

Cabinet



Wednesday, 22 September 2021 at 5.30 p.m.

**C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent,
London, E14 2BG**

Meeting Webcast

The meeting is being webcast for viewing through the Council's webcast system.

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Agenda

Mayor John Biggs

Cabinet Members

Councillor Asma Begum	(Deputy Mayor and Cabinet Member for Children, Youth Services, Education and Equalities (Statutory Deputy Mayor)
Councillor Rachel Blake	(Deputy Mayor and Cabinet Member for Adults, Health and Wellbeing)
Councillor Motin Uz-Zaman	(Deputy Mayor and Cabinet Member for Work, Economic Growth and Faith)
Councillor Sabina Akhtar	(Cabinet Member for Culture, Arts and Sports)
Councillor Danny Hassell	(Cabinet Member for Housing)
Councillor Asma Islam	(Cabinet Member for Environment and Planning)
Councillor Sirajul Islam	(Cabinet Member for Community Safety)
Councillor Candida Ronald	(Cabinet Member for Resources and the Voluntary Sector)
Councillor Mufeedah Bustin	(Cabinet Member for Social Inclusion – (Job Share post as part of Social Inclusion and Public Realm portfolio)
Councillor Kahar Chowdhury*	(Cabinet Member for Highways and Public Realm – (Job Share post as part of Social Inclusion and Public Realm portfolio)

* Not a formal Cabinet Member at this time.

[The quorum for Cabinet is 3 Members]

Further Information

Reports for consideration, meeting contact details, public participation and more information on Cabinet decision-making is available on the following pages.



Public Information

Viewing or Participating in Cabinet Meetings

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. Except where any exempt/restricted documents are being discussed, the public are welcome to view this meeting through the Council's webcast system.

Only limited physical Attendance at the Town Hall is possible at this time. If you wish to attend in person, please contact the clerk in advance of the meeting date (details set out below).

Meeting Webcast

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

Contact for further enquiries:

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A Guide to CABINET

Decision Making at Tower Hamlets

As Tower Hamlets operates the Directly Elected Mayor system, **Mayor John Biggs** holds Executive powers. 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 Cabinet or by the Mayor 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, above £1million; or
- b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the borough.

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

Published Decisions and Call-Ins

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

- The decisions will be published on: **Friday, 24 September 2021**
- The deadline for call-ins is: **Friday, 1 October 2021**

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 previous page) by 5 pm the day before the meeting.

Cabinet

Wednesday, 22 September 2021

5.30 p.m.

- | | Pages |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 1. APOLOGIES FOR ABSENCE | |
| To receive any apologies for absence. | |
| 2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS | 11 - 12 |
| Members are reminded to consider the categories of interest, identified in the Code of Conduct for Members to determine; whether they have an interest in any agenda item and any action they should take. For further details, see the attached note from the Monitoring Officer. | |
| Members are also reminded to declare the nature of the interest at the earliest opportunity and the agenda item it relates to. Please note that ultimately it is the Members' responsibility to identify any interests and also update their register of interests form as required by the Code. | |
| If in doubt as to the nature of an interest, you are advised to seek advice prior to the meeting by contacting the Monitoring Officer or Democratic Services. | |
| 3. UNRESTRICTED MINUTES | 13 - 20 |
| The unrestricted minutes of the Cabinet meeting held on Wednesday 8 September 2021 are presented for approval. | |
| 4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR | |
| 5. OVERVIEW & SCRUTINY COMMITTEE | |
| 5.1 Chair's Advice of Key Issues or Questions | |
| Chair of Overview and Scrutiny Committee (OSC) to report on any issues raised by the OSC in relation to unrestricted business to be considered. | |
| 5.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee | |

(Under provisions of Section 30, Rule 59 of the Constitution).



6. UNRESTRICTED REPORTS FOR CONSIDERATION

6.1	Understanding the impact of Covid-19 in Tower Hamlets – follow-up	21 - 62
	<p>Report Summary: This report identifies and quantifies the wider impact of Covid-19 pandemic on Tower Hamlets, looking at a number of key areas. It predicts the future impact on residents and businesses over the medium and long term, identifying challenges and opportunities going forward. This report is a follow-up to an impact assessment presented to Cabinet in July 2020.</p> <p>Wards: All Wards Lead Member: Deputy Mayor and Cabinet Member for Adults, Health and Wellbeing Corporate Priority: All Priorities</p>	
6.2	LB Tower Hamlets Poverty Review	63 - 122
	<p>Report Summary: The review will consider the borough's approach to tackling poverty, the impact of the pandemic, and make short and long term recommendations to inform future short term and longer-term poverty reduction interventions by the council and its partners.</p> <p>Wards: All Wards Lead Member: Cabinet Member for Social Inclusion – (Job Share post as part of Social Inclusion and Public Realm portfolio) Corporate Priority: All Priorities</p>	
6.3	Strategic delivery and performance reporting – Q1 2021/22	123 - 152
	<p>Report Summary: This report provides the Mayor in Cabinet with an update on the delivery and implementation of the council's Strategic Plan</p> <p>Wards: All Wards Lead Member: Mayor Corporate Priority: A borough that our residents are proud of and love to live in</p>	
6.4	Budget monitoring report 2021-22 as at 30th June 2021 (period 3)	153 - 208
	<p>Report Summary: Budget monitoring report 2021-22 as at 30th June 2021 (period 3)</p> <p>Wards: All Wards Lead Member: Cabinet Member for Resources and the Voluntary Sector Corporate Priority: All Priorities</p>	

6 .5 New Electric Vehicle Charging Delivery Plan 2021-2025 and funding towards new public charging points. 209 - 244

Report Summary:

Part 1: Approval of new EV Charging Delivery Plan for 2021-2025. This document sets out our approach to charging points delivery over the next 5 years.

Part 2: Approval for £500,000 of CIL funding to facilitate a £1,500,000 bid to the OZEV (Office for Zero Emission Vehicles). The total of £2,000,000 would fund the installation of 250 public fast chargers (7kw-22kw) across the borough by the end of March 2023 as set out in the EV Charging Delivery Plan.

Wards: All Wards
Lead Member: Cabinet Member for Environment and Planning,
Cabinet Member for Highways and Public Realm
– (Job Share post as part of Social Inclusion and Public Realm portfolio)
Corporate Priority: A borough that our residents are proud of and love to live in

6 .6 AHSCS5019 Domiciliary and Personal Care Contracts Extension 245 - 256

Report Summary:

The current Domiciliary and Personal Care contracts in Tower Hamlets are due to come to an end on 6th February 2022.

Work is underway to re-procure these contracts with a focus on coproduction and an outcomes-based approach. These services are vital to supporting people in their own homes and the engagement of people who use the services and their carers is critical to developing the best possible outcomes framework and specification. An extension of the current contracts for six months will provide sufficient time for this work and approach to be carried out.

The work that has been carried out to date has identified that there could be benefits in the reprocured contract being longer in term than the existing contract, as such a change in the length of the contract from 5 years up to 9 years including extensions (dependent on further consultation with the market), is being sought.

Wards: All Wards
Lead Member: Deputy Mayor and Cabinet Member for Adults, Health and Wellbeing
Corporate Priority: All Priorities



6.7 Outcome of public representations to the statutory Notice on the proposal to amalgamate Harry Roberts Nursery and Ben Jonson Primary School	257 - 318
<p>Report Summary: This report informs the council of the outcome of the four week period of public representation in response to the statutory notice on the proposal for the amalgamation (merger) of Harry Roberts Nursery and Ben Jonson Primary School from 1 January 2022.</p> <p>This would require the closure of Harry Roberts Nursery School and extending the age range of Ben Jonson Primary School, to establish a three form entry (3FE), all-through 3-11 Primary School with 60 FTE Nursery. It recommends for the Mayor in cabinet to consider a decision on whether or not to formally proceed with plans for the schools' merger that would take effect from the 1st January 2022. Harry Roberts Nursery School would therefore officially close on 31st December 2021</p> <p>The report includes a summary of representations received and any responses made; risk and opportunities; officer's recommendations; decisions available to the Mayor in Cabinet</p> <p>Wards: All Wards Lead Member: (Deputy Mayor and Cabinet Member for Children, Youth Services, Education and Equalities (Statutory Deputy Mayor) Corporate Priority: TH Plan 1: A better deal for children and young people: aspiration, education and skills</p>	

6.8 Affordable Self-Build on Council Owned Land – Disposal and marketing of sites	319 - 422
<p>Report Summary: The Mayor has committed to support up to 50 self-build homes over the period 2018-22. Following Cabinet approval for the Self-Build Policy and Guidance in March 2020, 2 council-owned sites (Christian Street and Lark Row) were marketed for self-build on the GLA Small Sites Portal. Following receipt and scoring of bids (on both quality and cost of proposals), the council is now looking to dispose of the two sites to preferred bidders by way of a long lease which will ensure that affordability is maintained in perpetuity.</p> <p>The council is now also looking to market and dispose the next two sites in the programme for self-build (Pigott Street and Smythe Street), following the same process that was undertaken for the first 2 sites. Finally, officers are also seeking delegated authority to follow the same process that is proposed for Pigott Street and Smythe Street for any future council-owned sites that are added to the Self-Build Programme.</p> <p>Wards: All Wards Lead Member: Cabinet Member for Housing Corporate Priority: A borough that our residents are proud of and love to live in</p>	

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Town Hall
Mulberry Place
5 Clove Crescent
E14 2BG

Report Summary:

Authority is sought to grant a lease renewal to the existing tenant at a rental level which exceeds the delegated thresholds. At the same time Council liabilities will be waived, arrears resolved and a schedule of works undertaken.

Wards: Shadwell
Lead Member: Cabinet Member for Social Inclusion – (Job Share post as part of Social Inclusion and Public Realm portfolio)
Corporate Priority: A borough that our residents are proud of and love to live in

7. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

8. EXCLUSION OF THE PRESS AND PUBLIC

Should the Mayor in Cabinet consider it necessary, it is recommended that the following motion be adopted to allow consideration of any exempt/restricted documents.

“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.

9. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

10. OVERVIEW & SCRUTINY COMMITTEE

10 .1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business

Tower Hamlets Council
Town Hall
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5 Clove Crescent
E14 2BG

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.

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

(Under provisions of Section 30, Rule 59 of the Constitution).

11. EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION

Nil items.

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

Next Meeting of the Committee:

Wednesday, 27 October 2021 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 AT MEETINGS– NOTE FROM THE MONITORING OFFICER

This note is for guidance only. For further details please consult the Code of Conduct for Members at Part C, Section 31 of the Council's Constitution

(i) Disclosable Pecuniary Interests (DPI)

You have a DPI in any item of business on the agenda where it relates to the categories listed in **Appendix A** to this guidance. Please note that a DPI includes: (i) Your own relevant interests; (ii) Those of your spouse or civil partner; (iii) A person with whom the Member is living as husband/wife/civil partners. Other individuals, e.g. Children, siblings and flatmates do not need to be considered. Failure to disclose or register a DPI (within 28 days) is a criminal offence.

Members with a DPI, (unless granted a dispensation) must not seek to improperly influence the decision, must declare the nature of the interest and leave the meeting room (including the public gallery) during the consideration and decision on the item – unless exercising their right to address the Committee.

DPI Dispensations and Sensitive Interests. In certain circumstances, Members may make a request to the Monitoring Officer for a dispensation or for an interest to be treated as sensitive.

(ii) Non - DPI Interests that the Council has decided should be registered – (Non - DPIs)

You will have 'Non DPI Interest' in any item on the agenda, where it relates to (i) the offer of gifts or hospitality, (with an estimated value of at least £25) (ii) Council Appointments or nominations to bodies (iii) Membership of any body exercising a function of a public nature, a charitable purpose or aimed at influencing public opinion.

Members must declare the nature of the interest, but may stay in the meeting room and participate in the consideration of the matter and vote on it **unless:**

- A reasonable person would think that your interest is so significant that it would be likely to impair your judgement of the public interest. **If so, you must withdraw and take no part in the consideration or discussion of the matter.**

(iii) Declarations of Interests not included in the Register of Members' Interest.

Occasions may arise where a matter under consideration would, or would be likely to, **affect the wellbeing of you, your family, or close associate(s) more than it would anyone else living in the local area** but which is not required to be included in the Register of Members' Interests. In such matters, Members must consider the information set out in paragraph (ii) above regarding Non DPI - interests and apply the test, set out in this paragraph.

Guidance on Predetermination and Bias

Member's attention is drawn to the guidance on predetermination and bias, particularly the need to consider the merits of the case with an open mind, as set out in the Planning and Licensing Codes of Conduct, (Part C, Section 34 and 35 of the Constitution). For further advice on the possibility of bias or predetermination, you are advised to seek advice prior to the meeting.

Section 106 of the Local Government Finance Act, 1992 - Declarations which restrict Members in Council Tax arrears, for at least a two months from voting

In such circumstances the member may not vote on any reports and motions with respect to the matter.

Further Advice contact: Janet Fasan, Director of Legal and Interim Monitoring Officer, Tel: 020 7364 4348.

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	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. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	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— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
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	Any tenancy where (to the Member's knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest.
Securities	Any beneficial interest in securities of a body where— (a) that body (to the Member's knowledge) has a place of business or land in the area of the relevant authority; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or (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.

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE CABINET

HELD AT 5.35 P.M. ON WEDNESDAY, 8 SEPTEMBER 2021

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

Members Present in person:

Mayor John Biggs
Councillor Rachel Blake (Deputy Mayor and Cabinet Member for Adults, Health and Wellbeing)
Councillor Sabina Akhtar (Cabinet Member for Culture, Arts and Sports)
Councillor Candida Ronald (Cabinet Member for Resources and the Voluntary Sector)

Members In Attendance remotely:

Councillor Asma Begum (Statutory Deputy Mayor and Cabinet Member for Children, Youth Services, Education and Equalities)
Councillor Mufeedah Bustin (Cabinet Member for Social Inclusion (Job Share) – as part of wider Social Inclusion and Public Realm portfolio)
Councillor Kahar Chowdhury (Cabinet Member for Public Realm and Highways (Job Share) – as part of wider Public Realm and Highways portfolio)
Councillor Asma Islam (Cabinet Member for Environment and Planning)
Councillor Sirajul Islam (Cabinet Member for Community Safety)
Councillor Motin Uz-Zaman (Deputy Mayor and Cabinet Member for Work, Economic Growth and Faith)

Other Councillors Present at the meeting:

Councillor Kabir Ahmed (Leader of the Aspire Group)
Councillor Peter Golds (Leader of the Conservative Group)

Other Councillors In Attendance remotely:

Councillor Mohammed Pappu (Chair of the Overview and Scrutiny Committee)

Officers Present:

Vicky Clark (Divisional Director for Growth and Economic Development)
Keith Daley (Interim Head Substance Misuse)
Janet Fasan (Director of Legal & Monitoring Officer)
Sharon Godman (Director, Strategy, Improvement and Transformation)
Adrian Gorst (Divisional Director, IT)

Hitesh Jolapara	(Interim Divisional Director, Finance, Procurement & Audit)
Mehmet Mazhar	(Business Manager, Highways & Traffic Management)
Thomas Parsonage	(Estate Surveyor)
Denise Radley	(Corporate Director, Health, Adults & Community)
Melanie Rose	(Head of IT Office)
Ann Sutcliffe	(Corporate Director, Place)
James Thomas	(Corporate Director, Children and Culture)
David Tolley	(Head of Environmental Health and Trading Standards)
Will Tuckley	(Chief Executive)
Matthew Mannion	(Head of Democratic Services, Governance)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Councillor Danny Hassell (Cabinet Member for Housing)
- Kevin Bartle (Interim Corporate Director, Resources) for whom Hitesh Jolapara (Interim Director of Finance, Procurement and Audit) was deputising.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

There were no Declarations of Disclosable Pecuniary Interests.

3. UNRESTRICTED MINUTES

RESOLVED

1. That the unrestricted minutes of the Cabinet meeting held on Wednesday 28 July 2021 be approved and signed by the Chair as a correct record of proceedings.

4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR

The Mayor made a number of announcements including:

- Noting the changes made to Cabinet Membership and portfolios and welcoming Councillor Kahar Chowdhury to the Cabinet.
- There would shortly be an announcement on future plans for the Liveable Streets programme.
- The Council was looking to house a number of Afghan refugees.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's Advice of Key Issues or Questions

Pre-Decision Scrutiny Questions, and officer responses, were tabled in respect of Agenda Items:

- 6.2 – Integrated Housing and Support Mental Health Schemes
- 6.5 – 3-11 Vallance Road – Disposal
- 6.6 – 122 Back Church Lane – Disposal (further details on this response would be provided in due course)

These were considered during deliberation of the relevant Agenda Items.

In addition, Councillor Mohammed Pappu, Chair of the Overview and Scrutiny Committee (OSC) highlighted the agenda for the upcoming OSC meeting including on strategic performance, budget monitoring report and digital inclusion. Scrutiny was also soon to hold a review into swimming provision in the borough.

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

Nil items.

6. UNRESTRICTED REPORTS FOR CONSIDERATION

6.1 Reset Adult substance Misuse Service Contract Direct Award

Councillor Rachel Blake, Deputy Mayor and Cabinet Member for Health, Adults and Wellbeing introduced the report. She highlighted that this report had been brought to Cabinet due to the Council successfully winning a government grant to support this work. The proposals included variations to contracts on treatment services, outreach and recovery services.

During discussion, officers were congratulated for their success in winning the grant award. There were also detailed discussions on the posts and related structures/costs. It was explained that a lot of the figures were set by national negotiations.

The Mayor (and Members present) welcomed the report as a good news story. The Mayor moved the recommendations as set out. These were approved unanimously by the Cabinet Members present and it was:

RESOLVED

1. To agree the variation of the: Reset Outreach and Referral Service delivered by Providence row (contract HAC5384 A) in line with the report.
2. To agree the variation of the: Reset Recovery Support Service delivered by Change, Grow, Live (CGL) (contract HAC5384 C) in line with the report.
3. To note that the Corporate Director will agree the variation of the Reset Treatment Service delivered by CGL (contract HAC5384 B) in line with the report in accordance with the delegation under the constitution.

This has been agreed at the Directorate Leadership Team on 26th July 2021.

4. To note the contents of this report as an update on recent grants made to LB Tower Hamlets substance misuse service.

6.2 Integrated housing and support Mental Health schemes: Direct Award of contract to Look Ahead Care and Support

Councillor Rachel Blake, Deputy Mayor and Cabinet Member for Health, Adults and Wellbeing, introduced the report. The reason for bringing the report forward was because this was a direct award and the reason for that was because the services were linked to the accommodation provided for the users. The best value of the proposals had been tested carefully and this was a good proposal.

The Mayor noted the Pre-Decision Scrutiny Questions and officer responses. The Mayor welcomed the report and proposed the recommendations as set out. These were approved unanimously by the Cabinet Members present and it was:

RESOLVED

1. To agree to the direct award of a single contract with Look Ahead Care and Support, for a period of 7 years (3+2+2); with a maximum value of £1,080,891 annually and £7,566,237 for the life of the contract.
2. To authorise the Corporate Director Health Adults and Communities in consultation with legal services to enter into such appropriate agreements as are required to give effect to the recommendation detailed in paragraph 2.1 of the report.
3. The contract to bring together the provision of integrated housing and support for the schemes delivered at Commercial Road; Coventry Road and Tabard Court.

6.3 Service Action Plan: Improving Air Quality in Tower Hamlets

Councillor Asma Islam, Cabinet Member for Environment and Planning, introduced the report on the Service Action Plan in response to a Scrutiny review of Air Quality in Tower Hamlets. There were nine recommendations from scrutiny and responses were set out in all cases including a number that had already been completed. She thanked Scrutiny for their work on this important issue.

During discussion the action taken in relation to pollution from canal boats was welcomed. The meeting also heard concerns around the Liveable Streets programme and its impact on traffic in some areas. The Mayor reported that managing pollution from cars was important and that the schemes had

improved the lives of residents. There would be further announcements in relation to the liveable streets programme shortly including reacting to feedback from residents. Finally, it was noted that the intention of the actions in relation to cars idling was around educating drivers.

The Mayor proposed the recommendation as set out in the report. This was unanimously agreed by the Cabinet Members present, and it was:

RESOLVED

1. To note the report of the Environment scrutiny challenge on “examining the Council’s Air Quality Commitments and impacts on residents’ health outcomes” and agree the service action plan in response to the report recommendations.

6.4 Highways & Street Lighting Works Contract Tender

Councillor Kahar Chowdhury, Cabinet Member for Public Realm and Highways introduced the report on tendering for the new highways and street lighting contract. This includes maintenance and improvement works.

