

# OVERVIEW & SCRUTINY COMMITTEE

Monday, 25<sup>th</sup> of October 2021 at 6.30 p.m., Room C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG

## SUPPLEMENTAL AGENDA

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## Public Information

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The meeting will be broadcast live on the Council's website. A link to the website is detailed below. The press and public are encouraged to watch this meeting online.

#### **Please note:**

- ❖ Whilst the meeting is open to the public, the public seating in the meeting room for observers will be extremely limited due to the Covid 19 pandemic restrictions. You must contact the Democratic Services Officer to reserve a place, this will be allocated on a first come first served basis. No one will be admitted unless they have registered in advance; and
- ❖ For further information including the Membership of this body and public information, see the main agenda.

### Meeting Webcast

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<http://towerhamlets.public-i.tv/core/portal/home>

**9 .1 LIVEABLE STREETS**

**All Wards**

**3 - 20**

To review progress of the Liveable Streets Programme

**12 .1 ACTION LOG**

**All Wards**

**21 - 26**

Members are asked to note the Action Log





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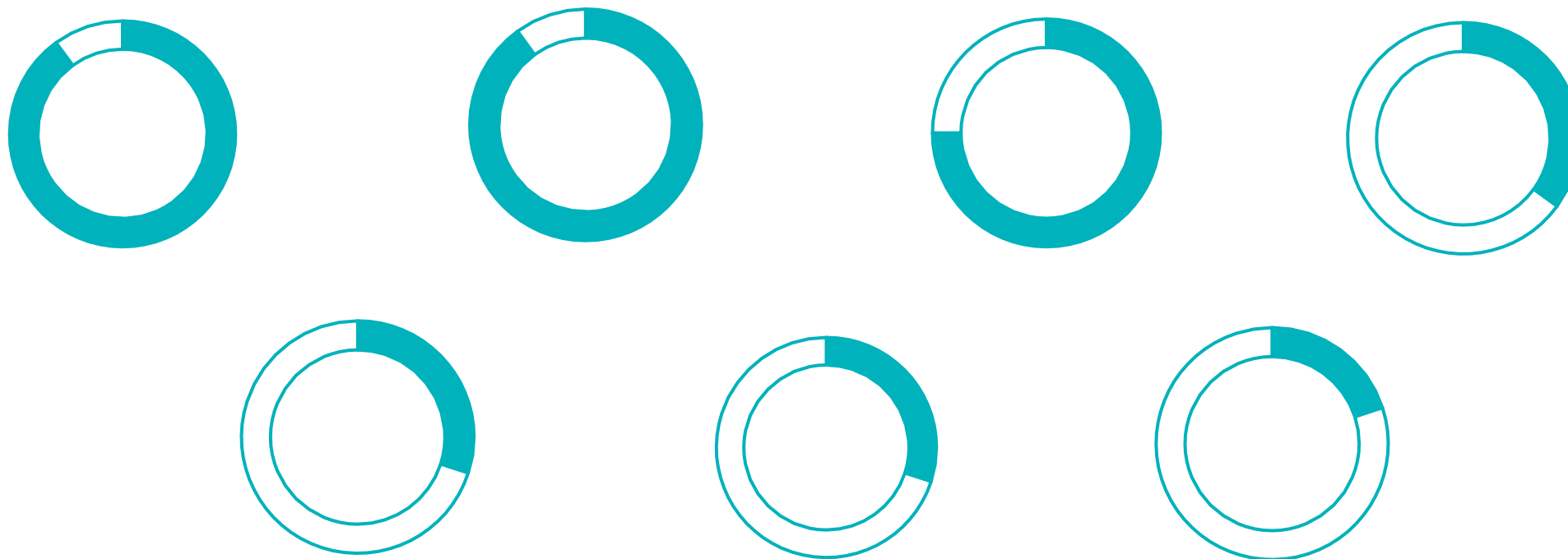




**TOWER HAMLETS**


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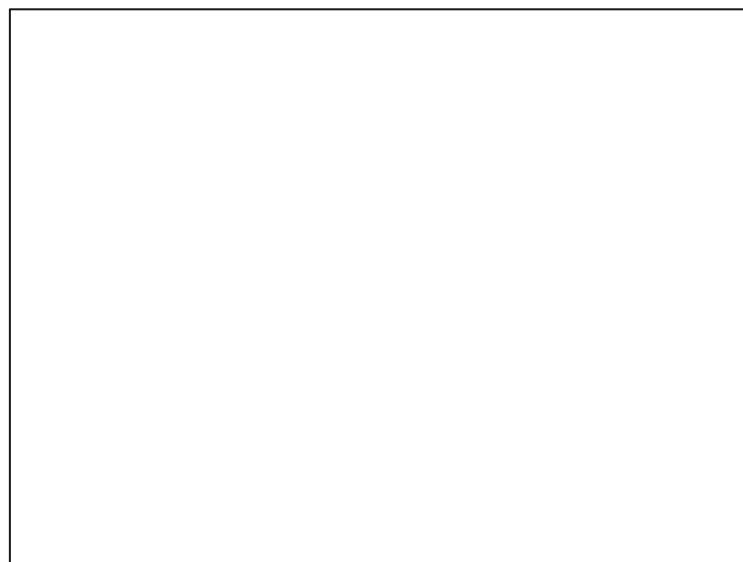




