out. Although the school will not be operational until September 2022, the Council is required to make a decision on taking up the option significantly earlier than would normally be the case for delivery of a new school. This is because the developer requires the certainty in order to proceed with the

scheme, enabling work for which is programmed to start on site in January 2018. The fit-out of the shell comprises all the mechanical and electrical installations, internal partitioning and sanitary fittings, provision of built in furniture, decoration and all floor finishes.

## 6.0 Business Case

### Overview/General

- 6.1 Projections of demand for reception year places in the borough indicate that current surpluses within the primary school sector will reduce from the current 8 forms of entry to a deficit by 2024 without the additional places proposed. Moreover, a level of surplus capacity to facilitate parental preference of between 6 and 8% is normally considered to be prudent.
- 6.2 Within this borough-wide picture, however, it is recognised that in the Isle of Dogs new residential development is continuing and families in this part of the borough are the least able to get a primary school place near their home.
- 6.3 The table below shows that this area has the highest projected population growth within the borough to 2031

	2016	2021	2026	2031	2016 -21	2016 -26	2016 -31
Bethnal Green North	15,300	15,800	16,100	16,400	3%	6%	7%
Bethnal Green South	15,300	16,500	18,000	18,500	8%	18%	21%
<b>Blackwall and Cubitt Town</b>	<b>23,900</b>	<b>38,600</b>	<b>49,700</b>	<b>54,200</b>	<b>62%</b>	<b>108%</b>	<b>127%</b>
Bow East	17,700	20,700	22,800	<b>23,800</b>	<b>17%</b>	<b>29%</b>	<b>35%</b>
Bow West	14,300	14,200	13,900	13,600	0%	-3%	-5%
Bromley -by-Bow	21,200	24,000	26,200	27,300	13%	24%	29%
East India and Lansbury	18,300	22,100	26,300	30,800	21%	44%	69%
Limehouse	20,500	21,800	21,700	23,600	6%	6%	15%
Mile End and Globe Town	16,200	17,000	16,600	16,300	5%	2%	1%
Mile End East	16,400	18,700	19,600	19,600	14%	19%	19%
Millwall	26,600	35,300	47,200	52,700	33%	78%	

- 6.4 In order to give the developer comfort that the Council will proceed with the completion of scheme following shell and core construction, the Council and Canary Wharf Group will enter into an Agreement for Lease (AFL) for the school. The draft terms of the AFL *are currently being finalised* and Cabinet on 31 October will be requested to approve entering into the agreement. In due course the school will be established as an academy through the free school presumption process.

### Project Drivers

- 6.5 The project contributes to the Council meeting its statutory obligations to provide an adequate supply of school places to meet demand. Whilst the Council retains this statutory responsibility, the DfE requires the Council to work with other school academy and free school providers to seek to manage the supply of places and match them to projected demand.

### Deliverables, Project Outcomes and Benefits

- 6.6 The scheme will deliver 420 primary school places and contribute to the meeting the Council's strategic and statutory objective to deliver a pattern of school places which meets the projected demand for places and makes local provision for communities through the letting of facilities outside of school hours and during holiday periods.

### Other Funding Sources

- 6.7 Construction of the shell and core of the building is being met by the developer under the 2014 s.106 agreement and £2m of the overall cost to the Council is being met by DfE Basic Need grant.

### Related Projects

- 6.8 Whilst the project comprises an element of the wider primary places planning investment strategy, there are no other projects directly related to this proposal. The demand for both primary and secondary school places is reviewed annually on a rolling basis to ensure that supply matches demand as closely of possible, providing a modest surplus to support margins for error in projection and parental preference. Specific reviews are also undertaken where the annual review process highlights anomalies or trends which require further investigation. A review into the balance of demand for primary places in the west and east of the borough will shortly begin.

## **7.0 Approach to Delivery and On-going Maintenance/Operation**

- 7.1 The shell and core of the school will be delivered by Canary Wharf Group based on an agreed specification and programme. There is provision in the AFT for changes to be made to both specification and programme by agreement between the parties, but the intention is to minimise such changes

and therefore maintain strict cost and programme control. The shell and core specification and fit-out proposals have been technically aligned to ensure that the latter can be implemented by LBTH, following completion of the shell and core build. It is hoped that if any increases in the cost of fit-out arise from changes to the shell and core design made by the developer, these will be met by the developer.

7.2 Procurement of the fit-out works will be programmed through the Council's Capital Delivery team, in line with the preferred routes to market at that time. The timing of the works contract will ensure that the school is available for September 2022, and will follow signature of the lease between the Council and Canary Wharf Group, on completion and handover of the shell and core build. It is anticipated that the Council will benefit from collateral warranties in relation to the design and construction of the shell and core.

7.3 In advance of the completion of the fit-out of the shell and core, Expressions of Interest in providing the education services for the school will be sought through the free school presumption process. As an academy the ongoing operational costs of the school will be met by central government grant, both in revenue and capital terms.

## 8.0 Infrastructure Planning Evidence Base Context

8.1 The development of Wood Wharf Primary School is identified in the Council's Infrastructure Planning Evidence Base as follows:

Project Ref	Ward	Description	Estimated Cost	CIL/S106 Funding Required?	Planned Year of Delivery	Officer Prioritisation	Prioritisation Comments	Notes
Wood Wharf	Blackwall and Cubitt Town	Provision of a 2FE Primary School being provided as part of an on-site development	Land/ shell and core being delivered under S106. Cost of fit-out TBC, est: £6m	Yes – allocation of £3m to cover fit-out costs.	2020/21	1	More certainty around application. Shell and core facility already secured.	Outline planning consent granted, detailed application for school to be submitted late summer 2016; Land and shell and core of school to be delivered under S106; School planned to be delivered by 2020;

8.2 As outlined in paragraph 5.4 above, the cost estimate for the scheme has increased since the need was included within the Evidence Base and S.106 is now requested to supplement the existing £11,000,000 Basic Need funding.

### 8.3 The Evidence Base goes on to outline the borough wide position in relation to growing demand for primary places:

*“The need for and provision of primary education capacity is planned in terms of ‘Forms of Entry’ (FE), with 210 pupils equating to one FE (i.e. 7 classes of 30 students).*

*In terms of additional planned provision, 7 further FE are in the process of being delivered. 2FE will be delivered by September 2016 with the expansion of Olga Primary School, and a further 5 FE is proposed by September 2018 at the Former Bromley Hall Special School (2 FE) and the Former Bow Boys’ School site (3FE).*

*There are other sites that are in the planning process which may deliver an additional 9FE, the Fish Island (3FE), Wood Wharf (2FE), 3 Millharbour (2FE) and 50 Marsh Wall (2FE) sites. However, there are no confirmed programmes to deliver the schools on these sites as these will be brought forward by the developers of these sites. “*

- 8.4 An annual review of projections of demand for school places is undertaken and reported to Cabinet in September each year. Whilst the report to Cabinet due to be considered on 19 September continues to project a shortfall in primary places within the next 10 years, the growth within the immediate future has slowed and it is therefore proposed to defer investment in the Bromley Hall site. Whilst schemes continue in development, final decisions on the progress of other medium and longer term proposals for increasing places also referenced in the Evidence Base may only be taken following the completion of a borough-wide review of primary provision. This review seeks to assess, in particular, the implications of variations in demand for places between the east and west of the borough. As outlined in paragraph 5.4 above, a commitment is required to the scheme at Wood Wharf now, earlier than would be the case for a Council procured project, because of the involvement of the developer delivering the shell and core.

## 9.0 Opportunity Cost of Delivering the Project

- 9.1 The S.106 funding sources proposed are all ring-fenced for education use, some are further constrained for provision of additional primary school places. These funds could therefore only be used for other primary school projects. Some of the proposed funds are those which were previously allocated for use on development of the Bromley Hall site, now to be released for alternative use. The AFL will provide for the shell and core to be delivered and the Council is then under an obligation to deliver the fit-out. Availability of capital to deliver this element of the project is therefore essential to maximise the

impact of the investment agreed through the original s106. As outlined in paragraph 5.4 above, confirmation of the funding is being sought now to secure the commitment of the developer to commencing work on the shell and core early in 2018.

- 9.2 Prioritisation of use of S106 resources on school growth projects will continue to be reviewed as demand for places fluctuate, both within the primary and between the primary and secondary sectors.

## 10.0 Local Employment and Enterprise Opportunities

- 10.1 The shell and core contract is being procured by CWG as part of the S106 agreement. The fit-out scheme will be procured in line with the Council's key performance indicators relating to the provision of employment and training opportunities in construction projects.

## 11.0 Financial Programming and Timeline

### Project Budget

- 11.1 Funds for the delivery of the shell and core are held outside the Council and managed by CWG. The £5m fit-out project budget is proposed for full funding from S106 sources.
- 11.2 Subject to agreement to this PID, the proposed funding arrangements will be reported to Cabinet at its meeting on 31 October, alongside the proposal to enter into the AFL with CWG.

<b>Table 1</b>			
<b>Financial Resources</b>			
<b>Description</b>	<b>Amount</b>	<b>Funding Source</b>	<b>Funding (Capital/ Revenue)</b>
S. 106	3,000,000	S. 106	Capital
Basic Need Grant	2,000,000	DfE	Capital
<b>Total</b>	<b>£ 5,000,000</b>		

- 11.3 Any unused contingency funding would be returned to uncommitted funds to maximise flexibility in use of those funds.

### Project Management

- 11.4 The fit-out project will be managed by LBTH and associated fees are covered

within the project budget.

- 11.5 Costs of circa £100,000 will be incurred by the end of 2017/18 on technical oversight of the development of the shell and core and fit out specifications. £6,000 has already been incurred in the design of the scheme including necessary surveys and planning application.

### Financial Profiling

<b>Table 2</b>															
<b>Financial Profiling</b>															
Description	Prev	17/18	18/19	19/20				20/21				21/22		22/23	Total
	Yrs			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2-4	Q1/2	
Design	£.006m	£.09m	£0	£0	£.075m	£.075m	£.075m	£.075m	£0	£0	£0	£0	£0	£.004m	£.4m
Construction	£0	£0	£0	£0	£0	£0	£0	£0	£1m	£1.2m	£1.2m	£1m	£0	£.2m	£4.6m
<b>Total</b>	£.006m	£.09m	£0	£0	£0.75m	£.075m	£.075m	£.075m	£1m	£1.2m	£1.2m	£1m	£0	£.204m	£5m

### Outputs/Milestone and Spend Profile

<b>Table 3</b>			
<b>Project Outputs/Milestone and Spend Profile</b>			
ID	Milestone Title	Baseline Spend	Baseline Delivery Date
1	Finalisation of fit out brief and technical specification to support commencement of shell and core construction	£ 66,000	1/1/2018
2	Tendering of fit-out works in preparation for completion of shell and core construction and start of fit-out start on site	£ 330,000	1/7/2020
3	Completion of fit out	£4,400,000	30/6/2021
4	End of DLP	£ 204,000	1/7/2022
<b>Total</b>		<b>£5,000,000</b>	

## **12.0 Project Team**

12.1 Information regarding the project team is set out below:



- Project Sponsor: Janice Beck, LBTH
- Project Manager: Capital Delivery Team ,LBTH
- Project Team Members: Building Development and Capital Delivery Team representatives (TBC), LBTH.

### 13.0 Project Reporting Arrangements

<b>Group</b>	<b>Attendees</b>	<b>Reports/Log</b>	<b>Frequency</b>
CS capital programme monitoring group	CS capital team	Monthly reports	Monthly
Quarterly capital monitoring	Written	Corporate reporting	Quarterly
IDSG Sub Group	Numerous – defined in ToR.	Monitoring Report	Quarterly
IDSG	Numerous – defined in ToR.	Monitoring Report	Quarterly
IDB	Numerous – defined in ToR	Monitoring Report	Quarterly
Cabinet	Members	Report on CS capital programme, schemes, progress, spend	Annually

### 14.0 Quality Statement

1.41 Design and construction will comply with current applicable regulations, practices and standards. This will include Building Regulations, mechanical and electrical regulations and legislation, daylighting and ventilation requirements and DDA compliance and all DfE Building Bulletin specified standards. The Council will continue to employ technical support to monitor the delivery of the shell and core in line with the specification, to ensure the co-ordination with the follow-on fit-out works.

14.2 The choice of materials will aim to ensure use of sustainable products with

consideration of product life and future maintenance plans.

## 15.0 Key Risks

15.1 The key risks to this project are set out in the Table 6 below:

Table 6							
Risk No.	Risk	Triggers	Consequences	Controls	Likelihood	Impact	Total
1	Increased costs	Detailed design work and detailed cost submission	Increase to budget or reductions to the scheme	Monitoring of scheme development by project team	2	2	4
2	Programme slippage	Works delays	Delay in school opening/partial opening	Project team review partial opening options	2	2	4
3	Technical co-ordination	Works delays and cost increases	Delay in school opening/partial opening and requirement to reduce elements of fit-out scheme to compensate for additional costs	Regular liaison between technical teams for shell and core and fit-out	2	2	4
4	Confirm governance	Free School Presumption process	Stakeholder engagement limited	Early decision on specification and request Expressions of Interest	2	2	4

## 16.0 Key Project Stakeholders

16.1 The principal stakeholders are shown in Table 5 below and will be engaged from the earliest stages of the project and through to project closure. The key

stakeholders will be engaged as required, after delivery is completed.

<b>Table 5</b>			
<b>Key Stakeholders</b>	<b>Role</b>	<b>Communication Method</b>	<b>Frequency</b>
Headteacher – not yet appointed	Lead client user	Meetings	Monthly or as required
Governing body – not yet appointed	Oversight of school	Updates to meetings	As required
Prospective parents	Users	Consultation, newsletters	As required
Council Members including ward members	Representatives	Update reports	As required

## 17.0 Stakeholder Communications

- 17.1 Consultation, both pre-application and statutory, associated with the planning application for the site was conducted prior to the receipt of planning consent. Where the need for a new school is identified, LAs are not able to open a new community school as the 2011 Education Act introduced the “free school presumption”. The “free school presumption” process involves the LA proposing and consulting on the specification for a new school. The consultation will seek to engage the local community as widely as possible about the proposed new school and how it should operate as part of the community. This includes the size and type of school and the community it is to serve. Cabinet will be asked to confirm the specification for the school, taking account of any consultation responses, prior to the LA inviting Expressions of Interest from potential school providers.
- 17.2 Following appointment of the school provider, they and the designated Headteacher will need to engage with local prospective parents to promote the school.
- 17.3 LA consultation material will include information that s. 106 contributions have helped fund the new school. There will be communications and publicity about the school opening where the funding information can be included.

## 18.0 Project Approvals

The PID has been reviewed and approved by the Chair of the IDSG and the Divisional Director for the Directorate leading the project.

Role	Name	Signature	Date
IDSG Chair	Ann Sutcliffe		
Divisional Director, Education & Partnerships	Christine McInnes		

## 19.0 Project Closure

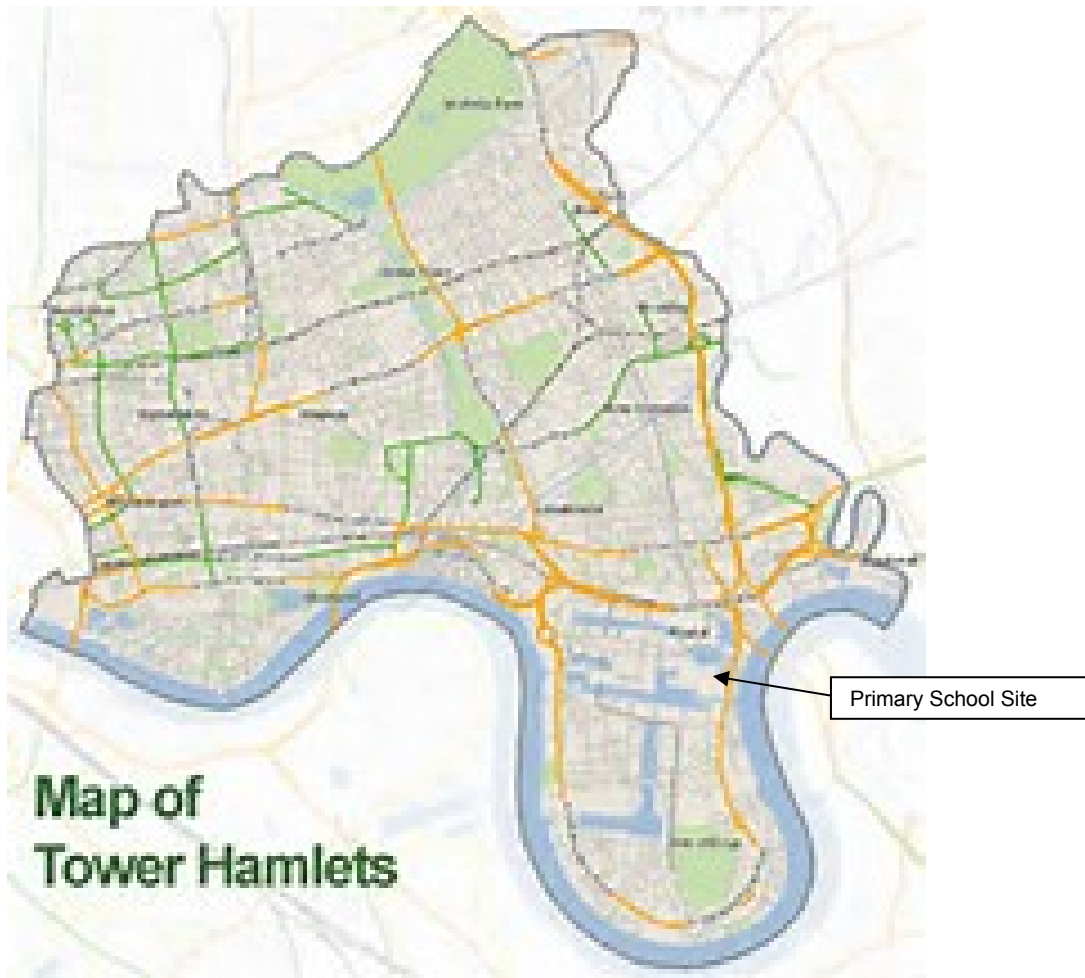
- 19.1 Please see the Project Closure Document Template. This is to be completed at the project closure stage and submitted to the s106 Programme Manager.
- 19.2 The relevant documents, as outlined in the Project Closure Report, must be made available on request.

## Appendices

- Appendix A: Location Plan Wood Wharf;
- Appendix B: Site Plan Wood Wharf
- Appendix C: Equality Analysis Quality Assurance Checklist
- Appendix D: Risk Register;
- Appendix E: Project Closure Document

APPENDIX A

Wood Wharf Location Plan




## APPENDIX B

### Wood Wharf Site Plan



APPENDIX C

**EQUALITY ANALYSIS QUALITY ASSURANCE CHECKLIST**

<b>Name of 'proposal' and how has it been implemented</b> (proposal can be a policy, service, function, strategy, project, procedure, restructure/savings proposal)	<b>New build Primary School as part of wider mixed use development.. Shell and core to be provided by Canary Wharf Group, fit out by LBTH Capital Delivery.</b>
<b>Directorate / Service</b>	<b>Children's Services, Building Development</b>
<b>Lead Officer</b>	<b>Janice Beck</b>
<b>Signed Off By (inc date)</b>	<b>Janice Beck 7/9/2017</b>
<b>Summary – to be completed at the end of completing the QA (using Appendix A)</b> (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)	 <b>Proceed with implementation</b>  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 Protected Characteristics and no further actions are recommended at this stage.

<b>Stage</b>	<b>Checklist Area / Question</b>	<b>Yes / No / Unsure</b>	<b>Comment (If the answer is no/unsure, please ask the question to the SPP Service Manager or nominated equality lead to clarify)</b>
<b>1</b>	<b>Overview of Proposal</b>		
<b>a</b>	Are the outcomes of the proposals clear?	Y	The provision of 420 additional primary school places to meet demand arising from housing development in the immediate vicinity of the school
<b>b</b>	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?	N	The number of pupils affected by the new provision is known, but the profile cannot be assessed as they will be drawn from the housing development yet to be delivered/occupied

<b>2</b>	<b>Monitoring / Collecting Evidence / Data and Consultation</b>		
a	Is there reliable qualitative and quantitative data to support claims made about impacts?	N/A	Quantitative data is available but no quality assessment can be made at this time.
	Is there sufficient evidence of local/regional/national research that can inform the analysis?	Y	Provision will be made in accordance with national standards for primary schools set out by central government, based on analysis of historic building projects and their relative success in impacting on teaching and learning.
b	Has a reasonable attempt been made to ensure relevant knowledge and expertise (people, teams and partners) have been involved in the analysis?	Y	The knowledge and expertise of the people involved in the projections of demand and delivery of the capital project is extensive and tried and tested in relation to meeting the widest possible uses of the premises which the project will deliver.
c	Is there clear evidence of consultation with stakeholders and users from groups affected by the proposal?	Y	Further consultation will take place during process for appointing school provider
<b>3</b>	<b>Assessing Impact and Analysis</b>		
a	Are there clear links between the sources of evidence (information, data etc) and the interpretation of impact amongst the nine protected characteristics?	N/A	See paragraph 3 above.
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	See paragraph 3 above.
<b>4</b>	<b>Mitigation and Improvement Action Plan</b>		
a	Is there an agreed action plan?	N/A	See paragraph 3 above
b	Have alternative options been explored	N/A	See paragraph 3 above
<b>5</b>	<b>Quality Assurance and Monitoring</b>		
a	Are there arrangements in place to review or audit the implementation of the proposal?	Y	Take up of places in the new provision will be reviewed as part of the ongoing monitoring of the efficiency and effectiveness of the place planning function. Equalities dimensions will be considered as a part of this review process.
b	Is it clear how the progress will	N/A	See paragraph 3 above



	be monitored to track impact across the protected characteristics??		
<b>6</b>	<b>Reporting Outcomes and Action Plan</b>		
a	Does the executive summary contain sufficient information on the key findings arising from the assessment?	Y	

Appendix D  
Risk Register

No.	Type	Description	Impact (potential/actual)	Action	Response	Closed out? Y / N
1.0	Contract	Contract to be agreed	Delay in works starting	Early discussion on contract requirements		N
1.1	Contractor's access / Site compound	Suitable area to be identified	Delay in works starting or additional costs if it has to be moved.	Agree site once construction programme agreed.		N
1.2	Hazardous Materials	Presence of asbestos.	Delay in programme	Asbestos Type 3 survey required		N
1.3	BREEAM	Achieve Very Good as minimum	Planning Approval implications	Early assessment is required to allow all Ecology Credits to be targeted by THS	THS to appoint BREEAM assessor	Y
1.4	Landscape Design	Assess landscaping required	Delay in handover and cost implications	Assess as part of design phase		Y
1.5	Planning Approval	Possible delay in planning process if objections to proposals	Delay in programme	Pre- application Meeting.		Y
1.6	Utilities	Changing or additional supplies	Delay completion of works	Early identification and discussion with suppliers		N
1.7	Sign off durations	Agreeing design	Delay in design process and when works can start	Agree design programme and Change Control		Y
1.8	Boundary agreement	Agree boundary arrangements and register with Land Registry	Delay in Lender Consent	Register revised plan	LBTH Legal to complete registration	N
1.9	Lender Consent	Complete contract documents and due diligence process to be completed.	Contract close	Complete documentation and tender process		N
1.10	Confirm school Governance	Decide on final status of school	Closing out detail design could be delayed.	Decide on type of provision.		N
1.11	Cost Analysis	Revised budget estimate to be submitted, following intrusive surveys.	Jeopardize whole contract closure	Submit new cost estimate		N
1.12	Competitive tender process	Inability to attract suitable contractors	Delay to programme	Carry out pre-tender enquiries	THS to invite	Y

Appendix E  
Project Closure Document

Project Closure Document				
<b>1.</b>	<b>Project Name:</b>			
<b>2a.</b>	<b>Outcomes/Outputs/Deliverables</b> I confirm that the outcomes and outputs have been delivered in line with the conditions set out in the any Funding Agreement/PID including any subsequently agreed variations.	<b>Please Tick ✓</b>		
		<b>Yes</b>	<b>No</b>	
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2b.</b>	<ul style="list-style-type: none"> <li>• Key Outputs <i>[as specified in the PID]</i></li> <li>• Outputs Achieved <i>[Please provide evidence of project completion/delivery e.g. photos, monitoring returns / evaluation]</i></li> <li>• Employment &amp; Enterprise Outputs Achieved <i>[Please specify the employment/enterprise benefits delivered by the project]</i></li> </ul>			
<b>3a.</b>	<b>Timescales</b> I confirm that the project has been delivered within agreed time constraints.	<b>Please Tick ✓</b>		
		<b>Yes</b>	<b>No</b>	
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3b.</b>	<ul style="list-style-type: none"> <li>• Milestones in PID <i>[as specified in the PID]</i></li> <li>• Were all milestones in the PID delivered to time <i>[Please outline reasons for any slippage encountered throughout the project]</i></li> <li>• Please state if the slippage on project milestone has any impacts on the projects spend (i.e. overspend) or funding (e.g. clawback)</li> </ul>			
<b>4a.</b>	<b>Cost</b> I confirm that the expenditure incurred in delivering the project was within the agreed budget and spent in accordance with PID	<b>Please Tick ✓</b>		
		<b>Yes</b>	<b>No</b>	
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4b.

- Project Code
- Project Budget *[as specified in the PID]*
- Total Project Expenditure *[Please outline reasons for any over/underspend]*
- Was project expenditure in line with PID spend profile *[Please outline reasons for any slippage in spend encountered throughout the project]*

5.	<b>Closure of Cost Centre</b> I confirm that there is no further spend and that the projects cost centre has been closed. <ul style="list-style-type: none"> <li>• Staff employment terminated</li> <li>• Contracts /invoices have been terminated/processed</li> </ul>	<b>Please Tick ✓</b>			
		Yes		No	
		Yes		No	
		Yes		No	
6.	<b>Risks &amp; Issues</b> I confirm that there are no unresolved/outstanding Risks and Issues	<b>Please Tick ✓</b>			
		Yes		No	
7.	<b>Project Documentation</b> I confirm that the project records have been securely and orderly archived such that any audit or retrieval can be undertaken.	<b>Please Tick ✓</b>			
		Yes		No	
		These records can also be accessed within the client directorate using the following filepath: <i>[Please include file-path of project documentation]</i>			
8.	<b>Lessons learnt</b>				
	<ul style="list-style-type: none"> <li>• Project set up <i>[Please include brief narrative on any issues faced/lessons learned project set up]</i></li> </ul> <hr/> <hr/>				
	<ul style="list-style-type: none"> <li>• Outputs <i>[Please include brief narrative on any issues faced/lessons learned in delivering outputs as specified in the PID, including the management of any risks]</i></li> </ul> <hr/> <hr/>				
	<ul style="list-style-type: none"> <li>• Timescales <i>[Please include brief narrative on any issues faced/lessons learned in delivering project to timescales specified in PID]</i></li> </ul> <hr/> <hr/>				
	<ul style="list-style-type: none"> <li>• Spend <i>[Please include brief narrative on any issues faced/lessons learned regarding project spend i.e. sticking to financial profiles specified in the PID, under or overspend]</i></li> </ul> <hr/> <hr/>				
	<ul style="list-style-type: none"> <li>• Partnership Working <i>[Please include brief narrative on any issues faced/lessons learned re: internal / external partnership working when delivering the project]</i></li> </ul> <hr/> <hr/>				
	<ul style="list-style-type: none"> <li>• Project Closure <i>Please include brief narrative on any issues faced/lessons learned project closure]</i></li> </ul> <hr/>				

<p><b>9.</b></p>	<p><b>Comments by the Project Sponsor including any further action required</b>  <i>[Use to summarise project delivery and any outstanding actions etc]</i></p> <hr/> <hr/>		
<p><b>10.</b></p>	<p>The Project Sponsor and Project Manager are satisfied that the project has met its objectives and that it can be formally closed.</p>		
	<p>Sponsor (Name)</p>		<p>Date</p>
	<p>Project Manager (Name)</p>		<p>Date</p>

## PROJECT INITIATION DOCUMENT

(September 2017)

**ADDITIONAL 6<sup>TH</sup> FORM PLACES  
Langdon Park and George Green's Schools**

## Version Control

Version Number	Author and Job Title	Purpose/Change	Date
0.1	Janice Beck – Head of Building Development	First draft to IDSG 4/10/17	7/9/17
0.2	Janice Beck – Head of Building Development	Revisions following IDSG Finance Sub Group	20/9/17
0.3	Janice Beck – Head of Building Development	Revisions following IDSG on community benefits and funding sources	13/10/17



## Project Initiation Document (PID)

<b>Project Name:</b>	<b>ADDITIONAL 6<sup>TH</sup> FORM PLACES – Langdon Park and George Green’s Schools</b>		
<b>Project Start Date:</b>	January 2018	<b>Project End Date:</b>	October 2018
<b>Relevant Heads of Terms:</b>	Education		
<b>Responsible Directorate:</b>	Children’s Services		
<b>Project Manager:</b>	Janice Beck		
<b>Tel:</b>	4328	<b>Mobile:</b>	
<b>Ward:</b>	Lansbury and Island Gardens, but meets borough-wide need		
<b>Delivery Organisation:</b>	LBTH Children’s Services Capital Programme		
<b>Funds to be passported to an External Organisation? (‘Yes’, ‘No’)</b>	No		
<b>Does this PID involve awarding a grant? (‘Yes’, ‘No’ or ‘I don’t know’)</b>	No		
<b>Supplier of Services:</b>	LBTH Capital Delivery Team (George Green’s) THSL (Langdon Park)		
<b>Is the relevant Lead Member aware that this project is seeking approval for funding?</b>	Yes		
<b>Is the relevant Corporate Director aware that this project is seeking approval for funding?</b>	Yes		
<b>Does this PID seek the approval for capital expenditure of up to £250,000</b>	No		

<b>using a Recorded Corporate Director's Action (RCDA)? (if 'Yes' please append the draft RCDA form for signing to this PID)</b>	
<b>Has this project had approval for capital expenditure through the Capital Programme Budget-Setting process or through Full Council? ('Yes' or 'No')</b>	Report to secure full funding for the projects to be considered by Cabinet on 31 October 2017 in parallel with submission to IDB.
<b><u>S106</u></b>	
<b>Amount of S106 required for this project:</b>	£7,500,000
<b>S106 Planning Agreement Number(s):</b>	See section 2.5 below
<b><u>CIL</u></b>	
<b>Amount of CIL required for this project:</b>	None
<b>Total CIL/S106 funding sought through this project</b>	£7,500,000
<b>Date of Approval:</b>	

**This PID will be referred to the Infrastructure Delivery Steering Group (IDSG):**

<b>Organisation</b>	<b>Name</b>	<b>Title</b>
LBTH – Place	Ann Sutcliffe	Acting Corporate Director, Place ( <i>Chair</i> )
LBTH – Place	Owen Whalley	Divisional Director Planning & Building Control
LBTH Resources –	Paul Leeson	Business Manager
LBTH – Place	Andy Scott	Acting Service Head for Economic Development
LBTH – Place	Matthew Pullen	Infrastructure Planning Manager
LBTH Governance –	Fleur Francis	Team Leader, Planning Legal
LBTH Governance –	Sophie Chapman	Planning Lawyer

Organisation	Name	Title
LBTH Governance –	Andy Simpson	Business Improvement & S106 Programme Manager
LBTH Governance –	Vicky Allen	S106 Portfolio Coordinator
LBTH Governance –	Tope Alegbeleye	Strategy, Policy & Performance Officer
LBTH Governance –	Oscar Ford	Service Manager - Strategy, Performance & Resources
LBTH – Health, Adults and Community	Flora Ogilvie	Associate Director of Public Health
LBTH – Children’s	Janice Beck	Head of Building Development
LBTH – Place	Marissa Ryan-Hernandez	Strategic Planning Manager
LBTH – Place	Paul Buckenham	Development Manager
LBTH – Place	Alison Thomas	Head of Housing Strategy, Partnerships and Affordable Housing Strategy, Sustainability and Regeneration
LBTH – Place	Richard Chilcott	Acting Divisional Director, Property & Major Programmes
LBTH – Place	Jonathan Taylor	Sustainable Development Team Leader
LBTH – Place	Abdul J Khan	Service Manager, Energy & Sustainability
LBTH – Place	Christopher Horton	Infrastructure Planning Team Leader
LBTH – Place	Hannah Murphy	Principal Growth & Infrastructure Planner

### Related Documents

ID	Document Name	Document Description	File Location
<b>If copies of the related documents are required, contact the Project Manager</b>			

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## 1.0 Purpose of the Project Initiation Document

- 1.1 This project comprises the delivery of additional accommodation at George Green's and Langdon Park Schools to allow them to offer a 6<sup>th</sup> form curriculum to up to 250 students. This follows a review of all secondary schools with Sixth Forms, which demonstrated that neither The George Green's School nor Langdon Park School currently had all the accommodation required for a 250 place Sixth Form, as set out in the Government's Building Bulletin.
- 1.2 George Green's School currently accommodates 160 students within 6<sup>th</sup> form and an analysis of the available accommodation indicated that to provide for 250 students a further 700m<sup>2</sup> of accommodation was required. A feasibility study which looked into the most economical way of delivering the necessary facilities, however, highlighted the potential for some existing poor quality provision to be replaced. This option was considered to provide the best match of accommodation to need and results in the removal of detached modern foreign languages under sized 'cabin' classrooms and the nursery block which currently houses 6<sup>th</sup> form to be replaced by a purpose build 1400m<sup>2</sup> two storey building. The overall increase in floor area is, however only 100m<sup>2</sup>, demonstrating a more efficient plan format whilst accommodating a further 90 6<sup>th</sup> form students.
- 1.3 At Langdon Park School the current accommodation can only support 87 6<sup>th</sup> form students and an overall increase in accommodation of circa 600m<sup>2</sup> is required to deliver the additional 163 places. The proposed scheme provides a new detached block over three floors, minimising the amount of external space lost by the development. Remodelling of existing accommodation will also provide additional improved science facilities.
- 1.4 This Project Initiation Document (PID) will define the proposals for these two schools to bring their accommodation up to the standard required for 250 students each. It also provides the basis for building the principles of project management into the project right from the start by confirming the business case for the undertaking, ensuring that all stakeholders are clear of their role, agreeing important milestones, and ensuring that any risks involved have been assessed. The primary purposes of this PID are to:
  - Justify the expenditure of S106 contributions on the named project which will provide the IDSG with a sound basis for their decision;

- Provide a baseline document against which the Project Team, Project Manager (and in some cases) the Project Board can assess progress and review changes.

## 2.0 Section 106/CIL Context

### Background

- 2.1 Section 106 (S106) of the Town and Country Planning Act 1990 allows a Local Planning Authority (LPA) to enter into a legally-binding agreement or planning obligation with a developer over a related issue. Planning Obligations/S106 agreements are legal agreements negotiated between a LPA and a developer, with the intention of making acceptable development which would otherwise be unacceptable in planning terms.
- 2.2 CIL is a £ per square metre charge on most new development. In April 2015, the council adopted its own CIL Charging Schedule. CIL must be spent on the provision, improvement, replacement, operation or maintenance of infrastructure, where a specific project or type of project is set out in the [Council's Regulation 123 List](#).
- 2.3 On the 5<sup>th</sup> January 2016, the Mayor in Cabinet agreed the implementation of a new Infrastructure Delivery Framework which will help ensure the process concerning the approval and funding of infrastructure using CIL/S106 will be appropriately informed and transparent.

### S106

- 2.4 The Section 106 (S106) of the Town and Country Planning Act 1990 allows a LPA to enter into a legally-binding agreement or planning obligation with a developer over a related issue. Planning Obligations/S106 agreements are legal agreements negotiated, between a LPA and a developer, with the intention of making acceptable development which would otherwise be unacceptable in planning terms.
- 2.5. This S106 PID is part of the Tower Hamlets Council S106 Delivery Portfolio and is aligned with the agreed Heads of Terms (HoT) for the Deed creating Planning Obligations and undertakings at the following developments. Details of the s106 contributions funding the project are listed in the table below, expressing the amount received and the reception & expiry dates of each contribution:

Planning Application	Heads of Term	Site Address	Expiry Date	Expiry Date Note	Funding Requirements	PA Amount Agreed	PA Amount Received	To allocate to WW PS
PA/08/00146	EDUC	St Georges Estate	TBC	In event contributions are not expended in full or committed within 10 years from date of practical completion of the whole development council shall repay unspent balance.	Additional education facilities	296,208	296,208	148,104.00
PA/12/01803	EDUC	Betty May Gray House	18/08/2026	10 years from date of receipt	Additional education facilities	83,148.00	83,148.00	41,574.00
PA/12/02856	EDUC	Land to the south of 52 Stainsbury Road	TBC	in event contributions are not expended in full or committed within 10 years from date of practical completion of the whole development council shall repay unspent balance.	Towards educational facilities in the borough	754,744	754,744	754,744
PA/11/00739	EDUC	123 Fairfield Road	TBC	10 years from practical completion	Additional educational facilities	50,000	54,913.03	54,913.03
99PA/12/03138	EDUC	Corner of King David Lane and The Highway, Juniper Street,448 Cable Street (Glamis Estate Development )	TBC	10 years from practical completion	Additional educational facilities within the borough	95,550	95,550	95,550
PA/10/01734	EDUC	Bow Enterprise Park	TBC	10 years from practical completion	Additional educational facilities in the borough	1,540,525	1,077,741.53	1,077,741.53
PA/13/00218	EDUC	Aldgate Place	TBC	10 years from date of practical completion	Towards educational facilities within the borough	1,396,468	477,109	477,109
PA/11/00798	EDUC	45 Millharbour	09/01/2030	15 years from date of receipt	Additional educational facilities in the borough	482,893	280,273	280,273
PA/13/00862	EDUC	213-217 Bow Common Road	TBC	Expended or committed within 10 years from date of practical completion	Provision of additional educational facilities	152,293.32	161,067.42	161,067.42

Planning Application	Heads of Term	Site Address	Expiry Date	Expiry Date Note	Funding Requirements	PA Amount Agreed	PA Amount Received	To allocate to WW PS
PA/12/00771	EDUC	22-28 Underwood Road	TBC	Expended or committed within 10 years from date of practical completion	Towards additional educational improvements	88,980	£97,726	97,725.91
PA/13/01606	EDUC	Cutty Sark House	TBC	Expended or committed within 10 years from date of practical completion	Additional educational facilities within the borough	89,184	94,322.17	94,322.17
PA/11/02716	EDUC	Aberfeldy Estate	01/04/2020	5 years after payment made	Provision of educational facilities within the vicinity of the development	311,430	109,000.50	109,000.50
PA/11/01120	EDUC	Land bounded by Limehouse Cut and St Annes Row	03/06/2025	10 years from date of payment	Mitigate the demand of the additional population on education facilities	376,761	200,636.33	74,749.28
PA/13/02911	EDUC	Ocean Estate Site H	TBC	10 years from practical completion	Towards education facilities	200,000	200,000	200,000
PA/08/00153	EDUC	Southerby Lodge	No expiry date	No expiry date	Provision of additional school places	61,710	61,710	61,710
PA/07/02265	EDUC	80 Backchurch Lane	13/01/2026	Failed to use all or any part of the financial contribution paid within 10 years of the date of payment	Towards the provision of educational facilities	86,394	93,389.47	93,389.47
PA/13/02722	EDUC	Peterley Business Centre	TBC	Not expended in full or committed within 10 years from the date of practical completion of that phase the Council shall repay the unspent balance of the said financial contribution to the owner together with interest	Additional educational facilities in the borough	203,364	46,773.72	46,773.72
PA/13/00697	EDUC	6-8 Boulcott Street	TBC	Expended in full or committed within 10 years from date of practical completion	Educational facilities in the borough	52,007	55,656.07	55,656.07
PA/14/00293	EDUC	7 Limeharbour	TBC	Expended in full or committed within 10 years from date of	Additional educational facilities within the borough	378,296	378,296	378,296



Planning Application	Heads of Term	Site Address	Expiry Date	Expiry Date Note	Funding Requirements	PA Amount Agreed	PA Amount Received	To allocate to WW PS
				practical completion				
PA/13/02529	EDUC	Car park Cygnet Street	TBC	Expended in full or committed within 10 years from date of practical completion of the whole development	Educational facilities in the borough	98,948	106,521.73	106,521.73
PA/12/02494	EDUC	100 Violet Road	TBC	Expended in full or committed within 7 years from date of practical completion	Additional educational facilities within the borough	123,420	129,369.73	129,369.73
PA/13/00384	EDUC	Former Queen Elizabeth Hospital	TBC	Not expended in full or committed within 10 years from the date of practical completion of the whole development	Additional educational facilities in the borough	415,240	415,240	415,240
PA/12/03315	EDUC	Arrowhead Quay	TBC	Expended in full or committed within 7 years from date of practical completion	Additional educational facilities (primary and secondary school places) in the borough	1,366,418.00	1,432,453.07	£716,226.54
PA/13/03247	EDUC	Island Point - 443-451 Westferry Road	31/08/2024	Within the period of seven years from date of receipt	for the provision of primary and secondary educational facilities in the council's area	2,734,636	3,272,408.6	1,829,942.90
<b>TOTAL</b>								<b>7,500,000.00</b>

## CIL

2.6 This PID does not seek approval for the expenditure of CIL funding.

### **3.0 Equalities Analysis**

3.1 When making decisions, 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 is required to discharge the duty.

3.2 An Equality Analysis review has been undertaken and the checklist is

attached (Appendix C). In planning new school places, data is collected on overall population growth as well as increases in demand associated with housing development. Whilst the overall number of additional pupils/students is projected based on the number and type of housing units (housing development 'pupil yield'), it is not possible to project the profile of the community which will occupy new housing and consequentially take up the new school places. Nevertheless, the existing admissions policies at these schools do not, when oversubscribed, apply admission criteria which give priority to candidates who meet faith criteria and both schools are therefore open to all members of the local community. For the 6<sup>th</sup> form provision at Langdon Park School, the school works as part of the Sixth Form East partnership (SFE) and when oversubscribed, places are firstly allocated to students at Langdon Park, then other SFE partner schools (Bow, St Paul's Way Trust and Stepney Green) prior to places being allocated to other secondary schools in the borough. Monitoring of the take up of places as part of the ongoing review of demand for provision does give an opportunity for equality issues to be reviewed.

- 3.3 All new school buildings must comply with DfE requirements for accessibility in relation to a range of disabilities, particularly where the school makes specialist provision for pupils with SEND.

#### **4.0 Legal Comments**

- 4.1 Legal Services considers that the expansion at George Green's and Langdon Park Schools to provide 6th forms which can accommodate up to 250 students satisfies the terms of all S106 agreements set out in the table at paragraph 2.4 above.
- 4.2 PA/11/02716 requires the contribution to be used towards providing educational facilities within the vicinity of the development. There is no legal definition of vicinity and a number of factors should be borne in mind such as proximity, accessibility, the availability of other such facilities and the extent to which occupiers of the land can be reasonably be expected to be served by the project. Langdon Park School falls within the catchment area for this development and is only a short walk from the development subject to PA/11/02716. This supports the proposition that it is in the vicinity. However, Legal Services does not consider George Green's school to be within the vicinity as it is situated further away from the development and there are closer alternative secondary schools which meet the educational requirements of this development. Officers will therefore need to ensure this particular contribution is ring-fenced to Langdon Park School.

- 4.3 PA/12/03315 and PA/12/03247 require the contributions to be spent on providing primary and secondary school places in the borough. It is noted that both contributions are not being used fully towards this project and the s106 agreements do not specify the extent to which the money should be allocated between primary and secondary school places so officers should ensure a proportion of the remainder of these contributions are allocated towards a project which shall provide primary school places.
- 4.4 Subject to the above comments, we consider the funding for this PID to be in accordance with the purposes for the contributions under the S106 agreements.
- 4.5 When approving this PID, 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 is required to discharge the duty.
- 4.6 These comments are limited to addressing compliance with the terms of the S106 agreements mentioned above (as based on the information detailed in the PID) and advice on any other legal matters (such as advice on procurement) should be sought separately if appropriate.

## **5.0 Overview of the Project**

- 5.1 The project is to provide accommodation to allow each school's 6<sup>th</sup> form to accommodate 250 students. Schemes have been developed for both schools to provide the additional accommodation required. Where possible this will be provided by converting some existing rooms, for practical reasons, to provide specialist accommodation within the same subject areas i.e. science laboratories, with the remaining accommodation being new building.
- 5.2 At George Green's School, there is also an existing 4 classroom block that was provided more than 20 years ago as the school did not have sufficient classrooms to provide the curriculum. At the time the building was only expected to be used until a permanent facility could be provided. The building is expensive to maintain, limited in size for the number of pupils that now use the building and does not provide suitable insulation in the winter and summer months. It is therefore recommended that the classrooms are included within the new Sixth Form accommodation so that the classroom block can be removed.

5.3 George Green's School is designated as a voluntary controlled school and Langdon Park a community secondary school, but both are maintained by the local authority. Langdon Park is included in the Grouped Schools PFI project which continues until 2027.

5.3 The estimated cost for the works at Langdon Park School is £4m and the works at George Green's School, including replacing the classroom block, is £5m. Cabinet on 31 October will be recommended to adopt the capital estimate of £9m to provide the additional accommodation at both schools. It is proposed that the remaining s106 funds to hand which are designated for educational use for school facilities be allocated to meet part of the project cost, with the balance being met from Children's Services capital programme resources (DfE basic need grant)

## 6.0 Business Case

### Overview/General

6.1 During autumn 2015 the service undertook an audit of 6<sup>th</sup> form provision in the borough to assess the suitability of existing accommodation to support the provision and its capacity to meet future demands, in terms of projected student numbers. The review comprised the following elements and processes:

- Development of a curriculum map for all the schools:
- For schools with well-established 6th forms, review usual operating numbers:
- For schools with more recently established 6th forms, review cohort retention, potential size of Y 11 & 12:
- To respond to growth, identify 6th form growth and shortfall of capacity, taking account of TH College existing and any planned expansion
- For each school, review updated net capacity assessment to assess sufficiency of existing accommodation for current numbers on roll
- For each school complete a curriculum analysis to identify suitability of existing accommodation
- Analyse results of all the above taking account of potential operating capacity for each school
- Agree with schools preferred operating numbers and curriculum offer as a 6th form plan for LBTH
- Identify accommodation deficiencies (sufficiency and suitability) and the shortfall(s) to be met based on agreed operating numbers

- Factor in SEN provision requirements within mainstream and special schools
    - Review school sites for options to meet the accommodation deficiencies and develop options and costs
    - If all the accommodation required can't be provided within existing site, consider alternative options and costs
    - Identify total need and costs; develop programme within available funding to implement; identify other potential funding
    - Develop procurement strategy
    - Make recommendations to Cabinet.
- 6.2 The outcomes of this review were to prioritise investment in 3 schools – George Green's, Langdon Park and Raines. The scheme now proposed for funding at Raines through application of a £4m S106 allocations has been facilitated by enabling works funding by DfE LCVAP grant (available only to the VA sector), over the last two years. The schemes now proposed at the remaining two schools have been in development and under discussion with the schools' governing bodies and are now ready to move into the procurement stage.

#### Project Drivers

- 6.3 The project contributes to the Council meeting its statutory obligations to provide an adequate supply of school places to meet demand. In this instance the duty is extended as a result of the drive by central government drive to increase staying on rates in schools. This sits alongside the need to provide additional places due to population growth and student yield from increasing housing development. Whilst the Council retains this statutory responsibility, the DfE requires the Council to work with other school academy and free school providers to seek to manage the supply of places and match them to projected demand. It should be noted, however, that the 6<sup>th</sup> form population is more mobile than the younger school population and is more likely to travel distances to access particular course or combination of subjects. The location of additional provision is therefore not as geographically significant as primary provision for example, although the Council would always seek to provide local access to high quality provision for students whose mobility may be limited.

#### Deliverables, Project Outcomes and Benefits

- 6.4 The scheme will ensure adequate accommodation to support the provision of 250 6<sup>th</sup> form places at each school and contribute to the meeting the Council's strategic and statutory objective to deliver a pattern of school places

which meets the projected demand for places and makes local provision for communities.

- 6.6 Promoting community cohesion and sharing facilities with other schools and the wider community is at the heart of George Green's School. As an extended school it provides a range of activities and services to help meet the needs of the students, their families and the wider community.
- 6.7 The school works in partnership with Island Sports Trust (IST), a voluntary organisation, to provide access to facilities and opportunities to develop skills in a variety of sports in the evenings, weekends and during the school holidays. Currently one part of the building is managed by IST at these times with all sports spaces and larger spaces such as the theatre and studio being made available for community use. It is the aim of the school to open up the new sixth form block to the community through IST as it will be located in the area of the school currently managed by IST. The new sixth form block will have a large 6<sup>th</sup> form common area that can be used by the local community for conferences etc. The classrooms can also be let out to local study groups. This is not currently an option at the school.
- 6.8 The school has a hydrotherapy pool on site. The pool is used by Water Babies, as well as other primary and special needs school in and out of the borough. The benefits to the users are huge; reducing pain and muscle spasm, strengthening weak muscles, improving co-ordination, posture and balance.
- 6.9 The school also provides a breakfast club to the students. This is a free service to the students and allows them to arrive to school on time and have a hot breakfast. This benefits the students and working parents and all students are welcome to attend.
- 6.10 The school has a programme of events for parents during the school day. The parents use a wide range of school facilities that are free on the timetable to take part in cooking classes, coffee mornings, football matches, ICT classes etc. The school has also hosted parenting classes and first aid classes for parents.
- 6.11 The school runs a programme with local primary schools to encourage them to use our facilities, such as sports, science, technology and expressive arts.
- 6.12 Local community groups also use school facilities to meet and hosting a number of events e.g. coffee mornings and tea dances.

- 6.13 The school facilities are very well used both during the school day and out of school areas. Having a new sixth form block will give the school more opportunity to share facilities with the wider community.

#### Other Funding Sources

- 6.14 Local authorities do not receive capital funding for post 16 provision but it is proposed to meet the additional £1.5m cost of the combined scheme from Children Services capital programme resources (DfE Basic Need grant).

#### Related Projects

- 6.15 The project comprises an element of the wider secondary places planning investment strategy and follows an audit of 6<sup>th</sup> form provision undertaken in 2015. The investment strategy arising from this audit identified these two schools for investment alongside Raines Foundation School, for which a separate s106 allocation has been sought.
- 6.16 These proposals form part of the response to an annual review of the projected demand for places within the primary and secondary sectors, the implications of which will in due course feed through into the post 16 sector.

### **7.0 Approach to Delivery and On-going Maintenance/Operation**

- 7.1 The Langdon Park School site is part of the Grouped Schools PFI contract. The contractor, Tower Hamlets Schools Limited (THSL) was commissioned as the Council's agent to develop the scheme and will procure the construction contractor. As with other schemes that have been developed with THSL, LBTH will enter into a Deed of Variation to the Grouped Schools PFI contract for the works to be carried out.
- 7.2 The contractor has a long term interest in the site (until 2027). The cooperation and consent of the PFI contractor and its funders is required in order to carry out the building works. Using THSL to procure works and appoint a construction contractor following a competitive tender will ensure that the scheme is jointly developed. Using an alternative contractor for the works would take more time and create additional costs for the Council in obtaining the relevant consents. It could also lead to potential contractual disputes during the works and in the subsequent delivery of ongoing facilities management services.

7.3 A payment schedule based on delivery of key project milestone will be agreed with THSL for the project and the existing arrangements for monitoring the CS capital programme and projects within it apply to it.

7.4 The Council will be involved in the process of procuring and appointing the contractor. An Independent Certifier will also be appointed to confirm the satisfactory completion of each stage of the works by the contractor before any payments are made. On satisfactory completion the works will be signed off by the Employer's Agent, appointed by THSL, and also at the end of the 12 months defects period

7.5 Procurement of the works at George Green's School will be programmed through the Council's Capital Delivery team, in line with the preferred routes to market at that time. As a voluntary controlled school maintained by the local authority, the school will be responsible for managing its building by deployment of its delegated budget and capital investment needs in future will continue to be met by the Council in partnership with the school's governing body.

## 8.0 Infrastructure Planning Evidence Base Context

8.1 The development of 6<sup>th</sup> form provision at George Green's and Langdon Park Schools is identified in the Council's Infrastructure Planning Evidence Base as follows:

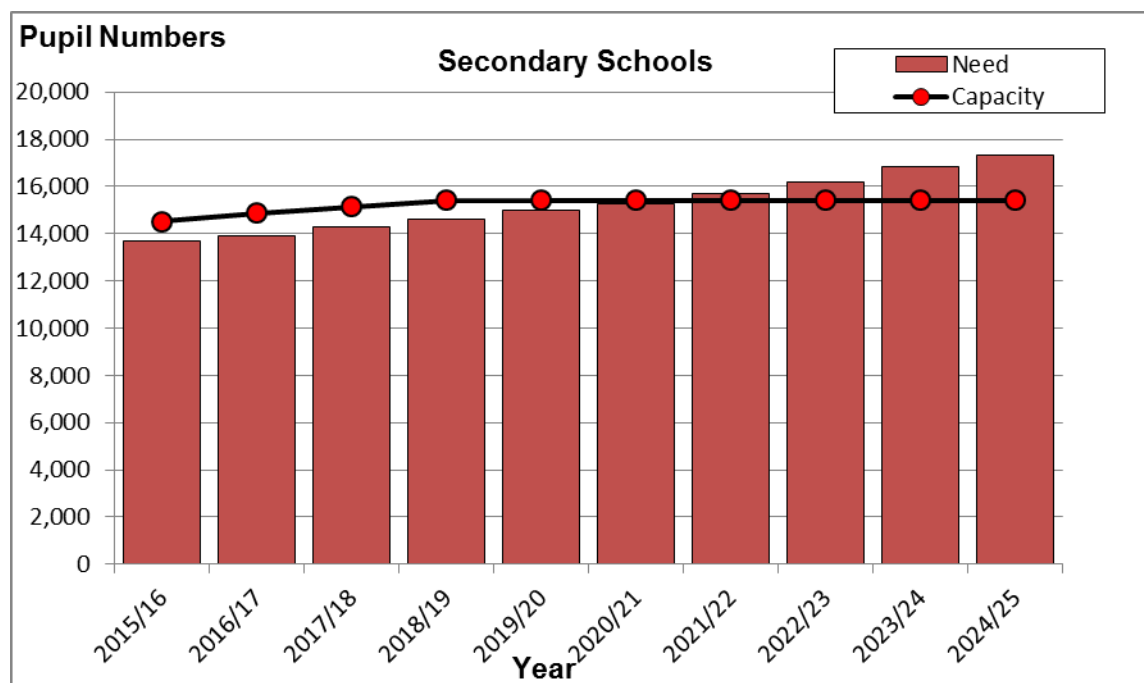
Project Ref	Ward	Description	Estimated Cost	CIL/S106 Funding Required?	Planned Year of Delivery	Officer Prioritisation	Prioritisation Comments	Notes
Langdon Park School	Lansbury. Meets borough-wide need.	Additional accommodation for 6th form	£5m	Yes	2019	3	These projects meet the same criteria in terms of addressing need.	
George Green's School	Island Gardens. Meets borough-wide need.	Additional accommodation for 6th form	£5m	Yes	2019	3	These projects meet the same criteria in terms of addressing need.	

8.2 As outlined previously, the cost of the scheme has reduced marginally since the original estimate, with the total cost now standing at £9m for both projects. Whilst the officer prioritisation of these projects indicates that they fall behind both the development of London Dock and Westferry secondary sites, since the 2015 review of the evidence base, the projected demand for new 11-16 provision has slowed and in the officers would now place these schemes ahead of the London Dock proposal. It is worth noting that the demand for these 6<sup>th</sup> form places comes from students currently working through the secondary phase of education, whilst both the Westferry and London Dock



requirements relate to pupils generated by housing which is as yet unbuilt or for pupils who are currently in the primary phase of education. In the drive to ensure an adequate supply of places for future pupils, it is important to ensure that the needs of students currently in the system are not overlooked.

8.3 The Evidence Base goes on to outline the borough wide position in relation to growing demand for 11-16 places shown in the following table:



8.4 As 11-16 provision has been developed through expansion of existing schools, there is a need to ensure that the associated 6<sup>th</sup> form provision is brought on stream to ensure that students access to the full curriculum offer and range of potential providers.

## 9.0 Opportunity Cost of Delivering the Project

9.1 The S.106 funding sources proposed are all ring-fenced for education use, some are further constrained for provision of additional secondary school places. These funds could therefore only be used for other secondary school projects. The S106 budget for the project is supplemented by £1.5m DfE Basic Need grant funding. As outlined in paragraph 6.6 above, DfE capital grant is not available to local authorities for post 16 provision in schools and therefore the allocation of the grant funding to this project is at the expense of funding for other primary or secondary 11-16 place planning projects. Commitment of DfE grant is not time limited and these resources could have been reserved to meet high priority investment in new school proposals providing places for 5-

16 year olds over forthcoming years.

- 9.2 Prioritisation of use of S106 resources on school growth projects will continue to be reviewed as demand for places fluctuate, both within the secondary and between the primary and secondary sectors.

## 10. Local Employment and Enterprise Opportunities

- 10.1 The scheme at George Green's School will be procured in line with the Council's key performance indicators relating to the provision of employment and training opportunities in construction projects.
- 10.2 The contract for work at Langdon Park School is being procured by THSL as part of the arrangements under the Grouped Schools PFI contract. The previous large scheme delivered through this mechanism at Olga Primary School has included requirements for working with local supply chain and creating employment and training opportunities.

## 11. Financial Programming and Timeline

### Project Budget

- 11.1 Funds for the delivery of the two schemes are proposed as set out in Table 1 below. Unlike primary and secondary provision where the Council is able to demonstrate to central government a shortfall in provision to meet projected demand and access Basic Need capital grant, the Council has not access to grant to address provision needs in the post 16 sector. Any funding allocated from core capital funding sources therefore is at the expense of investment needs within the 5-16 sector.
- 11.2 Subject to agreement to this PID, the proposed funding arrangements will be reported to Cabinet at its meeting on 31 October, alongside the proposal to proceed into the procurement stage. The capital report to Cabinet currently states the following:

*“Langdon Park School and George Green's School both require expansion as currently they do not have a 250 place sixth form. The estimated cost for the works at Langdon Park School is £4m and the works at The George Green's School, including replacing the classroom block, is £5m.*

*It is recommended that a capital estimate of £9m is adopted to provide the additional 6th form accommodation at both schools. This will be funded from*

*the available S106 contributions which have been received for improvements to education facilities in the borough. The cost of replacing the classroom block at The George Green's School will be funded from the Children's Services Capital Programme."*

<b>Table 1</b>			
<b>Financial Resources</b>			
<b>Description</b>	<b>Amount</b>	<b>Funding Source</b>	<b>Funding (Capital/Revenue)</b>
S. 106	7,500,000	S. 106	Capital
Children Services Capital Programme	1,500,000	DfE Basic Need grant	Capital
<b>Total</b>	<b>£ 9,000,000</b>		

Any unused contingency funding would be returned to uncommitted funds to maximise flexibility in use of those funds.

### Project Management

- 11.3 The project at George Green's will be managed by LBTH and associated fees are covered within the project budget. The project management costs for the Langdon Park scheme run by THSL are also contained within the project budget.

### Financial Profiling

<b>Table 2</b>														
<b>Financial Profiling</b>														
<b>Description</b>	<b>17/18</b>				<b>18/19</b>				<b>19/20</b>				<b>20/21</b>	<b>Total</b>
	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>		
Design			0.1	0.21	0.19	0.08				0.02			0.02	0.62
Construction						0.7	1.5	2.45	2.45	1.06			0.22	8.38
<b>Total</b>			0.1	0.21	0.19	0.78	1.5	2.45	2.45	1.08			0.24	9.0

## Outputs/Milestone and Spend Profile

<b>Table 3a</b>			
<b>Project Outputs/Milestone and Spend Profile – George Green’s</b>			
<b>ID</b>	<b>Milestone Title</b>	<b>Baseline Spend</b>	<b>Baseline Delivery Date</b>
1	Planning submission	£ 100,000	September 2017
2	Construction commences	£ 200,000	August 2018
3	Completion of construction	£4,570,000	July 2019
4	End of DLP	£ 130,000	July 2020
<b>Total</b>		<b>£5,000,000</b>	

<b>Table 3b</b>			
<b>Project Outputs/Milestone and Spend Profile – Langdon Park</b>			
<b>ID</b>	<b>Milestone Title</b>	<b>Baseline Spend</b>	<b>Baseline Delivery Date</b>
1	Planning submission	£ 90,000	December 2017
2	Construction commences	£ 190,000	December 2018
3	Completion of construction	£3,610,000	July 2019
4	End of DLP	£ 110,000	July 2020
<b>Total</b>		<b>£4,000,000</b>	

## 12. Project Team

12.1 Information regarding the project team is set out below:

For George Green’s

- Project Sponsor: Janice Beck, LBTH
- Project Manager: Capital Delivery Team ,LBTH
- Project Team Members: Building Development and Capital Delivery Team representatives (TBC), LBTH.

For Langdon Park

- Project Sponsor: Janice Beck, LBTH
- Project Manager: Colin Simpson, Amber Infrastructure (THSL)
- Project Team Members: Chac Cun and Duncan Cameron, LBTH; Nick MacKee, Amber Infrastructure (THSL)

### 13. Project Reporting Arrangements

Table 4			
Group	Attendees	Reports/Log	Frequency
CS capital programme monitoring group	CS capital team	Monthly reports	Monthly
Quarterly capital monitoring	Written	Corporate reporting	Quarterly
IDSG Sub Group	Numerous – defined in ToR.	Monitoring Report	Quarterly
IDSG	Numerous – defined in ToR.	Monitoring Report	Quarterly
IDB	Numerous – defined in ToR	Monitoring Report	Quarterly
Cabinet	Members	Report on CS capital programme, schemes, progress, spend	Annually

### 14. Quality Statement

- 14.1 Design and construction will comply with current applicable regulations, practices and standards. This will include Building Regulations, mechanical and electrical regulations and legislation, daylighting and ventilation requirements and DDA compliance and all DfE Building Bulletin specified standards
- 14.2 The choice of materials will aim to ensure use of sustainable products with consideration of product life and future maintenance plans.
- 14.3 On the Langdon Park project, THSL Quality Management System complies with the Quality, Environmental and Safety Management System Standards ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007. Both projects will be monitored during delivery by members of the Children & Adult Services Building Development Team to ensure compliance with the specification and to ensure the safe management of construction on occupied sites Handover of projects will not be accepted unless the schools can make beneficial use of the facilities provided i.e. that they are a fit and safe condition to be used..

## 15. Key Risks

15.1 The key risks to this project are set out in the Table 6 below:

Table 6							
Risk No.	Risk	Triggers	Consequences	Controls	Likelihood	Impact	Total
1	Increased costs	Detailed design work and detailed cost submission	Increase to budget or reductions to the scheme	Monitoring of scheme development by project team	2	2	4
2	Programme slippage	Works delays	Delay in school opening/partial opening	Project team review partial opening options	2	2	4
3	H&S issues relating to work on an occupied site	CDM concerns arising from H&S inspections	Risks to building occupants	Robust client and contractor adherence to sound practice and communication between parties.	2	2	4

## 16. Key Project Stakeholders

16.1 The principal stakeholders are shown in Table 5 below and will be engaged from the earliest stages of the project and through to project closure. The key stakeholders will be engaged as required, after delivery is completed.

<b>Table 5</b>			
<b>Key Stakeholders</b>	<b>Role</b>	<b>Communication Method</b>	<b>Frequency</b>
Headteacher	Lead client user	Meetings	Monthly or as required
Governing body	Oversight of school	Updates to meetings	As required
Parents	Users	Consultation, newsletters	As required
Council Members including ward members	Representatives	Update reports	As required

## 17.0 Stakeholder Communications

17.1 The headteachers and school governing bodies have been fully involved in the development of the proposed schemes and are wholly supportive of the proposals.

17.3 LA publicity material will include information that s. 106 contributions have helped fund the project.

## 18.0 Project Approvals

The PID has been reviewed and approved by the Chair of the IDSG and the Divisional Director for the Directorate leading the project.

<b>Role</b>	<b>Name</b>	<b>Signature</b>	<b>Date</b>
IDSG Chair	Ann Sutcliffe		
Divisional Director, Education & Partnerships	Christine McInnes		

## Project Closure

Please see the Project Closure Document Template. This is to be completed at the project closure stage and submitted to the s106 Programme Manager.

The relevant documents, as outlined in the Project Closure Report, must be made available on request.