The Mayor proposed the recommendations as set out and they were agreed unanimously by the Cabinet Members present. It was:

RESOLVED

1. To agree that contract set out in this report may proceed to procurement in October 2021.
2. To confirm that contract set out in this report can proceed to contract award by the Corporate Director, Place, after Tender.
3. To authorise the Director of Legal to execute all necessary contract documents in respect of the award of contract referred to in recommendation 2 above.

6.5 3 – 11 Vallance Road - Disposal

Councillor Mufeedah Bustin, Cabinet Member for Social Inclusion, introduced the report proposing the disposal of property on Vallance Road. The property had been empty for many years and so it was good that a solution had now been found. It was confirmed that the retention of the buildings for a potential road scheme was no longer required.

It was noted that the overall benefit to the community had been carefully considered and was best met through the sale of the site. The Mayor noted the exempt appendices setting out financial information and the Pre-Decision Scrutiny Questions and officer responses. He moved the recommendations as set out. These were unanimously approved by the Cabinet Members present and it was:

RESOLVED

1. To declare that 3-11 Valance Road is surplus to requirements.
2. To note the bids received to date (Exempt Appendix A to the report) and authorise the Corporate Director Place to accept the most advantageous offer for the disposal (freehold or long leasehold) for the site.
3. To authorise the Director of Legal to enter into any legal agreements considered necessary to give effect to the recommendations listed.
4. To note the Equalities Impact Assessment.

6.6 122 Back Church Lane – Disposal

Councillor Mufeedah Bustin, Cabinet Member for Social Inclusion introduced the report proposing the disposal of 122 Back Church Lane. She explained that this former school building had been vacant for ten years and feasibility studies had determined that disposing of the property would achieve best value.

The Mayor noted the Pre-Decision Questions and proposed the recommendations as set out. These were agreed unanimously by the Cabinet Members present and it was:

RESOLVED

1. To agree authority to market and dispose of the vacant 122 Back Church Lane site on a freehold basis
2. To authorise the Corporate Director, Place to determine the best route to market.
3. To note the Equalities Impact Assessment.

6.7 Town Hall IT Infrastructure

Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector, introduced the report on proposed new IT infrastructure for use at the new Town Hall.

The Mayor welcomed the report and noted the exempt appendix setting out financial information. He noted that these were costs the Council was likely to encounter regardless of whether it moved to the new Town Hall or stayed in the existing location. Finally, he moved the recommendations as set out in the report. These were unanimously approved by the Cabinet Members present and it was:

RESOLVED

1. To approve the competitive procurement of IT hardware, software and services to enable the move to the Town Hall in 2022.
2. To authorise the Interim Corporate Director Resources to enter into such agreements as are necessary to give effect to the matters referred to in this report subject to the Council's Procurement Procedures.

6.8 IT Recurring Contracts

Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector, introduced the report. She explained that the report was to allow for the continued procurement of a number of software systems as set out in the recommendations and detailed in the report. The total costs were as set out in the last recommendation.

The Mayor welcomed the report, he noted the exempt appendix setting out more details of the financial implications. He proposed the recommendations as set out in the report. These were unanimously agreed by the Cabinet Members present and it was:

RESOLVED

1. To approve the proposed procurement of:
 - a) Northgate housing, rents and benefits application support and hosting, starting from 01 April 2022 for 3 years, through a direct award or via a Crown Commercial Service (CCS) framework, aligning this with the wider housing and revenues project that has recently been approved and is commencing now to gather requirements and will take a considerable time get to the tender stage, award, implementation, and transition.
 - b) Bell Mitel/Wavenet telephony solution starting from 01 May 2022 for 3 years, through a direct award or via the Network Services 2 Framework.
 - c) The renewal of 18 further recurring IT contracts each with a total contract spend below £189K for direct renewal routes or via a procurement framework as applicable.
2. To authorise the Divisional Director of IT Service to award the 20 new contracts referred to above. The total annual value of these contracts is £1.682M and their lifecycle value over next 3-5 years with extensions is £5.307M.

7. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil items.

8. EXCLUSION OF THE PRESS AND PUBLIC

Nil items.

9. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

10. OVERVIEW & SCRUTINY COMMITTEE

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

Nil items.

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

Nil items.

11. EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION

Nil items.

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

Nil items.

The meeting ended at 6.46 p.m.

MAYOR JOHN BIGGS

<p>Cabinet</p> <p>22 September 2021</p>	
<p>Report of: Denise Radley, Corporate Director – Health, Adult and Community Services</p>	<p>Classification: Unrestricted</p>
<p>Understanding the impact of Covid-19 in Tower Hamlets – Follow-Up Report</p>	

Lead Member	Mayor John Biggs
Originating Officer(s)	Joanne Starkie (Head of Strategy and Policy – Health, Adults and Communities)
Wards affected	All wards
Key Decision?	No
Forward Plan Notice Published	n/a
Reason for Key Decision	n/a
Strategic Plan Priority	All

Executive Summary

This report and appendix describe the impact of the Covid-19 pandemic on Tower Hamlets so far and attempts to predict the impact going forward. The report is a follow-up to an earlier impact assessment carried out in summer 2020, and it focuses on the following thirteen topics:

- i. Wider impact on physical health
- ii. Mental health
- iii. Social care and safeguarding
- iv. Economy, business and the voluntary and community sector
- v. Deprivation and employment
- vi. Homelessness and rough sleeping
- vii. Domestic abuse
- viii. Crime and anti-social behaviour (ASB)
- ix. Substance misuse
- x. Education and learning
- xi. Transport, air quality and cities
- xii. Community cohesion and involvement
- xiii. Local authority finances and services

Each of the thirteen topics are analysed in Appendix I, with an overall summary provided on Slide 2. The analysis of each topic includes a description of:

- The situation in Tower Hamlets before the Covid-19 pandemic
- The key impacts felt to date. This includes an analysis of whether there has been a disproportionate impact on particular groups.

- A prediction of the challenges and opportunities going forward, over the next 12-18 months and longer-term.

This cover report then further categorises and summarises the topics (please see section 3) into:

- 'Temporary' impacts that are reverting to pre-pandemic levels: Crime, substance misuse and air quality impacts.
- Changing impacts that have varied over time: Need for mental health support, children's social care, adult safeguarding referrals, domestic abuse, feelings of community cohesion.
- 'Cushioned' impacts that may emerge when interventions are phased out: Employment, business, deprivation, homelessness and rough sleeping.
- Longer-term 'persistent' impacts: Physical health impacts, mental health impacts, deprivation, impact on education and learning, changes to urban environments, community involvement and inequality.

Finally, this report describes the wider equalities implications of the Covid-19 according to age, ethnic background, sex, disability and socio-economic status; and the interfaces between the wider impact of the pandemic, local authority finances and service provision.

This analysis has been carried out at a point in time, and notes that many of the impacts (including the extent and speed of economic recovery) are still emerging. It should also be emphasised that the analysis has been carried out on the assumption that strict social distancing restrictions or lockdowns will not be reimposed, but the actual likelihood of this is unknown given that the pandemic is not over. The reintroduction of these restrictions would again change the shorter and longer-term impacts of the Covid-19 pandemic.

Overall, it remains clear that the physical, mental and social repercussions of Covid-19 go far beyond the virus itself. One of the main cross-cutting themes in this report and Appendix I is that Covid-19 may have shone a light on inequalities, but these could be exacerbated further going forward: Leading to poorer outcomes for residents, higher demands for support and increased financial pressures on the council. However, the assessment also identifies areas of positive impact, raising a question on how we can capitalise on opportunities to the benefit of residents and the council.

Whilst this report does not focus on our response to the Covid-19 pandemic or its wider impacts, it should be noted that a programme of work is in place to address key challenges and maximise opportunities, working closely with partner organisations. We have prioritised addressing key impacts through our Strategic Plan, through the Covid-19 recovery fund and through a range of detailed work programmes.

Recommendations:

The is recommended to:

- i. Note the contents of this report summarising the impact of the Covid-19 pandemic on Tower Hamlets to date and predicting the medium and long-term challenges and opportunities going forward.

1. REASONS FOR THE DECISIONS

- 1.1 To provide evidence and insight in order to inform short and longer-term strategic planning over the next 12 to 18 months.

2. ALTERNATIVE OPTIONS

- 2.1 N/a – the report is presented for information and discussion.

3. DETAILS OF THE REPORT

3.1 'Temporary' impacts that are reverting to pre-pandemic levels

3.1.1 Crime

Crime dropped overall with lockdown but is rebounding to 'normal' levels in some areas and adapting in others. The biggest change in crime patterns were due to lockdown (e.g. a reduction in burglary as more people were at home) and so are unlikely to persist into the medium of longer term.

3.1.2 Substance misuse

Lockdown caused initial changes to drugs markets; however, this trend did not persist as methods adapted. Things like the 'Everyone In' scheme contributed to an increase in substance misuse treatment referrals, however feedback is that this is unlikely to cause a substantive, long-term change in overall substance misuse levels in the borough.

3.1.3 Air quality

Air quality improved with the first lockdown as all forms of transport plummeted. As car use has risen faster than public transport use and as lockdown lifts, we are seeing rises in levels of nitrogen dioxide. However, these levels do not yet appear to be back at pre-pandemic levels and shifts towards more walking and cycling will likely help air quality trends in the longer-term.

3.2 Changing impacts that have varied over time

3.2.1 Need for mental health support

Demand for mental health support decreased when we went into the first lockdown, thought to be due to changes in service provision and less face-to-face interaction between staff and residents. An increase in demand was later than expected but has been seen from spring 2021 onwards across services for young people and adults, exceeding pre-pandemic levels in a number of areas. This is thought to be due to increase in mental health needs from the general population due to the wider impacts of Covid-19, and 'pent up' increased demand for mental health support as lockdown lifts. Feedback is that the complexity of casework has increased.

3.2.2 Children's social care

Demand for children's social care decreased when we went into the first lockdown, thought to be heavily impacted by school closure and less face-to-face interaction between staff, children and young people. However, this has since increased and is now significantly higher than pre-pandemic levels. Feedback is that the complexity of casework has increased, and that serious youth violence is rebounding to an extent.

3.2.3 Adult safeguarding referrals

Pre-Covid, Tower Hamlets had seen an increase in adult safeguarding concerns each year between 2017 and 2020, thought to be at least partially due to increased awareness levels. After an initial dip with lockdown, concerns increased and the number of safeguarding concerns is higher in 2020-21 than the year before.

3.2.4 Domestic abuse

As with (3.2.2-3), demand for domestic abuse support services dipped when we went into the first lockdown, but referrals for support then increased and exceeded pre-pandemic levels. This is considered to be reflective of worsening domestic abuse levels over lockdown.

3.2.5 Feelings of community cohesion

There are some indications that people's sense of unity and community improved in spring and summer 2020, then decreased back towards pre-pandemic levels. However, there are also indications that the local picture is more positive and consistent than the national picture, providing an opportunity to further build on this.

3.3 'Cushioned' impacts that may emerge when interventions are phased out

3.3.1 Employment

The pandemic has had an uneven but largely negative impact on employment levels, but the Job Retention Scheme has essentially cushioned the full impact of this. 14% of the Tower Hamlets population was furloughed in April 2021. The number of people who will return to employment and the number made redundant will not be clear until the furlough scheme ends on 30 September 2021.

3.3.2 Business

The wave of business failure that was predicted in 2020 has not yet been seen and the full impact has been cushioned through things like bounce-back loans to be paid back

over the next ten years. The full impact now depends on the level of economic recovery and the ability of businesses to get through the next stage.

3.3.3 Deprivation

Increased food bank use, an increase in the number of people hitting the benefits cap and an increased number of people reporting they are experiencing financial pressures indicates a potentially negative impact on deprivation in real terms. However, the full impact has not yet been seen because Universal Credit and working tax credits increased by £20 per week at the start of the pandemic. This increase is currently due to end by October 2021. This and the end of the furlough scheme will likely have further significant impacts on levels of deprivation. Likewise, holiday hunger schemes have cushioned some of the impact on children and families but are not being supported nationally in the medium or long-term.

3.3.4 Homelessness and rough sleeping

The impact of economic pressures arising from lockdown on homelessness levels has been cushioned by the eviction ban. This was put in place at the start of the pandemic, ending on 31 May 2021 as a phased return to pre-pandemic eviction notice periods from 1 October 2021. Whilst the ban has enabled early interventions and support to be provided to households at risk of homelessness, the concern is that the economic impact of the pandemic will result in a spike in homelessness applications when the ban fully lifts. The impact on rough sleeping is more complex, but there are clear indications that the 'Everyone In' scheme had a positive impact on this and on the lives of those who were provided with emergency accommodation.

3.4 **Longer-term 'persistent' impacts**

3.4.1 Physical health impacts

The wider, physical health impacts of the pandemic are likely to longer-term in nature. These centre around three issues: disruption to 'business as usual' health services over the pandemic that will likely mean some people living in poorer health for a longer time; 'Long Covid' as an emerging issue; and health behaviours that changed with lockdown and may result in longer-term changes. The wider determinants of health (e.g. employment levels) have also changed. There is a risk that health inequalities in the borough will increase with subsequent implications for services, and Tower Hamlets may be hit harder than average given our existing health inequalities.

However, going forward there is also an opportunity to capitalise on people's interest in staying healthy to encourage things like smoking cessation and active travel. The NHS is also likely to accelerate system changes and retain aspects of their pandemic response that worked well, such as digital consultations.

3.4.2 Mental health impacts

Some of the negative impact on mental wellbeing is tied to lockdown and will therefore likely be temporary, improving as lockdown lifts. However, the mental health impacts on individuals who have experienced extreme difficulties or trauma during the pandemic will likely be longer-term in nature. This includes those who have lost loved ones, frontline health and care workers, and victims of abuse during lockdown. At the same time, the wider determinants of mental health (e.g. employment levels) are changing which could result in a longer-term, negative impact.

However, there are also indications that there are greater awareness levels of the importance of mental health. This could accelerate the de-stigmatisation of mental health and lead to longer-term improvements in this area.

3.4.3 Deprivation

Whilst the full impact on deprivation is being cushioned (as described in section 3.3.3), in essence a slow economic recovery coupled with the removal of interventions like the furlough scheme risks an increase in financial hardship and deprivation levels that will be longer-term in nature. The ramifications of this will be felt across communities and services.

3.4.4 Education and learning

The full impact of the last 18 months on learning and education is still emerging, but the general consensus is that a loss in learning time in the classroom has impacted academic progress and potentially widened the attainment gap. There is a significant concern that lockdown has impacted the wellbeing, learning and development of very young children in their early years, and that this impact will be perhaps harder to recover from compared to older children. This is likely to reverberate into the future as children and young people grow into adulthood.

For a borough with comparatively high attainment levels and high child poverty levels, the longer-term consequence is that the disruption to education could undermine the gains made in educational achievement to date and widen inequalities; and whilst attempts to tackle the digital divide are useful, this is unlikely to be sufficient. The wider health and wellbeing implications of most children and young people missing so time in school over the last 18 months are also significant and are likely to reverberate into the future.

3.4.5 Changes to urban environments

If increased levels of home working persist in the longer term, this could have wider implications in a number of areas. This is particularly relevant for London and Tower Hamlets as home working levels over the pandemic are higher here than elsewhere. The wider impacts include the local economy in Tower Hamlets if more people are at home, transport habits if there are less people commuting, anti-social behaviour concerns if the increase in ASB concerns is being at least partially driven by more people spending more time at home and population movement in the borough. There is speculation that the pandemic may result in more higher earners leaving London, risking the worsening of place-based inequalities to the detriment of deprived areas. Increased remote working, decreased reliance on city centres for shopping and demand for larger and more affordable housing may deplete city and town centres

3.4.6 Community involvement

Volunteering levels increased with the pandemic and have remained high since, often operating at a hyper-local level. Whilst the availability of volunteers may diminish as people to return to previous routines, increased levels of volunteering and community involvement provide an opportunity to strengthen this area in the longer-term.

3.4.7 Inequality

The wider impacts of the Covid-19 pandemic are uneven, and there is a sense that the last 18 months have shone a light on existing inequalities that now risk being widened further. Section 4 of the report describes this in more detail.

3.5 Interfaces with local authority finances and services

The pandemic has put extreme pressure on local authority finances, and government funding has not yet been enough to mitigate this. There are then a number of interfaces between our financial position and the wider impacts of the pandemic: If economic recovery slow, this will result in continued pressure on council income from things like Council Tax and Business Rates. If increases in demand for support for things like mental health services, social care and domestic abuse support are sustained or increase further; this is likely to result in greater financial pressures. This interface highlights the need for us to address key challenges and to maximise opportunities in partnership with partner organisations and residents.

3.6 Our response to the wider impacts of Covid-19

3.6.1 This report does not focus on our response to the Covid-19 pandemic or its wider impacts¹. However, it should be noted that a programme or work is in place to address key challenges and maximise opportunities, working closely with partner organisations. We have prioritised addressing key impacts, as articulated in our Strategic Plan. Work to address the wider impacts of Covid-19 include the following examples:

- The £3 million Covid-19 Recovery Fund, aimed at kickstarting the economic, health and social recovery from Covid-19 in Tower Hamlets.
- Completing the Tower Hamlets poverty review, which will include our response to government Covid-19 interventions coming to an end (e.g. the £20 per week increase in Universal Credit and working tax credits coming to an end).
- A detailed programme of work to support children and young people's mental health and wellbeing following lockdown.
- Joint working with health partners focused on the system recovering from the pandemic. This includes utilising the National Mental Health Recovery Fund and working together to reduce waiting times.

4. EQUALITIES IMPLICATIONS

The following protected characteristics have been identified as particularly impacted by the Covid-19 pandemic. A full assessment of all nine protected characteristics has been carried out in a 2020 Covid-19 Equalities Impact Assessment.

¹ A report on our response to the Covid-19 pandemic was presented to Cabinet on 30 June 2021. This was focused on our response in five key areas: work to (i) prevent and limit the spread of Covid-19, (ii) support the most vulnerable through the pandemic, (iii) support children and families through lockdown and school closure, (iv) help to make Tower Hamlets as safe a place as possible, (v) work in close partnership with our communities.

4.1 Age

- 4.1.1 At one end of the spectrum, old age is a major risk factor for severe and fatal Covid-19 cases, and greater numbers of older people will have experienced trauma and grief from this. Older people are vulnerable to loneliness, possibly exacerbated by many not using technology to maintain social contact in lockdown (the 'digital divide'). Older people are overrepresented in safeguarding adult cases so will be more affected by emerging risks. They are also more likely to be in poorer health, so will be also disproportionately impacted by any disruption to health and care services. There are also indications that those aged 50 plus are being disproportionately impacted by unemployment.
- 4.1.2 Covid-19 for children and young people has been less about direct health risks and more about wider social impacts. The impact of school closure has caused disruption to education and had wider implications for children's social and physical wellbeing. There are strong indicators that both the mental health impacts and the unemployment impacts of the pandemic are more prevalent in young people, with the mental health impacts in particular being significant and reflected in demand for support. For a young borough with high but improving levels of child poverty, high childhood obesity and good levels of educational attainment, there is a real risk that the progress made so far is disrupted by Covid-19.

4.2 Ethnicity

- 4.2.1 People of a Black, Asian and minority ethnic background have been disproportionately impacted by Covid-19², and greater numbers of older people will have experienced trauma and grief from this.
- 4.2.2 Across the UK and in Tower Hamlets, people of BAME backgrounds are overrepresented in some of the occupations directly dealing with the pandemic, they are more likely to live in poverty compared to those of a White British ethnic background and are more likely to diagnosed with a mental health problem. Again, there is a key risk that the indirect impacts of Covid-19 will exacerbate racial inequalities described here.
- 4.2.3 Self-reported levels of trust in government advice were lower in BAME communities at the peak of the pandemic compared to those of a white ethnic background, and BAME communities also reported a greater decline in feelings of cohesion; both suggesting the negative impacts in these areas were more keenly felt.
- 4.2.4 The direct and indirect impacts of Covid-19 on those of a Black, Asian and minority ethnic background have coincided and interfaced with a period of increased social activism aimed at tackling racial discrimination and inequality, aimed at producing positive and lasting change.

² June PHE report: People of Bangladeshi ethnicity around twice risk of death as White British when other factors accounted for. Chinese, Indian, Pakistani, Other Asian, Caribbean and Other Black ethnicity: between 10 and 50% higher than White British.

