

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE

HELD AT 6.30 P.M. ON MONDAY, 13 JANUARY 2020

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

Members Present:

| | |
|-------------------------------|--|
| Councillor James King (Chair) | |
| Councillor Kahar Chowdhury | – Scrutiny Lead for Health & Adults |
| Councillor Marc Francis | |
| Councillor Tarik Khan | – Scrutiny Lead for Resources & Finance |
| Councillor Eve McQuillan | – Bethnal Green Ward |
| Councillor Bex White | – Scrutiny Lead for Community Safety & Environment |
| Councillor Andrew Wood | |

Co-opted Members Present:

| | |
|--------------------|------------|
| Halima Islam | – Co-Optee |
| James Peter Wilson | – Co-Optee |

Other Councillors Present:

| | |
|---------------------------|---|
| Mayor John Biggs | |
| Councillor Amina Ali | – Cabinet Member for Culture, Arts and Brexit |
| Councillor Candida Ronald | – Cabinet Member for Resources and the Voluntary Sector |

Apologies:

| | |
|-----------------------|--|
| Councillor Sufia Alam | – Scrutiny Lead for Children & Education |
| Councillor Dipa Das | – Scrutiny Lead for Housing & Regeneration |

Officers Present:

| | |
|-----------------|---|
| Richard Baldwin | – (Divisional Director, Children's Social Care) |
| Kevin Bartle | – Interim Divisional Director of Finance, Procurement and Audit |
| Sharon Godman | – (Service Head of Corporate Strategy, Policy and Performance) |
| Daniel Kerr | – (Strategy and Policy Manager) |
| David Knight | – (Senior Democratic Services Officer) |

Neville Murton
Denise Radley

- Corporate Director of Resources
- (Corporate Director, Health, Adults & Community)

1. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST

- Councillor Chaudhary indicated that his wife works for Care Solution Bureau; and
- Councillor Bex White indicated she was the Chair of Trustees of the Canaan Project and the primary carer for her father who is in receipt of support from LBTH.

2. UNRESTRICTED MINUTES

The Chair **Moved** and it was:-

RESOLVED

That the unrestricted minutes of the meeting of the Overview and Scrutiny Committee held on 16th December, 2019 be confirmed as a correct record the Chair be authorised to sign them accordingly.

3. REQUESTS TO SUBMIT PETITIONS

Nil items

4. FORTHCOMING DECISIONS

Noted

5. UNRESTRICTED REPORTS 'CALLED IN'

Nil items

6. BUDGET AND POLICY

6.1 Budget Overview

Mayor John Biggs; Councillor Candida Ronald – Cabinet Member for Resources and the Voluntary Sector; Neville Murton – Corporate Director, Resources and Kevin Bartle Interim Divisional Director Finance Procurement and Audit gave a presentation to the Committee regarding the Budget Overview. The main points of the discussion are outlined below:

The Committee:

- Noted that the intention of the Budget is to (i) safeguard front line; (ii) invest in the future of local community; and (iii) to safeguard the vulnerable members of the community;