## Appendices

Appendix A: Location Plans

Appendix B: Site Plans

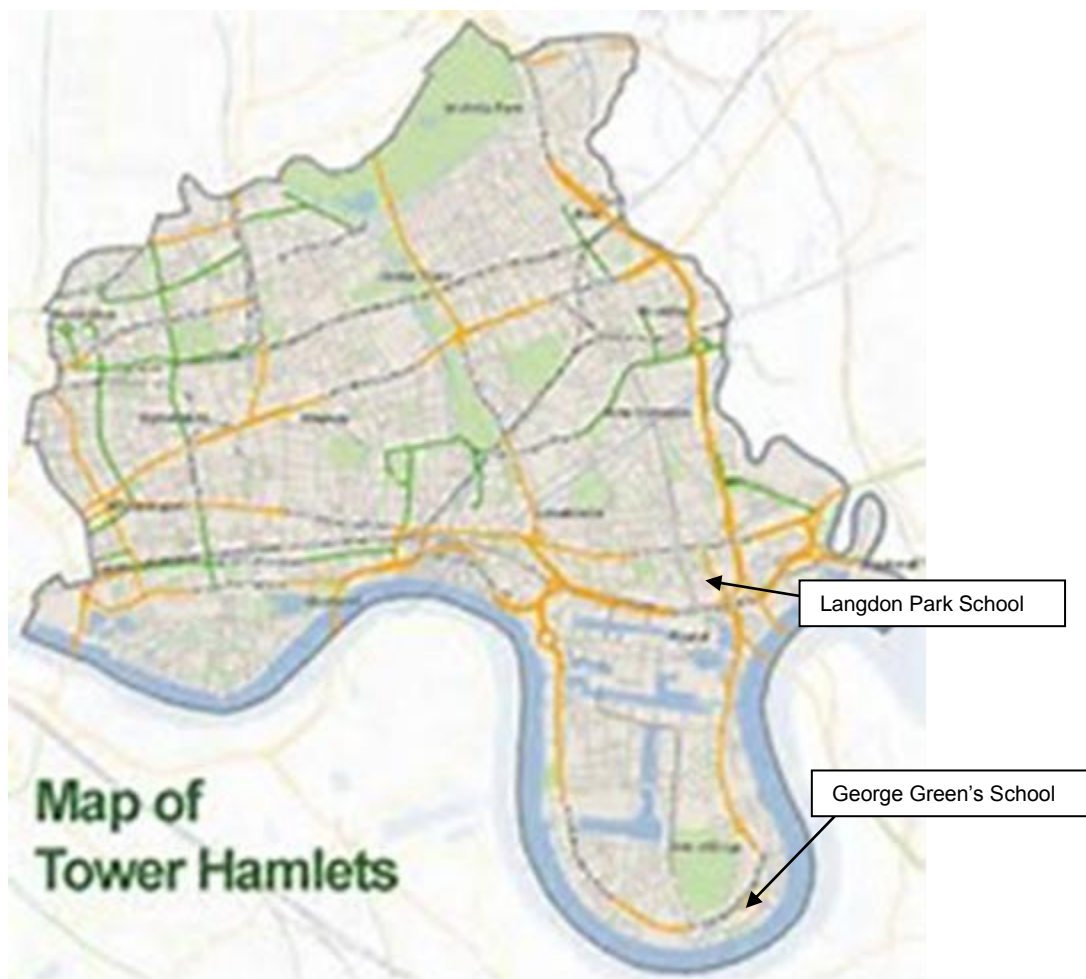
Appendix C: Equality Analysis Quality Assurance Checklist

Appendix D: Risk Register

Appendix E: Project Closure Document

### APPENDIX A

Location plan

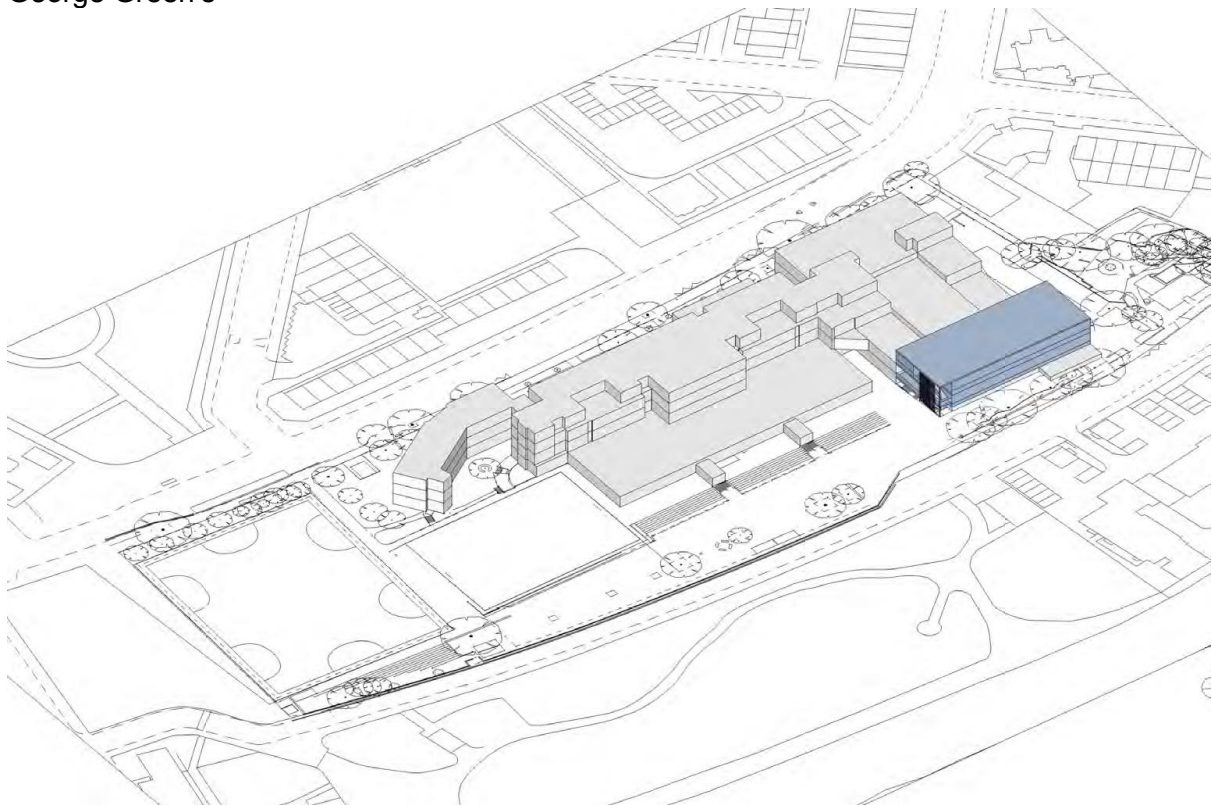




## APPENDIX B

### Proposed Site Plans

#### George Green's




## Langdon Park



APPENDIX C

**EQUALITY ANALYSIS QUALITY ASSURANCE CHECKLIST**

<b>Name of 'proposal' and how has it been implemented</b> (proposal can be a policy, service, function, strategy, project, procedure, restructure/savings proposal)	<b>Expansion of 6<sup>th</sup> form provision at George Green's and Langdon Park Secondary Schools</b>
<b>Directorate / Service</b>	<b>Children's Services, Building Development</b>
<b>Lead Officer</b>	<b>Janice Beck</b>
<b>Signed Off By (inc date)</b>	<b>Janice Beck 20/9/17</b>
<b>Summary – to be completed at the end of completing the QA (using Appendix A)</b> (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)	 <b>Proceed with implementation</b> 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 Protected Characteristics and no further actions are recommended at this stage.

<b>Stage</b>	<b>Checklist Area / Question</b>	<b>Yes / No / Unsure</b>	<b>Comment (If the answer is no/unsure, please ask the question to the SPP Service Manager or nominated equality lead to clarify)</b>
<b>1</b>	<b>Overview of Proposal</b>		
a	Are the outcomes of the proposals clear?	Y	The provision of 253 additional 6 <sup>th</sup> form places to meet demand arising from the growth in secondary school population and increasing post 16 staying on rates.
b	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?	N	The number of pupils affected by the new provision is known, but the profile cannot be assessed as they will be drawn from both existing pupils cohorts at George Green's/Langdon Park schools and other borough secondary provision, depending on the curriculum offer made in each year.
<b>2</b>	<b>Monitoring / Collecting Evidence / Data and Consultation</b>		
a	Is there reliable qualitative and	N/A	Quantitative data is available but

	quantitative data to support claims made about impacts?		no quality assessment can be made at this time.
	Is there sufficient evidence of local/regional/national research that can inform the analysis?	Y	Provision will be made in accordance with national standards for secondary school and 6 <sup>th</sup> form provision set out by central government, based on analysis of historic building projects and their relative success in impacting on teaching and learning.
b	Has a reasonable attempt been made to ensure relevant knowledge and expertise (people, teams and partners) have been involved in the analysis?	Y	The knowledge and expertise of the people involved in the projections of demand and delivery of the capital project is extensive and tried and tested in relation to meeting the widest possible uses of the premises which the project will deliver.
c	Is there clear evidence of consultation with stakeholders and users from groups affected by the proposal?	Y	Consultation has taken place with stakeholders during the development of proposals.
<b>3</b>	<b>Assessing Impact and Analysis</b>		
a	Are there clear links between the sources of evidence (information, data etc) and the interpretation of impact amongst the nine protected characteristics?	N/A	See paragraph 3 above.
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	See paragraph 3 above.
<b>4</b>	<b>Mitigation and Improvement Action Plan</b>		
a	Is there an agreed action plan?	N/A	See paragraph 3 above
b	Have alternative options been explored	N/A	See paragraph 3 above
<b>5</b>	<b>Quality Assurance and Monitoring</b>		
a	Are there arrangements in place to review or audit the implementation of the proposal?	Y	Take up of places in the new provision will be reviewed as part of the ongoing monitoring of the efficiency and effectiveness of the place planning function. Equalities dimensions will be considered as a part of this review process.
b	Is it clear how the progress will be monitored to track impact across the protected characteristics??	N/A	See paragraph 3 above
<b>6</b>	<b>Reporting Outcomes and Action Plan</b>		
a	Does the executive summary contain sufficient information on the key findings arising from the assessment?	Y	

## APPENDIX D

### Risk Register

RISK REGISTER  
PRE-PLANNING STAGE

No.	Date	Risk Description	Consequence	Mitigation Action	Likelihood Max. 5	Impact Max. 5	Total
1		Access for fire tender in case of fire	Prevent fire tender accessing main building to deal with fire and/or rescue	Contractor's site area does not block access for fire tender	2	5	10
2		Noise, dust from internal works	Disruption to school	Arrange internal works during school closure periods	3	4	12
3		Noise, dust, etc from new building works	Disruption to school	Any noisy or dusty works identified and assessment undertaken to confirm if school will be affected. Arrange for any works to be undertaken outside school use periods	2	4	8
4		Interaction between contractor's employees and school students	Safeguarding issues	Contractor's site clearly defined and employees to remain with area and told not to speak to students	3	3	9
5		Achieving Excellent BREEAM requirement by Planning	Design changes / additional cost to ensure compliance.	Regular monitoring and reviews taking place. Further actions to be advised when necessary.	2	4	8
6		Clients change to brief	Possible design / programme / cost implications.	Strategy for bringing in school provider to be decided upon. Change control to be implemented so that all changes are signed off by the relevant authority.	3	4	12
7		Change to Educational design standards eg BB103	Change of design / cost	Check cut off point. Check upcoming legislation.	2	4	8
8		Planning approval not provided	Delay in works commencing	Pre-app. meeting with Planners to establish any concerns with design.	2	4	8
9		Cabinet approval not given	Scheme delayed or cancelled	Review during Cabinet reporting process	2	5	10
10		Timing of design development not in accordance with master programme.	Delay to the procurement / construction programme	Robust management of the design during the RIBA Stage 2 / 3	3	4	12
11		Design proposals not in accordance with budget	Increase in cost / Depletion of contingency.	Cost management of design development process during design stage.	2	4	8

12	Rising markets, main contractor & sub-contractor capacities and desire to take risk. (Brexit / Inflation).	Possible uncompetitive prices.	Ensure procurement contingency is ring-fenced and maintained in PTE.	3	4	12
13	Contractor / sub-contractor insolvencies	Possible delay / additional cost	Credit check by clients. Ensure contractor puts correct processes in place for credit checking sub-contractors.	2	5	10
14	Cost of school exceeds money that is available.	Possible scope cutting / VE at a later date to suit budget.	LBTH to clarify and define budget asap.	2	5	10
15	Construction strategy - impact on nearby buildings.	Health and Safety issues. Delays to programme / cost impact.	Ensure that tendering contractors provide a full method statement on demolition techniques and has a full understanding of potential issues.	3	4	12
16	Unforeseen foundations or obstructions in the ground.	Delays to programme and cost.	Confirm if risk requires further investigations / surveys are required.	2	4	8
17	Possibility of finding UXO	Delays to programme	Risk to be assessed with detailed report and appropriate mitigation measure to be implemented.	2	4	8
18	Ground Conditions - risk of contamination	Delays to programme and cost.	Seek guidance on likelihood and any relevant mitigation measure.	2	4	8
19	Unforeseen services in the ground	Delays to programme and cost.	Detailed building/services surveys to be undertaken by consultants	2	5	10

APPENDIX E


Project Closure Document							
<b>1.</b>	<b>Project Name:</b>						
<b>2a.</b>	<b>Outcomes/Outputs/Deliverables</b> I confirm that the outcomes and outputs have been delivered in line with the conditions set out in the any Funding Agreement/PID including any subsequently agreed variations.			<b>Please Tick ✓</b>			
				<table border="1"> <tr> <td><b>Yes</b></td> <td></td> <td><b>No</b></td> <td></td> </tr> </table>	<b>Yes</b>		<b>No</b>
<b>Yes</b>		<b>No</b>					
<b>2b.</b>	<ul style="list-style-type: none"> <li>• Key Outputs <i>[as specified in the PID]</i></li> <li>• Outputs Achieved <i>[Please provide evidence of project completion/delivery e.g. photos, monitoring returns / evaluation]</i></li> <li>• Employment &amp; Enterprise Outputs Achieved <i>[Please specify the employment/enterprise benefits delivered by the project]</i></li> </ul>						
<b>3a.</b>	<b>Timescales</b> I confirm that the project has been delivered within agreed time constraints.			<b>Please Tick ✓</b>			
				<table border="1"> <tr> <td><b>Yes</b></td> <td></td> <td><b>No</b></td> <td></td> </tr> </table>	<b>Yes</b>		<b>No</b>
<b>Yes</b>		<b>No</b>					
<b>3b.</b>	<ul style="list-style-type: none"> <li>• Milestones in PID <i>[as specified in the PID]</i></li> <li>• Were all milestones in the PID delivered to time <i>[Please outline reasons for any slippage encountered throughout the project]</i></li> <li>• Please state if the slippage on project milestone has any impacts on the projects spend (i.e. overspend) or funding (e.g. clawback)</li> </ul>						
<b>4a.</b>	<b>Cost</b> I confirm that the expenditure incurred in delivering the project was within the agreed budget and spent in accordance with PID			<b>Please Tick ✓</b>			
				<table border="1"> <tr> <td><b>Yes</b></td> <td></td> <td><b>No</b></td> <td></td> </tr> </table>	<b>Yes</b>		<b>No</b>
<b>Yes</b>		<b>No</b>					

<b>4b.</b>	<ul style="list-style-type: none"><li>• Project Code</li><li>• Project Budget <i>[as specified in the PID]</i></li><li>• Total Project Expenditure <i>[Please outline reasons for any over/underspend]</i></li><li>• Was project expenditure in line with PID spend profile <i>[Please outline reasons for any slippage in spend encountered throughout the project]</i></li></ul>
------------	--



5.	<b>Closure of Cost Centre</b> I confirm that there is no further spend and that the projects cost centre has been closed. <ul style="list-style-type: none"> <li>Staff employment terminated</li> <li>Contracts /invoices have been terminated/processed</li> </ul>	<b>Please Tick ✓</b>			
		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
6.	<b>Risks &amp; Issues</b> I confirm that there are no unresolved/outstanding Risks and Issues	<b>Please Tick ✓</b>			
		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
7.	<b>Project Documentation</b> I confirm that the project records have been securely and orderly archived such that any audit or retrieval can be undertaken.	<b>Please Tick ✓</b>			
		Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
		These records can also be accessed within the client directorate using the following filepath: <i>[Please include file-path of project documentation]</i>			
8.	<b>Lessons learnt</b>				
	<ul style="list-style-type: none"> <li>Project set up <i>[Please include brief narrative on any issues faced/lessons learned project set up]</i></li> </ul> <p>.....</p> <p>.....</p>				
	<ul style="list-style-type: none"> <li>Outputs <i>[Please include brief narrative on any issues faced/lessons learned in delivering outputs as specified in the PID, including the management of any risks]</i></li> </ul> <p>.....</p> <p>.....</p>				
	<ul style="list-style-type: none"> <li>Timescales <i>[Please include brief narrative on any issues faced/lessons learned in delivering project to timescales specified in PID]</i></li> </ul> <p>.....</p> <p>.....</p>				
	<ul style="list-style-type: none"> <li>Spend <i>[Please include brief narrative on any issues faced/lessons learned regarding project spend i.e. sticking to financial profiles specified in the PID, under or overspend]</i></li> </ul> <p>.....</p> <p>.....</p>				
	<ul style="list-style-type: none"> <li>Partnership Working <i>[Please include brief narrative on any issues faced/lessons learned re: internal / external partnership working when delivering the project]</i></li> </ul> <p>.....</p> <p>.....</p>				
<ul style="list-style-type: none"> <li>Project Closure <i>Please include brief narrative on any issues faced/lessons learned project closure]</i></li> </ul> <p>.....</p>					

9.	<p><b>Comments by the Project Sponsor including any further action required</b>  <i>[Use to summarise project delivery and any outstanding actions etc]</i></p> <p>-----</p> <p>-----</p>		
10.	<p>The Project Sponsor and Project Manager are satisfied that the project has met its objectives and that it can be formally closed.</p>		
	Sponsor (Name)		Date
	Project Manager (Name)		Date

<p><b>Cabinet</b></p> <p>28th November 2017</p>	
<p><b>Report of:</b> Ann Sutcliffe, Acting Corporate Director, Place</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Amendment to Private Sector Renewal Policy 2016 - 2018</b></p>	

<b>Lead Member</b>	Councillor Sirajul Islam, Cabinet Member for Housing
<b>Originating Officer(s)</b>	Martin Ling – Housing Strategy Manager
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	No
<b>Community Plan Theme</b>	A Great Place to Live

## Executive Summary

The Council will shortly carry out a full review and update of the 2016 – 18 Housing Renewal Policy in order to reflect an increased budget, changing market conditions, the integration of Disabled Facilities Grant into the Better Care Fund, and the introduction of Universal Credit. The review will also give the Council an opportunity to take advantage of the flexibilities allowed under the Regulatory Reform Order (2002 Housing Renewal). It is expected that this policy will come to the Mayor in Cabinet for approval in March 2018. A copy of the existing policy is attached at Appendix A.

However the Private Housing Improvement Team are currently dealing with 2 Disabled Facilities Grant home extension applications where the costs are in excess of the mandatory Disabled Facilities Grant ceiling of £30k. It has recently become apparent that the two owner occupiers concerned may struggle to raise their contribution towards the costs.

In order for the Council to fully fund these extensions the Mayor in Cabinet is asked to approve a single amendment to the current policy in order to allow a top up discretionary grant for these and other cases to be considered where it is the best interests of the client to be awarded an additional discretionary grant.

## **Recommendations:**

The Mayor in Cabinet is recommended to approve an amendment to the 2016 – 18 Housing Renewal Policy as follows:

### **Clause 4.1:**

#### **Change**

Mandatory Disabled Facilities Grants will continue to be available to eligible owner-occupiers, and private sector tenants and the maximum mandatory Disabled Facilities Grant is £30,000.

These grants are means tested except for the benefit for a disabled child under the age of 18.

Applications for discretionary Disabled Facilities Grant cannot be considered due to budget restrictions

#### **To:**

Mandatory Disabled Facilities Grants will continue to be available to eligible owner-occupiers and private sector tenants and the maximum mandatory Disabled Facilities Grant is £30,000.

These grants are means tested except for the benefit for a disabled child under the age of 18.

Applications for Discretionary Disabled Facilities Grant above the maximum mandatory £30k limit will be considered on a case by case basis by the Home Improvement Agency (HIA) Grants Panel. Approval will be subject to it being identified that the client would not be able raise the necessary funds to complete the works which would then result in the adaptation not being carried out.

## **1. REASONS FOR THE DECISIONS**

- 1.1 The introduction of discretionary Disabled Facilities Grants in a small number of cases where it is verified that the client is unable to make a financial contribution will enable the Council to achieve the objective of the Disabled Facilities Grant which is to assist people with disabilities to live independently in their own homes.

## **2. ALTERNATIVE OPTIONS**

- 2.1 The Mayor could choose not to introduce discretionary Disabled Facilities Grants above the maximum mandatory £30k limit.

### **3. DETAILS OF REPORT**

- 3.1 The Council is committed to making Mandatory Disabled Facilities Grants available to all eligible owner-occupiers and private sector tenants so that they can remain living independently in their own homes. A disabled owner-occupier or tenant may apply for a Disabled Facilities Grant for a number of purposes which will primarily improve access and comfort. Mandatory Disabled Facilities Grants will continue to be available to eligible owner-occupiers and private sector tenants and the maximum mandatory Disabled Facilities Grant is £30,000. These grants are means tested except if for the benefit for a disabled child under the age of 18. The Grant level has remained at £30k since 2008 and is generally not adequate enough to cover the cost of extensions.
- 3.2 The current policy states that applications for discretionary disabled facilities cannot be considered due to budget restrictions. When the 2016- 18 Policy was produced the Council was receiving around £800k in Disabled Facilities Grant from central Government and was contributing in the region of £200k as a top up from General Fund resources. The budget was generally oversubscribed from year to year.
- 3.3 The Disabled Facilities Grant was introduced as part of the 1989 Local Government and Housing Act and the first grants were given in 1990, so it has been in use for over a quarter of a century. The most fundamental change came in 2014 when it was announced that the Disabled Facilities Grant would become part of the pooled health and social care budget, the Better Care Fund, and responsibility for its administration would pass from the Department of Communities and Local Government to the Department of Health.
- 3.4 In the Comprehensive Spending Review of November 2015 it was announced that the central government allocation for the grant was to more than double from £220m in 2014/15 to over £500m by 2019/20 and there was a substantial increase in resources for 2016/17 to £394m. As a consequence, the Council's Disabled Facilities Grant budget rose to £1.4m in 2016/17 and further to £1.7m in 2017/18. The Disabled Facilities Grant budget is part of the Better Care Fund and the Council can use the Disabled Facilities Grant allocation to meet other objectives within the Better Care Fund subject to agreement with the Clinical Commissioning Group.
- 3.5 The Council will shortly carry out a full review of the 2016 – 18 Housing Renewal Policy in order to reflect changing market conditions, the introduction of the Better Care Fund and increased Disabled Facilities Grant budgets which will give us an opportunity to take advantage of the flexibilities allowed under the Regulatory Reform Order (2002 Housing Renewal). It is expected that this policy will come to Cabinet for approval in March 2018.
- 3.6 The Council funds a small number of extensions to owner occupied homes in order to enable a disabled person to remain living independently at home. However, the costs have been capped at the mandatory £30k and home owners asked to make a contribution for any estimated costs above that limit.

- 3.7 The Home Improvement Agency is currently dealing with two cases where it is likely that the home owner would not be in a position to raise the additional sums. The shortfall in case A is in the region of £25k and in case B £15k. Details of the cases with the personal details of the clients removed are attached at Appendix B. In both cases the extension would enable the disabled occupant to continue to live in their home, access essential facilities and support carers.
- 3.8 With Disabled Facilities Grant now forming part of the Better Care Fund and with the considerable increase in funding it now makes sense to consider amounts in excess of £30k as part of a discretionary process to support people to live in their homes for as long as possible. The standard client means test will be applied to the mandatory grant in line with the current policy. The means test is not applied where the applicant is a child.
- 3.9 In order to proceed with works costing in excess of £30k the client or owner occupier is asked to raise sufficient funds to guarantee the excess costs including any potential unforeseen costs as a 20% contingency fund is built into the overall cost.
- 3.10 Where the client or the owner is either unable or reluctant to meet the additional costs, the Grants Panel will discuss whether a discretionary grant can be awarded in order to act in the best interests of the client and in consideration of the potential impact on the overall public purse. Failure to carry out an extension could result in increased risk of hospital admissions, additional care costs or rehousing to a higher care environment. Any recommendation by the Grants Panel would be subject to the final approval of the Divisional Director – Housing and Regeneration.
- 3.11 In most cases where this happens, the client or owner occupier is unable to raise the funds because they are asset rich and cash poor without an adequate income to support either the raising of a loan or remortgaging to raise the sums required. In order to protect the Council's interest the owner of the property will be required to agree that a Local Land Registry charge will be placed upon the property in the event of it being sold within 10 years of the completion of the works.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 This report seeks the approval of the Mayor to the extension of the current Private Sector Renewal Policy to enable discretionary Disabled Facilities Grants (DFG) to be made available to applicants where works costs exceed the statutory limit of £30,000 for mandatory DFG funding. Each application will be means tested and considered on an individual basis.
- 4.2 The previous DFG financing regime ended in 2014-15 when the Council's annual budget was £995,000, part funded by DCLG grant of £744,000. Due to demands on the mandatory grants budget which was usually oversubscribed

(see paragraph 3.2), the option to approve discretionary DFG payments was not included within the Private Sector Renewal Policy.

- 4.3 Since the integration of the DFG funding system with the Social Care capital grant element of the Better Care Fund (see paragraph 3.4), the capital budget for DFG for use by the Private Housing Improvement Team has significantly increased. For 2017-18, the approved capital estimate is £1.417 million, including resources of £160,000 that were carried forward from 2016-17. The remaining DFG allocation is used by Adult Services to meet other objectives within the Better Care Fund programme. This increased budget provides the opportunity to provide resources to fund discretionary DFGs, with the report anticipating that only a small number of applications will be received each year. These will be fully financed from within the DFG budget for 2017-18.
- 4.4 As set out in paragraph 3.10, the client's well-being and the possibility of enabling them to remain in their own home is the primary benefit of extending the policy, however it should also reduce reliance on other health and social care services with consequential savings to public funds.

## **5. LEGAL COMMENTS**

- 5.1 A Disabled Facilities Grant (DFG) is a mandatory grant awarded through the Council to help adapt properties to the needs of disabled persons. The maximum grant that can be awarded is £30,000. This is provided by the Housing Grants, Construction and Regeneration Act 1996.
- 5.2 The Care Act 2014 amended the National Health Service Act 2006 ('NHS Act 2006') to provide a legislative basis for the Better Care Fund (BCF). The Government provides funding to local authorities under the BCF to integrate local services and under that funding, there is a requirement that the BCF integrates the DFG. The Council can use the BCF innovatively through the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 ('2002 Order')
- 5.3 Article 3 of the 2002 Order provides that where housing conditions are found to require adaptation, repair or improvement, assistance may be provided by the Council. This would permit the Council to grant a DFG over £30,000.
- 5.4 The Council may not exercise the powers available under the 2002 Order unless it has adopted a policy for the provision of assistance, given notice of the policy and made it available to the public. The power to provide assistance must be exercised in accordance with the policy. The current Policy is the Private Sector Renewal Policy 2016 - 2018.
- 5.5 In order to provide assistance to persons who are entitled to a mandatory DFG but are seeking over £30,000 then it must amend its Private Sector Renewal Policy, specifically clause 4.1 as per the Report's recommendation. This change can be made pursuant to the 2002 Order.

- 5.6 The Private Sector Renewal Policy is not part of the Council's Budget and Policy Framework. The adoption of the Policy is an Executive function as is any amendment to the Policy. The Mayor in Cabinet therefore has the authority to agree the recommended change.
- 5.7 The BCF programme is governed by a formal agreement between the Council and the Tower Hamlets CCG under Section 75 of the NHS Act 2006. As stated in section 4.3 of the Finance comments, an amount of £1.47 million has been allocated to the DFG including a carry forward which can be used for the discretionary element of the DFG.
- 5.8 It is a condition of a DFG that the person occupies the property as their only or main residence. This is provided by means of an "occupier's certificate" supplied with the application. A breach of the conditions may mean that the grant has to be repaid. The grant condition period lasts for:
- 5 years - if the amount of grant assistance is £4,999 or less;
  - 10 years - if the amount of grant assistance is £5,000 or more.
- 5.9 If the grant amount is for a sum of £5,000 or over the Council may demand repayment of the part of the grant that exceeds £5,000, but may not demand an amount in excess of £10,000.
- 5.10 The 2002 Regulations provide that Assistance may be unconditional or subject to conditions, including conditions as to the repayment of the assistance or of its value (in whole or in part). This can include a condition as to 10 years occupation/ownership and this could include a requirement that the recipient agrees to a "general financial charge" be registered on the Local Land Charges Register pursuant to the Local Land Charges Act 1975 and the Local Land Charges Rules 1977
- 5.11 The Council has a duty under Section 3 of the Local Government Act 1999 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 best value duty). Awards of these grants are subject to eligibility criteria which seek to assist vulnerable persons in housing in disrepair. By doing so the need for other Council services or support is likely to be reduced.
- 5.12 When exercising its functions under this legislation by making decisions about grants the Council must comply with section 149 of the Equality Act 2010 in that it must have due regard to the need to eliminate unlawful conduct under the Act, advance equality of opportunity and foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). The Private Sector Renewal Policy is designed to provide for those who are elderly or who have disabilities and in doing so it seeks to advance equality of opportunity for persons with those protected characteristic.



## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The award of discretionary Disabled Facilities Grant will further enable the Council to assist disabled resident to continue to live independently in their homes and communities.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 The needs of all clients who apply for Disabled Facilities Grants are considered by both Occupational Therapist and surveyors from the Home Improvement Agency. Recommendations for appropriate adaptations take into account the key objective of assisting the client to live independently at home as well achieving best value for the public purse. The provision of a discretionary Disabled Facilities Grant is designed to ensure that this objective can be achieved. If the adaptation was not to go ahead in some cases it is possible that additional costs will be incurred as a result of an increased risk of hospital admissions, additional care costs or rehousing to a higher care environment.
- 7.2 By placing a conditional charge on the property the Council will protect its financial interests in the event of the property being sold with an uplift in value as a result of the extension being built.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 There are no implications with regard to Disabled Facilities Grant and for a sustainable action for a greener environment.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 By placing a conditional charge on the property the Council will protect its financial interests in the event of the property being sold with an uplift in value as a result of the extension being built.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 There are no implications with regard to Disabled Facilities Grant and with regard to crime and disorder.

## **11. SAFEGUARDING IMPLICATIONS**

- 11.1 There are no implications for Safeguarding with regard to introducing a Discretionary Disabled Facilities Grant.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

None

### **Appendices**

Appendix A – 2016 – 18 Housing Renewal Policy  
Appendix B – Anonymised summary of cases

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

None

### **Officer contact details for documents:**

Martin Ling  
Housing Strategy Manager

0207 364 0469

**London Borough of Tower Hamlets**

**Private Sector Housing Renewal Policy 2016 – 2018**

# **Private Sector Housing Renewal Policy 2016 - 2018**

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## Introduction and Budget

This policy sets out the Council's position on direct grant funding to owner occupiers and private sector landlords and tenants.

### 1. Statutory Duty

The Council has a duty under Part 1, Chapter 1, Section 3 of the Housing Act 2004 to review housing conditions in their district.

Where housing conditions are found to require improvement, assistance can be provided under the terms of Article 3 of the Regulatory Reform (Housing Assistance) Order 2002; however a local authority is also required to have adopted a Private Sector Renewal Policy. The Policy should set out how the Council is able to assist in improving the living conditions for residents who live in private sector housing within the Borough.

### 2. Proportion of housing stock

According to the council's private sector stock condition survey, the private rented housing sector is now the largest housing sector in the Borough and it is growing rapidly. The cost of owner-occupation and private renting is very high in the Borough. The table below details the tenure breakdown for the borough.

According to the 2011 census, the private rented housing sector is now the single largest housing tenure in the Borough and it is growing rapidly. The table below details the tenure breakdown in more detail.

		<b>Tower Hamlets</b>	<b>TH (%)</b>
	Total occupied households	101,257	
<b>Owned</b>	Total	26,935	26.6%
	Owned outright	8,648	
	Owned with a mortgage or loan	15,904	
	Shared ownership (part owned and part rented)	2,383	
<b>Social Rented</b>	Total	40,106	39.6%
	Rented from council (Local Authority)	17,548	
	Other social rented	22,558	

<b>Private rented</b>	Total	32,964	32.6%
	Private landlord or letting agency	31,227	
	Other	1,737	
	Living rent free	1,252	1.2%

It should be noted that the 2011 private sector stock condition survey suggested a higher figure and it is now thought that at around 40% of the stock is in the private rented sector.

### **3. Budget**

Tower Hamlets Private Sector Housing Renewal Policy is extremely restricted as targeted funding is not currently available from Central Government.

Empty Property Grants will be prioritised in this Policy as they provide a valuable source of accommodation in the Borough.

### **4. Scope of Grant Assistance**

The policy covers the following grant categories:

#### **4.1 Disabled Facilities Grants:**

##### **Owner-occupiers and Tenants**

The Council is committed to making Mandatory Disabled Facilities Grants available to all eligible owner-occupiers and private sector tenants so that they can remain living independently in their own homes. A disabled owner-occupier or tenant may apply for a Disabled Facilities Grant for a number of purposes which will primarily improve access and comfort. Full details are set out in Appendix 1.

Mandatory Disabled Facilities grants will continue to be available to eligible owner-occupiers and private sector tenants and the maximum mandatory Disabled Facilities Grant is £30,000.

These grants are means tested except for the benefit for a disabled child under the age of 18.

Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

## **Private Landlords and Registered Providers**

A private landlord or a Registered Provider may apply for a Disabled Facilities Grant on behalf of a disabled tenant, or potential tenant for a number of purposes which will primarily improve access and comfort. Full details are set out in Appendix 1.

The maximum mandatory Disabled Facilities Grant is currently £30,000. Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

Applications made by Registered Provider must also demonstrate that no other suitable accommodation is available to transfer the tenant to and that the tenant is not under-occupying the property.

Agreement was reached in 2014 with Registered Providers through the Tower Hamlets Housing Forum that they will fund 50% of Disabled Facilities Grant up to a maximum of £5,000 for their own tenants.

Further details on the Disabled Facilities Grant can be found in Appendix 1.

## **4.2 Home Repair Grants**

Small grants may be made available to eligible owner-occupiers to enable them to remain in their own homes safely and avoid minor accidents.

Home Repair Grants may be made available to owner-occupiers who are:

- over 60, or
- disabled or infirm, or the parent or carer of a disabled child and
- in receipt of an income related benefit or eligible tax credits.

These grants will be for the following types of works:

- Removal of category 1 Hazards

Home Repair Grants will only be available if the applicant has owned and lived at the property as their only main residence for at least 3 years. The Home Repair Grant will be limited to a maximum of £6,000 per applicant in any five year period.

The grant will not normally be available to part fund major works costing over £6,000. These grants are not repayable.

Further details on the Home Repair Grant can be found in Appendix 1

### **4.3 Empty Property Grants**

Empty Property Grants may be made available to owners of properties that have been empty for at least 6 months, who wish to refurbish, demolish and rebuild their property or to convert it into a number of units and make it available for letting. The Empty Property Grant can contribute to the cost of the works needed to bring the home up to the decent homes standard and incorporate works to make the home safe, secure and affordable to keep warm.

Only landlords who are accredited under the London Landlords' Accreditation Scheme (LLAS) will receive grants. The maximum amount of grant assistance would be dependent upon the size of the resultant units.

The owner of the empty property would be required to let out the property for a period of 3 to 5 years to families nominated by the Council at a rent level below the Local Housing Allowance. Agreement on the length of tenure will be subject to negotiation between the Council and the landlord with value for money for the public purse being the main consideration for the Council.

The grant will be repayable if the property is sold or transferred within a 5-year period, with interest.

Priority will be given to 2 bedroom homes and above that meet building regulations and Health and Housing Standards will be considered.

### **4.4 Other Assistance**

#### **Tower Hamlets Home Improvement Agency**

The Tower Hamlets Home Improvement Agency (THHIA) was set up in 1990 to assist elderly, disabled or low-income homeowners to apply for grants and now will also assist eligible Registered Providers in applying for DFGs for their tenants. The agency employs experienced surveyors who can act on behalf of vulnerable residents to supervise building works and also has advisors who can assist in the completion of application forms and other paperwork. This gives vulnerable residents the confidence to have building works carried out in their homes.

There is a charge for this service, 15% of the total net cost of the works, but this can be funded by the grant or the loan, leaving the applicant or Registered Provider with no up-front costs.

The agency maintains a list of approved contractors who provide value for money and guarantee a quality finish. Upon completion of the works the agency will retain a proportion of the money for six months to ensure that, should anything go wrong, the builder will return promptly to put the matter right.



The quality of the service provided to clients is regularly checked through the use of Customer Satisfaction Surveys with a simple multiple choice answer sheet or telephone survey checking not only the actions of the supervising officer but also the contractors performance, time keeping and general behavior.

### **Landlord Services**

The London Landlord Accreditation Scheme (LLAS) was formally launched at the London Landlords Day in July 2003, with considerable interest from landlords who attended the event. This organisation has now become the United Kingdom Landlord Accreditation Partnership (UKLAP)

Empty Property Grants are only available to UKLAP registered landlords

More information on the scheme can be found at [www.londonlandlords.org.uk](http://www.londonlandlords.org.uk)

## Appendix 1

### Private Sector Housing Renewal Policy (Draft, subject to Cabinet approval in 2016)

#### 1. Disabled Facilities Grants for owner-occupiers

A disabled owner-occupier may apply for a Disabled Facilities Grant for the following purposes:

- Facilitating access to and from the dwelling by the disabled occupant *for example widening doorways and installing ramps*
- Making the dwelling or building safe for the disabled occupant *for example* adapting a room in which it would be safe to leave a disabled person unattended or improved lighting to ensure better visibility
- Access to the principal family room by the disabled occupant
- Access to or providing a bedroom for the disabled occupant *for example installing a stairlift*
- Access to or providing a room containing a bath or shower for the disabled occupant or facilitating the use by the disabled occupant of such a facility *for example providing a level access shower*
- Access to or providing a room containing a WC for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Access to or providing a room containing a wash hand basin for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Facilitating the preparation and cooking of food by the disabled person
- Improving or providing a heating system for the disabled person
- Facilitating the use of power, light or heat by the disabled person by altering same or providing additional means of control *for example lowering light switches or raising plug sockets*
- Facilitating access and movement around the dwelling to enable a disabled person to care for someone *for example a spouse or child*
- Facilitating access to an existing garden where feasible.

The disabled person (unless a child under the age of 18) and any partner are means tested to determine the amount of their contribution towards the cost of the work.

The maximum mandatory Disabled Facilities Grant is currently £30,000.

Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

## 2. Disabled Facilities Grants for tenants

A disabled private tenant or RSL tenant may apply for a Disabled Facilities Grant for the following purposes:

- Facilitating access to and from the dwelling by the disabled occupant *for example widening doorways and installing ramps*
- Making the dwelling or building safe for the disabled occupant *for example* adapting a room in which it would be safe to leave a disabled person unattended or improved lighting to ensure better visibility
- Access to the principal family room by the disabled occupant
- Access to or providing a bedroom for the disabled occupant *for example installing a stairlift*
- Access to or providing a room containing a bath or shower for the disabled occupant or facilitating the use by the disabled occupant of such a facility *for example providing a level access shower*
- Access to or providing a room containing a WC for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Access to or providing a room containing a wash hand basin for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Facilitating the preparation and cooking of food by the disabled person
- Improving or providing a heating system for the disabled person
- Facilitating the use of power, light or heat by the disabled person by altering same or providing additional means of control *for example lowering light switches or raising plug sockets*
- Facilitating access and movement around the dwelling to enable a disabled person to care for someone *for example a spouse or child*
- Facilitating access to an existing garden where feasible

Where the application is a tenant's application, the disabled person (unless a child under the age of 18) and any partner are means tested to determine the amount of their contribution towards the cost of the work.

The maximum mandatory Disabled Facilities Grant is currently £30,000

Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

Tenants of Tower Hamlets Homes are able to apply for Disabled Facilities Grants but a more streamlined process has been developed between the Occupational Therapist and Tower Hamlets Homes.

## 3. Disabled Facilities Grants for landlords

A private landlord or Registered Provider may apply for a Disabled Facilities Grant on behalf of a disabled tenant, or potential tenant for the following purposes:

- Facilitating access to and from the dwelling by the disabled occupant *for example widening doorways and installing ramps*
- Making the dwelling or building safe for the disabled occupant *for example* adapting a room in which it would be safe to leave a disabled person unattended or improved lighting to ensure better visibility
- Access to the principal family room by the disabled occupant
- Access to or providing a bedroom for the disabled occupant *for example installing a stairlift*
- Access to or providing a room containing a bath or shower for the disabled occupant or facilitating the use by the disabled occupant of such a facility *for example providing a level access shower*
- Access to or providing a room containing a WC for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Access to or providing a room containing a wash hand basin for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Facilitating the preparation and cooking of food by the disabled person
- Improving or providing a heating system for the disabled person
- Facilitating the use of power, light or heat by the disabled person by altering same or providing additional means of control *for example lowering light switches or raising plug sockets*
- Facilitating access and movement around the dwelling to enable a disabled person to care for someone *for example a spouse or child*
- Facilitating access to an existing garden where feasible

The maximum mandatory Disabled Facilities Grant is currently £30,000.

Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

Applications made by Registered Providers must also demonstrate that no other suitable accommodation is available to transfer the tenant to and that the tenant is not under-occupying the property.

Agreement was reached in 2014 with Registered Providers through the Tower Hamlets Housing Forum that they will fund 50% of Disabled Facilities Grant up to a maximum of £5000 for their own tenants.

#### **4. Home Repair Grants for owner-occupiers**

To qualify for a Home Repair Grant (HRG) an applicant must:-

- Be over 60 years of age on the date of the application, or
- Be disabled or infirm, or the parent or carer of a disabled child, and
- Be on an income-related benefit or tax credits (see table below).

In addition the applicant must:-

- Be aged 18 or over on the date of application
- Live in the dwelling as their only main residence
- Have the power or duty to carry out the works (with the appropriate consents)
- Be an owner-occupier who occupies the dwelling as their only main residence.

The types of works that can be grant aided are:-

- Removal of Category 1 Hazards

Applications for minor repairs and improvements will only be considered where the applicant has owned the dwelling for the last three years. The grant will not normally be available to part fund major works costing over £6,000. The Home Repair Grant will be limited to a maximum of £6,000 per applicant in any five year period.

Applications for minor adaptations for works to enable a disabled child to be cared for in their own home will be accepted from the parents or carer of that disabled child.

All grant eligible works must be completed within 4 months of the date of the grant approval.

<b>Income related benefits and tax credits</b>
Income Support
Income Support Mortgage Interest
Housing Benefit
Council Tax Benefit
Council Tax and Disability Premium
Child Tax Credit and/or Working Tax Credit
Income Based Job Seekers Allowance
Income Based Employment and Support Allowance
Attendance Allowance
Disability Living Allowance
Industrial Injuries Disablement Benefit and Constant Care Allowance
War Disablement Pension and Constant Care Allowance
Pension Credit
Households in receipt of either working tax credit which includes a disability element or child tax credit providing the person entitled to the tax credit has a relevant income of less than £15,050.00 as defined for the purposes of determining eligibility for the tax credit.

**PLEASE NOTE THIS TABLE WILL BE SUBJECT TO REVISION WHEN UNIVERSAL CREDIT IS INTRODUCED IN TOWER HAMLETS**

## 5. Empty Property Grants

Empty Property Grants (EPGs) may be made available to owners of properties that have been empty for at least 6 months including Registered Providers if:

- They own the freehold or a lease with a least 10 years remaining on the dwelling
- They are an individual, a partnership or a Company registered in the United Kingdom
- They intend to make the property available for letting for a period of between 3 and 5 years after the completion of the works, to families nominated by the Council
- They are accredited under the United Kingdom Landlord Accreditation Partnership (formally London Landlord Accreditation Scheme).

The Empty Property Grant could cover the works needed to bring the home up to the decent homes standard (including demolition and re-building) and incorporate works to make the home safe, secure and affordable to keep warm.

The maximum amount of grant assistance would be dependent upon the size of the resultant units and the status of the landlord.

Type of Accommodation	Maximum Grant
One bedroom flat	£20,000
Two bedroom flat or house	£25,000
Three bedroom flat or house	£30,000

The owner of the empty property will be required to let out the property for a period of 5 years on completion of the works, to families nominated by the Council at a rental level that is below the Local Housing Allowance.

The conditions of this grant are that for the period of 5 years following the payment of an Empty Property Grant the landlord must provide the Council annually with the following documents:

- A certificate for the safety of any gas appliances
- A certificate of safety for the automatic fire detection system
- A certificate for adequate buildings insurance
- A copy of the Tenancy Agreement

All grant eligible works must be completed within 12 months of the date of the grant approval.

To protect the Councils position the landlord would be required to enter into a deed of covenant and a restriction would be registered against the landlord's title at the land registry, or in the case of unregistered land a caution would be registered.

If any of these conditions are breached then the grant will become repayable with interest in line with standard Council terms.

## **6.0 General Grant Entitlement, Conditions and Definitions**

The requirements in this section relates to all discretionary grants.

### **7.1 Eligibility**

- Home Repairs Grant will not be available for Mobile homes or houseboats
- Grant aid will not normally be made available to 'persons from abroad'
- Grant aid will not normally be made to non UK registered companies
- No grant eligible work is to start before approval of the grant, unless written consent is given in writing by the council
- The works must be carried out by a contractor whose estimate formed part of the original grant application
- The ownership details of the applicant must be confirmed by Land Registry records, a lease or tenancy agreement.
- Works that are eligible for funding through an insurance claim will not be grant aided.
- Where the receipt of an income related benefit or tax credits makes an owner eligible for consideration for Home Repairs Grant, this will apply to all owners of the property regardless of main place of residence.

### **7.2 Amount of grant**

- All discretionary grants are subject to the availability of funding
- Reasonable fees for architects, surveyors, engineers and advisors will be included within the amount of grant, where applicable.

### 7.3 Council's Obligations

- To provide advice about the extent and nature of the owner's financial and other obligations, through a third party if appropriate
- To have regard to the applicants ability to afford any contribution to the grant or repayment of the grant
- To list the conditions of the grant aid with the notification of the approval of the grant.

### 7.4 Payments

- Interim grant payments will be available at the discretion of the Council and on receipt of an acceptable invoice or supervising officer's valuation certificate.
- Final payments will only be paid upon submission of the Final Accounts and all Certificates and Guarantees. Certificates to be provides for all gas and electrical installations and guarantees for all damp proofing, dry rot and roofing works. Building Control certificates are to be provided where Building Regulations Approval was required
- All grant eligible works must be completed within the stated period from the date of the grant approval.
- Payment will be made to the applicant unless otherwise specified in writing, however, for DFG and HRGs we will usually pay the contractor direct.

### 7.5 Conditions

See individual grants.

### 7.6 Definitions

**Owner-occupier** means the person who, as an owner, occupies the dwelling-house as their main residence.

**Owner** means in relation to any dwelling, means:

- an estate in fee simple absolute in possession, or
- a term of years, under a long tenancy of more than 21 years absolute, of which not less than five years remain unexpired at the date of the application, whether held by the applicant alone or jointly with others



**Landlord** means a person who is the owner of a dwelling which is let to a tenant either as a periodic tenancy or a fixed term tenancy in exchange for rent.

**Private Tenant** means a tenant whose landlord is not a local authority or Registered Provider or other public body.

**Tenant** means a person who occupies a dwelling which is let either as a periodic tenancy or a fixed term tenancy and pays rent to a landlord.

**Dwelling** means a building or part of a building occupied or intended to be occupied as a separate dwelling for habitable purposes, together with any yard, garden, outhouses and appurtenances belonging to it or usually enjoyed with it.

**Infirm** means not physically or mentally strong through age or illness

**Disabled** has the meaning set out in section 100 of the Housing Grants, Construction and Regeneration Act 1996

**Vulnerable households** are defined as people on the qualifying benefits listed in the table below:-

<b>Income related benefits and tax credits</b>
Income Support
Income Support Mortgage Interest
Housing Benefit
Council Tax Benefit
Council Tax and Disability Premium
Child Tax Credit and/or Working Tax Credit
Income Based Job Seekers Allowance
Income Based Employment and Support Allowance
Attendance Allowance
Disability Living Allowance
Industrial Injuries Disablement Benefit and Constant Care Allowance
War Disablement Pension and Constant Care Allowance
Pension Credit
Households in receipt of either working tax credit which includes a disability element or child tax credit providing the person entitled to the tax credit has a relevant income of less than £15,050.00 as defined for the purposes of determining eligibility for the tax credit.
<b>PLEASE NOTE THIS TABLE WILL BE SUBJECT TO REVISION WHEN UNIVERSAL CREDIT IS INTRODUCED IN TOWER HAMLETS</b>

**Person from Abroad** means that the person should be habitually resident in the Common Travel Area i.e. the UK, Republic of Ireland, the Channel Islands and the Isle of Man.

## Appendix 2

### Applications, Determinations, Appeals and Complaints

#### 1. Applications

All applications for grants, loans and other forms of assistance must be made on the relevant application form. These forms are available from:

#### **The Private Housing Improvement Team**

London Borough of Tower Hamlets  
Mulberry Place (Clove Crescent)  
London  
E14 2BG

or they can be downloaded from the Council's website at

**[www.towerhamlets.gov.uk](http://www.towerhamlets.gov.uk)**

Assistance is available in translation of the application forms into the main community languages.

In the case of an Empty Property Grant the grant application must include:

- A fully completed and signed application form
- Two itemised and quantified estimates for all the works required to bring the property up to the up to the decent homes standard and for works to make the home safe, secure and affordable to keep warm.
- Particulars of any preliminary or ancillary services and charges
- Proof of ownership
- Particulars of all relevant Building Control and Planning applications and consents

In the case of a Landlords' Improvement Grant the grant application must include:

- A fully completed and signed application form
- Two itemised and quantified estimates for all the works required to bring the property up to the up to the decent homes standard and for works to make the home safe, secure and affordable to keep warm.
- Particulars of any preliminary or ancillary services and charges
- Proof of ownership

- Particulars of all relevant Building Control and Planning applications and consents

In the case of Home Repair Grants the application must include:

- A fully completed and signed application form
- Two itemised and quantified estimates for all the works required
- Particulars of any preliminary or ancillary services and charges
- Proof of ownership
- Particulars of all relevant Building Control and Planning applications and consents

## **2. Determination**

The Grants Panel will consider all applications for grants and assistance. This Panel will meet on a fortnightly basis and make recommendations to the delegated officer as to how the application should be determined. All grants are subject to budget availability.

Full applications for all types of Home Repair Grants will normally be determined within 20 working days from the date of application.

Full applications for Landlords' Improvement Grants will normally be determined within 40 working days from the date of application.

Full applications for Empty Property Grants will normally be determined within 40 working days from the date of application.

All notifications of decisions will be made in writing to the applicant.

## **3. Appeals**

Appeals about how this Policy Framework is implemented in individual cases, for example where an application for assistance is refused, will be considered by the Service Head– Housing Options

Any appeal must be made within 28 days of the applicant being made aware of the Council's decision.

Appeals must be set out in writing and sent to

**Service Head– Housing Options**  
 London Borough of Tower Hamlets  
 Mulberry Place (Clove Crescent)  
 London  
 E14 2BG

The appeal submission must include the specific grounds on which the appeal is based. Appeals will only be considered on the following grounds:

- That the policy has not been applied correctly, or
- That the case in question is exceptional in some way that justifies an exception to the policy.

Appeals will not be considered on the grounds that the appellant simply disagrees with the policy. However, any written comments and complaints about the Policy Framework will also be considered as described below.

A written response to an appeal will be given within 28 days. If the Service Head believes that the case is exceptional, or at least merits further consideration, it will be referred to the Corporate Director of Development and Renewal along with recommendations and options where appropriate. The Corporate Director of Development and Renewal, in consultation with the Lead Member for Housing may then authorise a grant or other assistance as an exception to the general policy.

#### **4. Complaints**

Tower Hamlets strives to provide good quality services for everyone. So we take complaints seriously because they highlight the problems with our services and what we should do to improve things.

We hope to be able to settle your complaint quickly and informally at your first point of contact. Where this is not possible, the rest of this section explains our three-stage complaint procedure.

You can get leaflets and complaints forms explaining this procedure from your nearest One Stop Shop, Tower Hamlets Town Hall, IDEA Stores and libraries.

Anyone who is receiving a service from the council can make a complaint. You can complain about not being treated fairly or properly, or if we have not done what we promised in the right time and to the right standard.

##### **Stage 1**

It is best to discuss the problem with the staff concerned or their manager. This should be the fastest and most effective way to resolve your problem.

##### **Stage 2**

Make a formal complaint, preferably in writing. You can get a form from council offices, Tower Hamlets Town Hall and libraries. Once you have filled it in, you can hand it in at any council reception point. If you find it difficult to fill in a form, please

ask for help from your most convenient council office. You may also complain by telephone.

### Stage 3

If you are not satisfied with the written response to your complaint at Stage 2, you may appeal to the Head of Paid Service, who will begin an independent review. You must appeal in writing to the Head of Paid Service, Mulberry Place, 5 Clove Crescent, London E14 2BG within 20 days of the Stage 2 reply.

At Stage 2 and 3, we make a commitment to acknowledge your complaint within two working days and reply within 20 working days. We will advise you if we cannot complete the investigation within this time and explain why.

### Appendix 3 - Scheme of Delegation

<b>Decision</b>	<b>Level of Authority</b>
Major Changes to Private Sector Renewal Policy	Mayor in Cabinet
Capital Budget allocation	Mayor in Cabinet
Minor modifications to Private Sector Renewal Policy	Corporate Director of Development and Renewal and the Lead Member for Housing
Exceptions to the Private Sector Renewal Policy based on the criteria set out in the Policy Framework	Corporate Director of Development and Renewal and the Lead Member for Housing
Waiver of grant conditions	Head of Service – Development & Renewal
Approval of Grants up to £6,000	Housing Strategy Manager
Approval of Grants from £6,000 to £30,000	Section Head - Private Sector and Affordable Housing Manager
Extension of period of grant availability	Section Head - Private Sector and Affordable Housing Manager
Decision to Compulsory Purchase an empty property	Mayor in Cabinet







## London Borough of Tower Hamlets

### Amendment to Private Sector Renewal Policy 2016 – 2018

Cabinet – 28/11/2017

#### Appendix B – Anonymised summary of cases

##### Case A

The adaptation is the erection of a single storey extension to the home of Mrs A who can be then better cared for by family members. This work is supported by the OT service who decided following joint visits with the PHIT team that was the only way of creating access to washing facilities. The extension will comprise a bedroom and showering area. 3 Home Improvement Agency contractors were invited to quote for the work and the lowest tender submission was £ 39,426.

Build cost of extension with bedroom and showering area	39,426
Home Improvement Agency A fees @ 15%	5,913
Vat on Fees	1, 182
Total Works and Fees	46, 521
20% Contingency on works and fees	9,304
Total Initial Grant	£55,825

##### Case B

The adaptations needed are the erection of a single storey extension including a bathroom that will take up some of the living room space and bedroom so that the client, child B, can be looked after properly by carers and family members. This was the only feasible solution for providing this adaptation for child B following joint visits by the OT service and the PHIT team. 3 Home Improvement Agency contractors were invited to quote for the work and the lowest tender submission was £ £39,426.70. £31,997.00. The costs involved are;

Build cost of extension with bedroom and showering area	31997
Home Improvement Agency A fees @ 15%	4799
Vat on Fees	959
Total Works and Fees	37,755
20% Contingency on works and fees	7551
Total Initial Grant	£45,106

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<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Will Tuckley, Chief Executive Officer</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Cohesion Scrutiny Challenge Report Action Plan</b></p>	

<b>Lead Member</b>	<b>Councillor Asma Begum Cabinet Member for Community Safety</b>
<b>Originating Officer(s)</b>	Afazul Hoque, Interim Service Manager Strategy, Policy & Performance & Emily Fieran-Reed, Service Manager Community Engagement, Cohesion & Commissioning
<b>Wards affected</b>	All Wards
<b>Key Decision?</b>	No
<b>Community Plan Themes</b>	A Safe & Cohesive Community

## Executive Summary

This report submits *A More Cohesive Borough: A Scrutiny Challenge Report*, by the Overview and Scrutiny Committee (OSC), and an action plan for implementation. The Scrutiny Challenge Session is an initial discussion on elements of the Casey Report. As detailed in the action plan, the Council will develop a more comprehensive Cohesion Strategy responding to the Casey Report more widely following publication of the Government’s response to the Casey Review.

## Recommendations:

The Mayor in Cabinet is recommended to:

1. Consider this report of the OSC, and agree to the action plan in response to the report’s recommendations.

## 1. REASONS FOR THE DECISIONS

- 1.1 The Council’s constitution requires the Executive to respond to recommendations from the OSC. The action plan within this report outlines the Executive response to the six recommendations arising from the review.

## **2. ALTERNATIVE OPTIONS**

- 2.1 Cabinet may decide not to agree the action plan. This is not recommended as the report outlines work undertaken by Councillors, officers and external partners to identify areas of improvement and the Council's response which identifies actions it will take to implement these recommendations.

## **3. DETAILS OF REPORT**

- 3.1 This report submits the report and recommendations of the scrutiny review of a more cohesive borough, undertaken by the OSC, and the action plan responding to the recommendations.
- 3.2 Tower Hamlets has always had a rich history of diversity, with over 130 languages spoken in our schools. However modern day challenges, including the increase in terrorism and hate crime, mean it is imperative that the community is less divided and more cohesive.
- 3.3 In 2015, Dame Louise Casey was asked to undertake a major review of integration in Britain to consider what could be done to boost opportunity and integration in our most isolated and deprived communities. In 2016, the Casey Review into opportunity and integration was published. As part of this work programme for 2016/17, the Scrutiny Lead for Governance agreed to hold a challenge session as an initial discussion on elements of the Casey Report. As detailed in the action plan, the Council will develop a more comprehensive Cohesion Strategy responding to the Casey Report more widely following publication of the Government's response to the Casey Review
- 3.4 This scrutiny challenge session looked at:
- The definition of community cohesion;
  - National reviews related to cohesion;
  - The key findings from the Casey Review and to establish to what extent those findings were prevalent in Tower Hamlets by considering and comparing factual and statistical evidence;
  - The Council's Cohesion Programme which included a prima facie review of existing projects and funding;
  - The Council's approach to grants and the associated impact on improving cohesion outcomes;
  - Language as driver of cohesion, including a consideration of the effectiveness of English for Speakers of Other Languages (ESOL) provision;
  - The impact of council policies on cohesion such as the school admissions, housing and planning policies;
  - A consideration of the social and economic data and trends and the consequential impact on the gentrification of the borough; and

- The context of the Equalities Act 2010 and the Public Sector Equalities Duty on the Council to foster good relations between people and the Council's leadership role on cohesion.
- 3.5 The report with recommendations is attached as Appendix 1. There are six recommendations arising from the challenge session held on April 12<sup>th</sup> 2017. It is useful to note that the report reflects the discussion from a two hour challenge session. The report recognises the limited amount of time that was available to cover such a wide ranging topic as cohesion. The report therefore focusses on the particular aspects of cohesion that the challenge session felt was important for Tower Hamlets. A recommendation has been made to consider setting up a taskforce that looks at cohesion in more detail to address this.
- 3.6 The report also highlights that the Council is leading on best practice in this area, as an example its role and involvement with London Councils to help develop the future approaches is noted and recognised. The report also recognises the range and scale of projects being undertaken by the Council, addressing cohesion in Tower hamlets. The report makes recommendations which aim to further enhance cohesion outcomes for the borough.
- 3.7 Findings from the challenge session discussion, which included qualitative evidence from professionals both internally and external to the Council and Councillors' practical experience in the field, have been supplemented by additional secondary sources. These include review of population statistics and trends, ward data, as well as consideration of the impact of legislation and findings from national reviews. The recommendations arising from this range of evidence sources are outlined below:

**Recommendation 1:** The Council develops an approach and action plan to: mainstream cohesion across Council services and activities, explore external funding opportunities and develop a robust evaluation, review and reporting process for all cohesion activities and initiatives

**Recommendation 2:** Idea Store Learning should explore a common assessment process between internal and external providers of ESOL in the borough to ensure appropriate analysis of user needs and better matching to course places.

**Recommendation 3:** The Council should commission more projects which tackle isolation and encourage strong positive relations and friendship between different groups in the borough.

**Recommendation 4:** The Council reviews the Grant and Commissioning Policies to ensure that there is a stronger focus on cohesion.

**Recommendation 5:** Explore how leadership on cohesion can be developed by the Council through the delivery of specialised training for Councillors, senior officers and community leaders.

**Recommendation 6:** Explore setting up a taskforce to consider the impact of gentrification on cohesion in the borough.

- 3.8 A comprehensive action plan has been developed (Appendix 2) responding to the six recommendations set out in the scrutiny challenge session report in Appendix 1, this includes a number of actions the relevant services have agreed to undertake to meet the recommendations.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 The Council's constitution requires the Executive to respond to recommendations from the OSC. The action plan within this report outlines the Executive response to the six recommendations arising from the review. This report seeks agreement to develop an action plan to address the issues identified.
- 4.2 There are no direct financial implications arising from this report, however, if the development of the action plan results in the need for additional financial resources, officer will be obliged to seek appropriate approval through the Councils financial approval process.

#### **5. LEGAL COMMENTS**

- 5.1 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. The Committee may also make reports and recommendations to Council or the Executive in connection with the discharge of any functions for them to consider.
- 5.2 The report makes 6 specific recommendations following the scrutiny review in respect of a more cohesive borough and all these recommendations are capable of being undertaken within the Council's powers. The proposed Action Plan has been produced in response to the report's recommendation and all these actions are capable of being undertaken within the Council's powers. There are therefore no direct legal implications arising from this report.
- 5.3 When considering its approach to this 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. Information relevant to this is contained in the One Tower Hamlets section below.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 This challenge session report carries out an assessment of cohesion in the borough and makes a set of recommendations for the Council and its VCS partners to enhance cohesion. The Council and its partners are under a public sector equalities duty to foster good relations between those with a protected characteristics and the wider community. This report makes a number of recommendations which ensure that the Council achieves a number of positive cohesion related outcomes. The recommendations seek collaborative working across the organisation, with local partners, stakeholders and residents which ensure and foster good relations between residents from different backgrounds.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 The recommendations in this report are made as part of the OSC's role in helping to secure continuous improvement for the council, as required under its Best Value duty. The Action Plan details the actions Council services will take to implement the recommendations outlined in Appendix 1, thereby demonstrating continuous improvement and compliance with the Council's Best Value Duty.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 There are no direct greener environment implications arising from the report or recommendations.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 There are no direct risk management implications arising from the report or recommendations.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 The report considers recommendations which enhance cohesion in the borough which support efforts to foster good relations between people of different backgrounds in the community, as well as those with a protected characteristic and those with not, thereby having a positive impact on reducing hate crime in the borough.

## **11. SAFEGUARDING IMPLICATIONS**

- 11.1 There are no direct safeguarding implications arising from this report. The development of the Council's approach to cohesion as detailed in the action plan will consider safeguarding implications particularly to radicalisation. Also work with Public Health and Adults Services on tackling social isolation will support keeping vulnerable residents safe.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- None

### **Appendices**

- Appendix 1 – *A More Cohesive Borough: A Scrutiny Challenge Report*
- Appendix 2 – Cohesion Scrutiny Challenge Session Action Plan

### **Officer contact details for documents:**

- N/A



# A More Cohesive Borough: A Scrutiny Challenge Report



June 2017



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## The Chair's Foreword

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The London Borough of Tower Hamlets has always had a rich history of diversity, with over a 130 languages spoken in our schools. We have always been a welcoming borough, for hundreds of years new communities have settled in Tower Hamlets because of the opportunities available here. Our Council has always reflected the ethos of diversity and inclusion in its work.

However modern day challenges do exist with an increase in terrorism and hate crime, it is now more important than ever that our community is less divided and more cohesive. The Casey Review made a number of suggestions to help foster a better relationship between different groups, to promote the mixing of different groups, this report takes that into account. On the other hand, the borough has challenges that were not addressed in the report such as the fast pace of development and its impact on segregation and exclusion of the settled communities.

There is an opportunity to take a more holistic approach to how cohesion work is carried out in the future. This report has tried to provide the initial impetus for this work. The Council has a strong track record on tackling inequality and has made good progress even though those challenges still continue today. We need to make a distinction between cohesion and equalities, the former is focused on people of different backgrounds interacting with each other and the latter on specific protected characteristics. Under the Equalities Act 2010 the Council and its partner service providers have a responsibility to foster good relations between people and improve cohesion in the borough. Whilst the latter may have a positive impact on cohesion there is a need to have a stronger focus on cohesion especially at this time.