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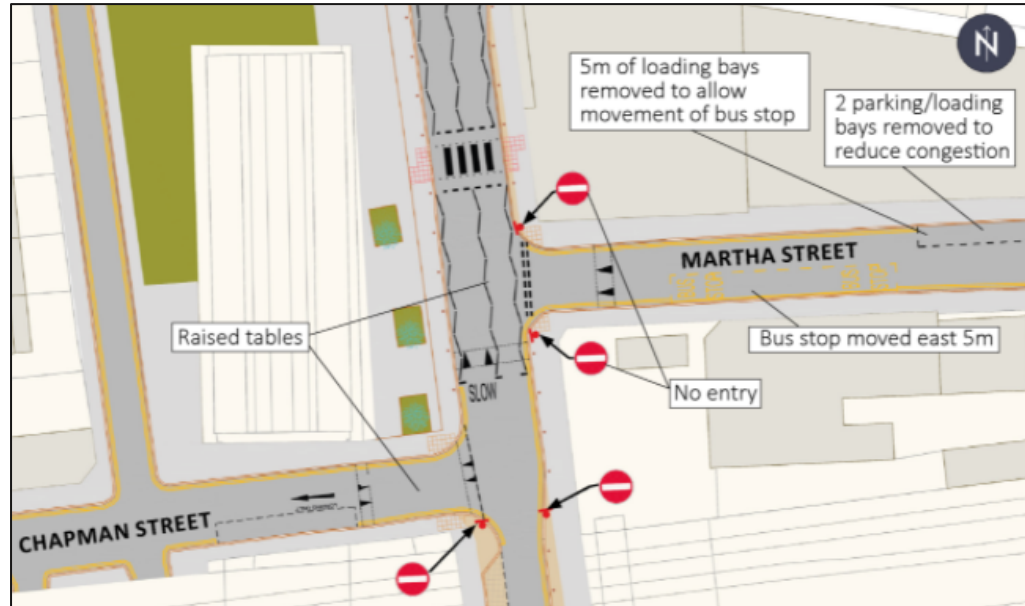
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## Scrutiny Action Log 2021-22

### Overview and Scrutiny Committee

Reference	Action	Assigned to	Scrutiny Lead	Due Date	Response
24/05 Meeting	1. <u>BAME inequalities Commission Report</u> Note to be provided to O&S Committee on details of any allegations (individual claims of discrimination) presented to the Commission and how this has been taken forward.	Sharon Godman	OSC Chair	28/06	See attached appendix 1 for response (June OSC papers)
	2. <u>Air Quality Action Plan Report</u> Add an air quality monitoring station for the Council's Blackwall Depo due to Euro 6 Vehicle emission standards in the area (as part of Air Quality Report Recommendation)	Dan Jones & Dave Tolley	OSC Chair	28/06	Set up an air quality monitoring station for the Council's Blackwall Depot due to Euro 6 Vehicle emission standards in the area. This to take the form of an additional NOx tube to be included near the depot site. Completion date: 31 Aug 2021
29/07 Meeting P 21	<u>Strategic Target Setting Briefing Session</u> 1. Submit recommendations from target setting briefing to Mayors Office. Mayor and IP officers to provide a response to committee comments/recs.	Mayor & Thorsten Dreyer	OSC Chair	13/08	Response received and circulated (via email) to O&S Members 29.01.2021
28/07 Meeting	1. <u>Safer Neighbourhood Ward Panel Action Plan</u> Request a copy of the letter from the Mayor to the Home Office lobbying for further resources to 101 service	Ann Corbett & Stephen Bramah	OSC Chair	13/08	Complete
	2. <u>Outturn Budget 2020/21 Report</u> Request a briefing note on the ongoing squeeze on expenditure through the HRA and THH management fee	Ann Sutcliffe	OSC Chair	13/08	Complete