4.3 Sex

- 4.3.1 There are indicators that the mental health impacts and the economic impacts of the pandemic have disproportionately impacted on women. Women are more likely to have caring responsibilities, and any negative aspects of this will have been exacerbated through lockdown and school closure. This has led to speculation that the pandemic is reinforcing gender roles, risking reversing the progress made in gender equality over recent decades.
- 4.3.2 Women are the main victims of a rise in domestic abuse. One UN report estimates Covid-19 will undermine global efforts to end gender-based violence, reducing progress towards ending it by 2030 by a third.
- 4.3.3 Long Covid is also thought to be more prevalent in women.
- 4.3.4 Locally and nationally, men are overrepresented in those sleeping rough and in the number of people with harmful or dependent drinking patterns. Changes in these areas (largely positive changes in rough sleeping, potentially negative changes in harmful drinking levels) will likely impact men to a greater degree than women.

4.4 Disability

- 4.4.1 There is a clear association between Covid-19 fatalities and some underlying health conditions, and people who are 'clinically extremely vulnerable' are also more likely to be seen in this group. Those who have had to shield as a result are potentially at a greater risk of worsening physical and mental health as a result of stricter social distancing guidelines. One report describes the risk of loneliness and social isolation as being “frequently triggered by feeling unable to access society safely”³ for people with a disability.
- 4.4.2 People with a disability (including children with special educational needs and disabilities) are more likely to be in contact with health and social care services and will be disproportionately impacted by the disruption to them. There are also indicators that Long Covid is more likely to impact people with a disability.
- 4.4.3 People with a disability are overrepresented in safeguarding adult cases so will be more affected by emerging risks, such as financial scams. They are also at an increased risk of domestic abuse, so the negative impact of the pandemic on this area will have impacted this group.
- 4.4.4 People with a disability will also be particularly impacted by employment changes, given the barriers that can already exist for people with a disability in this area.

4.5 Socio economic

- 4.5.1 Those on lower incomes are more likely to suffer financial hardship, more likely to experience food poverty and are less likely to have access to the technology used to cushion some of the blows of lockdown (e.g. to enable social contact, service provision

³ Covid-19 Outreach and Messaging Programme (Real, Healthwatch Tower Hamlets, DeafPlus, Foundation CIC) July 2021

or home learning). Those suffering financial hardship are more likely to face homelessness.

- 4.5.2 The key issues now are what happens when the furlough scheme, eviction ban and universal credit increase of £20 per week fully end; and the extent and speed of economic recovery. Things like an accelerated move to digital service and business provision in the longer-term has ramifications for job opportunities, where people live and work and how they get help when they need it; with subsequent impacts for different socio-economic groups.
- 4.5.3 The impacts of a sustained increase in deprivation levels are long-term and include poorer physical health, mental health and a higher likelihood of substance misuse and being in contact with the criminal justice system.

5. OTHER STATUTORY IMPLICATIONS

5.1 n/a

6. COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The Council has worked hard to prevent and limit the spread of Covid-19 whilst tackling the wider impact the pandemic has had on residents and businesses. The Council continues to work with partners and with residents to: prevent and limit the spread of Covid-19; support the most vulnerable through the pandemic; support children and families through lockdown and school closure; support businesses and residents through economic hardship; help make Tower Hamlets as safe a place as possible and work closely with communities. The pandemic has created cost pressures, delayed planned savings actions and an adverse impact on income collection. The full impact will begin to be experienced now and over the medium term as the shortfall on previous years' collection fund is accounted for from 2021-22 onwards.
- 6.2 The impacts on the Council's budget are reported to Cabinet on a regular basis as part of the regular budget monitoring process. The costs arising from Covid-19 are being met via various central government non-ringfenced and specific (ring-fenced) grants that have continued from 2020/21. The Council has received non-ringfenced Covid-19 emergency grant of which £3.5m has been carried forward from 2020/21 and an in-year tranche of £13m has been received for 2021/22 to date.
- 6.3 Government has provided partial reimbursement (circa 70%) of lost income in specified areas of Sales, Fees & Charges and partial support for deficits in Business Rates and Council Tax income (75% of some components of the deficits). Specific grants have been provided for Public Health and social care areas (primarily the Test and Trace Grant, Contain Outbreak Management Fund and Infection Control Fund) and support for Rough Sleepers and Reopening High Streets Safely.
- 6.4 Council agreed in the 2021-24 medium term financial strategy (MTFS) to create a £3m Covid Recovery Fund reserve, funded from the New Homes Bonus (NHB) reserve, which is funding projects to kickstart our community's recovery from the pandemic over the next 12 to 24 months.

- 6.5 Social Care Providers have been supported through the pandemic period via the use of additional Covid-19 grant funding that has been passed onto them via the Infection Control Fund, the Rapid Test Grant and the Workforce Capacity Fund (20/21 only). The Infection Control and Testing grant will cease in September 2021.
- 6.6 The 'Hospital Discharge and Community Support' guidance published by NHSE in May 2021, allows for new and additional support needs to be funded on discharge from hospital for a period of 6 months from April to September, to minimise delayed discharges. However, on cessation of this funding from October, the costs of any additional support, including designated care settings, additional support measures that have been put in place for clients etc, will need to be funded via the Council, and therefore will place an additional pressure on the Council's resources.
- 6.7 In addition, the costs of long-covid implications on additional social care needs have yet to be quantified. It is still unclear the impact of the 2% of cases that remain ill after 12 weeks have on long-term adult social care referrals, and the cost implications on future budgets.
- 6.8 With the majority of funding ending in this financial year and the longer-term impact yet unknown (including the impact on Business Rates and Council Tax income), there is uncertainty as to the total financial impact of Covid-19. The Council will need to manage the impact of Covid within approved budgets in 21/22 and over the medium/long term.

7. COMMENTS OF LEGAL SERVICES

- 7.1 Covid-19 has had a significant impact on the delivery of the Council's functions. This impact is also expected to continue and change in nature into the future. The Council is legally obliged to ensure that it obtains Best Value in relation to the delivery of all its legal functions in terms of economy efficiency and effectiveness. The obligation is a continuing one so as the impact changes so will the actions required to be undertaken by the Council to ensure the Council continues to satisfy this duty. This review is evidence that the Council is abiding with this statutory duty.
- 7.2 The Equality Act 2010 places the equality duty on the Council. Under this duty the Council must (amongst other things) eliminate discrimination when discharging its legal functions. The Covid – 19 pandemic has had differing levels of impact on differing parts of the Council's community and in particular has impacted people who have a protected characteristic differently and potentially more severely from those who do not. Therefore, continued monitoring of the impact of the pandemic assists the Council in delivery against this legal duty also.

Appendices

Appendix I: Understanding the impact of Covid-19 in Tower Hamlets follow-up slides

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

- NONE

Officer contact details for documents:

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12. Community cohesion & involvement
13. Local authority finances & services

Joanne Starkie,
Head of Strategy and Policy – Health,
Adult and Community Services
September 2021



Wider impact of Covid-19 - summary



Physical health

- Disruption to health services will likely mean some people living in poorer health
- 'Long Covid' is an emerging issue that will impact on residents & health services
- Health behaviours changed with lockdown and presents a mixed picture

Mental health

- Covid has had a mainly negative impact on people's mental wellbeing, though there is now greater awareness on the importance of mental health
- The anticipated increase in demand for mental health support was later than expected but is now underway

Social care

- The impact of the pandemic has been keenly felt in adult social care. The number of people subject to a safeguarding concern has gone up but may not be due to the pandemic.
- The impact of lockdown also been significant in children's social care and demand for support is now significantly higher than pre-pandemic levels

Economy, business & VCS

- The economy was hard hit by lockdown. There are differing predictions on recovery
- Anticipated wave of business failure not fully seen – now depends on ability to get through next stage
- Demand and financial pressures grew for VCS over the pandemic & remain a concern

Deprivation and employment

- The impact on employment to date is largely negative and uneven, but cushioned by furlough. The future depends on economic recovery
- There is a risk that this will result in higher levels of deprivation

Homelessness & rough sleeping

- There are strong indications that rough sleeping levels have improved over 2020-21, and a number of people have been supported into alternative accommodation
- A significant rise in homelessness applications is expected as the eviction ban is phased out.

Domestic abuse

- Difficult to conclusively say domestic abuse increased during the pandemic, but there are indications & evidence of increased need
- Whilst the increase maybe temporary, domestic abuse will have longer-term impacts on women, children and young people

Crime & ASB

- Crime dropped with lockdown, but is rebounding to 'normal' levels in some areas and adapting in others
- ASB concerns surged since the pandemic started. It remains to be seen whether this will be a longer-term trend

Substance misuse

- The number of referrals for substance misuse rose with lockdown, but the drugs market is unlikely to significantly change
- Alcohol use mixed, but those drinking most may be drinking more

Education and learning

- A loss in learning time has impacted academic progress and potentially widened the attainment gap.
- Lockdown likely significantly impacted the language, communication skills and school readiness of some young children.
- Missing school has had significant wider impacts on the lives of children and young people.

Transport, air quality and cities

- Public transport usage is rebounding at a slow pace than car use. Bike use has increased and this may continue.
- Lockdown improvements in air quality were temporary, but home working patterns & active travel may still impact this longer-term
- Working and consumer patterns may change city centres and city migration patterns, but predictions differ on the scale of change.

Community cohesion & involvement

- Feelings of community cohesion improved at first, then dropped down to pre-pandemic levels
- Trust in government institutions & mainstream media improved then dropped. The local picture is more positive than the national picture.
- Volunteering surged with the pandemic & became hyper-local. Volunteering levels remain high

Local authority finances & services

- The pandemic has put extreme pressure on local authority finances, and government funding has not yet been enough to fully mitigate the impact
- Covid-19 impacted on a number of council services, with knock-on impacts for staff and residents



Wider impact on physical health



Disruption to health services will likely mean some people living in poorer health:

- Pre-Covid, LBTH had comparatively high rates of mortality considered preventable as a result of cardiovascular, respiratory disease & cancer.
- Large numbers of people are currently waiting for non-urgent health treatment. It will likely take years to clear the backlog.
- For many conditions, longer waiting times are associated with poorer long-term outcomes.
- A drop in preventative & early interventions may result in poorer health later down the line. Fewer cancer screenings & referrals has likely delayed diagnosis & treatment for some¹. Full impact of this has not yet been felt.
- The number of people attending A&E dropped with lockdown and is still not back up to pre-pandemic levels.
- **Older people** & those with a **disability** or long-term health issue particularly affected.

'Long Covid' is an emerging issue that will impact on residents & health services:

- Some people experience ongoing symptoms following Covid-19 well after their initial infection.
- Scale and severity is still emerging², Current estimates across North East London are that up to 4,000 could be referred to post-Covid clinic by start of 2021-22, based on assumption that around 2% of symptomatic Covid cases will continue to be ill beyond 12 weeks.
- **Women**, those from more **deprived groups** and those with a **disability** particularly affected.

Health behaviours changed with lockdown and presents a mixed picture:

- Pre-Covid, LBTH health challenges included diabetes, childhood obesity, and smoking rates; & significant health inequalities.
- There are indications that many people feel motivated to adopt more healthy behaviours due to the pandemic⁴.
- Some people report being more physically active since lockdown began, others report doing less. Those living in small & overcrowded housing & those shielding likely found it harder to be active over lockdown.
- Impact on healthy eating and weight is emerging, but there appears to be a sizable group who report having increased overall food intake throughout lockdown.
- Impact on smoking is mixed: There was a surge in people quitting smoking in 2020 largely attributed to Covid fears, but others smoked more due to stress & anxiety³.
- Wider determinants of health have been impacted, including employment & social contact. Those from more **deprived groups** particularly affected.

In England, over 5 million people were on a hospital waiting list in April 2021 – the highest number since records began in 2007

Outpatient waiting times in Tower Hamlets rose by 66% in the 6 months to April 2021.

In a May 2021 ONS survey, 1.6% UK residents self-reported long Covid symptoms persisting for more than four weeks after the first suspected coronavirus.

In one national survey, 7 in 10 adults reported feeling more motivated to be healthier in 2021 due to Covid-19

In the LBTH Covid Impact Resident survey in June 2020, 52% said Covid had a negative impact on their exercise routine. 31% report a positive impact.



Wider impact on physical health - predictions



Next 12-18 months

Longer term

Challenges

- Long Covid
- Backlog of non-urgent health treatment not cleared, with more people living with poorer health as a result
- Health & care system may struggle to restore preventative & early interventions (e.g. immunisations) due to Covid pressures
- A second year of Covid and winter pressures on the system
- As lockdown fully lifts, need to see emerging longer-term trends on healthy weight, physical activity & smoking
- Proportion of health & care workforce is tired and

- Increase in health issues for those who missed preventative/early interventions – particularly given LBTH mortality rates for preventable cardio vascular, respiratory, cancer higher than London average
- Increase in poor health outcomes associated with wider determinants (e.g. deprivation)
- Increase in health inequalities, exacerbated by digital divide & more virtual service provision
- Impact on child health, healthy behaviours & development not seen until later life
- Long-term impacts of the virus to emerge

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Opportunities

- BAU increasingly restored
- Virtual offer positive for some
- Continue good joint working with NHS
- Opportunity to capitalise in people’s interest in staying healthy

- Opportunity to capitalise on people’s growing familiarity with technology for health
- Interest in healthy lifestyles will have long-term positive impacts on health outcomes
- Physical health improved by more active travel & improved air quality



Impact on mental health



Covid has had a mainly negative impact on people's mental wellbeing, though there is now greater awareness on the importance of mental health

- Pre-Covid, LBTH had higher than average reported levels of mental health issues – likely due to the prevalence of 'wider determinants'
- Pandemic has impacted on levels of stress, anxiety, depression, loneliness, grief and PTSD.
- Lockdown restrictions likely increased proportion of people experiencing more complicated grief reactions
- Wider determinants of mental health have been negatively impacted by the pandemic – employment, social contact. Likely exacerbated in LBTH due to overcrowding levels and lack of outside space².
- Most people will not need formal support from services and may recover as lockdown lifts. In March 2021 life satisfaction among Londoners was greater than in May 2020, though still below pre-pandemic levels.
- There is likely now greater awareness of the importance of mental health
- Grief & PTSD may be more prevalent in groups most directly impacted by Covid: **older people**, those in **care homes**, people with a **disability**, **BAME** communities, & **staff on the frontline of the pandemic**.

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The anticipated increase in demand for mental health support was later than expected but is now underway

- Original predictions for a surge in demand for mental health support did not happen as expected in 2020 but is now being seen.
- The East London Foundation NHS Trust reports an overall increase in referrals & presentations across all MH services over February and March 2021⁴. As of July 2021, there have been increases in use of the LBTH mental health crisis line & hub, in referrals to community mental health teams & in admission rates to the TH Centre for Mental Health compared to pre-pandemic levels⁵. Feedback is that pressure is particularly acute in children and adolescent mental health services.
- Thought to be due to increase in mental health needs from the general population & 'pent up' increased demand for mental health support as lockdown lifts.
- Feedback from staff is that that people are more likely to present in a state of crisis and that cases are more complex compared to pre-Covid.
- Most MH services moved away from face-to-face & hospital-based provision, unless essential. Some MH services have accepted only urgent referrals or ran an adapted offer. May have had a negative impact on those with existing mental health issues⁶
- The National Mental Health Recovery fund may mitigate some of the financial pressures on services as a result of an increase in demand.
- Whilst risk factors for suicide have been impacted, there is currently no evidence of suicide rates increasing¹.
- Indications that mental health issues arising from Covid are more prevalent in **young people, women & lower income groups**.

In the LBTH Covid Impact Resident survey in June 2020, 63% said Covid had a negative impact on their mental health

Use of the Mental Health Crisis Line in LBTH has consistently increased over the pandemic & rose 30% in March 2021 alone. The increase is thought to be influenced by lockdown lifting; the negative impact of lockdown measures on mental well-being; increased public awareness of crisis lines; & reduced opportunities for community mental teams to engage face to face with all service users during the lockdown.





Wider impact on mental health - predictions



Next 12-18 months

Longer term

Challenges

- Ongoing increase in overall and complex need for mental health support due to wider Covid impacts
- Insecure housing & employment as eviction ban and furlough scheme ends may exacerbate this further
- Any further lockdowns will have subsequent negative impacts on mental health & wellbeing
- Need to focus on the groups described in the last slide.

- Excessive and protracted feelings of stress & powerlessness have long-term MH impacts for the general population
- More complex & advance mental health needs for those who missed early interventions
- Consequences of a severe, longer-term economic downturn would likely result in more people with mental health problems & more deaths by suicide
- Impact on children not seen until later life

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Opportunities

- Psychological impacts will be mild & manageable for most
- There is now greater awareness of the importance of mental health – it is arguably now less stigmatised
- Virtual mental health offer positive for some
- Opportunity to develop 'trauma informed communities' to tackle impact

- Mental health improved by more opportunities for walking & cycling, & by related infrastructure changes



Impact on social care & safeguarding



The impact of the pandemic has been keenly felt by adult social care users, carers & staff. The number of people subject to a safeguarding concern has gone up but may not due to the pandemic.

- A massive increase in demand for adult social care - arising from hospital discharge – was predicted at the start of the pandemic but did not materialise. However, pressures have resulted in a waiting list for non-urgent assessments and reviews
- Respite & day service building based services closed over lockdown, resulting in increased strain and social isolation for service users & carers.
- Extremely challenging time for care home residents, families & staff. Future demand for care home provision is also to be determined
- Feedback that people are now presenting to social care with more complex needs, making it more challenging to address the waiting list.
- One report suggests balance, ability to carry out day-to-day activities and cognition has reduced for some older people due to lockdown¹
- Lockdown likely to have made adult abuse & neglect more challenging to identify. Some will have been put into lockdown with their abusers. Evidence suggests social isolation increases the risk of self-harm & self-neglect.
- New safeguarding risks appeared with Covid, particularly related to fraud/scams.
- Predictions that the pandemic might raise the profile of social care, leading to improvements in funding, recruitment & retention has not yet been seen.
- Pre-Covid, LBTH saw an increase in adult safeguarding concerns each year between 2017 & 2020, thought to be at least partially due to increased awareness levels. After an initial dip with lockdown, concerns increased & were higher in 2020-21 than the year before.
- **Older people** & those with a **disability** of long-term health issue particularly affected by trends in social care.

The impact of lockdown has been keenly felt in children's social care, and demand for support is now significantly higher than pre-pandemic levels

- Pre-Covid, in March 2020 LBTH had 973 children in need, 230 on a child protection plan & 307 looked after children.
- Some children will have been put into lockdown with their abusers. Lockdown – especially school & childcare closure - generally thought to have made child abuse & neglect harder to identify. Concern that school closure has reduced opportunities for detection & early intervention: Issues may have become more entrenched
- Concern that the risk of online abuse & exploitation has increased due to lockdown; & that child awareness of consent & keeping safe lessening as not in school or early years provision.
- Following lockdown, feedback is that there was an initial dip in overall referral numbers to children's social care. However, demand then increased and is now significantly above pre-pandemic levels. Feedback is that the complexity of casework has increased.
- Lockdown initially brought a drop in the number of young people going missing in London and a drop in violent crime. We are starting to see increases in serious youth violence.
- Children and families particularly affected by changes in children's social care. Children with additional needs & **disabilities** up to 3 times more likely to be abused or neglected & less likely to disclose due to communication difficulties

In 2020-21, 1,224 adults had safeguarding concerns raised about them in Tower Hamlets. This is 10% higher than the year before, and is the fifth consecutive year this figure has increased.

The number of referrals into children's social care was 690 w/c 25-Jun to 3-Jul 2019. This compares with 832 for the same period in 2021: A 20.5% increase in referrals.



Wider impact on social care & safeguarding - predictions



Next 12-18 months

Longer term

Challenges

- A second year of Covid & winter pressures on the care system
- Recovery for those hard hit: care homes, care workers, carers
- Waiting list for non-urgent adult social care assessments may not be cleared
- Potential of a reduction in care home placements due to Covid fears, leading to viability risks for providers
- Increase in fraud & scams disproportionately impacts vulnerable
- Increase in exploitation and grooming online
- Continued resurgence of safeguarding referrals & serious youth violence as lockdown lifts
- Financial hardships increase = pressures on families increase

- Longstanding negative impact on those who have been through traumatic experiences
- Eventual impact on accommodation-based support unclear
- Physical & mental health impacts + exacerbated social inequalities = poorer health outcomes = increased demand on social care
- Long-term move to more remote working makes abuse & neglect harder to detect
- Provision that assisted with detecting concerns may cease following economic & financial pressures
- Mistrust of government & council deters some from engaging with services

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Opportunities

- Maintain structures that enable rapid hospital discharge
- Proven ability to flex & adapt workforce in event of future crises
- Increased partnership working to support vulnerable children & adults
- New and/or virtual ways of support positive for some

- Opportunity to capitalise on people's growing familiarity with technology for health & care
- Potential for social care to have a raised profile



Impact on economy, business, voluntary & community sector



The economy was hard hit by lockdown. There are differing predictions on recovery:

- Pre-Covid, the LBTH economy was growing.
- The magnitude of the recession caused by the pandemic is unprecedented in modern times.
- Economic indicators suggest a strong recovery is underway as things reopen. There is uncertainty over how strong and sustained the recovery will be. Much depends on how strong consumer spending is post-lockdown.
- Considerable debate over longer-term economic impact of Covid. Bank of England expects level of economic output to regain its pre-pandemic level by end of 2021. Less optimistic forecasts don't expect this until 2022¹.
- The sectors hardest hit by Covid are arts, entertainment, recreation; accommodation & food services activities. They made up 6.9% of the jobs in LBTH pre-Covid, though it is likely more residents work in this sector.
- Central London ecosystem including arts & cultural sector, night-time economy & retail suffered but is considered well-placed to recover.
- Locally, market traders were also hard hit by lockdown.
- Banking, finance & insurance sectors are less hard hit. Over half of LBTH jobs were in this sector in 2016-19, but third of residents' work in it.