With limited resources we need to be assured that cohesion is being delivered in the right way to achieve positive outcomes for all. Within the context of this report as a community leader I have been thinking about how we can develop strong leadership focused on cohesion with Members, senior officers, and community leaders to ensure that as leaders we understand its importance and are promoting the right messages.

I am grateful to the challenge session members for their passion, time, energy, thoughts, and insights which really drove our discussion and were instrumental in producing this valuable report.

Councillor Muhammad Ansar Mustaqim  
**Scrutiny Lead, Governance**

## Summary of Recommendations

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**Recommendation 1:** The Council develops an approach and action plan to: mainstream cohesion across Council services and activities, explore external funding opportunities and develop a robust evaluation, review and reporting process for all cohesion activities and initiatives.

**Recommendation 2:** Idea Store Learning to explore a common assessment process between internal and external providers of ESOL in the borough to ensure appropriate analysis of user needs and better matching to course places.

**Recommendation 3:** The Council should commission more projects which tackle isolation and encourage strong positive relations and friendship between different groups in the borough.

**Recommendation 4:** The Council reviews the grant and commissioning policies to ensure that there is a stronger focus on cohesion.

**Recommendation 5:** Explore how leadership on cohesion can be developed by the Council through the delivery of specialised training for councillors, senior officers and community leaders.

**Recommendation 6:** Explore setting up a taskforce to consider the impact of gentrification on cohesion in the borough.

## 1. Introduction and Rationale

### The reason for the challenge session

- 1.1 Dame Louise Casey was asked to undertake a major review of integration in Britain to consider what could be done to boost opportunity and integration in our most isolated and deprived communities. The Scrutiny Lead for Governance as part of his work programme for 2016/17 agreed to hold a challenge session to consider the implications of the Casey Review in the borough.
- 1.2 This challenge session offered the opportunity to review the work that the Council and its partners have undertaken/commissioned to deliver improved cohesion outcomes and to understand the impact of this work. Members wanted to understand what the important issues are related to cohesion in the borough and what can be done further to enhance cohesion. The findings and recommendations from the session have been conveyed in this report.

### The challenge session panel membership

- 1.3 The following Members and officers attended the challenge session held on 12<sup>th</sup> April 2017:

Name	Title	Organisation
Councillor Muhammad Mustaquim	Chair, Cllr Independent Group, St Peter's ward	LBTH
Councillor Shiria Khatun	Cabinet Member for Community Safety & Cohesion	LBTH
Councillor Amina Ali	Cllr, Labour, Bow East	LBTH
Fokrul Hoque	Chair	Safer Neighbourhood Board
Gemma Cossins	Acting CEO	THVCS
Sadia Ahmed	Deputy Young Mayor	LBTH
Emily Fieranreed	Cohesion, Community Engagement & Commissioning Manager	LBTH, Strategy, Policy & Partnership
Gulam Hussain	Senior Strategy, Policy & Performance Officer	LBTH, Strategy, Policy & Partnership
Iqbal Raakin	Strategy, Policy & Performance Officer	LBTH, Strategy, Policy & Partnership
Muhibul Hoque	Strategy, Policy & Performance Officer	LBTH, Strategy, Policy & Partnership
Simon Leveaux	Deputy Head of Idea Store Learning	Idea Store Learning, LBTH
Leanne Chandler	Skills for Life Manager	Idea Store Learning
Paul Jordan	Prevent Co-ordinator	Community Safety, LBTH

## 2. The National & Legislative Context

## **The Definition of Community Cohesion**

2.1. Community cohesion has been defined by the government as going beyond race equality and social inclusion. A cohesive community is where: there is a common vision and sense of belonging by all communities; the diversity of people's backgrounds and circumstances is appreciated and valued; similar life opportunities are available to all; and a society in which strong and positive relationships exist and continue to be developed in the workplace, in schools and in the wider community.<sup>1</sup>

## **National Reviews Related to Cohesion**

### *The Cantle Report (2001)*

2.2. In the wake of a series of race riots in 2001 in Bradford, Burnley, Leeds and Oldham the then Home Secretary, David Blunkett commissioned Professor Ted Cantle to deliver the Cantle Report (2001) which discussed segregation and integration in these communities.. He found that the communities in each of these areas were so segregated and polarised that residents led 'parallel lives'. He also noted that mutual ignorance of inward-facing communities can easily turn to fear of one another and then violence.

### *The All Party Parliamentary Group (APPG) on Social Integration Report (August 2016)*

2.3. The APPG on Social Integration Chaired by Chuka Umunna MP also considered these issues and published an interim report in August 2016 (final report to be published in July 2017) which considered how the UK's immigration system could more effectively promote integration. The report partly reflected similar points made by the Casey Review but it also saw integration as a two-way street (i.e. the responsibility for integration sits with the host community as well as newcomers).

### *The Casey Review (December 2016)*

2.4. The Casey Review considered which actions were required to boost opportunity and integration in our most isolated and deprived communities. The review was published by the Department for Communities and Local Government (DCLG) in December 2016.

2.5. In summary the report identified a number of challenges to integration including:

- Net migration figures rising continuously;

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<sup>1</sup> This definition is based on the Government and the Local Government Association's definition first published in *Guidance on Community Cohesion, LGA, 2002* and resulting from the *Cantle Report in 2001*.

- Ethnic groups being dispersed in some areas whilst also being concentrated and segregated from other groups in other areas across the UK, leading to a lack of diversity in schools and wards;
- Lack of English language aptitude amongst specific ethnic groups constraining social and economic integration and worsening inequalities particularly for ethnic minority women.

2.6. The findings of the Casey Review<sup>2</sup> focused particularly on Bangladeshi and Pakistani communities, and set up a dichotomy between Bangladeshi and Pakistani communities against other communities such as African and White British. The report focused on northern towns and cities such as: Blackburn, Bradford, Burnley, and Birmingham. The review concluded that segregation exists where high proportion of ethnic minority groups are concentrated in particular wards; to improve social and economic integration it suggested that more social mixing of groups is required.

2.7. It linked segregation to economic exclusion, so for example the report linked a high concentration of ethnic minority population to social economic exclusion such as unemployment, lack of disposable income and discrimination towards women and it noted the cultural barriers which were the drivers of this.

2.8. In terms of recommendations the report suggested:

- Building community resilience by empowering marginalised women and promoting social mixing
- And putting greater emphasis on 'British' values

2.9. The report further suggested that approaches to reducing economic, inequalities, segregation and social exclusion should include;

- Increasing integration in schools;
- Having more English for Speakers of Other Languages (ESOL) provision;
- Overcoming cultural barriers to employment
- Amending housing and regeneration policies;
- Providing better leadership and integrity in public office.

2.10. The government was due to publish a response to the Casey Review in Spring 2017 and had indicated that there will be an integration plan to address the recommendations in the report however no response has been forthcoming and it is unclear when this is likely to be.

### **The Legislative Context**

2.11. Under the Equalities Act 2010<sup>3</sup> there is a Public Sector Equalities Duty (PSED). This duty requires the Council and its partner providers to evidence 'due regard'. This means that the Council has to consider how they can

<sup>2</sup> <https://www.gov.uk/government/publications/the-casey-review-a-review-into-opportunity-and-integration>

<sup>3</sup> <http://www.legislation.gov.uk/ukpga/2010/15/section/149>

positively contribute to the advancement of equality by eliminating discrimination and fostering good relations between those with protected characteristics and those with not, thereby having a positive impact on cohesion. Protected characteristics include: age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage, civil partnership, pregnancy and maternity. The duty requires equality considerations to be reflected into the design of policies and the delivery of services, including internal policies, and for these issues to be kept under review.

### **3. The Regional Context**

- 3.1. At the 'Social Integration Event' organised by London Councils on 6th April 2017 a number of key London local authorities such as Westminster, Hackney, Lambeth and Tower Hamlets engaged on emerging regional and national priorities and shared best practice taking place regionally on cohesion.
- 3.2. At this event Matthew Ryder, the Deputy Mayor for Social Integration at the Greater London Authority (GLA) referred to work he is leading on in developing an integration strategy for London and discussed measures which can be used to assess change (e.g. on cohesion).
- 3.3. Developing an effective measure of cohesion was raised as an issue in the Casey Review, it was suggested that the Government should establish a clear measure for tracking progress on cohesion. Due to the absence of national indicators in this area, measuring and comparing the impact of work to improve cohesion has been a difficulty for local authorities. Local authorities and the GLA are awaiting a response from the Government to the Casey Review to see if any such national measures will be outlined.
- 3.4. The GLA indicated that its objective is to 'mainstream' the cohesion agenda across all areas of its work and this is closely linked to a new community engagement strategy also being developed for London. Work to develop this strategy is in the early development phase.
- 3.5. Currently the Council is using the Annual Resident Survey (ARS) to measure the levels of cohesion in the borough. In the 2016 results, 87% of people said that they got on well together with people from different backgrounds. This was found to be on par with neighbouring borough Hackney. In 2013 (the latest data available) an Ipsos MORI survey in Hackney found 90% of residents felt that people from different backgrounds got on well together. There is no benchmarking information on this across London and therefore it is not known how other London authorities are faring in this regard.



## 4. The Local Context

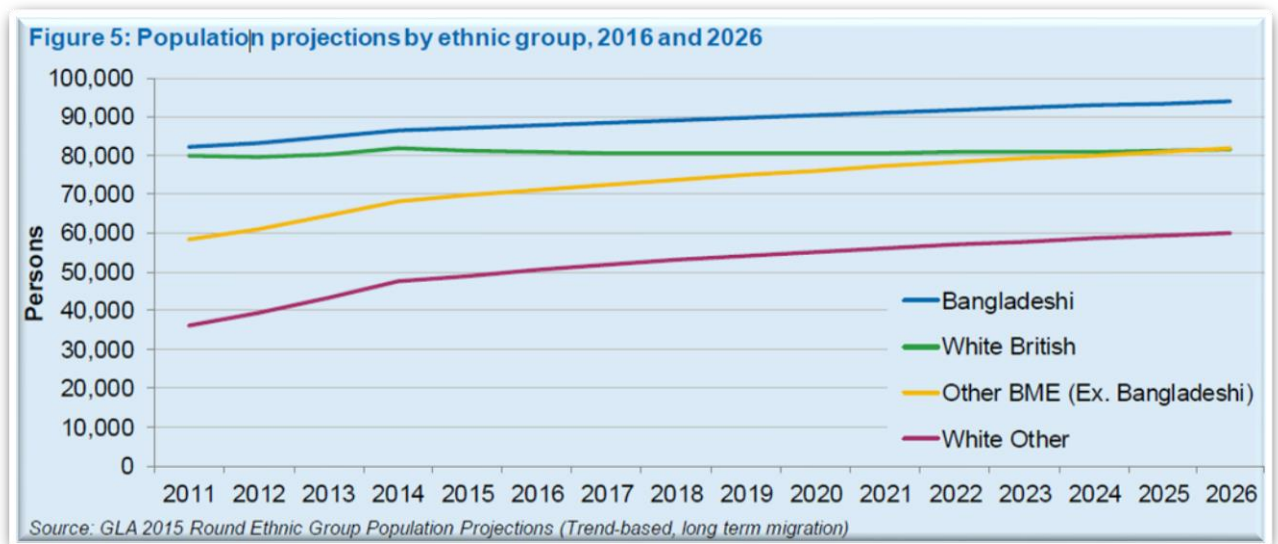
### Tower Hamlets Population Demographics

4.1. Tower Hamlets has a population of 284,000, and over the last decade the population has increased by 34.5%, the largest increase of all the local authorities in England and Wales. By 2026 the borough's population is expected to increase by a further 26% to 374,000. These changes are likely to have significant cohesion related impact such as further segregation of specific communities in specific wards, further segregation in schools and further division of the community on class basis.

4.2. The three biggest ethnic groups in Tower Hamlets are:

- Bangladeshi, who make up 32% of the population;
- White British, making up 31% of the population;
- And White other which make up 12.5% of the population.

4.3. GLA population projections from 2016 and 2026 suggest that BME groups will continue to make up the majority of residents of Tower Hamlets. The White British population is projected to increase with only 1% growth over the next ten years. The Bangladeshi population is projected to grow by 7%; Other BME (excluding Bangladeshi) population will rise by 15%. The White Other population will rise by 19%, the largest increase for any of the group (see the graph below).<sup>4</sup>

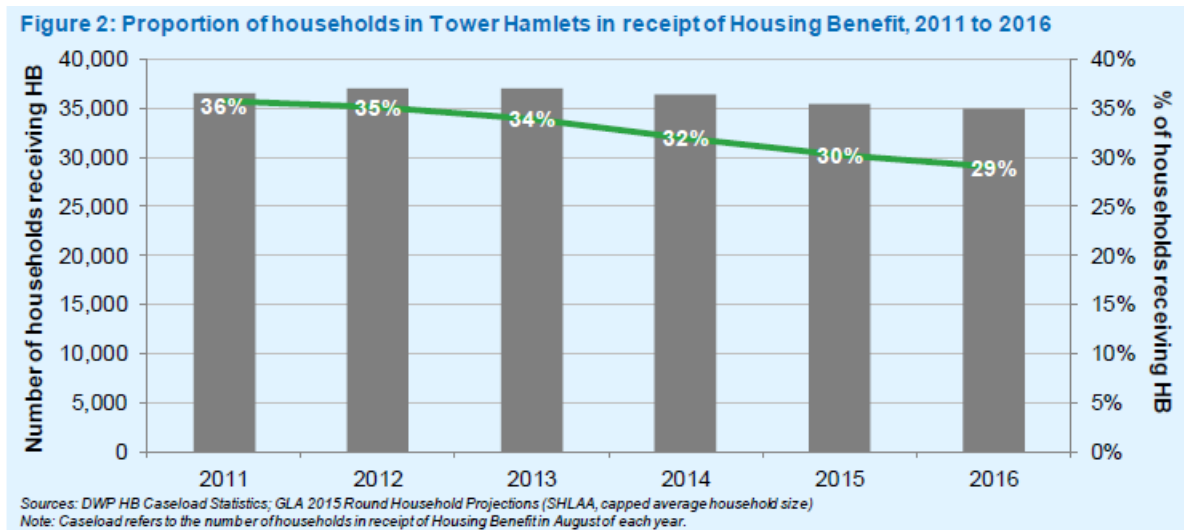


4.4. It should be noted that a large proportion of the White Other group is made up of EU nationals and it is not yet known to what extent this will be impacted by the decision of the UK to leave the European Union.

<sup>4</sup> [http://www.towerhamlets.gov.uk/lgnl/community\\_and\\_living/borough\\_statistics/population.aspx](http://www.towerhamlets.gov.uk/lgnl/community_and_living/borough_statistics/population.aspx)

4.5. There has also been a significant change in the socio-economic makeup of the borough. 36% of people belong to social grades A higher/intermediate managerial and grade B - professionals, which is an increase of 6% on last year and better than the national average of 30%.

4.6. There is a decrease in people on benefits. As figure 2 below suggests that the proportion of households in the borough in receipt of housing benefit has fallen over time, from 36% of residents in 2011 to 29% in 2016 suggesting that residents were increasingly moving away from welfare.



4.7. In the latest Annual Resident Survey (2016) 87% of residents feel their local area is a place where people from different backgrounds get on well together which is up 6 points on 2015 and is at an all-time high suggesting that on the face of it the borough is cohesive.

### School Pupil Demographics

4.8. The number of pupils who have English as a second language is 46% which is the 8th highest in London. In terms of languages there are 130 languages spoken in the borough's schools. Whilst this demonstrates diversity in the borough's schools to what extent have schools promoted the mixing of pupils from different backgrounds?

4.9. In primary schools 61% of the population are of Bangladeshi origin and in secondary this is 67%. 44% of the borough's schools have a far higher proportion of Bangladeshi pupils (70% or more) and 28% have higher than 80% of Bangladeshi population. According to the Casey Review the concentration of pupils of a specific community may lead to a lack of integration and segregation. Casey states "One striking illustration of such segregation came from a non-faith state secondary school we visited where, in a survey they had conducted, pupils believed the population of Britain to be between 50% and 90% Asian, such had been their experience up to that

point”.<sup>5</sup> Casey suggests school admissions policy should be changed to reflect these concerns however currently existing legislation limits what the Council can do to influence school admissions policy e.g. the Council only controls admissions policy for specific maintained schools but not foundation schools, academies and free schools. It would require changes to primary legislation in order to influence admission policy either locally or regionally and therefore a response from Government is required.

### **Employment figures for BME women**

4.10. Paragraph 6.46 which represents a breakdown of the borough’s wards by ethnicity establishes that there are parts of the borough which are segregated at least on geographical lines. According to Casey, segregation and lack of integration can be linked to economic exclusion this can be particularly seen in the lower employment rate of ethnic minority women.<sup>6</sup>

4.11. The borough has low levels of employment of BME women which includes a high proportion of Bangladeshi women. During 2012 – 15 it is estimated that around 41 per cent of working age BME women were in employment in Tower Hamlets – 35 percentage points lower than the employment rate for White women (76%) and 28 points lower than the rate for BME men (69%). Comparing this to Casey’s findings which found low levels of economic inactivity amongst women from Pakistani and Bangladeshi ethnic groups – she found that 57.2% are inactive in the labour market compared with 25.2% of White women and 38.5% of all ethnic minority women. It would then seem that as Casey says in relation to social and economic integration “there is a strong correlation of increased segregation among Pakistani and Bangladeshi ethnic households in more deprived areas, with poorer English language and poorer labour market outcomes, suggesting a negative cycle that will not improve without a more concerted and targeted effort”.

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<sup>5</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/575975/The\\_Casey\\_Review\\_Executive\\_Summary.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/575975/The_Casey_Review_Executive_Summary.pdf) , page 14.

<sup>6</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/575975/The\\_Casey\\_Review\\_Executive\\_Summary.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/575975/The_Casey_Review_Executive_Summary.pdf) , page 14.



The life experiences, decisions and choices that lie behind these figures are complex and multiple, ranging from high levels of unpaid care for children and adults with poor health, low level skills, lack of access to support and experience of discrimination.

4.12. In the 'Breaking Barriers' research conducted by the Economic Development Team in the Council found that women of Bangladeshi and Pakistani heritage found discrimination was present at every stage of the recruitment process when assessing applications during interviews, at recruitment process when assessing applications during interviews with recruitment agencies and also the workplace itself. In 2005 the Equality and Human Rights Commission found that 1 in 5 Bangladeshi women under 35 experienced negative comments about wearing religious dress suggesting that barriers were not solely based on cultural influences.

4.13. We know that the above factors affect women from all backgrounds but some groups are more likely than others to be workless particularly Bangladeshi and Somali women. The Council's Economic Development Team has found that affordable and accessible childcare remains a significant barrier to work for these women. Furthermore it is not clear to what extent these women have intentionally chosen to raise a family over entering the workforce. Therefore the evidence suggests that in this case the findings of the Casey Review is similar i.e. the finding of low levels of employment of BME women but it was debatable whether this was specifically due to cultural barriers as Casey focussed on. Evidence locally suggests that there are combinations of barriers which prevent these women from entering the workforce they include: responsibility for raising a family, access to affordable child care, low grasp of the English language, and discrimination which were stronger barriers to work.

## 5. The Council's Cohesion Programme

5.1 The Council's Strategy Policy & Partnership Team (The service) manages a number of activities, funds and commissioned projects which build cohesion in the borough. The challenge session discussed the activities of the service and the range of activities was recognised as positive. The borough has an extensive programme in summary this includes:

### **Partnership working**

5.2 The Tension Monitoring Group (TMG) is made up of Council services, the Police and community and voluntary partners. The group responds to tensions which arise within the borough that impact negatively on community cohesion. Specific examples in 2017 include alleged incidents of acid/liquid attacks leaving victims with burns which could possibly be classed as hate crime. In 2016 partners held emergency meetings to discuss and address tensions following;

- Britain First visits outside the East London Mosque
- Alleged incident of police brutality outside Arbour Youth Club

5.3 The group works by establishing a multi-agency partnership approach to share information and intelligence, and develop early interventions to manage imminent and current tensions or cohesion related issues. The TMG meets quarterly and can be convened at any other time in response to major incidents in the borough.

5.4 The Cohesion Working Group, Chaired by the Cabinet Member for Community Safety & Cohesion is comprised of local service providers and stakeholders, and was launched on 20th April 2017, with an aim to:

- To take a more strategic and long term approach to cohesion
- To have an oversight of cohesion work to enable better coordinated and joined up approaches between partners and identify gaps in activity

5.5 The Tower Hamlets No Place for Hate Forum launched the No Place for Hate (NPFH) Campaign which aims to prevent all forms of hate through promoting awareness, encouraging reporting and building community cohesion across all communities. The Council has used a variety of methods to communicate the right messages such as bus stop campaigns and outreach events at hotspot areas, and with many outreach stalls around the borough. To promote a stronger partnership stand against hate and all forms of hate in Tower Hamlets, the Council launched the No Place for Hate Pledge in December 2008, to date:

- 1482 No Place for Hate Personal Pledges and 121 Organisational Pledges have been signed

- NPFH Champions have been recruited and trained, this is made up of 12 local people that deliver hate crime awareness activities which include challenging prejudice and hate

### **Funding and grants**

5.6 The Council's mainstream grants programme spends £105,000 per annum funding a number of small grants for local community organisations to undertake cohesion projects. A good example is the 'Equal Voices Project' delivered by East London Advanced Technology Training which aimed to enable newly-arrived migrant women to be empowered, by engaging with equal participation on local issues that are important and meaningful to them.

5.7 ELATT delivered:

- 37 Citizenship sessions with 296 participants
- 18 Participation in skills workshops
- 10 participants involved in community volunteering

5.8 The Council commissions a number of community forums and large projects which deliver, promote and enhance cohesion in the borough as an example of such a project:

5.9 Section 106 monies from two developments have been used to fund the delivery of a Cohesion Programme focussing on developing and delivering cohesion projects in Mile End and Aldgate East Master plan areas. These projects will be commissioned by the Council and will aim to build local neighbourhood groups that bring people from different backgrounds together to hold events that increase cross cultural understanding and to increase participation in local community activities.

### **Cohesion offer in Schools**

5.10 In order to promote community cohesion amongst young people in schools, the Council has commissioned the HEC Global Learning Centre to deliver a number of initiatives for schools. These include: helping schools develop innovative lesson plans. Delivering 'Train the Trainer' Training Materials for School Council, pupil and staff, that will help develop thinking tools, and raise awareness and understanding amongst young people around issues of community cohesion, equality and hate crime.

## 6. Findings and Recommendations

### Approach & summary of findings

6.1 The challenge session considered the key findings from the Casey Review and sought to establish to what extent those findings were prevalent in Tower Hamlets, by considering and comparing factual and statistical evidence. The session also considered those issues which are specific to Tower Hamlets and not necessarily addressed by the Casey Review such as the impact of rapid housing and business development on community cohesion.

### Introduction

6.2 The challenge session provided an opportunity to take a strategic perspective on cohesion and avoid a silo'd approach to ensure that it is not seen as the responsibility for one team or one department but all relevant council services. It was recognised the efforts and the range of work being undertaken or commissioned by the Council including:

- Funding cohesion projects through the mainstream grants programme;
- Commissioning larger pilot projects such as s106 funded cohesion project for Aldgate and Mile End areas;
- The Council's work with various forums to tackle cohesion issues such as the TMG, community engagement forum, and refugee forum.

It was however noted that there is an absence of an overall cohesion strategy to pull all the Council's activities in this area together.

6.3 The session looked at a range of issues to consider the overall approach to community cohesion, including whether the Council's housing/regeneration policies are both designed to improve integration and reduce segregation. It was also considered whether the Council's planning department takes into account how spaces and housing is designed to encourage interaction of different groups. In the Idea Stores the challenge session spoke about the 2 million residents visiting the stores and the spaces that they use and interact with in the stores. There was an identified opportunity to make better use of the 'third space' and how that can be designed better to promote interaction between residents. They also considered the effectiveness of ESOL provision as they recognised that having a good command of the English language is important for integrating into society and accessing economic opportunities.

### Mainstreaming cohesion in everything the Council does

6.4 Challenge session members felt that when a planning application comes to committee, Members should be asking questions around cohesion and how it will be impacted. It was felt through existing housing development policy the Council was perpetuating the segregation of communities. The session concluded that shared facilities between private dwellings and social tenants in developments were a way of encouraging interaction.

- 6.5 The session discussed how the Council's overall number of Council policies do not support and encourage community cohesion. As an example the Housing and Planning Policy which promotes the division of private dwellings and social housing could lead to segregation and division of communities. In addition school admissions policy does not take into account the mixing of pupils from different backgrounds. There was an identified need of further work to analyse to what extent this occurs in other areas of Council business.
- 6.6 The session looked at an example of the use of S106 development money for the delivery of a projects focussing on aiming to improve cohesion in the Mile End and Aldgate East Master Plan areas. The two projects will be significant in terms of scale, will generate wider interest and could potentially gain recognition as a pathfinder in the local government and voluntary sectors. The two projects aim to increase participation in the local community, build local neighbourhood groups that bring people from different backgrounds together and hold events that increase cross-cultural understanding. The challenge session recommended that the Council undertake similar initiatives and reviewed and documented the lessons learned from this project.
- 6.7 It was also identified that there was limited cross council work on cohesion and that more needed to be done to address the impact on community cohesion of council and partner activities. The session was told about the 'Social Integration Event' organised by London Councils on 6<sup>th</sup> April 2017. There the GLA said that its objective is to 'mainstream' the cohesion agenda across all areas of its work, Therefore, there is precedence at the regional level that this is the best approach to take.
- 6.8 On funding it was reported that the Council had a fund of 150k to commission cohesion work. The challenge session questioned whether this was enough to deliver cohesion work that would have a lasting impact on the borough. Therefore there was an identified need to maximise the use of external funding and to mainstream cohesion considerations across council services so that funds across the council could be leveraged.

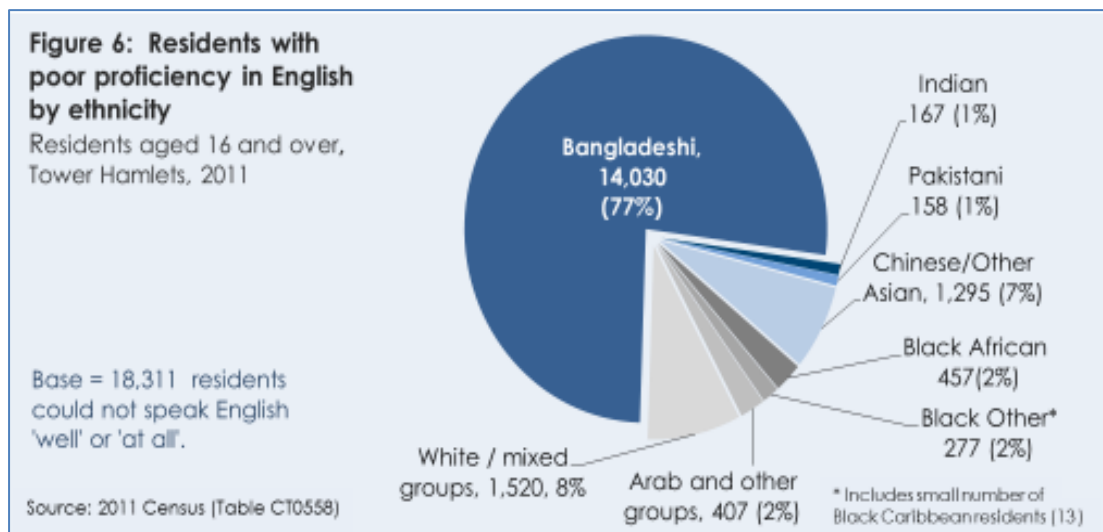
**Recommendation 1:** The Council develops an approach and action plan to: mainstream cohesion across Council services and activities, explore external funding opportunities and develop a robust evaluation, review and reporting process for all cohesion activities and initiatives.

### **ESOL provision and language as a driver of cohesion**

- 6.9 The Casey Review identified that English language proficiency was a key barrier to integration and it noted that lack of proficiency of the language was an issue which prevented ethnic minority communities fully integrating. The challenge session found that the Council's Idea Store Learning Service's (ISL) ESOL provision was already delivering provision to many ethnic minority group as can be seen in para 6.17.



6.10 In the 2011 census responders who could not speak English 'well' or 'at all' 77% of them were Bangladeshi. The next largest group at 8% was White/mixed groups most likely to predominantly be EU nationals.<sup>7</sup> A breakdown is provided below:



6.11 ESOL is part of the ISL's delivery of community learning. There are a number of goals and aims in delivering learning to the community which is universal. Idea Stores are required to promote social cohesion in their work as they receive funding from the Skills Funding Agency and in the contract there is a legal requirement to address cohesion.

6.12 The ISL's provision is significantly more targeted towards the lowest 30% of the equalities deprivation index. Neighbouring local boroughs also use Idea Stores and the stores receive 2m visitors a year. National FE choices survey indicated that the Idea Stores were the second highest scoring library and learning service in England. There are two types of ESOL provision delivered: Accredited which involves exams and Non-Accredited which involves informal class room learning.

6.13 ISL's ESOL provision offers:

- A range of accredited and non-accredited ESOL provision from Pre Entry to Level 1.
- Delivery takes place in Idea Stores and outreach centres including schools, Job Centre Plus and children's centres.
- Upon completion of Level 1 ESOL, learners are given the option to progress to Functional Skills English and Maths. This is the first this has been piloted as an internal progression route.
- 13 learners progressed to this and are currently awaiting exam results for Level 1 (there is an aim to progress them to Level 2, which is equivalent to GCSE, and sit these exams in July).

<sup>7</sup> [http://www.towerhamlets.gov.uk/Documents/Borough\\_statistics/Diversity/Language\\_proficiency\\_in\\_Tower\\_Hamlets.pdf](http://www.towerhamlets.gov.uk/Documents/Borough_statistics/Diversity/Language_proficiency_in_Tower_Hamlets.pdf)

- Learners can then use their Level 2 qualification to apply for further courses/jobs e.g. teaching assistant training or apply for jobs.

6.14 The challenge session discussed the need to progress more people from ESOL provision on to Level 1 and Level 2 of the Functional Skills English and Maths. It was noted speaking to learners this jump was quite significant and that course hours needed to be extended to further support learners which ISL service has already taken steps to address.

6.15 ISL has recently started offering English conversation clubs in an informal setting – this will help to develop people’s confidence to speak English. Native English speakers come in from local community to support conversation clubs this includes mainly volunteers e.g. an oxford lecturer was supporting these clubs and people from all walks of life thereby supporting positive cohesion outcomes.

6.16 In terms of the numbers using the provision:

- 735 learners attended ESOL programmes in Idea Stores
- 140 learners accessed outreach ESOL provision
- 115 learners enrolled on IT for ESOL courses.
- A further 140 residents attended informal English Conversation Clubs in Idea Stores (co-facilitated by Idea Store staff and volunteers).
- 71% of ESOL learners were female (in line with national averages).
- 360 ESOL learners on accredited programmes in 2015-16 completed ESOL qualifications. The overall pass rate in these exams was 84%.

6.17 The ethnicity of the learners is included in the table below:

<b>ESOL Ethnicity Breakdown 2015-16</b>	<b>% of Total</b>
<b>Asian or Asian British - Bangladeshi</b>	65.53%
<b>White - Other</b>	20.03%
<b>Black or Black British - African</b>	3.68%
<b>All Other</b>	10.77%

<b>Achievement Breakdown</b>	<b>2015-16</b>
<b>Attendance</b>	92%
<b>Retention</b>	85%
<b>Achievement (Accredited &amp; Non-Accredited)</b>	93%

6.18 Ofsted rated the service as good in November 2016 and stated: “*Staff members ensure that British values are embedded into the core values of the Idea Stores*”.

- 6.19 ISL used the Council's core values such as valuing diversity by being inclusive and valuing others' contribution and engaging others by showing respect, listening and building relationships and partnerships to define British Values for its learners. Respecting and tolerating others, listening to others and observing classroom rules. All learners are encouraged to speak English in lessons so the English language becomes the common factor in their interaction.
- 6.20 There is an opportunity to make the operation of ESOL courses in the borough more efficient, ESOL is 40% of budget for the service. There is a need for sustainable programmes as the service is on a year by year funding from the Skills Funding Agency. It is important to address the funding question. How can funding from the different sources be maximised to make ESOL programmes sustainable?
- 6.21 ISL spoke about working in partnership with other providers of ESOL courses in the borough it recognised that this was needed to ensure better use of resources and deliver cohesion outcomes. Tower Hamlets College is one of the major providers of ESOL in the borough. It has become the project leader for North East London's Basic English Language for the Unemployed Project after being awarded £2.1 million in funding from the European Social Fund. The project focuses on pre-entry ESOL to support progression to further skills training, and employment through sessions set up to teach important job searching skills such as cv writing and job application.
- 6.22 ISL recognised the need to work in partnership with ESOL providers across the borough. The challenge session identified that the development of a borough wide assessment process would help to ensure a more efficient and best use of funding to deliver ESOL classes across the borough. The borough has numerous providers delivering ESOL however it appears that this is not co-ordinated efficiently in a central way. The result is that funding is not being used efficiently to fill course places as there may be courses that are not running at full capacity.
- 6.23 The challenge session also determined that there is a need to work in partnership with all providers. One of the ways this might work is that by using a uniform needs assessment process. All partners can assess what people's needs are and assess where there is capacity in the borough to deliver courses so for example if an ESOL class was oversubscribed at an Idea Store, learners could be slotted into an ESOL place that is being run by partners elsewhere in the borough such as Tower Hamlets College or other smaller providers. This would be aligned to the Casey report recommendation on encouraging learners to access ESOL provision and learning the language as a driver for positive cohesion in the community.

**Recommendation 2:** Idea Store Learning should explore a common assessment process between internal and external providers of ESOL in the borough to ensure appropriate analysis of user needs and better matching to course places.

### **Commissioning for cohesion outcomes**

- 6.24 The challenge session reviewed and contrasted various acute cohesion related issues that were specific to Tower Hamlets, and the extent to which the observations and findings of the Casey review mirrored these issues and social demographic conditions.
- 6.25 The Casey review linked segregation to economic exclusion (e.g. where there is high proportion of ethnic minority in wards it was also found that there was high levels of unemployment amongst women often due to cultural barriers to work). The challenge session found that the dynamics identified in northern towns and cities in the Casey report were not as applicable to Tower Hamlets a borough based in a cosmopolitan city environment in inner London.
- 6.26 There are many different ways social mixing takes place but the Casey report was focussed primarily on schools. There was an identified need to promote cohesion beyond the school and therefore the challenge session felt that Tower Hamlets should go beyond the Casey review recommendations and also consider the level of social mixing that takes place in the borough outside the school environment. They felt that in their experience of working in the community, that this was minimal.
- 6.27 The challenge session asserted that that Tower Hamlets schools are extremely segregated but recognised that this reflected where people had located in the area. There is a perception of deep segregation in the community as an example the session referred to the trend of the white affluent population sending their children to schools outside the borough.
- 6.28 The Deputy Young Mayor mentioned that at her school, approximately 75% of the school population was Bengali but that this mix in itself did not prevent cohesion... She quoted "I was part of Cambridge maths competition where we got to mix with other people of different backgrounds over a period of time" she felt that schools were not required to have a mixed population to be cohesive but that what was needed was more opportunities for people to meet and interact.
- 6.29 In order to promote community cohesion amongst young people in schools, the Council has commissioned the HEC Global Learning Centre to: develop innovative lesson plans, 'Train the Trainer' Training Materials for School Councils, pupil and staff, that will help develop thinking tools, and raise awareness and understanding amongst young people around issues of community cohesion, equality and hate crime. The challenge session

recognised that work was taking place with schools to promote British values and community cohesion however it was felt that more work needed to take place with cohorts outside of the school such as in youth centres.

- 6.30 The challenge session was of the view that the Annual Resident Survey (ARS) measure which suggested that 87% of people in the borough got on well with each other was not an adequate indicator of cohesion in the borough. The challenge session was not sure how this question was phrased but felt the reality did not reflect this. The challenge session recognised that integration and segregation issues were not as polarising as some of the areas mentioned in the Casey review e.g. the tension and violence in northern cities but nevertheless believed there to be divisions in the borough between some BME and non BME groups.
- 6.31 The challenge session recognised the great number of equalities and cohesion related initiatives that have taken place in the borough and the associated positive outcomes and impact. However the challenge session questioned whether the Council considered in its thinking the long term impact of not focussing on Cohesion (i.e. segregation and lack of integration in communities). There was a view expressed that like it was identified in the Casey Review many residents in the borough have developed 'parallel lives' to each other and that more projects needed to focus on bringing people of different backgrounds together to facilitate sustained contact.
- 6.32 One of the points that Casey review raises is the value of friendship. In order to have true cohesion you have to have activities that ensure regular contact and share space together. The session identified the need to provide an environment where social interaction between communities can take place, beyond the school to develop friendships in the community.

**Recommendation 3:** The Council should consider commissioning more projects which tackle isolation and encourage strong positive relations and friendship between different groups in the borough.

### **Approach to grants and delivering cohesion**

- 6.33 The challenge session found that the council has not developed an overarching approach or cohesion strategy to pull everything together in relation to cohesion. In this financial year the Council through the Cohesion Working Group will be working with partners and stakeholders to determine the borough's cohesion priorities and agree a comprehensive approach to cohesion across the borough. It was also recognised that this strategy should align/follow the Government's response to Casey and any regional response such as from the GLA.
- 6.34 The challenge session noted that that there were notable strengths in the borough. These include; evidence that people want to get involved and are passionate about where they live and there is a demonstrable desire to take

part in community events. It was mentioned that through the Voluntary Community Sector there were hundreds of community organisations carrying out cohesion work in the borough. The challenge session discussed the legacy of the 1990s; it is quite natural that people will come to organisations for support from different communities and that there is a natural tendency by the VCS to support migrant communities.

- 6.35 The challenge session suggested that it is important that the Council challenges outcomes of third sector organisations and make sure that they are truly opening up VCS event to others and promoting cohesion.
- 6.36 It was the experience of the Council through the Tension Monitoring Group that most of the racial and other tensions and incidents in the borough are as a result of non-residents coming into the area to stir up discontent such as Britain First coming from outside the borough and causing tension with local residents and that it was rare that major tensions were displayed between residents in the borough. It is however recognised there have been recent alleged incidents of acid/liquid attacks by alleged perpetrators in the borough from a White British background against victims who have a BME background which is currently being investigated.
- 6.37 The challenge session referred to the Old Ford Housing organisation who received an award for the Trinity Community Centre which brought different communities together( e.g. the White British, Somali and Bengali group). The centre achieved cohesion by providing a single venue for these various charitable organisations and their clients to interact. This took away suspicion and fear between these communities leading to a more open and honest relationship. It was suggested that the Council ought to review its community building policy in relation to VCS organisations to see how it can further promote cohesion and to learn from this example.
- 6.38 The session identified a need to ensure VCS partners understood how important cohesion could be in securing future grants and that the Council policy needed to emphasise its importance more strongly in future funding and commissioning activity.

**Recommendation 4:** The Council reviews the grant and commissioning policies to ensure that there is a stronger focus on cohesion

### **The Councils' leadership role**

- 6.39 The challenge session stated that Councillors need to be able to effectively scrutinise and appreciate the impact of cohesion in their Council and community roles i.e. when sitting on planning committees scrutinising new development proposals. The Council needs to ensure that the leaders in the community understand the importance of the impact on cohesion and promote the right messages in their day to day role in public office and when interacting with the community. Under the Council's public sector equalities

duty the Council has to foster good relations between those with a protected characteristics and those with not. Therefore the Council developing a leadership role in ensuring cohesion is being considered in its policies and decision making would demonstrate it meeting this duty.

- 6.40 The challenge session queried whether there was training for Senior Staff, Members and Community Leaders, the service suggested that it has carried out training but not for this audience. The challenge session felt that strong leadership on cohesion with Members, senior officers, and community leaders needed to be developed. In order to develop leadership on cohesion leaders needed to be informed on cohesion.

**Recommendation 5:** Explore how leadership on cohesion can be developed by the Council through the delivery of specialised training for councillors, senior officers and community leaders.

### **Social and economic impact**

- 6.41 In the discussion there were a number of challenges to cohesion identified in the borough. The impact of new development on established communities e.g. the rapid regeneration introducing segregation issues, such as, class issues. The challenge session felt that developments are being designed in a way that is perpetuating segregation e.g. social and private housing are being designed in way that physically separates living accommodation between the two groups which results in people not meeting or interacting, not feeling a sense of being part of the community. It was also noted that often children from such gated communities were being sent to schools outside the borough, possibly encouraging further future segregation. It was also noted that there was an absence of shared facilities between these groups such as community centres.
- 6.42 The challenge session stated that change comes from the top. There was a need to understand the divisions that exist in the community and what can be done about them. There was a need to understand the impact of development and gentrification on existing established communities and how various socio-economic groups live 'parallel and segregated' lives in the borough. There was also a need for the Council to consider its Local Plan and whether community cohesion is being considered in the future development of the borough. The challenge session suggested that the Mayor to consider convening a taskforce that looks into Community Cohesion to address those types of issues.
- 6.43 According to the census the Bangladeshi population makes up almost one-third (32%) of the borough's population. A breakdown of ethnicity of the population by ward is included below in para 6.47.
- 6.44 It is useful to note that the Shadwell Ward has a higher than average Bangladeshi population at 52% where the White British population is 20%.

The St Dunstan's Ward also has similar demographics with a 51% Bangladeshi population against 23% of White British Population. On the other hand the White British residents comprise 31% of the borough's population and in Bow East Ward; White British make up 50% of the population against 17% of Bangladeshi Population in the Ward. This is also the case in Bow West Ward where there is a 50% White British population and a 21% Bangladeshi population,

6.45 It is therefore evident that at least on geographical lines there is segregation in Tower Hamlets. According to Casey, concentration of people from specific communities can lead to high levels of segregation in schools where the ethnic make-up mirror residential areas and this can lead to a lack of integration into wider society due to not interacting with people of different backgrounds. However, the Council does not have any evidence that such segregation was intentional. Even with segregation, it has not had any records of disturbances within the borough between these different groups. There is recognition by the Council that this may be the unintended consequences of Housing Policy in terms where housing was available to place residents rather than an intentional choice of residents to reside in specific wards.

6.46 The make-up of the other wards is contained in the table below:

WARD	BME %	ETHNIC GROUP		
		BANGLADESHI %	WHITE BRITISH %	WHITE OTHER %
Bethnal Green	53	32	37	11
Blackwall and Cubitt Town	50	15	32	18
Bow East	40	17	50	10
Bow West	41	21	50	9
Bromley North	68	42	25	7
Bromley South	69	44	23	7
Canary Wharf	51	15	29	20
Island Gardens	42	14	39	19
Lansbury	64	39	28	8
Limehouse	41	17	41	18
Mile End	65	42	25	10
Poplar	67	41	23	10
Shadwell	71	52	20	9
Spitalfields and Banglatown	58	41	27	16
St Dunstan's	70	51	23	7
St Katharine's and Wapping	29	13	50	21
St Peter's	53	34	35	13
Stepney Green	64	47	27	8
Weavers	48	29	38	14
Whitechapel	59	38	26	14

*From the Census 2011*

**Recommendation 6:** Explore setting up a taskforce to consider the impact of gentrification on cohesion in the borough.



## 7. Conclusion

- 7.1 The challenge session has established that there are areas of segregation such as in specific wards in the borough and in some of the borough's schools. However, there is no evidence to suggest that this segregation has been intentional rather it is thought that this is purely accidental and may be a result of the unintended consequences of Housing Policy. This is one of the reasons why the challenge session focused on developing recommendations relating to mainstreaming cohesion across Council services as they believed cohesion wasn't being considered in the decision making process and policies of the Council.
- 7.2 Furthermore, the report has extensively tested the argument that segregation and lack of integration is linked to economic exclusion particularly of BME women. The evidence in the borough is that there are many other reasons for the economic exclusion of BME women rather than segregation or integration for example discrimination by employers and lack of accessible and affordable child care preventing women from entering the workforce.
- 7.3 The challenge session however did find that the lack of English Language proficiency was a barrier to integration and therefore has made recommendations to address the efficiency and effectiveness of ESOL provision in the borough.
- 7.4 The challenge session discussed the need for Councillors to be able to effectively scrutinise and appreciate the impact of cohesion in their Council and community roles i.e. when sitting on planning committees scrutinising new development proposals, or in their interactions with the community. Therefore the session discussed targeted training for Members and community leaders.
- 7.5 It was also observed that the rapid development of the borough and the gentrification of Tower Hamlets have had a negative impact on community cohesion. It was felt that this is already creating segregation and lack of integration between classes. The challenge session felt that in the absence of cohesion considerations in planning policy this is likely to make this trend more entrenched through further developments e.g. by physically separating private dwellings and social housing thereby physically separating new communities with settled communities. The session found examples of newcomers sending their children to schools outside the borough as another manifestation of this segregation.

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## Cohesion Scrutiny Challenge Session Action Plan

**Recommendation 1:** The Council develops an approach and action plan to: mainstream cohesion across Council services and activities, explore external funding opportunities and develop a robust evaluation, review and reporting process for all cohesion activities and initiatives.

**Comments from Service:**

*The cohesion strategy and SPP staffing restructure will provide a framework for cohesion activity which is mainstreamed across the Council. The remaining actions in this action plan will flow from these. It should be noted that we are expecting the strategy to incorporate our consideration of the Government's response to the Casey review which we are currently awaiting, and therefore delays to this announcement are likely to delay the strategy and thus, the actions that flow from it.*

<b>Actions</b>	<b>Responsible Officer</b>	<b>Deadline</b>
Apply for the London Borough of Culture award (GLA scheme with £1.1 million) to deliver a culture programme in 2019 or 2020 acting as a vehicle for improved engagement in culture and greater cohesion.	Stephen Murray Head of Arts Parks and Events	December 2017
Work with internal and local external agencies to develop a Community Cohesion Strategy and action plan for the borough and look at funding streams which will support delivery	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	March 2018
Refresh community cohesion toolkit and disseminate this across different Council services.	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	March 2018
Enable the Cohesion Working Group to have a strategic oversight of all internal and external community cohesion activities and initiatives	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	October 2018
Monitor and evaluate the Council's own event programme in relation to cohesion agenda and inform marketing strategies. To introduce Boishakhi Mela and Fireworks display and smaller events including parks activities.	Stephen Murray Head of Arts Parks and Events	November 2018
Apply for funding from central government departments (e.g. BSBT funding from the Home Office and Controlling Migration Fund) to fund projects which enhance community cohesion	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	October 2018
Use learning and evaluation tools from Community Cohesion Services Programme and Community Cohesion Pilot Programme to inform and model evaluation of future	Emily Fieran-Reed (Service Manager,	December 201

cohesion activities	Cohesion, Engagement)	
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**Recommendation 2:** Idea Store Learning to explore a common assessment process between internal and external providers of ESOL in the borough to ensure appropriate analysis of user needs and better matching to course places.

**Comments from Service:**

*Idea Store learning is developing a partnership with SkillsMatch to map and plan delivery across providers in the borough. As part of this a project has been developed in line with the service provision in Hackney to provide a central referral system so that learners can access whichever provision is appropriate in the borough. This will underpin development of shared assessment as it develops. Providers currently will be sharing their assessment.*

<b>Actions</b>	<b>Responsible Officer</b>	<b>Deadline</b>
1) In partnership with WorkPath develop job description for borough coordinator to map and coordinate ESOL provision across the Borough	Simon Leveaux/Clare Coombe	Complete
2) Appoint Coordinator and develop project	Clare Coombe and Leanne Chandler	Complete
3) Map Provision	Clare Coombe and Leanne Chandler and Coordinating Officer	December 2017
4) Through External partnership identify best practice to trial an assessment tool	Leanne Chandler and coordinating officer	March 2018

**Recommendation 3:** The Council should commission more projects which tackle isolation and encourage strong positive relations and friendship between different groups in the borough.

**Comments from Service:**

In line with our intention, as endorsed by this scrutiny review, to mainstream cohesion activity, we would expect these actions to be largely taken forward across Council services. In particular, we are aware that Public Health and Adult Services have already been working on isolation. We would therefore expect the responsible officer to change to reflect this.

<b>Actions</b>	<b>Responsible Officer</b>	<b>Deadline</b>
Where appropriate, ensure commissioning of the projects under Community	Emily Fieran-Reed	March 2018

Cohesion Pilot Programme include tackling isolation and encouraging strong positive relations between different groups as objectives	(Service Manager, Cohesion, Engagement)	
Work with Public Health and Adult Services to build community cohesion priorities into their workplan to tackle loneliness and isolation	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	December 2018
Encourage the establishment of strong positive relations between people of different faiths and beliefs through the Tower Hamlets Inter Faith Forum and its activities	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	November 2018
Where appropriate, ensure commissioning of the projects for next round of projects as part of Community Cohesion Services Programme include tackling isolation and encouraging strong positive relations between different groups as objectives	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	October 2019

**Recommendation 4:** The Council reviews the grant and commissioning policies to ensure that there is a stronger focus on cohesion.

**Comments from Service:**

*Please provide any additional commentary/context in relation to the recommendation from the service point of view.  
Please complete all columns below.*

<b>Actions</b> <i>(please provide 3 or 4 actions that will be taken to implement recommendation)</i>	<b>Responsible Officer</b>	<b>Deadline</b>
Work with the relevant services in the council to explore scope of embedding community cohesion priorities in the Council's grants and commissioning policies	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	August 2018
If appropriate, work with the relevant services in the council to embed community cohesion priorities in the Council's grants and commissioning policies	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	March 2019

**Recommendation 5:** Explore how leadership on cohesion can be developed by the Council through the delivery of specialised training for councillors, senior officers and community leaders.

**Comments from Service:**

We are expecting training to be one of the actions in the Cohesion Strategy Action Plan thus it will be developed and delivered once the strategy and action plan has been developed and agreed.

<b>Actions</b> <i>(please provide 3 or 4 actions that will be taken to implement recommendation)</i>	<b>Responsible Officer</b>	<b>Deadline</b>
Deliver bespoke training on community cohesion for Members	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	October 2018
Deliver bespoke training on community cohesion for Corporate Management Team	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	October 2018
Deliver bespoke training on community cohesion for community leaders	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	October 2018

**Recommendation 6:** Explore setting up a taskforce to consider the impact of gentrification on cohesion in the borough.

**Comments from Service:**

The impact of gentrification in the borough will be explored as part of the development of the cohesion strategy. We will consider whether to use a taskforce as one of a range of potential tools that we can use to impact upon it.

<b>Actions</b> <i>(please provide 3 or 4 actions that will be taken to implement recommendation)</i>	<b>Responsible Officer</b>	<b>Deadline</b>
Look at existing information available on the impact of gentrification on cohesion across the borough and consider whether further information or a taskforce is required to inform/improve local service delivery	Emily Fieran-Reed (Service Manager, Cohesion, Engagement)	October 2018

<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Ann Sutcliffe, Acting Corporate Director, Place</p>	<p><b>Classification:</b> Partially Exempt</p>
<p><b>Disposal of Land at Ailsa Street, Lochnagar Street and Bromley Hall Road E14</b></p>	

<b>Lead Member</b>	<b>Councillor David Edgar, Cabinet Member for Resources</b>
<b>Originating Officer(s)</b>	Acting Divisional Director, Property & Major Programmes
<b>Wards affected</b>	Lansbury
<b>Key Decision?</b>	Yes
<b>Community Plan Theme</b>	<b>One Tower Hamlets</b>

By virtue of section 100A of the Local Government Act 1972 and paragraph 3 of Schedule 12A of the Local Government Act 1972, two appendices in this report are exempt as they contain Information relating to the financial or business affairs of any particular person (including the authority handling the information). Specifically, the appendices contain land valuation information and the terms of the disposal; the premature publication of this information could prejudice the Council in negotiating the transaction. In all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the appendices as it could jeopardise the Council’s financial position when negotiating the transaction with the developer.

## **Executive Summary**

The Council owns a number of assets that are currently vacant. These assets are both a financial burden at a time of fiscal constraint and an opportunity. There is a regeneration project within the Poplar Riverside Housing Zone, referred to as the Ailsa Wharf scheme. The scheme includes areas of vacant land owned by the Council.

In order to facilitate the carrying out of the scheme by the developer and to generate a capital receipt for the Council, it is proposed that the Council agrees to sell land to the developer on the terms set out in this report.

The land involved is situated in Ailsa Street, Lochnagar Street and Bromley Hall Road E14 as shown on the plan at Appendix A, where the Council land is shown shaded in a plum colour and the other land making up the development site is shown shaded in a lilac colour

## **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Agree that the land and buildings at Ailsa Street, Lochnagar Street and Bromley Hall Road E14, as shown on the plan at Appendix A, are surplus to the Council's requirements.
2. Having considered the valuation information set out in the exempt Appendix C, agree to the disposal of the Council's freehold interest in the land to Ailsa Wharf Development Ltd on the terms set out in the report and exempt Appendix B.
3. Authorise the Acting Corporate Director, Place, to agree to any non-material variations to the terms and the precise boundaries of the land to be sold in order to implement the recommendations above.
4. Authorise the Acting Corporate Director, Place, to enter into the necessary legal agreements required to implement the recommendations above.

## **1. REASONS FOR THE DECISIONS**

- 1.1 It is important at a time of reducing funding and budgets in the public sector to ensure that efficiencies are driven through the running and/or disposals of the Council's assets to reduce revenue costs and/or generate capital receipts.
- 1.2 The decisions in this report will contribute to the continual review and rationalisation of the Council's assets, and help reduce the operational portfolio to the optimum required. The disposal will generate a capital receipt for the Council, which can be reinvested and directed to its principal expenditure priorities. It will also reduce revenue expenditure on upkeep, maintenance and security.
- 1.3 The proposed redevelopment of the land as part of a wider Housing Zone regeneration project will bring disused and environmentally poor sites in a prominent location into productive use. By taking constructive action in this way the Council is meeting its strategic enabling role in promoting regeneration. The redevelopment will have a potentially transformative effect on this area of the borough. The provision of a significant amount of affordable housing will help the Council to meet its targets and support people on lower incomes into quality accommodation.



- 1.4 The Poplar Riverside Housing Zone was established in 2016. The Housing Zone contains 10 potential development sites the majority of which occupy former industrial lands nearby or bound by the A12, A13 and River Lea The Council is focussed on ensuring a significant quantum and mix of affordable homes is delivered in the Housing Zone, alongside high quality and affordable workspace, open space, cultural facilities and community infrastructure. Poplar Riverside has the potential to emerge as London's new affordable district in which to both live and work. Utilising the rich asset that is the River Lea will be crucial to the regeneration of the Housing Zone, as well as the delivery of key infrastructure to significantly improve connectivity across the A12, A13 and River Lea, creating a network of walking and cycling routes and opening up Poplar Riverside to the rest of the Tower Hamlets and East London.
- 1.5 GLA funding for the housing zone has been split across two phases. The GLA has allocated £52m for the first phase (a mixture of grant and loans), which could rise to £78m in the second phase. Some of this funding will be used in support of delivery of the Ailsa Wharf scheme, notably to fund the potential pedestrian and cycle bridge and to support the potential acquisition of workspace, should this be necessary.
- 1.6 Key sites in the housing zone include Leamouth North (developed by Ballymore as City Island), Leamouth South (Ballymore), Leven Road (St William) Gillender Street (Peabody) and Ailsa Wharf. There are also two estate renewal schemes at Chris Street and Aberfeldy Estate (Poplar HARCA).
- 1.7 Over 15,000 homes are likely to be built in Poplar Riverside over the next 10 to 15 years, with the majority scheduled for delivery by the early 2020s. The development of Poplar Riverside will also provide up to 3,000 new jobs, a new 1 hectare local park, improvements to the wider Lea River Par and two new primary schools. The current regeneration of the Aberfeldy Estate is an example of the improvements to be delivered

## **2. ALTERNATIVE OPTIONS**

- 2.1 The Council has the option of developing the land itself but the land consists of discrete areas, and the benefits of a comprehensive development within the Housing Zone framework would not be delivered through a piecemeal approach. In isolation the Council's land would deliver a restricted number of units compared to the contribution it would make to a wider scheme and the quality of the immediate environment would in any event make this an

unattractive alternative. The ability to produce a significant income from the land from a commercial letting is also affected by the environment. The likely interest would be from low value uses such as the vehicle salvage or waste processing operations that currently dominate the area.

- 2.2 In terms of the approach to the disposal, the land could be sold in the open market following a marketing programme. However the adjoining land making up the Ailsa Street scheme is being assembled by the developer. This puts the developer in the position of a special purchaser. Such a purchaser would be expected to offer terms to the Council more beneficial than those that other parties would be able to. The purchaser, by virtue of its site assembly, is in a position to take forward the wider development, which brings other benefits to the Council.
- 2.3 In line with the Council's Disposal Policy, agreed by Cabinet in April 2015, the Acting Corporate Director, Place has agreed that sale by negotiation is the most appropriate method of sale, for the reasons set out above.

### **3. DETAILS OF REPORT**

- 3.1 The Council has a significant operational and commercial portfolio that it manages. Officers continually review the property portfolio and bring forward sites for direct development and/or disposal from time to time. The direct development options depend on the availability of funding and the size of the redevelopment opportunity. Disposal of surplus sites reduces the revenue costs for the maintenance and security of vacant buildings, while generating a capital receipt.
- 3.2 This report focuses on Council land that has been mostly vacant for a number of years. The security and other vacant property costs place a significant demand on a limited revenue budget. This is expenditure that has not provided any direct benefit to the residents of the borough. Reduction of these revenue costs by disposing of the land will allow the Council to focus revenue budgets on the services of higher priority.
- 3.3 The area in which the sites are situated is characterised by a poor environment and fly-tipping. Existing businesses include waste treatment and car scrapping. The costs incurred by the Council in securing and managing the vacant sites are significant. In 2016/17 the Council spent approximately £158,000 on security.
- 3.4 The Council, through the disposal of the land, will achieve the best consideration that can reasonably be obtained in accordance with its statutory

obligations and this is confirmed by the valuation advice attached at exempt Appendix C. The sale is conditional on planning permission being granted.

- 3.5 The disposal land consists of five separate areas. The Council's land represents around 30% of the total development site area. Part of the land to the west of Ailsa Street is subject to a lease to Poplar Harca, which has in turn granted an occupational tenancy to two individuals trading as City Wood Services. This tenancy will be brought to an end by Poplar Harca at the same time as the lease is surrendered. Officers are working with City Wood Services to identify relocation options within the borough. Two specific areas have been highlighted and discussions to take these forward will continue with the company
- 3.6 The two rectangular shaped areas of land to the north of Ailsa Street are subject to short term leases to a company, in respect of which the Council has given the required six months' notice to terminate by May 2018. The other areas of Council land to the west and south of Ailsa Street are vacant and being secured with a full time staffed security presence.
- 3.7 The location plan attached at Appendix A is for identification. The precise boundaries of the land to be sold are to be determined on site and by reference to the title documents. Authority is therefore sought for the Acting Corporate Director, Place, to determine the precise boundary of the land to be sold in order to implement the recommendations.
- 3.8 It is proposed to sell the land on a freehold basis, rather than through a 199 year leasehold interest, the latter being standard Council practice. This is because the Council land is being assembled with other land that is being acquired freehold. The proposed development will overlap existing ownership boundaries and for there to be different tenures would create significant difficulties for the development.
- 3.9 The development is being promoted by a company, Ailsa Wharf Developments Ltd (AWD), which wishes to acquire the Council land. Commercial Information about the stakeholders in and financial standing of AWD is included in exempt Appendix C.
- 3.10 Following the sale of the land to the developer, any redevelopment will be in accordance with planning permission. A planning application for the wider Ailsa Wharf scheme has been submitted and is being processed by the Council. In addition to the terms of sale, the planning process will give the Council, in its role as Local Planning Authority, some control over the nature of the development and in particular the delivery of priority affordable housing. It should be noted that this will be subject to viability in the usual way.

- 3.11 The planning application is for a mixed use scheme providing 785 residential units and 2,950 sm of commercial floor space, within a series of thirteen building blocks of between three and seventeen storeys. The grant of planning consent does not guarantee that a development will take place. The Council is able to include terms within the land sale that encourage development, within the constraints of procurement regulations. A summary of the terms provisionally agreed is provided in exempt Appendix B.
- 3.12 The Council appointed Gerald Eve to advise on the negotiations for the sale of the Council land. After negotiations, provisional agreement on heads of terms has been reached. The main commercial provisions in the heads of terms are summarised in exempt Appendix B. Gerald Eve advises that the terms represent best consideration for the Council as required under s123 of the Local Government Act 1972. The Gerald Eve advice is attached at exempt Appendix C.
- 3.13 The developer intends to implement the scheme in two phases. The first phase is to the east and north parts of the site and does not involve any Council land. The second phase is for the remainder of the site and contains the Council land along with other land to be acquired from third party owners. The two phase approach is reflected in the planning application.
- 3.14 One of the main reasons for the disposal is to facilitate the comprehensive redevelopment. The Council has introduced a number of measures to help secure delivery of the redevelopment, without creating an obligation to carry it out, which would have procurement implications. These are;
- Linking overages to both phases which will make selling on the site without development a less attractive option,
  - Including a clawback mechanism if part or all of the overall site is sold within a defined period and, Including a buy-back option for the Council to re-acquire its original freehold interest if development has not commenced within a defined period.
- 3.15 If the development is delivered the Council will have options, which are equivalent to rights of first refusal, to;
- Purchase private residential units within phase two, which it will use as affordable housing, above the level secured through the planning process, such that the resulting proportion of affordable is a minimum of 40% across the overall scheme.
  - To acquire the affordable housing units secured through the s106 agreement or to nominate a body to do so. This option applies separately to the various component tenures and the whole of the provision.

- 3.16 In terms of the workspace provision in the development, there is 2,950 sm of space to be distributed across five of the thirteen blocks. In comparable developments such commercial space has proved difficult to let, with the economic outcomes the Council seeks to achieve not being delivered in practice.
- 3.17 For this reason the Council has agreed terms to ensure that the workspace, if delivered and subject to completion of the units, is let as quickly as possible with an option to acquire workspace that is not let after a given period. There will be a jointly approved sales and marketing strategy for the units, which will be reviewed and updated on a quarterly basis. The developer agrees to fully implement the initial and future sales and marketing strategy advice until all the commercial units are occupied.
- 3.18 If after a year from completion of a commercial unit it remains unlet/unsold to an occupier, the Council will have the option to purchase that unit, via an unrestricted 125 year lease. The Council would pay a capital sum for the leasehold interest. The capital sum would reflect market value, taking into account the amount of space being acquired and the timing of the payment. The Council could use GLA repayable grant to facilitate any acquisitions.
- 3.19 On any letting of the units by the Council it is likely to be necessary to add VAT to the rent in order to protect the Council's financial position. The workspace will be fitted out to a shell and core specification. If the Council elects not to exercise its option it will be able to direct the developer to market the unlet/unsold commercial units at the average of the values set out within two valuations to be obtained.
- 3.20 The following benefits may arise from the Council's involvement in the workspace;
- Ensure the space is let at an early stage,
  - Generate economic activity, supporting jobs and businesses,
  - Support the establishment of a new 'place' through active use of non-residential elements of the scheme,
  - Signal a vibrant start to the anticipated wholesale regeneration of the Leaside in this part of the borough,
  - As far as is possible ensure that the workspace is let at reasonable rents.
- 3.21 Any acquisition by the Council of affordable housing units, private housing units or workspace will be subject to a further Cabinet report at the relevant time.

- 3.22 The developer is intending to bring forward a design proposal for a cycle and pedestrian bridge over the River Lea from Lochnagar Street. The scheme will require a planning application to both Newham and Tower Hamlets Councils. Land on the Tower Hamlets side has been secured for the structure but not land on the Newham side, which is in private ownership. If the development takes place, the developer agrees to prepare and submit a planning application for the bridge, in joint names. The bridge design documents will be transferred to the Council. The developer will safeguard land for the bridge foot print within the development and transfer it to the Council when required. The developer will support the Council to progress other aspects of the bridge proposal.
- 3.23 The developer has set a deadline for exchange of contracts, which is linked to the terms of options over other land in phase two. If this date is not achieved the developer has said that it will not proceed with the acquisition of the Council land or phase two of the development. On this basis the legal work on the disposal contract has been completed at risk, with the developer having agreed to meet the Council's reasonable legal costs subject to a cap.
- 3.24 Completion is conditional on vacant possession being provided and on planning permission being granted. A long stop date from exchange of contract to completion has been agreed.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 This report seeks the approval of the Mayor in Cabinet to declare sites at Ailsa Street, Lochnagar Street and Bromley Hall Road, all located within the Poplar Riverside Housing Zone area, surplus to requirements, and for them to be sold by negotiation to Ailsa Wharf Development.
- 4.2 Other options for the sites have been considered, including the possibility of the Council redeveloping them itself, however officers are of the view that the opportunity to regenerate the whole area through the sale of the land to the other significant landowner is the preferred option in order to facilitate the redevelopment of the full site. On the basis of the information set out in this report the Chief Financial Officer is supportive of that approach.
- 4.3 The sale transaction is a disposal to a 'special purchaser' i.e. a sale to a purchaser for whom the land has a higher value than for anyone else. The Council appointed Gerald Eve LLP to act on its behalf in the valuation assessment and subsequent negotiations with the developer. The costs of this commission are estimated at £25,000.
- 4.4 Following negotiation, a guaranteed capital receipt will be realised if the disposal completes in accordance with the proposed timeframes. In addition to the payment, a number of additional clauses have been negotiated by the Council.

