

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE

HELD AT 6.00 P.M. ON MONDAY, 23 JANUARY 2017

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

Members Present:

Councillor John Pierce (Chair)

Councillor Amina Ali	– Scrutiny Lead for Development and Renewal
Councillor Julia Dockerill	– Scrutiny Lead for Children's Services
Councillor Clare Harrisson	– Scrutiny Lead for Adult Health and Wellbeing
Councillor Muhammad Ansar Mustaqim	
Councillor Helal Uddin	
Councillor Abdul Asad	
Councillor Denise Jones	
Councillor Md. Maium Miah	

Co-opted Members Present:

Victoria Ekubia	– (Roman Catholic Church Representative)
Dr Phillip Rice	– (Church of England Representative)
Shabbir Chowdhury	– (Parent Governors)
Christine Trumper	– (Parent Governors)
Fatiha Kassouri	– (Parent Governors)
Asad M Jaman	– (Muslim Faith Community)

Other Councillors Present:

Councillor David Edgar
Mayor John Biggs
Councillor Rachael Saunders

Apologies:

Councillor Abdul Mukit MBE	– Scrutiny Lead for Resources
Councillor Oliur Rahman	

Officers Present:

Zena Cooke	– (Corporate Director, Resources)
Janet Fasan	– (Interim Divisional Director, Legal)
Sharon Godman	– (Divisional Director Strategy Policy and Equality)
Christine McInnes	– (Divisional Director, Education and Partnership, Children's)
Neville Murton	– (Divisional Director, Finance, Procurement & Audit)
Peter Quirk	– Senior Strategy, Policy & Performance Officer
David Knight	– (Senior Democratic Services Officer)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST

No declarations of disclosable pecuniary interest were received

3. UNRESTRICTED MINUTES

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

RESOLVED

That the unrestricted minutes of the meeting of the Overview and Scrutiny Committee held on 4th January, 2017 be approved and signed by the Chair as a correct record of the proceedings.

4. REQUESTS TO SUBMIT PETITIONS

Nil items

5. UNRESTRICTED REPORTS 'CALLED IN'

Nil items

6. SCRUTINY SPOTLIGHT

7. BUDGET 2017/18

The Chair summarised for the Committee on Budget Scrutiny journey for 2017/2018 which is set out as follows:

The Committee noted that:

- The initial consideration of Budget approach had been undertaken from September until December;
- On the 4th January the Committee had considered the Strategic Overview of the Budget and identified the focus for in depth review of the key drivers - scale of funding and service changes. Together with the introduction of the Outcome Based Budgeting approach;
- The 4th January, meeting had taken a strategic approach looking at the overall budget package, key drivers for change and the proposed approach to transformation included review and consideration of the Mayors strategic approach and the links between the proposed budget, Medium Term Financial Plan, Treasury Management approach and the refreshed strategic plan, financial resources funding the budget including council tax and business rates, reserves policy, schools funding, Capital and HRA budgets and the robustness of the approach to risk;
- There had been a review of the range of budget pressures and the proposed growth allocations along with an overview of the extensive range of savings proposals;
- The criteria for the selection of specific business cases for more in depth scrutiny had been based on the following key drivers: Prioritising Business Cases with early implementation in the 17/18 budget year; Focusing on larger budget areas and significant elements of change to the existing budget base;
- Business cases which are likely to impact on the wider Tower Hamlets community; the risk to the achievement of the proposal and wider impact on delivering overall budget savings; and those proposals that are likely to have a significant impact on specific sections of our communities and the protected characteristics;
- Tonight's meeting would undertake a further scrutiny of the budget and development of recommendations for initial consideration by Cabinet on 7th February, 2017 and finally to Council on 22nd February, 2017.

The Committee then considered the [Budget Pack](#) and the questions and comments on this pack may be summarised as follows:

- Regarding the widening participation in Early Years what will happen to those employees affected?
- With the changes in the way the services are provided how will this impact upon the user's experience?
- What is in place to ensure that there is a smooth transition to another provider **e.g.** that there will be no gaps in provision?
- With regards to addressing poverty and the hard to reach communities we need to be sure that the resources will be there to address people's needs?
- Is not profitability the main driver for these changes in provision?
- What will be the impact of the reduction in management posts in the Educational Psychology Service?
- The proposed Band D Council Tax is £966.80 for 2017/18?
- What is the funding for addressing drug related crime?

- What will be the impact of the departure of the United Kingdom from the European Union?
- What provision has been made to address the recommendations of the Somali Task Force?
- How firm is the assumption of pupil projections?
- What is the rationale for using agency staff in LBTH?
- What was the cost of the consultations on the budget?
- Returning to the widening participation in Early Years it would be of considerable interest if the Committee could have the details that illustrate how Third Sector or Parental Co-operatives will allow access to resources not available to LBTH. This would enable there to be a detailed scrutiny of the options considered and to be developed?
- Will it be possible to have a map detailing the location of the nursery's concerned and consideration needs to be given to the sequencing of the report before Cabinet considers it;
- Regarding outcome based budgeting it would be good to have an indication of the impact the development of services e.g. for the over 50's?
- What is being done to address the impact on the changes on the benefits system?
- Many in our community do not fully understand the benefits process e.g. how overpayments are addressed?
- We would wish to see the Tackling of Poverty in LBTH include in our Work Plan?