19% LBTH residents worked in the distribution, hotel & retail sector in 2016-19. This fell to 13% in 2020⁷.

GDP declined by 9.8% in 2020, the steepest drop since consistent records began in 1948 and the most in over three hundred years on some estimates.

The anticipated wave of business failure was not fully seen & now depends on ability to get through next stage.

- In line with the economic impact, many businesses felt a sudden demand & supply shock with lockdown. Many also had to adapt to social distancing restrictions, often incurring extra costs.
- Businesses have taken out a total of almost £0.5bn in state-backed loans through Covid-19. No wave of business failures has yet been seen but the future is uncertain. Bounce-back loans can be paid off over 10 years, but some may struggle even on these terms².
- Impact is uneven, with greatest areas of concern being retail, hospitality, arts & entertainment, & administrative and support services² Few areas (e.g. supermarkets) saw unprecedented demand
- Changes in buying habits have accelerated, with a bigger proportion spent online.
- Working from home grew in 2020: LBTH rates were higher than the UK average but still represented a minority of workers. Many companies likely to have a hybrid model in future⁴ with repercussions for business & economy.

17,355 local enterprises were based in LBTH in 2019. 98% were micro/small businesses of 50 employees or less. Over 9000 government-backed loans have been taken out by LBTH SMEs (average £47k).

26% people worked from home in 2020 compared to 12% in 2019. In London this was 46%, in LBTH it was 38%³

Demand and financial pressures grew VCS over the pandemic & remain concern

- Impact of Covid has been 'uneven & unpredictable'⁸
- Many VCS organisations were part of the response to Covid. A National Emergencies Trust reports that 7 million people nationally were expected to have received help from charities in 2020 due to the pandemic. In a Feb 2021 LBTH survey, 58% respondents reported an increase in demand
- At the same time, charity donations & fundraising income largely dropped. One report indicates smaller charities were harder hit. In the LBTH survey, 70% reported accessing funding to continue with provision and support as a key challenge.
- Financial challenges now facing at least parts of the sector. The extent of this impact varies a lot depending on the size, location and type of organisation⁵. One report suggests 1 in 5 charities are considering downsizing as a result of the pandemic⁶.
- There is also concern that the future may hold increased demand (e.g. as a result of disruption to health services) & a reductions in things like Covid funding.

As of May 2020, 74 VCS organisations known to be offering support to residents related to Covid

In one national survey of 650 charities, more than half did not expect pre-pandemic levels of fundraising events to return before the end of 2021⁹



Wider impact on economy, business & CVS - predictions



Next 12-18 months

Longer term

Challenges

- Greatest risk among arts, entertainment, recreation, accommodation & food services sectors
- Ongoing financial challenge for some VCS due to drop in income & increase in demand
- Some businesses & VCS unable to afford furlough contributions from August. Some not viable without support if social distancing re-introduced.
- A reduction in migration will impact on some businesses & VCS
- Possible ongoing additional costs for some businesses as a result of adapting operating procedures as a result of Covid
- Some VCS unable to achieve the outcomes specified in council contracts due to Covid – though easing as lockdown lifts

- Risk of business failure if longer-term 'bounce back' loans cannot be paid back
- Reduced demand for work spaces result if more home working & less business based in the borough.
- Economic downturn would put more pressure on business & VCS
- Pressure on charity sector could result in consolidation, with smaller charities closing
- More demand for council and partner services if less available from VCS

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Opportunities

- Some optimistic predictions of economic recovery, with subsequent positive impacts on business & VCS
- Advice and support – e.g. on business reconfiguration – can help mitigate risk of closure
- Opportunity for council to further engage with businesses
- Opportunity for VCS to better utilise volunteers, in line with feedback
- New opportunities for some businesses, e.g. food businesses extending onto the street

- Taking less office space could help businesses and organisations reduce their costs
- Opportunity to rethink procurement procedures to prioritise/direct it to local to stimulate growth
- Speculation that the post—Covid economy could be more entrepreneurial



Impact on employment and deprivation



The impact on employment to date is largely negative and uneven – the future depends on economic recovery:

- Pre-Covid unemployment levels in LBTH had fallen, but significant proportion of the workforce was in low paid, part time or insecure employment.
- Many employees experienced a reduction in hours, have been furloughed or laid off due to the pandemic. Financial impact is being cushioned to an extent through things like the Job Retention Scheme.
- 14% LBTH population was furloughed as of April 2021; less than earlier in the year. Furlough due to end 30 Sep 2021. Return to employment vs. redundancy rates unclear until then, but redundancy rate has potential to increase to levels not seen since the last recession².

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Unemployment and redundancies in London rose in 2020-21², particularly affecting hospitality, retail & admin support².

London unemployment rates are higher than the national average & has furthest to recover. Payrolled employees were over 3% below pre-pandemic levels as of May 2021⁶.

- Growth in recruitment for certain sectors, including health & social care
- Locally, **older** people aged 50+ and **younger** people aged 18-24s claim out of work benefits at the highest rate². Under 24s have borne much of the brunt of the employment impact, with a large increase in their unemployment rate.
- Those already **facing employment barriers** will be in competition for jobs with others who have lost work & those leaving education. Market will favour those 'job ready'

As of April 2021, LBTH had the 6th highest number of employees on furlough of all London boroughs. As of May 2021, LBTH had the 5th highest largest absolute increase in Universal Credit claimants (152% increase March 2020 – May 2021)⁴

In a survey carried out with 992 LBTH families with children under 5 between Jul-Nov 2020, unemployment rose from 33 to 40% for respondents & was higher for Somali (52%) & Bangladeshi (43%) respondents³

There is a risk that this will result in higher levels of deprivation

- Pre-Covid deprivation levels in LBTH were high but improved. In-work poverty had increased & this group made up a significant proportion of deprived households.
- One report suggests a reduction in relative poverty during the 1st lockdown: Median incomes likely fell, pushing down the relative poverty line; & benefits increased, e.g. £20 Universal Credit uplift, increasing incomes of non-working households¹.
- But pandemic resulted in financial worries for many & there are indications of increased pressure. 3,177 LBTH households were subject to the benefits cap in June 2021 compared to 3,000 in February 2020. 89% households had children⁷.
- Lockdown has also seen a high increase in food bank use & emergency food requests, welfare & debt advice. Holiday hunger schemes likely to have cushioned some but not all of the food poverty impacts for families.
- Official data on poverty during the pandemic is not available until 2022. But predictions that will increase in future. Extent depends on £20pw uplift to Universal Credit & Working Tax Credit due to end Sept 2021. JRF estimates that this plus end of furlough will put 500,000 extra people into poverty in UK¹.
- The economic situation has likely dampened work opportunities that may support people out of poverty.
- **BAME groups, women, young workers, low paid workers and disabled workers** most negatively economically impacted to date¹. Low-income households & those in 'shadow economy' are particularly vulnerable to the economic effects of the pandemic¹.

Pre-Covid, 32.5% children live in poverty – highest proportion in London & England. 44% older people live in income deprived households – highest proportion in England

First Love Foundation food bank saw a 700% increase in support between 16th March and 14th April 2020 compared to previous year.





Wider impact on employment & deprivation - predictions



Next 12-18 months

Longer term

Challenges

- Unemployment & financial hardship increases when the furlough scheme ends Sept 2021, particularly in sectors hardest hit
- Food poverty for families increases if holiday hunger schemes are discontinued
- Lack of economic recovery means child poverty worsens or does not improve; and those in poverty & just above the threshold pushed further into deprivation
- Harder to tackle deprivation via employment
- Increased demand on council employment & associated services
- Financial pressures arising from increase in demand
- Less job opportunities arising from economic downturn

- Longer-term consequences of unemployment and deprivation include increased risk of mental health issues & poorer health outcomes
- Consequent implications on demand for services & financial pressures on council
- Rise in gig economy while businesses tentatively bounce back – e.g. insecure, low wages, poor conditions.
- Those 'harder to place' into employment find it harder still to find work as competing for jobs with newly unemployed

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Opportunities

- More optimistic predictions on economic recovery would much reduce the potential negative impact on employment & deprivation
- Opportunity to recruit to hard-to-fill roles, particularly in areas where we expect an increase in demand (e.g. health care, care workers, food production)

- Strong economic recovery should lead to new job opportunities and a different diverse economy (e.g. rise of digital opportunities)



Impact on homelessness & rough sleeping



There are strong indications that rough sleeping levels have improved over 2020-21, and a number of people have been supported into alternative accommodation.

- Pre-Covid in 2018-19, LBTH had 7th highest estimated number of rough sleepers in London.
- Emergency accommodation was provided through the 'Everyone In' scheme at the start of the pandemic, including those NRPF. Further beds provided through Winter Emergency scheme during 2nd lockdown. A significant number have been supported to secure a home in the medium term. Further provision & support
- Whilst not conclusive, feedback & evidence indicate rough sleeping levels dropped at the start of the pandemic, increased, dipped again in winter, then increased again. Overall, the impact is emerging but considered to be positive: In 2020, snapshot estimates of rough sleeping levels in the England were lower than previous years¹
- Indications that LBTH has a more chaotic rough sleeping cohort compared to other boroughs: Higher levels of substance misuse & mental health problems. 'Everyone In' scheme enabled more support to go in.
- London rough sleepers more likely to be **men** & from **white** ethnic background

A significant rise in homelessness applications is expected as the eviction ban is phased out.

- Contrary to national and regional trends, the rate of statutory homelessness in Tower Hamlets has generally been reducing over the past seven years.
- The eviction ban came in at the start of the pandemic. It ended on 31 May 2021, with a phased return to pre-pandemic eviction notice periods from 1 October 2021.
- Over lockdown in 2020, some council services & VCS staff reported seeing an increase in private renters seeking advice, unable to afford rent & waiting for benefits claims.
- The sector expects a significant rise in family homelessness as the eviction ban ends.
- This is likely to lead to an increase in the use of temporary accommodation for families.
- New Homelessness Transformation Plan may mitigate some of the impacts of this.
- Homelessness acceptances show an overrepresentation of **younger adults**.

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Around 260 people were given emergency accommodation through the 'Everyone In' scheme. Around 180 of this group have been supported with a positive move-on from emergency accommodation

As of June 2021, 31 people have been identified as sleeping on the streets in LBTH.

11% of Londoners aged 16+ were not up to date with their rent or mortgage in March 2021, rising to 17% for renters²





Wider impact on homelessness & rough sleeping - predictions



Next 12-18 months

Longer term

Challenges

- High financial burden on the council to accommodate rough sleepers is high (exit plans normally take 12-18 months)
- Rough sleeping levels may escalate if further government funding is not forthcoming
- 8 rough sleepers with no recourse to public funds need to be funded by the Council
- Large spike in homelessness when eviction ban lifted. Higher risk for: Private rented, tenants already in arrears pre-Covid; financial hardship from reduced work hours, furlough, lay offs; awaiting Universal Credit; relationship breakdowns inc. DA & those 'sofa surfing'.
- Consequent increase in spend on temporary accommodation.

- Financial pressure on council limits ability to develop new supported housing provision
- Economic downturn = more people in financial hardship = higher risk of homelessness = potential increase in temporary accommodation & rough sleeping.
- Following the government's initial large-scale funding injection, funding to tackle rough sleeping & homelessness may be reduced
- Reduction in government funding for short-term emergency options for rough sleepers

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Opportunities

- Support more rough sleepers to have a positive move-on into ongoing accommodation
- Look to attract more government funding to develop more accommodation options for rough sleepers
- Continue good joint working with health and social care
- Opportunities to support tenants to avoid eviction via support & advice, whilst the ban is phased out
- Greater use of private rented sector to resolve homelessness and reduce use of expensive temporary accommodation
- Better web resources for self-help, online facility to self-refer - people receive help upstream and in a timely way.

- Potential to have fewer rough sleepers on the streets
- More & better accommodation options for single people to enable rapid exit from street homelessness
- Transform Housing Options service to prevent & relieve more homelessness; reducing costs on temporary accommodation
- Economic change may impact rent levels, making tenancies more affordable – though income may change in parallel



Impact on domestic abuse



It is difficult to conclusively say domestic abuse increased during the pandemic, but there are indications of this & evidence of increased need:

- Pre-Covid, LBTH had comparatively high levels of recorded domestic abuse: in top 5 highest reporting London boroughs of DA & in top 2 boroughs for domestic homicide.
- Some women will have been put into lockdown with their abuser, often with less opportunity to seek help as a result of the abuser being permanently present. Schools have an important role in detecting DA concerns in families, and school closure likely also impeded the ability of schools to do this.
- At a national level, it is difficult to conclusively say domestic abuse increased as a result of the pandemic, however: Evidence shows an increase in offences flagged as DA-related during the pandemic, possibly also influenced by improved police recording.

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The Met police received an increased number of calls-for-service for domestic incidents following the lockdown, largely driven by third-party calls; likely because people were spending more time at home.

- An increase in demand for DA victim services occurred in the UK during the pandemic, perhaps indicative of an increase in the severity of abuse being experienced & a lack of available coping mechanisms.
- In April 2020, the Home Affairs Committee said there was “evidence that cases are escalating more quickly to become complex and serious, with higher levels of physical violence and coercive control.”

Refuge recorded an average of 13,162 calls and messages to its National Domestic Abuse helpline every month between April 2020 and February 2021. This is up more than 60% on the average number of monthly contacts at the start of 2020,

Whilst the increase maybe temporary, domestic abuse will have longer-term impacts on women, children and young people

- Initially, in Tower Hamlets, levels of domestic abuse reports did not rise locally to the extent feared at the start of the pandemic. However, as the pandemic continued throughout 2020 levels of domestic abuse increased gradually, largely mirroring the national picture.
- In Tower Hamlets, police-recorded DA offences in 2020 was above the 5-year average. Local Independent Domestic Violence Advocacy services and children’s social care domestic abuse referrals all went up in 2020 compared to the year before. Adult social care domestic abuse referrals reduced.
- Whilst the increase may last as long as social distancing restrictions are in place, DA will have longer-term impacts on women, children and young people. It is likely children have had greater exposure to DA given school closures.
- DA is a gendered crime & women are more likely to victims. **Pregnant women, women on low incomes**, with **mental health** issues or **learning disability** are at an increased risk of DA.
- In Tower Hamlets, **Bangladeshi residents** were slightly over-represented in referrals for domestic abuse support.

Local Independent Domestic Violence Advocacy service saw a 21% increase in referrals compared to 2019. Children Social Care domestic abuse referrals went up by 21% (281). Adult Social Care domestic abuse referrals went down by 15%.





Wider impact on domestic abuse - predictions



Next 12-18 months

Longer term

Challenges

- Recovery for those put into lockdown with their abusers
- To be determined whether lockdown lifting removes the risk of increased domestic abuse
- An ongoing economic downturn will potentially impact domestic abuse victims, e.g. through job losses
- Delayed/backlog of trials deters some victims from giving evidence. Prosecution of perpetrators & confidence in system declines.

- Longer-term physical & mental health impacts on women & young children from increased level & severity of DA, inc. depression, immune dysfunction, substance misuse, eating disorders & diabetes. Compounded by shortage of therapies for non-English speaking victims
 - Increased risk of suicide, higher in South Asian women
- Number of long-term negative impacts associated with children who witness DA
- One report estimates Covid will undermine global efforts to end gender-based violence, reducing progress towards ending it by 2030 by a third.

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Opportunities

- Domestic Abuse Act enables to domestic abuse victims get priority need status to access housing.
- Opportunity to raise awareness of domestic abuse & support available to people
- Virtual offer of support positive for some

- Social activism to tackle gender inequality has the potential to tackle misogyny as a driver of domestic abuse



Impact on crime and ASB



Crime dropped with lockdown, but is rebounding to 'normal' levels in some areas and adapting in others

- Pre-Covid, LBTH had the 6th highest rate of crime in London based on total notifiable offences.
- Nationally, crime was lower in all categories during lockdown, except for anti-social behaviour and drug offences. Burglary & shoplifting particularly dropped as people stayed at home & shops closed. LBTH largely reflects national trends: Reported burglary, robbery & violence with injury (non-domestic abuse) all reduced with lockdown.
- Lockdown made policing easier in some respects: people moving around less made it much easier to track down dealers, potentially influencing more arrests for drug-related crimes¹

However, nationally and locally, these reductions are likely to be temporary trends linked to lockdown. For example as previously noted, we are starting to see increases in serious youth violence and gang activity.

- In other areas, crime patterns have adapted and shifted. New financial fraud patterns linked to Covid appeared, with one report indicating that the UK's cybersecurity agency has taken down more scams in the last year than in the previous three years combined, with coronavirus and NHS-themed cybercrime fueling the increase². These adaptations may be more lasting.
- **Older** people and those feeling more socially isolated may be at an increased risk of Covid-related fraud. A disproportionate number of fines and arrests made during lockdown were issued to **BAME** residents in London.

For the 12-month period to year ending December 2020, total police recorded crime decreased by 8%.

ASB concerns have surged since the pandemic started. It remains to be seen whether this will be a longer-term trend.

- Pre-Covid, LBTH had 2nd highest rate of ASB calls in London.
- ASB reports increased with lockdown and have remained high since then. Nationally, in Oct-Dec 2020, incidents of ASB recorded by the police (excluding West Midlands and British Transport Police) were 41% higher than those recorded Oct-Dec 2019.
- LBTH reflects this trend: ASB concerns reported to the council and/or police increased by 80% in 2020-21 compared to the year before. The council received 3,197 ASB concerns in 2020-21 compared to 1,681.
- The scale of increase is thought to be significantly driven by reports of breaches of social distancing restrictions. ASB concerns made to the council were 198% higher in April 2020 vs. April 2019, and 105% higher in January 2021 vs. January 2020.
- Higher levels of ASB concerns is also thought to be influenced by noise complaints and friction between neighbours, partly as a result of increased home working.
- If this is what is driving the rise in ASB complaints, we might expect a reduction as social distancing restrictions ease. However, as some form of increased home working is expected to persist, ASB concerns may remain higher than pre-pandemic levels for some time.

In the 2021 mid-pandemic residents survey, crime and ASB were a top concern: 47 per cent of respondents selected it as one of their top three concerns.





Wider impact on crime & ASB - predictions



Next 12-18 months

Longer term

Challenges

- Ongoing resurgence of crime types that dropped due to lockdown
- Ongoing resurgence in serious violence, including serious youth violence, with links to drugs markets
- Ongoing changes in 'crowded places' (e.g. supermarkets) results in new terrorism risks
- Likely that increase in cybercrime and fraud will continue
- Increased level of ASB concerns may continue to an extent as increased home working patterns persist

- Any increase in deprivation is likely to have a long-term negative impact on crime & ASB levels
- This, in turn, will negatively impact victims & residents
- Travel restrictions may continue to result in adapting crime patterns

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Opportunities

- ASB concerns driven by breaches in social distancing restrictions should reduce as these restrictions lift
- ASB concerns driven by increased home working should reduce to an extent if this reduces
- Opportunity for residents to be more active in reporting crime having experienced a reduction over lockdown

- Longer-term changes in working patterns might continue to impact on crime patterns – e.g. homeworking



Impact on substance misuse



The number of referrals for substance misuse rose with lockdown, but the drugs market is unlikely to significantly change

- Pre Covid, LBTH had the highest estimated rate of crack & opiate use in London
- Lockdown caused initial changes to drugs markets. A UN report concludes that Covid led to opiate & cocaine shortages & price rises, and that trend was seen in LBTH. However, this trend did not persist as supply methods adapted.
- There is evidence that drug supply via the dark web increased over 2020, with one survey indicating using the dark web to purchase drugs increased over the pandemic⁴

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The number of people referred for substance misuse treatment increased in LBTH in 2020, influenced by engaging with rough sleepers with substance misuse problems via the 'Everyone In' scheme. Referral levels peaked in Aug-Sep 2020, and again in Feb-March 2021 during the second lockdown.