## **4.5 Affordable Housing**

- 4.5.1 The Heads of Terms provide the Council with the option to acquire some or all of the affordable housing units secured through the section 106 agreement or to nominate a body to do so. The acquisition of affordable housing units offers very good value for money, particularly as the purchases can be part funded (up to 30%) from the significant levels of retained receipts that the Council is holding from disposals of properties sold under Right to Buy legislation. It should be noted however that at this stage the Council is not committed to purchase these units or any empty commercial workspace units that it will also have a right to acquire if they remain vacant after a twelve month period. Any purchases will be subject to a detailed assessment of the financial viability of the properties and will be subject to further approval by the Mayor in Cabinet.
- 4.5.2 In addition to the affordable housing provided under Section 106 agreements, the Council will have an option to purchase private residential units for use as affordable housing. This will mean that the proportion of affordable housing across the overall scheme will exceed 40%. Again the Council is not entering into any commitment at this stage.

## **4.6 Overage and Claw-back**

- 4.6.1 Planning and Sales overage conditions have been incorporated into the Heads of Terms to protect the Council's interests. Both of these overage options are dependent on future market events and are not quantifiable, however the inclusion of the provisions protects the Council's interests in the event that market values or construction densities on the site increase in future years. A claw-back arrangement is also proposed whereby the Council will receive an element any increase in land value in the event that the site is sold prior to development.

## **4.7 Buyback Provision**

- 4.7.1 In order to encourage the development to take place in a timely manner, the Council has secured a buy-back provision. If this option does arise, a full assessment of the implications of repurchasing the site will be undertaken, with ultimate approval by the Mayor in Cabinet.
- 4.8 Capital receipts accruing from the sale of the site will be fully usable to support capital expenditure incurred by the Council. The property is held under General Fund powers and therefore any receipt is 100% usable. No potential receipts have been assumed as resources available to finance the capital programme, and as outlined above, future decisions in relation to this site will be the subject of further reports to the Mayor in Cabinet. All decisions on use of the capital receipt will be considered in accordance with the priorities identified within the Council's capital strategy.

- 4.9 Any costs that the Council incurs in relation to the sale can be met through the ‘top-slicing’ of up to 4% of the receipt value. These costs have been forward funded in advance of the capital receipt being generated, and will be abortive if the sale does not proceed for any reason. In these circumstances the costs would need to be met from revenue.
- 4.10 The sites have been empty for several years and generate no income for the authority. Disposal will mean the Council is no longer liable for any upkeep of the land on which it is currently incurring revenue costs in order to ensure that the sites are secure. These costs totalled approximately £158,000 during the 2016-17 financial year and disposal of the sites will avoid the need for this expenditure to be incurred in future and will therefore reduce potential budgetary risks. A growth bid to set aside revenue funding for the costs of holding vacant buildings will be considered as part of the 2018-19 budget process.
- 4.11 The Housing Zone area attracts significant levels of potential funding from the GLA, with elements relating specifically to the Ailsa Street area. Financing is available as repayable grant, if necessary, to support both the acquisition and fit out of workspace within the development and to ‘top up’ other possible funding from the CLG Housing Infrastructure Fund for the proposed River Lea pedestrian and cycle bridge. Decisions in relation to these projects will be sought within future reports to the Mayor in Cabinet.
- 4.12 The eventual redevelopment of the full site will generate resources through Section 106 or Community Infrastructure Levy obligations, or affordable housing liabilities. These will be controlled by the Council. The housing units within the development will also increase the Council’s entitlement to New Homes Bonus which is currently assessed at approximately £1,900 per annum per additional housing unit. There are approximately 800 new housing units proposed within the development area which would equate to an additional New Homes Bonus entitlement of £1.5 million based on current rates. Following changes to the system the funding for each new property is now paid for a four year period rather than the original six years. The Council will also generate additional Business Rate income from the commercial workspace units.
- 4.13 VAT**
- 4.13.1 The position in respect of the Council’s option to elect to tax the property will need to be fully considered against its partial exemption position particularly in the light of the comments at para 14 of this report. Such an election would impact on both the sales receipts and any future income streams.
- 4.14 Details of the disposal terms and further financial comments are included within the restricted appendix to this report.



## **5. LEGAL COMMENTS**

- 5.1 The report seeks the decision to declare the Council's land identified as surplus to requirements and to dispose of the freehold interest based on the terms summarised in exempt Appendix B.
- 5.2 The land is held in the General Fund and, therefore, the Council has the power by virtue of section 123 of the Local Government Act 1972 to dispose of it in any manner that it may wish. Absent Secretary of State consent, the disposal, however, must be for the best consideration that can reasonably be obtained.
- 5.3 As confirmed at paragraph 3.12 above and by independent external advice set out within the exempt Appendix C, the terms of the disposal satisfy the legal duty to obtain the best consideration.
- 5.4 The land is being sold by direct negotiation with the developer, rather than on the open market. The Council's Disposal Policy, agreed by Cabinet in April 2015, permits such a transaction in circumstances where the disposal could enable a marriage value to be realised. This is the case in situations where, as here, the buyer has a legal interest in the adjoining land.
- 5.5 The Council must consider, when disposing of land in circumstances where, in return, it may also be receiving the benefit of "works", whether the transaction gives rise to a public works contract. If it did, then the contract would need to be awarded in accordance with the Public Contracts Regulations 2015. The law is clear, however, that where the developer does not have an obligation to carry out the works, the transaction shall be treated as an exempt land disposal. As explained in the report, there is no such obligation in this situation.
- 5.6 There will be provisions within the legal agreement to encourage development, including financial clawback (triggered when the land is sold on within a defined period), sale overage (which will disincentivise any on-sale without development) and an option for the Council to buy-back the land (where development hasn't commenced within a defined period).
- 5.7 Where the developer does build out the scheme, the Council has the ability to exercise options to acquire property, as set out in the exempt Appendices. Should it wish to exercise any of those options, a further Executive decision will be required at the appropriate time.
- 5.8 The Council's best value duty requires it to manage its asset portfolio in an efficient and effective way. Disposing of land for the best consideration obtainable together with reducing revenue expenditure discharges this duty.
- 5.9 The Council is required when exercising its functions to comply with the duty set out in section 149 of the Equality Act 2010. Given the current usage of the land, there are no direct equality implications arising from the proposed transaction.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 The public sector equality duty under section 149 Equality Act 2010 arises where the Council exercises its functions. The Council proposes to use the capital receipt generated by the sale for priority projects. Such schemes primarily benefit persons who are the intended beneficiaries of the equality duty. The affordable housing to be provided will benefit those in housing need and on lower incomes.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 The arrangement proposed in this report supports the council's best value duty. The proposal represents an efficient and effective use of the Council's estate.
- 7.2 Where an asset has been identified as surplus to requirements, the Council has the option to retain the asset for future use (and in the meantime to pay any costs associated with maintaining and securing the asset) or to sell the asset for a capital receipt.
- 7.3 In this case, the land is in poor condition and has a history of squatting and vandalism. It is guarded on a 24/7 basis at a cost to the Council and currently generates no income.
- 7.4 The Council will receive a capital receipt from the sale and facilitate the development of the wider Ailsa Wharf scheme generating new affordable residential units and workspace providing employment opportunities.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 The Council's land and the surrounding area are in poor environmental condition and the area is subject to extensive fly-tipping, which will cease once redevelopment takes place. Any redevelopment will be of a substantially higher standard of energy efficiency than the current arrangements and built to higher environmental standards.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 The key risks are set out below.
- 9.2 Vacant possession - the disposal is delayed leading as a result of squatting or failure to achieve vacant possession.

- 9.3 *Mitigation* – Asset Management will ensure that the site is continuously secured until completion. Active management of the process for securing possession.
- 9.4 Development not started – the site is not developed as anticipated by the Council.
- 9.5 Mitigation – a series of measures are built in to the sale terms designed to encourage development to be carried out.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 Vacant land attracts anti-social behaviour, including vandalism and squatting. The area around the Council land is subject to considerable fly tipping, which the redevelopment will address in the future. The Council is expending significant funds in ensuring that the land is secure. However there are still attempts to enter in order to squat and/or vandalise.
- 10.2 The subsequent redevelopment of the land will remove these problems and help to deal with a number of unattractive sites within the borough.

## **11. SAFEGUARDING IMPLICATIONS**

- 11.1 There are no immediate safeguarding implications arising from this report.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- None

### **Appendices**

- Appendix A – Site Plan
- Appendix B – Exempt information – summary of disposal terms
- Appendix C – Exempt valuation information

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

- None

### **Officer contact details for documents:**


- Richard Chilcott, Acting Divisional Director, Property & Major Programmes

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Indicative Plan for Heads of Terms



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<p><b>Cabinet</b></p> <p>28 November 2017</p>	
<p><b>Report of:</b> Ann Sutcliffe, Acting Corporate Director, Place</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Update of the Strategy for the Identification of Contaminated Land 2017</b></p>	

<b>Lead Member</b>	<b>Councillor Amina Ali – Cabinet Member for Environment</b>
<b>Originating Officer(s)</b>	David Tolley – Head of Environmental Health and Trading Standards
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	No
<b>Community Plan Theme</b>	<b>A Healthy and Supportive Community</b>

### Executive Summary

This report sets out the Council’s updated plan for identifying contaminated land which is a statutory requirement under Part 2A (P2A) of the Environmental Protection Act (1990). The objective of the strategy is to identify and take action to remedy any areas within the borough that may impact the health of residents.

This revision updates the Strategy for the Identification of Contaminated Land of June 2013 that was adopted on 8 May 2013. The revisions take account of:

- A review in line with the Contaminated Land Statutory Guidance (Defra)
- the progress that has been made with implementing the previous strategies; and
- the introduction of new technologies and systems within the Council.

### Recommendations:

The Mayor in Cabinet is recommended to:

1. Approve the Tower Hamlets Strategy for the Identification of Contaminated Land 2017.
2. Delegate to the Corporate Director of Place authority to make any amendments to the policy deemed necessary following consultation with the Corporate Director Governance.

## **1. REASONS FOR THE DECISIONS**

- 1.1 Local Authorities are designated appropriate Agencies under Part 2a of the Environmental Protection Act (1990) who are responsible for identifying and determining contaminated land within their jurisdiction. From time to time Local Authorities are required by the aforementioned Act to review the inspection of land within their area.

## **2. ALTERNATIVE OPTIONS**

- 2.1 If the Council takes no action they would be neglecting their duty to review the already adopted plan.

## **3. DETAILS OF REPORT**

- 3.1 The Strategy incorporates the Council's objectives which are set out in the Community Plan and the Environmental Health and Trading Standards Service Plan. It is particularly relevant to the quality of life and health and wellbeing of residents of the Borough.
- 3.2 The overall objectives for the next five years are:
- Identify those sites where land contamination is presenting unacceptable risk to human health or the wider environment and ensure remediation takes place.
  - Identify Council-owned or occupied potentially contaminated sites which should be prioritised for remediation as part of asset management.
  - To promote the regeneration and safe redevelopment of former industrial land.
- 3.3 Each chapter of the Strategy reflects the progression through each phase of identifying contaminated land. Risk assessment protocols are detailed in the Strategy and sites are assessed accordingly at each phase in line with current best practice.
- 3.4 Sites with contaminative uses (e.g. chemical works) were originally identified from historical mapping. These sites were compared with current sensitive uses (e.g. residential) to prioritise potentially contaminated sites. Prioritisation is achieved by applying a risk model which combines weighting factors of the past use with current land use. The result is a score or risk rating of sites where there is a "potential pollutant linkage". The sites which have the greatest potential for contamination to be causing significant harm to human health and/or the environment are identified at this first stage.
- 3.5 The second phase involves undertaking a site reconnaissance of each of the priority sites in which further information is gathered to establish an "actual pollutant linkage" exists. The outcome of this is to produce a list of high priority sites which require a soil investigation.



- 3.5 The third phase involves reviewing the outcome of a soil investigation if contaminants are present at the site and whether they constitute “a significant pollutant linkage.” Furthermore, DEFRA introduced the concept of determining whether the contaminants are causing a significant possibility of significant harm (SPOSH) and the advice of a registered Toxicologist to evaluate SPOSH will be sought.
- 3.6 Once a site has been designated as contaminated land, in accordance with the statutory criteria, the Council will in the first instance engage the appropriate persons as defined in the legislation to clean up the site before formally declaring the site as contaminated land.
- 3.7 Previously, capital funding was received from DEFRA to investigate sites. This funding was which was matched by the Council. Site investigations were undertaken during 2016 and further sampling is required. These sites will be progressed and the further sampling completed within the next six months.
- 3.8 It should be noted that in the last 10 years the amount of DEFRA funding for investigating contaminated sites has decreased significantly.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 This report sets out the Tower Hamlets Strategy for the Identification of Contaminated Land for the next five years. The strategy provides for the Council being able to identify and take action to remedy any areas that impact on the health of residents. There is current provision in the capital programme 2017-18 to 2019-20 of £360k to fund identified Contaminated Land Works which includes a contribution of £98k from DEFRA.
- 4.2 The Council has been able to apply to DEFRA for reimbursement of costs associated with the site investigation and where the recovery of costs would cause financial hardship when a reasonable and fairness test is applied. The government guidance provides for a hardship policy that determines who pays for the costs of remediation of contaminated land. The Council is therefore able to recover costs from both residents and companies if found liable for contamination of the Land.
- 4.3 The report notes that Government funding for investigating contaminated sites has decreased over the last 10 years. The continual reductions in DEFRA funding could impact on the Council meeting its overall objectives. Therefore, where costs cannot be recovered, or continue to be reliant on reducing Government funding, the impacts will need to be considered as part of the Council’s capital strategy before any of the proposed actions can be implemented.

#### **5. LEGAL COMMENTS**

- 5.1 LBTH adopted a Contaminated Land Strategy which was first published in July 2001. The Strategy was last reviewed and adopted in May 2013. and detailed how the Council intended to respond to the statutory duties in relation

to contaminated land. The legislative framework which governs the Council's responsibilities in this area is contained in Part 2A of the Environmental Protection Act (EPA) 1990, together with regulations which elaborate on details of the Part 2A regime, such as dealing with issues like what qualifies as a "special site"; public registers; remediation notices; and the rules for how appeals can be made against decisions taken under the Part 2A regime.

The Contaminated Land Statutory Guidance, published by the Department for Environment, Food and Rural Affairs in April 2012 is the latest guidance provided.

- 5.2 Part 2A of the EPA 1990 defines 'Contaminated Land' and gives a number of functions to local authorities. In accordance with Part 2A, the Council has to do the following:
- carry out inspections of the land that may be contaminated;
  - find out who is responsible for causing the contamination;
  - formally designate land that is found to be contaminated;
  - agree on the required action to clean up (remediate) the land; and
  - keep a Public Register of designated contaminated sites in the borough, specifying how the land was cleaned up and what, if any, legal action was taken.
- 5.3 The Council is required to act in accordance with statutory guidance issued by the Secretary of State when carrying out specified functions under the Part 2A of the EPA 1990. This includes the carrying out of inspections under section 78B of the Act for the purposes of identifying contaminated land and determining whether it should be designated as a special site. The statutory guidance states that the Council's approach to inspections should be rational, ordered and efficient and it should reflect local circumstances. The statutory guidance proceeds to state that the local authority should set out its approach as a written strategy, which it should formally adopt and publish to a timescale to be set by the authority, which should be at least every five years.
- 5.4 The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 specify that any function relating to contaminated land is a local choice function, which may be but need not be the responsibility of an executive of the authority. In Tower Hamlets the decision was taken to make functions in relation to contaminated land a council-side function, as listed in paragraph 5 of section 3.1.3 of the Council's Constitution (page 87). Accordingly, the responsibility of making the contaminated land strategy is not an executive function.
- 5.5 Before adopting the revised contaminated land strategy, 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. Information is provided in paragraph 6.1 of the report relevant to this. Where land contaminated land is identified it will be necessary to carry out further EAQA checklists.

## **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 An equality analysis quality assurance checklist has been completed as part of this review in compliance with relevant legislation.

## **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 potentially contaminated sites as determined through the process of risk assessing and prioritising sites. The acquisition of consultancy services to deliver soil investigations is subject to Council procurement procedures. Tenders are assessed based on quality and cost.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 The aim of this Strategy is to improve land quality within the borough and increase the quality of life for residents.

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 The Council as a enforcing Authority is the primary regulator for implementation of Part 2A of the Environmental Protection Act 1990 which establishes a legal framework for dealing with contaminated land in England. The updated Strategy for the Identification of Contaminated Land 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 to inspect and determine contaminated land in its area it would be considered negligent if it were proven that residents' health was impacted by contaminated land when the Council had not taken action.
- 9.4 The Part 2A legislation does not specify what occurs should the Council not fulfil its obligations as specified above. However, should this eventuate the risk to the Council would be loss of reputation. It is possible that DEFRA whom are responsible to the Secretary of the State may re-delegate enforcement powers to another authority to exercise them on its behalf. In 2014 pressure groups lobbied for the delegation of Part 2A enforcement powers to a single English authority, for instance to the Environment Agency (EA). However, this has been shelved due to Brexit preparations.
- 9.5 In delivering the Strategy for the Identification of Contaminated Land, the Pollution 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 Strategy.

**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.

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**Linked Reports, Appendices and Background Documents**

**Linked Report**

None

**Appendices**

Appendix 1 – Strategy for the identification of contaminated land

Appendix 2 – Equalities Impact Assessment – Checklist

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

None

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# STRATEGY FOR THE IDENTIFICATION OF CONTAMINATED LAND

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## **Forward**

This is the council's strategy for the inspection of land within the London Borough of Tower Hamlets (the council) to determine the presence of any contaminated land, as defined by statute. The strategy sets out the local characteristics of the borough, historic land use ranging from dockland activity to local gas works and the inspection regime that is planned to identify local unacceptable risks to human health and/or the environment.

The strategy outlines the legal framework within which we are working and how information gathered will be managed, to ensure that the whole process is open and clear. This will enable the local community, developers and landowners to know and understand the law that exists to protect our environment and how the council is implementing the Government's national policy.

Regeneration of the East End and improving the quality of life for all those who live or work in the borough are key priorities for the council. This strategy forms an important part of that process. As the strategy is implemented, the information gathered will help landowners and developers understand local conditions within the borough. This will give confidence in redeveloping brownfield sites, making full use of the ever-increasing shortage of land in Tower Hamlets.

We will continue to work together with our neighbouring boroughs, the Mayor for London and the Environment Agency, all who have important roles to play in the successful implementation of this strategy.

## Executive Summary

The aim of the current revision is to amend the existing Strategy to comply with changes in local strategic planning and technical guidance since the last revision.

The London Borough of Tower Hamlets is committed to identifying and dealing with local areas of contaminated land and any unacceptable risks to human health or the wider environment, which may arise.

In Tower Hamlets there is a legacy of land contamination across the Borough as a result of widespread past industrial activity, particularly around the former docks. Industrial activities included shipbuilding and dock-related activities, and chemical, metal and gas works.

Part 2A of the Environmental Protection Act 1990 and relevant guidance came into effect in April 2000. The legislation requires each local authority to inspect their borough and identify contaminated land that requires remedial work. The first strategy was prepared and submitted to the Environment Agency in July 2001 and detailed out how we will identify contaminated land in a rational, ordered and efficient manner. The legislation also requires the strategy to be updated periodically and this document represents the fourth update.

The strategy aims to find and deal with the most seriously contaminated sites first. Contaminated land is where the land in its current condition is causing, or is likely to cause, significant harm to human health and/or the environment and controlled waters

The process to identify contaminated sites is a staged risk based approach:

- a) Sites are prioritised by applying a risk model. This applies weighting factors according to the risks associated with a site's historic industrial use and how sensitive the current land use would be to contamination effects. The result is a score or risk rating of sites where there is a "potential pollutant linkage". The sites which have the greatest potential for contamination to be causing significant harm to human health and/or the environment, are identified at this first stage.
- b) The second stage is to investigate the highest priority sites and to establish an "actual pollutant linkage". This investigation will involve carrying out a detailed desk based assessment of available information and a walkover survey of the site.
- c) The final stage is to confirm, without doubt, the presence or absence of "a significant pollutant linkage". This may involve carrying out an intrusive site investigation, for example, taking soil, water and/or ground gas samples for chemical analysis to determine the extent, location and concentrations of contaminants in the soil and or water.

Legislation, regulations, statutory and technical guidance set out clear criteria that must be established before any site can be formally designated as contaminated land. Information on sites that are formally designated must be kept on a public register available for inspection.

Once a site has been designated as contaminated land, the council will find the most appropriate methods to clean up the site. Interested parties will be consulted throughout the process. An equality analysis checklist has been undertaken as part of this review in compliance with relevant legislation.

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# **1. THE PURPOSE OF THIS STRATEGY**

## **1.1. Introduction**

This strategy sets out how the London Borough of Tower Hamlets (the council) proposes to identify contaminated land within its Borough in accordance with the requirements of Part 2A of the Environment Protection Act 1990 (Part 2A). The intention of the strategy is to ensure that unacceptable risks to human health or to the wider environment, from exposure to contaminated land, are addressed in an appropriate and cost-effective manner. This is in accordance with the council's Community Plan to create "*A healthy and supportive community*".

The strategy was initially developed by consultants W.S. Atkins and then amended and adapted to the needs and priorities of the council by the Pollution Team.

The Part 2A legislation and the corresponding obligations of local authorities are described in Section 2. The council is committed to the effective implementation of the requirements of the legislation and to ensure proper protection of human health and the environment within the borough.

Land contamination is not a new issue for the council. It is already considered through the use of planning controls. For example, if former industrial land is to be redeveloped for housing, the developer needs to satisfy the council, as the planning authority, that land contamination has been properly defined and appropriate mitigation measures are incorporated into the development of the land. This includes making the land suitable for the proposed use and addressing any wider environmental risks.

The requirements of Part 2A complement the planning controls. It also represents a more pro-active and strategic approach to identifying contaminated land and a risk-based approach to securing remedial action that may be needed to return the land to such a condition that unacceptable risks to human health and the environment no longer arise. The first stage is to identify contaminated land. This Strategy sets out how the council proposes to carry this out.

The aim of the current revision is to amend the existing Strategy to comply with changes in the Local Plan and statutory and technical guidance since the

last revision in April 2013, and also the statutory requirement to update the Strategy periodically.

## **1.2 Aim of the Strategy**

The aims of the strategy have been outlined below:

- to comply with the requirements of Part 2A of the Environmental Protection Act (1990);
- to ensure the effects of historic and present contamination are not causing significant risks to human health and/or the environment;
- to encourage redevelopment of brownfield sites in accordance with government objectives and strategy;
- to complement the planning control system that ensures that risks associated with contamination on a site are appropriately dealt with during redevelopment;
- to provide information and respond to requests from the public, businesses and community organisations with increased efficiency and accuracy;
- to provide accurate information to the Environment Agency for its National Report on contaminated land;
- To compile accurate and up to date information on land contamination in a central location;
- to facilitate and encourage information exchange between council departments and regulatory authorities thereby minimising duplication of work; and
- to protect historic sites and the historic environment, especially ‘designated historic sites’ and areas of local importance.

## **2. SUMMARY OF LOCAL AUTHORITY DUTIES**

### **2.1. Overview of Duties**

Part 2A of the Environmental Protection Act (1990), inserted by Section 57 of the Environment Act (1995), introduce statutory requirements for the identification and remediation of contaminated land. This came into effect on the 1st April 2000 along with the Contaminated Land Regulations 2000, made under the 1990 Act. The Statutory Guidance (Defra, 2012) provides an outline of the local authorities' responsibilities under the Act along with other guidance on statutory requirements.

The responsibility for the implementation of the legislation is assigned to local authorities who are responsible for the identification of contaminated land and deciding whether any such land is required to be designated as a special site. For most sites, local authorities will also be responsible for establishing the appropriate person(s) to bear financial responsibility for any remediation required; deciding the nature of that remediation; and recording regulatory actions. A summary of the local authority's responsibilities is provided in Table 1 at page 76. This responsibility will be co-ordinated by the Pollution Team. For certain classes of sites, identified by the local authority as 'special sites', legislative powers are transferred to the Environment Agency (Refer to Section 8.1 for more information).

There are also requirements for the local authority to consult with external organisations. These include the Environment Agency (i.e. where controlled waters may be at risk of pollution or where a site is a potential candidate for designation as a special site), English Nature, English Heritage, Department for Environment, Food and Rural Affairs (DEFRA), Food Standards Agency (FSA), Public Health England (PHE) and the Health and Safety Executive (HSE).

If the council identifies land which it considers (if the land were to be determined as contaminated land) would be likely to meet one or more of the descriptions of a special site set out in the Contaminated Land (England) Regulations 2006 (as amended in 2012) the council will consult the Environment Agency and, subject to the Agency's advice and agreement, arrange for the Agency to carry out any intrusive inspection of the land on its

behalf. All the council's legislative powers will be transferred to the Environment Agency.

These duties can be summarised in the table below

*Table 1 Key Statutory Duties on Local Authorities under Part 2A*

- **Adopt and Implement this strategy.**
- **Consult various other parties.**
- **Identify contaminated special sites (for regulation by the Environment Agency).**
- **Prepare and serve notifications of contaminated land (which effectively starts the consultation process as to what remediation is necessary).**
- **Serve remediation notices where appropriate (remediation by voluntarily agreed action being preferred).**
- **Determine exclusion from, and apportionment of, liability for remediation and address cost recovery.**
- **Compile and maintain a public register.**
- **Provide key information to the Environment Agency, so it can**

## **2.2. Duty to Identify contaminated land**

The duty to identify contaminated land is established in Section 78B of the Environmental Protection Act 1990 as follows:

*78B (1) "Every local authority shall cause its area to be inspected from time to time for the purpose-*  
*(a) of identifying contaminated land; and*  
*(b) of enabling the authority to decide whether any such land is land which is required to be designated as a special site."*

A statutory definition of contaminated land is also introduced for the first time in s78A (2), based on the likelihood of significant harm or the pollution of controlled waters, as follows:

*78A (2) contaminated land is any land which appears to the local authority in whose area it is situated to be in such a condition, by reason of substances in, on or under the land, that -*

- (a) significant harm is being caused or there is a significant possibility of such harm being caused; or*
- (b) significant pollution of controlled waters is being, or is likely to be, caused.*

*and, in determining whether any land appears to be such land, the local authority shall act in accordance with guidance issued by the secretary of state.*

The assessment of contaminated land needs to take account of the statutory guidance and technical guidance that incorporates the principles of risk assessment. The risk assessment approach is to identify current unacceptable risks to health or to the environment including ecology and buildings. Significant harm includes unacceptable risk to human health, specified harm to protected ecological systems, controlled waters, substantial damage to or failure of buildings and specified damage to or loss of crops or livestock (Refer to Section 4, page 23 of this report for more information on the risk assessment methodology applied to identify contaminated land). Appendix B also provides a definition of significant harm as detailed in the statutory guidance (Defra, 2012).

### **2.3. Duty to Prepare a Strategy**

Local authorities are required by the statutory guidance to take a strategic approach to the identification of contaminated land which:

- is rational, ordered and efficient;
- is proportionate to the potential seriousness of the risk and seeks to locate the most serious problems first;
- focuses on where contaminated land is most likely to be found;
- establishes an efficient framework for detailed inspection;
- involves consultation with the Environment Agency and other relevant bodies;
- is documented, adopted, published, implemented and periodically reviewed at least every 5 years.

The aims of the strategy must be specified and include objectives taking into account the local characteristics and their influence on the strategy, proposed time scales and resources, arrangements for consultation, managing information received, and a review and update procedure.

Local Authorities are also required to consider local circumstances and local factors, as demonstrated in Table 2 below.

***Table 2 Local Factors to be Considered in the Strategy***

- The distribution of specified receptors across the Borough (e.g. housing or ecological receptors etc.) and the extent to which receptors are likely to be exposed to a potential pollutant;
- The history, scale and nature of industrial activities;
- The nature and timing of past redevelopment;
- Current information on land contamination;
- Existing evidence of significant harm and pollution of controlled waters;
- Previous remediation carried out and any remediation that is expected to be carried out in the context of pending redevelopment;
- Related studies carried out by other authorities.



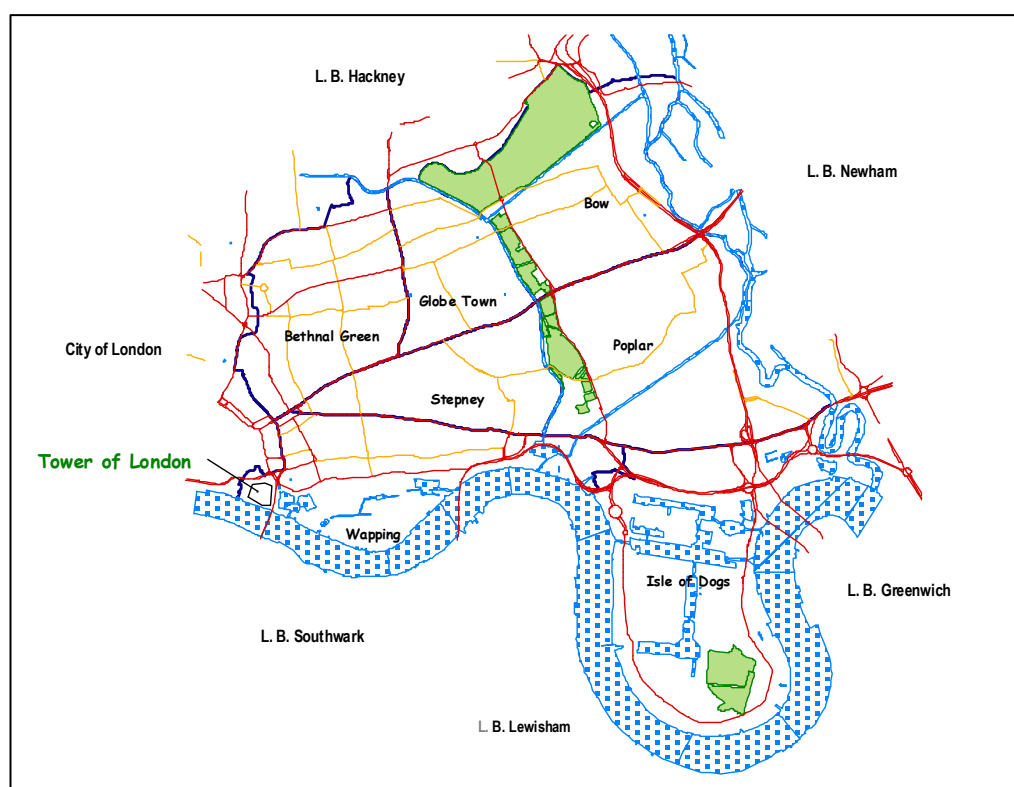
### 3. CHARACTERISTICS OF THE BOROUGH AND IMPLICATIONS FOR THE STRATEGY

#### 3.1. Characteristics of the Borough

##### 3.1.1. Location, Population and Size

The London Borough of Tower Hamlets is an inner city borough which shares boundaries with the City of London and the London Boroughs of Newham and Hackney. The east side of Tower Hamlets is bordered by the River Lea. The River Thames flows along the south of the borough separating it from the Royal Borough of Greenwich and the London Borough of Southwark.

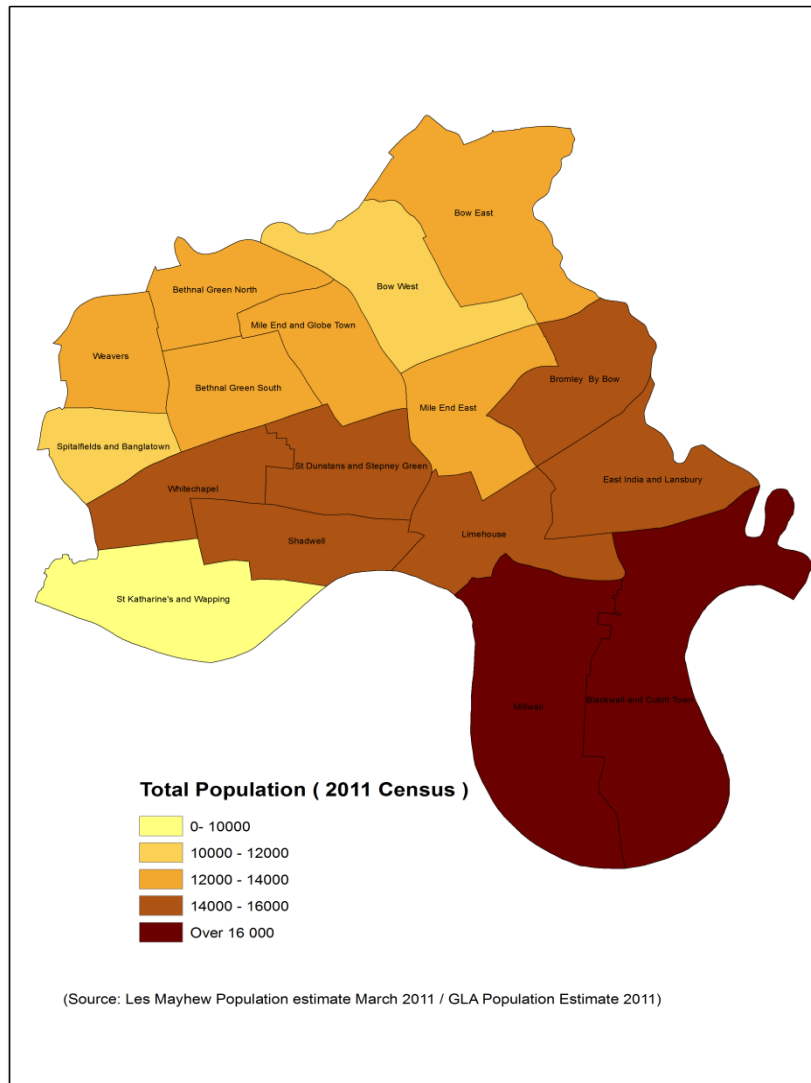
Tower Hamlets is made up of places with distinct and unique characteristics, from the major international business centres of Canary Wharf and parts of the City Fringe, to residential areas with traditional East End character such as Bow and Stepney, historic Whitechapel, and vibrant Shoreditch. Alongside these places are major leisure attractions and landmarks such as Brick Lane, Spitalfields Market, the Tower of London and Victoria Park.



*Figure 1 Geographical Location*

The Borough is approximately 2150 hectares in size and, at the 2011 census had a population of 254,100 which represents a 29.6% increase on the 2001

Census results of 196,121. In 2016 the population has risen further to 296,300. Figure 2 presents the population distribution by wards from the 2011 Census (LBTH, 2012). Within Tower Hamlets, about 45% of the dwellings are local authority owned (34,538 dwellings) with a further 13% being owned by housing associations or other public bodies. In terms of percentage of land, approximately 18% of the land in Tower Hamlets is owned by the Council and approximately 2% by THCH (Tower Hamlets Community Housing) and HARCA (Registered Social Landlords) (LBTH, 2012).



**Figure 2** *Population Distribution*

Table 3 contains some (not indicative of all land uses) of the general current land use characteristics relevant to the Part 2A assessment within the borough.

*Table 3 Land Use in Tower Hamlets*

<b>Land Use</b>	<b>% of land in Tower Hamlets</b>
Residential	31
Allotments	0.11
Parks/open spaces	10.6
Schools	3.37
Commercial	8.55
Industrial	5.77

### **3.1.2. Modern History of Development**

Tower Hamlets has undergone substantial change in the past decade, with billions of pounds from public and private investment being contributed to regeneration. The Isle of Dogs, which includes West India, Millwall and East India Docks, has become a prime commercial development area. Canary Wharf, one of the largest commercial developments in Europe, is at the very heart of the new Docklands and is the world's leading finance centre.

In 1981, The London Docklands Development Corporation (LDDC) was established with funding from the central government to regenerate the Docklands. In Tower Hamlets this included all of the Isle of Dogs and part of Wapping, (south of the Highway and East of the Tower of London- See Figure 3). Regeneration was secured by bringing land and buildings into use, encouraging industry and commerce, creating an attractive environment and assisting the provision of housing and social facilities to encourage people to live and work in the area. Major Roads were constructed along with the Docklands Light Railway (DLR) to improve the infrastructure of the area and encourage regeneration.

The LDDC was also made the Local Planning Authority for control of development within its area (See Figure 3). When the LDDC was disbanded in 1997 its planning control functions were returned to Tower Hamlets.

Tower Hamlets now has one of the most dynamic economies in the country. 11,440 local businesses provide approximately 251,000 jobs in the borough with the majority being located in the City Fringe/ Whitechapel and Canary Wharf/Isle of Dogs areas.

The borough's transport infrastructure will be boosted by the arrival of Crossrail in 2018.

The City Fringe area of Tower Hamlets, including Tech City, is emerging as one of London's most significant areas for economic growth, providing considerable opportunities for new and emerging sectors of the economy. The council's Whitechapel Vision Masterplan is driving forward regeneration in Whitechapel including new homes and job opportunities, public realm improvements and a new civic hub for Tower Hamlets.

The Isle of Dogs and South Poplar has been identified as an Opportunity Area by the Mayor of London in the London Plan to potentially accommodate a minimum of 10,000 new homes and 110,000 jobs.

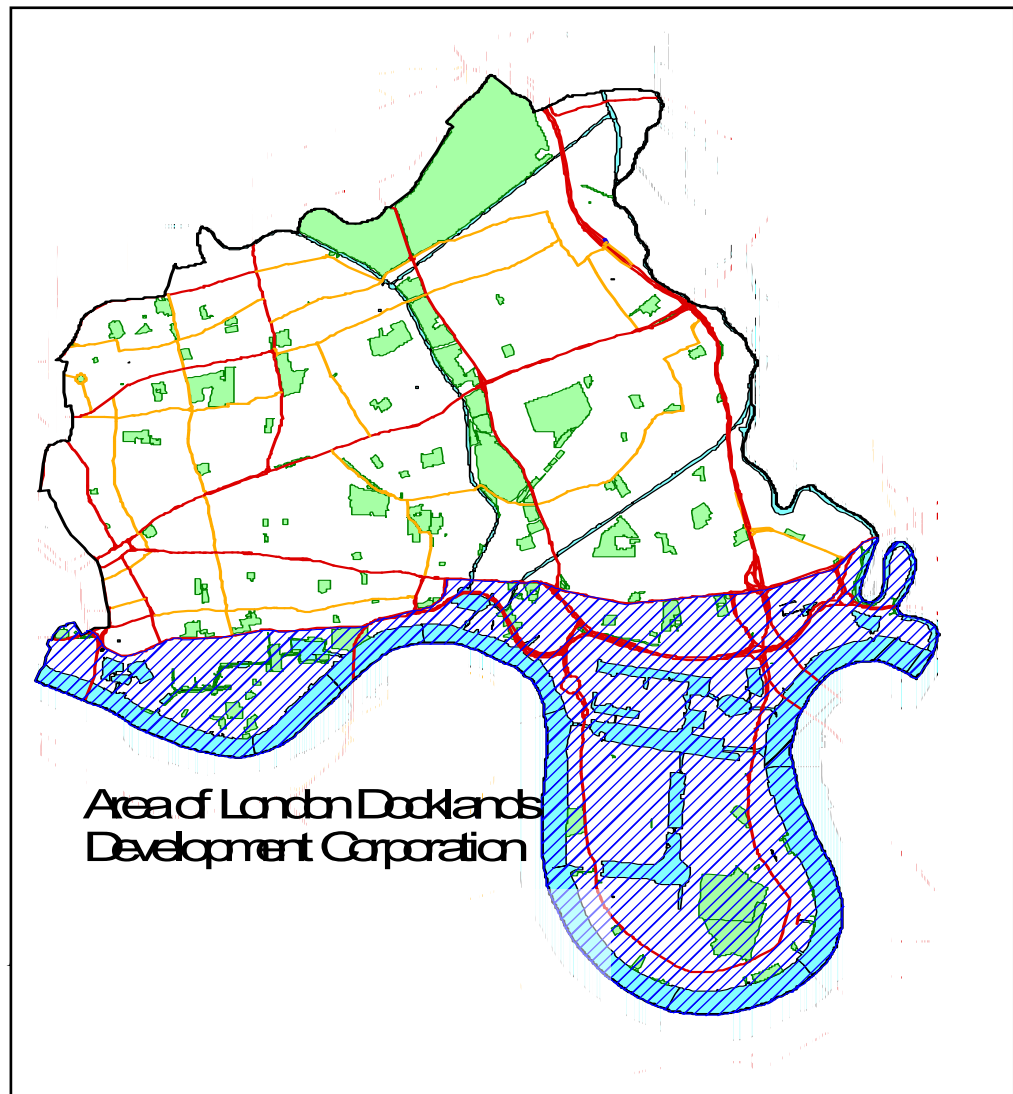
In Tower Hamlets, the Lower Lea Valley Opportunity Area comprises the areas of Hackney Wick/Fish Island, Bromley-by-Bow and Poplar Riverside Housing Zone which will use brownfield land as the basis of much of the redevelopment. The LLDC is the planning authority to determine planning applications within Hackney Wick/Fish Island and the Olympic Legacy Area.

In this area, the Olympic Legacy has been a catalyst attracting development opportunities and investment especially to promote affordable housing, jobs and social infrastructure for local communities in the area.

More recently, the Poplar Riverside Housing Zone is an initiative of the GLA to drive forward growth located on the redevelopment of former industrial land and existing social housing estates.

### **3.1.3. Historical Industrial Land Use**

The historical land use in Tower Hamlets was largely rural until the 16th Century when the maritime industry began to grow and areas along the River and main road transport routes became built up with industries including breweries, smithies and roperies such as Ropemakers Fields. By the 18th Century, shipbuilding was one of the main industries to be carried out at Docks in Blackwall, Wapping and Ratcliff with more than a dozen shipbuilding yards in existence in 1860. Industries to support this grew up around these areas and included Ironworks that would have produced sheet and rod iron, anchors and mounting chains. In 1853 it was estimated that there were 8 Chemical Works, 6 Iron Works and 3 Ropemakers on the Bank of the Thames between Limehouse and Blackwall.



In 1994, a study of former industrial land in Tower Hamlets (See Section 4.3.2 of this report) identified over 900 industrial sites. Many were located along the River Thames, particularly along the periphery of the Isle of Dogs. Other areas identified were the banks of the Limehouse Cut and Bow, particularly the area south of Hampton Wick, the historic centre of the British chemical industry. Table 4 below provides a summary of industry types found in this study.

*Table 4 Summary of Former Industrial Land in Tower Hamlets (1994 study)*

Industry Type	Number of Sites
Metal works	80
Roperies	12
Gas Works	13
Chemical Works	180
Engineering	91

### 3.1.4 Current Planning Controls

The redevelopment of potentially contaminated historical industrial sites is undertaken through the planning regime. Where contamination is likely to affect the proposed end use of the development, planning permission will normally be granted subject to planning conditions. Usually, these conditions require the developer to carry out a desk study, walkover survey, intrusive investigation and risk assessment to determine the nature and extent of contamination within the ground. Any contamination identified is assessed against appropriate assessment criteria for the proposed land use scenario to assess whether remediation is required. A proposal for any required remedial works must then be submitted and approved by the council before work begins on site. This is carried out in accordance with the National Planning Policy Framework (NPPF) (DCLG, 2012).

The NPPF contains 12 core planning principles, including encouraging the re-use of existing resources, conversion of existing buildings and re-using land which has been previously developed (“brownfield” land). In relation to contaminated land, the NPPF states that:

- i. *Where a site is affected by contamination, responsibility for securing a safe development rests with the developer and/or landowner.*
- ii. *After remediation, as a minimum, land should not be capable of being determined as contaminated land under Part 2A of the Environmental Protection Act 1990.*
- iii. *Adequate site investigation information, prepared by a competent person, must be presented.*

The thread running throughout the NPPF is that there should be sustainable development, which is viable and deliverable. Obligations and policy burdens should not threaten viability of development.

### **3.1.5 Other Regulatory Controls**

The Environmental Damage (Prevention and Remediation) Regulations 2009 come into force in England on 1 March 2009. The Regulations implement EU Directive 2004/35/EC on environmental liability with regard to prevention and remedying of environmental damage.

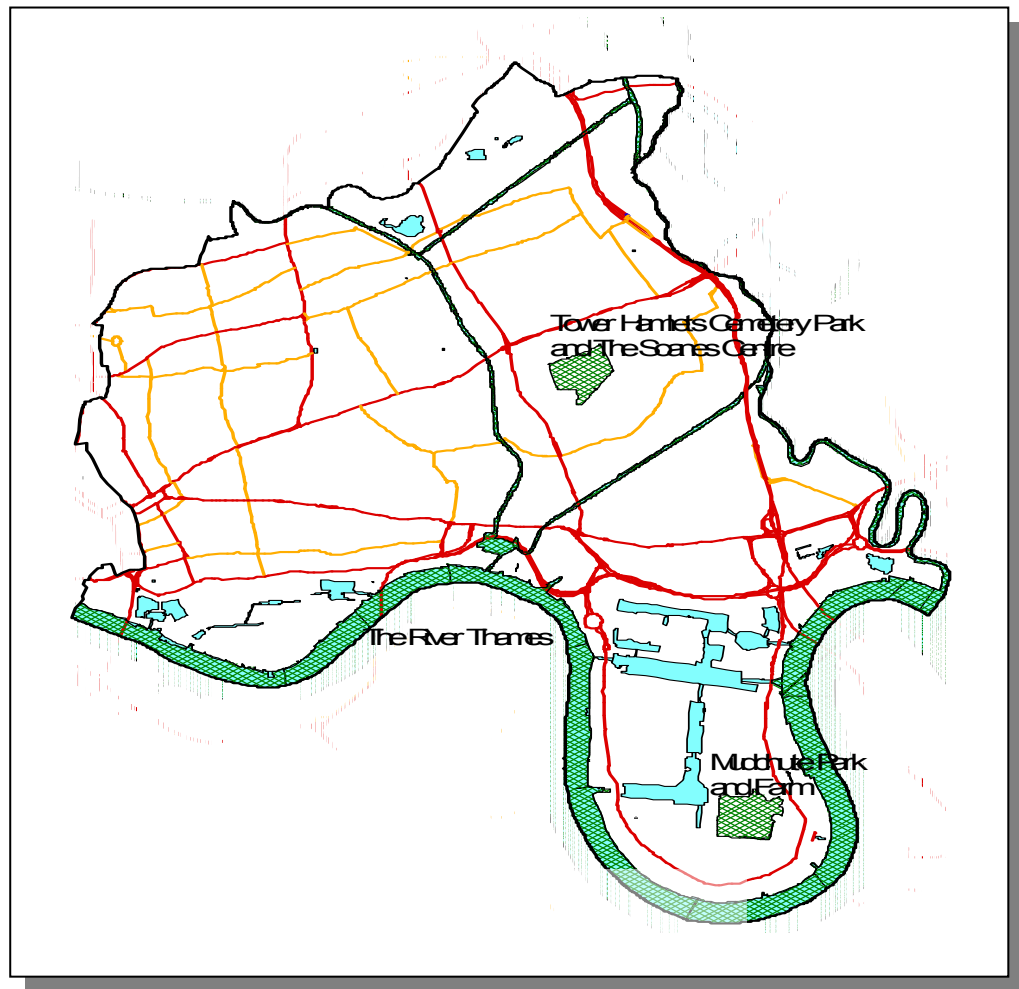
Tower Hamlets is the enforcing authority for all *land damage* (contamination of land) from any economic activity that results in a significant risk of adverse effects on human health except where the land is a Site of ~Special Scientific Interest (SSSI). The Regulations only apply to damage which occurred after they came into force, and are only applicable to operators of economic activities. Therefore any *land damage* from contamination resulting from an economic activity from March 2009 onwards will be assessed and remediated if necessary under the Environmental Damage (Prevention and Remediation) Regulations.

The regulations are based on the '*polluter pays principle*' so those responsible for causing pollution are required to prevent and remedy environmental damage, rather than the taxpayer paying.

### **3.1.6 Protected Sites and Ecology**

Tower Hamlets has two statutorily protected nature sites. These are Tower Hamlets Cemetery Park and Ackroyd Drive and Mudchute Park and Farm

which have been designated as Local Nature Reserves under Section 21 of the National Parks and Access to the Countryside Act 1949.



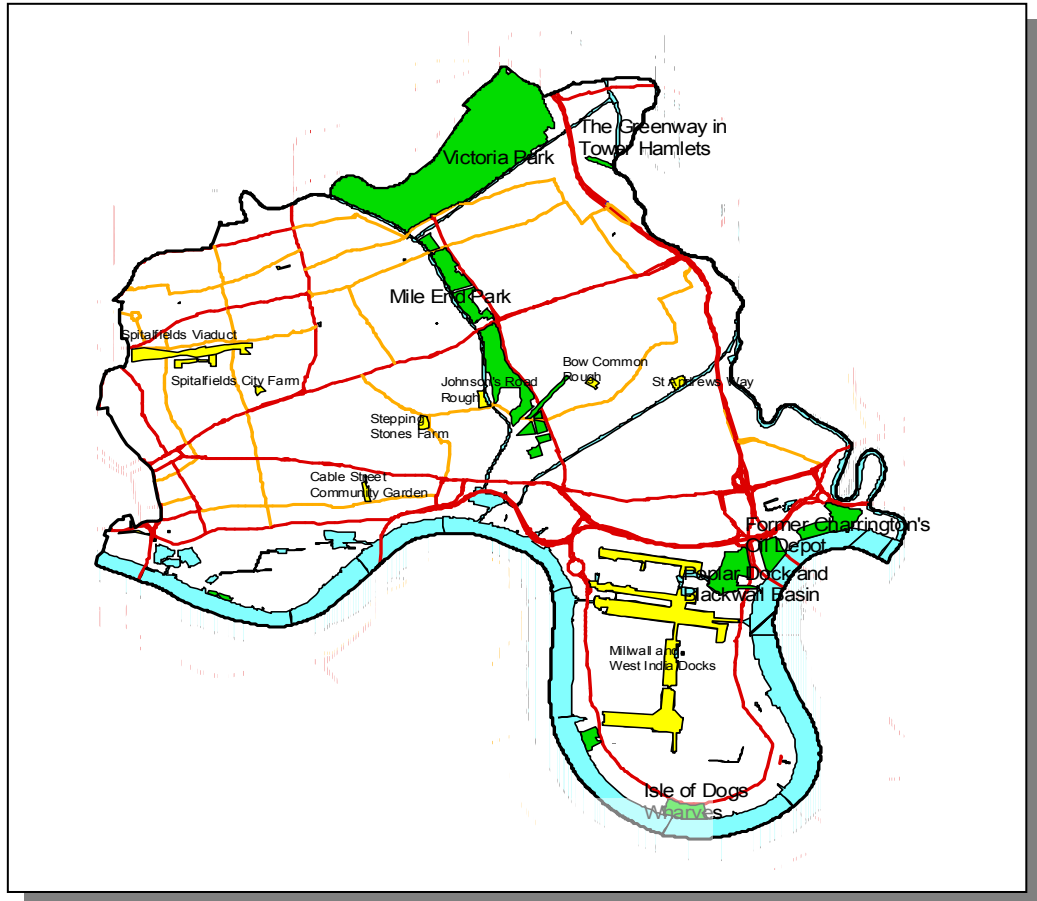
**Figure 4** *Sites of Metropolitan Importance*

Local Nature Reserves are generally sites that are managed to conserve nature, which may be of special interest locally and/or nationally. They also aim to encourage opportunities for study, research and enjoyment of nature. There are also ecological sites that have been protected in the council's Local Plan. For the purposes of this discussion, there are three categories of sites of nature conservation importance in the Local Plan:

- a) Sites of Metropolitan Importance (Refer to Figure 4), contain the best example of London's habitats and rare species and are therefore the highest priorities for protection. In Tower Hamlets there are 5 sites including Mudchute Park and Farm, Tower Hamlets Cemetery and the major waterways – the Lea, the Lee Navigation and Canals;

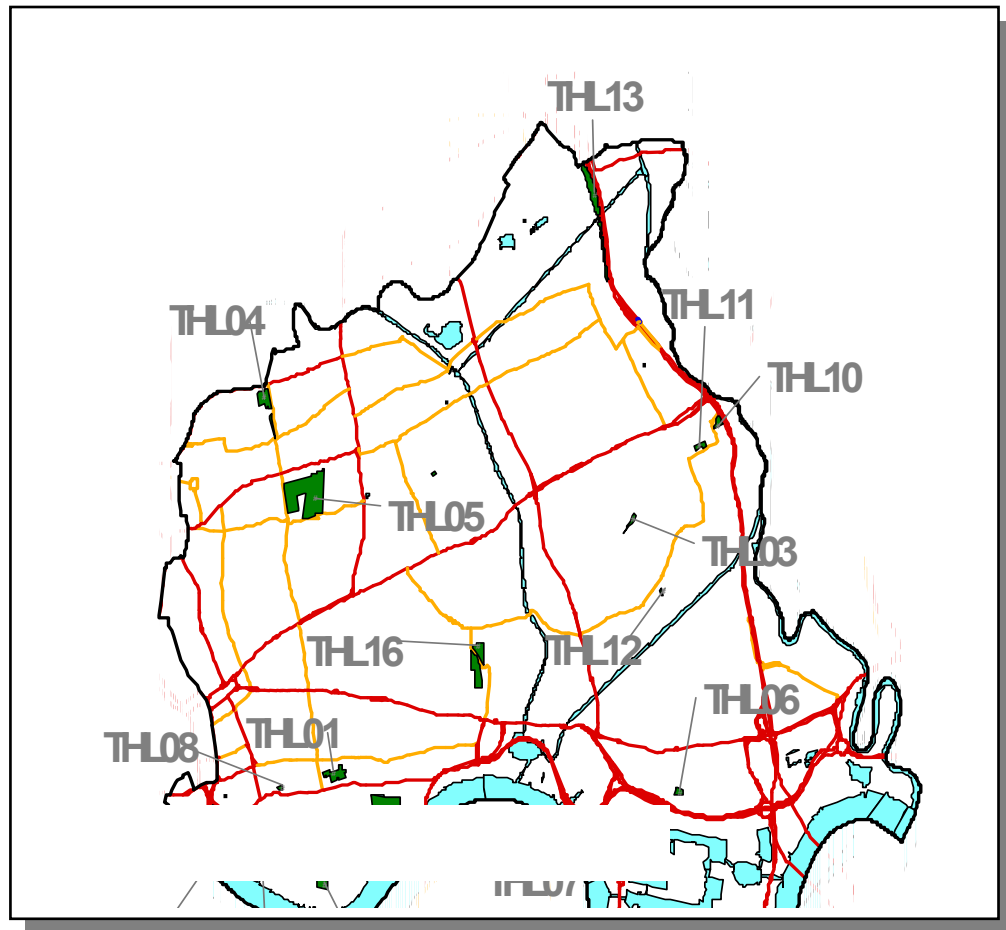


- b) Sites of Borough Importance (Refer to Figure 5) are important in a borough perspective and damage would mean a significant loss to the borough. There are approximately 19 sites in this category; and



*Figure 5 Sites of Borough Importance*

- c) Sites of Local Importance which are, or may potentially be of particular value to nearby residents or schools.



**Figure 6** Sites of Local Importance

**Table 5** Sites of Local Plan importance identified in Figure 6.

Number	Name	Number	Name
THL01	St George's in the East Church Gardens	THL09	Bancroft Road Nature Garden
THL02	Wapping Park	THL10	St Leonards Adventurous Playspace
THL03	Old railway at Fairfoot Road	THL11	Bruce Street Grassland
THL04	Ion Square Gardens	THL12	Perring Community Garden
THL05	Weavers Fields	THL13	Disused railway from Old Ford Road to Victoria Park
THL06	Stoneyard Lane	THL14	Hermitage Basin
THL07	Shadwell Basin	THL15	St Katherine's Dock
THL08	Wellclose Street Park	THL16	St Dunstan's Churchyard and nearby land

Within this strategy, the Local Plan designated sites are all called sites of 'local importance'.

There are approximately 40 conservation areas in Tower Hamlets, the largest of which is located around Victoria Park. Conservation areas are designated largely to protect and improve the Borough's built environment as well as open spaces and trees within those areas.

The following are historical sites that are of national importance and are statutorily protected by virtue of their inclusion on the Schedule of Ancient Monuments:

*The Tower Of London,  
Tower Hill West,  
Section of London Wall running from Tower Hill Underground  
Station to Tower Hill,  
Priory and Hospital of St. Mary Spital, Spitalfields.*

The following standing structures are also on the schedule:

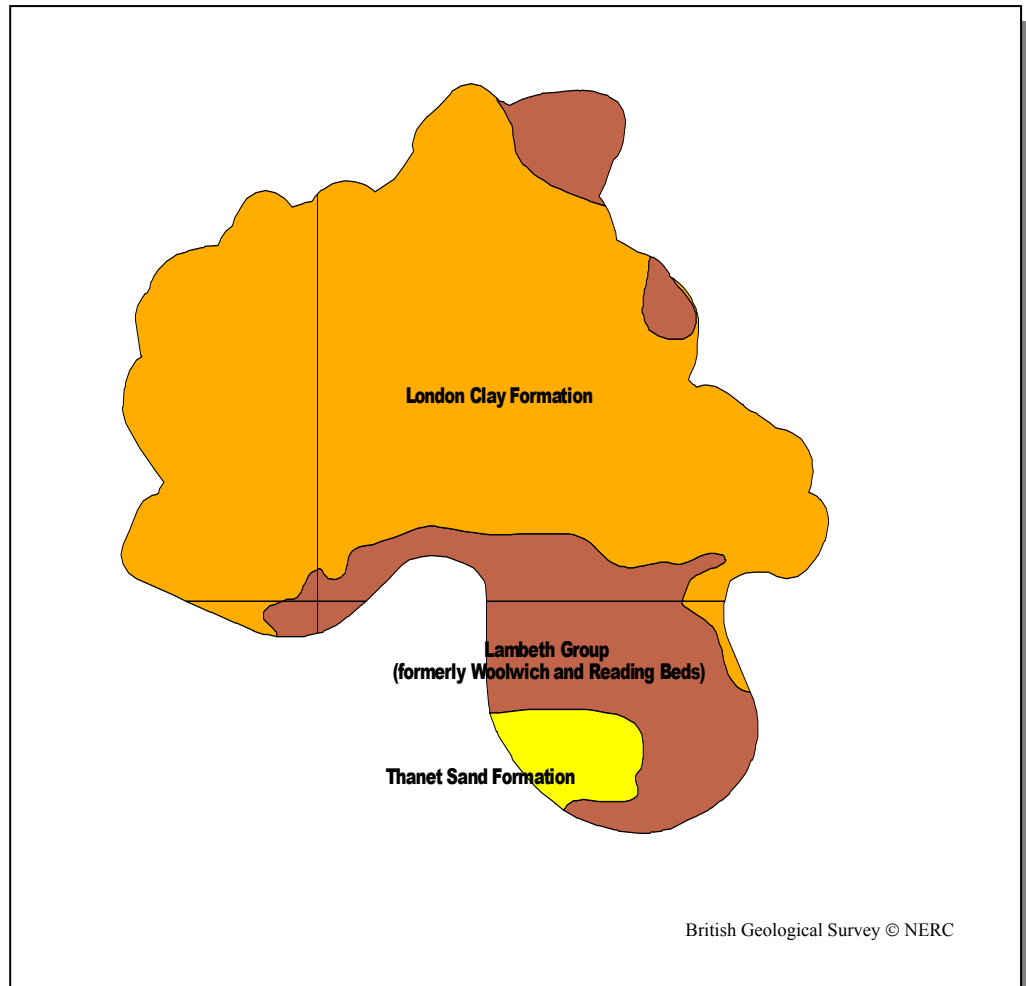
*Bonner Hall Bridge, Regent's Canal,  
Three Colts Bridge, Gunmaker's Lane,  
Parnell Road Bridge<sup>3</sup>.*

This strategy aims to protect such designated sites, which includes ancient monuments, listed buildings, parks and gardens and conservation areas. It is also recognised that other sites, which are not designated, may also require protection. The council's conservation officer will be contacted to help identify such sites.

### **3.1.7 Local Geology**

The Solid Geology (Refer to Figure 7) underlying Tower Hamlets consists of London Clay, which in some areas is in excess of 25 metres thick. Below the clay lies Chalk, which is a Principal Aquifer and supplies drinking water to the area. The clay is an aquitard (very low permeability) and therefore prevents contamination filtering from the overlying Secondary Aquifers. This is with the exception of the Isle of Dogs, which mainly consists of the Lambeth Group and a small area of Thanet Sands formations.

The superficial deposits (refer to Figure 8) are deposits, which have been formed by the River Thames and overlie the London Clay. These consist of alluvium, the youngest deposit, which covers the southern half of the borough; River Terrace Gravel called Taplow Gravel across the centre; and Hackney gravels in the northwest corner of the Borough. Up until the 18<sup>th</sup> Century the Isle of Dogs was marshland, which was frequently flooded. As a result, in some parts of the Isle of Dogs, deposits of Peat have formed.

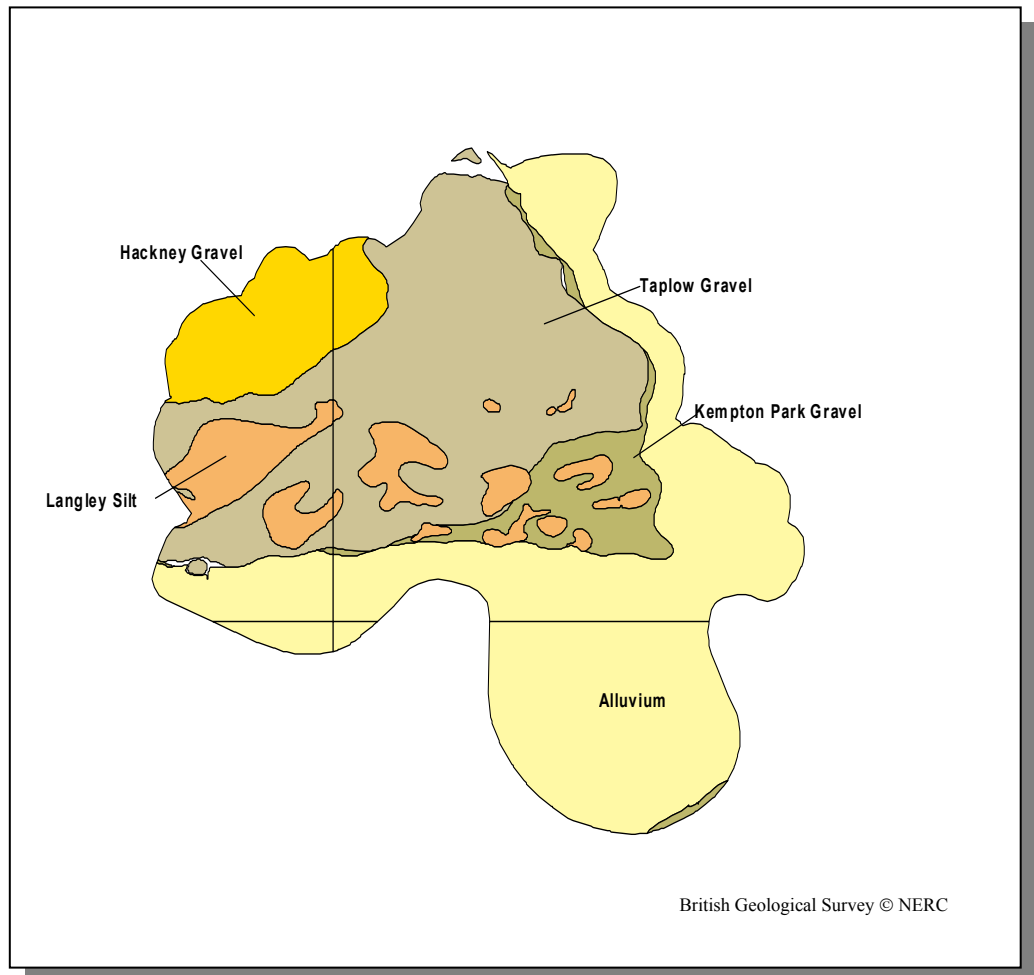


**Figure 7** *Local Geology*

### **3.1.8 Local Hydrogeology**

The groundwater source in Tower Hamlets has been designated by the Environment Agency as a Secondary Aquifer (River Terrace Gravels) of High Vulnerability. The ‘Secondary’ refers to the aquifer’s variable permeability. This means it cannot easily transport contaminants. The High Vulnerability indicates that the aquifer can be easily polluted because the overlying soil layers are likely to be very permeable and polluted especially in urban areas. As a result mobile contaminants can migrate quickly through the superficial soils to contaminate the aquifer below.