- Noted that since 2010 the process of making savings has become increasingly harder;
- Wanted to know how to hear what other councils are doing;
- Noted that there is a good relationship between officers and members and Executive members meet on regular basis with officers;
- Noted that (i) the Strategic Plan is critical in planning the delivery of the savings; (ii) the Council is a vast organisation which offers challenges in managing the process; and (iii) it is important that all Members and Officers are fully engaged.
- Noted that both officers and members of the Executive attend many London wide bodies which provides them with a good appreciation of the regional/national picture;
- Noted that Adult/Children Social Care had presented greater than anticipated challenges and situations;
- Noted that any extra income for the Council should be banked as opposed to reducing cuts;
- Noted that the Council are operating within a spending vacuum as current arrangements have been rolled forward by the Government by extending the previous arrangements until March 2020. In addition, the fact that the settlement was late has also impacted upon the process;
- Noted that as it is the Council that takes the decisions on the budget then residents can feed into the process via their ward councillors;
- Noted that whilst there are some projects that require skills for a fixed period the Council needs to be mindful of the potential benefits against the costs of such “expert advice”;
- Noted that with regards to consultations on the budget it is important to draw difference between statutory and non-statutory consultations i.e. those that are required and those that are best practice e.g. working with focus groups to make the process more inclusive;
- Indicated that any consultation undertaken on the shape of the budget would need to have ways to hear from residents to have an informative dialogue with them;
- Noted that Veolia’s national pay award to its staff will have impact upon those who are to transfer to the Council on 1st April 2020. This the Committee were advised would be a complex process as those individuals would need to indicate (i) if they want to come back into the Local Government Pension Scheme - LGPS; (ii) their age and (iii) if they wish to consider taking retirement;
- Noted that regarding the Community Language Service (CLS) it had been agreed not to carry out any savings until that there had been a review and that the Council had developed a viable strategy to deliver the CLS;
- Commented that there would merit if consultations on the budget was to be made available on the Councils website;
- Noted that there are budgetary pressures from both increased demand and poor budgetary management;
- Commented that it would wish to see how the Council intends to develop a more commercial approach to its activities. In order to

secure additional resources that would supplement the existing funding allocations.

6.2 Health, Adults and Community proposals

Councillor Amina Ali – (Cabinet Member for Adults, Health and Wellbeing) and Denise Radley – (Corporate Director, Health, Adults and Community) gave a presentation on the budget for the directorate. The main points of the discussion are outlined below:

The Committee:

- Noted that the Directorate had delivered £9m in savings and will deliver 75% of savings in this year;
- Noted that the Council is developing Technology Enabled Care Services (TECS) such as telecare and self-care apps that have the potential to transform the way residents can engage in and control their own healthcare, empowering them to manage it in a way that is right for them;
- Noted that TECS have been developed to help maximise the value of technology enabled care services for patients, carers, commissioners and the whole health economy;
- Noted that TECS also provide forecasts to mitigate how to address the issues related to demographic growth;
- Was informed that in terms of charging there have been two reviews to mitigate over the charging and deliver services;
- Noted that there is also a need to develop web enabled systems to help the Council to deliver services;
- Noted that the merging of Day centres provision for those older and disabled residents was undertaken to ensure that both groups get the care that they need;
- Noted that the outcomes for these two groups are similar and the Council can no longer sustain two separate centres. Therefore, it was decided that they should be merged to deliver enablement/independent i.e. it is not just about closing a building but considering the wider picture;
- Asked officers to arrange for Members of the Committee to meet with some of the users;
- Noted that the reduction in homeless provision was only undertaken after (i) there had been an Equality Impact Assessment and (ii) work had been undertaken to increase the private rented sector accommodation and the provision from another public sector provider to mitigate the impact of savings; and
- Noted that with regards to the increases in fees and charges the Council are required to undertake a consultation when increasing charges.

6.3 Children and Culture proposals

Councillor Danny Hassell, (Cabinet Member for Children, Schools and Young People) and Richard Baldwin (Divisional Director, Children's Social Care)) gave a presentation on the budget for the directorate. The main points of the discussion are outlined below:

The Committee:

- Noted that the increases in holiday childcare have been bench marked and presents good value when compared to other councils;
- Noted that the current underspends in the budget is £494m within in the integrated early years' service;
- Indicated that it would wish to receive a breakdown of that underspend in early years;
- Commented that in the Medium-Term Financial Strategy (MTFS) there are proposals regarding (i) SEND Transportation; (ii) Youth Service and (iii) Free Schools meals (FSM). Therefore, the Committee wanted to know how these services will be redesigned;
- Noted that regarding SEND transport the Council is moving to a different system with more providers so will have greater flexibility and offer an independent travel schemes and looking at the direct payments scheme where families get the money and procure their own service. Thereby empowering service users and their families;
- Noted that inspite of the cuts in the Youth Provision, Tower Hamlets still has one of the most generously funded services in London and is looking at (i) developing specialist Hubs; (ii) detached Youth Workers to support young People in travelling around the Borough; and a mix economy of provision; and
- Noted that with regards to the FSM strategy work is being undertaken so that it can better support children to have healthy weight.