- An average of 113 referrals for substance misuse treatment were made each month in 2020-21⁵
- However, this is unlikely to have a significant impact on the cohort of drug users who have 'limited recovery capital'. People in this cohort tend to be older and are likely to develop more complex needs in future.

Between January and March 2020, 193 referrals for substance misuse treatment were made. Between January and March 2021, the figure is 452.

Alcohol use mixed, but those drinking most may be drinking more

- The pandemic has caused increased stress levels for many, which in turn can trigger excessive alcohol consumption.
- Evidence suggests most people did not change their drinking amount but among those who did, a larger proportion of them increased consumption.
- There are some indications that already heavy drinkers were more likely to consume more.
- Provisional data for England and Wales show there was a 19% increase in deaths from alcohol-specific causes in 2020 compared to 2019.
- There is a risk that the pandemic causes an increase in problematic drinking in the medium term, given that excessive alcohol consumption is common after traumatic events as a response to high stress levels.
- The pandemic has had a largely negative impact on mental health. The interplay between substance misuse & mental health means they risk being exacerbated.
- Overall, **men** and people of a **White British** ethnic background are more likely to drink at harmful or dependent levels³
- During lockdowns, **women, parents of young children**, people with **higher income** and those with **anxiety and depressive** symptoms reported the highest increase in alcohol consumption in the UK¹

One national study between May and June 2020 indicated that 36% of individuals increased their consumption of alcohol, 22% decreased their consumption and 42% reported no change in the quantity drunk¹





Wider impact on substance misuse - predictions



Next 12-18 months

Longer term

Challenges

- As drugs markets revert to pre-pandemic picture, substance misuse issues will continue
- Potential continued rise in use of the dark web for drug supply
- Those with 'limited recovery capital' are likely to need ongoing support
- Risk that excessive drinking continues by some as a response to traumatic events
- Risk of poorer health outcomes and death if heavy drinkers continue drinking at higher levels after lockdown
- Link between substance misuse and mental health means both risk being exacerbated.

- There is a cohort of long-term opiate/crack users who are ageing and will likely need more support as a result of complex health needs as they get older
- Link between substance misuse and mental health means both risk being exacerbated.

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Opportunities

- Opportunity to continue to engage people to access treatment and to prevent relapse
- Stressors that caused increased alcohol consumption for some may lift as lockdown lifts

- Opportunity to use lessons from pandemic to make further improvement in levels of crack and opiate use in LBTH via treatment referrals, prevention & early intervention



Impact on education & learning



A loss in learning time has impacted academic progress and potentially widened the attainment gap.

- Pre-Covid, attainment across LBTH at all stages of school was above national averages. All but 4 schools & all but 3 childcare settings rated by Ofsted as good or outstanding.
- Classroom learning disrupted since pandemic due to school closure and children & staff self-isolating. Further exacerbated by 'digital divide'. Public exams cancelled in 2021 & 2022.
- A 3-year gap in attainment benchmarking is impacting our ability to understand local attainment levels.
- Improvements in remote learning² & tackling digital divide positive but impact on learning not fully mitigated. Analysis estimates pupils lost approx. third of learning time they would have had if pandemic had not happened¹
- No LBTH or national data on learning progress. Local insights suggest pupils made less academic progress than previous year groups⁵. Feedback that government plans to support catch-up fall short of what is required.
- Differing views amongst head teachers on extent & length of the impact on learning. Disadvantaged children usually catch up by around year 2 in LBTH, but attainment gap is likely to extend for longer.
- A number of children with **special educational needs or disabilities** experienced disruption to their learning & wider support, e.g. therapeutic provision.
- The attainment gap for **disadvantaged children** likely grown. Overcrowding, sharing digital devices amongst large families, affordability/access to broadband & devices all potential barriers.

In early years, lockdown likely significantly impacted language, communication skills and school readiness.

- Early years attendance reduced with lockdown. It has since increased but overall take up at the end of May 2021 was still below autumn 2019 levels. Take up of the free entitlement for disadvantaged children is particularly low.
- One report states that 'the partial closure of early years settings is likely to have had significant implications for the wellbeing, learning and development of children'³
- Concerns about the impact of the pandemic on language & communication skills & school readiness amongst young children. In one study, three quarters of primary schools said pupils starting school in Sept 2020 needed more support than previous cohorts.⁴
- Primary exclusions have increased (secondary declined), suggesting growth in complex & challenging behaviours in some younger children.
- Most studies have taken place in primary schools. Results from studies on older pupils' attainment are less consistent.
- Concerns around language skills for young children whose **first language is not English**.

Missing school has had significant wider impacts on the lives of children and young people

- The number of children electively home educated rose from 167 (Sep 2019) to 268 (Jul 2021) in LBTH. The pace of requests has eased over time.
- School closure impacted wellbeing. Significant increase in mental health concerns & access issues due to Covid constraints. Some children had less space & opportunity to play, socialise & be physically active.
- Cancellation of public exams affected some students' confidence and increased anxiety.
- All primary school children received free school meals pre-Covid. The National Voucher Scheme over lockdown went only to those eligible; potentially contributing to food poverty.
- Less face-to-face interaction between staff & children made issues including safeguarding harder to identify.
- Parents & carers impacted by increased caring & learning responsibilities (often combined with work).
- Some schools report that Covid arrangements, e.g. staggered start/end times; one-way systems, have improved behaviour & reduced incidents of bullying.
- Schools have experienced workforce pressures, though no higher turnover in staff has been observed to date.
- Some surveys indicate **young females** & those from **lower-income families** reporting lower wellbeing.

A survey of schools conducted by Tower Hamlets Education Partnership in Jan-Feb 2021, estimated that an additional 10,000 students (1 in 4) remained unable to access online learning at the same level as their peers.

Take up of the free entitlement for 3 & 4-year-olds fell 50% in autumn 2020 vs. autumn 2019. Take-up of free entitlement for disadvantaged two-year-olds fell 33%.

The Institute for Fiscal Studies (IFS) estimates that the total value of lost earnings due to missed schooling in the pandemic is £350 billion, or £40,000 per child over their lifetime.



Wider impact on education & learning - predictions



Next 12-18 months

Longer term

Challenges

Ensuring all pupils have necessary resources to learn effectively at home; tackling the digital divide and lack of devices & connectivity

Priority to support children with lost learning time & academic progress

Tackle low take-up of early years offers

Fewer children 'school ready' in September 2021

Address increase in challenging behaviour in primary aged children

Support needed by some to return to school. Includes those not attending due to mental health reasons, affected by serious youth violence or travel restrictions.

2021 GCSE, AS, A-level grades based on teacher assessments (can appeal)

Schools to continually evaluate curricula so no pupils are left behind post-Covid.

Less take-up of practical subjects (GCSE & A-level) as limited teaching during lockdowns.

Risk to recruitment & retention of school staff over next few years.

Priority to support children with lost learning time & academic progress. Scale & range of national catch-up initiatives not enough

Attainment gap for disadvantaged children takes longer to close at primary

Risk of attainment levels dropping. LBTH hard hit if Covid exacerbates social inequalities

Poorer language acquisition & reduced early socialisation in 0-5 year olds impacts on outcomes in school & beyond – concern that impact on young children will be hard to recover from

Risk of educational underachievement and reduced lifetime earnings.

Financial impact on higher education as a result of a drop in international student applications

Those who miss exams have less experience of them in future

Wider impacts of school closure on health, emotional well-being, confidence, physical development & learning persist into the future

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Opportunities

Digital poverty gap is closing

Tackling digital divide in education better equips children and young people for adulthood

Some young people who were previously disengaged from education benefitted from home learning during lockdown - opportunities to build on this

Greater awareness of the importance of mental health

Many children will remain resilient in face of challenges

Schools continuing to engage with innovate ways of working

Increased familiarity with technology for education for school staff, pupils & parents will have long-term educational benefits



Impact on transport, air quality & cities



Public transport usage is rebounding at a slow pace than car use. Bike use has increased and this may continue.

- Car use dropped with the first lockdown, then increased more quickly than public transport or walking¹ from May 2020 onwards.
- TfL & public transport usage levels plummeted then grew. But still below pre-pandemic levels. Potential for longer-term home working could slow full recovery¹
- Bus usage levels have been higher than rail² & tube in London over Covid-19. Many key workers & low-income groups reliant.
- Social distancing restrictions & initiatives to encourage more walking & cycling – e.g. Streetspace, Liveable Streets – contributed to a surge in popularity for bikes in mid-2020. Increased cycling may be a lasting legacy of the pandemic.
- The same initiatives may also encourage more e-scooter use.

The scale of air quality improvements over lockdown were temporary, but home working patterns & active travel may still impact this longer-term

- Pre-Covid, air quality & road congestion key challenges in LBTH. 37% of LBTH residents own a car (well below national average) but high levels of congestion from through traffic & major roads.
- Levels of nitrogen dioxide from road traffic fall very sharply in London with the first lockdown & overall in 2020, concentrations of NO₂ at the roadside were consistently lower than the average of the previous 3 years⁴
- Since then, there are indications that levels of nitrogen dioxide have increased but remain lower than pre-pandemic levels.

Working and consumer patterns may change city centres and city migration patterns, predictions differ on the scale of change.

- Impact on population size is still emerging, but predictions that London's population may have decreased for the first time this century⁵
- Speculation that Covid may accelerate urban-to-rural migration. Longer-term increased home working could mean more higher earners in knowledge-based industries leaving urban areas⁶
- Feedback is that increased home working has resulted in greater levels of household waste, has contributed to increasing ASB complaints & concerns on things like street cleaning & is changing use of public space (e.g. more use of parks).
- Urban-to-rural migration & an accelerated move to online shopping may impact city centres & sites like Canary Wharf.
- LBTH may be well-positioned for '15-minute city' concept, whereby key services and activities are available within 15- minute journey.
- Concerns raised about longer-term impacts on arts and culture sector in London.
- Others speculate that longer-term changes for cities will be less radical following Covid-19.
- Higher earners leaving London risks worsening place-based inequalities to the detriment of **deprived areas**⁶

Santander bike hires in LBTH in the first quarter of 2019, 2020 and 2021 respectively were 709k, 846k and 780k⁷

There were 377k tube taps at LBTH tube stations on 28.1.20, 85k on 22.3.20 and 151k on 23.6.21.

NO₂ levels are captured in borough locations. Mile End Monitoring Station monthly average NO₂ µg/m³ for Aprils 2019, 2020 and 2021 respectively was 41, 24.7 and 30. The average for Blackwall was 42,30.8 and 35⁷.

With few visitors around, London's bike-sharing scheme saw a threefold increase in new users between March and July 2020¹

In a summer 2020 housing survey carried out by London Assembly Housing Committee, One in seven Londoners (14%) want to leave the city as a result of the pandemic.

A drop in fare income led to the loss of £3.5 billion in revenue for TfL in 2020-2021¹





Wider impact on transport, air quality & cities - predictions



Next 12-18 months

Longer term

Challenges

- Potential continued rebound in car usage & congestion as lockdown eases if public transport is seen as higher risk for Covid, leading to poor air quality
- Financial pressures facing TfL cause fare increases
- An accelerated migration from London risks negatively impacting the local economy

- Future TfL 'bailouts' deals could result in free or subsidised transport for young, old and disabled to reduce or end
- The postponement of some TfL improvements negatively impacts on public transport
- Climate change could be pushed down the agenda as a result of socio economic impact of Covid
- An accelerated migration from London could exacerbate place-based inequalities in LBTH
- Increased levels of homeworking has interfaces with levels of household waste, ASB complaint levels, and how public space is used (e.g. parks).

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Opportunities

- Opportunity accelerate aims of the LBTH Transport Strategy, including encouraging more walking & cycling.
- People more aware of benefits of better air quality
- Improved air quality will have health benefits given air pollution increases the risk of many pre-existing conditions that make Covid more severe (e.g. asthma) & possibly Covid itself

- Opportunity to change how people travel around the borough on a long-term basis, towards more active travel
- Road safety increases if not dominated by cars
- Potential for review of planning policy/regeneration projects to support this shift
- Physical and mental health benefits of increased physical activity & improved air quality
- Contributes to tackling climate change
- Movement of some companies towards more home working reduces pressure on public transport
- LBTH potentially well-placed for '15 minute city' model



Impact on community cohesion & involvement



Feelings of community cohesion generally improved at first across the UK, then dropped down to pre-pandemic levels

- Pre-Covid, LBTH had comparatively high levels of resident-reported community cohesion levels.
- One report suggests a slow decline in people's sense of neighbourhood belonging across 2014-19, a strong sense of division in the UK; and a shift to finding community in virtual spaces¹.
- Evidence is that social cohesion grew at the start of the pandemic, with a sense of people 'coming together'. Feelings of unity then returned to slightly above pre-pandemic levels by Sept 2020¹.
- Indications that people feel a stronger sense of cohesion with their local community than in general. A report found local authorities that invested in social cohesion fared better on this over 2020¹.
- Lockdown resulted in some forming deeper connections with neighbours¹.
- Social activism & conversations on **BAME inequality** have been a core part of 2020. It is likely that the disparities highlighted by the pandemic contributed to this.
- **Key workers, deprived areas, younger people** & those from **Pakistani, Bangladeshi, Black & 'Other'** backgrounds experienced greater declines in feelings of cohesion during the pandemic¹.
- Hate crimes against **Chinese and East Asian** people grew when the pandemic started¹ grew across the UK, but this was not seen in

In the 2021 LBTH Covid Residents Survey, 79% respondents agreed that people from different backgrounds get on well together

In the 2020 LBTH Covid Residents Survey, 43% of respondents said the pandemic had a positive impact on feelings of belonging to a local community. 18% reported a negative impact.

Trust in government institutions & mainstream media improved then dropped. The local picture is more positive than the national picture.

- Pre-Covid, there were low levels of trust in government institutions across the UK. Trust levels initially rose with the first lockdown, then returned to pre-pandemic levels later in 2020¹.
- Trust in local government and the sense of local unity have been higher and more consistent¹.
- There are indications of a reduction in trust in mainstream media. Some misinformation and disinformation spreading quickly across things like social media¹.
- **Key workers'** trust in government has fallen particularly dramatically. 57% of people from a **BAME** background reported trusting government advice at the peak of the pandemic, compared with 75% of white people¹.

In the 2021 LBTH Covid Residents Survey, 64% respondents reported trusting the council. In 2019 this was 69%, though the results cannot be compared due to differences in the sample of respondents

In December 2020, 57-60% of Londoners perceived national division to be growing. 20-23% perceived local division to be growing & 29-30% thought it was increasing¹

Volunteering surged with the pandemic & became hyper-local. Volunteering remain high

- Local communities, hyper-local mutual aid groups and local voluntary organisations have been critical to the pandemic response¹.
- A huge number of mutual aid groups spring up around the UK and in LBTH when the pandemic started.
- The pandemic saw a shift from local to 'hyper-local' forms of intervention and organisation¹
- One report notes that Covid also changed volunteering, accelerating trends towards online and 'micro' volunteering
- The Covid-19 volunteer hub recruited 3,209 volunteers supporting over 100 organisations as of July 2021, ranging from food delivery to vaccine centre marshals. Recruitment rates were highest over the first lockdown.
- Volunteering surge seen as potential positive Covid legacy.
- **Younger adults, men** and those from **higher socio-economic groups** were more likely to volunteer (nationally & locally). This is possibly influenced by Covid-19 risks and barriers facing other groups.

In the 2021 LBTH Covid Residents Survey, 25% said they had volunteered in Tower Hamlets or outside the borough at least once in the last 12 months



Wider impact on community involvement & cohesion - predictions



Next 12-18 months

Longer term

Challenges

- Mistrust in mainstream media & government risks people making decisions based on incorrect information, to their own & others detriment
- Some studies suggest economic downturn increases the risk of 'scapegoating'
- Reduced opportunity for different communities to come together in public events undermines work to promote community cohesion

- Longer-term shifts in perceptions of national and local government and mainstream media may present further challenge, including on public health messaging
- Some studies suggest economic downturn increases the risk of 'scapegoating'

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Opportunities

- Continue to support hyper-local community action
- Utilise social activism to help tackle discrimination and inequality
- Support and further embed volunteering to the benefit of community and VCS
- Keep mechanisms for community engagement that worked well over the pandemic, applying to other issues
- Capitalise on higher rates of trust and unity locally

- Social activism has the potential to tackle long-standing inequalities
- Increased levels of homeworking provides more opportunity for residents to be more involved in their local communities



Impact on local authority finances and services



TOWER HAMLETS

The pandemic has put extreme pressure on local authority finances, and government funding has not yet been enough to fully mitigate the impact.

- The pandemic has caused sudden and severe drops in local authority income, including from Council Tax and Business Rates. For example, the number of people claiming benefits and qualifying for the Council Tax Reduction Scheme increased significantly. More businesses are paying less in business rates.
- Non-repayment of debt to the local authority increased, likely due to the pandemic. For example, the number of people defaulting on Council Tax payments increased.

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Concurrently we had new areas that required expenditure, such as PPE, infection control, testing and emergency food provision.

There has been an increase in costs in adult social care: A focus put on getting people discharged from hospital as quickly & safely as possible often meant large amounts of homecare put in place to enable this to happen. The increase is being met by the NHS, but this is a temporary arrangement, whereas there could be an increased long-term need – e.g. increased homecare due to long Covid.

- And concurrently, we have seen an increase in demand for support in other areas, such as domestic abuse and mental health support; with subsequent financial implications.
- Some of the projects intended to make savings had to be paused or delayed as we focused on the Covid-19 response
- Combined, this put significant pressure on our finances.

- Early in the pandemic, the Government pledged to provide 'whatever it takes' to local authorities to cover the cost of dealing with the crisis. However, there is feedback in the sector that this commitment has not yet been fulfilled.
- Additional emergency short-term funding was provided by government to councils as a result of Covid-19; and the national review of things like business rates was postponed
- The November 2020 Spending Review announced that the government would provide funding to Local Authorities for 75% of the 2020-21 Business Rates & Council Tax deficits (with the 25% remaining to still be repaid over three years by local authorities).
- Financial planning is challenging in this environment as new funding and grants have often been announced with very short notice and for a limited time period.
- We are using those grants to meet the costs and reduced income arising directly from Covid. This includes specific grants for Test and Trace, Outbreak Management, Infection Control (including supporting social care providers), Rough Sleepers & Reopening High Streets Safely.
- However, the grants do not address the wider, negative financial impacts of the pandemic on local authority finances.
- Our Medium-Term Financial Strategy (MTFS) was reviewed during the pandemic and extended to 2023-24. The MTFS approved at Council in March 2021 agreed the planned use of £1.3m reserves to balance the budget in 2021-22 and identified a potential budget gap of £10.9m for 2022-23 after the use of £8.2m reserves.

Covid-19 impacted on a number of council services, with knock-on impacts for staff and residents

- Council staff sickness levels and self-isolation levels over the pandemic impacted the timeliness of some council services.
- All council services had to adapt to new social distancing restrictions. For some services, this meant moving from a primarily face-to-face service with residents to one that was primarily over the phone or online. Feedback is that this worked well for some residents, and presented challenges for others.
- Some council services have dealt with an increase in demand, e.g. as a result of an increase in ASB complaints, or increased pressure to support businesses to adapt or operate in a Covid-safe way.
- Some council services were also impacted by redeployment, as some staff took on temporary, new roles to help respond to the pandemic (e.g. working to help distribute PPE).
- Work is now underway to retain what worked well during lockdown, and to restore face-to-face services as an option as soon as it is safe to do so.

The latest assessment of the 2020-21 Business Rates outturn position shows a significantly increased deficit (c£40m worse) on our Collection Fund, which is partially, but not fully mitigated by the government





Wider impact on local authority finance & services - predictions



Next 12-18 months

Longer term

Challenges

- Financial planning remains challenging as new funding often announced with short notice & for a limited time period
- NHS funding for increases in adult social care costs arising from hospital discharge is due to end in October, resulting in an additional pressure on finances.
- Increased financial pressure if continue to have reduced income from Council Tax and Business Rates
- Increased financial pressure if there is an increase in unemployment and deprivation – particularly when furlough ends & interventions withdrawn.
- Increased financial pressure arising from increase in demand for children’s social care, mental health support, domestic abuse support

- Ongoing increase in financial pressures in the areas where an increase in demand persist – e.g. social care
- Disruption to preventative actions (e.g. non-Covid immunisation rates) during pandemic results in costs later down the line
- Reduced demand for work spaces result if more home working & less business based in the borough = less income via business rates = increased financial pressure.
- Economic downturn or lack of ‘bounce back’ results in reduced income and less repayment of debt + potential that council has to meet shortfalls in VCS provision = increased financial pressure.