It is also important to note that such aquifers can be important for local water supplies, abstractions and in supplying base flow to rivers and streams.

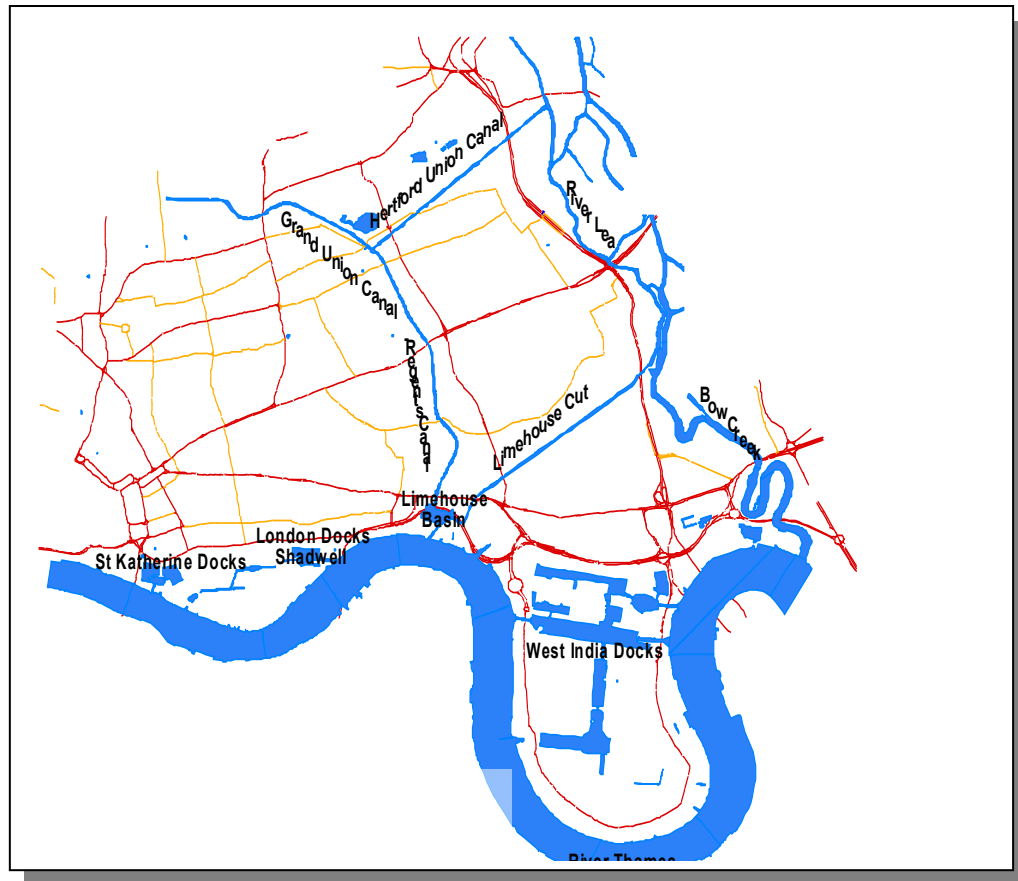


**Figure 8** *Superficial Geological Deposits*

Fourteen water abstraction licenses have been issued in Tower Hamlets by the Environment Agency (EA). Eight of these allow abstraction from groundwater while the remainder abstract from the River Thames and the docks. Most abstractions are for industrial use. Abstraction points or boreholes require careful consideration, as they are possible pathways through which contamination can migrate to the underlying aquifer. One abstraction license has been issued to Thames Water on the border of Tower Hamlets and Newham for public water supply. The Environment Agency has designated source protection zones around this abstraction point for the protection of the groundwater quality.

### 3.1.9 Local Hydrology

Surface water bodies include the River Thames, a number of Docks in Wapping and the Isle of Dogs along with a number of canals, mainly the Regent's and Grand Union Canal and Hertford Canal (Refer to Figure 9). Rivers and surface water features are potential receptors for contamination and may also act as a pathway between contaminant sources and other receptors.



*Figure 9 Local Hydrology*

### 3.2. Implications for the Strategy

Tower Hamlets is comprised of a mixture of and residential redevelopment on the Isle of Dogs and also older residential areas in the north of the Borough. The Council has adopted the ArcMap Geographic Information System (GIS) to identify and analyse areas of contaminated land across the borough. The GIS works in conjunction with the GeoEnviron contaminated land database, in which site information is recorded.

Land in Tower Hamlets contaminated after March 2009 will be dealt with using its enforcing powers under the Environmental Damage (Prevention and Remediation) Regulations 2009.

## **4. APPROACH TO IDENTIFYING CONTAMINATED LAND**

### **4.1. The Risk Assessment Approach**

The Part 2A process of identifying and assessing land contamination uses a risk based approach throughout each stage. The risk is considered in relation to the *current use* of the land. The DEFRA statutory guidance defines ‘risk’ as:

- a) the likelihood that harm, or pollution of water will occur as a result of contaminants in, on or under the land; and
- b) the scale and seriousness of such harm or pollution if it did occur

For a risk to be relevant and warrant further assessment under Part 2A there needs to be one or more contaminant-**pathway-receptor** linkages – ‘*contaminant linkage*’ by which a receptor might be affected by contaminants in, on or under the land under investigation. This means that, for a risk to exist, there must be contaminant (s) present in, on or under the land in a form and quantity that poses a hazard, and also one or more pathways by which they might significantly harm people, the environment or property or controlled waters.

The statutory guidance defines:

- (a) A ‘**contaminant**’ as a substance which is in, on or under the land which has the potential to cause significant harm to a relevant receptor or to cause significant pollution to controlled waters.
- (b) A ‘**receptor**’ as something that could be adversely affected by a contaminant, for example a person, an organism, an ecosystem, property or controlled waters.
- (c) A ‘**pathway**’ as a route by which a receptor is or might be affected by a contaminant.

**Contaminant Linkage(s): for a risk to exist it must be significantt for land to be designated as contaminated land.**

A pollutant linkage must exist in relation to a specific site before the land can be considered to be potentially contaminated land under Part 2A. This must be followed by a risk assessment to establish whether a “*significant possibility of significant harm*” (SPOSH) exists before a land may be determined as contaminated land.

The understanding of the risks is developed through a staged approach involving a preliminary risk assessment informed by desk-based study; a site visit and walkover; a generic quantitative risk assessment; and various stages of more detailed quantitative risk assessment to create a “*conceptual site model*”.

The process should normally continue until it is possible for the local authority to decide:

- (a) that there is insufficient evidence that the land might be contaminated land to justify further inspection and assessment; and/or
- (b) whether or not the land is contaminated land.

The council’s risk assessment approach starts with a site prioritisation exercise. The approach uses a decision support tool or risk model (See Section 4.3.6.) which assigns scores (risk ratings) to various sites based on suspected hazard from historical industrial uses on the land and the susceptibility of receptors currently using the land. This involves a series of stages which will act as filtering processes to allow contaminated land to be identified. The site prioritisation exercise will also help to assess, prioritise and manage the allocation of resources in the most cost effective manner.

The council’s approach will also ensure that the highest risk sites can be dealt with first and this is consistent with the broad objectives of the Part 2A regime.



In line with statutory guidance receptor types have been separated into four categories: Human, Groundwater, Surface Water and Ecology, they have been risk ranked and are treated separately. This has allowed us to identify sites where significant harm with respect to human health is likely to be occurring and to give these sites priority.

#### 4.2 The Three-Stage Conceptual Model

**Table 6**      *The Three-Stage Conceptual Model for Risk Assessment*

- *Stage 1:* Identify potential pollutant linkages.
- *Stage 2:* Establish actual pollutant linkage and
- *Stage 3:* Establish significant pollutant linkages.

#### 4.3. Stage 1: Identify Potential Pollutant Linkages

Stage 1 involves identifying ‘sources’ and ‘receptors’ of potential contamination.

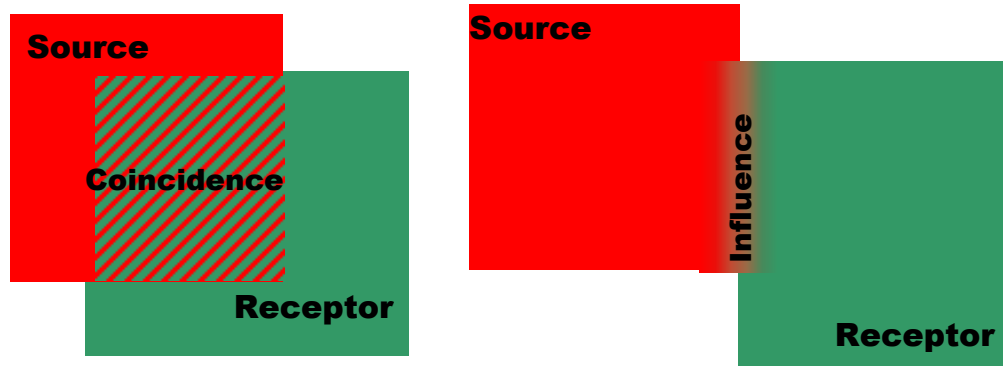
Furthermore, a pathway which is a spatial relationship (correlation) between source and the receptor must also be identified in order for a pollutant linkage to be established. It is, however, only in the subsequent Stages 2 and 3 that the actual presence of a pollutant linkage can be established.

In LBTH the Stage 1 process was undertaken by combining sources of existing information held by the council and obtained from others such as the Environment Agency, British Geological Survey and Ordnance Survey which were obtained for this purpose.

#### 4.4. The Use of a Geographical Information System (GIS)

GIS has been a key tool in the implementation of the various stages of this strategy. The extents of sources and receptors can be shown on a map, and the spatial relationship between the features examined. The relationship may be coincidence or influence, as shown in Figure 10 below:

Figure 10 Spatial Relationship between Source and Receptor



**Coincidence** – where source and receptor occupy the same space

**Influence** – where there is an assumed or known zone of influence affecting the source and receptor

The ArcMap GIS has been used to implement Stage 1 identification of potentially contaminated sites.

The key datasets required for the Stage 1 identification process were:

- Sources – the location of sites, which may potentially contain elevated concentrations of contaminants of concern.
- Receptors – the location of receptors as defined by the statutory guidance.

#### 4.5 Historical Industrial Land Use (Source) Dataset

The sources dataset represents areas of past or present industrial activity that may, by nature of the industrial process, have caused contamination. The primary datasets used to establish the location and type of historical and present land use are listed in Table 7 below.

Table 7 *Origin and Format of Source Datasets*

Sources Dataset	Stage of use	Origin	Format
LBTH Historical Industrial Sites	Stage 1 Pass 1	LBTH	Digital
LBTH Landfill sites	Stage 1 Pass 1	LBTH	Digital
Historical land use	Stage 1 Pass 1	Landmark	Digital
EA Landfill sites	Stage 1 Pass 2	EA	Digital
EA Waste Sites	Stage 1 Pass 2	EA	Digital

The council undertook a study into the legacy of industrial development within the Borough. This was reported in March 1994 entitled “Dealing with the Legacy of Industrial Development”. This survey does not identify sites that are explicitly contaminated or polluted, but rather shows the location of land used for industrial purposes, where the processes used have had the potential to cause contamination. This involved reviewing historical maps held by the council and also other records such as those held by the former London Docklands Development Corporation and trade directories.

#### 4.6 Receptor Datasets

The receptor datasets represent areas occupied by human, surface water, groundwater or ecological receptors. Like the source dataset, the human receptor dataset was compiled from a number of different primary data such as Ordnance Survey mapping, aerial photography and a three-day walk around the borough. The aim was to identify large areas of similar current land use that could then be digitised on the GIS. The controlled water dataset consists of rivers, surface water features and groundwater aquifers, which exist in digital form from a number of third parties including the Environment Agency. The ecological dataset represents areas designated for nature conservation. These primary datasets are listed below in Table 8 showing the relevant stage of use.

\*\*Include OS MasterMap in GIS Layers\*\* this identifies residential Council Schools layer

**Table 8 Origin and format of receptor datasets**

<b>Receptor Dataset</b>	<b>Stage of use</b>	<b>Origin</b>	<b>Format</b>
<u>Human receptors</u>			
OS Topographic mapping	Stage 1 Pass 1	LBTH	Digital
LBTH UDP zones	Stage 1 Pass 1	LBTH	Digital
LBTH Open space	Stage 1 Pass 1	LBTH	Digital
Cities Revealed Air photo 1998	Stage 1 Pass 1	LBTH	Digital
LBTH Estate plans	Stage 1 Pass 2	LBTH	Digital
<u>Controlled waters</u>			
Aquifers	Stage 1 Pass 1	BGS	Digital
Surface water	Stage 1 Pass 1	BGS	Digital
Boreholes	Stage 1 Pass 1	BGS	Digital
Groundwater Vulnerability	Stage 1 Pass 1	BGS	Digital
Drift Geology	Stage 2	BGS	Digital
Surface Geology	Stage 2	BGS	Digital
Source Protection Zones	Stage 2	EA	Digital
Water Abstraction Points	Stage 2	BGS	Digital
<u>Ecological receptors</u>			
SSSI/NMR/NNR	Stage 1 Pass 1	English Nature	Digital
Site of Nature Conservation	Stage 1 Pass 1	LBTH	Digital

#### 4.7 Classification of the Source/Receptor Datasets

The historical data from Landmark and ‘The Interim Report on the Survey into Past Industrial Activity’ has been analysed and catalogued into potentially contaminative uses based on the classifications set out by the Department of the Environment in their 1st Consultation Paper (May 1991) on the former proposal for Section 143 Registers (supplemented by additional categories as appropriate). Where no classification is possible (e.g. unidentified works) then this has been identified separately as ‘unknown works’ or similar.

The list of contaminative uses has been divided into four hazard classes and given scores from 1 to 4 based on the contaminative potential. These hazard categories were devised by W.S. Atkins and are based on a group consensus, which consisted of senior contaminated land professionals.

The receptor dataset was divided into four components: human, surface waters, groundwater, and ecological. This enables the analysis of each to be undertaken independently and allowed risks of harm to human health to be prioritised in accordance with the statutory guidance. Properties, in the form of crops/livestock/animals and in the form of buildings, are also considered as receptors in the statutory guidance. These receptors were not considered at this stage as it was thought that any significant adverse effects would have become evident by now. The human health receptor datasets have been broken down into further categories including allotments, houses with gardens, flats complex, flats with gardens, open ground, parks, commercial etc.

#### **4.8 Building and Applying the Risk Model**

A GIS model was constructed and assigned numerical scores, 1 to 4, to sources depending on their hazard and, similarly, scores, 1 to 4, were assigned to receptors based on their susceptibility. Sources (industrial sites) have each been given a score according to their likely hazard. For example a gas works site is allocated the highest score, 4, because it is likely to contain high concentrations of toxic contaminants. A receptor such as a house with garden is assigned the highest susceptibility score because there is a greater chance of people coming into direct contact with contamination in the soil by gardening, for example. On the other hand, car parks have been allocated a score of 1 because people cannot come into direct contact with any contaminated soil, as it will be contained beneath a tarmac or concrete surface.

The model was constructed for each receptor type (human health, surface waters, groundwater and ecology) and gave an indication of the probability of a pollutant linkage being present, i.e. where there is an overlap between a source, (i.e. a former industrial site), and a receptor, (i.e. housing development). For example, a high source hazard score combined with high receptor susceptibility score equates to the highest likelihood of the existence of a significant pollutant linkage. This is illustrated by the risk matrix in Section 4.3.6 below. The values in the coloured matrix cells were the final risk scores allocated to each site that is likely to have a pollutant linkage present, i.e. both a receptor and a source. (Appendix A contains a list of the risk classifications for the various industrial land uses and receptor classes).

The risk model is a method by which sites are prioritised for further detailed inspection. It is an indication that the site may contain elevated contaminant concentrations, which could be causing harm to a receptor. Stage 2 and Stage 3 investigations will allow a determination of the presence of contaminants which are causing or are likely to cause significant harm to human health and/or significant pollution of controlled waters. Land cannot be designated as contaminated land following the completion of Stage 1 assessment.

#### 4.9 Matrix of Likelihood of Pollutant Linkage Being Present

**Table 9 Risk Score Matrix**

Risk Scores		<i>Receptor susceptibility</i>			
		4 (high)	3	2	1 (low)
<i>Source Hazard</i>	4 (high)	7	6	5	4
	3	6	5	4	3
	2	5	4	3	2
	1 (low)	4	3	2	1

The model was then applied across the area of the Council using a geo spatial tool (ArcGIS) to classify each source and receptor according to the appropriate risk class based on spatial coincidence (i.e. where there is an overlap or influence between a source and a receptor). This has resulted in each site being allocated a ‘risk score’, which reflects the likelihood of existence of a significant pollutant linkage. Sites were selected for stage 2 assessment in order of their highest maximum risk score and highest intercept score.

#### 4.10- Revision of the Risk Prioritisation Exercise- GeoEnviron/ArcGIS

The Environmental Health and Trading Standards Service have obtained a database management system called GeoEnviron to revise the earlier site prioritisation list which was generated by the Atkins GIS based model.

ArcGIS, together with GeoEnviron will allow new data (such as from development control on site remediation and change of use) to be incorporated into the site risk prioritisation exercise.

#### **4.11. Stage 2: Identify Actual Pollutant Linkages**

Where sites are found to have a potential pollutant linkage these progress on to Stage 2 which involves a desk-based study and a walkover survey to validate the information and risk classification identified during Stage 1.

The aim of the Stage 2 process is to:

- a) Determine the existence of actual pollutant linkage.
- b) Determine whether the pollutant linkage could either:
  - i. Result in significant harm to the receptor or present a significant possibility of significant harm to the receptor; or
  - ii. Result in the significant pollution of controlled waters, or are likely to result in such significant pollution.

At each stage of the process, the issue is whether or not there is sufficient evidence to progress the assessment of the site into the next tier within this Strategy.

It is useful to view the Stage 2 process at three levels:

**Stage 2A:** This involves a walkover survey that serves to validate the basic data and interpretation that has come from Stage 1. If it is concluded that there may be a pollutant linkage, the site will be progressed to Stage 2B for further consideration.

**Stage 2B:** A formal desk study is carried out which involves consultation with external bodies such as the Environment Agency and British Geological Society. The objective of Stage 2B process is to consider whether there is sufficient evidence for the identified potential pollutant linkages at Stage 2A to warrant further assessment at Stage 3 of this strategy.

**Stage 2C-** This involves consultation with other council departments e.g. Planning . Before sites are passed onto Stage 3, it is important to ensure that all available information has been collected, particularly on the actual presence or absence of contamination and/or remediation. The owners and occupiers of the site, the developer who built the development and any

identified appropriate persons will also be contacted and asked whether they hold any further information, and will be advised that the next proposed action will be to carry out an intrusive investigation. However, this will not be carried out if information presented, as a result of the consultation, confirms that the site is unlikely to be contaminated land.

The Stage 2 inspection of sites began in 2001. As the Stage 1 and 2 work progressed, it became apparent that large volumes of information would be collected and that the use of GIS alone for the storage of data collected would be unsuitable. GeoEnviron, a database that links to ArcView GIS, was purchased to effectively store and manage this data. As more data is added to the system, for example, on sites remediated through the Development Control system, it is intended to re-run the risk prioritisation of sites periodically.

Stage 2 will result in the development of a conceptual model for each site, which will outline all possible potential pollutant linkages. Sites will then be reprioritised for Stage 3 inspection.

#### **4.12. Stage 3: Identify Significant Pollutant Linkage**

This stage establishes whether there is a significant pollutant linkage present. This may require an intrusive investigation (i.e. sampling of soil, groundwater and/or ground gas) particularly if there are no previous ground investigation reports available.

The investigations will be designed on a site-specific basis taking account of all relevant information of the site including the potential for contamination or actual presence of elevated concentrations of contaminants from the preceding stages of the assessment.

Statutory powers of entry can be used (Environment Act 1995) if needed to gain access into properties where the council is of the opinion that there is a high likelihood of existence of imminent risk to health and access is denied. The same powers of entry will be granted for the Environment Agency for intrusive investigative works on Special Sites where they are the enforcing authority.

#### **4.13 Risk Assessment to Identify Significant Pollutant Linkage**

The process of risk assessment involves understanding the risks presented by land, and the associated uncertainties. The understanding of the risks is



developed through a staged approach to risk assessment and the process should normally continue until it is possible for the council to decide:

- (a) that there is insufficient evidence that the land might be contaminated land to justify further inspection and assessment; and/or
- (b) whether or not the land is contaminated land.

In all cases the council will carry out intrusive investigations by commissioning a suitably experienced and independent consultant to carry out the investigation.

Until the site has been determined as contaminated land the council will pay for all such investigations and, where possible, will apply for Government funding.

#### **4.14. Summary of Stages 1 to 3**

In summary, a conceptual model as part of risk assessment has been developed involving a three-stage identification process using GIS and a custom database (GeoEnviron) to manage the spatial data. This addresses the identification sequence of potential pollutant linkage, actual pollutant linkage and significant pollutant linkage.

Figure 11 below summarises the staged approach adopted by the council in the site prioritisation exercise.

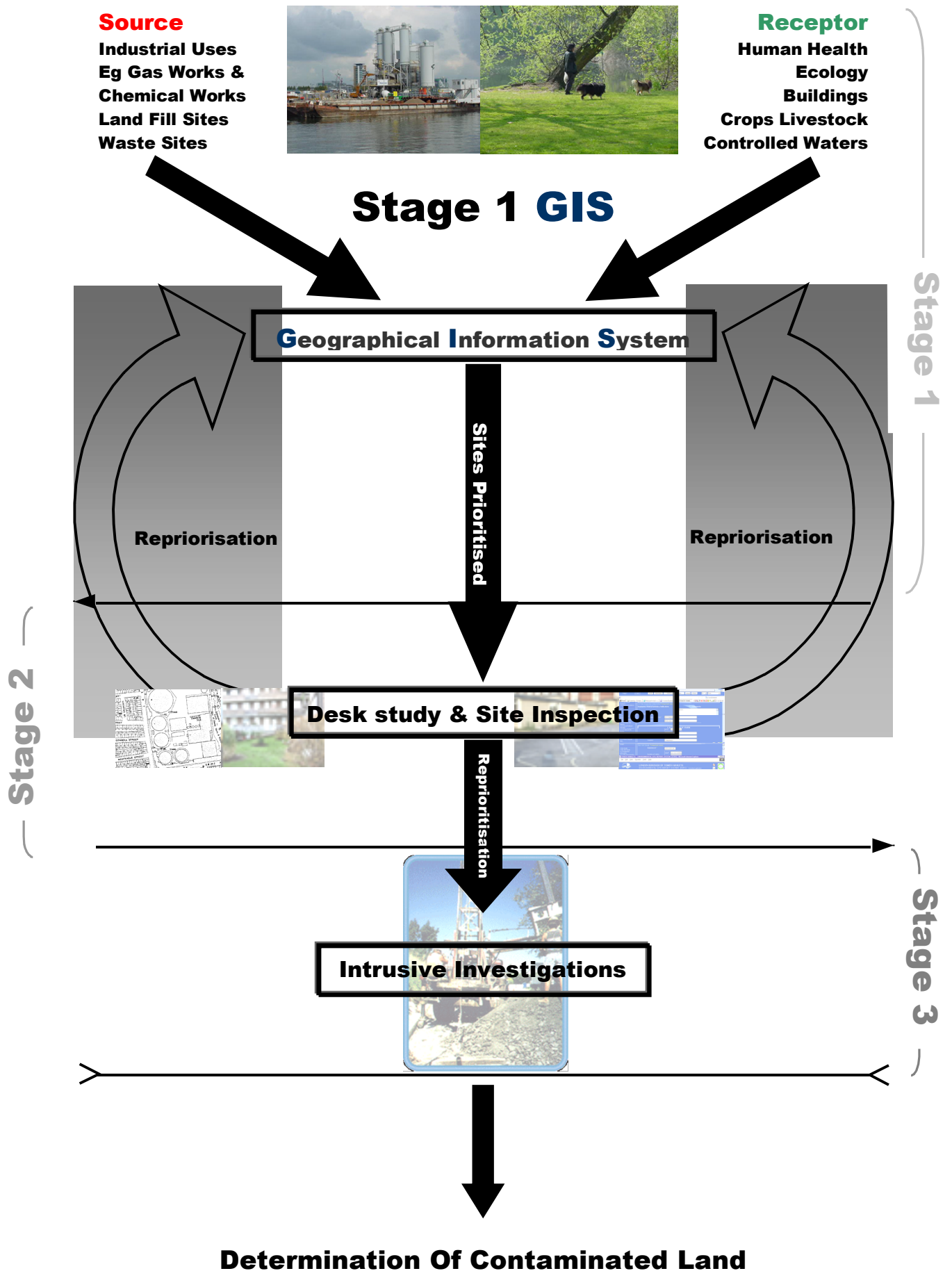


Figure 11 Summary of the Stages of Identifying contaminated land

## **5 DETERMINATION OF CONTAMINATED LAND**

The council has the sole responsibility for determining whether any land within its area appears to be contaminated land. This statutory responsibility cannot be delegated (except in accordance with Section 101 of the Local Government Act 1972. However, in making such decisions the council will rely on information or advice provided by other bodies such as the Environment Agency, or a suitably qualified experienced practitioner appointed for that purpose.

The council will consider the following four possible grounds for the determination of land as contaminated land (with regard to non-radioactive contamination) (Defra, 2012):

- (a) Significant harm is being caused to a human or relevant non-human, receptor.
- (b) There is a significant possibility of significant harm being caused to a human, or relevant non-human, receptor.
- (c) Significant pollution of controlled waters is being caused.
- (d) There is a significant possibility of significant pollution of controlled waters being caused

Before making any determination, the council would have identified one or more significant contaminant linkage(s), and carried out a robust, appropriate, scientific and technical assessment of all the relevant and available evidence. If at any stage of the assessment the council considers that conditions for considering land to be contaminated land do not exist, it would not determine that the land is contaminated land.

Before making a determination, the council will inform the owners and occupiers of the land and any other person who appears to the authority to be liable to pay for remediation of its intention to determine the land. This is to give such persons time to make representations (for example to seek clarification of the grounds for determination, or to propose a solution that might avoid the need for formal determination) taking into account: the broad aims of Part 2A regime; the urgency of the situation; any need to avoid unwarranted delay; and any other factor that the council considers to be appropriate.

## 6 TIMESCALES

The statutory guidance required local authorities to prepare, formally adopt and publish a strategy to identify contaminated land within 15 months of the implementation of the Contaminated Land Regulations (i.e. by July 2001). This section outlines all the actions (completed and yet to be completed) which fulfils the council's statutory obligation under the legislation.

**Table 12 Timescale for the Implementation of the LBTH CL Strategy**

Year	Activity	Status	Responsibility
2001-02	Publish and adopt strategy	Completed	Contaminated Land Officer
2004-2005	Review strategy	Completed	Contaminated Land Officer
2012-ongoing  2012- 2018	Carry out Stage 3 assessments for highest priority sites to find significant pollutant linkages  Issue notifications of contaminated land and remediation notices as necessary. Use capital funding as necessary to support the remediation as necessary of publically owned land	Work in Progress	Contaminated Land Officer / Contaminated Land – Technical Officer
2017	Review Strategy	Completed	Contaminated Land Officer
2018-2020	Rerun risk model after completion of above stage 3 assessments. Carry out Stage 2 assessments sites and carry out selective Stage 3 investigations.	Commence in 2018	Contaminated Land Officer
2023	Refresh Strategy	Commence in 2022	Contaminated Land Officer

## **7. LIAISON WITH OWNERS AND OCCUPIERS OF LAND**

The adopted approach to identifying contaminated land within this strategy means that the council, or its consultants, will be required to visit and carry out a detailed inspection for only a small proportion of the land within the borough. This is land where the earlier stages of assessment suggest the possibility of the existence of pollutant linkages which could render the land as being contaminated land. The detailed investigations will be prioritised according to the risk of exposure to potential contaminants by residents and will include a visit to a particular area, and sampling of soil, groundwater and/or ground gas at a designated site.

The reasons why the council may need to liaise with owners and occupiers of land are as follows:

- to carry out a walkover survey. This will allow a check of current receptors and, in some cases, may be sufficient for the council to decide whether or not further assessment is required;
- to request relevant information that the owner or occupier may hold. This could include historical information or previous studies (desk studies or intrusive investigations) and its availability may avoid the need to undertake independent intrusive investigations. Alternatively, the owner may offer to provide information on the condition of the land within a reasonable and specified timescale;
- to agree access and timing for the council or its consultants to carry out an intrusive investigation or take samples where considered necessary. In some circumstances an authorised person can ask other people questions, which they are obliged to answer, and make copies of written or electronic records;
- In response to enquiries from interested parties.

In each case, the purpose of liaising with owners/occupiers will be to assist the council in obtaining sufficient information to make a determination on whether land appears to the council to be contaminated land. If necessary, Section 108 of the Environment Act 1995 gives the council the power to authorise a person to exercise specific powers of entry.

The Contaminated Land Officer, or their delegate, will also discuss with the owner/occupier the reasons for carrying out the intrusive investigation and

communicate risk in accordance with the “Contaminated Land Risk Assessment Communication Strategy”.

The council will also liaise with the owner(s) and occupier(s) of land in the following circumstances:

- where information has been received by business, voluntary organisations or members of the public on the possibility that the particular land might be contaminated land and the council considers that further investigations are warranted. How this information is to be dealt with and over what probable timescale will be agreed with the owner/occupier;
- where findings of the assessment show that there exists unacceptable risk, the council will inform the owners and occupiers of the land and any other person who appears to be liable to pay for remediation before making a determination of any land as contaminated land;
- where the owner or occupier is identified as an appropriate person, a remediation notice will be issued, specifying the most appropriate method of remediation selected by the council and a reasonable timescale for the completion of the required work. The issues of exclusion from liability apportionment are complex and are addressed in the Hardship and Cost Recovery Policy which is included as an addendum to this Strategy;
- where contaminated land has been determined, a written record of the determination will be provided to the landowner and occupier, providing a justification for the determination, including details on all the available site investigation reports and other assessments in accordance with the statutory guidance. Notice will also be given to each person who appears to be an appropriate person to bear responsibility for any remediation required in accordance with the tests for exclusion and apportionment of liability in the statutory guidance.

The general approach will be to seek to reach voluntary agreement in preference to serving a remediation notice. However, where negotiations are not successful and warning letters have not resulted in agreement, the council will issue the appropriate remediation notices, in accordance with its statutory duty, taking account of statutory guidance on liability apportionment and cost recovery issues. If the land is not considered contaminated using the legal definition, the person responsible for causing the contamination or the land owner could be responsible for dealing with the contamination.

## **8. CONSULTATION WITH OTHER AGENCIES**

### **8.1. Environment Agency**

A copy of this strategy and any subsequent revisions will be provided to the Environment Agency. Details of sites with a risk ranking and copies of site investigation reports and risk assessments will be sent to the Environment Agency. Notifications of the identification of contaminated land and remediation notices will also be provided to the Environment Agency.

Tower Hamlets will take account of any guidance and specific site information that may be issued by the Environment Agency in particular, the Environment Agency will be consulted for specific site information if potentially contaminated land, is likely to be so classified by virtue of pollution of controlled waters or is likely to be a *Special Site*. (See Appendix C for the definition of Special Sites).

The Environment Agency has provided specific information which has been included in the contaminated land identification process. This includes:

- information on groundwater vulnerability, source zone protection maps;
- information on surface water quality, abstraction licences and specific pollution incidents;
- information on location of closed landfills and currently licensed waste management facilities; and,
- details of the types of site that, if designated as contaminated land, would be categorised as Special Sites (including current and historic IPPC authorised sites).

As discussed earlier in Section 4, the data has been produced in digital format and incorporated into the GIS model (eg. groundwater vulnerability). Some of this data was also examined during the desk studies (eg. specific pollution incidents).

Information will also be provided to the Environment Agency to assist them in compiling a report on the state of contaminated land if required. The information could include this Strategy and information on all Tower Hamlets sites with a risk ranking and those sites designated as contaminated land. Copies of notices, remediation statements and declarations will also be provided to the Environment Agency when issued.

## **8.2. English Nature**

English Nature was previously contacted to take account of relevant information that it may hold. This included the acquisition of datasets relating to ecological receptors of relevance in considering significant harm.

## **8.3. London Ecology Unit**

The London Ecology Unit was previously contacted to establish the importance of sites for ecological importance in the borough and the nature of their designations.

## **8.4. Department for Environment, Food and Rural Affairs**

DEFRA will be contacted to update them on the revisions of this strategy.

## **8.5. Food Standards Agency**

The Food Standards Agency (FSA) will be consulted as part of the Strategy for their comments on the suitability of the technical assessment methodology regarding food safety related pollutant linkages (risks) on all investigative works within the borough. The FSA has responsibility for food safety including the safety for consumers of food that may be affected by contamination. This includes food grown in domestic gardens and allotments. The FSA should be contacted for advice and information should there be any implications for food safety during the identification and remediation of contaminated land.

## **8.6. Thames Water**

Thames Water will be immediately notified where a potential pollutant linkage includes a public water supply source as a receptor.

## **8.7. Public Health England**

Public Health England (PHE, formerly the HPA) will be consulted as part of the Strategy for their comments on the suitability of the technical assessment prior to making a determination of contaminated land.



## **9. HANDLING INFORMATION RECEIVED FROM THE PUBLIC, BUSINESSES, VOLUNTARY ORGANISATIONS AND THE ENVIRONMENT AGENCY.**

The purpose of this strategy is to adopt a systematic approach to the identification of contaminated land. However, this will take time to complete due to the complex nature of the risk assessment, continuous change in the technical guidance and uncertainty regarding securing funding from central government. In the meantime, it is important to be able to respond to and investigate specific concerns that are raised by members of the public, businesses and voluntary organisations.

### **9.1. Complaints**

Complaints may be received from the public or other bodies regarding land contamination. Complaints will be dealt with following the same procedure as other complaints to Environmental Health. The complaint will be investigated in line with this inspection strategy and all efforts will be made to keep the complainant informed of progress and to resolve the complaint as efficiently and effectively as possible.

### **9.2. Obtaining/Receiving Information**

Information may be provided by members of the public, site owners/occupiers, environmental organisations and the Environment Agency, which may be sufficient to identify land as contaminated land directly or to suggest that detailed inspection and possibly intrusive investigations are required. Alternatively, following assessment, a decision may be made that no action is required because the concern does not appear to be well founded or the absence of receptors is sufficient to determine that land is not contaminated.

The council's approach in assessing this information and deciding how to proceed will include taking account of the following factors:

- the strength of the evidence already available to suggest that the land is contaminated land (for example visual evidence, Stage 2 assessments, previous investigations and anecdotal information that is considered likely to be well-founded);
- the apparent urgency of the matter (priority will be given to concerns about human health in accordance with the council's primary duty);

- whether or not the information is provided anonymously;
- whether the information appears to be driven specifically by commercial considerations. A prospective purchaser may seek to be assured that land they are seeking to acquire will not be identified as contaminated land. In this context, the enquirer will be encouraged to employ his own independent advice to make a judgement, except where the request is consistent with complying with this strategy. Information available on former uses of land, site risk rating and records of investigations (if any) will be made available to the enquirer;
- the apparent motivation of the person supplying information where there are grounds to suspect that information may not be well founded.

When information is received, the following steps will be taken to keep various parties informed:

- receipt will be acknowledged within 5 days;
- the anonymity of the originator of the information will be preserved, where appropriate (normally until such time as legal action may be necessary);
- owners and occupiers of land to which the information relates, or potential appropriate persons, will be advised that it has been received and how it will be dealt with, with an indication of timescale;
- other relevant regulatory authorities will be informed where the information received relates to matters outside Tower Hamlet's statutory responsibilities (i.e. the Environment Agency, where powers under the Water Resources Act 1991 may applied);
- advising the person(s) who provided the information and owners/ occupiers/appropriate persons previously contacted of the final outcome of the council's investigation.

Where land is determined as contaminated land, the details will be maintained on a public register. The council may be asked for information about land that has/has not been determined as contaminated land, whether as part of a 'local search' or for other reasons. The Environmental Information Regulations 2004 require that information on land contamination held by the Local Authority must be made available on request from 1 January 2005.

The council will provide all available information to the individual or body requesting the information. However, in circumstances where information is being collected and assessed, but is incomplete, only factual information will be provided and the council will take account of its own legal advice.

## **10. HANDLING REQUESTS FROM THE PUBLIC FOR INFORMATION ON CONTAMINATED LAND**

The process of implementing this strategy has, and will continue, to result in the collection and storage of a significant amount of data and information about the borough. In addition to the obligations set out in the Environmental Information Regulations (2004) governing the availability of environmental data, Tower Hamlets will adopt a transparent process, by the public, to factual data and information relating to the Part 2A legislation and statutory guidance including:

- historical maps
- historical land use
- current land use
- geological and hydrogeological data
- ecological data
- records of previous site investigations, remediation and validation (if available)

Interpretative information is that which is derived from the risk model input and output. The input data includes the individual hazard and susceptibility ratings of individual sites and risk ranking values. This type of information and any data that is derived through an interpretative process must also be disclosed to the public under the new regulations. However, this information must be qualified as interpretative when disclosed to the public in accordance with legal opinion obtained by the council.

### **10.1 Register of contaminated land**

A register of land designated as contaminated with respect to Part 2A will be maintained by the Contaminated Land Officer and/or their delegate and will be available to the public. This public register, as required under Part 2A of EPA 1990 and the Contaminated Land (England) Regulations 2012, will only contain information on sites determined as contaminated land and where subsequent actions on the site have or will occur. The register also contains all data and information used to support the designation of the land as contaminated land. This will be available for inspection by contacting:

Environmental Health and Trading Standards  
London Borough of Tower Hamlets  
John Onslow House  
Ewart Place  
London E3

The Contaminated Land Register is maintained for public inspection on the council's web site along with a summary of the findings of the investigation(s), risk assessment and any recommended remedial works.

## **11. LAND FOR WHICH THE COUNCIL IS DIRECTLY RESPONSIBLE**

The Stage 2 process has identified land where the council may have a responsibility due to its current or former ownership or occupation for the investigation and clean-up (if required) of that land. This includes council owned land, which has had former industrial use and/or land for which the 'original polluter' (Class A person as defined in the statutory guidance) may no longer be identifiable. Such land, if determined as contaminated land, will be addressed by the council.

The council may also be the owner of former (closed) landfill sites and may have responsibilities in this regard.

The council is committed to applying the same principles to contaminated land in its current or former ownership as those applied to any other contaminated land. In particular, the staged approach to identification described in Section 4 is equally relevant to land in council ownership. Should the council, as landowner, become aware of specific concerns, these will be progressed on a similar basis of priority and risk assessment as for land in other ownership.

In addition central government funding is available in the form of the Contaminated Land Capital Projects funding to address contaminated land. The council will apply for this funding where appropriate.

## 12. REVIEW AND UPDATE PROCEDURES

The council recognises that its strategy for the identification of contaminated land is based on a probabilistic approach. The aim is not to prove the status of every piece of land within the borough but rather to adopt a logical, robust and defensible approach in which effort is proportional to risk and priorities are set appropriately. This approach is in line with the broad objectives of the Part 2A regime.

Periodic reviews of the strategy are therefore necessary, or at least every five years. The following types of review and update are likely to occur:

- review of any amendments to, or publication of, new legislation and/or statutory guidance which may have an impact on the on-going implementation of this strategy;
- review of the scientific assumptions made in later stages of the assessment process (i.e. Stage 3 intrusive investigations and risk assessment). Such a review will focus on changes in the understanding of the behaviour of potential pollutants (changes in technical and authoritative guidance).
- re-assessment of the inspection findings in relation to particular land. For example, there may be a change in the land use (the receptor) or because of reported health effects apparently associated with the land;
- review of any opportunities to increase the range of datasets used in the Stage 1 identification process. Additional datasets can be added to the GIS/GeoEnviron model at a later stage. There are also opportunities to add datasets maintained by other council departments (i.e. opportunities for residential and mixed-use development datasets created by Development Control for the new Local Plan). The addition of new datasets will help refine the risk based model and increase accuracy;
- update of the GIS/GeoEnviron model to reflect additional information that may become available (eg from the Environment Agency in relation to groundwater or surface water abstractions and information from development-related site investigations).

Information systems related to the identification of contaminated land are to be viewed as essentially 'live' systems. Although updates are expected to be made periodically for reasons of efficiency (about every 3 months), where any new information is expected to have potential implications for human health

this will be reviewed as a priority and the implications to the risk model examined.

This strategy was reviewed in 2005 and 2013 following its adoption in June 2001 and subsequent revisions in 2003 and 2004. The objective of each update will be to ensure that the strategy remains relevant, up to date with current statutory and technical guidance and is efficient and effective in the application of resources to the identification of contaminated land. The update will seek to ensure that the approach taken remains consistent with current best practice.

## **ABBREVIATIONS**

A.O.N.B.	Area of Outstanding Natural Beauty.
C.L.E.A.	contaminated land Exposure Assessment.
D.E.F.R.A.	Department of Food and Rural Affairs
D.E.T.R.	Department of Environment, Transport and Regions.
E.A.	Environment Agency.
F.S.A.	Food Standards Agency.
G.I.S.	Geographical Information System.
H.A.R.C.A.	Housing and Regeneration Community Association.
I.P.P.C.	Integrated Pollution Prevention and Control.
L.B.T.H.	London Borough of Tower Hamlets.
L.D.D.C.	London Docklands Development Corporation.
M.A.F.F	Ministry of Agriculture, Fisheries and Food.
S.A.C.	Special Area of Conservation.
S.N.I.F.F.E.R.	Scotland and Northern Ireland Forum for Environmental Research.
S.P.A.	Special Protection Areas.
S.P.Z.	Source Protection Zone.
S.R.B.	Single Regeneration Budget.
S.S.S.I.	Site of Special Scientific Interest.
T.H.C.H.	Tower Hamlets Community Housing.



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## GLOSSARY

Apportionment	Any determination by the enforcing authority, that is a division of the costs of carrying out remediation action between two or more parties.
Building	Any structure or erection, and any part of a building including any part below the ground, but not including plant or machinery comprised in a building.
Contaminant	Any substance, which is in, on or under the land and which, has the potential to cause harm or to cause pollution of controlled waters.
Contaminated Land	Any land which appears to the local authority in whose area it is situated to be in such a condition, by reason of substances in, on or under, that – <ol style="list-style-type: none"><li>significant harm is being caused or there is a significant possibility of such harm being caused, or;</li><li>pollution of controlled waters is being, or is likely to be, caused.</li></ol>
Controlled waters	Defined by reference to Part III (section 104) of the Water Resources Act 1991, which includes territorial and coastal waters, inland fresh waters and ground waters.
Current use	Any use which is currently being made, or is likely to be made, of the land and which is consistent with any existing planning permission (or otherwise lawful under town and country planning legislation). This definition is subject to the following qualifications: <ol style="list-style-type: none"><li>The current use should be taken to include any temporary use, permitted under town and country planning legislation, to which the land is, or is likely to be, put from time to time;</li><li>The current use includes future uses or developments, which do not require a new or amended, grant of planning permission.</li><li>The current use should, nevertheless, be taken to include any likely informal recreational use of the land, whether authorised by the owners or occupiers or, (e.g. children playing on the land); however, in assessing the likelihood of any such informal use, the local authority should give due attention to measures taken to prevent or restrict access to the land; and</li><li>In the case of agricultural land, the current agricultural use should not extend beyond the growing or rearing of the crops or animals, which are habitually grown or reared on the land.</li></ol>

Harm	Harm to the health of living organisms or other interference with the ecological systems of which they form part and in the case of man, includes harm to his property.
Intrusive investigation	An investigation of land (e.g. by exploratory excavations) which involves actions going beyond simple visual inspection of the land, limited sampling or assessment of documentary information.
Owner	A person (other than a mortgagee not in possession) who, whether in his own right or a trustee for any other person, is entitled to receive the rack rent of the land, or where the land is not let at a rack rent, would be so entitled if it were so let.
Pathway	One or more routes or means by which, or through which, a receptor: <ul style="list-style-type: none"> <li>a) is being exposed to, or affected by a contaminant, or</li> <li>b) could be exposed or affected.</li> </ul>
Pollutant	A contaminant which forms part of a pollutant linkage.
Pollutant Linkage	The relationship between a contaminant, pathway and a receptor.
Remediation	defined as: <ul style="list-style-type: none"> <li>a) the doing of anything for the purpose of assessing the condition of – <ul style="list-style-type: none"> <li>i) the contaminated land in question;</li> <li>ii) any controlled waters affected by that land; or</li> <li>iii) any land adjoining or adjacent to that land;</li> </ul> </li> <li>b) the doing of any works, the carrying out of any operations or the taking of any steps in relation to any such land or waters for the purpose- <ul style="list-style-type: none"> <li>i) of preventing or minimising, or remedying or mitigating the effects of any significant harm, or any pollution of controlled waters, by reason of which the contaminated land is such land; or</li> <li>ii) of restoring the land or waters to their former state; or</li> </ul> </li> <li>c) the making of subsequent inspections from time to time for the purpose of keeping under review the condition of land or waters.”</li> </ul>
Significant Harm	Any harm which is determined to be significant in accordance with Section 4.1 of Statutory Guidance (Defra, 2012)
Significant Possibility Of Significant Harm:	Any possibility of significant harm as determined by four (4) Category test in Section 4.2 of the Statutory Guidance (Defra, 2012)

# **Appendix A – Risk Classification**

Table A Source Classification

<b>DOE Class</b>	<b>Description</b>	<b>Hazard</b>
C1	Agriculture	3
C1A	Agriculture: Burial of diseased livestock	3
C2	Extractive Industry	3
C2A	Extractive Industry: Extracting, handling and storage of carbonaceous materials such as coal, lignite, petroleum, natural gas, or bituminous shale (not including the underground workings)	3
C2Ai	Extractive Industry: Coal storage and depot	2
C2Aii	Extractive Industry: Mining of coal/lignite	3
C2Aiii	Extractive Industry: Oil, petroleum & gas refining & storage	4
C2B	Extractive Industry: Extracting, handling and storage of ores and their constituents	3
C2Bi	Extractive Industry: Mining/quarrying general	3
C2Bii	Extractive Industry: General quarrying	3
C2Biii	Extractive Industry: Mineral railway	2
C2Biv	Extractive Industry: Sand/clay/gravel pits	3
C2Bv	Extractive Industry: Heap of quarry waste	2
C3	Energy Industry	4
C3A	Energy Industry: Gas manufacture & distribution	4
C3B	Energy Industry: Reforming/purifying/refining of gas	4
C3C	Energy Industry: Other processes	4
C3D	Energy Industry: Thermal power station (inc nuclear)	3
C3E	Energy Industry: Electricity production & distribution [inc large transformers]	2
C4	Production of Metals	4
C4A	Production of Metals: Production/refining/recovery(ex.mining)	4
C4B	Production of Metals: Metal casting/foundries	4
C4C	Production of Metals: Heavy product manufacture - rolling and drawing of iron, steel and ferroalloys	2
C4D	Production of Metals: Finishing treatments	4
C5	Prodn. Non-metals	3
C5A	Prodn. Non-metals: Prodn/refining of ore	3
C5B	Prodn. Non-metals: Prodn/processing of mineral fibres	4
C5C	Prodn. Non-metals: Cement, lime and gypsum manufacture, brickworks and associated processes	2
C5Ci	Prodn. Non-metals: Clay bricks & tiles [manufacture]	2
C5Cii	Prodn. Non-metals: Cement, lime & plaster products [manufacture]	2
C6	Glass & Ceramics	3
C6A	Glass & Ceramics: Glass & glass products exc. flat glass [manufacture]	2
C6B	Glass & Ceramics: Ceramics manuf	2
C7	Chemical prodn/use	4
C7A	Chemical prodn/use: Plastic goods, all general manufacture, including building, packaging and tubing	4
C7B	Chemical prodn/use: Production, refining and bulk storage of organic or inorganic chemicals, inc. fertilisers, pesticides, pharmaceuticals, cosmetics, dyestuffs, pyrotechnic materials or recovered chemicals	4
C7Bi	Chemical prodn/use: Paints, varnishes, printing inks, mastics & sealants [manufacture]	4

C7Bii	Chemical prodn/use: Animal by-products [i.e. gelatine, soap, glue etc.]	2
C7Biii	Chemical prodn/use: Chemical manufacturing general	4
C7Biv	Chemical prodn/use: Dyes & pigments [manufacture]	4
C7C	Chemical prodn/use: Industrial gases	4
C8	Engineering and Manufacturing Processes	4
C8A	Engineering and Manufacturing Processes: Manufacture of metal goods, including mechanical engineering industrial plant or steelwork, motor vehicles, ships, railway or tramway vehicles, aircraft, aerospace equipment or similar equipment	2
C8Ai	Engineering and Manufacturing Processes: Construction materials	2
C8Aii	Engineering and Manufacturing Processes: Transport : light manufacture	2
C8Aiii	Engineering and Manufacturing Processes: Machinery: engines, building and general industrial [manufacture]	2
C8Aiv	Engineering and Manufacturing Processes: Transport manufacturing and repair	3
C8B	Engineering and Manufacturing Processes: Storage, manufacture or testing of explosives, propellants, ordnance, small arms or ammunition	4
C8Bi	Engineering and Manufacturing Processes: Weapons/ammo	4
C8Bii	Engineering and Manufacturing Processes: Military Land	4
C8C	Engineering and Manufacturing Processes: Electrical equip.	2
C8Ci	Engineering and Manufacturing Processes: Computer/office machines	2
C8Cii	Engineering and Manufacturing Processes: Batteries etc.	4
C8Ciii	Engineering and Manufacturing Processes: Domestic appliance	2
C8Civ	Engineering and Manufacturing Processes: Insulated wire/cable	2
C8Cv	Engineering and Manufacturing Processes: Navigation/medical/general	2
C9	Food processing industry	1
C9A	Food processing industry: Petfood/animal feed manuf	1
C9B	Food processing industry: Animal by-prod processing	1
C9C	Food processing industry: Food processing - major	1
C9D	Food processing industry: Spirit distilling & compounding	1
C9E	Food processing industry: Animal slaughtering & basic processing of meat [other than poultry]	3
C9F	Food processing industry: Brewing & malting	1
C9G	Food processing industry: Sugar refine/tobacco	1
C10	Paper & Printing	3
C10A	Paper & Printing: Making of paper pulp, paper or board, or paper or board products, including printing or de-inking	3
C10Ai	Paper & Printing: Misc. printing (not newspaper)	3
C10Aii	Paper & Printing: Newspaper printing	3
C10Aiii	Paper & Printing: Paper packaging products [manufacture]	3
C10Aiv	Paper & Printing: Packaging	3
C10Av	Paper & Printing: Recycling/photo processing	3
C11	Timber & Products	4
C11A	Timber & Products: Chemical treatment and coating of timber and timber products	4
C11Ai	Timber & Products: Saw mill	1
C11Aii	Timber & Products: Sawmilling, planing & impregnation [i.e.	4



	treatment of timber]	
C12	Textile Industry	4
C12A	Textile Industry: Leather working	4
C12B	Textile Industry: Natural and man-made textile manufacture and products	3
C12C	Textile Industry: Floor coverings	3
C13	Rubber Industry	4
C13A	Rubber Industry: Natural & synthetic inc. tyres	4
C14	Infrastructure	3
C14A	Infrastructure: Railways	3
C14B	Infrastructure: Transport support & cargo handling	3
C14C	Infrastructure: Dismantling, repairing or maintenance of road transport or road haulage vehicles	4
C14Ci	Infrastructure: Road haulage	4
C14Cii	Infrastructure: Retail sale of fuel	4
C14Ciii	Infrastructure: Motor vehicles: maintenance & repair e.g. garages	3
C14D	Infrastructure: Air & space	3
C14E	Infrastructure: Pipelines	3
C15	Waste Disposal	4
C15A	Waste Disposal: Treating of sewage or other effluent	3
C15Ai	Waste Disposal: All outfalls	2
C15Aii	Waste Disposal: Sewage	3
C15B	Waste Disposal: Sludge storage/treatment/disposal	4
C15C	Waste Disposal: Treating, keeping, depositing or disposing of waste, including scrap (to include infilled canal basins, docks or rivercourses)	4
C15Ci	Waste Disposal: Refuse disposal inc. incinerators	4
C15Cii	Waste Disposal: Unknown Filled Ground (Pond, marsh, river, stream, dock etc)(see WF)	3
C15Ciii	Waste Disposal: Metal/scrap recycling	3
C15Civ	Waste Disposal: Unknown Filled Ground (Pit, quarry etc)	4
C15D	Waste Disposal: Storage/disposal of radioactive materials	4
C16	Miscellaneous	3
C16A	Miscellaneous: Dry cleaning	3
C16B	Miscellaneous: Education/research laboratories	3
C16C	Miscellaneous: Demolition of buildings/plant	2
C16D	Miscellaneous: Hospitals	3
C16E	Miscellaneous: Airshafts	1
C16F	Miscellaneous: Cemetery or Graveyard	1
C16G	Miscellaneous: Factory or unspecified works	3

Table B – Human -Receptor Susceptibility Classification

Type	Susceptibility	Description
Allotments	4	Small plots of land that are farmed and kept by local people.
Building Site	3	Construction area, with open ground and semi-finished structures (e.g. Buildings.
Canal/River & Embankment	3	Water features other than lakes.
Car Park	1	Multi-storey or single level- includes non-tarmac car park.
Church	2	The building itself plus ground and graves.
College	2	Educational Facility plus some grass areas and open space.
Commercial	2	Business areas (e.g. IT, Consultancy) and Shops. Some shops are on ground level with residential above.
Community Centre	2	Community buildings (e.g. Islamic Centres).
Council Buildings	2	Council-run establishments.
Emergency Services	2	Hospitals, police stations, Fire Stations.
Flats	2	Multi-storey building owned as flats, with very little grass or open space.
Flats Complex	2	A collection of flats often with small parks, a playground and communal gardens.
Flats With Gardens	4	Multi-storey buildings, which may have originally been single occupancy, housed, with gardens, rear or front.
Garages	1	To park cars. Mostly in residential areas.
Gas Works	1	Heavy industrial area based around gasworks. Probably of open spaces surrounding the buildings and machinery.
Grass	3	Areas of open grass other than parks.
Health Centre	2	Health service buildings, generally non-emergency (e.g.0 Doctors Surgery).
Houses	2	Houses often several stories, no garden.
Houses with Gardens	4	Houses with gardens, front or rear
Industry	1	Industrial areas (e.g. Textile manufacturers, metal work, recycling plants).
Lake	3	Closed area of water.
Library	2	Library Building.
Open Ground	3	Non-grassed areas, often revealing underlying superficial rocks/soil, or possibly tarmaced. Often in disuse.
Park	3	Grass areas open to public, often with trees, recreational facilities.
Park (Island)	3	Island on a lake, in a park.
Playground	2	Children's play area, grassed or covered (e.g. Tarmac).

Type	Susceptibility	Description
Playing Fields	3	Grassed area for sport activities.
School	2	Educational facilities with playground, almost always some grassed areas.
Stables	3	Areas where horses are kept.
Swimming Pool	2	Recreational facility.
Tennis Courts	1	Recreational facility (majority tarmaced).
Tower Block	2	Very tall, freestanding building.
Tower Block Complex	2	Area, often with other residential building such as flats and houses, that contains at least one tower block. Similar in susceptibility to flats Complex with its grassed area and open spaces.
Tower of London	3	Mixture of commercial, residential and grassed areas.
Transport	2	London Underground Tube Stations, train station, bus stations.
Vegetation	3	Grassed area with shrubs and trees.
Water	3	Mostly dock area.

Table C Groundwater Classification

Type	Susceptibility
Major High	6
Major Middle	5
Major Low	4
Minor High	3
Minor Middle	2
Minor Low	1
Non-aquifer	0

Table D Ecology Classification

Type	Susceptibility	Description
International	3	e.g. Ramsar
National	2	e.g. SSSI
Local	1	e.g. Sites of Nature Conservation Importance. <b>Local Plan</b>

**Appendix B -  
Definition of Significant  
Harm(SH)  
&  
Significant possibility of  
Significant Harm  
(SPOSH)**

## **1.0 Significant harm to human health**

The paragraphs below set out categories of harm that should be considered to be significant harm to human health (Defra, 2012). In all cases the harm should be directly attributable to the effects of contaminants in, on or under the land on the body(ies) of the person(s) concerned.

Conditions for determining that land is contaminated land on the basis that significant harm is being caused would exist where: (a) the local authority has carried out an appropriate, scientific and technical assessment of all the relevant and available evidence; and (b) on the basis of that assessment, the authority is satisfied on the balance of probabilities that significant harm is being caused (i.e. that it is more likely than not that such harm is being caused) by a significant contaminant(s).

The following health effects would always be considered to constitute significant harm to human health: *death; life threatening diseases (e.g. cancers); other diseases likely to have serious impacts on health; serious injury; birth defects; and impairment of reproductive functions* (Defra, 2012).

Other health effects may be considered by the Council to constitute significant harm. For example, a wide range of conditions may or may not constitute significant harm (alone or in combination) including: physical injury; gastrointestinal disturbances; respiratory tract effects; cardio-vascular effects; central nervous system effects; skin ailments; effects on organs such as the liver or kidneys; or a wide range of other health impacts. In deciding whether or not a particular form of harm is significant harm, LBTH would consider the seriousness of the harm in question: including the impact on the health, and quality of life, of any person suffering the harm; and the scale of the harm. LBTH would only conclude that harm is significant if it considers that treating the land as contaminated land would be in accordance with the broad objectives of the regime as described in Section 1 of the Statutory Guidance (Defra, 2012).

If the Council decides that harm is occurring but it is not significant harm, it would consider whether such harm might be relevant to consideration of whether or not the land poses a significant possibility of significant harm (SPOSH). For example, this might be the case if there is evidence that the harm may be a precursor to, or indicative or symptomatic of, a more serious form of harm, or that repeated episodes of minor harm (e.g. repeated skin ailments) might lead to more serious harm in the longer term (Defra, 2012).

## **2.0 Significant possibility of significant harm to human health (SPOSH)**

In deciding whether or not a significant possibility of significant harm to human health exists, LBTH would first understand the possibility of significant harm from the relevant contaminant linkage(s) and the levels of uncertainty attached to that understanding; before it goes on to decide whether or not the possibility of significant harm is significant (Defra, 2012).

### **Possibility of significant harm to human health**

In assessing the possibility of significant harm to human health from the land and associated issues, the council would act in accordance with the advice on risk assessment in Section 3 of the Statutory Guidance (Defra, 2012).

The term “possibility of significant harm” as it applies to human health, for the purposes of this guidance, means the risk posed by one or more relevant contaminant linkage(s) relating to the land. It comprises:

- (a) The estimated likelihood that significant harm might occur to an identified receptor, taking account of the current use of the land in question.
- (b) The estimated impact if the significant harm did occur i.e. the nature of the harm, the seriousness of the harm to any person who might suffer it, and (where relevant) the extent of the harm in terms of how many people might suffer it.

In estimating the likelihood that a specific form of significant harm might occur the Council would, among other things, consider:

- (a) The estimated probability that the significant harm might occur: (i) if the land continues to be used as it is currently being used; and (ii) where relevant, if the land were to be used in a different way (or ways) in the future having regard to the guidance on “current use” in Section 3.
- (b) The strength of evidence underlying the risk estimate. It should also consider the key assumptions on which the estimate of likelihood is based, and the level of uncertainty underlying the estimate. Having completed its estimation of the possibility of significant harm, the council would produce a risk summary in accordance with Section 3 of Defra (2012).

### **Deciding whether a possibility of significant harm is significant (human health)**

The decision on whether the possibility of significant harm being caused is significant is a regulatory decision to be taken by the council. In deciding whether the possibility of significant harm being caused is significant, consideration would be given as to whether the possibility of significant harm posed by contamination in, on or under the land is sufficiently high that regulatory action should be taken to reduce it, with all that would entail.

In deciding whether or not land is contaminated land on grounds of significant possibility of significant harm to human health, the council would use the four categorisations test described in paragraphs 4.17 of the Statutory Guidance (Defra, 2012). Categories 1 and 2 would encompass land which is capable of being determined as contaminated land on grounds of significant possibility of significant harm to human health. Categories 3 and 4 would encompass land which is not capable of being determined on such grounds. Below are the definitions of the four category test in the Statutory Guidance:

### **Category 1: Human Health**

The local authority should assume that a significant possibility of significant harm exists in any case where it considers there is an unacceptably high probability, supported by robust science based evidence that significant harm would occur if no action is taken to stop it. For the purposes of the Guidance, these are referred to as “Category 1: Human Health” cases. Land should be deemed to be a Category 1: Human Health case where:

- (a) the authority is aware that similar land or situations are known, or are strongly suspected on the basis of robust evidence, to have caused such harm before in the United Kingdom or elsewhere; or
- (b) the authority is aware that similar degrees of exposure (via any medium) to the contaminant(s) in question are known, or strongly suspected on the basis of robust evidence, to have caused such harm before in the United Kingdom or elsewhere;
- (c) the authority considers that significant harm may already have been caused by contaminants in, on or under the land, and that there is an unacceptable risk that it might continue or occur again if no action is taken. Among other things, the authority may decide to determine the land on these grounds if it considers that it is likely that significant harm is being caused, but it considers either:
  - (i) that there is insufficient evidence to be sure of meeting the “balance of probability” test for demonstrating that significant harm is being caused; or
  - (ii) that the time needed to demonstrate such a level of probability would cause unreasonable delay, cost, or disruption and stress to affected people particularly in cases involving residential properties.

### **Category 4: Human Health**

The local authority should not assume that land poses a significant possibility of significant harm if it considers that there is no risk or that the level of risk posed is low. For the purposes of the Statutory Guidance, such land is referred to as a “Category 4: Human Health” case. The authority may decide that the land is a Category 4: Human Health case as soon as it considers it has evidence to this effect, and this may happen at any stage during risk assessment including the early stages.

The local authority should consider that the following types of land should be placed into Category 4: Human Health:

- (a) Land where no relevant contaminant linkage has been established.
- (b) Land where there are only normal levels of contaminants in soil, as explained in Section 3 of the Guidance.

- (c) Land that has been excluded from the need for further inspection and assessment because contaminant levels do not exceed relevant generic assessment criteria in accordance with Section 3 of the Guidance, or relevant technical tools or advice that may be developed in accordance with paragraph 3.30 of the Guidance.
- (d) Land where estimated levels of exposure to contaminants in soil are likely to form only a small proportion of what a receptor might be exposed to anyway through other sources of environmental exposure (e.g. in relation to average estimated national levels of exposure to substances commonly found in the environment, to which receptors are likely to be exposed in the normal course of their lives).

The local authority may consider that land other than the types described as category 4 should be placed into Category 4: Human Health if following a detailed quantitative risk assessment it is satisfied that the level of risk posed is sufficiently low.

### **Categories 2 and 3: Human Health**

For land that cannot be placed into Categories 1 or 4, the local authority should decide whether the land should be placed into either: (a) Category 2: Human Health, in which case the land would be capable of being determined as contaminated land on grounds of significant possibility of significant harm to human health; or (b) Category 3: Human Health, in which case the land would not be capable of being determined on such grounds.

It should also be mindful of the fact that the decision is a positive legal test, meaning that the starting assumption should be that land does not pose a significant possibility of significant harm unless there is reason to consider otherwise. The authority should then, in accordance with paragraphs 4.26 to 4.29 of the Guidance, decide which of the following two categories the land falls into:

(a) Category 2: Human Health. Land should be placed into Category 2 if the authority concludes, on the basis that there is a strong case for considering that the risks from the land are of sufficient concern, that the land poses a significant possibility of significant harm, with all that this might involve and having regard to Section 1. Category 2 may include land where there is little or no direct evidence that similar land, situations or levels of exposure have caused harm before, but nonetheless the authority considers on the basis of the available evidence, including expert opinion, that there is a strong case for taking action under Part 2A on a precautionary basis.

(b) Category 3: Human Health. Land should be placed into Category 3 if the authority concludes that the strong case described in 4.25(a) does not exist, and therefore the legal test for significant possibility of significant harm is not met. Category 3 may include land where the risks are not low, but nonetheless the authority considers that regulatory intervention under Part 2A is not warranted. This recognises that placing land in Category 3 would not stop others, such as the owner or occupier of the land, from taking action to reduce risks outside of the Part 2A regime if they choose. The authority should consider making available the results of its inspection and risk assessment to the owners/occupiers of Category 3 land.



# **Appendix C - Definition of Special Sites**

### **Definition of Special Sites**

When land is designated as contaminated land, the Council must determine whether the contaminated land should be designated as a special site and thus be passed to the Environment Agency for regulation and enforcement. The rules on what land is to be regarded as special sites, and various rules on the issuing of remediation notices, are set out in the Contaminated Land (England) Regulations 2006.

# Appendix D

## **Hardship & Cost Recovery Policy**

## Non-Technical Summary

This policy has been written to set out how the council intends to recover the cost of cleaning up or making safe land (remediating) that has been determined as Contaminated Land. The policy needs to be in place to allow the council to apply for central government funding to pay for any clean up works where the recovery of costs would cause financial hardship to the general public, landowners and commercial businesses.