## Scrutiny Action Log 2021-22

Page 22	<p><b>20/09 Meeting</b></p> <p><u>Strategic Performance and Delivery Reporting Q1 2021-22</u></p> <p>1. The committee requested a written response to their recommendations/ comments from the target setting briefing session held in July 2021</p>	<p>Sharon Godman &amp; Thorsten Dreyer</p>	<p>OSC Chair</p>	<p>Sep 2021</p>	<p>Response sent to OSC Members via email on 29.09.2021</p>
	<p><u>Budget Monitoring Report period 3 2021/22</u></p> <p>1. Analyses on the impact a rise in inflation will have on council contracts</p>	<p>Hitesh Jolapara</p>	<p>OSC Chair</p>	<p>25/10</p>	<p>The current estimate for the annual costs of contract inflation for the General Fund is £3.1m. This includes an allowance for 2% on adult and children's social care spot placements (for London Living Wage and Ethical Care Charter increases). If inflation was between 3% and 5%, this could increase the cost of inflationary increases to between circa £5m and £8m for the General Fund, depending on contract negotiations and individual uplift clauses in block contracts (which can reference increases to CPI/RPI of specific months). Please note that there are currently price pressures in the market across various service areas which could be experienced as block contracts come up for retender/extension, including pressures relating to increases in wage levels, fuel costs and food costs.</p>
	<p>2. What will the impact be of the NI increase for Health &amp; Social Care have on the Council both as an employer and as purchaser of services?</p>	<p>Hitesh Jolapara</p>	<p>OSC Chair</p>	<p>25/10</p>	<p>The one-off increased cost in 2022-23 of the NI increase (health and social care levy announced 7/9/21) for the Council as an employer is estimated at £1.4m for the General Fund. The government indicated that funding would be provided to public sector bodies for the extra cost burden.</p> <p>Providers of adult social care residential and community-based services could request funding from the Council of circa £1m for the extra NI cost of providing care (cost for the request estimated as 1.25% NI increase on an assumed 80% staffing component of the £94m annual</p>

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Page 23	<p>3. What assumptions have other authorities made in the MTFS on the use of New House bonus?</p>	Hitesh Jolapara	OSC Chair	25/10	<p>spend). Similarly, providers of children’s social care may request an estimated circa £0.3m for the extra cost of providing care. It is unclear whether the government will provide funding through Councils to support social care providers directly for the extra NI cost or indirectly through allocation from the income raised from the health and social care levy.</p> <p>Providers of other services purchased by the Council could also request an increase of funding, especially for non-block commissioned services and the extra cost could be included in contract bids by providers for contracts coming up for retender/extension.</p> <p>See appended table for response</p>
	<p>4. A number of assets have lost income or have occurred additional costs. The Committee requested further information on what the council is planning to do with their physical assets and what the costs of these are (either direct costs or income forgone)</p>	Ann Sutcliffe & Vicky Clark	OSC Chair	25/10	





## Scrutiny Action Log 2021-22

### Appendix 1: New Homes Bonus Benchmarking

London Borough	What assumptions have you made in your MTFS on the use of New Homes Bonus (NHB)?	Are you holding any unallocated NHB as a reserve	If yes to question 2, what is the value of that reserve?
1	Currently only legacy, less than £2m	No	n/a
2	Loss of £2m pa (so, -£2m, -£4m, -£6m, -£8m across MTFS; will leave final value at nil	No	n/a
3	Assumption is payment for the fourth year of payments from 2019-20. Not assumed yet that there will be any additional funding in 2022-23 although this assumption will be revised before setting the budget. SR/Budget will make this clearer.	No	n/a
4	Assuming that NHB is no longer available from 2024/25.	No	n/a
5	No assumption of NHB in our 22/23 MTFS. Historically we had quite significant NHB payments which have now all dropped out. We will receive a small amount of legacy NHB + any award this year or returned NHB. We will treat this as one off so are not including in the MTFS	No	n/a
6	Currently use NHB to reduce general revenue costs, which would indirectly include offsetting costs around housing related expenditure. MTFS assumes that NHB will gradually reduce by the legacy payments and we will receive no more payment by 2023/24. However, we have assumed that we will continue to receive funding in future years from the new scheme which the government is currently working on but this will only be a fraction of what we have received in the past, i.e. 1 payment each year compared to 4-6 legacy payments each year	No	n/a
7	Use NHB as part of the total revenue funding.	No	n/a
8	NHB is baked into the base budget and we are forecasting a reduction in line with the model produced at Settlement last year.	No	n/a
9	Nil	allocated previously some NHB monies to support housing initiatives (earmarked reserve)	n/a

## Scrutiny Action Log 2021-22

10	Only assuming legacy payments from previous years allocations and no further new funding. Therefore, we have built-in £0.565m in 21/22 which we are due this year and £0.492m for 22/23. Without any further info, we have assumed that the NHB will cease and be wrapped up in the fair funding review for now. Have not always met the threshold to receive NHB in recent years, so have made no assumption for receiving an additional allocation in 23/24 at this stage.	No	n/a
11	21/22 - £5.168m, 22/23 - £7.595m, 23/24 - £9.363m This is being reviewed in light of Housing Ministry changes.	Yes	£11.3k
12	We build out NHB into our MTFs and it just helps out the bottom line. We based the calc on the govt calculator.	No	n/a
13	Does not form a significant element of the financial resources and at this stage have rolled over the current funding as per the expected distribution under the current scheme.	No	n/a
14	Full use in year of receipt to fund revenue spend. To run down to zero in 2023/24 (as 2022/23 is the last year in the NHB calculator)	No	n/a
Tower Hamlets	Given the uncertainty in the amounts to be received and that payments in future will be significantly lower, the Council prudently reduced its reliance on NHB as a funding source in support of its general revenue budget and allocated £10.0m in 2021-22 to the revenue budget with the additional sum of £7.6m received placed into earmarked reserves.	Yes	£40m (31/3/20)