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Opportunities

- Potential of government announcement of sustainable, long-term funding solution to meet the indirect additional costs of Covid-19
- Retain service delivery that worked well during the pandemic, including having more digital and phone options

- Swift economic recovery will relieve some of the financial pressure
- Retain learning from the pandemic on how to flexible and agile in our response to emergency situations



Impact on inequality / particular groups – summary*



Ethnic background

- BAME communities: interfaces with mental health impacts, economic impacts, crime and policing impacts, domestic abuse impacts, a steeper decline in feelings of community cohesion, and lower trust in government institutions.
- White communities: interfaces with rough sleeping and harmful/dependent drinking impacts.

Age

- Children & young people: interfaces with learning & education impacts, social care & safeguarding impacts, mental health & lockdown impacts,, unemployment impacts & a steeper decline in feelings of community cohesion
- Older people: interfaces with disruption to health services, social care & safeguarding, Covid-related fraud impacts, mental health impacts, unemployment (50+) impacts

Sex; pregnancy & maternity

- Women: interfaces with long Covid, mental health impacts, domestic abuse impacts, economic impact, increased alcohol consumption
- Pregnancy: Domestic abuse impacts.
- Interfaces with childcare running through some of these.
- Men: interfaces with rough sleeping and harmful/dependent drinking impacts

Disability

- Interfaces with long Covid, disruption to health services, mental health impacts, social care & safeguarding impacts, economic & employment impacts, domestic abuse impacts.

Socio-economic

- Areas with high levels of deprivation: interface with long Covid, healthy behaviour impacts, a steeper decline in feelings of community cohesion, impacts to places arising from home working
- Lower income groups: interfaces with mental health impacts, employment & deprivation impacts, domestic abuse impacts.

Key workers; carers

- Interfaces with mental health impacts, a steeper decline in feelings of community cohesion, and lower trust in government institutions.

**This information identifies the impacts on the areas identified in this assessment, but it should be noted that there will be wider impacts on other groups and protected characteristics. For example, disruption to NHS services may have had an impact on gender identity clinic waiting times, and social distancing requirements at maternity appointments have impacted pregnant women. Please see the Equality Analysis of the Covid-19 impact carried out in 2020 for more detailed analysis on each protected characteristic.*



Temporary & longer-term impacts

Temporary impacts

- Crime dropped
- Car use dropped
- Air quality improved
- Feelings of cohesion increased

Changing impact

- Demand for mental health support dropped then rose
- Children's social care referrals dropped then rose
- Adult safeguarding referrals dropped then rose
- Demand for domestic abuse support dropped then rose
- Rough sleeping dropped then started to increase

Cushioned impacts

- Impact on employment cushioned via furlough scheme
- Impact on business cushioned via loans
- Impact on homelessness cushioned via eviction ban
- Impact on food poverty cushioned via holiday hunger schemes

Longer-term, persistent impacts

- Physical health impacts
- Mental health impacts
- Impact on deprivation
- Impact on inequality
- Impact on education and learning
- Changing working & travel patterns
- Lasting impact of trauma on individuals



Cabinet 22 September 2021	 TOWER HAMLETS
Report of: Sharon Godman, Director of Strategy, Improvement and Transformation	Classification: Unrestricted
London Borough of Tower Hamlets Poverty Review	

Lead Member	Councillor Mufeedah Bustin, Cabinet Member for Planning and Social Inclusion (Job Share) - Lead on Social Inclusion
Originating Officer(s)	Frances Winter, Strategy and Policy Manager – Children and Culture
Wards affected	All wards
Key Decision?	No
Reason for Key Decision	This report has been reviewed as not meeting the Key Decision criteria.
Forward Plan Notice Published	29 June 2021
Strategic Plan Priority / Outcome	People are aspirational, independent and have equal access to opportunities.

Executive Summary

The Council conducted a Poverty Review which focused on our interventions designed to address poverty and recommends a series of a short-term actions to support residents to recover from the financial impact of the pandemic. In the medium term, it recommends a focus on three strategic priorities: early financial intervention; employment and skills; and a bright future for the new generation.

The Poverty Review Report and Recommendations is attached at appendix 1.

Recommendations:

Cabinet is recommended to:

1. Note the review report and findings, and agree the recommendations set out in the report.
2. Agree an annual report to Cabinet outlining the progress made implementing the recommendations including our work with partners.
3. Note the equalities considerations as set out in Paragraph 4.

1 REASONS FOR THE DECISIONS

- 1.1 Social justice lies at the heart of the Tower Hamlets Plan, with a shared commitment to tackling inequality and building a strong, inclusive and fair borough. The Council's contribution is found in our Strategic Plan which sets out key priorities designed to ensure fairness and the improvement of social and economic outcomes for the residents of Tower Hamlets.
- 1.2 The Poverty Review was conducted to provide an evidence base and recommendations that will help influence and shape future council and partner actions to address poverty. It fulfils a commitment in the 2021 – 24 strategic plan to “explore options on the borough's approach to tackling poverty and addressing the additional impact of the pandemic in the borough”.

2 ALTERNATIVE OPTIONS

- 2.1 The original intention was to host a Child Poverty Commission. These plans were delayed following the start of the Coronavirus pandemic, and the need for an urgent partnership response to the murder of George Floyd and the Black Lives Matter movement which was fulfilled through the Black, Asian and Minority Ethnic Inequalities Commission. In early 2021, the Poverty Review started with a scoping exercise which concluded that a focus on council-supported interventions would support a timely analysis and response to the pandemic and its impact on residents' livelihoods.
- 2.2 An alternative approach would have been to not conduct the review. This would have represented a missed opportunity to understand the impact of the council's considerable investment in tackling poverty.

3 DETAILS OF THE REPORT

- 3.1 The London Borough of Tower Hamlets Poverty Review was a member-led review. It focused on interventions implemented or funded by the council.

- 3.2 The review aimed to develop strategic recommendations to inform future short term and longer-term poverty reduction interventions by the council and its partners, with a particular focus on child poverty and poverty affecting older residents.
- 3.3 The review was informed by engagement and consultation with residents and partners, and relevant data, research, and evaluation, including a poverty profile and mapping of council-supported poverty interventions. Toynbee Hall was commissioned to carry out community-led research with residents who experience living on a low income. The review also drew on the findings of the Black, Asian and Minority Ethnic Inequalities Commission, the council's Covid Impact Assessment, and work underway to develop a digital inclusion action plan.
- 3.4 Poverty is defined as not being able to afford the essentials for life in London today. Residents told the review that finances matter, but so do a multitude of other factors: feeling safe, good mental and physical health, green spaces, opportunities to learn and have fun, and a sense of belonging and community. Tackling poverty and improving the quality of life for low-income residents go hand in hand.
- 3.5 Tower Hamlets residents face amongst the highest rates of poverty in the country. Poverty is sustained by above-average levels of worklessness, in-work poverty, high living and housing costs, and an inadequate social security safety net. Families with a disabled member, lone parents with dependent children, residents from Black, Asian, and Minority Ethnic backgrounds and larger families are more likely to live in poverty. The pandemic has intensified inequalities and created new vulnerabilities, with economic consequences which are still unfolding.
- 3.6 Despite a £200 million reduction in central government funding since 2010, the council has maintained and added to a large and relatively-well funded local safety net prevents residents on low incomes falling into even greater difficulties. Importantly, it helps to reduce poverty, improve incomes, reduce the cost of living, and support residents in financial hardship. In many service areas – including children's centres, support to free school meals, advice provision including that found the voluntary sector, the council's Tackling Poverty programme, and council tax reduction - the level of investment compares favourably with other local areas. A striking feature is the stability of the programmes with multi-year financial commitments which offer predictability of the provision for residents and partners.
- 3.7 There is unmet potential to adopt a more systematic and proactive approach to financial inclusion and income maximisation across council services and

possibly other partners. Residents and staff report difficulty getting information about the support available to them. Greater impact could be achieved through more effective use of data and information as well as building on existing relationships the council has with residents who are at risk of poverty.

- 3.8 The review identifies several cross-cutting issues for further consideration: including impact evaluation, communication, involvement of residents in strategic responses to poverty, and coordination of interventions. Further work is recommended to support a response to specific identified challenges including insecure work, residents with no recourse to public funds, and to increase take-up of free early education.
- 3.9 The review recommends that future work on poverty is focused on three strategic priorities. The priorities are local actions that will make a real and sustainable difference to residents at risk of poverty. They are cross-cutting and require collaboration across different council services, as well as across the Tower Hamlets partnership. In particular, the review highlighted the importance of working alongside trusted institutions including schools, and voluntary, community and faith groups, to build on grassroots support and improve access.
- i. **Early financial intervention** - taking a whole systems approach to increasing incomes, reducing costs and averting financial crisis and homelessness.
 - ii. **Employment and skills** – developing and extending our partnership programme to improve skills and improve access to decent work with opportunities for progression. Investigating a partnership response to low paid and insecure work.
 - iii. **A bright future for the new generation** – sustaining a relentless focus on achieving the best for all our children and young people, so that they have the skills, confidence, and best possible mental and physical health they need to flourish as adults.
- 3.10 An immediate priority is to support residents to recover from the financial impact of the pandemic. The review makes a number of short-term recommendations, with a focus on supporting residents to access available support from the council, partners and national programmes.
- 3.11 Work is well underway on many of the priority areas identified by the review:
- The Tackling Poverty team and the Children and Culture Directorate are exploring the roll-out of early financial intervention and use of the Benefits and Budgeting Calculator across children’s services, with initial support from the Local Government Association.

- From autumn 2021, the review findings and recommendations will be used as part of the evidence base for transformation of frontline services.
- A revision of the Tower Hamlets Growth and Economic Development Plan is being scoped in light of the economic impact of the pandemic on the borough. This will consider how best to implement the recommendations on employment and skills, along with more immediate steps already being put in place to support economic recovery.
- The Early Help & Children and Families Service is working to increase take up of free early education places, with a focus on the disadvantaged two-year old offer.
- The new Tower Hamlets Connect digital portal has launched. It includes user-friendly information on money management, debt and paying bills, with links to local information and advice.
- Discussions are planned to scope a proactive approach to identifying residents likely to be in rent arrears and advice to enable them to sustain their tenancies, through joint work between the Tackling Poverty and Housing Options services.

3.12 During the course of the review, residents and stakeholders raised several important broader issues. They highlighted the importance of good mental and physical health, a green environment, community safety, opportunities for learning, cultural enrichment and youth provision, and community hubs and spaces for residents to come together and support one another. The Tower Hamlets Partnership is built on a shared commitment to social justice, and the Tower Hamlets Plan sets out partnership actions to tackle inequality and build a strong, inclusive and fair borough. These actions provide the backdrop for specific poverty focused interventions. A briefing on the Poverty Review and the findings of the consultation and engagement process will be prepared for relevant partnership boards as a basis for discussion about how these broader issues can be addressed.

3.13 Following publication of the Poverty Review the council will consider the implications of the recommendations and determine future action across a range of functions from communication, customer services, commissioning, and frontline service delivery. However, the council will also need to collaborate with its partners and discussions will take place at the different partnership boards and with partner organisations. The council will provide the Mayor and Cabinet Member for Social Inclusion with a progress update in six months and an annual report at Cabinet.

4 EQUALITIES IMPLICATIONS

- 4.1 Poverty and inequality go hand in hand. The review explored how systemic inequalities in access to employment and opportunities put some groups of residents at a greater risk of living in poverty. London-wide data shows that children, disabled people, people from Black, Asian, Minority Ethnic backgrounds, and lone parents (the majority of whom are women) are more likely to live in poverty. Those residents who have no recourse to public funds are particularly vulnerable to poverty, as they face barriers to accessing housing or welfare support. A background paper sets out the detailed evidence on poverty and inequality underpinning the review.
- 4.2 The review also drew on the findings of the Black, Asian and Minority Ethnic Inequalities Commission, the council's Covid Impact Assessment, and work underway to develop a digital inclusion action plan, all of which included detailed consideration of equalities issues.
- 4.2 Implementing the recommendations will require a combination of system-wide changes, combined with careful attention to inequalities and the diverse needs and circumstances of different residents.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
 - Consultations,
 - Environmental (including air quality),
 - Risk Management,
 - Crime Reduction,
 - Safeguarding.
 - Data Protection / Privacy Impact Assessment.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The implementation of any recommendations or next steps arising from this report will need to be contained within agreed approved budgets.

7 COMMENTS OF LEGAL SERVICES

- 7.1 The recommendations shown in the appendix are within the Council's legal power.

- 7.2 However, the review is informative in nature and any further schemes developed to implement both recommendations will be subject to separate approval in accordance with the constitution.
-

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

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

- Poverty Review Scope
- Review Process and resident and stakeholder engagement
- Mapping (March 2021)
- Evidence base and updated Poverty Profile 2021
- Toynbee Hall Community Research Report

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London Borough of Tower Hamlets: **Poverty Review**

**Report and recommendations
September 2021**

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Foreword

Tower Hamlets is a fantastic place to live. It's a place rich in history, where for hundreds of years people have come in search of a better life, put down roots and called Tower Hamlets home. Our residents have contributed immeasurably to London's economy and culture. We have a thriving economy, a rich cultural and arts scene, and an amazing community spirit built on a tradition of solidarity stretching back nearly two centuries. Our diverse, young population is full of energy and talent, supported by families who want the very best for their children. In the past twenty years, education in the borough has transformed, and more residents are in work.

Yet against this backdrop of a rich and thriving borough of opportunity, we have people living in some of the highest levels of deprivation in the country.

Poverty in Tower Hamlets is nothing short of an emergency. On the eve of the pandemic, in a typical classroom of thirty children, seventeen were living below the poverty line. More than four in ten older people were living in low-income households. A completely inadequate social security system, high housing costs and insecure work in the gig economy has left many of our residents unable to afford even basic essentials.

Social justice is at the heart of our administration's programme for the borough. Our Tackling Poverty programme has helped many residents improve their financial position through ensuring they are claiming what they are entitled to. Every primary school child in the borough receives a free lunchtime meal as part of the Mayor's Free School Meals programme, and we have protected funding for Children's Centres, supporting families and children during the precious early years of life. Nearly 22,000 residents on low incomes pay no council tax under one of the most generous council tax reduction schemes in the country. Our Resident Support Scheme provided over £750,000 last year in crisis grants. The council and its partners are investing over £7 million to ensure that residents get the information and advice they need on benefits, debt, and their legal rights. Over the difficult times we have all faced over the past eighteen months, we are proud of the way the council has worked shoulder to shoulder with faith, community, and voluntary groups to meet our residents' needs.

This Poverty Review has come at the right time. Listening to residents, young people, and our partners, the review team was struck by the shared determination to come out of this emergency with a fairer, stronger borough.

This means speaking up on behalf of residents so that the systems which trap people in low paid work and debt are tackled. It means action against the injustices of race discrimination, gender inequality and the barriers to disabled residents' inclusion in society and at work.

But it also means doing everything in our power as a council to prevent residents in Tower Hamlets from falling into poverty or financial crisis, and to equip our young people with the skills, wellbeing, and confidence they will need to thrive in adult life and move out of poverty.

The immediate priority we identify is supporting residents in every way possible to recover from the financial impact of the pandemic. Many people, possibly for the first

time, are facing unemployment, and it is important that we are providing clear, consistent and timely information so residents can access the benefits and support they are entitled to.

Looking to the future, our wide-ranging review points to several different things the council can consider doing differently to make its anti-poverty work more effective. To make the biggest practical difference to residents, we recommend that the council works in partnership with other organisations and the community to achieve a step change in three main areas -

- early financial intervention - taking a whole systems approach to increasing incomes, reducing costs, and averting financial crisis and homelessness
- employment and skills – developing and extending our joint partnership programme to improve skills, and improve access to decent work with opportunities for progression
- a bright future for the new generation – sustaining a relentless focus on achieving the best for all our children and young people, so that they have the skills, confidence, and best possible mental and physical health they need to flourish as adults

We would like to take this opportunity to thank all the residents (young and old) who contributed to the review, the partner organisations who contributed to and hosted discussions, members of the review's External Reference Group and Toynbee Hall, who carried out community peer research to support the review.



Councillor Mufeedah Bustin,
Chair of the Poverty Review, Cabinet member for Social Inclusion



John Biggs
Executive Mayor of Tower Hamlets

Summary

About the review

1. The poverty review took place from March to June 2021.
2. Councillor Mufeedah Bustin, Cabinet Member for Planning and Social Inclusion (Job Share) in Tower Hamlets chaired the review. Other members of the review team were Councillor Asma Begum, Councillor Rachel Blake, and Councillor Motin Uz-Zaman. Over 300 people took part in discussions and consultations.
3. The review team looked at what Tower Hamlets council has done to support residents who are living on a low income. It focused on child poverty and pensioner poverty.

Poverty in Tower Hamlets

3. In 2019/20, 28 per cent of children in Tower Hamlets were living in a low-income family. Once housing costs are taken into account, 56 per cent of children in Tower Hamlets were living in a low-income family. That's about 17 children in a class of 30.
4. This is the highest level of child poverty in the UK. Over the past 5 years, the number of children estimated to be living in low-income families in Tower Hamlets increased by more than 6000.
5. 44% of older people in Tower Hamlets live in low-income households. This is the highest proportion in England.
6. In 2018/19, 1.21% of Tower Hamlets households were estimated to be destitute. Tower Hamlets is in the 20 local areas in the country with the highest rates of destitution.
7. The review found a number of factors contribute to high levels of poverty in Tower Hamlets:
 - more families in Tower Hamlets have nobody in work than average, despite a decline in unemployment in recent years
 - a growing number of working families are on a low income - more than 3 in 4 children in poverty are in a family where at least one person works
 - the cost of living is high in the borough, particularly the cost of housing.
 - changes to the social security system mean that many people cannot afford essentials - larger families and lone parents with dependent children have been particularly affected.
8. Inequality and poverty go hand in hand. Across London, some families have a much greater risk of being in poverty, including families with a disabled family member, families from Black and Minority Ethnic backgrounds, lone parents with children, and larger families.

Findings

9. The review looked at many of the services which the council provides or funds for residents who live on a low income.
10. The council's budget has been cut by £200 million since 2010. Even so, it provides many services to help residents get work, increase their income, reduce their living costs, and avoid financial crisis.
11. Programmes such as children's centres, the Tackling Poverty Programme, the Council Tax Reduction Scheme, the Mayor's Free School Meals programme, information and advice, and the Resident Support Scheme get more support in Tower Hamlets than in many other local areas.
12. The review found that residents often found it difficult to know where they could get support with financial issues. Coordination between different council services, and with funded information and advice organisations means that residents do not always get the right help at the right time with financial and related concerns.

Recommendations

13. The main short term recommendation of the review is
 - 13.1 In 2021 to 2022, as the country recovers from the pandemic, the council should work with partners to make sure residents get the help available to them if they are in financial difficulty.
14. In the longer term, the council should focus on three areas which will make the biggest difference to poverty:
 - 14.1 Early financial intervention: The council should support people to increase their income, reduce the cost of living and avoid problem debt and homelessness. Organisations should work together so that residents get the right support at the right time.
 - 14.2 Employment and skills: The council and other organisations should collaborate to support more people into work. They should also investigate how to tackle low pay, poor conditions and dead-end jobs.
 - 14.3 A bright future for the new generation. Children in Tower Hamlets should get the best possible start in life. Every service and organisation should make sure children from low-income families have the same opportunities as other children.
15. During the pandemic, many organisations and local community and faith groups worked very effectively together to support residents. The recommendations should be implemented in partnership.
16. The review makes detailed comments about communications, coordination, evaluation and informing national policy. It also recommends more work on some specific issues such as access to free education for disadvantaged pre-school children, supporting people who work in the 'gig economy', and support for residents who have no recourse to public funds.

Introduction: about the Poverty Review

Aim and focus

The aim of the Poverty Review was to develop strategic recommendations to inform future poverty reduction interventions by the council and its partners. The review had a particular focus on child poverty and poverty affecting older residents.

Although the review focused on council-supported programmes, the recommendations reflect the important role that families, faith, voluntary and community groups, public sector organisations, and businesses play.

This was a short but wide-ranging review. The review team, supported by a small group of council staff, worked hard to arrive at a balanced picture of the strengths and weaknesses of the council's response to poverty. There are many perspectives on poverty in Tower Hamlets and how best to tackle it. We look forward to working together with our diverse communities and partners as we strive for a strong, inclusive, and fair Tower Hamlets.