In the first instance, the council will attempt to ensure the company or person responsible for the contamination, pay the costs of cleaning up the land under the 'polluter pays principle'. However, in some cases the company has stopped trading or the person has died and the liability for any clean up may pass to the present owner/occupier of the land. The council has a duty to be reasonable and fair when recovering these costs and this policy sets out how we will do this.

If the owner/occupier has an insurance policy in place to cover the costs of any clean up works, then this should be used to cover the costs in the first instance.

The council can pay for the cost of clean-up works up front (i.e. works in default) and recover costs at a later date. When the Council decides that costs cannot be recovered it can apply for central government funding to pay for the full or partial cost of any works [subject to the grant being available]. The Council will not support costs where it is intended to be recovered at a later date. Any action to allocate funding would have to be subject to approval from senior management and relevant committees.

In line with the statutory guidance on contaminated land the Council will apply the following tests when recovering costs:

(1) Reasonable and Fairness Tests

- (a) Any person(s) who bought land/property before June 2001 (which is the date the council adopted in the Contaminated Land Strategy) will not be considered liable for the cost of any necessary clean up works.
- (b) Any person(s) who bought land/property after June 2001 will not be considered liable providing they took reasonable precautions to check for contaminated land before buying it. For example, by having environmental searches undertaken and any such information acted upon.

(2) Hardship Test

Any person(s) who does not meet the criteria set in (1)(b) above can apply for 'hardship' if costs are to be recovered. Hardship is considered to mean hardness of fate or circumstance or severe suffering. The council will assess all such applications in line with this policy and decide whether the costs should be waived or reduced.

If, as a result of applying these tests, a decision by the finance team is made to waive or reduce the recovery of any costs, we will apply for central government funding to pay for the clean-up work.

The council will only pay for any clean-up costs if it has caused the contamination or owns the land and no original polluter can be found. Again, the council is eligible to apply for central government funding to pay for any clean up.

## **1 Introduction**

- 1.1 This ‘Statement of Policy’ sets out London Borough of Tower Hamlets’ (hereafter referred to as the “council”) position in regards to the possibility of it waiving or reducing the costs associated with the remediation (clean up or making safe) of contaminated land. The policy is based on the relevant sections of the primary legislation, regulations and associated statutory guidance. However, it is recognised that there is likely to be a wide variation in the circumstances associated with potentially contaminated land (including its history, ownership and liability for its remediation) therefore the adopted approach is to view nationally published guidance in terms of *principles* and *approaches* rather than set rules. This policy statement defines how these principles and approaches will be interpreted and applied by the council.

## **2 Purpose**

- 2.1 To clearly set out the council’s policy on the recovery of costs and consideration of hardship.
- 2.2 To provide a consistent, transparent, fair and equitable approach to the recovery of costs from persons who have to meet the cost of remediation including the national taxpayers.
- 2.3 The policy should be in accordance with both the primary, secondary legislations and any associated statutory guidance as set out in section 4 of this policy document.
- 2.4 To ensure, wherever possible, that the cost of remediation is borne by the original polluter or the one who knowingly permitted the pollution (Class A appropriate persons) under the “polluter pays” principle.

### 3 Application

In general it is the council's intention, where appropriate person(s) have either:

(a) satisfied the 'reasonable and fairness tests' for reducing or waiving cost recovery as detailed in this policy; or

(b) satisfied the 'financial test of hardship' as detailed in this policy;

to apply for central Government funding (capital grant) under the Contaminated Land Capital Projects Programme (CLCPP) to pay for remedial works prior to any work being carried out. If the application is successful there will be no requirement for the council will carry out the works and invoke the cost recovery procedure also set out in this policy. It should be noted however that the CLCPP Team expect Local Authorities to use their cost recovery powers to the full. They also reserve the right to request further information on cost recovery options before assessing whether the support for remedial works should be given.

- 3.1 The policy applies to any remedial action(s), both retrospective and proposed, for the purposes of remediating "Contaminated Land". The policy applies to the following parties (not exhaustive):
- (a) Owner/Occupiers of residential properties – both freehold and leasehold
  - (b) Owners of land
  - (c) Commercial enterprises
  - (d) Charities
  - (e) Trusts
  - (f) Registered Providers of Social Housing Landlords
- 3.2 The policy applies to person(s) who have originally caused or knowingly permitted the pollution ("the polluter", Class A persons) and current owners of the land (Class B persons) who were not responsible for the pollution.
- 3.3 Class B parties are only liable for remediation of contamination within the boundaries of their property and cannot be held liable for any pollution of controlled waters. In these instances an application will be made for funding from CLCPP to fund any necessary remedial works.
- 3.4 Responsibility for cleaning up of contaminated land will only fall on the council when no liable parties can be found for the site in question; so termed "orphan site" (this is

only the case when the council is not regarded as a potential Class A or B party). Should this be the case, the council can apply to central government for financial assistance in covering any reasonable costs incurred with remediation.

- 3.5 This policy places no requirement on the council to pay for remediation for which it is not itself liable, only to consider reducing or waiving cost recovery.

## **4 Legislative Review**

### **4.1 Primary Legislation**

- 4.1.1 Part 2A (Section 78) of the Environmental Protection Act 1990 (as inserted by Section 57 of the Environment Act 1995) introduced a duty for all authorities to identify and remediate land where contamination is causing unacceptable risks to human health or the wider environment.

#### **4.1.2 Relevant Sections**

- (a) Section (78E) of the above Act covers the “Duty of enforcing authority to require remediation of contaminated land etc.”
- (b) Section (78P) of the above Act covers the “Recovery of, and security for, the cost of remediation by the enforcing authority “

- 4.1.3 Please refer to the following website addresses for the entire Acts:

The Environmental Protection Act 1990

[http://www.opsi.gov.uk/ACTS/acts1990/ukpga\\_19900043\\_en\\_1](http://www.opsi.gov.uk/ACTS/acts1990/ukpga_19900043_en_1)

Section 57 of the Environment Act 1995

[http://www.opsi.gov.uk/acts/acts1995/ukpga\\_19950025\\_en\\_1](http://www.opsi.gov.uk/acts/acts1995/ukpga_19950025_en_1)

### **4.2 Statutory Regulations**

- 4.2.1 The Contaminated Land (England) Regulations (2006) set out provisions relating to the identification and remediation of contaminated land under Part 2A of the Environmental Protection Act 1990 (“the 1990 Act”).



#### 4.2.2 Relevant Sections

##### **Grounds of appeal against a remediation notice**

7. — (1) The grounds of appeal against a remediation notice under section 78L(1) are any of the following—

- (a) that the enforcing authority, in considering for the purposes of section 78N(3)(e) whether it would seek to recover all or a portion of the cost incurred by it in doing some particular thing by way of remediation—
  - (i) failed to have regard to any hardship which the recovery may cause to the person from whom the cost is recoverable or to any guidance issued by the Secretary of State for the purposes of section 78P(2); or
  - (ii) whether by reason of such a failure or otherwise, unreasonably determined that it would decide to seek to recover all of the cost;

4.2.3 Please refer to the following website addresses for the complete regulations:

<http://www.opsi.gov.uk/si/si2006/20061380.htm>

#### **4.3 Statutory Guidance**

4.3.1 The Defra Contaminated Land Statutory Guidance came into force on 6<sup>th</sup> April 2012 and replaced Defra Circular 01/2006 which came into force on the 4<sup>th</sup> August 2006.

#### 4.3.2 Relevant Sections of the Guidance

##### *The Meaning of the Term “Hardship”*

[8.2] The term “hardship” is not defined in Part 2A, and therefore carries its ordinary meaning – hardness of fate or circumstance, severe suffering or privation. The term has been widely used in other legislation, and there is a substantial body of case law about its meaning. For example, it has been held appropriate to take account of injustice to the person claiming hardship, in addition to severe financial detriment although each interpretation is subject to the particular facts of the case.

[8.6] In general the enforcing authority should seek to recover all of its reasonable costs. However, the authority should waive or reduce the recovery of costs to the extent that it considers this appropriate and reasonable, either: (i) to avoid any undue hardship which the recovery may cause to the appropriate person; or (ii) in making such decisions, the authority should bear in mind that recovery is not necessarily an “all or nothing” matter (i.e. where reasonable, appropriate persons can be made to pay part of the authority’s costs even if they cannot reasonably be made to pay all of the costs).

[8.7] In deciding how much of its costs it should recover, the enforcing authority should consider whether it could recover more of the costs by deferring recovery and securing them by a charge on the land in question under section 78P. Such deferral may lead to payment from the appropriate person either in installments (see Section 78P(12) of the Act ) or when the land is next sold.

4.3.3 Please refer to the following website addresses for the complete statutory guidance document:

<http://www.defra.gov.uk/publications/files/pb13735cont-land-guidance.pdf>

## **5 The Policy**

### **5.1 *Underlying Principles***

The recovery of costs incurred by the Council for remediation works shall:

- ❖ where possible be sought from the original polluter or the one who knowingly permitted the contamination under the “polluter pays” principle
- ❖ be recovered in full where reasonable
- ❖ be fair and equitable
- ❖ have due consideration to hardship where the decision to waive or reduce costs to the appropriate person(s) will be to the extent needed to ensure that the appropriate person(s) in question bears no more of the cost of remediation than it appears reasonable to impose.
- ❖ not normally consider waiving or reducing cost recovery from Class A appropriate person(s)

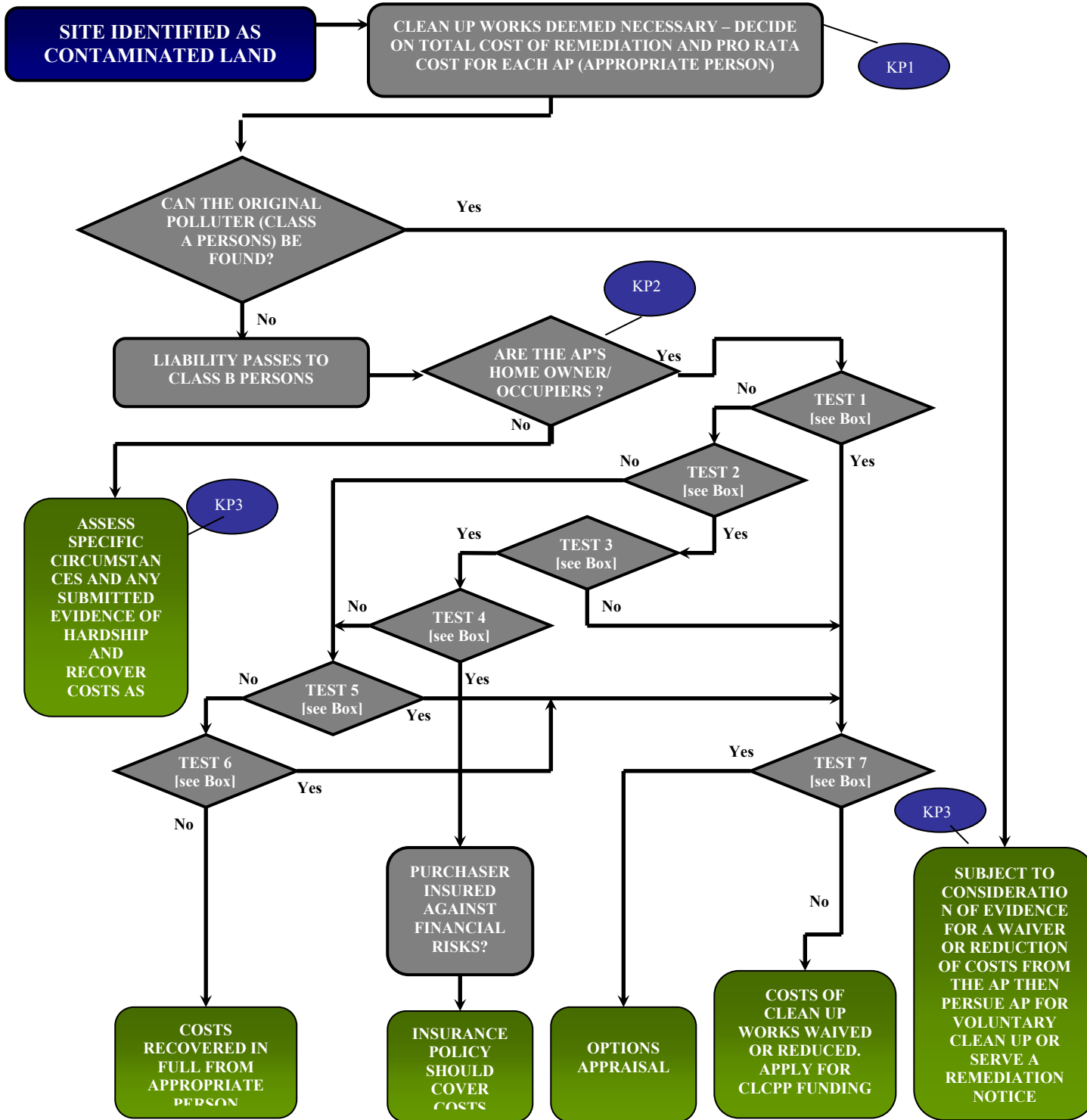
- ❖ be in accordance with all relevant acts, regulation and guidance.
- ❖ where the recovery of costs is undertaken the Council shall provide suitable opportunities for the appropriate person to provide evidence for their need of financial support. The appropriate person(s) shall be responsible for providing the Council with sufficient evidence to support a claim for financial support from the CLCPP Team.

## **5.2    *Assessment Criteria***

Decisions relating to the recovery of costs for remediation will have regard to the following:

- ❖ the estimated cost of remediation in relation to the value of land
- ❖ the estimated cost of remediation in relation to the income, capital and outgoings of an appropriate person(s).
- ❖ whether at the time the land was acquired reasonable precautions were taken by the purchaser to ensure that the land was not likely to be blighted by contamination.
- ❖ the burden on local/national taxpayers.
- ❖ the estimated cost of remediation in relation to the solvency of a business and the associated affect on the local community and economy should a business be rendered insolvent as a result of recovering costs for remediation.

## 6 The Procedure



Test 1 - Was land acquired prior to June 2001?  
 Test 2 - Were reasonable precautions taken in respect to previous industrial uses?  
 Test 3 - Was contamination identified?  
 Test 4 - Was the information acted on by the purchaser?  
 Test 5 - Would the appropriate person(s) suffer hardship if costs recovered?  
 Test 6 - Is the land value less than the cost of clean up works?  
 Test 7 - Is non recovery a burden to national taxpayers?

### **KP1- Establishing reasonable costs in carrying out remediation works**

The main purpose of this is to establish the pro rata cost of the remediation works for each appropriate person to enable TESTS 5, 6 & 7 to be applied for all appropriate person(s)

The Council will ensure that the following is carried out:

- (a) identification of a minimum of three feasible remedial options for any necessary remediation works; and
- (b) evaluation of a minimum of two feasible remedial options for any necessary remediation works sufficient to obtain a budget estimate for the cost of remediation; and
- (c) selection of one remedial option proposed for implementation on the site to refine costs and finalise a budget; and
- (d) utilise at least one environmental consultant to propose and estimate remediation costs.

The output of the above should be an outline remediation cost for the project. This cost should be broken down to the individual pro rata for each appropriate person(s). Costs should be fairly distributed across the liability group i.e. for a residential scenario this could be based on the area of land being determined (for example three gardens where two are 100m<sup>2</sup> and one is 200m<sup>2</sup> the costs would be apportioned as 25% of costs for the two 100m<sup>2</sup> gardens and 50% of costs for the 200m<sup>2</sup> garden)

### **KP2 - Individual Home/Land Owner/Occupiers(s) – Class B Appropriate Person(s)**

The council will consider waiving or reducing the recovery of costs incurred where the appropriate person(s) meets one of the TESTS 1 – 4 (Reasonable & Fairness Tests) and/or TEST 5 & 6 (Financial Hardship Tests) and/or TEST 7 (Burden on Taxpayers Test ):

***TEST 1 LAND / PROPERTY BOUGHT PRIOR TO JUNE 2001***

An acquisition of land made prior to publication of the Contaminated Land Strategy (June 2001) will not be required to be accompanied by evidence of reasonable precautions being taken to identify contaminated land prior to purchase of the land or property. This is because prior to its publication it could be reasonably argued that enquiries made to the council about contaminated land issues would not have been dealt with in the same manner as such enquiries made after this publication date.

***TEST 2 – REASONABLE PRECAUTIONS TAKEN***

That steps were taken prior to acquiring the land as would have been reasonable at that time to establish the presence of any pollutants. This would normally involve the commission of a conveyancing company or independent solicitors to obtain the necessary searches which should have included the previous uses of the land that may be potentially contaminative. To rely on the criteria the land owner/occupiers(s) must not have been aware of any previous industrial uses that may have caused contamination at the time they purchased the property or land. Conveyancing companies/solicitors should have been aware of the issues relating to contaminated land liabilities after the issue of a Law Society Warning Card on the matter on Friday the 1<sup>st</sup> June 2001. Owner/occupier(s) are not considered responsible for the conveyancing company being negligent in so far as not commissioning such an environmental search after this date.

***TEST 3 – CONTAMINATIVE PAST USE IDENTIFIED***

An environmental search undertaken as part of TEST 2 should have identified whether or not the land/property in question was likely to be affected by contamination due to historic industrial land use(s). These searches normally issue a pass/fail certificate to the purchaser depending on the outcome of the search. The purchaser may also have undertaken a search direct with the council, which would also have to be assessed in a similar manner and would normally include an indication of previous uses, potential for contamination and a level of risk.

This information would normally be included in the property deeds which would need to be provided.

#### ***TEST 4 – INFORMATION ACTED UPON BY THE PURCHASER***

Where initial enquiries raise a potential concern, further appropriate research should be shown to have been undertaken i.e. discussions with the council responsible officer or team dealing with contaminated land; obtaining suitable insurance to indemnify themselves against the financial risks of any future action under Part 2A of the EPA 1990. The information from the research/initial enquiry should not have been disregarded.

#### ***TEST 5 – FINANCIAL HARDSHIP***

If it is proved that the appropriate person(s) would suffer financial hardship by:

- (a) Making an assessment of the financial resources of the appropriate person(s) by employing an appropriate ‘Means Test’ methodology. Currently, the most appropriate methodology appears to be referring to the Private Sector Housing Grant.
- (b) The result of the assessment will determine whether the appropriate person has sufficient financial resources in order to fund the identified pro rata cost of the proposed remediation works. No upper limit has been set for this exercise because of the potential relatively high costs associated with remediation work. The remainder of the costs should be funded through the CLCPP.
- (c) The council will be responsible for communicating the result of this assessment to the appropriate person(s). There shall be no appeal mechanism against the findings of the Means Test unless it can be demonstrated that:
  - (i) the information submitted for assessment was erroneous; or
  - (ii) the circumstances of the appropriate person have substantially changed between the time of the selection of the remediation methodology and completion of the works in a way that would require a re-test.

#### ***TEST 6 – LAND VALUE***

Where it is conceivable that the cost of remediation may exceed the property, land or business value (value based on post remedial value with no perceived/actual blight from contamination issues) the council will request the appropriate person to obtain an independent valuation of the land, property or business from an appropriately accredited professional at their own cost.

If there is any doubt over the validity of the submitted valuation the council retains the right at its own expense to obtain a separate independent valuation of the land/property.

In general, the extent of the waiver or reduction in costs recovery will be sufficient to ensure that the costs of remediation borne by the Class B person do not exceed the value of the land. However, the council will seek to recover more of its costs to the extent that the remediation would result in an increase in the value of any other land from which the Class B person would benefit.

***TEST 7 – BURDEN ON NATIONAL TAXPAYERS***

A decision will have to be made to establish whether undue financial burden would be placed on national taxpayers where cost recovery is waived or reduced. The CLCPP Team will be responsible for establishing this as they allocate funding under the CLCPP.

***ADDITIONAL CONSIDERATIONS***

- (a) Where the contaminated land in question extends beyond the dwelling and its curtilage, and is not owned and occupied by the same appropriate person(s) the above principles will be applied to the dwelling and its curtilage only.
  
- (b) Where the appropriate person(s) has inherited the dwelling or received it as a gift the above principles will be applied to the time at which the person(s) received the property or land.

**KP3 – Non Home/Land Owner/Occupier(s) Class A and Class B Person(s)**

**Commercial Enterprises<sup>1</sup>**

The council will normally seek to recover in full any reasonable costs incurred where:

- (a) It is clear that an enterprise has deliberately arranged matters so as to avoid responsibility for the cost of remediation.

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<sup>1</sup> Commercial enterprises are considered to be public corporations, limited companies (whether public or private), partnerships (whether limited or not) or an individual operating as a sole trader.



; or

- (b) It appears that the enterprise could be kept in, or returned to business even if it does become insolvent under its current ownership.

The council may choose to take account of such adopted policies relating to the economic prosperity / development of the district when determining cost recovery decisions.

In case of small or medium sized enterprises<sup>2</sup> the council will consider:

- (a) Whether recovery of the full cost attributable to the appropriate person(s) would mean that the enterprise is likely to become insolvent and thus cease to exist; and
- (b) If so, the cost to the community of such a closure.

Where the cost of remediation would force an enterprise to become bankrupt or insolvent, the council will consider waiving or reducing its costs recovery to the extent needed to avoid making the enterprise insolvent.

The above will be determined in consultation with legal and accountancy departments as business accounts would have to be submitted for assessment by the council. This would normally include a financial assessment.

Any shortfall in funding from any such waiver or reduction in cost recovery action should be made up by an application for CLCPP funding. If such an application is not successful the council should undertake an appraisal of options available at that particular time. This is likely to include determination of the land as contaminated land and not being able to remediate the land until such time as the financial circumstances improve or voluntary clean up can be negotiated i.e. through its redevelopment.

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<sup>2</sup> For these purposes, a “small or medium-sized enterprise” is defined as an independent enterprise with fewer than 250 employees, and either an annual turnover not exceeding €50 million, or an annual balance sheet total not exceeding €43 million. Source: Section 8.17 of Defra Part 2A Contaminated Land Statutory Guidance April 2012.

## **Trusts**

Where the appropriate persons include persons acting as trustees, the council will assume that such trustees will exercise all powers which they have, or may reasonably obtain, to make funds available from the trust, or from borrowing that can be made on behalf of the trust, for the purpose of paying for the remediation. The council will, nevertheless, consider waiving or reducing its costs recovery to the extent that the costs of remediation to be recovered from the trustees would not exceed the amount that can be made available from the trust to cover these costs.

However, the council will not waive or reduce its costs recovery:

- (a) Where it is clear that the trust was formed for the purpose of avoiding paying the costs of remediation; or
- (b) To the extent that trustees have personally benefited, or will personally benefit from the trust.

Any shortfall in funding from any such waiver or reduction in cost recovery action should be made up by an application for CLCPP funding. If such an application is not successful the council should undertake an appraisal of options available at that particular time. This is likely to include determination of the land as contaminated land and not being able to remediate the land until such time as the financial circumstances improve or voluntary clean up can be negotiated i.e. through its redevelopment.

## **Charities**

The council will consider the extent to which any recovery of costs from a charity would jeopardise that charity's ability to continue to provide a benefit or amenity. Where this is the case, the council will consider waiving or reducing its costs recovery to the extent needed to avoid such a consequence. This approach applies equally to charitable trusts and to charitable companies.

Any shortfall in funding from any such waiver or reduction in cost recovery action should be made up by an application for CLCPP funding. If such an application is not

successful the council should undertake an appraisal of options available at that particular time. This is likely to include determination of the land as contaminated land and not being able to remediate the land until such time as the financial circumstances improve or voluntary clean up can be negotiated i.e. through its redevelopment.

### **Registered Providers of Social Housing**

The council will consider waiving or reducing its costs recovery if:

- (a) The appropriate person is a body eligible for registration as a social housing landlord under section 112 of the Housing and Regeneration Act 2008 (for example, a housing association);
- (b) Its liability relates to land used for social housing, and
- (c) Full recovery would lead to financial difficulties for the appropriate person(s), such that the provision or upkeep of the social housing would be jeopardised.

The extent of the waiver or reduction will normally be sufficient to avoid any financial difficulties.

Any shortfall in funding from any such waiver or reduction in cost recovery action should be made up by an application for CLCPP funding. If such an application is not successful the council should undertake an appraisal of options available at that particular time. This is likely to include determination of the land as contaminated land and not being able to remediate the land until such time as the financial circumstances improve or voluntary clean up can be negotiated i.e. through its redevelopment.

### **Where Other Potentially Appropriate Person(s) have Not Been Found**

In some cases where a Class A person has been found, it may be possible to identify another person who caused or knowingly permitted the presence of the significant pollutant in question, but who cannot now be found for the purposes of treating the person(s) as an appropriate person. For example, this may apply where a company has been dissolved.

The council will consider waiving or reducing its costs recovery from a Class A person if that person demonstrates to the satisfaction of the council that:

- (a) Another identified person, who cannot now be found, also caused or knowingly permitted the significant pollutant to be in, on or under the land:  
and
- (b) If that other person could be found, the Class A person seeking the waiver or reduction of the council's costs recovery would either:
  - (i) Be excluded from liability by virtue of one or more of the exclusion tests set out in Defra Circular 01/2006, or
  - (ii) The proportion of the cost of remediation which the appropriate person has to bear would have been significantly less, by virtue of the guidance on apportionment set out in Defra Circular 01/2006.

Where an appropriate person(s) is making a case for the council's costs recovery to be waived or reduced by virtue of sections (a) and (b) above, the council will expect that person to provide evidence that a particular person, who cannot now be found, caused or knowingly permitted the significant pollutant to be in, on or under the land. The council will not regard it as sufficient for the appropriate person concerned merely to state that such a person must have existed.

Any shortfall in funding from any such waiver or reduction in cost recovery action should be made up by an application for CLCPP funding. If such an application is not successful the council should undertake an appraisal of options available at that particular time. This is likely to include the determination of the land as contaminated land and not being able to remediate the land until such time as the financial circumstances improve or voluntary clean up can be negotiated i.e. through its redevelopment.

#### **KP4 – Cost Recovery**

When the council either does not serve a Remediation Notice or where a Remediation Notice has been served and not complied with the council will bear the costs of remediation (where external funding cannot be found). The council is entitled to recover 'reasonable' costs where it has carried out remediation works.

Note 1: The council is unable to recover costs associated with the investigation of a site.

Note 2: The administrators of the CLCPP will not support costs that the council intends to recover at a later date (if recovery is uncertain) or may take a number of years to retrieve.

The council will seek to recover costs either in full or in part in line with the outcome of the hardship and fairness tests detailed in KP1 to KP3.

## Glossary

<b>The 'Act'</b>	The Environmental Protection Act, 1990
<b>The 'Regulations'</b>	The Contaminated Land (England) Regulations, 2006
<b>The 'Guidance'</b>	Defra; Environmental Protection Act 1990: Part 2A Contaminated Land Statutory Guidance April 2012
<b>Apportionment</b>	As defined by the Act, means:- Any determination by the enforcing authority under section 78F(7) (that is, a division of the costs of carrying out any remediation action between two or more appropriate persons).
<b>Appropriate Person</b>	As defined by section 78A(9) of the Act, means:- Any person who is an appropriate person, determined in accordance with section 78F of the Act, to bear responsibility for anything which is to be done by way of remediation in any particular case.
<b>CLCPP</b>	Contaminated Land Capital Projects Programme
<b>Class A Person</b>	As defined by Section 7.3(a) of the Guidance, is a person who is an appropriate person by virtue of section 78F (2) of the Act (that is, because he has caused or knowingly permitted a pollutant to be in, on or under the land).
<b>Class B Person</b>	As defined by Section 7.3(a) of the Guidance, is a person who is an appropriate person by virtue of section 78F(4) or (5) of the Act (that is, because he is the owner or occupier of the land in circumstances where no Class A person can be found with respect to a particular remediation action).
<b>Contaminant Linkage</b>	As defined by Section 3.9 The term "contaminant linkage" means the relationship between a contaminant, a pathway and a receptor. All three elements of a contaminant linkage must exist in relation to particular land before the land can be considered potentially to be contaminated land under Part2A, including evidence of the actual presence of contaminants.
<b>Significant Contaminant Linkage</b>	As defined by Section 3.9 The term "significant contaminant linkage", as used in this Guidance, means a contaminant linkage which gives rise to a level of risk sufficient to justify a piece of land being determined as contaminated land.
<b>Contaminant/ Pollutant</b>	As defined by Section 3.8(a) of the Guidance, is a substance that is in, on or under the land and which has the potential to cause significant harm to a relevant receptor or to cause significant pollution to controlled waters.


<b>Controlled Waters</b>	As defined by section 78A(9) of the Act by reference to Part III (section 104) of the Water Resources Act 1991, which includes territorial and coastal waters, inland fresh waters, and ground waters.
<b>Cost Recovery Decision</b>	Any decision by the enforcing authority whether: (i) to recover from the appropriate person all reasonable costs incurred by the authority in carrying out remediation; or (ii) not to recover those costs or to partially recover costs
<b>Council</b>	London Borough of Tower Hamlets
<b>Enforcing Authority</b>	For land not designated as being a 'special site', the enforcing authority within is London Borough of Tower Hamlets. For land designated as being a 'special site', the enforcing authority is the Environment Agency.
<b>Exclusion</b>	Any determination by the enforcing authority under section 78F(6) of the Act as defined by Section 7.3(e) of the Guidance (that is, that a person is to be treated as not being an appropriate person).
<b>Hardship</b>	A factor underlying any cost recovery decision made by an enforcing authority under section 78P(2) of the Act
<b>Orphan Linkage</b>	A significant contaminant linkage for which no appropriate person can be found, or where those who would otherwise be liable are exempted by one of the relevant statutory provisions.
<b>Owner</b>	As defined by section 78A (9) of the Act as being: "a person (other than the mortgagee not in possession) who, whether in his own right or as trustee for any other person, is entitled to receive the rack rent of the land, or where the land is not let at a rack rent, would be so entitled if it were so let."
<b>Part 2A</b>	Means Part 2A of the Environmental Protection Act, 1990
<b>Pathway</b>	As defined by Section 3.8 (c) of the Guidance, is a route by which a receptor is or might be affected by a contaminant.
<b>Precautionary Principle</b>	Article 130 of the "Treaty on European Union" places the basis for environmental protection upon the 'Precautionary Principle'. Where, in the absence of firm scientific evidence regarding the effects of a particular substance or activity, the protection of the environment should be the first concern. Furthermore, there is no need for scientific proof before preventative action is taken. In summary, the reduction of risks to the environment by taking avoiding action before any serious problem arises.
<b>The Polluter Pays Principle</b>	Article 130 of the "Treaty on European Union" looks to ensure that the costs of environmental damage caused by polluting activities are borne in full by the person responsible for such pollution (the polluter). The principle accepts that (i) the polluter should pay for the administration of the pollution control system, UNLESS they are no longer in business; and (ii) the polluter should pay for the consequences of the pollution (e.g. compensation and remediation).
<b>Receptor</b>	As defined by Section 3.8 (b) of the Guidance is something that could be adversely affected by a contaminant, for example a person, an organism, an ecosystem, property, or controlled waters.
<b>Register</b>	The public register maintained by the Authority under section 78R of the Environmental Protection Act, 1990.
<b>Remediation</b>	As defined by section 78A(7) of the Act, means:- (a) The doing of anything for the purpose of assessing the condition of (i) the contaminated land in question; (ii) any controlled waters affected by that land; or (iii) any land adjoining or adjacent to that land; (b) The doing of any works, the carrying out of any operations or the taking of any steps

	in relation to any such land or waters for the purpose: - (i) of preventing or minimising, or remedying or mitigating the effects of, any significant harm, or any pollution of controlled waters, by reason of which the contaminated land is such land; or (ii) of restoring the land or waters to their former state; or (c) The making of subsequent inspections from time to time for the purpose of keeping under review the condition of the land or waters; Cognate expressions shall be construed accordingly.
<b>Remediation</b>	As defined by Section 78A(7) is “(a) the doing of anything for the purpose of assessing the condition of – (i) the contaminated land in question; or (ii) any controlled waters affected by that land; or (iii) any land adjoining or adjacent to that land; (b) the doing of any works, the carrying out of any operations or the taking of any steps in relation to any such land for the purpose – (i) of preventing or minimising, or remedying or mitigating the effects of, any significant harm (or significant pollution of controlled waters), by reason of which the contaminated land is such land; or (ii) of restoring the land or waters to their former state; or (c) the making of subsequent inspections from time to time for the purpose of keeping under review the condition of the land or waters.
<b>Remediation Action</b>	As defined by Section 7.3(c) of the Guidance, a “remediation action” is any individual thing which is being, or is to be, done by way of remediation.
<b>Remediation Package</b>	As defined by Section 7.3(c) of the Guidance a “remediation package” is all the remediation actions which relate to a particular contaminant linkage
<b>Remediation Scheme</b>	As defined by Section 7.3(c) of the Guidance a “remediation scheme” is the complete set of remediation actions (relating to one or more contaminant linkages) to be carried out with respect to the relevant land or waters.
<b>Risk</b>	As defined by Section 3.1 of the Guidance, risk means the combination of (a) the likelihood that harm or pollution of water, will occur as a result of the contaminants in on or under the land; and (b) the scale and seriousness of such harm or pollution if it did occur.
<b>Special Site</b>	Land that has been designated as such by virtue of sections 78C(7) and 78D(6) of the Act, and that further defined within regulations (2), (3), and schedule (1) of the Regulations.
<b>Substance</b>	As defined by section 78A(9) of the Act, means any natural or artificial substance, whether in solid or liquid form or in the form of a gas or vapour.

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## Appendix Two EQUALITY ANALYSIS QUALITY ASSURANCE CHECKLIST

<b>Name of 'proposal' and how has it been implemented</b> (proposal can be a policy, service, function, strategy, project, procedure, restructure/savings proposal)	<b>Strategy for the identification of contaminated land</b>
<b>Directorate / Service</b>	<b>Place/ Environmental Health and Trading Standards</b>
<b>Lead Officer</b>	<b>David Tolley, Head of Environmental Health and Trading Standards</b>
<b>Signed Off By (inc date)</b>	<b>Roy Ormsby</b>
<b>Summary – to be completed at the end of completing the QA (using Appendix A)</b> (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 style="display: flex; align-items: flex-start;"> <div style="margin-right: 10px;">  </div> <div> <p><b>Proceed with implementation</b></p> <p>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.</p> <p>This proposal is to ask the Mayor in Cabinet to adopt the strategy for the identification of contaminated land.</p> <p>This revision updates the Strategy for the Identification of Contaminated Land of June 2013. The revisions take account of:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> a review in line with the Contaminated Land Statutory Guidance (DEFRA);</li> <li><input type="checkbox"/> the progress that has been made with implementing the</li> </ul> </div> </div>


	previous strategies; and <input type="checkbox"/> the introduction of new technologies and systems within the Council
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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)
<b>1</b>	<b>Overview of Proposal</b>		
a	Are the outcomes of the proposals clear?	Yes	This report sets out the Council's updated plan for identifying contaminated land which is a statutory requirement under Part 2a (P2A) of the Environmental Protection Act (1990). The objective of the strategy is to identify and take action to remedy any areas within the borough that may impact the health of residents
b	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?	no	With the adoption of the Strategy for the identification of contaminated land there is no data on protected characteristics of the owners of contaminated land.
<b>2</b>	<b>Monitoring / Collecting Evidence / Data and Consultation</b>		
a	Is there reliable qualitative and quantitative data to support claims made about impacts?	No	There is no data on the individuals that may be affected by undertaking geo technical analysis and a review historical land uses that will identify land that will be of concern.
	Is there sufficient evidence of local/regional/national research that can inform the analysis?	No	This data is not available.
b	Has a reasonable attempt been made to ensure relevant knowledge and expertise (people, teams and partners) have been involved in the analysis?	Yes	Yes, through the consultation process
c	Is there clear evidence of consultation with stakeholders and users from groups affected by the proposal?	Yes	Yes at the commencement of the original strategy.


<b>3</b>	<b>Assessing Impact and Analysis</b>		
a	Are there clear links between the sources of evidence (information, data etc.) and the interpretation of impact amongst the nine protected characteristics?	No	
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	
<b>4</b>	<b>Mitigation and Improvement Action Plan</b>		
a	Is there an agreed action plan?	Yes	This proposal is submitted to the Mayor in Cabinet for adoption.
b	Have alternative options been explored	Yes	'Do nothing' option has been considered, but is illegal
<b>5</b>	<b>Quality Assurance and Monitoring</b>		
a	Are there arrangements in place to review or audit the implementation of the proposal?	Yes	Regular strategy refreshes, which this is part of.
b	Is it clear how the progress will be monitored to track impact across the protected characteristics??	Yes	If this proposal is agreed and implemented, relevant performance indicators will be monitored to identify the impact of this proposal.
<b>6</b>	<b>Reporting Outcomes and Action Plan</b>		
a	Does the executive summary contain sufficient information on the key findings arising from the assessment?	Yes	

## Appendix A

**Equality Assessment Criteria**

<b>Decision</b>	<b>Action</b>	<b>Risk</b>
As a result of performing the analysis, it is evident that a risk of discrimination exists (direct, indirect, unintentional or otherwise) to one or more of the nine groups of people who share <i>Protected Characteristics</i> . It is recommended that the use of the policy be suspended until	<b>Suspend – Further Work Required</b>	Red 

further work or analysis is performed.		
As a result of performing the analysis, 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.	<b>Proceed with implementation</b>	<b>Green:</b> 

<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Zena Cooke – Corporate Director, Resources</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Corporate Budget Monitoring Report <i>Period 6 (September 2017) 2017-18</i></b></p>	

<b>Lead Member</b>	<b>Councillor David Edgar, Cabinet Member for Resources</b>
Originating Officer(s)	Kevin Miles, Chief Accountant
Wards affected	All Wards
<b>Key Decision?</b>	<b>No</b>

**Executive Summary**

In February 2017 the Council agreed a General Fund (GF) revenue budget of £338.9m and a Capital programme of £216.2m (GF £103.1m, £113.1m Housing Revenue Account (HRA) for 2017-18). This report details the projected outturn position for 2017-18 based on information as at the end of Period 6 (September 2017). The report includes details of:-

- General Fund (GF) Revenue Budget Position
- Housing Revenue Account (HRA) Budget Position
- GF and HRA Capital Programme Performance
- Progress delivering 2017-18 Savings
- Progress delivering Council Growth Priorities, including Mayoral Priority Growth
- Forecast use of Reserves
- S106, CIL and Capital Receipts Income
- Council Tax and Business Rates Income
- Debtors & Creditors
- Treasury Management Activities
- Pension Fund Investments Position

The Medium Term Financial Plan (MTFP) assumed in 2017-18 there would be a small contribution of £0.5m to the Council’s General Fund reserves.

Currently the General Fund forecast outturn is projecting an **underspend of £1.4m** after the application of reserves and corporate contingency (see paragraph 5). The HRA is projecting an **underspend of £0.4m**.

There are significant pressures in Children's Services which is currently projecting a large overspend, much of this is attributable to social care. Similar concerns in Health, Adults and Community have been largely mitigated with the application of the Improved Better Care Fund and new Adult Social Care grants. There is also an overspend in the Resources Directorate which is largely due to the costs of the contact centre, administration of the Housing benefit function. .

The Place directorate is forecasting a overspend position. This is predominantly where budgeted savings are not being made. Other areas of potential overspend are the subject to the application of earmarked reserves.

Corporate costs and capital financing (including the corporate contingency) is currently showing a £16.0m underspend which will be used, alongside approved earmarked reserves, to offset unplanned pressures.

The MTFs outlined for 2017-18 approved savings of £20.4m in order to deliver a balanced budget. An additional £5.7m relating to slippage from previous years must also be achieved.

The following items are potential risks to the budget, and Corporate Directors and Business Partners are working to mitigate these reduce the risk of overspending.

- Social Care Costs
- Ofsted Outcomes
- Savings Delivery

### **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Note the Council's forecast outturn position against Revenue and HRA budgets agreed for 2017-18, based on information as at the end of September as detailed in Sections 3-7.
2. Note the summary savings position.
3. Endorse Management action to achieve savings.
4. Note the position on the Mayoral Priority Budget

## **1. ALTERNATIVE OPTIONS**

- 1.1. The regular reporting of Revenue and Capital Budget Monitoring information provides detailed financial information to members, senior officers and other interested parties on the financial performance of the Council. It sets out the key variances being reported by budget holders and the management action being implemented to address the identified issues.
- 1.2. Further information across the Council's key financial activities is also included to ensure that CLT and Members have a full picture to inform their consideration of any financial decisions set out in this report and also their broader understanding of the Council's financial context when considering reports at the various Council Committees.
- 1.3. Set alongside relevant performance information it also informs decision making to ensure that Members' priorities are delivered within the agreed budget provision.
- 1.4. It is important that issues are addressed to remain within the approved budget provision or where they cannot be contained by individual service management action, alternative proposals are developed and solutions proposed which address the financial impact; CLT and Members have a key role in approving such actions as they represent changes to the budget originally set and approved by them.

## **2. REASONS FOR THE DECISIONS**

- 2.1. The Council could choose to monitor its budgetary performance against an alternative timeframe but it is considered that the reporting schedule provides the appropriate balance to allow strategic oversight of the budget by members and to manage the Council's exposure to financial risk. More frequent monitoring is undertaken by officers and considered by individual service Directors and the Council's Corporate Leadership Team (CLT) including approval of management action.
- 2.2. To the extent that there are options for managing the issues identified these are highlighted in the report in order to ensure that members have a full picture of the issues and proposed solutions as part of their decision making.

## **3. DETAILS OF REPORT**

### **3.1. General Fund Revenue Budget Position**

#### **2016-17 Outturn position**

- 3.1.1. The final outturn position for 2016-17 was reported to Cabinet in July, this showed a net underspend of £0.7m. Although Children's Services and Health, Adults and Community Directorates showed significant overspends (mainly around social care), this was offset by corporate underspends due to growth and inflation not being required, the councils contingency and lower than expected capital financing costs.

3.1.2. In total there was a net drawdown of £5.5m from the Council's reserves. A small number of earmarked reserves were also created to support Transformation and other Council priorities. Reserves were established to support the new Civic Centre and the Council's IT Strategy. At the 31 March 2017 the General Fund reserve was £31.7m which was in line with the MTFS.

### **2017-18 Budget Position**

3.1.3. The overall revised revenue budget is currently £345.9m, which is an increase of £7m from the £338.9m originally approved by the Council in February as part of the Medium Term Financial Strategy (MTFS) for the period 2017 – 2020. This increase was wholly due to funding from the Improved Better Care Fund.

3.1.4. The General Fund forecast outturn for Period 6 is currently showing an underspend of £1.4m after the application of approved growth and reserves. The forecast position for the Housing Revenue Account (HRA) is a surplus of £0.4m.

3.1.5. Section 4 onwards provides the further detail supporting the Council's overall financial performance in 2017-18.



**Table 1 – Summary – Corporate Monitoring Position Period 6 – September 2017**

Directorate	Governance	Health, Adults & Community	Children's Services (General Fund)	Place	Resources	Corporate Costs	General Fund	Children's Services (DSG)	HRA	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Revised Budget</b>	<b>12,751</b>	<b>139,506</b>	<b>103,462</b>	<b>63,283</b>	<b>24,747</b>	<b>2,164</b>	<b>345,913</b>	<b>(148)</b>	<b>12,014</b>	<b>357,779</b>
<b>Pending Adjustments</b>							<b>0</b>			<b>0</b>
Budget to Date	6,402	69,743	51,805	21,337	12,373	1,082	<b>162,742</b>	0	(26,176)	<b>136,566</b>
Actual	7,277	56,406	54,505	26,968	16,061	8,180	<b>169,398</b>	89,082	(26,922)	<b>231,558</b>
<b>Forecast Outturn Position</b>	<b>13,401</b>	<b>139,664</b>	<b>113,343</b>	<b>65,948</b>	<b>25,958</b>	<b>(13,826)</b>	<b>344,488</b>	<b>1,019</b>	<b>11,614</b>	<b>357,121</b>
<b>Outturn Variance</b>	<b>650</b>	<b>158</b>	<b>9,881</b>	<b>2,665</b>	<b>1,211</b>	<b>(15,990)</b>	<b>(1,425)</b>	<b>1,167</b>	<b>(400)</b>	
<b>Cause of Variance:</b>										
<b>Earmarked Reserves</b>	0	0	0	1,939	46		<b>1,985</b>	0		<b>1,985</b>
<b>Savings not achieved - Directorate</b>	459	3,856	320		250		<b>4,885</b>			<b>4,885</b>
<b>Savings - Cross Directorate</b>						(1,539)	<b>(1,539)</b>			<b>(1,539)</b>
<b>Corporate Provision</b>						3,500	<b>3,500</b>			<b>3,500</b>
<b>Impact on General Reserves</b>	191	(3,698)	9,561	726	916	(17,951)	<b>(10,256)</b>	1,167	(400)	<b>(9,489)</b>
<b>Total Variance</b>	<b>650</b>	<b>158</b>	<b>9,881</b>	<b>2,665</b>	<b>1,211</b>	<b>(15,990)</b>	<b>(1,425)</b>	<b>1,167</b>	<b>(400)</b>	

## 4. DIRECTORATE POSITION

### 4.1. **Governance – Overspend £0.650m**

4.1.1. The Governance directorate has a net General Fund budget of £12.8m in 2017-18. As at month 6, the directorate is forecasting an overspend of £0.650m which is associated with the Registrars Service and Corporate Strategy and Equalities. Key pressures are;

- Registrars; the service income targets £200k established as a result of previous years' savings are proving challenging to achieve. The service was unable to achieve those income targets and in 2016-17 the overspend (£138k) was mitigated through directorate underspends which are unlikely to re-occur in 2017-18. The service is reviewing options for reducing costs during the second half of this year to reduce the level of overspend in 2017/18 and proposing increases in fees and charges from next year through the fees and charges report as additional measures to help mitigate this budget pressure in the longer term.
- Corporate Strategy and Equalities; there is a risk that the Strategy, Policy & Performance (SPP), proposal to deliver savings of £0.6m in 2017-18 through the centralisation and consolidation of SPP functions is progressing however early indications are that the full savings target is unlikely to be achieved this year- thus there is a risk of c.£450k overspend (one off) in 2017-18 that will need to be managed

4.1.2. There is also the potential that demand led pressures within legal services could lead to budget pressures within the service particularly as a result of the impact of the OFSTED inspection and the consequent actions being taken. This is being reviewed to ascertain if this is a true growth in service demand or a time limited position as a result of needing to deal with a backlog of cases. All other services within the Governance Directorate are currently forecasting a balanced position.

### 4.2. **Children's Services – Overspend £10.8m (£9.7m – General Fund).**

4.2.1. The Children's Service directorate has an approved budget of £103.6m, against this it is forecasting an overspend of £10.8m, of which £9.7m relates to the General Fund. The remaining £1.1m relates to Dedicated Schools Grant (DSG).

4.2.2. **Children's Social Care** is currently forecasting an overspend of £5.9m against a budget of £48.7m. It should be noted that this reflects the national picture, as 75% of councils nationally are reporting overspends in children's services according to recent research by the LGA. Key pressures are:

- **Staffing (£2.5m):** There are two factors contributing to this overspend:
  - a) Children's Services staffing budgets have an inbuilt 'vacancy factor' which was introduced as a savings initiative in 2013-14. This means that budgets are funded at 6% below establishment cost. In the context of the post Ofsted demand increase and improvement activity it has not been possible to leave

vacant posts uncovered pending recruitment, meaning that the vacancy factor is no longer sustainable. This vacancy factor accounts for approx. £1.2m of the overspend. Additional posts over establishment that have been recruited to meet additional demand.

- b) The use of agency staff to address the immediate staffing need of the service, including providing cover for maternity and long term sickness, is costing £1.7m more than the budget for directly employed staff. The underlying pressure therefore amounts to £2.9m but £0.4m has been offset by delay in recruiting staff to some of the new posts created through our service redesign

Following the 'inadequate' Ofsted rating, the service is experiencing an increase in demand with 15% more children on the caseload, an increase in monthly contacts of 41% and in referrals of 66% since April 2017. Staff turnover has increased which can be attributed to the increased pressure and demotivating effect of the inadequate rating. This is coupled with recruitment issues due to the competitive market for children's social workers, leading to a need for increasing numbers of agency staff to fill meet short term staffing needs. Over a third of social work posts across Children's Social Care are currently covered by agency staff. Growth of £1.597m was agreed in the budget for 2017-18, to fund a new structure which is being implemented from 1st October. **Mitigation/Management action:** To address these issues, our recruitment and retention package has been reviewed to ensure that it is competitive to attract sufficient skilled and experienced staff and we are implementing a recruitment and retention strategy to ensure that sufficient permanent staff will be recruited to reduce the pressure. This will reduce the need for agency staff in the medium term although it is unlikely that this will impact significantly in the current financial year. It is therefore likely that the service will require permanent growth of £1.2m to reverse the vacancy factor. The agency related pressure will ease from 2018-19 as recruitment and retention issues are addressed.

- **Looked After Children (LAC) (£0.7m).** Tower Hamlets has historically had a low number of looked after children. This was recognised in 2016-17 resulting in thresholds for entering care being reviewed, and more children entering the care system. A high proportion of the new entrants to the care system were from older age groups, with high support needs and often needing placement outside the borough or in expensive secure placements costing in the region of £5k per week. This is likely to increase our pressure on LAC placements by an additional £1m for 2017-18 which is not in the current forecast. It is expected that management action, detailed below may mitigate this pressure. In addition, our in house capacity for foster care and residential placements has not been fully utilised due to poor alignment with the needs of our looked after children cohort leading to the use of more expensive external provision. **Mitigation/Management action:** Immediate measures are being taken including better gatekeeping of entry to care to ensure that other options to keep young people at home are used where appropriate. This will reduce the

number of care entries for older children and avoid escalation in the overspend on these budgets. Our sufficiency strategy will ensure that in the medium to long term we develop provision of support options to enable young people to stay at home if this is an appropriate option. It will also ensure that we better use our data to match in house provision to the needs of current and future cohorts of looked after children, reducing the need for more expensive external provision. Over the medium term, a shift in the profile of looked after children towards a younger age group will mean that we avoid the need for higher cost placements, and increase the number of children that we can move to permanence, for example through adoption. This is recognised in the MTFs savings proposal for improving early help (CHI002/17-18.) We expect the forecast pressure for 2017-18 to remain and whilst our strategy will relieve this pressure in future years it is unlikely to significantly impact on the current forecast. This will result in a shift in our LAC profile towards younger children, with lower placement costs and improved chances of permanency through adoption. Work on the sufficiency strategy includes financial modelling to forecast the impact of this shift which is likely to increase costs in the short term but reduce them in the medium to long term. This work will be completed in September to inform financial planning for the next three years.

- **Family support (£0.3m)** Pressure on Section 17, Children in Need, NRPF & Private Fostering. The demand pressures highlighted above in relation to staffing are also impacting on this budget. Private fostering was a specific area for attention in the Ofsted report where significant improvement activity is taking place. This is likely to increase the identification of private fostering arrangements and the need for associated support services. **Mitigation/ Management action:** It is likely that growth will need to be identified in the MTFs for this budget at least in the short term. In the medium to long term, our work to improve the early help offer for children and families will help to manage demand for these services.
- **Family Intervention (£0.9m)** Pressure on SSF (Troubled Families) there are a range of services within this area that continue to run despite a loss of funding. **Mitigation/ Management action:** A restructure of the service will help to reduce this financial pressure from the second half of this financial year. We are also reviewing these services and their impact, within the context of our wider piece of work on early help, which will identify how an improved early help offer can be delivered within our existing budgets. The outcome of this work will be known in October.
- **Leaving Care (£1.5m)** There is an emerging pressure of approximately £1.3m in leaving care, which is currently reported in the forecast. This is associated with the increase in the number of older children coming into care as outlined above. These young people attract the right to leaving care services, and are often challenging to work with needing significant support. This support is being provided in many cases through supported living placements offering support services, and the current cohort includes several children needing out

of borough placements that have to be purchased on a 'spot' basis and are expensive. **Mitigation/ Management action:** Our strategy to improve the edge of care response to older children and prevent them from coming into the care system will impact in future years on the number of young people requiring support as care leavers. There was a pressure on this budget in 2016-17 but apparently was not reported and no growth requested during the last MTFP budget process. It has recently been confirmed that NRPF for Care leavers will be funded corporately from contingencies/reserves. The Service is currently identifying client numbers and costs.

- **Ofsted Improvement Plan.** Following the findings of the Ofsted Report published in April 2017; Children's Services have recently submitted their Ofsted Improvement plan to CLT for consideration. The initial costing exercise suggests that the additional one off cost is estimated at £2.4m over two years. The funding for these one off costs to deliver the improvements will have to be met from Council's reserves with suitable performance targets against them. There will be further work needed to establish the impact on ongoing service costs, which are adding to the pressures within Children's Social Care. Once identified, these pressures will then need to be reflected in the MTFP.

4.2.3 There is currently an overspend of £1.3m forecast against the Children's & Adults Resources budget. Key pressures are:

- **Buildings (£0.3m).** Security on empty buildings is causing a pressure.
- **School redundancies (£0.6m).** The costs of school redundancies cannot be met from DSG and therefore falls as a cost to the General Fund. In the light of current and anticipated reductions in the level of school budgets, schools are undertaking reorganisations which will give rise to some redundancy costs. It is expected that this pressure will be met Corporately.
- **Professional Development Centre (£0.2m)** - Loss of income from University of Cumbria, Agency and Software costs are attributed to this pressure.
- **Information & Support Services (£0.1m)** This pressure is due to the recruitment costs for the Divisional Directors and support for Grenfell. CS Director to discuss if these costs can be met corporately.
- **Tower Hamlets Youth Sports Foundation (YSF).** The impact of the 2016-17 deficit on the Langdon Park School budget has been confirmed at £0.152m and this unbudgeted cost has been met by the Council in 2017-18. A further deficit relating to 2017-18 is anticipated and the Council has procured consultancy support to work with the school and the YSF to quantify this cost and minimise it as far as possible. Staff consultation on closure of the service has now commenced.

4.2.3. **Learning and Achievement Service.** This Service is reporting an overspend of £2.6m (£1.6m General Fund and £1m DSB) against a budget of £85m (£17.2m General Fund and £67.8m DSB). Children's Centres has a savings target of £0.1m on hold pending the early years' service review. Work is ongoing to cost the impact of the reduction in Early Years DSB funding arrangements, which has been halved for 2017-18. Key pressures reported are:

- **Special Educational Needs (SEN) (£1.2m General Fund).** The forecast overspend is on transport for children with special educational needs and disabilities (SEND.) The forecast has increased by £0.4m to reflect the activity. Savings were proposed 2 years ago from operational efficiency in transport, and the budget was reduced accordingly by £350k. Work was completed which identified that changes to driver terms and conditions to implement shift working would be required to implement these savings, but this was not implemented. Demand has also increased, with year on year growth in the number of children getting Education, Health and Care Plans (EHCPs). During 2016-17 a further review of transport provision was completed by an external consultancy that specialises in this area, with the intention of bringing the service into a balanced budget position. This review concluded that significant cost savings could be made if the in house transport service was outsourced, but early informal discussions with members indicated that there was no appetite to implement this. **Mitigation/ Management action:** Some of the other findings from the review are still being implemented, for example better route planning, and these may bring some cost efficiencies but they will not be enough to balance the budget. In the medium to long term, our SEND strategy which is currently in draft form, will address some of this pressure by managing down the demand for transport provision. This will be through better early intervention avoiding the need for formal EHCPs, providing more locally based placements, expansion of some schools where demand currently outstrips supply and collaboration with neighbouring boroughs who may be able to provide more specialist placements closer to pupils' home. In addition, better management of the EHCP process will ensure that the need for transport for individual pupils will be reviewed on a more regular basis
- **School Improvement Secondary (£0.2m).** The service will close by late October with only Home Services and NQTs operating as a traded service.
- **Careers Service (£0.5m).** The Careers service is currently restructuring to make savings and is expected to move to the Place Directorate at the end of this financial year with a balanced budget.
- **Pupil Admissions & Exclusions/Schools Library Service (-£0.2m)** The underspend on this service is due to the reduction in client transport activity
- **Dedicated Schools Grant (DSG): (1.018m)** The reported pressure relates almost entirely to SEND Services. The growing number of children with EHCPs (detailed within the General Fund pressures) is continuing to cause a

budget pressure. In addition, the reassessment of schools funding by the Department of Education (DfE) and reduction in Local Government and other Public Sector Central Government grant funding, are key issues in the DSG budget pressures on these services. Currently unreported within the DSG are potential pressures of approx. £1m in the Early Years' Service.

These are driven by:

1. A delay in implementing the early years restructure, relating to the 2016-17 savings proposal. This presents a one –off pressure of £590k.
2. Use of agency staff in the day nurseries, pending potential outsourcing (to avoid significant TUPE obligations.) If outsourcing goes ahead this overspend of £653k will be reduced in future years.
3. Loss of income due to changes in the early years funding formula and the rules around central retention.
4. Despite funding 12 children's centres in the newly reorganised service, 8 delivery sites were added at the request of members. (£54k)
5. A reduction in funding for nursery schools as a result of changes in the national funding formula, and the provision of temporary funding to these schools to bridge that gap

**4.2.4. Youth Services & Commissioning. The service is currently reporting an overspend of £0.933m against a budget of £6.124m.**

**Youth Service (£0.2m)** The Youth service been allocated £300k in 2017-18 from the Mayors Reserve Fund. This is funding £170k total cost of A Team Arts and the remainder for two pilot projects which will go out to procurement once the income has been drawn down.

The £170k Annual Cost of A Team Arts is £99K staffing costs, £61k project costs and £10k for recharges. These amounts are recurring and the service would need to review structures again to accommodate the staffing costs beyond March 2018 unless the base budget is increased. The service has profiled the £199k staffing costs to the end of the year and any additional spend is being profiled monthly as it occurs as an actual, this is partly contributing to the forecast overspend of £200k

A Team Arts sessional workers have also been paid back pay to 2013 for annual rate increases that were not applied at the time, this is not yet showing in youth service actual budgets but may be an additional pressure if allocated to the existing A Team budget code

In addition to the existing projected overspend the youth service restructure implementation has been delayed by six months. Of the £1.8m saving in the medium term financial strategy £1.6m of this was to be achieved from the structure so this represents an additional overspend risk of up to £800k though this is likely to be mitigated somewhat by vacancies.

4.2.5. **Contract Services (£0.7m)** A review of the catering element of contract services has been undertaken and this identified a number of factors which has contributed to the deficit position. Mitigation/ management action: The service is reviewing its processes in relation to use of agency staff which will reduce costs, and considering reducing the use of expensive organic foodstuffs. It should be noted that if implemented, this will result in a downgrading from 'gold' to 'silver' in the Food for Life standard although this will not impact on the nutritional value of meals for school children. However even after these measures are taken, an increase in price will be necessary to balance the budget. There is currently no political cover for this, as the price levels are set annually in the fees and charges report considered by Cabinet in January as part of the budget setting process. Any increase in price, if agreed, would take place from April 2018 resulting in a balanced budget in 2018-19. Following the recent CS restructure, this service will move to the Youth and Commissioning Services Division in P6.

### 4.3. Health, Adults and Communities (HAC)

4.3.1. The latest budget for the directorate is £139.4m and includes the following amounts awarded, as part of the budget process, to cover growth and inflationary pressures;

- Inflation £1.9m
- Ethical Care Charter £1.4m
- Pay inflation £0.2m
- Pension increase £0.6m
- Improved better care fund £7.0 m

4.3.2. As at month 6 the directorate is forecasting a post-adjusted overspend position of £156.6k and the table below provides a summary of the position by service area.

#### HAC Month 6 Summary Position

	Budget	YTD as @ Month 6	Forecast P 6	Current Variance	Variance from P5
	£000's	£000's	£000's	£000's	£000's
Adults Social Care	90,133	38,973	90,632	499	0
Commissioning & Health	12,623	9,468	12,280	-343	0
Public Health	33,522	5,521	33,522	0	0
Community Safety DAAT and ASB	3,228	2,444	3,228	0	0
<b>HAC Services Total</b>	<b>139,506</b>	<b>56,406</b>	<b>139,662</b>	<b>156</b>	<b>0</b>



- 4.3.3. The forecast for the Improved Better Care Fund allocation is incorporated into the above and as at month 6 includes £3m for specific projects and approx. £4m for the sustainability of adult social care, which is earmarked to ensure that services to adult social care clients are protected from the risk of reducing Health income and potential slippage in savings agreed.
- 4.3.4. **Savings:** The 2017-18 budgets include £7m of savings. This includes £3.3m of unachieved savings from prior years, £3m of 17-18 MTFS savings and £0.7m of savings identified to fund the reduction to the public health grant. The below provides high level details of the savings allocations:

HA&C Savings by Division Summary

	<b>Savings allocations £000's</b>
Adult Social Care (ASC)	4,413.00
Community Safety	1,778.00
Commissioning & Health	161.00
Public Health	678.00
<b>Total Savings</b>	<b>7,030.00</b>

- 4.3.5. Approximately £2.9m of the £7m savings are at risk of slippage and £0.7m, principally historic savings, is unlikely to be delivered and needs to be considered for write off. The impact of this in 2017/18 is being managed through the better care fund to ensure impact on care provision is minimised.
- 4.3.6. **Adult Social Care (ASC)** budget is forecasting an adjusted month 6 position of £499.3k overspend, which is in line with the month 5 overspend and is due to the reallocation of savings from ASC to the Health& Commissioning service area. The main pressure continues to be in the demand led residential and community based care services.
- 4.3.7. There is also a risk in relation to unpaid 2016-17 CCG income. Currently this figure stands at approximately £3.2 million of income is outstanding. Of this approximately £2.7m has been accrued. Should income not be collected, this will create additional budget pressures in 2017-18. Work is underway to review all outstanding debt and to negotiate with the CCG.
- 4.3.8. **Commissioning & Health.** The month 6 position is projecting an underspend position of £342.2k, against a budget of £12.5m. The key drivers for this underspend is the re-provision of supporting people contracts.
- 4.3.9. **Public Health Budget** At month 6 the Public Health Budget continues to project a balanced budget. There is risk associated with the contracts for Primary Care and Sexual Health services as these are demand lead services. Robust monitoring processes are in place to monitor this risk and the division is holding a contingency budget of £225k to offset any budget pressures that emerge in-year.

To the extent that there is an end of year underspend against the Public Health grant this must be retained in an earmarked and ring-fenced reserve

- 4.3.10. **Community Safety Budget** is projected to be balanced at year-end. There is a minor risk around substance misuse as this is a demand lead budget that is funded through Public Health grant, which needs to be viewed in the context of the commentary for the Public Health grant above.

#### 4.4. **Place – Overspend £0.73m**

- 4.4.1. The Place directorate has a revised revenue budget of £63.2m. After adjustments for expenditure approved to be funded from reserves, there is a projected overspend of £0.73m. The directorate has already undertaken management action to deal with the previous variance reported. As new pressures are identified the directorate will continue to review and take appropriate action to mitigate the impact on the budget. Service Area variances and pressures are detailed below.
- 4.4.2. **Growth & Economic Development.** No variance to report. The Mayoral priorities growth funding will be re-profiled to reflect delivery of objectives. The allocation will be dependent on spend for the year.
- 4.4.3. **Housing & Regeneration.** No variance to report. Also includes £0.17m due to the impact of the increased cost of temporary accommodation not contained within the base budget. This will be covered from a drawdown from reserves.
- 4.4.4. The Housing Options Service manages the statutory homelessness obligations of the Council - a significant demand-led activity. Although this element of the service operates with a net 2017-18 budget of £2.0 million, the gross budget is £35.5 million, with the major cost element being the £33.5 million budget for the rent payable to landlords for the supply of temporary accommodation. The main source of income derives from the rents and charges that are levied to customers, with around 87% of the rental income being met through benefits payments.
- 4.4.5. Due to the lack of availability of affordable temporary accommodation, around 85% of all placements are now out of the borough, with around 3% outside London. In order to increase supply and to avoid the high costs of temporary accommodation obtained on the external market, the Council is committed to capital investment to purchase properties to let as temporary accommodation. Over time, significant cost savings should be realised from this initiative – the net revenue costs to the Council of placing applicants in its own units are estimated at £1,400 per annum per property, compared to an equivalent net annual cost of £6,500 for a nightly let obtained on the external market.
- 4.4.6. In terms of managing demand, a range of initiatives are being undertaken. Examples include the service working with the Commissioning Team to develop a new hostels pathway designed to reduce demand for B&B for single homeless applicants and to increase throughput, and a preventing intentional

homelessness protocol which, following a pilot with Poplar Harca, will be rolled out to other providers and private rented sector landlords.