6.4 Conclusion

Following the debate on the budget the Committee:

- Agreed that regarding the merging of Day centres provision for those older and disabled residents a view on this would be taken after having heard from the users;
- Agreed the in respect to the savings in homeless persons services there is a need to have a review of the impact;
- Noted that before savings are implemented, they will be subject to a detailed analysis and there will be an opportunity for the Committee to look at the impact of the savings on provision;
- Agreed that there was a need to undertake an investigation of increasing internet access for users given the increase use of online services in Tower Hamlets;
- Wanted to receive details of the underspends in Early Years;
- Agreed that there should be a consultation on the Councils priorities to ensure services are being delivered to meet the needs of users;

- Agreed that they wanted to look at the growth/savings within the budget process as early as possible;
- Indicated that it would wish to revisit savings given that the funding is higher than anticipated;
- Stated that it would wish to see evidence that Equality Impact Assessments had been undertaken to look at impact of the savings; and
- Wanted to see the Strategic Vision proposed for the Youth Service.

The Committee received and noted those questions that had been presented at Cabinet on 8th January, 2020 by the Chair in relation to the Budget attached as **appendices** to these minutes.

7. VERBAL UPDATES FROM SCRUTINY LEADS

Noted the Children and Education Scrutiny Sub-Committee on 17th December, 2019 had received a presentation from Councillor Danny Hassell, Cabinet Member for Children, Schools and Young People which had been added to the agenda in response to a number of Member Enquiries relating to the closure of the Victoria Park One O'clock Club building and the scope for continued use of the building and activities provided for early years children within Victoria Park.

8. ANY OTHER UNRESTRICTED BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

Nil items

9. EXCLUSION OF THE PRESS AND PUBLIC

As the agenda circulated contained no exempt/confidential business and there was therefore no requirement to exclude the press and public to allow for its consideration.

10. EXEMPT/ CONFIDENTIAL MINUTES

Nil items

11. EXEMPT/ CONFIDENTIAL REPORTS 'CALLED IN'

Nil items

12. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS THAT THE CHAIR CONSIDERS URGENT

Nil items

The meeting ended at 8.35 p.m.

**Chair, Councillor James King
Overview & Scrutiny Committee**

This page is intentionally left blank

| Item 6.2 The Council's 2020-21 Budget Report and Medium Term Financial Strategy 2020-23 | |
|---|--|
| Questions | Response |
| 1. What is the Council's strategy for reducing agency staff? | <p>In November 2019, an Agency Review Panel was established to monitor, review and manage the tenure, assignment extensions and day rates of temporary agency and consultant workers across the organisation. The panel is made up of the Corporate Director, Place Directorate, the Divisional Director, HR & Organisational Development, the Divisional Director Finance, Procurement and Audit and the council's Agency Contract Manager. The panel meet on a weekly basis and consider received business cases whereupon a collective decision is provided to directorates on requests to engage or extend assignments.</p> <p>Management information is provided to corporate directors on a monthly basis which reflects tenure and spend for their relevant areas</p> |
| 2. What is the Council's strategy for increasing income generation? | <p>The Council considers income generation as part of service reviews and business forward planning. The MTFS includes a range of income generation initiatives including an annual review of fees & charges. The programme to deliver the Council's Asset Strategy will consist of a range of projects that focus on making the best of Council property with outcomes including increased income (sweating assets and acquisitions for investments), generation of capital receipts</p> |