The review process

Between March and June 2021, the review team heard from over 300 residents and partners, as well as council staff, through -

- 6 themed review meetings looking at council programmes
- 5 partnership groups: The Children and Families partnership; Tower Hamlets Housing Forum; Local Economy partnership; the Somali Task and Finish group; the Partnership Executive Group
- 3 workshops for residents: led by community researchers and Toynbee Hall
- 10 focus groups: The VCS children and youth forum; Somali parents' group; the Parent and Carer Council; Disabled residents & carers' organisations; Mulberry Academy Shoreditch; Mulberry School for Girls; school leaders; Youth Council; parent/carers group; staff group.
- A call for evidence on the online 'Let's Talk' portal. Boxes for written comments were placed in Idea Stores.

The review team

Review chair: Councillor Mufedah Bustin, Cabinet Member for Planning and Social Inclusion (Job Share)

Councillor Asma Begum, Statutory Deputy Mayor and Cabinet Member for Children, Youth Services and Education

Councillor Rachel Blake, Deputy Mayor and Cabinet Member for Adults, Health and Wellbeing

Cllr Motin Uz-Zaman, Deputy Mayor and Cabinet Member for Work and Economic Growth

The external reference group

The reference group met with the review team in March and June 2021. They provided invaluable insight and guidance. The review team would like to thank all members of the group for their contribution. The group had an advisory role, and members do not necessarily endorse every one of the report's findings or recommendations.

Anabel Palmer, Southern Housing/ Tower Hamlets Housing Forum

Fahim, Tower Hamlets Youth Council

Farida Yesmin, The Limehouse Project

George Dunstall, Children's Society

Jane Caldwell, Age UK – East London

Joy, Older people's Reference Group

Joyce Archbold, Society Links

Khoyrul Shaheed, Shadwell Response

Shahana, Tower Hamlets Parent and Carer Council

Sophie Howes, Child Poverty Action Group

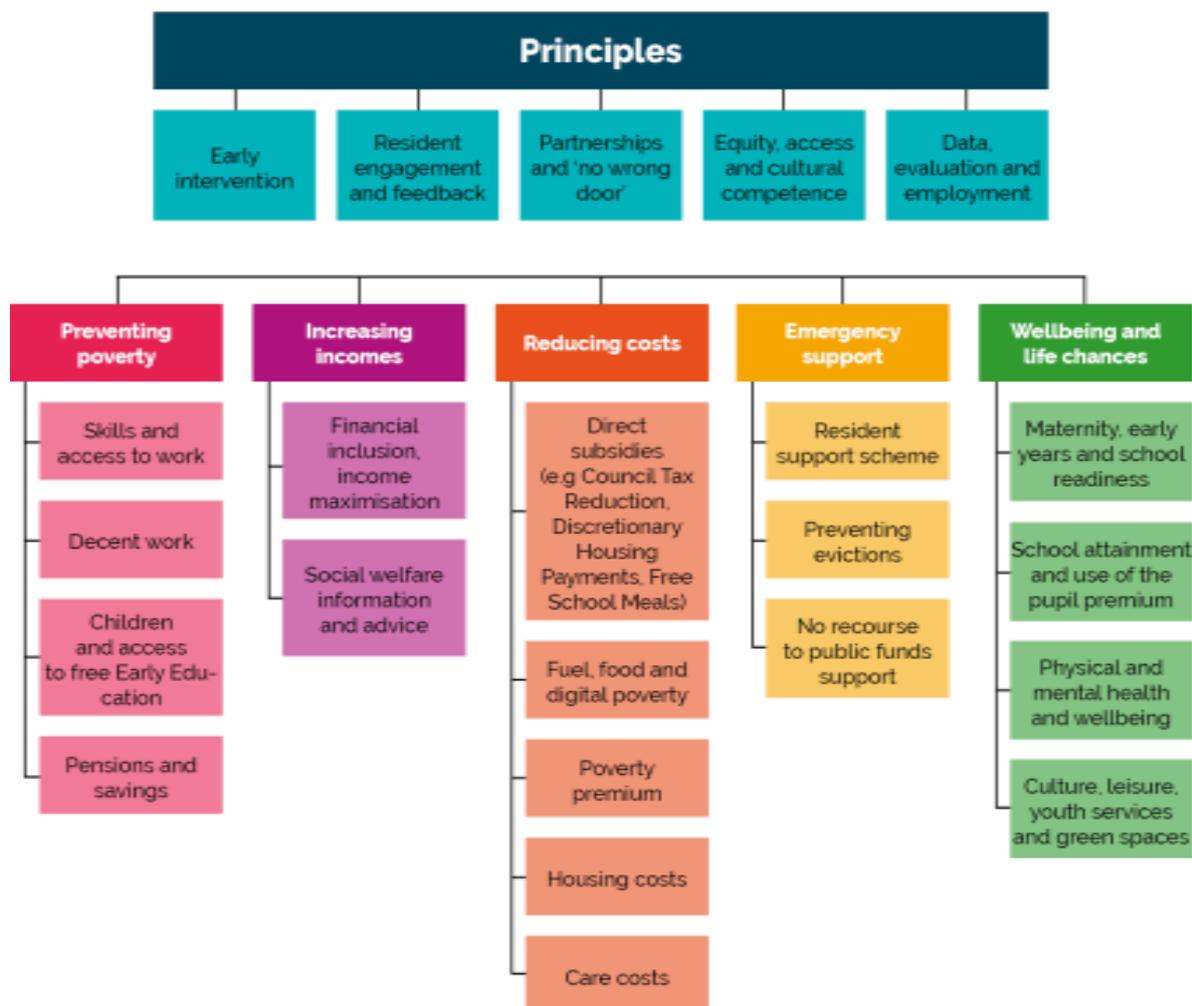
Xia Lin, Toynbee Hall

Yasmin Alam, East End Cab

Sufia Alam, Maryam Centre, East London Mosque

Local action to tackle poverty

The review had a practical focus on local anti-poverty actions. Discussions were guided by a working framework of principles and intervention-areas, shown below.



The context

Poverty and why it matters

In modern Britain, everybody should have a decent standard of living. We understand poverty as being unable to afford the essentials for life in London today. Poverty is fundamentally about finances: about incomes, and the cost of living.

Poverty causes material and psychological harm. Residents told the review team how they had gone without food, had not been able to afford new uniforms for their children, lived in poor housing, and could not afford the devices their children needed for online learning. They talked about anxiety when they could not buy what their family needed, and shame when they had to use food banks or tell strangers about their circumstances to get help. Young people told us how worried they felt about their parents when they were struggling to make ends meet.

Living in poverty has long term as well as immediate consequences. There is overwhelming evidence that children growing up in poverty are likely to experience worse than average outcomes across a range of developmental domains during childhood and adulthood, particularly when childhood poverty is deep, persistent, or occurs in the early years of life. Recent research shows that extra money for low-income families can make a real difference for children's learning, social development, and wellbeing.¹ Throughout life, poverty shapes the decisions people make – about education, relationships, starting a family, and the impact of illness, bereavement, and old age. Several people highlighted financial difficulties faced by people experiencing domestic violence.

Poverty and inequality go hand in hand. We know that systemic inequalities place some Londoners at greater risk of living in poverty. Disabled people, people from Black Asian and Minority Ethnic backgrounds, and lone parents (the majority women) are more likely to live in poverty. Some residents have faced hardship over many years, others are just about managing on insecure incomes, while some people experience destitution, where they cannot afford the very basic necessities of life.² Poverty cannot be understood separately from social exclusion, discrimination, and racism.

Finally, poverty has costs not just for the individual, but also wider costs for society and for public services. Across London, poverty, unemployment, and local area deprivation are associated with lack of safety, ill-health, and poor social cohesion.³ An estimated £1 in every £5 spent on public services is spent making up for the way that poverty damages people's lives.⁴

Key poverty statistics for Tower Hamlets

Child poverty	28% of children in the borough are in low-income households before housing costs (2019/20).
	56% of children are in low-income households after housing costs (2019/20), increasing by an estimated 6000 children between 2014/15 and 2019/20.
	10% of local neighbourhoods (14 out of 144) are in the most deprived in England, according to the 2019 income deprivation affecting children index.
Poverty affecting older adults	44% of older people in the borough live in income-deprived households in 2019, according to the 2019 income deprivation affecting older adults index.
	69% of local neighbourhoods (100 out 144) are in the 10% most deprived in England, according to the 2019 income deprivation affecting older adults index.
Destitution	1.21% of households are estimated to be destitute, meaning Tower Hamlets is amongst the 20 boroughs with the highest rate of destitution (2018/19)
Indices of Multiple Deprivation	1.4% of the borough's local neighbourhoods were in the 10% most deprived areas in England (2019).
	2019's figures were a major improvement compared to 2015, when 40% of local neighbourhoods were in the 10% most deprived areas in England.

Data sources: HMRC/DWP (2021)⁵; Stone & Hirsch (2021)⁶; MHCLG (2020)⁷; Joseph Rowntree Foundation (2020)⁸ For more information see the review background paper: Evidence base and updated poverty profile 2021.

The changing face of poverty in Tower Hamlets

Tower Hamlets is a borough of great change, diversity, and creativity, with a rich social and cultural heritage. The borough has one of the fastest growing economies in the country. Educational attainment has transformed in the last two decades.

But not everyone feels the benefits of growth. Levels of child and pensioner poverty are amongst the highest in the country. The review identified four main drivers for the continuing high levels of poverty in Tower Hamlets.

- **Worklessness.** Fewer adults are in work than the London average. This is despite a steep decline in workless households, from 28% in 2005 to 11.2% in 2018. With low levels of female labour force participation, just 3 in 10 (31.4%) children live in a household where every adult works, the lowest proportion of any London borough.
- **In-work poverty.** At the same time, in-work poverty has risen. Over three in four children growing up in a low-income family in the borough have a working adult in their household. The growth in low paid, insecure work is a factor in this rise. Many residents highlighted how hard it is for working families to make ends meet.
- **Rising living costs.** The high cost of living, and particularly of housing, contributes to high poverty levels. Taking housing costs into account increases the proportion of children living in poverty from 28% to 56%. This is a bigger difference than anywhere else in the country.
- **Benefits levels.** Social security reform has left families unable to afford essentials. Since 2010, the benefits freeze, local housing allowance reform, the benefits cap and two-child limit have combined with an approach to recouping advances to leave residents short of money and risking debt and arrears. Some groups, including larger families and lone parents with dependent children have been particularly affected.⁹

These factors are compounded for some residents by challenges such as domestic abuse, having no recourse to public funds, or poor health and disability.

There is some evidence to suggest that the poverty data disguise a more dynamic picture. Recent analysis by the Social Mobility Commission ranks Tower Hamlets as amongst the ten most socially mobile local areas in England: with the median earnings of young adult men who were socio-economically disadvantaged as children in Tower Hamlets amongst the highest in the country.¹⁰ Tower Hamlets has some of the highest levels of population movement in the country. Research using pupil mobility data across London indicates that families with school age children who move from inner London towards the edges of the city tend to be less disadvantaged.¹¹ This suggests an outward flow of better off families out of the borough, possibly as their situation improves and they seek more affordable housing. In due course, data from the 2021 census should provide current insights into some of these population changes.

Since March 2020, residents have experienced the pain and disruption of the Coronavirus pandemic. People from Black, Asian and Minority Ethnic backgrounds,

and those in low paid jobs such as retail and hospitality have been hard hit. Unemployment rose steeply amongst young adults and the over-50's. Schemes like furlough and the temporary increase in universal credit have helped some, but not all.

Following the pandemic, there is a risk of a sustained increase in unemployment with disabled people, people from Black, Asian and Minority Ethnic backgrounds, and lone parents impacted more and for longer.¹² A further concern is the dual impact of the pandemic on young people's employment and job security prospects, and on their mental health.¹³

Poverty and the pandemic

"They say 'oh we give you an extra £20 a week in your universal credit for the coronavirus. But really and truly what is £20 a week? When the children are home that just covered the electric." (Parent, focus group)

"One family had 3 disabled children. Dad passed away from Covid and mum was really sick, she spent a couple of days in hospital. And in the end, the older sister had to leave her job to look after those three, because all services were closed." (Disability organizations focus group)

"The people who were working, they thought they were doing quite well, and suddenly this pandemic hit them and they went down. That was quite a shock for the system." (Staff focus group)

"Paying back monthly instalments to pay off [funeral] costs to funeral directors and companies is taking a large cut out of monthly allowances and impacting on food and fuel." (Community organisation, reference group member)

"Some disabled people have had to purchase additional personal protective equipment for themselves and carers alongside maintaining an increased supply of cleaning equipment, turn to expensive convenience food, or rely on taxis to appointments in order to avoid public transport. Disabled people report that they are struggling to adapt to social distancing requirements, which can involve spending longer in shops, which aggravates conditions, and difficulties accessing supermarket online delivery slots, which often carry a minimum delivery charge." (Disability organization focus group)

What residents told the review

The causes of poverty

In online and focus group discussions and other participatory research considered by the review, residents said there were multiple causes of poverty: with a particular focus on unemployment, low pay, low welfare benefits, housing costs, disability, and poor mental health:

“There are SO many reasons! Just as there are SO many types of poverty.”

Some people said that poverty was the result of the social and political system:

“Structural racism, aka top jobs go to white public school educated MALES.”

“It is the elderly and poor who are suffering, the government does not care.”

“The economy is deliberately rigged by Central Govt to give tax cuts to the highest earners”

Population change was mentioned in several contexts:

“Gentrification is rampant which is forcing people to move away or making their life hard due to increased cost.”

A smaller number of people linked poverty to aspirations or social barriers:

“Lack of inspiration to young children - they need to be encouraged to look at different fields.”

“Lifestyle of those who live in traditional relationships, which are centred around having lots of children. “

A very small number disagreed that poverty was such a big problem:

“The measurements are incorrect. Most people claiming poverty aren’t necessarily poverty stricken.”

The experience of poverty

Stigma and dignity were big themes in the way people talked about poverty:

“To be honest, you shouldn’t have to tell people your private stuff to get something.”

“Our parents wouldn’t just randomly go to a community organization, there’s lots of pride and lots of gossip from others”.

Many people talked about the connections about the difference that not having money meant to having a social life and to mental wellbeing:

“Those relying on support to access the community face having to pay for their carer to go places with them, such as cinema and leisure activities. Support agencies do not contribute to the costs and this limits what people can do and this contributes to social isolation.”

Many people mentioned digital and language barriers to accessing support:

Fairness and transparency were important themes, with several people referring to issues trying to access free school meals and laptops for children during the pandemic.

Council services

Many people wanted easier access to information and there were a few mentions of one stop shops:

“if I need some information, I really need to think, where do I go? I have to ask someone ... We had one stop shop before, it was easy just to get a ticket and speak to someone.”

Various service cuts were discussed:

“We’re saying we care about poverty, but at the same time the services that are now available, they’re not affordable. So not every service is now free anymore - youth services have had massive cuts and people can’t pay.”

Some people said there was a lack of trust:

“It’s not in their interest to help you, is it? I’m almost sure that they have, they have targets in there. You know like the council tax support line has a target of how many people to not help.”

Discussions with primary pupils (for the poverty proofing the school day project) found that Free School Meals and stigma did not seem to be an issue in Tower Hamlets. This is in contrast to other areas.

Suggestions

Suggestions included a strong focus on community. Residents taking part in Toynbee Hall’s workshops proposed community hubs:

“... if there’s a way of bringing everyone together so that we can all work together.”

Some people wanted a unified helpline, more social prescribers, or a more immediate way to access help:

“they should start listening to the residents and set up something where immediate help can be accessed by people, make it easier for them to access.”

Several people focused on making it easier for residents on low incomes to stay happy and healthy: with proposals for trips, activity vouchers and youth clubs with training opportunities for young people.

Some people said it was important to recognize that employment was not a suitable option for everyone, including for some disabled people and women with caring responsibilities for larger families and/or elders. They noted the difficulties for children when parents were working on multiple, low-income jobs.

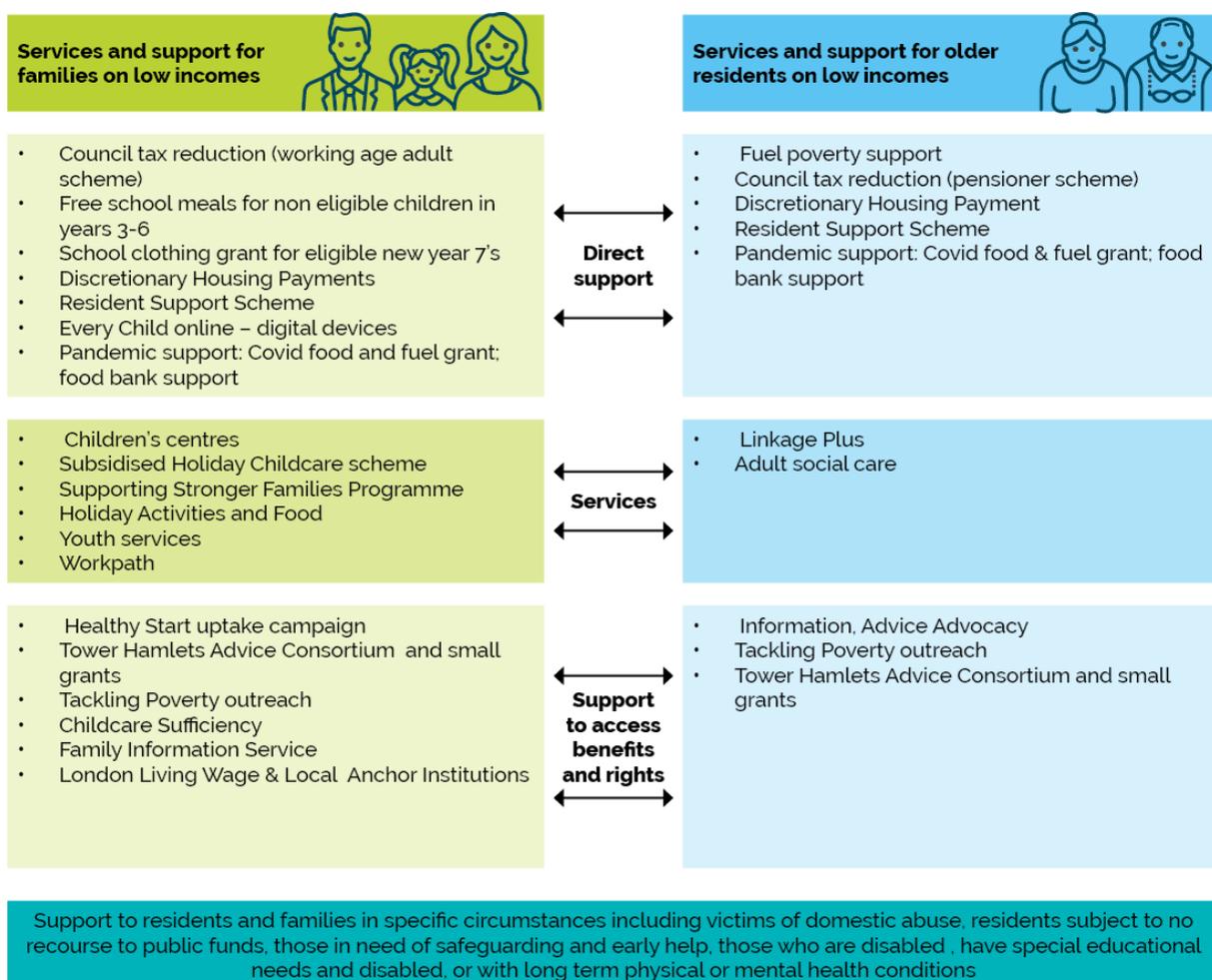
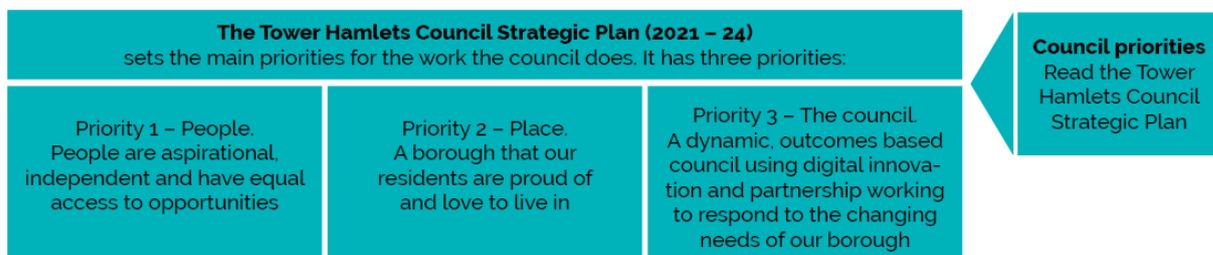
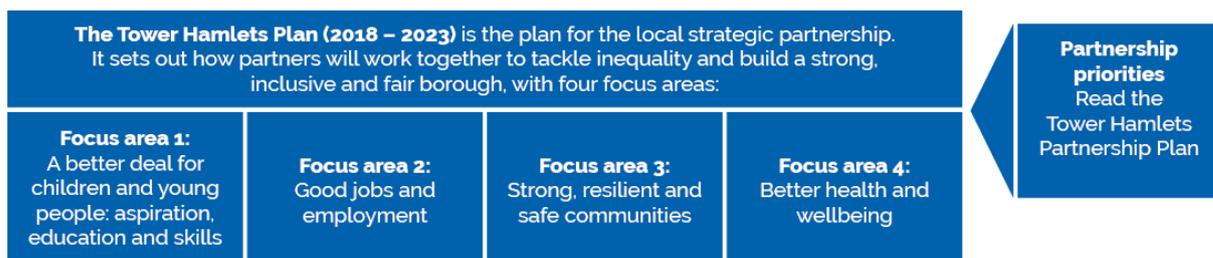
Parents and young people talked about the importance of advice on money and budgeting, particularly when parents did not have much knowledge about financial products.