- 4.4.7. The Lettings Policy is designed to stem demand by removing perverse incentives for households to apply as homeless, and the Council has applied a quota for permanent offers of accommodation to try to increase the rate of offers to match or exceed new demand
- 4.4.8. Planning and Building Control Nil variance The unbudgeted Plan Making Team costs will be evidenced and drawn down from reserves.
- 4.4.9. Property and Major Programmes £0.5m. The Corporate Landlord is currently projecting increased cost associated with the condition survey reports that have highlighted immediate repairs requirements in managing the council's assets. A review will be carried out to reprioritise works to address urgent issues.
- 4.4.10. This area contains a number of unbudgeted revenue costs associated with the Whitechapel Civic Centre that total approximately £0.2m, cost relating to the renegotiation of the lease at Mulberry Place £0.05m and costs relating to vacant council premises awaiting disposal, also of approximately £0.2m. Security and energy costs have contributed to overspend in this area in the past. Consideration will be given as part of the 2018-19 budget process to determine how best to provide for these on-going cost commitments in the budget.
- 4.4.11. In the current financial year the additional costs in relation to this service area will be met from the corporate provision set aside to finance the Civic Centre project. Budgetary pressures arising from costs associated with holding other vacant properties that are awaiting disposal will also be met corporately and will be considered in conjunction with the significant levels of capital receipts that these assets will generate when sales are completed.
- 4.4.12. **Public Realm Budget Nil variance.** The forecast outturn is dependent on the budget target adjustment of £0.2m being reinstated following the repayment of the £1m loan provided from Corporate Costs to fund the capital payment for Northumberland Wharf.
- 4.4.13. There still remain a number of risks within the service where one-off mitigations in the budget have been identified to cover the gap in the current year. Going forward these savings will continue to present a level of risk in the budget. This is due to the slippage in lead times for implementation and delivery of some of the savings proposals.
- Deletion of 10 Commercial Waste Tower Hamlet Enforcement Officer (THEO) posts of £0.5m. This MTFs saving will be incorporated within the divisional service restructure. There are currently two vacancies and spinal point drift which achieve a savings of £0.1m in the current year. This is in addition to Streetworks income projected to achieve up to £0.4m.

- The alternative delivery model for the Animal Warden Service which sought to transfer the service to LB of Hackney through a service level agreement, this is being reviewed to determine whether the model is feasible and level of savings of £0.2m achievable.
- Schools Crossing Patrol saving of £0.1m has not been achieved by recharging the schools that use the service. This saving is being mitigated in year through the swapping of general funded costs that can be lawfully funded from the Parking Account which will release funding for the Schools Crossing service. Further work is needed to get to the position where agreement can be put in place with schools to deliver this service.
- In addition there is a one off in year saving of £0.4m to the Street Enforcement and Response Services prior to completion of the antisocial behaviour review and the restructure of the enforcement service. This savings is a one off and can be delivered through a range of actions including management of vacancies and one off additional income.
- The Advertising Income target of £1.2m has identified a budget gap of £0.400m. The expectation is that the digital bus shelter contract will actually deliver part year income. Any gap can be contained within the Service budget envelope.
- The Income generation opportunity from the CCTV network is targeted to achieve revenue of up to £0.400m. The last consultant report received stated that the likelihood of generating this level of income in the current market is optimistic. Further work is required to gauge whether this saving can be achieved with any certainty.
- Parking Services are projecting additional income of £0.5m due to increased bay suspension activity, which can be used to mitigate the CCTV income generation opportunity in the current financial year.
- Additional consultant costs relating to the retendering of the waste disposal contract of £0.1m. These costs were previously funded from reserves.

4.4.14. **Resources £0.2m** Budget gap identified due to unbudgeted senior management and support.

4.4.15. **Progress Delivering Savings**

The position on the overall savings for the directorate is set out in the detailed body of the report against each of the individual service areas. Appendix 2 sets out a total savings of £1.498m to be delivered in 2017-18 whilst identifying that there is still an outstanding savings requirement from 2016-17 of £ 1.2m. Both these totals are accounted for in arriving at the forecast outturn position. The savings reported as a variance for this financial year will be dependent on management action being in place to provide alternative options where saving remain undelivered.

#### 4.5. **Resources Overspend £1.2m**

- 4.5.1. The resources directorate has a net GF budget of £24.7m in 2017-18, including the Idea Stores and Idea Stores Learning budgets that have transferred in from the former CLC directorate and the smarter together budget requirement of £6.0m.
- 4.5.2. After adjusting for expenditure approved to be funded from specific reserves, the overspend risk is expected to be £1.2m and management action is currently being reviewed to address this risk;
- Budget pressure within the customer access service following loss of service - income from Tower Hamlets Homes – £0.6m risk.
  - Council tax/NNDR - risk of up to £200k overspend anticipated due to previous years savings not realised (£100k 2015-16, £50k 2016-17 from additional court cost income). In 2016-17 this was mitigated through other resource directorate underspends, however, with significant new support service savings in 2017-18, this is unlikely to be possible going forward.
- 4.5.3. Housing Benefit - at this time expectations are that overall HB Admin will overspend by £378k as a result of an in year matching subsidy reduction

#### 5. **Corporate Costs & Capital Financing - £16.0m Underspend**

- 5.1. Corporate cost and Central financing budgets comprise provisions for unforeseen events (contingencies) and Council wide budgets for savings, growth and inflation approved at the time of the MTFS.
- 5.2. Currently the contingency budget can be used to offset unplanned service pressures highlighted above in the directorate sections of the report as well as the unavoidable growth and Mayoral priority expenditure and inflationary costs incurred in the current year.
- 5.3. The approved service pressure growth, inflation and mayoral priority growth still held centrally will be transferred to directorate budgets once evidence has been provided to demonstrate growth has materialised.
- 5.4. The total underspend is explained by;
- 5.5. Income from earmarked reserves of £8.9m to fund ICT, Tackling poverty and Transformation savings projects.
- 5.6. General contingencies of £3.9m unallocated to support unforeseen pressures across services.
- 5.7. Additional contribution of £3.2m from Earmarked reserves will be required to fund the overspend in Place, CHI (DSG) and Resources directorates.

## **6. Housing Revenue Account (HRA) Revenue Budget Position**

6.1. As at the end of September 2017, an underspend of £0.4m is projected against the overall Housing Revenue Account budget.

### **6.2. Dwelling and Non-Dwelling Rents / Tenant and Leaseholder Service Charges: £0.2m underspend**

6.3. Rent and Service Charge income is currently projected to exceed budget, showing an estimated income of £0.2m above the full year budget of £90.4 million. This budget is directly affected by movements in dwelling stock numbers, particularly the number of Right to Buy disposals. Completions are slightly below estimated for the first six months of the year, totalling 75 disposals against an estimate of 200 for the year i.e. a projection of 100 in a half year period. This is discussed below.

## **7. Special Services, Rents, Rates & Taxes: £0.4m underspend**

7.1. It is currently forecast that there will be an underspend on the energy budget due to prices being lower than was assumed when the budget was set. Expenditure against budget is volatile however, with demand particularly linked to weather conditions over the winter months. Any leaseholder service charge over-recovery that results from actual charges being lower than those included in the estimated bills raised at the start of the financial year will be reflected when the actual service charge adjustments are processed during 2018-19.

7.2. In addition to the above two items, there are smaller variances forecast in respect of the repairs and maintenance and supervision and management budgets.

7.3. A particular area of potential budget variance relates to the significant Revenue Contribution to Capital Outlay (RCCO) estimate. Although this is currently forecast in line with budget, the HRA estimates assume an RCCO of in excess of £23 million, the majority of which is earmarked to support the use of retained Right to Buy receipts to develop new social housing. The Council is currently holding substantial levels of Right to Buy receipts which must be used for the supply of new housing. Tight time constraints apply to the use of these resources (they must be spent within three years of receipt) and if they are not utilised they must be paid to the Government with significant interest penalties falling on the Council. Capital estimates are in place to meet the expenditure profile required to maximise the use of these resources.

### **7.4. Retained Right to Buy Receipts**

7.5. The Government's reinvigoration of the Right to Buy system in April 2012, has led to a significant increase in the number of right to buy applications. Key elements of the policy were the increase of the maximum discount available to tenants and a change to the previous Right to Buy capital receipt pooling arrangements whereby now local authorities can retain receipts for replacement housing – provided they can sign up to an agreement with Government that they will limit the use of the net Right to Buy receipts to 30% of the cost of the replacement. Since April 2017, the maximum RTB discount is £104,900.

7.6. The Authority has therefore entered an agreement with the government to allow it to retain a proportion of Right to Buy receipts to be spent on replacement social housing, with the following conditions:

- i. Retained 'one for one' receipts cannot fund more than 30% of total spend
- ii. Receipts cannot be used in conjunction with funding from the GLA/HCA
- iii. Receipts must be spent within three years or be returned with interest
- iv. Receipts cannot be given to a body in which the local authority has a controlling interest

7.7. Alternatively, the authority may use the receipts to grant fund another body, such as a Registered Provider (RP).

#### **7.8. Right to Sales and Retained Receipts**

7.9. Between April 2012 and the end of September 2017 there have been 949 RTB sales, of which 75 disposals have taken place during the current financial year.

7.10. As at the end of the second quarter of 2017/18, the Authority has £95.891 million of 'one for one' retained receipts, the breakdown of which and proposed usage is shown in the table below. Of this £11.591 million was received in the first two quarters of the year.

#### **7.11. Use of Right to Buy Receipts**

7.12. The Council has various initiatives in place to use the retained receipts; however it is restricted by the fact that these receipts can only fund 30% of the costs. The remaining 70% therefore has to be financed from other capital resources, and the borrowing constraints within the Housing Revenue Account mean that the Council is currently undertaking initiatives within the General Fund.

7.13. There are strict quarterly deadlines for the use of the receipts, and these must be met in order to avoid having to pay the resources to the DCLG. The fourth column of the table below shows the total spend required by quarter compared with the actual and projected spend in the final column. As can be seen, if the proposed expenditure profile is met, then pressures arise in the third quarter of 2017-18 (ending December 2017). Schemes and initiatives are currently being developed to ensure that these resources are fully utilised, however it must be stressed that it is essential that spend deadlines are complied with and that close monitoring continues to be undertaken.

## **RIGHT TO BUY ONE FOR ONE RECEIPTS – TOTAL SPEND NEEDED AND DEADLINES**

### **Spend already incurred**

Deadline	Quarter Received	1-4-1 Receipts	TOTAL SPEND NEEDED	Poplar Baths & Dame Colet	Buy-backs	RP grant scheme	New-build	Other	Total in Q	CUMULATIVE SPEND (ACTUAL)
		£m	£m	£m	£m	£m	£m	£m	£m	£m
31 Dec 16	Q3 13/14	1.503	5.010	15.18					<b>15.18</b>	15.180
31 Mar 17	Q4 13/14	3.508	16.703		3.51	3.12	2.21	4.19	<b>13.02</b>	28.202
30 Jun 17	Q1 14/15	3.481	28.305		4.53	0.00	0.14	0.01	<b>4.68</b>	32.882
30 Sep 17	Q2 14/15	4.246	42.459		6.18	6.56	0.12	9.41	<b>22.27</b>	55.153

### **Spend forecast**

Deadline	Quarter Received	1-4-1 Receipts	TOTAL SPEND NEEDED	Poplar Baths & Dame Colet	Buy-backs	RP grant scheme	New-build	Other	Total in Q	CUMULATIVE SPEND (FORECAST)
		£m	£m	£m	£m	£m	£m	£m	£m	£m
31 Dec 17	Q3 14/15	7.065	66.007		5.28	0.35	0.50	3.60	<b>9.73</b>	64.883
31 Mar 18	Q4 14/15	6.115	86.389		5.28		2.30	0.40	<b>7.98</b>	72.863
30 Jun 18	Q1 15/16	4.000	99.721				5.38		<b>5.38</b>	78.243
30 Sep 18	Q2 15/16	6.660	121.921				8.16		<b>8.16</b>	86.403
31 Dec 18	Q3 15/16	6.678	144.179				10.87		<b>10.87</b>	97.273
31 Mar 19	Q4 15/16	6.419	165.577			4.73	14.70		<b>19.43</b>	116.703
30 Jun 19	Q1 16/17	9.024	195.656				15.01		<b>15.01</b>	131.713
30 Sep 19	Q2 16/17	10.487	230.612				11.05		<b>11.05</b>	142.763
31 Dec 19	Q3 16/17	9.579	262.541				5.32		<b>5.32</b>	148.083
31 Mar 20	Q4 16/17	5.538	281.000				1.15		<b>1.15</b>	149.233
30 Jun 20	Q1 17/18	5.036	297.788							149.233
30 Sep 20	Q2 17/18	6.555	319.639							149.233
<b>Total</b>		<b>95.891</b>								

7.14. A decision will be made at the end of the financial year about how best to finance the HRA capital programme, at which point it may be considered better for the HRA to use other resources. If not fully required then the resulting underspend in RCCO will carry forward in HRA balances and be earmarked to fund capital in future years.



7.15. It should be noted that in order to address fire safety concerns following the recent fire at Dickenson House on the Avebury Estate, additional resources are being made available to Tower Hamlets Homes (THH) to fund the appointment of extra staff. This funding is being approved via a Mayoral decision. The financial implications will be reflected in future budget monitoring reports and will have the effect of increasing the revenue management fee payable to THH as well as requiring a re-profiling of the HRA capital programme.

## 8. Mayoral Priority Growth

8.1. The MTFs agreed on the 22<sup>nd</sup> February 2017 set aside budget provision for a number of specific mayoral priority projects designed to improve specific outcomes for residents and businesses.

8.2. The range of initiatives included projects that would improve employment opportunities for residents, with particular targeted support vulnerable groups such as young people, care leavers, residents over 50 and women. There are also initiatives to help improve the local environment and tackle poverty within the borough through the Mayors Tackling Poverty fund. The detailed list of projects and progress in delivering the mayoral and strategic priority outcomes is included in Appendix 5.

8.3. A number of schemes such as the ethical care charter and continuing with funding universal free school meals are already underway and directorate budget forecasts reflect this. The remaining projects are being developed and will be reflected in directorate forecasts in due course.

## 9. Total 2017-18 savings

Directorate	2017-18					
	Savings target £'000	Delivered/ cashed £'000	Forecast savings RAG Green £'000	Forecast savings RAG Amber £'000	Variance - Slippage £'000	Variance - Under / (over) delivery £'000
Health, Adults & Community	7,030	1,398	2,476	998	2,894	662
Children's Services	3,201	110	110	2,216	486	389
Place	2,648	68	1,498	-	950	200
Resources	2,293	1,175	1,253	761	200	79
Governance	759	-	-	300	300	159
All	10,169	1,915	7,669	3,289	1,621	(2,410)
<b>Total</b>	<b>26,100</b>	<b>4,666</b>	<b>13,006</b>	<b>7,564</b>	<b>6,451</b>	<b>(921)</b>

9.1. Total target for 2017-18 is £26.1m (£20.4m relates to approved savings as part of the 2017-18 budget setting process, and £5.7m as a result of previous year savings not delivered)

- £13m is highlighted green indicating a higher level of confidence that savings are on track to be delivered / being delivered;
- £7.6m is highlighted amber indicating that further work needs to be done, or there is potential that delivery of forecast savings will slip to next year;
- £6.5m is forecast to slip into 2018-19 due to timing issues;
- £1.5m is currently classed as at risk of non-delivery, and there is expected to be over achievement of £2.4m, resulting in a net variance of -£0.9m..

## 10. **Forecast Use of Reserves**

10.1. The Council is required to hold a number of reserves on its Balance Sheet against specific purposes or circumstances.

10.2. A small contribution of £0.5m will be made to General Fund if the forecast outturn position remains in line with that expected in the MTFP.

10.3. The table below shows a summary of Earmarked reserves requested, pending the approval of the Corporate Director, Resources.

EARMARKED RESERVES	Requested	Approved	Balance (Subject to Approval)	Comment
	£'000	£'000	£'000	
Transformation	25,000	-6,000	19,000	Resources : Smarter Together Programme
ICT / Finance Systems	25,000	-2100	25,000	Resources : ICT Transformation
Replacement Social Housing Reserve	7500		7,500	
Parking Control	3,295		3,295	
Sevices Reserve	7500		7,500	
- Governance			0	
- Health Adults and Communities			0	
- Childrens Services			0	
- Place		-1639	-1,639	
- Resources			0	
Insurance	22,100		22,100	
New Civic Centre	20,800		20,800	
New Homes Bonus	11,600		11,600	
Free School Meals	6,000		6,000	
Mayor's Priority Investment Reserve	10,000	-300	9,700	Place: Mayors Reserve Youth and Connections Service
Risk Reserve	15,000		15,000	
Mainstream Grants	400		400	
Mayor Tackling Poverty	5,000		4,000	Resources : Mayor Tackling Poverty
<b>Earmarked Reserve Total</b>	<b>159,195</b>	<b>-1,939</b>	<b>150,256</b>	

10.4. A full Summary of projected Reserve movements during the period of the MTFP can be found in Appendix 7.

## **11. Section 106 and Community Infrastructure Levy (CIL)**

### **Section 106 - Background**

- 11.1. Section 106 (S106) Agreements are legal agreements between Local Authorities and developers. They are drafted when it is considered that a development will have a significant impact on the local area that cannot be moderated by means of conditions attached to a planning decision.
- 11.2. The Council's approach to securing planning obligations is set out in the S106 Planning Obligations Supplementary Planning Document (SPD) adopted in 2012. This document formalises that s106 contributions are secured and paid by the developer to the Council. Payments are due at trigger points throughout the lifecycle of a development and are applied to finance expenditure under defined themes including; Affordable Housing, Education, Community & Leisure Facilities, Employment and Enterprise, Health, Sustainable Transport, Environmental Sustainability and Public Realm & Public Open Space.
- 11.3. Once s106 contributions are received, each is required to be spent in line with the funding requirements/themes for which it was initially secured and cannot be spent for any other purpose.

### **Section 106 Funding by Category**

- 11.4. Planning Obligation funding (s106) can be spent on a range of projects and these categories are highlighted in the table below. Currently, projects are developed by the responsible Directorates and approvals are sought in accordance with the Council's Infrastructure Delivery Framework (IDF) that was approved by the Mayor in Cabinet in October 2016. Going forward, this may need further consideration as it would seem sensible to adopt a corporate approach linked to the Council's borough-wide capital strategy in order to form the basis for proposing the projects for decision through the IDF.
- 11.5. As at 30<sup>th</sup> September 2017, a total of £92.6 million was held in the s106 account. An analysis of the resources held between various categories of project and their status is shown in the table below, including the relevant delivery partners where appropriate.
- 11.6. In addition to the s106 balances listed, interest of £1.2 million has accrued to the account.

## Section 106 - Council Projects

Directorate	Area	Balance at 1st April 2017 £,000	Receipts 2017-18 £,000	Balance at 30th Sep 2017 £,000	Allocated £,000	Unallocated £,000
Place	Affordable Housing	3,564	456	4,020	4,020	-
Place	Carbon Offsetting	1,187	542	1,728	1,050	679
Place	Community Facilities	2,660	2	2,662	1,606	1,056
Place	Environment & Public Realm (CLC)	6,718	8	6,726	2,981	3,745
Place	Master Plans and Studies	302	-	302	-	302
Place	Millennium Quarter	966	-	966	519	447
Place	Master Plan Studies	64	-	64	38	27
Place	Transport Infrastructure	4,618	243	4,861	1,832	3,029
Place	Employment & Enterprise	6,100	369	6,469	2,698	3,771
<b>Total</b>		<b>26,179</b>	<b>1,619</b>	<b>27,797</b>	<b>14,742</b>	<b>13,055</b>
Children's	Public Art	466	-	466	42	424
Children's	Community Facilities	766	-	766	217	549
Children's	Education	20,756	3,476	24,232	13,269	10,963
Children's	Leisure	2,447	50	2,496	1,940	556
Children's	Landscape and Open Space	6,436	4,492	10,928	3,886	7,043
<b>Total</b>		<b>30,870</b>	<b>8,019</b>	<b>38,889</b>	<b>19,354</b>	<b>19,535</b>
Resources	Community Facilities	475	9	484	307	177
<b>Total</b>		<b>475</b>	<b>9</b>	<b>484</b>	<b>307</b>	<b>177</b>
<b>Total</b>		<b>57,524</b>	<b>9,646</b>	<b>67,171</b>	<b>34,403</b>	<b>32,768</b>

## Section 106 - Projects undertaken with External Delivery Partners

HAC	Health	17,938	1,208	19,146	2,668	16,478
<b>Total</b>		<b>17,938</b>	<b>1,208</b>	<b>19,146</b>	<b>2,668</b>	<b>16,478</b>
External	London Thames Gateway Development Corporation	2,259	2,172	4,431	3,382	1,049
External	Transport for London	1,814	4	1,818	1,719	99
<b>Total</b>		<b>4,073</b>	<b>2,176</b>	<b>6,250</b>	<b>5,101</b>	<b>1,148</b>
<b>Total</b>		<b>22,011</b>	<b>3,384</b>	<b>25,395</b>	<b>7,769</b>	<b>17,626</b>
<b>GRAND TOTAL</b>		<b>79,535</b>	<b>13,031</b>	<b>92,566</b>	<b>42,172</b>	<b>50,394</b>

Key:

'Allocated' – Contributions have been ring-fenced and allocated to a project in accordance with the Infrastructure Delivery Framework.

'Unallocated' – Section 106 contributions have been received by the Council but they have not yet been committed towards the funding of a project, although Project Initiation Documents (PIDs) might be in the process of being prepared. Projects being delivered by third parties (e.g. Transport for London or National Health Service partners) require a business case to be submitted prior to a PID being prepared and submitted for consideration by the Infrastructure Delivery Board.

- 11.7. Section 106 resources often come with time constraints and, whilst it is important that these resources are not lost, the prioritisation of projects needs to be seen in the context of the Council's Capital Strategy. Due to the risk that funding will have to be repaid to developers, with interest, if the time period specified in the Section 106 agreement expires, it is important to ensure that projects continue to be closely monitored and that actions are taken to mitigate any risk that resources will be lost. It is important that a sufficiently broad planning horizon continues to be implemented to reduce the risk of resources being lost but also to avoid the crowding out of other important capital priorities due to funding imperatives.

### **Community Infrastructure Levy - Background**

- 11.8. The Council receives Community Infrastructure Levy funding for most new developments which create net additional floor space or a new dwelling. These resources help to finance the infrastructure required to support the development of the area, with spending decisions being made in accordance with the Council's Infrastructure Delivery Framework. The Council also collects CIL on behalf of the Mayor of London.

#### Mayor of London's CIL (MCIL)

- 11.9. This levy is set by the Mayor of London and is collected by the Council for which a 4% administration fee is retained. The MCIL is passed to Transport for London (TfL) where it is being used to fund Crossrail 1. The Mayor of London has recently completed a consultation into the introduction of MCIL2, with the intention that from April 2019 it will supersede the current arrangements and the associated planning obligation/S.106 charge scheme applicable in central London and the northern part of the Isle of Dogs. MCIL2 will be used to contribute to funding for Crossrail 2.

#### Tower Hamlets' CIL (THCIL)

- 11.10. The Council's CIL charging schedule was introduced in April 2015 and, as at 30<sup>th</sup> September 2017, the Council had received CIL income totalling £36.1million.

- 11.11. The types of infrastructure projects the Council could wholly or partly spend THCIL on is described in the Council's CIL Regulation 123 List ( September 2016) set out below.

### **CIL Regulation 123 List (September 2016)**

Types of strategic infrastructure (including new provision, replacement or improvements to existing infrastructure, operation and maintenance):

- Community facilities
- Electricity supplies to all Council managed markets
- Employment and training facilities
- Energy and sustainability (including waste) infrastructure
- Flood defences
- Health facilities and social care facilities
- Infrastructure dedicated to public safety (for example, wider CCTV coverage)
- Leisure facilities such as sports facilities, libraries and Idea Stores
- Open space, parks and tree planting
- Public art provision
- Public education facilities
- Roads and other transport facilities

The inclusion of a type of infrastructure in the list does not signify a commitment from the Council to wholly or partly fund it through CIL which can only be used to fund the provision, improvement, replacement, operation or maintenance of infrastructure to support the development of the area.

### Local Infrastructure Fund (LIF)

- 11.12. CIL Regulation 59A requires that 15% (or 25% where a neighbourhood plan is in place) of CIL collected should be allocated as the 'Neighbourhood Portion' to be spent on Council infrastructure priorities following consultation with local communities where development is taking place.
- 11.13. The Mayor in Cabinet has agreed that 25% of CIL receipts should be allocated as the CIL Neighbourhood Portion across the whole borough, to be entitled the 'Local Infrastructure Fund' (LIF). The Council consulted on LIF from 27<sup>th</sup> June to 8<sup>th</sup> August 2017, and the results of this consultation will ultimately inform the allocation of LIF to local projects. Expenditure will be determined as part of the Annual Infrastructure Statement (AIS) which will be considered by the Mayor in Cabinet in November 2017.

### Council CIL Spending Proposals

- 11.14. The Council will have clearly set out proposals for the service allocation of CIL funding by the end of 2017. These proposals will be referred to the Mayor in Cabinet and will be reflective of information provided to officers through

comprehensive evidence gathering, analysis and engagement as part of the alignment of the AIS with the requirements of the Capital Strategy.

- 11.15. As outlined above, as at 30<sup>th</sup> September 2017, the Council had received CIL income totalling £36.1 million. Of these resources, only £136,000 has been allocated to date – towards the financing of an Idea Store Interactive Learning project. Unlike Section 106 funds, CIL resources are not time limited in their use, nor ring-fenced to specific schemes.

### **Community Infrastructure Levy Resources – 30th September 2017**

Balance at 1st April 2017	Receipts 2017-18	Balance at 30th June 2017	Allocated	Unallocated
£,000	£,000	£,000	£,000	£,000
25,135	11,015	36,139	135	36,004

The CIL regulations allow for up to 5% of these funds to be used to finance the Council's administration of the CIL process.

### **Conclusion – Section 106 and Community Infrastructure Levy**

- 11.16. For both Section 106 and CIL resources, it is clear that identifying and understanding the relevant priorities of schemes that could be funded from these sources is essential in order to manage the value for money achieved from them.

## **12. Council Tax and Business Rates Income**

- 12.1. The table below highlight the in-year collection performance for both Council Tax and Business Rates.

	Current Year debt (£m)	Total collected (£m)	Collection %	Previous Years debt (£m)	Total collected (£m)	Collection %
<b>Business Rates</b>	<b>444.0</b>	<b>245.0</b>	<b>55%</b>	<b>20.7</b>	<b>7.6</b>	<b>28%</b>
Council's share (30%)	133.2	73.5		6.2	1.7	
GLA's share (37%)	164.3	90.6				
Government's share (33%)	146.5	80.9				
<b>Council Tax</b>	<b>116.5</b>	<b>57.0</b>	<b>49%</b>	<b>16.9</b>	<b>2.4</b>	<b>14%</b>
Council's share (77%)	89.7	43.9		13.0	1.8	
Government's share (23%)	26.8	13.1		3.9		

- 12.2. For both Council Tax and Business Rates a Collection Fund operates to account for in-year activity, i.e. the actual amounts collected taking into account changes in the tax -base which happen during the year as new properties are added, taxpayers move, appeals are settled etc. however, the amount that is brought into an individual year's budget comprises three distinct elements:
- The estimated yield from the precept for the forthcoming financial year (FY) based on the January CTB / NNDR form (which once set does not vary);
  - The estimated surplus or deficit (based on the January position) from the current FY; and
  - The final surplus or deficit from the previous financial year, following closure of that year's accounts (bringing into account differences between the January estimate and the final outturn position).
- 12.3. There has been considerable growth in the Council Tax-base as a result of Single Person Discount (SPD) reviews, reducing long term empty properties and exemptions, changes to the Local Council Tax Support Scheme, and the rate of new properties being added to the Tax-base.
- 12.4. The effect of this increase has seen total properties rising from 126,094 to 127,454. Consequently, the Council Tax base has risen from 89,335 to 91,432 creating a rise in the collectable debit of £2.3m to £116.9m.
- 12.5. Currently the overall surplus for council tax is £2.0m to be shared with GLA
- 12.6. Currently the overall surplus for NNDR is £22.6m to be shared with GLA and central government. Please note however this may well reduce as we go through the year and instalments drop off in the final quarter.

### **13. Debtors and Creditors**

- 13.1. Debtors are organisations, businesses and individuals that owe the council money. The table below categorises the nature of the debt on the same basis as the financial statements. The first six months of the year shows that there has been a significant increase in the in the debtors position of £55m. With the largest movement in the other debt category – a breakdown of which can be found in the second table. Both Central Government and Local authorities are showing a decrease which is largely due to the collection fund deficit. Payments in advance are only a year end adjustment.

	<b>31-03-2017</b> <b>£'000</b>	<b>30-09-2017</b> <b>£'000</b>
Central Government	21,669	13,193
Local Authorities	3,320	-2,080
Other Debtors	52,661	121,530
Payments in Advance	2,837	3,606
<b>Total</b>	<b>80,487</b>	<b>136,249</b>



## Other debtors breakdown

Trade and Sundry debtors	31,028	-3,384	
Council Tax debtors	2,542	-5,203	This is the net position including Council Tax receipts, this is grossed up at year end to eliminate receipts
Payroll Debtors	2,570	61,569	Recovery from schools to be put through at year end
Parking	721	15,781	Old year is net of bad debt provision
Rents & Service Charges	2,430	45,597	Invoices raised at beginning of financial year
NNDR	6,200	-	This is the net position including NNDR receipts, this is grossed up at year end to eliminate the credits
Housing Benefits Overpayments	7,170	7,170	
	<b>52,661</b>	<b>121,530</b>	

- 13.2. Creditors are organisations, businesses and individuals that the council owes money to. The table below categorises the nature of the debt on the same basis as the financial statements. Overall this position has increased by £186m and this is largely due to unallocated government grants totalling £197m.

	31-03-2017 £'000	30-09-2017 £'000
Central Government	29,330	215,254
Local Authorities	8,871	8,115
Sundry Creditors	61,174	85,205
Accruals	40,292	69
Receipts in Advance	14,487	11,823
<b>Total</b>	<b>154,154</b>	<b>320,467</b>

## 14. Treasury Management Activities

- 14.1. Overall investment balances reduced during September and closed lower at £447.10m, from £466m. .
- 14.2. The weighted average rate of return of the Council's investment portfolio for September was 0.53% compared to the average return of 0.41% earned for August. The current benchmark return is based upon the 7 day London Interbank Bid rate (LIBID) and average rate as at September 2017 was 0.10%.

## Investments Outstanding & Maturity Structure

- 14.3. The table below shows the amount of investments outstanding at the end of September 2017, split according to the financial sector.

FINANCIAL SECTOR	£m	%
Banks in the UK	55.00	12.30
Building Societies in the UK	20.00	4.47
Banks in the Rest of the World	160.00	35.79
Government & Local Authorities	166.00	37.13
Money Market Funds	46.10	10.31
Investments Outstanding as at 30/09/2017	447.10	100.00

- 14.4. We currently have 10.31% of the total portfolio Investments, held in the Money Market Funds to provide liquidity and to diversify risk. Almost 40% of the outstanding investments have less than 3 months to mature. Only £20m of investments are held for periods longer than 12 months.

Maturity Profile of Investments	£m Portfolio Value	Portfolio %
O/Night	46.10	10.31%
< 1 Month	105.00	23.48%
1- 3 Months	25.00	5.59%
3 - 6 Months	136.00	30.42%
6 - 9 Months	60.00	13.42%
9 - 12 Months	55.00	12.30%
Over 12 Months	20.00	4.47%
<b>Total</b>	<b>447.10</b>	<b>100.00</b>

- 14.5. Work is being carried out to determine a more robust capital expenditure forecast in order to plan how best to invest surplus core cash for the longer term. Officers are also reviewing longer term investment options with our new advisors.
- 14.6. **Borrowing:** The Council's borrowing portfolio stood at £85.9m at the end of September 2017, however with a large investment balance, there is no major borrowing requirement for the foreseeable future as spending can be funded from investment balances.

Borrowing at 30/09/2017	Value £m	Rate %
PWLB: <i>Fixed</i>	8.436	6.64
Market Loan: <i>Fixed</i>	17.500	4.34
Market Loan: <i>LOBOs</i>	60.000	4.32
<b>Total External Borrowing</b>	<b>85.936</b>	<b>4.55</b>

## **15. Pension Fund Investments Position**

- 15.1. Over the quarter to 30<sup>th</sup> September, the fund increased by £99m from £1.399bn to 1.498bn. The Actuary estimates the funding level of the pension fund had increased to 85.9% at 31<sup>st</sup> March 2017 from 82.8% of 2016 formal valuation funding level – this represents a deficit of £222.9m, down from £235m.
- 15.2. The September Pensions Committee finalise the new investment strategy for the pension fund. With strong equity performance in recent years, the fund locked in equity investment gains and also decreasing the equity investment risk in the fund from 60% of total fund value to 50%. Following a presentation from the new investment consultant, Mercer, the Committee gave further considerations to repositioning of equity assets and agreed disinvestment of 20% of the total fund value from passive UK equity and investment of 15% of total fund value in passive global equity and 15% of total fund asset into low carbon global equity.
- 15.3. The Committee requested for further analysis from the investment consultant to justify value for money in their decision of appointing LGIM as the Fund transition manager to oversee the repositioning of the Fund equity assets. The investment consultant provided the information that shows if the Fund was to independently engage a Transition Manager, that the lowest fee offered would be in the region of 0.04% to 0.05% of total assets traded (i.e. buys and sells accumulated). Applying these figures to this transition would suggest a fee of at least £235,000, whereas LGIM have quoted a flat fee of £115,000. With this information the Committee are now satisfied and the Chair and Vice Chair gave their approval to use LGIM as the transition manager for repositioning of the Fund equity portfolio.
- 15.4. An investment allocation for multi-asset credit (MAC) was also considered and the Committee requested for training on this asset class at their next meeting with a view to gain better understanding of this asset class in order to make an informed decision.

## **16. Capital**

- 16.1. The capital budget for 2017/18 now totals £184.7m, decreased from the £231.7m reported to Cabinet in Quarter 1. The increase is mainly due to the re-profiling of expenditure into future years.
- 16.2. Details of all the changes to the capital budget are set out in Appendix 1a.
- 16.3. Total capital expenditure to the end of Quarter 2 represented 26% of the revised capital programme budget for 2017/18 as follows:

	Annual Budget as at 30-Sep-17	Spent to 30-Sep-17	% Budget Spent
	£m	£m	%
<b>TOTALS BY DIRECTORATE:</b>			
Health, Adults and Communities	3.489	0.397	11%
Children's Services	31.063	10.000	32%
Place	50.185	26.875	54%
Housing Revenue Account (HRA)	83.723	9.372	11%
Resources	1.367	0.000	0%
Corporate	14.825	1.025	7%
<b>GRAND TOTAL</b>	<b>184.652</b>	<b>47.669</b>	<b>26%</b>

This compares with 15% at the same stage last year. Expenditure tends to be heavily profiled towards the latter months of the financial year.

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

	Annual Budget as at 30-Sep-17	Projection 30-Sep-17	Forecast Variance
	£m	£m	£m
<b>TOTALS BY DIRECTORATE:</b>			
Health, Adults and Communities	3.489	3.484	-0.005
Children's Services	31.063	24.197	-6.866
Place	50.185	60.001	9.816
Housing Revenue Account (HRA)	83.723	48.141	-35.582
Resources	1.367	1.367	0.000
Corporate	14.825	3.770	-11.055
<b>GRAND TOTAL</b>	<b>184.652</b>	<b>140.960</b>	<b>-43.692</b>

16.5. Programme slippage of £43.7m 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 largest in-year projected variances are set out below:

- **Corporate Budget Provision for Infrastructure Delivery (£10.6m slippage)**

This relates to budget provision for allocations made under the Infrastructure Delivery Framework (IDF) Process. Amounts will be moved to Directorates as allocations are approved, and spend projections will be added accordingly. Any unallocated amounts in the current year will be rolled forward to future years

- **Housing Buybacks 1-4-1 Receipts HRA (£26.3m slippage)**

The budget for this programme will be re-profiled and partly moved to a General Fund scheme relating to purchase of properties for use as temporary accommodation.

- **Purchase of Properties for use as Temporary Accommodation GF (£15.0m in excess of budget)**

This programme using retained 1-4-1 right to buy receipts has been prioritised over the HRA scheme relating to buybacks to allow flexibility of use. This scheme has been highly successful and as such the purchases of temporary accommodation occurred earlier than is reflected in the annual profiled budget.

- **Parks (£3.9m slippage)**

Projects have been re-programmed into future financial years. The scheme for Christ Church Gardens is currently awaiting a court appeal decision.

- **Culture (£1.7m slippage)**

The indicative schemes which are yet to be developed are not expected to spend in the current financial year.

- **Conversion of Council Buildings to Temporary Accommodation (£1.5m slippage)**

Schemes are under consultation and development and have an expected start date re-profiled for early 2018/19.

- **Schools – Conditions and Improvements (£1.1m slippage)**

Some projects have slipped into next year, for example the project relating to Blue Gate Fields School roof will slip to next year due to issues with procuring contractors in time for works to take place during the school summer break.

16.6. **Capital receipts received in 2017-18** from the sale of Housing and General Fund assets as at 30<sup>th</sup> September 2017 are as follows:

Capital Receipts*		
	£m	£m
<b>Dwellings Sold under Right To Buy (RTB)</b>		
Receipts from RTB sales (75 properties)	14.198	
less poolable amount paid to DCLG	-0.870	
		13.328
<b>Sale of other Housing Revenue Account (HRA) assets</b>		
Preserved Right to Buy receipts	1.126	
43 Saltwell Street	0.023	
		1.149
<b>Sale of General Fund assets</b>		
		0.000
<b>Total</b>		<b>14.477</b>

\* Receipts shown gross before costs of sale are deducted

- 16.7. 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.

**17. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 17.1. This report is primarily financial in nature and therefore the appropriate comments are included throughout; there are no additional comments to make.

**18. LEGAL COMMENTS**

- 18.1. The report provides financial performance information. It is consistent with good administration for the Council to consider monitoring information in relation to plans and budgets that it has adopted.
- 18.2. 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 financial and other performance information is an important way in which that obligation can be fulfilled.
- 18.3. 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 the Cabinet to receive information about the revenue and capital budgets as set out in the report.
- 18.4. When considering its performance, 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 budgets are formulated by reference to its public sector equality duty and monitoring performance should help to ensure they are delivered.

**19. ONE TOWER HAMLETS CONSIDERATIONS**

- 19.1. The budget monitoring report assists in reviewing the financial performance of the Council. It ensures that financial resources are applied to deliver services meeting the needs of the diverse communities living in Tower Hamlets and supporting delivery of One Tower Hamlets.

## **20. BEST VALUE (BV) IMPLICATIONS**

- 20.1. The Council's achievement of the principles of Best Value are assessed annually as part of the final audit of the Council's financial statements by the Council's external auditors KPMG.

## **21. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 21.1. There are no specific actions for a greener environment implications

## **22. RISK MANAGEMENT IMPLICATIONS**

- 22.1. 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.

## **23. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 23.1. There are no specific crime and disorder reduction implications.

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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

None

#### **Appendices**

Appendix 1 – Control Budget  
Appendix 2 – Directorate Summary  
Appendix 3 – Savings Tracker Summary and Detail  
Appendix 4 – Reserve Movements  
Appendix 5 – Capital Monitor  
Appendix 6 – Mayoral Priorities

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# CONTROL BUDGET 2017-18

	Total General Fund	Health, Adults & Community	Children's Services	Place	Governance	Resources	Corporate Costs and Central Financing
<b>Original Budget 2017-18</b>	<b>338,895,605</b>	<b>130,747,901</b>	<b>98,424,858</b>	<b>70,292,015</b>	<b>11,761,988</b>	<b>15,067,990</b>	<b>12,600,853</b>
Reversal of Approved Public Health Savings	0	678,000					(678,000)
Transfer of Young People Contracts Budget HAC to CHI	0	(1,115,890)	1,115,890				
Transfer of Free School Meals Allocation from HAC to CHI	0	(2,000,000)	2,000,000				
Transfer of PMO and SPP Budgets from CHI to GOV & RES	0		(1,186,170)		916,053	270,117	
Transfer of Parking Control Account budgeted income from CEN to PLA	0			(9,104,000)			9,104,000
Transfer of Kernnal Park from GOV to PLA	0			100,000	(100,000)		
Smarter Together Transformation Programme budget	0					5,780,032	(5,780,032)
Drawdown of Specific Reserves - SEND Grant	0		113,696				(113,696)
Approved Growth 2017-18	0	1,369,292	946,000	480,000			(2,795,292)
ICT Transformation Reserve allocation	0					3,100,000	(3,100,000)
Savings Transferred - Finance & SPP	0				(600,000)	(700,000)	1,300,000
Initiation Awarded - Non Pay	0	1,923,000	371,000				(2,294,000)
Initiation Awarded - Pay plus LLW	0	202,736	399,557	376,274	108,036	287,745	(1,374,348)
Estimated increase in Pension Contribution - 3.4%	0	612,422	1,213,246	1,142,548	328,051	873,733	(4,170,000)
Improved Better Care Fund Grant Awarded	<b>7,017,000</b>	7,017,000					
Apprenticeship Levy	0	84,985	156,935	137,240	41,800	103,965	(524,925)
Transfer of PMO Resources	0	(13,500)	(93,000)	(141,000)	295,500	(37,000)	(11,000)
	0						
	0						
<b>Total Adjustments</b>	<b>7,017,000</b>	<b>8,758,045</b>	<b>5,037,154</b>	<b>(7,008,938)</b>	<b>989,440</b>	<b>9,678,592</b>	<b>(10,437,293)</b>
<b>Revised Latest Budget 2017-18</b>	<b>345,912,605</b>	<b>139,505,946</b>	<b>103,462,012</b>	<b>63,283,077</b>	<b>12,751,428</b>	<b>24,746,582</b>	<b>2,163,560</b>

<b>Capital Control Budget 2017-18</b>	<b>Total</b>	<b>Health, Adults &amp; Community</b>	<b>Children's Services</b>	<b>Place</b>	<b>Resources</b>	<b>Corporate</b>	<b>Housing Revenue Account</b>
	£	£	£	£	£	£	£
<b>Original Budget (Council, February 2017)</b>	<b>216,269,172</b>	<b>3,729,500</b>	<b>36,415,294</b>	<b>50,570,176</b>	<b>1,259,202</b>	<b>14,600,000</b>	<b>109,695,000</b>
<b>Slippage from 2016-17</b>	<b>17,377,769</b>	<b>1,580,169</b>	<b>2,715,957</b>	<b>1,112,084</b>	<b>103,702</b>	<b>4,158,922</b>	<b>7,706,936</b>
<b>Quarter 1 Total Adjustments</b>	<b>(1,901,978)</b>	<b>(1,820,456)</b>	<b>(802,096)</b>	<b>2,715,366</b>	<b>4,457</b>	<b>(2,289,858)</b>	<b>290,609</b>
<b>Cabinet Approvals / Mayor's Executive Decisions</b>							
PDC 229 Bethnal Green Road (IMD 164, 14 July 2017)	670,000			670,000			
Housing Zone – Complementary Measures (Cabinet, 17 May 2017)	35,000			35,000			
<b>Decisions Delegated to Corporate Directors</b>							
Parks - Poplar Park (February 2017)	9,000		9,000				
Transport S106 Funded Schemes - 21 Wapping Lane (February 2017)	208,603			208,603			
Transport S106 Funded Schemes - Caspian Wharf and 1-3 Yeo Street (February 2017)	94,083			94,083			
<b>Budgets Re-profiled</b>							
Basic Need / Expansion - Various - Scheme Development	(2,453,000)		(2,453,000)				
Basic Need / Expansion - Bow School	(3,899,973)		(3,899,973)				
Private Sector Improvement Grants	(470,000)			(470,000)			
Community Hubs/Buildings	(500,000)			(500,000)			
S106 Schemes - Millennium Quarter Public Art Project	(86,535)			(86,535)			
Section 106 Passported Funding - Wellington Way Health Centre	(1,119,000)			(1,119,000)			
Conversion of council buildings to temporary accommodation - Bethnal Green Cottage	(62,500)			(62,500)			
Registered Provider Grant Scheme (from 1-4-1) - ARHAG Housing Association	(602,394)			(602,394)			
Registered Provider Grant Scheme (from 1-4-1) - East End Homes	(957,000)			(957,000)			
Thriving High Streets Pilot Programme	(800,000)			(800,000)			
Transport S106 Funded Schemes - Construction of a pedestrian crossing on East Ferry Road, located near school entrance	33,725			33,725			
Transport S106 Funded Schemes - Cycling and Pedestrian Improvements Programme	480,362			480,362			
Olympic Park Transport and Environmental Management Scheme	11,453			11,453			
New Supply - Pre construction - Ashington Estate East - GLA Pipeline Fund	100,000						100,000
New Supply - Pre construction - Locksley Estate - 1-4-1 receipts	(5,512,000)						(5,512,000)
New Supply - Pre construction - Hereford St - 1-4-1 receipts	(6,122,712)						(6,122,712)
New Supply - Pre construction - Jubilee St - 1-4-1 receipts	(5,662,000)						(5,662,000)
New Supply - Pre construction - Baroness Rd - 1-4-1 receipts	(5,684,000)						(5,684,000)
New Supply - Pre construction - Tent Street - 1-4-1 receipts	(5,455,000)						(5,455,000)
New Supply - Pre construction - Arnold Road - 1-4-1 receipts	(5,634,000)						(5,634,000)
<b>Other Approvals/Adjustments</b>							
Basic Need / Expansion - London Dock (Reduction in budget as build stage on hold)	(886,490)		(886,490)				
Conditions and Improvement - Match funding for schools (Previously reduced from capital programme due to no commitments, added back for qualifying scheme)	28,750		28,750				
Conditions and Improvement - Adjustments between existing schemes	(0)		(0)				
- Marion Richardson - Site Security Works	(13,334)		(13,334)				
- Langdon Park - 6th Form Accommodation	5,885		5,885				
- Oaklands Secondary School - Water Tanks	15,000		15,000				

<b>Capital Control Budget 2017-18</b>	<b>Total</b>	<b>Health, Adults &amp; Community</b>	<b>Children's Services</b>	<b>Place</b>	<b>Resources</b>	<b>Corporate</b>	<b>Housing Revenue Account</b>
	£	£	£	£	£	£	£
- Blue Gate Fields Infants School - Roofing Phase 1	(476,000)		(476,000)				
- Hermitage Primary School - Replace Hot Water Boilers	15,000		15,000				
- Cherry Tree Special Needs Primary School- Replace hot and cold water system	(90,000)		(90,000)				
- Canon Barnett - Boiler Replacement Phase 2	(69,000)		(69,000)				
- Hermitage Primary School - Re-roofing Phase 2	20,000		20,000				
- PFI schools - Various - Urgent Works	502,449		502,449				
- Cubitt Town - Boundary Wall Phase 2	30,000		30,000				
- John Scurr Primary School - Fire Alarm Upgrade	60,000		60,000				
Parks - Victoria Park Sports Hub (Reduction in budget)	(4,809)		(4,809)				
Parks - Millwall Park & Langdon Park (Scheme completed)	(30,998)		(30,998)				
Culture - John Orwell Sports Centre (Scheme completed)	(24,590)		(24,590)				
Culture - Mile End Stadium Track Resurfacing (Scheme completed)	(4,000)		(4,000)				
Regional Housing Pot Targeted Funding - Birchfield Estate Masterplan (Removed from capital programme and will be used as revenue funding on Housing Masterplanning, as agreed with GLA)	(349,850)			(349,850)			
Bishop's Square (Funds being moved to another scheme, under development)	(64,000)			(64,000)			
Community Hubs / Buildings - Schemes identified / Revised budgets	(1,550,000)			(1,550,000)			
- Raine House Wapping Community Centre	300,000			300,000			
- St. Andrews Community Centre	20,000			20,000			
- TRAMSHED Digby Greenway Community Centre	20,000			20,000			
- Limehouse	10,000			10,000			
- 30 Challoner Walk	400,000			400,000			
- Granby Hall Community Hub	800,000			800,000			
S106 Schemes - Roman Road Regeneration Programme (Reduction in budget as amount relates to revenue)	(159,000)			(159,000)			
S106 Schemes - Brick Lane Regeneration (Reduction in budget as amount relates to revenue)	(346,000)			(346,000)			
S106 Schemes - Whitechapel Delivery (Removed from capital programme as relates to revenue project)	(723,392)			(723,392)			
S106 Schemes - Other (Removed from capital programme)	(84,334)			(84,334)			
Conversion of council buildings to temporary accommodation - Schemes identified	(280,000)			(280,000)			
- Bethnal Green Cottage	270,000			270,000			
- 10 Turin Street	10,000			10,000			
PDC 229 Bethnal Green Road (Scheme formalised, budget provision moved from Corporate to Place capital programme)	-			1,000,000		(1,000,000)	
TfL Schemes - Cycle Safety Hotspots (Reduction in budget)	(29,000)			(29,000)			
TfL / Transport S106 Funded Schemes - Adjustments between existing schemes	-			-			
- Belgrave Street	61,000			61,000			
- Junction safety improvements at Cavell Street, Sidney Street and Jubilee Street	(61,000)			(61,000)			
- Cycle Parking	110,000			110,000			
- Cycle Strategy 2017	(25,000)			(25,000)			
- Cycle Safety Hotspots	(40,000)			(40,000)			
- 60 Commercial Road - Cycle and Pedestrian Improvement Project 2017	(20,000)			(20,000)			

<b>Capital Control Budget 2017-18</b>	<b>Total</b>	<b>Health, Adults &amp; Community</b>	<b>Children's Services</b>	<b>Place</b>	<b>Resources</b>	<b>Corporate</b>	<b>Housing Revenue Account</b>
	£	£	£	£	£	£	£
- Leopold Estate, Bow Common Lane, St Pauls Way & Burdett Road - Phase 8 - Cycle and Pedestrian Improvement Project 2017	(15,000)			(15,000)			
- London Fruit and Wool - Cycle and Pedestrian Improvement Project 2017	(10,000)			(10,000)			
- TfL Local Transport - Various	11,000			11,000			
- Blackwall Way Bus Stops	(11,000)			(11,000)			
- LED Bridge Height sign replacement	23,000			23,000			
- Highways Asset Management Plan	(23,000)			(23,000)			
- Healthy Streets audits and design: Cotton St / Prestons Rd / West India Dock Rd	41,000			41,000			
- EV charging point feasibility	59,000			59,000			
- Local Transport Funding	(100,000)			(100,000)			
- 21 Wapping Lane	21,292			21,292			
- Bus Improvement - 21 Wapping Lane	(21,292)			(21,292)			
TfL Schemes - Bow (Funding withdrawn)	(65,310)			(65,310)			
TfL Schemes - Ben Johnson Neighbourhood (Funding withdrawn)	(115,982)			(115,982)			
TfL Schemes - Junction safety improvements at Cavell Street, Sidney Street and Jubilee Street (Funding withdrawn)	(14,964)			(14,964)			
TfL Schemes - New pedestrian crossing & Traffic calming - including relocation of parking bays (Funding withdrawn)	(85,678)			(85,678)			
Transport S106 Funded Schemes - Cycle and Pedestrian Improvement Project 2017 - Schemes identified	(530,362)			(530,362)			
- Aldgate Place	241,000			241,000			
- 60 Commercial Road	22,000			22,000			
- 100 Whitechapel Road	49,885			49,885			
- 136-140 Wapping High Street	48,000			48,000			
- 154-160 Hackney Road	24,170			24,170			
- Land Adjacent to Repton Street	8,946			8,946			
- Leopold Estate, Bow Common Lane, St Pauls Way & Burdett Road - Phase 8	15,000			15,000			
- London Fruit and Wool	48,685			48,685			
- North Dock IOD Cross rail Station	10,000			10,000			
- Suttons Wharf, Palmers Road	50,000			50,000			
- 15 - 17 Leman Street	12,676			12,676			
Transport S106 Funded Schemes - One-Way to Two -Way Cycle Streets - Alie Street Area (Reduction in available funding)	(25,563)			(25,563)			
Transport S106 Funded Schemes - Prestons Road (Reduction in available funding)	(29,556)			(29,556)			
Transport S106 Funded Schemes - Ocean Estate Feeder Site 2 (FS2) & Feeder Site 4 (FS4) (Removed from capital programme, duplicate scheme)	(56,000)			(56,000)			
Infrastructure Delivery Budgetary Provision (Allocations made by IDSG and IDB)	(644,233)					(644,233)	
<b>Quarter 2 Total Adjustments</b>	<b>(47,092,887)</b>	-	<b>(7,266,110)</b>	<b>(4,212,832)</b>	-	<b>(1,644,233)</b>	<b>(33,969,712)</b>
<b>Revised 2017-18 Budget</b>	<b>184,652,075</b>	<b>3,489,213</b>	<b>31,063,045</b>	<b>50,184,794</b>	<b>1,367,360</b>	<b>14,824,831</b>	<b>83,722,833</b>

Health, Adults and Community Directorate Budget Summary - Draft Outturn Position 2017-18 as at end of Period 6 (September)

Service Area	Current Budget (Net)	Budget to Date	Actuals	Current Variance to date	YE Forecast Outturn	YE Outturn Variance	Agreed to be funded from reserve	YE Outturn Variance	Comments
A01 ASCPH Director's Services	8,230	4,115	120	-3995	695	-8925			Ethical charter, growth, pension contributions and inflation. These will be transferred to service areas before the end of P6
A02 Disabilities & Health Divn M&A	671	336	397	61	476	-195			Adjustment to forecast for BCF Projects
A05 Carers Grant	711	355	127	-228	314	-397			Increase in expenditure for Carers Grant
A08 Older People Mental Health	445	222	239	16	535	90			
A14 Learning Disabilities A&C Mgmt	851	425	755	330	1,241	390			The budget pressures are staffing £391k, £156k within the Longer Term Support Team, £163k within the Transition Team and £49k within the Front Door Team. and professional fees £10k. Unrealised income has been reduced by the funding of one resettlement project post already included within the agency projection. The outturn from 2016-17 was £268k, mainly in relation to staffing. This service is currently undergoing a restructure to streamline service provision. Agency staff being recruited to deal with backlog of reviews.
A15 Occupational Therapy Pooled	427	214	64	-150	447	20			
A16 Community Equipment Pooled	559	279	75	-205	738	179			Savings target of £179k has increased pressure on budget.
A19 Adult Protection	663	331	302	-29	723	60			There is no budget for the post of the Service Manager (f.t.e.); previously a health funded post this now sits as a budgetary pressure for the LA. Service Head has requested for 50% of salary to be Health funded.
A23 Mental Health Sub Div M&A	12	6	53	46	133	121			There is no budget for the post of the Service Manager (f.t.e.); previously a health funded post this now sits as a budgetary pressure for the LA. Service Head has requested for 50% of salary to be Health funded.
A24 Area Mental Health Teams	2,139	1,070	923	-146	2,204	65			
A25 Mental Health Day Centres-In House	293	146	134	-12	337	44			
A26 SS-Asylum Seeker	17	9	45	37	75	58			
A27 SS-Support to Carer	63	32	11	-20	76	13			
A28 SS-Substance Misuse Support	48	24	28	4	74	26			
A29 SS-Support for Social Isolation	450	225	145	-80	466	16			
A30 Adults Resources Sub Divn M&A	97	48	96	47	202	105			This now includes £80k forecast for temporary team manager to be funded by DOLS growth bid under Vote A19. Costs will be moved to A19 in P6.
A31 Phys Disabilities Day Opp-In House	428	214	148	-67	412	16			
A32 Learning Disabilities D/Centre	362	181	199	18	453	91			Pressures on salary budget
A33 Older People Day Centres-In House	893	447	401	-46	1,069	176			Savings target of £291k applied to Mayfield day Centre has put budget under pressure.
A34 Home Care-In House	21	11	124	113	186	165			Increase in variance due to delays in consultation process for disbanding of FIDES Inhouse Homecare Service. About 7 f.t.e.s remain affected.
A35 Adults of Working Age	274	137	142	5	324	50			Increase in expenditure for Carers Grant
A37 Emergency Duty Social Work	388	194	230	36	494	106			Pressures in budget in OOH budget for overtime, leave and management cover for which there is no budget. This affects the 4 f.t.e.s as well as a number of CMHT managers
A39 SS - Social Support Other	27	14	3	-17	2	25			
A40 Sensory Support Care Packages	656	328	255	-73	899	243			Pressures in Homecare, Residential and Homecare packages
A41 Support with Memory and Cognition Care Packages	2,937	1,469	1,034	-435	2,963	26			
A42 Older People Care Packages	2	1	238	237	0	2			

Service Area	Current Budget (Net)	Budget to Date	Actuals	Current Variance to date	YE Forecast Outturn	YE Outturn Variance	Agreed to be funded from reserve	YE Outturn Variance	Comments
A43 Learning Disab Care Packages	21,001	10,501	9,329	-1171	24,688	3,687		3,687	Pressures in Day Care (£899k), Prevention & Support - Block (£469k) - Homecare (431k), Respite Care (£380k), Housing Services - Block (£311k), Day Care - Block (£262k), Client Transport Costs (£233k), Employment/Training Initiatives (£167k), Health joint funding (150k), Home Care (Short Term) (£106k Extra Care Sheltered Housing (£105), offset by overall projected underspend of £230k in other packages within service.
A44 Mental Health Care Packages	11,760	5,880	3,624	-2256	13,861	2,101		2,101	Pressures in Residential, Direct Payments and Homecare care packages. Health income has been prudently adjusted to reflect lower expected CCG funding.
A45 Physical Disab Care Packages	26,780	13,390	11,072	-2318	31,365	4,585		4,585	Pressures in Residential, Direct Payments and Homecare care packages. Health income has been prudently adjusted to reflect lower expected CCG funding.
A47 Access to Resources	1,517	758	674	-84	1,504	13		-13	
A48 Carers & Cross Cutting Issues	1,578	789	7,917	7128	1,467	111		-111	
A50 Ageing Well	8,266	4,133	4,417	284	7,836	430		-430	Reallocation of savings targets from Commissioning to ASC
A51 Public Health	33,521	16,761	5,521	-11240	33,521	-		0	
A53 Commissioning & Health	272	136	191	55	306	34		34	
A59 Corporate Services	6	3	0	-3	0	6		-6	
A7 Finance Services	325	163	171	8	521	196		196	£196k pressure includes £136k forecasting error. P6 correction due.
A6 Business services	1	1	165	164	1	0		-0	
A81 First Response	3,214	1,607	2,434	827	3,257	43		43	
A82 Reablement	2,415	1,208	787	-420	37	2,452		-2,452	BCF funding for 2017-18
A83 Long Term Support-Social Care	3,075	1,538	1,255	-283	3,156	81		81	
A84 Long Term Support-OTs	879	439	290	-149	838	41		-41	
E80 Safer Communities Management	205	102	224	122	205	-		0	
E81 Community Safety Partnership, Domestic Violence & Hate Crime	2,158	1,069	1,062	-7	2,158	-		0	
E84 Drugs and Alcohol Action Team	734	367	1,011	644	734	-		0	
E89 Business Continuity/Civil Protection	131	65	71	5	131	-		0	
EXC1 Excluded - ADU	-	-	88	-88	-	-		0	
A96 ICES Pooled budget	-	-	-	0	-	-		0	
<b>Total</b>	<b>139,506</b>	<b>69,743</b>	<b>56,406</b>	<b>13,337</b>	<b>139,664</b>	<b>158</b>	<b>-</b>	<b>158</b>	

Childrens Services Directorate Budget Summary - Draft Outturn Position 2017-18 as at end of Period 6 (September)

	Current Budget (Net)	Budget to Date	Actuals	Current Variance to date	YE Forecast Outturn	YE Outturn Variance	Agreed to be funded from reserve	YE Outturn Variance	Comments
A66 Learning and Development	323	162	124	-	323	0		0	Revised service with variance in line with expectations, aiding overall service targets.
G67 Commissioned Services	2,288	1,144	984	-	2,300	12		12	
G70 Childrens Information Systems	403	201	171	-	562	159		159	
G75 IT Social Care	740	370	207	-	773	33		33	Business Organisational Support team project (Socitm), Agency costs
G79 ESCW Resources GF M & A	65	33	-	-	-	65		65	Due to restructure - ESCW Head of service budget moved to Corporate - PA vacance on hold
G80 Information & Support Services	546	273	432	159	670	124		124	Recruitment charges for 4 Divisional Director positions, Grenfell support overtime (corporate)
G81 Building Dev & Tech Service	419	209	218	9	752	333		333	Security for empty properties
G82 ESCW Finance	-	-	473	-	-	-		-	
G83 ESCW Human Resources GF	1,481	741	978	238	2,031	550		550	School redundancies - pressure on General Fund due to reduction of 17-18 DSG funding. Forecast increased by +£171k from P3 to P4.
G86 Professional Dev Centre	101	50	91	-	312	211		211	Relatively small overspends on a large number of budget lines-the largest being agency, hospitality costs (balanced by income) and purchase of computer software
G87 Contract Services	4	2	3,003	3,002	715	711		711	Pressure due to Staffing - agency costs to cover sickness and capacity.
H82 Holding Account & Support Serv	5,436	2,718	7,297	4,579	2,506	2,930		2,930	
H90 PFI	3	2	6,658	6,656	0	3		3	
G49 Childrens Social Care M&A	3,604	1,802	1,313	-	3,366	238		238	£1.597m Growth for Service Redesign held in this budget. To be distributed across all codes. Forecast reduced by -£691k for Service Redesign slippage.
G50 Child Protection & Reviewing	2,284	1,142	928	-	2,550	266		266	Agency costs pressure. Growth bid in Budget £0.063m IRO & £0.323m FGC (savings)
G51 Childrens Res M&A	594	297	292	-	707	113		113	
G52 Childrens Res Residential	1,102	551	491	-	1,152	50		50	
G53 Childrens Res Family Placement	4,020	2,010	1,726	-	4,158	139		139	Finance adjustment (-£238.6k)
G54 Childrens Res Commissioning	14,915	7,457	9,266	1,809	16,303	1,388		1,388	£0.936m Growth in budget. Forecast pressure based on 16/17 out turn. Finance adjustment (-£816k) Potential risk of higher costs due to increase in activity.
G55 Children Looked After GF	1,923	962	963	1	2,222	299		299	£0.302m Inflation.
G56 Leaving Care	1,924	962	1,452	490	3,659	1,734		1,734	Increase in agency costs - will be funded by growth bid held in G49
G57 Fieldwork Advice & Assessment	3,243	1,622	2,143	521	4,332	1,088		1,088	Agency NRRPF & S17 pressure. Finance Adjustment (-£210k) Growth bid £0.243m in forecast.
G58 Children with Disabilities	4,611	2,305	2,319	14	4,799	188		188	Increased contract costs. Finance adjustment (+£169k) to correct forecast agreed at budget surgery
G59 Emergency Duty Team	403	201	227	26	452	49		49	
G60 Youth Offending Service	1,040	520	622	102	1,419	380		380	Agency staff/Partnership/IT
G61 Children with Mental Health	1,092	546	404	-	1,100	8		8	
G62 Attendance & Welfare Serv GF	1,219	609	145	-	1,111	107		107	Expenditure greater than SLA, offset by additional income
H57 Family Support & Protection	4,022	2,011	2,308	297	5,383	1,361		1,361	£0.414m Growth bid agreed. (£0.150m currently identified CC 84613) Agency Staff/Section 17
H63 Family Intervention Service	471	236	1,358	1,123	1,835	1,364		1,364	
E87 Youth & Connexions Service	3,741	1,870	2,142	272	4,042	301		301	Non-DSG redundancy costs for LA managed Schools, partially offset by G83
G74 Equalities Development	54	27	45	-	85	31		31	Bursaries & Training overspend based on 8 students at £10k per student. Budgeted for 5 students
EXC3 Excluded - CHI	-	-	3,495	-	-	-		-	Pressure due to Agency staff. £1.597m Growth for Service Redesign held in this budget. Recruitment & Retention £723k to be drawdown across all staffing once reflected in spend - not in current forecast or spend
G10 Learning & Achievement M & A GF	31	16	253	237	83	114		114	Agency costs pressure. Growth bid in Budget £0.063m IRO & £0.323m FGC
G13 Childrens Centres	8,342	4,171	3,460	-	8,579	238		238	
G14 School Improvement Primary	124	62	790	-	78	45		45	
G16 Special Educational Needs GF	3,537	1,768	2,032	264	4,900	1,364		1,364	
G17 Support For Learning Serv DSG	39	20	26	6	50	11		11	£0.936m Growth in budget. Forecast pressure based on 16/17 out turn. Potential risk of higher costs due to increase in activity. £0.302m Inflation
G18 Educational Psychology Serv GF	887	443	6	-	867	20		20	Agency staff/S17 Child in need
G19 Parental Engagement & Support	1,347	674	517	-	1,377	30		30	£0.472m Mayoral growth & £0.576m Growth bid (USUAC) agreed.
G20 School Governance & Informatio	323	161	141	-	321	2		2	£0.220m of USUAC evidenced in forecast/spend

	Current Budget (Net)	Budget to Date	Actuals	Current Variance to date	YE Forecast Outturn	YE Outturn Variance	Agreed to be funded from reserve	YE Outturn Variance	Comments
G26 School Improvement Secondary	676	338	1,008	670	860	184		184	Increased contract costs
G30 Arts & Music Service	86	43	310	267	86	0		0	Agency staff
G41 Healthy Lives	137	68	147	79	137	0		0	Agency staff/Partnership/IT
G78 Pupil Admissions & Excls GF	416	208	51	259	323	93		93	
H40 Careers Service	613	307	520	214	1,181	567		567	
H91 Schools Library Services & HEC	12	6	153	160	29	41		41	£0.414m Growth bid agreed. (£0.150m currently identified CC 84613) Agency Staff/Section 17
G03 Pre-Primary Schs Serv GF	278	139	-	139	278	-		-	
G05 Primary Schools Services GF	8,352	4,176	-	4,176	8,352	-		-	LLW budget adj to be split across all school codes 21900
G07 Secondary Schools Services GF	6,813	3,407	124	3,283	6,813	-		-	
G09 Special Schools Services GF	1,681	841	-	841	1,681	-		-	
E40 Divisional Management	170	85	57	28	176	6		6	
E42 Sports & Physical Activity	4,050	2,025	2,144	119	4,080	29		29	
E45 Mile End Park	1	0	56	56	9	8		8	
E46 Arts, Parks & Events	2,955	1,477	798	680	3,012	57		57	
E48 Community Languages Services	671	335	292	44	674	4		4	
Early Years Service DSG	-	-	123	-	-	-		-	
<b>Total General Fund</b>	<b>103,610</b>	<b>51,805</b>	<b>54,505</b>	<b>2,577</b>	<b>113,343</b>	<b>9,733</b>		<b>9,733</b>	
A90 Support Services Holding A/c	-	-	-	-	-	-		-	
G29 Pupil Referral Unit	5,068	2,534	1,606	928	5,068	0		0	
H68 Ext Fund - Dedicated Sch Grant	-	165,149	-	165,149	330,298	0		0	
H79 ESCW Resources DSG M & A	3,665	1,832	41	1,792	3,667	2		2	
H83 ESCW Human Resources DSG	546	273	99	174	546	-		-	
H62 Attendance & Welfare Service	55	27	55	28	55	-		-	
G11 Early Years Service GF	942	471	518	47	942	0		0	Redundancies covered by Corporate with the exception of £200k to be confirmed. £318k central recharges and accommodation. Finance adjustment (-£632.8k) to balance budget
G12 Local Authority Day Nurseries	953	477	562	85	953	0		0	Expectation that services will be recommissioned during 17/18. -£653.1k Finance adjustment to balance budget. Risk that there will be a budget pressure due to £800k reduction in DSG for 17/18.
G91 Schools Capital Holding Accounts	-	-	-	-	-	-		-	
H10 Learning & Achievem't M & A DSG	240	120	160	40	240	-		-	
H11 Early Years Service DSG	27,344	13,672	3,900	9,772	27,341	3		3	
H16 Special Educ Needs DSG	31,732	15,866	4,689	11,177	33,021	1,289		1,289	Pressure of £1.1m increased activity. Finance adjustment (-£1.3m - potential of increased activity +£0.7m Plus £0.6m reduction in DSG) Finance adjustment on managers forecast for -£4.5m as manager double count on PVI/Schools
H18 Educ Psychology Serv DSG	188	94	188	94	188	-		-	
H55 Children Looked After DSG	422	211	363	152	380	41		41	
H78 Pupil Admissions & Excl DSG	3,153	1,577	322	1,255	3,153	1		1	
G02 Pre-Primary Schools DSG	36	18	1,757	1,739	36	0		0	
G04 Primary Schools DSG	139,336	69,668	32,099	37,569	139,336	0		0	
G06 Secondary Schools DSG	110,165	55,083	28,012	27,070	110,165	0		0	
G08 Special Schools DSG	3,455	1,727	3,122	1,395	3,455	0		0	
H04 Primary Academies	-	-	1,217	1,217	-	-		-	
H06 Secondary Academies	-	-	8,768	8,768	-	-		-	
G17 Support For Learning Serv DSG	2,850	1,425	1,604	179	2,771	79		79	
<b>Total DSG</b>	<b>148</b>	<b>74</b>	<b>89,082</b>	<b>89,156</b>	<b>1,019</b>	<b>1,166</b>		<b>1,166</b>	
<b>Total Childrens Services</b>	<b>103,462</b>	<b>51,731</b>	<b>143,587</b>	<b>91,733</b>	<b>114,361</b>	<b>10,899</b>		<b>10,899</b>	



Place Directorate Budget Summary - Draft Outturn Position 2017-18 as at end of Period 6 (September)

Service Area	Current Budget (Net)	Budget to Date	Actuals	Current Variance to date	YE Forecast Outturn	YE Outturn Variance	Agreed to be funded from reserve	YE Outturn Variance	Comments
J24 Economic Development	1,859	929	2,396	1,466	2,313	454	454	0	Mayoral Growth priorities of £1.3m has been set aside for 2017/18. In addition, this service receives significant funding from top slice new homes bonus and S106. An exercise is being undertaken to review the draw down on these funds for 2017/18. <b>Action:</b> Supporting evidence to be provided.
R96 PAS Scheme	20	10	7	16	20	0	0	0	£170k increase in Temporary Accommodation costs to be funded from reserves.
J40 Homelessness	2,162	1,081	649	1,730	2,332	170	170	0	<b>Action:</b> Temp accommodation to be reviewed in conjunction with the impacts of the benefit cap initiative. Any overspend to be evidenced and funded from reserves.
J26 Lettings	1,221	610	931	321	1,221	0	0	0	Expenditure to date exceeds budget because recharges to the HRA and RP's will be raised later in the financial year. <b>Action:</b> Budget profile to be reviewed.
J22 Housing Regeneration	98	49	89	40	98	0	0	0	Expenditure to date exceeds budget because recharges to the HRA and RP's will be raised later in the financial year, as well as year end capitalisation of salary costs. <b>Action:</b> Budget profile to be reviewed.
J20 Strategy, Regeneration & Sustainability	1,500	750	1,570	820	1,500	0	0	0	Expenditure to date exceeds budget because recharges to the HRA and RP's will be raised later in the financial year, as well as year end capitalisation of salary costs. <b>Action:</b> Budget profile to be reviewed.
J44 Application Support	99	50	287	337	99	0	0	0	Expenditure significantly exceeds income because online planning fee applications still to be transferred from control account. These currently exceed £1.3m <b>Action:</b> Journal to be processed.
J04 BC Revenue	148	74	176	102	148	0	0	0	
K99 Building Control Trading A/c	50	25	159	134	200	150	150	0	
J06 Development Management	380	190	940	750	380	0	0	0	
J50 Directorate Management Systems	676	338	428	90	676	0	0	0	
J49 Infrastructure Planning	135	68	414	346	135	0	0	0	
J47 PBC Service Management	323	162	153	9	323	0	0	0	
J45 Planning, Other Projects	-	-	1	1	-	-	-	-	
J46 Strategic Planning	1,286	643	515	128	1,601	315	315	0	Unbudgeted Plan Making Team costs expected to be funded from reserves.
J32 Administrative Buildings	8,510	4,255	2,404	1,852	8,310	200	200	0	Unbudgeted Whitechapel Civic centre cost £200k. <b>Action:</b> Provide evidence for funding from reserves.
K97 Building And Technical Services	323	162	252	91	323	0	0	0	
J30 Capital Delivery	534	267	390	123	534	0	0	0	
J36 Corporate Landlord Model	12,398	6,199	4,776	1,423	13,148	750	250	500	Unbudgeted security cost £200k and additional R&M of £500k. <b>Action:</b> a) Security costs to be evidenced for funding from reserves. b) Review current R&M programme and prioritise works to address urgent issues.
J16 Corporate Property	956	478	443	35	956	0	0	0	
J34 Depots	-	-	11	11	-	-	-	-	
E15 Clean and Green	34,785	12,267	12,140	127	34,785	0	0	0	
E23 Concessionary Fares	9,207	4,604	4,732	128	9,207	0	0	0	
E30 Fleet Management	1	69	355	424	1	0	0	0	Forecast additional income of up to £500k due to increased bay suspension activity.
E24 Parking Control	9,205	9,942	7,976	1,967	9,705	500	500	500	<b>Action:</b> Consider the potential use to address budget issues in Public Realm.
E31 Passenger Transport	7	211	90	301	7	0	0	0	
E10 Public Realm Management & Administration	344	206	89	117	344	0	0	0	
E25 Road Safety	57	80	66	14	57	0	0	0	
E12 Transportation & Highways	1,586	529	623	94	1,586	0	0	0	
E32 Vehicle Workshop	1	27	56	28	1	0	0	0	
E16 Waste Strategy, Policy and Procurement	357	214	348	134	433	76	76	76	£76k consultant cost related to the tender of the waste disposal contract. This additional cost was previously funded from reserves.
E83 Enforcement & Intervention	2,395	1,198	1,458	261	2,845	450	450	450	CCTV fibre network saving not likely to materialise, £400k. £250k of the SEARs one off saving is unlikely to be achieved. <b>Action:</b> Parking additional income could be used to fund £200k of CCTV
E88 Environmental Regulatory Services	5,919	2,959	1,912	1,047	6,019	100	100	0	Kemnal Park budget shortfall. <b>Action:</b> evidence to be provided for funding from reserves.