The responses to these questions may be summarised as follows:

- ❖ Under Transfer of Undertakings (Protection of Employment) Regulations the employees' rights would be protected when the Nursery they work for transfers to a new employer;
- ❖ The primary means of intervention will be via the Children's Centre and after these proposals have been introduced LBTH will still have one of the best funded services in London;
- ❖ There will be no substantial changes in the services following the introduction of these proposals;
- ❖ The widening of participation in Early Years through provision via the Third Sector or Parental Co-operatives will allow access to resources not available to LBTH;
- ❖ With regards to the commissioning process it will be a key element to ensure that any new provider will be empathic to the needs of the children and their families. The new providers will need to work with the community that they are to serve so as to ensure a positive transition and continuity of provision. Also as this is a 3 year proposal there will be time to develop these proposals in the most appropriate way. In addition, we would be happy to provide details of the ethnic breakdown of staff in the nurseries;
- ❖ The main driver for these changes in provision is to ensure the service meets the needs of the community;

- ❖ The Educational Psychology Service is a present a viable traded service although this may change if fewer schools were to buy into the service;
- ❖ The proposed Band D Council Tax at £966.80 for 2017/18 in regards to LBTH and it will be referred to Full Council for consideration;
- ❖ LBTH spend is comparable to other Boroughs for addressing drug related crimes;
- ❖ Whilst the departure of the United Kingdom from the European Union is an unknown LBTH maintain reserves for such eventualities;
- ❖ There have been a number of growth bids which are intended to address the recommendations of the Somali Task Force;
- ❖ There is an increase in the population in the Eastern half of LBTH whilst there is a decline in the Western half;
- ❖ The appropriate use of agency staff means that during restructuring such staff are used to fill vacancies until the structure has been formalised;
- ❖ The costs of the budget consultation were primarily focused on the phone surveys;
- ❖ On the widening participation in Early Years the proposals are about making the Service viable by increasing the number of places available. These developments have been based upon best practice from other areas and they will be subject to further scrutiny prior to more detailed consideration by the Executive; and
- ❖ We are increasing the Tackling Poverty Fund to allow us to have a flexible approach to helping those in need.

Recommendations

Summary Recommendations

General/Strategic approach

- 1) That the Committee supports the application of the Outcome Based Budgeting (OBB) methodology and three year budget planning process allied to the Medium Term Financial Plan. The Committee believes that this approach will enable the Council to deliver more efficient and effective services to the local community.
- 2) That the Overview and Scrutiny Committee are provided with detailed information on scheduling and indicative timetabling for the development of implementation options for all of the Growth and Savings Proposals in the Budget Proposal by 31 March 2017. This will enable the Committee to have early input and scrutiny of the development of business cases and options by effective sequencing of these business case proposals into its annual work programme.
- 3) That prior to implementing changes to the Local Council Tax Reduction Scheme that the Council carries out a full risk assessment with a particular focus on the development of mitigation measures and approaches including outreach work to support those affected by the

changes. That the Committee is provided with a copy of this assessment to review and scrutinise.

- 4) That there are no additional changes to Adult Education fees and charges other than inflationary increases.
- 5) That the Council considers the development of options to cross subsidise the Dedicated Schools Budget for school nursery places or examine further investment opportunities to minimise the impact of changes and reductions to this budget. That the Committee are provided with the opportunity to review and scrutinise these options.
- 6) That specific engagement is undertaken with people impacted by savings proposals using a range of channels and approaches to ensure that all sections of the community are able to participate and be represented.
- 7) That in the development of the growth proposals local people are engaged and involved in the co-design and delivery of the options and plans.
- 8) That the Committee is provided with the overall engagement and consultation approach and programme for further review and scrutiny.

Savings proposals

- 9) That any changes to “Helping People with a Learning Disability to live independently” provision reflect the wishes of those in receipt of care and their families and carers, through an effective engagement and consultation programme. A commitment from the Council that no person who is placed outside of the borough and is settled in that community is forced to move back to Tower Hamlets as a result of this proposal.
- 10) That the new service model for Youth Service’s aims to provide greater access for diverse range of young people in particular improving the number of young girls accessing the service.
- 11) That outcome based performance indicators be developed to measure and monitor the impact of the Youth Service on the aspirations, health and wellbeing of young people in the borough.
- 12) That the views of local Ward Councillors are used to inform the development of the options and proposals for the redesign of the Safer Communities function. With particular focus on the role of the Rapid Response team.
- 13) That the needs of children and parents are at the core of the revised Early Years offer, and that effective planning and risk assessment is

carried out in planning the impact of the transition of services for current service users.

- 14) That the development of Early Years delivery models maximises the opportunities for additional external funding.
- 15) That there is a commitment that the future makeup of workforce for the Early Years' Service is representative of local community.
- 16) That the Committee will review the development of Early Years options and proposals at its meeting in July 2017.

8. UNRESTRICTED REPORTS FOR CONSIDERATION

Nil items

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

Nil items

10. EXCLUSION OF THE PRESS AND PUBLIC

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.

11. EXEMPT/ CONFIDENTIAL MINUTES

Nil items

12. EXEMPT/ CONFIDENTIAL REPORTS 'CALLED IN'

Nil items

13. PRE-DECISION SCRUTINY OF EXEMPT/ CONFIDENTIAL) CABINET PAPERS

Nil items

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

Nil items

The meeting ended at 8.50 p.m.

Chair, Councillor John Pierce

Overview & Scrutiny Committee