SCRUTINY QUESTIONS 13 01 2020

| | |
|--|---|
| | <p>through disposals, community asset transfer and identification of development opportunities.</p> |
| <p>3. What is the proposed future for Albert Jacob and John Onslow House?</p> | <p>The Cabinet report of 27/06/17 about the new Town Hall development explained the rationale for the sale of Albert Jacobs and John Onslow Houses to part fund the new building together with the relocation of some of these services into the new Town Hall.</p> <p>Currently the Council are updating and reviewing options for the future of John Onslow House and Albert Jacob House. The sites present opportunities for new uses to be introduced, particularly residential, and to generate capital receipts and/or revenue income for the Council. Following the initial options review by officers, a briefing will be prepared for Members prior to any formal decision-making process.</p> |
| <p>4. What impact/equality assessments have been made for the charges mandated to parents who have to take a court ordered parenting course?</p> | <p>There are no proposals to charge parents directly for parenting programmes. The charge will be made to the service referring the family; e.g. early help or children’s social care. Further details are provided in response to question 11.</p> |
| <p>5. Have any third sector providers been approached to take on the reduction of hostel space for single males homeless?</p> | <p>Our hostel provision is delivered by the third sector within the borough. We will be working with Hostel providers regarding the proposals to change the provision at Hackney Road in order to develop alternative uses for the building, to meet the needs of homeless people but not through the hostel provision in its current form.</p> |

SCRUTINY QUESTIONS 13 01 2020

| | |
|---|---|
| 6. If not, why not? | Please refer to the above response |
| 7. When did the Council learn that Veolia was making a £1.3million award to staff in the LBTH waste contract? | This is not the case. There was not a £1.3m pay award to staff. Veolia operatives accepted a 2.5% pay award for 2019/20 and the consolidation of bonuses which together equated to a 4.5% increase. This was confirmed in May 2019. Given that the inflationary increases to the salary budget for the authority was set at 2%, this creates a budget differential of approx. £200k. This has been addressed through a growth bid of £1.3m as part of the 2020/21 budget setting process. The balance of £1.1m is required for a number of other areas where the estimated expenditure has increased, such as pension's contributions, sickness cover and overtime. |
| 8. Was there no contractual or legal provision to freeze the contract, or be part of the negotiations etc.? | Please refer to the above response |
| 9. When will a strategy and timelines on the future of Free School Meals to be published? | <p>The strategic approach to free school meals (FSM) sits within the borough's broader strategic work on childhood obesity. This is being refreshed and will review how FSM can better support children to have healthy weight.</p> <p>A logic model on childhood obesity has already been agreed by partners and an action plan has been drafted, which includes FSM. This will be ratified at the new childhood obesity board which is currently being established.</p> |

| | |
|--|---|
| <p>10. Given that the savings for 'Technology-enabled care' are completely unquantified or unquantifiable at this stage, is it wise to include them in budget planning until some actual figures are available?</p> | <p>Technology-enabled care is increasingly being recognised in the health and care sector for its potential in making savings by reducing demand for more traditional care packages. Case studies (for example, from Blackburn and Darwen) and research from the sector indicate the success and future potential in this area.</p> <p>As the range and function of technology-enabled care is wide, we are currently liaising with experts in the sector to define the scope of the work in more detail. The intention is to agree this scope by 31.3.20. The savings of £100,000 from 2022 is an indicative figure but one that we are confident can be achieved.</p> |
| <p>11. The 'Savings and traded delivery of education and partnership services' mentions that savings will be achieved by 'charging children's social care/early help services'. Will this not impact on other areas of the Council's budget, and if so, has this additional cost been factored in elsewhere?</p> | <p>This will have an impact on other budget areas and services will therefore be required to ensure that referrals are appropriate and the programmes represent good use of council resources. Furthermore the proposals would be to mitigate this impact on other budget areas by using 'Troubled Families' money from the Government. At present the budget does not assume any further funding from the Government as the scheme was due to end this year. It has since been renewed for a further year awaiting the Spending Review. The expectation is that there will be a further phase of the Troubled Families Programme from 2021.</p> |
| <p>12. On the same savings proposal, how does the Council intend to increase income from the educational psychology service without increasing</p> | <p>Previous savings have successfully increased traded income for the educational psychology</p> |

SCRUTINY QUESTIONS 13 01 2020

| | |
|------------------|--|
| costs elsewhere? | service which has not resulted in any evidence of impact on costs elsewhere. The saving currently equates to one post and traded income and internal efficiencies in the service should be achieved without an impact on delivery of statutory duties. |
|------------------|--|

This page is intentionally left blank