Service Area	Current Budget (Net)	Budget to Date	Actuals	Current Variance to date	YE Forecast Outturn	YE Outturn Variance	Agreed to be funded from reserve	YE Outturn Variance	Comments
E82 Street Trading Account	-	0	43	-	300	300	300	0	Contribution to the PSI implementation £200k and £100k for the cost of redundancies.
J14 Management & Support Services	770	385	2,923	2,538	770	0		0	Profile to be amended for Central Support Recharges. Pay Award to be reallocated across directorate
J08 Programmes & Projects Funding	1,404	702	327	-	1,404	0		0	Budget to be reviewed as responsibility for services sits within Resources
J12 Resources	198	99	62	-	398	200		200	Unbudgeted senior management and support
EXC9 Excluded - PLA	-	-	175	-	-	-		-	
	<b>63,283</b>	<b>21,337</b>	<b>26,968</b>	<b>5,631</b>	<b>65,948</b>	<b>2,668</b>	<b>1,939</b>	<b>726</b>	

**Resources Directorate Budget Summary - Draft Outturn Position 2017-18 as at end of Period 6 (September)**

Service Area	Current Budget (Net)	Budget to Date	Actuals	Current Variance to date	YE Forecast Outturn	YE Outturn Variance	Agreed to be funded from reserve	Outturn after adjusting for reserves	Comments
E41 Idea Stores	5,649	2,824	2,581	- 243	5,649	0	-	0	Balanced budget expected
E47 Idea Store Learning	724	362	388	26	724	0	-	0	Balanced budget expected
R29 Directorate Finance Teams	1,474	737	977	239	1,474	0	-	0	Same as below
R30 Financial Systems and Transactions	- 181	91	141	- 50	181	0	-	0	
R32 Corporate Finance	- 511	255	203	458	511	0	-	0	
R34 Internal Audit	32	16	133	- 149	32	0	-	0	
R36 Council Tax and NNDR	1,073	537	402	- 134	1,266	193	-	193	
R37 Tackling Poverty Fund	1,000	500	386	- 114	1,000	-	-	-	Reserve set aside to cover in-year expenditure. Estimated budget provision of £1.0m to support Crises and Support services and Other Tackling poverty initiatives. Full expenditure plans/detailed schemes are still being developed.
R38 Procurement	63	32	180	148	63	0	-	0	
R40 Risk Management	- 142	71	591	- 520	142	0	-	0	Potential risk of additional MMI claims - to be quantified.
R42 Debtor Income Service	- 99	49	101	- 51	99	0	-	0	Balanced budget expected
R44 Cashiers	19	9	140	131	19	0	-	0	Balanced assuming all costs are met by services using the cashier services
R48 Information Services ICT	2,348	1,174	1,892	718	2,348	0	-	0	
R51 Customer Access	2,303	1,152	1,859	707	2,898	595	-	595	
R54 Housing Benefit	1,139	569	3,617	3,047	1,517	378	-	378	This area of activity has a £200k saving target which it plans to achieve via more efficient management of HB overpayments/bad debt. This budget is anticipated to be within current budget provision at end of year.
R58 Housing Benefit Administration	2,670	1,335	1,452	117	2,670	0	-	0	
R60 Reprographics	209	105	168	63	209	0	-	0	The service expected to be on target subject to the impact of the £500k saving ALL001/17-18 which is around reducing cost of printing, scanning
R62 Business Development	6,295	3,147	1,920	- 1,227	6,295	0	-	0	
R64 Business Support	-	-	11	11	-	-	-	-	
R68 Third Sector Team	806	403	1,215	812	806	0	-	0	The service is being reviewed and the final forecast will need to be adjusted following outcome of the review.
R70 ICT Client Team	168	84	30	- 54	168	0	-	0	Balanced budget expected
R80 Director's Office	- 55	27	17	10	9	46	- 46	0	An additional 2 FTE for 6 month has been agreed. This will need to be funded from contingencies/reserves.
R82 Non-distributed costs	214	107	5	- 102	214	0	-	0	Balanced budget expected. Majority of the budget relates to inflation and pay award which will be distributed to services
R90 HR Strategy	- 153	76	133	210	153	0	-	0	
R92 HR Consultancy	- 31	16	104	- 88	31	0	-	0	See above comments
R94 HR Operations	- 268	134	417	- 283	268	0	-	0	See above comments
Excluded - RES	-	-	14	14	-	-	-	-	

Service Area	Current Budget (Net)	Budget to Date	Actuals	Current Variance to date	YE Forecast Outturn	YE Outturn Variance	Agreed to be funded from reserve	Outturn after adjusting for reserves	Comments
<b>RESOURCES TOTAL</b>	24,747	12,373	16,061	3,688	25,958	1,211	- 46	1,166	

**Governance Directorate Budget Summary - Draft Outturn Position 2017-18 as at end of Period 6 (September)**

Service Area	Current Budget (Net)	Budget to Date	Actual	Current Variance	Forecast	Variance	Agreed to be funded from reserve	Outturn after adjusting for reserves	Comment
C14 Communications	861	431	577	146	861	0	0	0	1.No budget forecasts have been loaded to date by the service 2.Based on budget surgery conversations the service is expected to be on target at the year end. This is under review and an update will be provided if this position changes. 3. High variance to date reflects a) no recharge for tower design processed to date (thus income to come in), b) Cost of redundancy following restructure is included but will be funded corporately. 4. There are 3 vacant posts within the service, these are currently filled by Agency staff. 5. Centralisation of £250k campaign budget still being finalised.
C16 Corporate Strategy and Equalities	859	429	721	292	1,309	450	450	450	1.The service has a £600k savings target, the requisite budget reduction has now been applied to C16. 2.Restructure to deliver this target is progressing, however, only part year impact (1 qtr) is likely to be realised this year - thus there is a risk of c.£450k overspend (one off) in 2017/18 that will need to be managed 3.Mitigation action needs to be considered, including seeking corporate funding to cover slippage. 4.The service currently has two vacancies that are covered by temporary/agency staff.
C54 One Tower Hamlets	3,271	1,662	1,651	11	3,271	0	0	0	See above
C63 Legal Services	99	50	595	545	99	0	0	0	1.The service is forecasting to be on target but there is some risk of overspend and the position is being monitored. 2.High variance to date due to: a) SLA recharge to THH not yet processed b) A number of additional posts have been agreed, costs are being incurred but , funding yet to be transferred (OFSTED/PH/Additional funding from corporate) c) other recharges to be processed (income from schools) 3.There are currently 10 vacancies - all currently filled with agency staff. Budget for vacant posts does not cover cost of agency staff.
C56 Registration of Births, Deaths & Marriages	428	214	319	105	628	200	200	200	Income target not being achieved - thus savings target and additional employee costs are not being covered. The directorate is reviewing the position and a risk of £150k-£200k overspend is likely. The budget forecast by manager's is not accurate
C58 Electoral Registration	833	417	293	124	833	0	0	0	Expected to be on target at the year end.
C60 Borough Elections	29	14	78	63	29	0	0	0	Expected to be on target at the year end.
C62 Democratic Services	2,924	1,462	1,377	85	2,924	0	0	0	Expected to be on target at the year end.
C78 Democratic Representation	849	425	425	0	849	0	0	0	Expected to be on target at the year end.
C80 Corporate Management	2,310	1,155	1,212	57	2,310	0	0	0	Expected to be on target at the year end.
C82 Business Support Unit	103	52	61	10	103	0	0	0	Expected to be on target at the year end.
C84 Information Governance & Complaints	185	92	125	32	185	0	0	0	Expected to be on target at the year end.
Excluded - CHE	-	-	156	156	-	-	-	-	
<b>TOTAL</b>	<b>12,751</b>	<b>6,402</b>	<b>7,277</b>	<b>875</b>	<b>13,401</b>	<b>650</b>	<b>0</b>	<b>650</b>	

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**MTFS Savings Tracker 2017-18 as at 30 September 2017**

**Green** – Low or no risk to delivering forecast savings (clear delivery plans in place / no risks to delivery / project running to timescale or is complete)

**Amber** – Medium / some risk to delivering forecast savings, with potential for slippage (project plans agreed but not progressing / project delayed / project is still ongoing)

**Red** – High risk to delivering forecast savings, with potential for slippage and / or non delivery (project not started and no clear plans / project complete but full target will not be realised / project cannot be delivered)

**Total 2017-18 Savings (Approved 2017-18 savings £20.396m & Historic savings carried forward £5.704m)**

Directorate	2017-18						2018-19		2019-20	
	Savings target £'000	Delivered/ cashed £'000	Forecast savings RAG Green £'000	Forecast savings RAG Amber £'000	Variance - Slippage £'000	Variance - Under / (over) delivery £'000	Savings target £'000	Forecast savings £'000	Savings target £'000	Forecast savings £'000
Health, Adults & Community	7,030	1,398	2,476	998	2,894	662	2,733	2,748	2,652	2,652
Children's Services	3,201	110	110	2,216	486	389	2,304	2,179	3,002	3,002
Place	2,648	68	1,498	-	950	200	780	480	2,476	2,176
Resources	2,293	1,175	1,253	761	200	79	2,075	2,070	525	525
Governance	759	-	-	300	300	159	-	300	-	-
All	10,169	1,915	7,669	3,289	1,621	(2,410)	7,569	5,749	7,119	5,894
<b>Total</b>	<b>26,100</b>	<b>4,666</b>	<b>13,006</b>	<b>7,564</b>	<b>6,451</b>	<b>(921)</b>	<b>15,461</b>	<b>13,526</b>	<b>15,774</b>	<b>14,249</b>
										<b>1,525</b>

Total		4,666	20,570	6,451	(921)	2017-18		15,461	13,526	1,935	15,774	14,249	1,525
Reference	Description	Directorate	Savings Achievement Status	Savings target £'000	Delivered/ cashed £'000	Forecast savings £'000	Variance - Slippage £'000	Variance - Under / (over) delivery £'000	Forecast savings RAG	Forecast Status update	Savings target £'000	Forecast savings £'000	Variance
				Year end position	Actual savings delivered to date	Year end position	Element of savings target that will be delivered in future years	Amount not achievable / (over) achievement of savings)			Year end position	Year end position	
ALL002/17-18	Fees & Charges	All	Savings Delivered / On Target	919	500	919	-	-	Green	1.Achieved	419	419	-
ALL003/17-18	Debt Management & Income Optimisation	All	Savings Delivered / On Target	3,000	-	4,650	(1,650)	Green	Green	1.Potential for early delivery of savings 2.Primarily through BR and CT debt review and recovery.	3,000	2,175	825
ALL007/17-18	Corporate Management Review	All	Savings Delivered / On Target	500	500	500	-	-	Green	1.Achieved	-	-	-
L008/17-18	Treasury Management Efficiencies	All	Savings Delivered / On Target	1,500	515	2,060	(560)	Amber	Amber	1.Savings b/f 2.Additional savings put forward for 2020/21	500	250	250
L009/17-18	Consolidation of Business Support and Administration Functions	All	Savings Delivered / On Target	-	-	-	-	-	Amber	1.Future year saving	1,000	1,000	-
ALL010/17-18	ICT Centralisation	All	Savings Delivered / On Target	-	-	-	-	-	Green	1.Future year saving	-	400	-
RES003/17-18	Revise Local Council Tax Reduction Scheme	All	Savings Delivered / On Target	1,400	400	1,600	(200)	Green	Green	1.Savings achieved through additional CT income	-	-	-
RES006/17-18	Functional Consolidation of Procurement	All	Savings Delivered / On Target	250	-	250	-	-	Amber	1.Part of the business support review. Slippage to be covered corporately	-	-	-
CHI002/17-18	Better support for families through early help, and reduction in social care demand	Children's Services	Savings Delivered / On Target	-	-	-	-	-	Green	1.2019/20 project, further work to be done - no significant risk at this stage.	1,000	1,000	-
CHI004/17-18	Integrating Employment Services for Young People	Children's Services	Savings Delivered / On Target	-	-	-	-	-	Amber	1.2019/20 project, further work to be done - no significant risk at this stage.	-	143	-
CHI005/16-17	Directorate support services- more efficient working	Children's Services	Savings Delivered / On Target	160	-	160	-	-	Amber	1.This is incorporated into the corporate business support review.	-	-	-
CHI006/17-18	Regional Adoption Agency	Children's Services	Savings Delivered / On Target	-	-	-	-	-	Amber	1.2019/20 project, further work to be done - no significant risk at this stage. 2.Slow progress is being made regionally to create the agency - this could have impact on the deliverability of this target. 3. There is a risk that saving will not be delivered and may need to written off	250	-	250
CLC035/15-16	Review of Arts Parks & Events Team	Children's Services	Savings Delivered / On Target	110	110	110	-	-	Green	1. Saving Achieved	-	-	-



Reference	Description	Directorate	Savings Achievement Status	2017-18			Forecast Status update			2018-19		2019-20		
				Savings target £'000	Delivered/ cashed £'000	Forecast savings £'000	Variance - Slippage £'000	Variance - Under / (over) delivery £'000	Forecast savings RAG	Savings target £'000	Forecast savings £'000	Variance	Savings target £'000	Forecast savings £'000
ESCW034/16-17	Directorate administration review	Children's Services	Savings Delivered / On Target	317	-	317	-	-	-	Amber	-	-	-	-
LPG010/15-16	Staffing and associated efficiencies	Governance	Savings Delivered / On Target	79	-	79	79	Green	1.Savings achieved	-	-	-	-	-
ADU001/17-18	Social Care Services for Older People	Health, Adults & Community	Savings Delivered / On Target	200	-	200	-	Green	-	-	300	500	500	
ADU002/17-18	Community Equipment Service	Health, Adults & Community	Savings Delivered / On Target	179	-	91	88	Green	1.Saving expected to be delivered, slippage will be covered through one off resources (BCF)	-	-	308	308	
ADU004/17-18	Reshaping Reablement Services	Health, Adults & Community	Savings Delivered / On Target	64	-	64	-	Green	1.Expected to be Delivered	467	467	319	319	
ADU006/17-18	Substance Misuse	Health, Adults & Community	Savings Delivered / On Target	950	950	950	-	Green	1.Service confirmed that savings have been realised.	50	50	-	-	
ADU008/17-18	Day Opportunities Provision	Health, Adults & Community	Savings Delivered / On Target	50	-	60	(10)	Green	1.Savings achieved	310	310	140	140	
ADU009/17-18	Public Health - 0-19 Public Health Programme Savings	Health, Adults & Community	Savings Delivered / On Target	-	-	-	-	Green	1.Future year savings, expected to be delivered	409	387	311	311	
ADU010/17-18	Public Health- Adult Weight Management	Health, Adults & Community	Savings Delivered / On Target	48	9	39	-	Green	1.Savings will be delivered, slippage mitigated through PH budget	48	87	-	-	
ADU011/17-18	Public Health- Community Development Programme	Health, Adults & Community	Savings Delivered / On Target	205	-	234	(29)	Green	1.Service confirmed that savings have been realised.	50	11	-	-	
ADU012/17-18	Public Health - Primary Care Prevention Programme	Health, Adults & Community	Savings Delivered / On Target	62	-	71	(9)	Green	1.Service confirmed that savings have been realised.	30	53	-	-	
ADU013/17-18	Public Health - Sexual Health Services	Health, Adults & Community	Savings Delivered / On Target	267	-	246	21	Green	1.Service confirmed that savings have been realised.	158	179	100	100	
ADU014/17-18	Public Health - Specialist Smoking Programme	Health, Adults & Community	Savings Delivered / On Target	96	-	103	(7)	Green	1.Service confirmed that savings have been realised.	54	47	-	-	
CLC003a/17-18	Service Redesign - Safer Communities	Health, Adults & Community	Savings Delivered / On Target	448	448	448	-	Green	1.Saving delivered	-	-	255	255	
CLC001/17-18	Waste Management Contract Efficiencies	Place	Savings Delivered / On Target	1,030	-	1,030	-	Green	1. Contract negotiation completed, savings target for 2017/18 delivered. - 2.Early delivery of future year savings will be used to offset slippage	208	208	1,800	1,800	
CLC003b/17-18	Service Redesign - Safer Communities	Place	Savings Delivered / On Target	400	-	400	-	Green	1. Target for 2017/18 will be delivered through vacancy management. 2. This is a one-off saving for 2017/18 only with budget returned in 2018/19 onwards.	-	-	-	-	

Reference	Description	Directorate	Savings Achievement Status	2017-18				2017-18				2018-19				2019-20			
				Savings target £'000	Delivered/ cashed £'000	Forecast savings £'000	Variance - Slippage £'000	Variance - Under / (over) delivery £'000	Forecast savings RAG	Forecast Status update	Savings target £'000	Forecast savings £'000	Variance	Savings target £'000	Forecast savings £'000	Variance	Savings target £'000	Forecast savings £'000	Variance
CLC004/17-18	Smarter Working – Parking, Mobility & Transport Services Efficiencies	Place	Savings Delivered / On Target	-	-	-	-	-	-	-	-	1. The target is for 2018/19 - no risks to delivering this at this stage.	300	-	300	-	-	-	
D&R001/17-18	Responding to Competition in Planning	Place	Savings Delivered / On Target	68	68	68	-	-	Green	1. Achieved	72	72	-	76	76	76	-	-	
D&R002/17-18	Maximising use of technology in Housing Options Service	Place	Savings Delivered / On Target	-	-	-	-	-	-	1. This is a 2019/20 saving - no risks flagged at this stage.	-	-	-	-	300	300	300	-	
D&R003/17-18	Purchase of Private Sector Units within the General Fund for use as Temporary Accommodation	Place	Savings Delivered / On Target	-	-	-	-	-	Green	1. The target is for 2018/19 - no risks to delivering this at this stage.	200	200	-	300	300	300	-	-	
D&R008/16-18	Generating more income from council assets	Place	Savings Delivered / On Target	50	-	-	50	-	Green	1. The council is currently looking into ways of generating income from its assets such as the borough Wifi initiative.	-	-	-	-	-	-	-	-	
RES002/17-18	Benefits Service Admin Savings	Resources	Savings Delivered / On Target	450	450	450	-	-	Green	1. Savings achieved through contract efficiencies and other spend reductions	525	525	-	525	525	525	-	-	
RES004/17-18	Fund DHP through the Tackling Poverty Fund	Resources	Savings Delivered / On Target	725	725	725	-	-	Green	1. Savings achieved through budget reduction. Commitment in tackling poverty is being funded by the Mayors Tackling Poverty Fund.	-	-	-	-	-	-	-	-	
RES005/17-18	Review and Revise Risk Management Service	Resources	Savings Delivered / On Target	90	-	90	-	-	Amber	-	-	-	-	-	-	-	-	-	
RES028/15-16	More efficient working across Central Service (HR) and Payroll	Resources	Savings Delivered / On Target	78	-	78	-	-	Green	1. Delivered	-	-	-	-	-	-	-	-	
<b>Savings Delivered / On Target</b>				<b>13,695</b>	<b>4,666</b>	<b>15,633</b>	<b>448</b>	<b>(2,395)</b>			<b>8,350</b>	<b>6,740</b>	<b>1,610</b>	<b>9,896</b>	<b>9,021</b>	<b>875</b>			
<b>Savings Slipping but Achievable</b>																			
ALL001/17-18	Review of Printing/ Scanning/ All Use of Multi-Functional Devices (MFD's)	All	Savings Slipping but Achievable	500	-	200	300	-	Amber	-	650	650	(150)	500	650	(150)			
ALL006/17-18	Local Presence / Contact Centre Review	All	Savings Slipping but Achievable	600	-	-	600	-	Amber	1. Work is progressing on the first phases of both the Local Presence and the Contact Centre Review programmes and it is anticipated that (a) reconfiguration building work on the first LP location (ISWM) will commence in March (b) first phase of THCC integration (Revenues & Benefits) will be completed during Q4. These first phase projects should enable limited savings in Q4 with the bulk of the associated savings following in Q1/2 of 2018/19. Work is also underway to plan the full rollout of both LP and CCR review projects through 2018/19 with associated savings.	650	650	650	800	800	800	800	800	800
RES001b/17-18	Human Resources	All	Savings Slipping but Achievable	1,500	-	1,029	471	0	Amber	1. savings expected through reduced agency use 2. Savings realised being reviewed	1,500	1,255	245	2,000	2,000	2,000	2,000	-	

Reference	Description	Directorate	Savings Achievement Status	2017-18			Forecast Status update			2018-19		2019-20		
				Savings target £'000	Delivered/ cashed £'000	Forecast savings £'000	Variance - Slippage £'000	Variance - Under / (over) delivery £'000	Forecast savings RAG	Forecast Status update	Savings target £'000	Forecast savings £'000	Variance	Savings target £'000
CHI001/17-18	Youth Service Transformation	Children's Services	Savings Slipping but Achievable	1,800	-	1,600	200	- Amber	1. Restructure now in place but was delayed - implemented Oct 2017. 2. Slippage of £400k due to delay - will be covered partly through vacancy management	-	-	-	-	-
CHI003/17-18	Increasing the involvement of partners in Early Years services	Children's Services	Savings Slipping but Achievable	125	-	-	125	- Amber	1. Project not yet started - will slip into 2018/19 2. No mitigation in place yet - reflected in 2017/18 budget monitoring, service is reporting an overspend.	1,204	1,329	(125)	1,079	1,079
CHI005/17-18	Better targeting of services for children with special educational need and disabilities (SEND)	Children's Services	Savings Slipping but Achievable	100	-	-	100	- Amber	1. There is still concerns about whether the savings are achievable in the business case. 2. The service is currently forecasting an overspend and further work needs to be done.	300	300	-	740	740
CHI006/16-17	Review of Child and Adolescent Mental Health services (CAMHS)	Children's Services	Savings Slipping but Achievable	50	-	-	50	Amber	1. Work is being undertaken to put in mitigating actions to address this such as management action to maintain vacancies, one off funding streams, contract efficiencies.	-	-	-	-	-
CLC002/17-18	Income Optimisation Opportunities	Children's Services	Savings Slipping but Achievable	40	-	-	40	- Amber	1. Project slippage into 2018/19 when the substantial savings are due 2. Current year slippage of £40k is being managed through vacancy management.	300	300	-	40	40
CLC005/17-18	Culture, Learning & Leisure Service Efficiencies	Children's Services	Savings Slipping but Achievable	160	-	139	21	- Amber	1. The year 2 GLL contract savings will not be achieved as the contract has been renegotiated without making savings. £21k Income generation for the Urban Duke of Edinburgh awards will be deferred to year 2. The project is assessed as amber as although the savings variance for this year is minimal, there is a potential £250k savings variance for the overall project. An exception report has been developed with the project sponsor for submission to the Smarter Service Design Board and is tabled for discussion at CLT on 9th August.	250	250	-	-	-
ADU005/17-18	Consolidation of Strategy, Policy & Performance Functions	Governance	Savings Slipping but Achievable	600	-	300	300	- Amber	1. Restructure underway - slippage expected and is being reported corporately. Slippage will need to be covered corporately. 2. Full savings expected from 2018/19.	-	300	(300)	-	-
LPG002/15-16	Implementation of Registration Service new business model	Governance	Savings Slipping but Achievable	80	-	-	80	Amber	1. The new registrars service model was implemented towards the end of 2015/16. However additional income that needed to be generated through some increases in existing fees and new charges introduced as part of the new model has not materialised and the service is currently reviewing options to mitigate.	-	-	-	-	-
ADU001/16-17	Review of Day Services for Older People	Health, Adults & Community	Savings Slipping but Achievable	241	-	-	241	- Amber	Saving slipped. Consultation at Mayfield Court launched June 2017. Work required to identify slippage.	-	-	-	-	-
ADU003/17-18	Helping People with Learning Disability live Independently	Health, Adults & Community	Savings Slipping but Achievable	736	-	552	184	- Amber	1. Project expected to deliver full savings over the MTF5 2. Some slippage in 2017/18 that will be covered through one off resources (BCF)	582	582	-	619	619
ADU005/17-18	Workforce Efficiencies in Adults Social Care	Health, Adults & Community	Savings Slipping but Achievable	220	-	110	110	- Amber	1. Saving expected to be delivered, slippage will be covered through one off resources (BCF)	220	220	-	-	-
ADU006/16-17	Charging for community Social Care services	Health, Adults & Community	Savings Slipping but Achievable	540	-	-	540	- Amber	Saving slipped. Work required to estimate 17-18 assessments. No invoices sent out as at July 17.	-	-	-	-	-
ADU007/16-17	Sharing Services with NHS Partners	Health, Adults & Community	Savings Slipping but Achievable	521	-	300	221	- Amber	Further work required to identify saving. Risk of duplication with 17-18 restructure savings.	-	-	-	-	-

Reference	Description	Directorate	Savings Achievement Status	2017-18			Forecast Status update			2018-19		2019-20	
				Savings target £'000	Delivered/ cashed £'000	Forecast savings £'000	Variance - Slippage £'000	Variance - Under / (over) delivery £'000	Forecast savings RAG	Forecast savings £'000	Savings target £'000	Forecast savings £'000	Savings target £'000
ADU007/17-18	Improving Employment Support for Adults with Disabilities	Health, Adults & Community	Savings Slipping but Achievable	164	-	36	128	(0) Amber	1.Saving expected to be delivered, slippage will be covered through one off resources (BCF)	100	100	-	100
ADU008/16-17	Improving focus on Reablement for social care users	Health, Adults & Community	Savings Slipping but Achievable	322	-	322	322	- Amber	Further work required to identify delivery risk. Reablement services funded through BCF in 17-18.	-	-	-	-
ADU012/16-17	Working with the NHS to deliver jointly funded care packages	Health, Adults & Community	Savings Slipping but Achievable	1,000	-	1,000	1,000	- Amber	Further work required to identify slippage. Policy in development.	-	-	-	-
CLC	One-offs to carry forward	Place	Savings Slipping but Achievable	200	-	200	200	- Red	1.Link to CCTV (CLC006/16-17) Based on the latest consultants report, they have identified income of £200k can be achieved, however the current market shows that generating a constant income stream is unlikely. 2.Alternative options are being explored.	-	-	-	-
CLC005/16-17	Alternative Service Delivery Model for Animal Warden Service	Place	Savings Slipping but Achievable	160	-	160	160	- Amber	1.Work has been undertaken with Hackney on agreeing an SLA, however, the proposal needs to be reviewed in terms of the increased costs which will reduce/ have an impact on the savings to be delivered. 2.Slippage is being managed through early delivery of waste management contract efficiency savings	-	-	-	-
CLC007/16-17	Review of Enforcement Function- More Generic Working	Place	Savings Slipping but Achievable	451	-	451	451	- Amber	1.This is to be reviewed as part of a wider review of Enforcement, including the developing Neighbourhood model, in 2018/19 with a phased implementation in 2018/19 and 2019/20. This will provide a menu of costed levels of service and outcomes for consideration. 2. The re-phased sums are £100k in 2018/19 and £351k in 2019/20 but will require further validation following the review in 2018/19.	-	-	-	-
CLC008/16-17	School Crossing Patrols to be delivered by Schools	Place	Savings Slipping but Achievable	89	-	89	89	- Amber	1.Delays in sending notification to schools has meant that savings will slip to 2018/19. This savings will be covered off from one off funding streams in 2017/18.	-	-	-	-
ALL004/17-18	Centralisation of Finance	Resources	Savings Slipping but Achievable	700	-	500	200	- Amber	1.Slippage to be covered through early delivery of treasury savings	300	500	(200)	-
RES001a/17-18	Human Resources	Resources	Savings Slipping but Achievable	250	-	171	79	Amber	1.Slippage to be covered corporately, through early delivery of treasury savings	1,250	1,045	205	-
<b>Savings Slipping but Achievable</b>				<b>11,149</b>	<b>-</b>	<b>4,937</b>	<b>6,003</b>	<b>209</b>		<b>7,111</b>	<b>6,786</b>	<b>325</b>	<b>650</b>
<b>Not Deliverable / Not Achievable</b>													
CHI003/16-17	Undergraduate & PGCE bursaries	Children's Services	Not Deliverable / Not Achievable	33	-	33	33	Amber	1.Unlikely to achieve. Budget supports 5 bursaries @ £10k per bursary. Currently 8 bursaries are in place.	-	-	-	-
CLC006/16-17	Income Generation Opportunity from CCTV Network	Place	Not Deliverable / Not Achievable	200	-	200	200	Red	1.Based on the latest consultants report, they have identified income of £200k can be achieved, however the current market shows that generating a constant income stream is unlikely. 2.Needs to be considered for write off	-	-	-	-
CSF 4 (2012)	Consolidation of information systems- Single View of a Child	Children's Services	Not Deliverable / Not Achievable	255	-	255	255	Red	1.Historic saving - unlikely to be achieved, needs to be considered for write off.	-	-	-	-

Reference	Description	Directorate	Savings Achievement Status	2017-18				2017-19				2018-19		2019-20	
				Savings target £'000	Delivered/ cashed £'000	Forecast savings £'000	Variance - Slippage £'000	Variance - Under / (over) delivery £'000	Forecast savings RAG	Forecast Status update	Forecast savings £'000	Savings target £'000	Forecast savings £'000	Savings target £'000	Forecast savings £'000
ESCW066/15-16	Extension of day service to incorporate out of hours work. To be linked to 3 other service challenges - ESCW17, 63 & 65	Children's Services	Not Deliverable / Not Achievable	51		51	Red	1. Not deliverable, would like this to be written off							
ESCW	One-offs to carry forward	Health, Adults & Community	Not Deliverable / Not Achievable	593		593	Red	1. Not deliverable, would like this to be written off							
ESCW063/15-16	Additional restructure Adults OOH. To be linked to 3 other service challenges - ESCW17, 65 & 66	Health, Adults & Community	Not Deliverable / Not Achievable	62		62	Red	1. Not deliverable, would like this to be written off							
ESCW065/15-16	Additional restructure Adults OOH. To be linked to 3 other service challenges - ESCW17, 65 & 66	Health, Adults & Community	Not Deliverable / Not Achievable	62		62	Red	1. Not deliverable, would like this to be written off							
<b>Not Deliverable / Not Achievable</b>				<b>1,256</b>		<b>1,256</b>									
<b>Total</b>				<b>26,100</b>	<b>4,666</b>	<b>20,570</b>	<b>6,451</b>		<b>(921)</b>	<b>1,935</b>	<b>15,461</b>	<b>13,526</b>	<b>15,774</b>	<b>14,249</b>	<b>1,525</b>

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## Projected Movement in Reserves April 2016 to March 2020

	31-03-2016	31-03-2017	31-03-2018	31-03-2019	31-03-2020
	£m	£m	£m	£m	£m
<b>General Fund Reserve</b>	72.1	31.1	31.6	26.3	28.3
<b>Earmarked Reserves</b>	122.0	0			
Insurance		22.1	22.1	22.1	22.1
Decent Homes - Capital schemes		11.6	8.6	6.6	4.6
Main Stream Grants Fund		0.4	0.0		
New Civic Centre		20.8	10.8	5.8	0.0
Replacement Social Housing Reserve (Capital)		7.5	3.5	1.5	0.0
Parking Control		3.3	3.3	3.3	3.3
Transformation Reserve		25.0	17.0	12.0	7.0
ICT Reserve		25.0	20.0	15.0	10.0
Mayor Tackling Poverty Reserve		5.0	3.3	1.7	0.0
Free School Meals Reserve		6.0	4.0	2.0	0.0
Mayor's Priority Investment Reserve		10.0	6.9	4.0	1.3
Risk Reserve		15.0	15.0	15.0	15.0
Services Reserve		7.3	5.3	4.3	3.3
<b>Other Reserves</b>					
Housing Revenue Account	32.1	32.1	43.1	15.3	19.6
Schools	31.8	31.8	29.8	27.8	25.8
<b>Capital</b>					
Capital grants unapplied	86.4	86.4	81.4	78.4	78.4
Capital Receipts reserve	56.2	56.2	51.2	46.2	41.2
Major Repairs Reserve	9.2	9.2	9.2	9.2	9.2
	<b>409.8</b>	<b>405.8</b>	<b>366.2</b>	<b>296.4</b>	<b>269.1</b>

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Directorate	Programme	Current Year							Future Years			All Years (inc Future and Past)		
		Latest Budget 2017/18 (£m)	Spend to Q2 2017/18 (£m)	Spend to date as % of annual budget	Projected Spend to 31/3/2018 (£m)	Projected Variance for 2017/18 (£m)	Projected Variance for 2017/18 (%)	Explanations for Projected Variance and for % Spend to Date	2018/19 Budget (£m)	2019/20 and Future Years Budget (£m)	Total Future Years Budget (£m)	Spend in previous years (£m)	Total Budget - All Years (£m)	Total Projection - All Years (£m)
Children's	CCTV	0.135	0.000	0%	0.067	-0.068	-51%	Budget to be adjusted due to S106 funds unavailable.	0.000	0.000	0.000	0.175	0.310	0.310
Children's	Parks	5.052	0.017	0%	1.183	-3.869	-77%	Projects reprogrammed. Christ Church Gardens awaiting appeal decision.	2.294	1.500	3.794	2.628	11.473	11.473
Children's	Conditions and Improvement	8.608	3.270	38%	7.551	-1.056	-12%	Some projects have slipped into next year i.e. Blue Gate Fields Roofing budget 495k budget slipping to next year due to issues with procuring contractors in time for works to take place during the school summer break.	5.500	3.000	8.500	4.599	21.707	21.707
Children's	Bishop Challenor	0.590	0.000	0%	0.590	0.000	0%	Funds not yet utilised, revised scope in progress.	0.000	0.000	0.000	0.010	0.600	0.600
Children's	Basic Need/Expansion	12.935	6.488	50%	12.928	-0.007	0%	On target.	22.639	10.477	33.116	42.513	88.563	88.563
Children's	CHI - Mayoral Priority Growth	0.200	0.000	0%	0.000	-0.200	-100%	Budget overstated, adjustment required. This budget has become individual pocket parks accounted for in the Parks budget.	0.000	0.000	0.000	0.000	0.200	0.200
Children's	Provision for 2 year olds	1.428	0.034	2%	1.428	0.000	0%	Statutory Duty amount of £1.007m not yet being utilised for new schemes; Outstanding 16/17 schemes carried forward; awaiting for the relevant team to process the finances as most provisions are open.	0.750	0.000	0.750	1.319	3.497	3.497
Children's	Culture	2.115	0.191	9%	0.450	-1.665	-79%	Budget overstated, adjustment required.	0.120	0.000	0.120	0.678	2.913	2.913
<b>Children's Services Total</b>		<b>31.063</b>	<b>10.000</b>	<b>32%</b>	<b>24.197</b>	<b>-6.866</b>	<b>-22%</b>		<b>31.302</b>	<b>14.977</b>	<b>46.279</b>	<b>51.921</b>	<b>129.263</b>	<b>129.263</b>
Corporate	CORP - Indicative Schemes - Other	0.500	0.000	0%	0.000	-0.500	-100%	The tender process is now complete but is in excess of the budget. There have been negotiations to try and bring the price down but no luck so far. They may try offering a deposit up front to see if that will help. • Tender price £530k • Payment on delivery, which is expected to be May/June 2018.	0.000	0.000	0.000	0.000	0.500	0.500
Corporate	Whitechapel Civic Centre	3.770	1.025	27%	3.770	-0.000	0%		0.000	0.000	0.000	1.377	5.147	5.147
Corporate	Infrastructure Delivery Budgetary Provision	10.554	0.000	0%	0.000	-10.554	-100%	This relates to budget provision for allocations made under the Infrastructure Delivery Framework (IDF) Process. Amounts will be moved to Directorates as allocations are approved, and spend projections will be added accordingly. Any unallocated amounts in the current year will be rolled forward to future years	8.000	7.000	15.000	0.000	25.554	25.554
<b>Corporate Total</b>		<b>14.825</b>	<b>1.025</b>	<b>7%</b>	<b>3.770</b>	<b>-11.055</b>	<b>-75%</b>		<b>8.000</b>	<b>7.000</b>	<b>15.000</b>	<b>1.377</b>	<b>31.201</b>	<b>31.201</b>
HAC	Tele Care/Telehealth Equipment	0.097	0.000	0%	0.097	0.000	0%	Adult Social Care teams are currently completing the RCDA process to draw from the fund. Potential spend may occur this year.	0.000	0.000	0.000	0.275	0.372	0.372
HAC	Public Health	3.387	0.392	12%	3.387	0.000	0%	Projects scheduled to start this year i.e. Andrew Street, both Buxton Street East & West schemes; have yet to have any spend. Last update was delay due to additional research required (project with Highways team). Awaiting update from Public Health team as to whether schemes have slipped. Potential underspend for William Cotton Place project, awaiting update. Expecting spend for Various Improvement Works scheme in Q4 when project is expected to finish.	2.638	6.028	8.666	1.948	14.001	14.001
HAC	Occupational Therapy Suite	0.001	0.000	0%	0.000	-0.001	-100%	Complete	0.000	0.000	0.000	0.139	0.140	0.140

Directorate	Programme	Current Year							Future Years			All Years (inc Future and Past)		
		Latest Budget 2017/18 (£m)	Spend to Q2 2017/18 (£m)	Spend to date as % of annual budget	Projected Spend to 31/3/2018 (£m)	Projected Variance for 2017/18 (£m)	Projected Variance for 2017/18 (%)	Explanations for Projected Variance and for % Spend to Date	2018/19 Budget (£m)	2019/20 and Future Years Budget (£m)	Total Future Years Budget (£m)	Spend in previous years (£m)	Total Budget - All Years (£m)	Total Projection - All Years (£m)
HAC	Condition	0.004	0.004	97%	0.000	-0.004	-100%	Single project complete, Final Account delayed due to lease issues being dealt with by Asset Management and Legal services.	0.000	0.000	0.000	0.091	0.095	0.095
<b>Health, Adults and Communities Total</b>		<b>3.489</b>	<b>0.397</b>	<b>11%</b>	<b>3.484</b>	<b>-0.005</b>	<b>0%</b>		<b>2.638</b>	<b>6.028</b>	<b>8.666</b>	<b>2.453</b>	<b>14.608</b>	<b>14.608</b>
HRA	Housing Capital Programme	41.724	5.768	14%	32.112	-9.612	-23%		32.815	95.258	128.073	134.246	304.043	304.043
HRA	Ocean Estate Regeneration	0.866	0.451	52%	1.205	0.339	39%	Additional costs to be incurred relating to the CPO's on Ocean Block H - the scheme is currently going through the cabinet report process	0.000	0.000	0.000	2.550	3.416	3.416
HRA	Blackwall Reach	2.748	0.225	8%	2.748	-0.000	0%		1.152	0.000	1.152	2.516	6.416	6.416
HRA	Fuel Poverty Works	0.040	-0.035	-89%	0.000	-0.040	-100%		0.400	0.000	0.400	3.867	4.307	4.307
HRA	Short Life Properties	0.176	0.026	15%	0.176	0.000	0%		0.000	0.000	0.000	1.525	1.700	1.700
HRA	New Supply - Budget Provision	0.000	0.000	0%	0.000	0.000	0%		0.000	26.392	26.392	0.000	26.392	26.392
HRA	Buybacks 1-4-1 Receipts	26.270	1.652	6%	0.000	-26.270	-100%	Budget has been set aside for buybacks using 1-4-1 receipts - however the decision has been made to use prioritise the GF budget over the HRA budget, to allow flexibility of use	0.000	0.000	0.000	0.982	27.252	27.252
HRA	New Supply - On site	4.239	1.131	27%	4.239	0.000	0%		0.000	0.000	0.000	29.039	33.278	33.278
HRA	New Supply - Pre construction	3.161	0.155	5%	3.161	0.000	0%		68.192	29.471	97.663	7.348	108.172	108.172
HRA	Community Benefit Society - 1-4-1 receipts	4.500	0.000	0%	4.500	0.000	0%		4.500	0.000	4.500	0.000	9.000	9.000
<b>HRA Total</b>		<b>83.723</b>	<b>9.372</b>	<b>11%</b>	<b>48.141</b>	<b>-35.582</b>	<b>-42%</b>		<b>107.059</b>	<b>151.121</b>	<b>258.180</b>	<b>182.073</b>	<b>523.976</b>	<b>523.976</b>
Place	Contaminated Land Works	0.148	0.000	0%	0.148	-0.000	0%	Programmed to spend this year.	0.106	0.106	0.212	0.144	0.504	0.504
Place	ICT Solution - Handheld Devices	0.424	0.011	3%	0.424	-0.000	0%	Programmed to spend this year.	0.000	0.000	0.000	0.126	0.550	0.550
Place	TfL Schemes	5.615	0.959	17%	5.229	-0.386	-7%	Majority programmed to spend this year. Slippage due to conflicting works and reprogramming.	3.520	2.030	5.550	8.879	20.044	20.044
Place	Public Realm Improvements	2.244	0.162	7%	1.311	-0.933	-42%	Budget overstated, adjustment required.	5.397	8.500	13.897	2.657	18.797	19.279
Place	Transport S106 Funded Schemes	2.988	0.115	4%	2.273	-0.714	-24%	Majority programmed to spend this year. Slippage due to conflicting works and reprogramming.	0.449	1.013	1.462	1.732	6.182	6.182
Place	OPTEMS	0.091	0.057	63%	0.090	-0.001	-1%	Programmed to spend this year.	0.030	0.000	0.030	0.428	0.548	0.548
Place	PLACE - Mayoral Priority Growth 2017-18 to 2019-20	1.250	0.000	0%	1.250	0.000	0%	Programmed to spend this year.	2.150	3.000	5.150	0.000	6.400	6.400
Place	Private Sector Improvement Grants	0.030	0.006	21%	0.030	0.000	1%		0.230	0.690	0.920	0.001	0.950	0.950
Place	Disabled Facilities Grants	1.417	0.361	26%	1.257	-0.160	-11%		1.257	1.257	2.514	0.151	4.082	4.082
Place	Facilities Management - DDA works	0.052	0.000	0%	0.052	0.000	0%		0.000	0.000	0.000	0.000	0.052	0.052
Place	Section 106 Passported Funding	3.059	1.000	33%	3.059	0.000	0%		1.119	0.000	1.119	1.667	5.845	5.845
Place	S106 Schemes	2.412	0.135	6%	2.412	0.000	0%		0.087	0.000	0.087	0.296	2.794	2.794
Place	Conversion of council buildings to temporary accommodation	2.188	0.004	0%	0.668	-1.520	-69%	Schemes are under consultation and development, expected start date re-profiled for early 18/19	0.063	0.000	0.063	0.000	2.250	2.250
Place	Community Hubs/Buildings	1.985	0.531	27%	1.850	-0.135	-7%		1.000	0.000	1.000	0.015	3.000	3.000
Place	Registered Provider Grant Scheme (from 1-4-1)	2.430	1.967	81%	2.073	-0.357	-15%		3.699	0.000	3.699	0.935	7.065	7.065
Place	Purchase of Properties for use as temporary accommodation	12.505	19.896	159%	27.505	15.000	120%	This scheme has been highly successful and as such the purchases of temporary accommodation occurred earlier than is reflected in the profiled budget	15.000	0.000	15.000	2.494	29.999	29.999
Place	Thriving High Streets Pilot Programme	0.200	0.000	0%	0.200	0.000	0%		0.800	0.000	0.800	0.000	1.000	1.000
Place	Establish a Wholly Owned Company	6.000	0.000	0%	6.000	0.000	0%		0.000	0.000	0.000	0.000	6.000	6.000
Place	Establish a Community Benefit Society	2.500	0.000	0%	2.500	0.000	0%		0.000	0.000	0.000	0.000	2.500	2.500
Place	PDC 229 Bethnal Green Road	1.670	1.670	100%	1.670	0.000	0%		0.000	0.000	0.000	0.000	1.670	1.670
Place	BSF Main Build	0.000	0.000	0%	0.000	0.000	0%		0.000	0.000	0.000	21.322	21.322	21.322

Directorate	Programme	Current Year							Future Years			All Years (inc Future and Past)		
		Latest Budget 2017/18 (£m)	Spend to Q2 2017/18 (£m)	Spend to date as % of annual budget	Projected Spend to 31/3/2018 (£m)	Projected Variance for 2017/18 (£m)	Projected Variance for 2017/18 (%)	Explanations for Projected Variance and for % Spend to Date	2018/19 Budget (£m)	2019/20 and Future Years Budget (£m)	Total Future Years Budget (£m)	Spend in previous years (£m)	Total Budget - All Years (£m)	Total Projection - All Years (£m)
Place	BSF ICT Infrastructure	0.978	0.000	0%	0.000	-0.978	-100%	The BSF programme is finished and final accounts are being concluded. Once this is resolved a proposal will be brought forward to utilise any remaining resources. It is anticipated this will happen in 18-19	0.000	0.000	0.000	2.900	3.878	3.878
<b>Place Total</b>		<b>50.185</b>	<b>26.875</b>	<b>54%</b>	<b>60.001</b>	<b>9.816</b>	<b>20%</b>		<b>34.906</b>	<b>16.596</b>	<b>51.502</b>	<b>43.746</b>	<b>145.433</b>	<b>145.915</b>
Resources	Idea Store	0.367	0.000	0%	0.367	-0.000	0%	Programmed to spend this year.	0.000	0.000	0.000	0.776	1.143	1.143
Resources	RESOURCES - Mayoral Priority Growth 2017-18 to 2019-20	1.000	0.000	0%	1.000	0.000	0%		0.500	0.000	0.500	0.000	1.500	1.500
<b>Resources Total</b>		<b>1.367</b>	<b>0.000</b>	<b>0%</b>	<b>1.367</b>	<b>-0.000</b>	<b>0%</b>		<b>0.500</b>	<b>0.000</b>	<b>0.500</b>	<b>0.776</b>	<b>2.643</b>	<b>2.643</b>
<b>Grand Total</b>		<b>184.652</b>	<b>47.668</b>	<b>26%</b>	<b>140.960</b>	<b>-43.692</b>	<b>-24%</b>		<b>184.405</b>	<b>195.722</b>	<b>380.126</b>	<b>282.346</b>	<b>847.125</b>	<b>847.607</b>

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Ongoing		Revenue				One Off				Capital				HRA			
2017-18	2018-19	2019-20	TOTAL	2017-18	2018-19	2019-20	TOTAL	2017-18	2018-19	2019-20	TOTAL	2017-18	2018-19	2019-20	TOTAL		
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000		

Ref No.	Growth Bids Description	Directorate	Strategic Priority Area
MGR0 DBR 7-17	Planning Enforcement	Place	2.1 An improved local environment
HRA Budget report	HRA funding set aside for ASB Initiatives	Place	2.3 Less crime and anti-social behaviour
MGR0 CLC 1-17	Investing in public realm to improve the local environment for residents	Place	2.1 An improved local environment
MGR0 CLC 2-17	Improving the quality of living environment for our residents through re-deployment of enforcement officers	Place	2.3 Less crime and anti-social behaviour
MGR0 CLC 3-17	Improving Air quality in Tower Hamlets	Place	2.1 An improved local environment
MGR0 CLC 4-17	Incentivising better waste collection arrangements on housing estates	Place	2.1 An improved local environment
<b>Place</b>			

2017-18	2018-19	2019-20	TOTAL	2017-18	2018-19	2019-20	TOTAL	2017-18	2018-19	2019-20	TOTAL	2017-18	2018-19	2019-20	TOTAL
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
151	-	-	151	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,000	1,000	-	1,000	-	-	-	-
150	-	-	150	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	50	50	-	100	50	50	-	100	50	50	-	100
-	-	-	-	520	520	520	1,560	-	-	-	-	-	-	-	-
<b>301</b>	<b>-</b>	<b>-</b>	<b>301</b>	<b>1,937</b>	<b>1,823</b>	<b>1,598</b>	<b>5,358</b>	<b>3,750</b>	<b>2,650</b>	<b>3,000</b>	<b>9,400</b>	<b>536</b>	<b>536</b>	<b>486</b>	<b>1,558</b>

Ref No.	Growth Bids Description	Directorate	Strategic Priority Area
MGR0 RES 1-17	Providing free Wi-Fi in tower Hamlets for all	Resources	1.5 Reducing inequality and embracing diversity
MGR0 RES 2-17	Tackling Poverty Fund - Tackling poverty in Tower Hamlets by creating a Welfare Support Scheme to support residents	Resources	1.4 More people living healthily and independently for longer
<b>Resources</b>			

2017-18	2018-19	2019-20	TOTAL	2017-18	2018-19	2019-20	TOTAL	2017-18	2018-19	2019-20	TOTAL	2017-18	2018-19	2019-20	TOTAL
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
250	-	-	250	-	-	-	-	1,000	500	-	1,500	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	1,667	1,667	1,666	5,000	-	-	-	-	-	-	-	-
<b>250</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>1,667</b>	<b>1,667</b>	<b>1,666</b>	<b>5,000</b>	<b>1,000</b>	<b>500</b>	<b>-</b>	<b>1,500</b>	<b>536</b>	<b>536</b>	<b>486</b>	<b>1,558</b>


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MGR0 CLC 3-17	Improving Air quality in Tower Hamlets	Place	2.1 An improved local environment
MGR0 CLC 4-17	Incentivising better waste collection arrangements on housing estates	Place	2.1 An improved local environment
<b>Place</b>			

Ref No.	Growth Bids Description	Directorate	Strategic Priority Area
MGR0 RES 1-17	Providing free Wi-Fi in tower Hamlets for all	Resources	1.5 Reducing inequality and embracing diversity
MGR0 RES 2-17	Tackling Poverty Fund - Tackling poverty in Tower Hamlets by creating a Welfare Support Scheme to support residents	Resources	1.4 More people living healthily and independently for longer
<b>Resources</b>			

Ref No.	Growth Bids Description	Directorate	Strategic Priority Area	Ongoing			Revenue			One Off			Capital			HRA			Progress/Update	
				2017-18 £000	2018-19 £000	2019-20 £000	TOTAL £000	2017-18 £000	2018-19 £000	2019-20 £000	TOTAL £000	2017-18 £000	2018-19 £000	2019-20 £000	TOTAL £000	2017-18 £000	2018-19 £000	2019-20 £000		TOTAL £000
Total Mayoral Priority Growth				2,526	-	-	2,526	5,632	5,600	5,374	16,605	4,950	3,150	3,000	11,100	536	536	486	1,558	
<b>Total Mayoral Priority Growth Bids (All Directorates)</b>				2,526	-	-	2,526	5,632	5,600	5,374	16,605	4,950	3,150	3,000	11,100	536	536	486	1,558	

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<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Matthew Mannion, Committee Services Manager</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Mayor’s Individual Executive Decisions – List of Recently Published Decisions</b></p>	

<b>Lead Member</b>	<b>Mayor John Biggs</b>
<b>Originating Officer(s)</b>	Matthew Mannion, Committee Services Manager
<b>Wards affected</b>	All wards
<b>Key Decision?</b>	No
<b>Community Plan Theme</b>	<b>All</b>

**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 the Appendices.

**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 sign-off sheets containing an introduction to the decisions and the decisions taken along with the full decision reports are published on the website once the decision has been taken and are available on the Tower Hamlets website through [www.towerhamlets.gov.uk/committee](http://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. The sign-off sheets for each decision are also appended to this report for information.
- 3.8 The list of decisions to report to this Cabinet meeting are:

#### **List of Individual Mayoral Decisions taken since the last report**

<b>Decision Number</b>	<b>Date of Decision*</b>	<b>Report Title</b>	<b>Sign off Sheet</b>
176	10/11/2017	Acquisition of Affordable Homes	Appendix 1

\* The date of the decision refers to the date of publication on the Council's website.

#### **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 that accompanies the Individual Mayoral Decisions request.
- 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.

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#### **Linked Reports, Appendices and Background Documents**

##### **Linked Report**

- None

**Appendices**


- As listed under Paragraph 3.8

**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

<b>Individual Mayoral Decision Proforma</b>  Decision Log No: 176	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Ann Sutcliffe, Acting Corporate Director, Place	<b>Classification:</b> Unrestricted
<b>Acquisition of Affordable Homes</b>	

<b>Is this a Key Decision?</b>	<b>Yes</b>
<b>Decision Notice Publication Date:</b>	23/10/2017
<b>General Exception or Urgency Notice published?</b>	<b>Yes</b>
<b>Restrictions:</b>	Unrestricted
<b>Reason for seeking an Individual Mayoral Decision:</b>	This report is being presented to the Mayor in the form of an Individual Mayoral Decision due to the limited timescales available to adopt the capital estimates, refer the report to Council for the capital allocation, and complete some of the acquisitions in the required timescales.

## EXECUTIVE SUMMARY

This report seeks the adoption of capital estimates, and officer delegations, to allow:

- The purchase of surplus housing stock from registered providers of housing (RPs) in the borough;
- The purchase of additional dwellings for use as temporary accommodation; and
- The purchase of new housing, provided by developers as part of their planning obligations.

As the purchase of these properties is not currently allowed for in the capital programme that was agreed by Council as part of the budget setting process, the Mayor is also asked to refer this decision to Council, to agree the allocation of resources for these purposes.

This report is being presented to the Mayor in the form of an Individual Mayoral Decision due to the limited timescales available to adopt the capital estimates, refer the report to Council for the capital allocation, and complete some of the acquisitions in the required timescales. This also allows the council to spend some of its retained Right to Buy receipts by the end of the year to negate the need to pay those receipts to HM Treasury (with added interest).

## **Recommendations:**

Subject to Council's agreement of the budget allocation, the Mayor is recommended to:

1. Adopt a capital estimate of £19.0 million to acquire a portfolio of surplus dwellings from Poplar HARCA;
2. Adopt a capital estimate of £40.0 million to acquire additional dwellings for use as temporary accommodation;
3. Authorise the Corporate Director, Place, to identify appropriate properties and to agree the final price, and the terms and conditions of the acquisition referred to in paragraphs 1 and 2 above;
4. Authorise the Corporate Director, Place, to procure, within the adopted capital estimates (paragraphs 1 and 2), the services and works required to bring those properties up to a lettable standard;
5. Adopt a capital estimate of £60.0 million to acquire s106 properties in the borough;
6. Authorise the Corporate Director, Place, to identify appropriate s106 properties, agree the prices, and the terms and conditions of the acquisitions;
7. Authorise the Corporate Director, Place, following consultation with the Corporate Director, Resources, to acquire the properties referred to in paragraphs 1, 2 and 5.
8. Authorise the Corporate Director, Governance, to execute all necessary legal agreements to give effect to the recommendations above.

## **DECISION**

The Mayor is recommended to:

1. Refer this report to Council for consideration of, and agreement to, the allocation of £119.0 million in the capital programme to fund the purchase of, and any works required to, these dwellings.

**APPROVALS**

**1. (If applicable) Corporate Director proposing the decision or his/her deputy**

I approve the attached report and proposed decision above for submission to the Mayor. I confirm that the Mayor and/or Lead Member have agreed to this decision being taken using this process.

Signed .....  ..... Date ..... 9/11/17 .....

**2. Chief Finance Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

Signed  ..... Date ..... 9/11/17 .....

**3. Monitoring Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

(For Key Decision only – delete as applicable)

I confirm that this decision:-

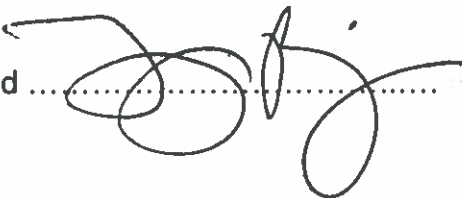
~~(a) has been published in advance on the Council's Forward Plan OR~~

(b) is urgent and subject to the 'General Exception' or 'Special Urgency' provision at paragraph 18 or 19 respectively of the Access to Information Procedure Rules.

Signed  ..... Date ..... 9/11/17 .....

**4. Mayor**

I agree the decision proposed in the recommendations above for the reasons set out in paragraphs 1.1 – 1.6 in the attached report.

Signed  ..... Date ..... 10/11/17 .....

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