Findings

Finding 1: investment in tackling poverty

The council implements and funds a range of interventions to prevent poverty, increase incomes, reduce costs, and support residents through financial crisis. It has protected investments in tackling poverty in the face of large funding cuts. The review recommends three areas of strategic focus in order to enhance the impact of the council's investments, in particular through a proactive and joined-up early financial intervention and an effective local safety net for low-income residents.

Despite a £200 million reduction in central government funding since 2010, the council has maintained and added to a large and relatively-well funded portfolio of poverty-focused programmes. The figure below shows some of the direct support, services, and interventions which assist families and older residents to improve incomes and realise their rights.



Comparisons are difficult since local areas are no longer required to publish local child poverty reduction strategies. However, investments in a number of specific programmes compare favourably with that of other local areas. A striking feature is the stability of the programme, with multi-year commitments for the largest initiatives offering predictability for residents and partners.

The review found many areas where the council has sustained or increased support to anti-poverty work, including:

- sustaining twelve children's centres - providing play, early learning, health, and employment and skills support, through universal and targeted provision - at a time when spending on children's centres declined significantly, with a 60% real-terms fall in Sure Start funding nationally from 2011/12 to 2016/17 ¹⁴
- universal primary free school meals since 2014, through additional annual funding of £3.02 million - this extends coverage to an extra 19,000 children in year 3 to 6. Tower Hamlets is one of only four London boroughs to provide this support
- maintaining the council's status as an accredited London Living Wage employer since 2008 ensuring that all directly employed, outsourced and agency staff are paid at least the London Living Wage
- since 2017, a Tackling Poverty programme which has invested £6.6 million in supporting residents moving onto Universal Credit, financial inclusion, grassroots community and voluntary sector programmes and several 'test and learn' initiatives
- a grant of £3.2 million to the Tower Hamlets Advice Consortium for social welfare advice (2019–23).
- a Residents Support Scheme which provided over £750,000 in 2020/21 for households at risk of financial crisis (food, clothing, nappies, utility bills, basic furniture, and white goods) - funding for the scheme has been protected in Tower Hamlets, even though local welfare scheme funding has declined by 55% in real terms in England since 2010 ¹⁵
- a Council Tax Reduction scheme which remains one of the most generous in England, with those in the poorest households – including care leavers – receiving a 100% discount on council tax - in 2020/21 the scheme cost £31.8 million, with 37920 claims and 21,965 cases receiving a 100% discount on 31st March 2021

Poverty-focused interventions sit alongside wider partnership and council programmes supporting a strong, inclusive, and fair Tower Hamlets. These include the vital work of the voluntary and community sector, as well as support for learning and achievement, physical and mental health and wellbeing, community safety, and tackling discrimination and racism (for example through the Black, Asian and Minority Ethnic Inequalities Commission).

Finding 2: local action and national policy

Most drivers of poverty levels lie outside local control. Generally, there is little evidence that local authorities can shift headline measures of poverty in the short term. Local partners have a key role in supporting residents, but also in campaigning for national investment and policies which provide a decent standard of living and a route out of poverty.

As described in the 'Context' section above, the proportion of children living in low-income households in Tower Hamlets has increased since the current approach to measuring child poverty in local areas began in 2014/15. This followed a period of declining child poverty in London and across the UK during the 2000's. These increases in children living in low-income households also reflect broader changes in other wider factors that impact poverty measurement notably those relating to social security policy, and the labour and housing markets. Levels of poverty amongst older residents remain the highest in England.

Local areas have limited scope to affect poverty levels. However local services can be transformational for individuals and families. Local partners also have a key role to play in ensuring wider policy debates are informed by evidence of the causes and consequences of poverty.

Poverty has remained stubbornly high in Tower Hamlets over the past five years. We know from the progress in reducing child poverty during the 2000's that poverty is not inevitable. However, councils have no direct influence over some key determinants of poverty rates: particularly benefits levels and the cost of housing and childcare. As Rounds and Longlands (2020) note *"We are realistic about the impact of any action taken at the local or regional level if this is not accompanied by a substantial national commitment to reducing child poverty, with adequate investment and strategic policy decisions that address the key issues of income (from employment and through social security transfers) and access to decent and decently-paid employment."*¹⁶

The challenge for Tower Hamlets council is how to use available resources and tools to maximum effect. The review recommendations focus on interventions where the council and its partners can make the biggest difference. Even where poverty levels are very high, an effective local safety net, access to decent work, and excellent and equitable health and education services can be transformational for individuals and families. And through its partnerships across the borough and with research institutions, the council can contribute to a national dialogue about the causes and consequences of poverty in local areas.

Case study: supporting income maximisation can transform lives

A disabled couple attended one of the council resident support team's outreach sessions. The couple had a young child and were expecting a baby. A follow up meeting was arranged at their local Children's Centre with an interpreter to clarify their situation. The couple had transferred from legacy benefits to Universal Credit but had not received the correct housing entitlement or the Limited Capability for Work and Work-Related Activity element. The team supported their appeal and the couple received both entitlements. An application to the council's Discretionary Housing Fund was made, enabling the couple to clear £3000 in accumulated rent arrears and avoid eviction.

Finding 3: transformation and opportunity

Communications and approaches to poverty should include a focus on aspects of the borough's story that are transformative – including education and employment, and the aspirations and achievements of residents.

Residents had contrasting views on poverty. Some people the review team spoke to warned against what they saw as a negative focus on chronic, unchanging poverty. Young people in particular felt the borough and its population were stigmatised by its association with poverty.

They argued for a more inspiring and outward-looking narrative, including a focus on the creativity and energy of residents, the opportunities of living in a global city, the transformation of education and employment, and the contributions and resources which the voluntary, creative, and business sectors bring to the area.

“We seem to have a bit of reputation management issue ... how do we talk about poverty in the borough and how we start to shift that language and so Tower Hamlets is seen as a place to live and to thrive and to be a part of.”
(VCS focus group)

While the challenges of poverty, inequality and discrimination are real, the council's support to residents on low incomes plays an important role in supporting life chances, social integration and opportunity, and the high-quality education that many of the borough's children receive has the potential to be life-changing.

Tower Hamlets has one of the fastest growing economies in the country. Worklessness across all households declined steeply from the 2000's: falling from 28% at the end of 2005, to 11.2% by December 2018.

The borough has a young, diverse, and creative population. Since the early 2000's, education has been transformed. In 1997, only 26% students obtained 5 or more good GCSEs, the worst achieving borough in the country. Today, average attainment is higher than average, and the Education Policy Institute (2020) estimates that the average 16-year-old on free school meals is just one month behind their (national) peer group, compared to a gap of 9 months for England as a whole. Analysis by the Social Mobility Commission finds that in areas of high social mobility “educational achievement alone predicts labour market success – [socio-economic] family background has no lasting influence”. Education provides a route out of poverty for many, although the Black, Asian and Minority Ethnic Inequalities Commission has rightly highlighted the barriers which hinder too many young people from Black, Asian and Minority Ethnic backgrounds as they enter into the labour market .

By contrast, some residents held a less optimistic view. Some focus groups and respondents to the online call for evidence focused on people who are 'stuck' in poverty, with a strong current of concern about gentrification and what some residents saw as a harmful impact on the cost of living, small businesses and on places of local cultural importance.

“Causes of poverty: Poor education; lack of willingness to take up opportunities that are beyond historical neighbourhoods.” (online response)

“All I see are closed down shops around me, the rich people are taking over now and opening galleries, expensive clothes shops and bars/restaurants.”
(online response)

“I’ve never seen a Bangladeshi or a minority ethnic person sit in a vegan restaurant. ... you’re stripping away what we already have just so you can have the new money making” (young person, focus group)

Finding 4: resident voice

Involvement of residents with experience of living on a low income in developing strategic approaches and action plans on poverty reduction has been limited. More could be done to put residents and community organisations at the heart of thinking and action to tackle poverty.

There is a rich tradition in Tower Hamlets of community activism and organising. The council has supported a lot of community-based action projects such as Communities Driving Change, social prescribers, and many initiatives funded by the Local Communities Fund.

The review team worked to make sure that the views of people with first-hand experiences of poverty were heard. Community researchers supported by Toynbee Hall ran workshops with residents. Residents were represented on the external reference group and focus groups were held with parents and young people.

There is potential to include residents more systematically in tackling poverty programmes. A growing body of evidence on co-production and from the Poverty Truth Commission movement shows how this might be done.

“We need some effective people who can make a noise, make a fuss and make changes, and we need some leaders who can lead on the issues that you’ve brought up today.” (Resident, Toynbee Hall, community research)¹⁷

“It’s really hard for one person to be heard properly right and if the community got together, if they all expressed the same concerns and the same worries, I think they’re most likely to be heard, the change is most likely to happen.”
(Resident, Toynbee Hall ‘Pandemic Stories’)¹⁸

Case study: Tower Hamlets’ Youth Council campaign on period poverty

In spring 2021, Tower Hamlets’ Youth Council held a discussion on poverty during their weekly Zoom meeting. They talked about the impact the pandemic and lockdowns were having on young people. One of the issues that was raised was the expense of sanitary products. Fahim, a Youth Council member and a member of the Poverty Review Reference Groups says “Some of my friends and other young people were brave enough to share their personal experiences with me and highlight the extreme level of seriousness of period poverty. This has been significantly exacerbated by the pandemic and subsequent lockdowns. That is why we have initiated a campaign to tackle period poverty in our borough.” The Youth Council is working alongside the Corporate Director of Children’s Services to ensure every school in the borough taps into the national government period product scheme so that there is an accessible supply of period products for pupils.

Finding 5: trusted institutions and community leadership

Positive experiences of partnership working during the pandemic show what can be achieved by working in partnership with trusted local institutions such as community groups, schools, and faith groups. This focused, purposeful collaboration with an emphasis on local and resident priorities should continue.

Much has been learned about partnership working during the pandemic:

- how quickly things can get done when necessary
- the value of trusted organisations such as schools, faith, community, and the voluntary sector
- the potential to reach many – but by no means all – residents through online and remote support
- the importance of clear messages, consistently delivered with cultural competence and a focus on fairness
- the need to link in-kind support such as food banks with longer term interventions such as access to information and advice
- the value of in-house council teams with good local knowledge and links: teams such as the Tackling Poverty team were swiftly redeployed to work on the emergency response
- the importance of mutual aid and volunteering as residents came together to help each other, and of spaces and places which facilitate communities to come together

Many people said the pandemic recovery provides an opportunity to work with energy and focus to tackle poverty and injustice. They wanted to see clarity of purpose, strategic leadership and a focus on achieving specific results.

The key lesson for the poverty review is the need to work effectively alongside different local institutions and groups, such as schools, community and faith groups. These are well used and trusted by residents, have good community network, and bring additional resources and capacity to poverty reduction.

“I didn’t have any idea about how anything works. When people come here, they don’t know how anything works. When my daughter got a place in primary school, I got all the information, if you want to get this, you go there. School is a great place.” (Parent, focus group)

“Faith communities and faith-inspired projects are already involved in a plethora of poverty-related initiatives ... places of worship and community halls offer safe spaces for poverty-related work, both organised activities and informal help. Many faith communities are able to tap into a rich seam of volunteers and people offering professional help. Faith leaders have their own distinctive leadership and pastoral skills in tackling disadvantage, discrimination and poverty-related issues.” (Tower Hamlets Interfaith Forum)

Finding 6: impact and learning

A more consistent and rigorous approach to understanding impact and lessons learned is required to support a strategic approach to addressing poverty. The review team found that in some areas of anti-poverty work, there is limited information about the difference interventions makes to residents' lives.

This is particularly the case with in-house council-programmes. It represents a missed opportunity because it makes it difficult to assess whether programmes make a difference and are cost effective. Limited impact evidence also means the evidence base on which to argue for national scale-up of local programmes is limited.

New programmes and ongoing research collaborations offer an opportunity to embed a more rigorous approach to assessing impact, using data and evidence effectively, and involving service users in monitoring impact. Approaches need to be flexible and proportionate, particularly in partnerships with smaller organisations.

There are many different programmes that gather information about users and impact:

- More information (at least on outputs) was available from organisations implementing commissioned or grant-funded programmes. Some people said the council should be more inquisitive about the real-life impact of these activities: asking if they were actually resolving residents' issues, as well as delivering against targets.
- The Tackling Poverty Team documented outcomes from their income maximisation and financial inclusion interventions, and commissioned an evaluation of its 'test and learn' innovation programme from East End Community Foundation
- Some collaborative interventions bring access to research and evaluation expertise: examples include the Coordinated Community Support programme led by the Children's Society; and the Act Early City Collaboratory research programme. Act Early in particular, provides an unmissable opportunity to learn about the impact of current programmes and to test new initiatives to support low-income families with children.

However, for large areas of expenditure such as council tax reduction, universal free school meals, children's centres, or the residents support scheme, feedback from residents, lesson-learning and evidence of impact could be strengthened. It was not always clearly defined what success would look like, how programme design reflected lessons learned, and how the council would know if they were making a difference.

This limited local learning is compounded by limited national evaluation of poverty-related programmes. National government has not produced recent evaluations of local action on child poverty for around a decade, and – for example - there has been no recent national evaluation of current children's centres approaches.

Finding 7: seeking support

Both residents and staff reported difficulties getting the information they needed about council services and understanding what services were available. The borough appears still some way away from a ‘no wrong door’ approach, and communication could be much improved.

Confusion about how to get information and support was one of the most striking and consistent messages from the review. A lack of clear information and communication prevents people from getting the help they need and is a source of preventable demand for services. This echoes previous reviews and is a priority for detailed investigation and improvement.

“Everything could be a lot easier to have it, more information, know how to get stuff. You know what services and stuff is available, but they make it hard to get it.” (Older male resident; Toynbee Hall research)¹⁹

“... you know when you receive those council tax letters from government, it is not really put into a sentence or wording, it just seems like all you’re seeing is figures and numbers and it doesn’t make any sense. You need someone physically to explain, they have to simplify the language” (Resident quoted in Coordinated Community Support project research)²⁰

“As somebody who’s gone through depression, I don’t want to hear somebody snap at me, because I find it hard, that’s my experience from the council.”
(resident, focus group)

The council provides information about services to residents through its website, additional microsites such as Tower Hamlets Connect and the Local Offer, phone lines and through its frontline staff. Difficulty navigating information dominated many of the review team discussions, with issues including:

- the council’s website was described as confusing, hard to navigate, and often out of date
- some stakeholders commented on the loss of one-stop shops
- many stakeholders said that digital exclusion and language barriers meant that many residents could not access online information
- some residents reported difficulties and an unsympathetic reception when contacting the council by phone

These findings on council and other providers’ communications echo earlier research by Social Finance, which also noted unclear written communications as a source of preventable demand on advice services. Residents also report difficulty getting through to the council by phone in the Annual Residents Survey.²¹

Digital exclusion and language barriers were a major topic of discussion in focus groups. The pandemic shone a light on digital exclusion. A digital action plan is under development. Some of the barriers related to lack of skills, access to devices and data costs. However, the absence of a user-friendly, plain English digital platform that could be easily navigated using a smartphone was a major contributor to people’s difficulties. Even two years ago, Social Finance reported that lack of a

device was not the main barrier for a large proportion of those unable or unwilling to use online services.

At least two microsites – the Local Offer for Children and Families and the new Tower Hamlets Connect digital portal - aim to collate information about services for different audiences. They provide a very useful service for residents. However, it is important that the entire system offers a consistent, easy and accessible experience. Residents should not have to understand how government works to use public services.

Some of the reported difficulties stem from the sheer complexity of the welfare benefits system and the multiple needs of some residents on low incomes. Some of residents' frustrations seemed to be linked to the intense pressure on resources: access to housing, and support for children with SEND were mentioned several times. Information and communications alone will not solve every problem. However, a clearer gateway and information designed around the needs of residents is an important start.

Finding 8: universal access

The council should sustain support for universal provision in key areas such as early childhood provision. New models of locality working offer opportunities for effective partnership working between universal services, specialist support on incomes, costs and employment, and community and faith groups. The council should provide guidance and practical support to trusted local institutions such as children's centres, schools and other universally accessible services in order to scale up efforts to make early financial intervention available to as many residents at risk of poverty as possible.

The 2010 Marmot Review argued for 'proportionate universalism': '*action to reduce health inequalities must be proportionate, with more intensive action lower down the social gradient, but action must also be universal to raise and flatten the whole gradient*'.²² In Tower Hamlets, universal services – through schools, children's services, and youth provision - have been substantially protected, and played an important role in supporting residents during the pandemic. There are many positive examples where schools and children's centres have linked up residents with advice agencies, or support with job-hunting or money management. The review considered how this work could be scaled up.

"There's not much difference between the children who are pupil premium, and those who aren't. The ones not on pupil premium, their parents are in the gig economy, or uber, low skilled, low-income unstable jobs. ...We don't recognise a binary approach." (Headteacher, focus group)

".. our frustration at the lack of a coordinated approach. It seems that so many places are doing such good work, but we are all working incredibly hard to receive the same output in our different settings." (Headteacher, focus group)

Stakeholders told the review team that universal and inclusive provision was important because:

- it is the best response to a combination of concentrated deprivation, high numbers of precarious 'non-poor' families, and those with no recourse to public funds
- it improves access for the most disadvantaged children and families by reducing stigma
- it provides a gateway to targeted services
- it supports social integration by bringing children and families from different backgrounds together

However, there are also challenges:

- Universal services are only an effective gateway if used by those in the greatest need - inclusion needs to remain a priority as focus of children's centres broadens to include older children.²³
- schools and other services are under intense pressure, with limited technical expertise and diminishing capacity and budgets with which to support residents on issues like housing or benefits
- not every family will be receptive to receiving additional support such as financial advice
- there is no equivalent service to schools for adults without children. It will be important to identify the best way to reach older and younger adults, directly or through services such as GPs or Job Centre Plus, or through place-based provision such as community hubs. Direct targeting of older residents may be more appropriate, given the smaller numbers (although high percentage) of older people living in poverty.

Case study: Universal and targeted services in Children's Centres

Twelve children's centres combine open 'Stay & Play' sessions with more targeted advice and guidance for families who need it on issues such as social welfare advice, mental health support and well-being. Staff also put families in touch with early help, training, and employment support. To increase take up from more disadvantaged families, the Integrated Early Years Service reached an agreement with local hospitals on sharing birth data, allowing them to reach out to new parents with information about what's on offer.

Finding 9: worklessness

Investing in employment and skills for those who are not 'job-ready' is high-cost but remains one of the few avenues through which local agencies can prevent poverty. Council employment interventions are part of a broader landscape of programmes in the borough and across London. Partners should work together in an ambitious programme to increase residents' access to the range of economic opportunities in the borough, scale up worklessness interventions and to tackle insecure work.

Moving into work has a strong poverty payoff²⁴ and helps to reduce the consequences of unemployment on wellbeing and demand for local services.

Reducing unemployment requires a joined-up approach which brings together different programmes and recognises the barriers which make it difficult for residents to get and stay in employment.

The council's Workpath programme provides a range of support for residents wishing to get into employment. Its Supported Employment programme has high job retention rates (76% of participants secure and retain work) for residents who face multiple barriers to employment and are very likely to be on low incomes. It is well focused on women returning to work and the over 50's: two groups in the borough with low levels of labour force participation. The potential benefits of the programme include a stable job and increased income for residents, but also wider social and health benefits.

No organisation can support the employment agenda alone. Workpath is a high cost and high intensity programme which is available to only a limited number of residents and is currently funded through the Mayor's Growth programme. Its potential for scale up is limited. Stakeholders such as housing associations are keen to work together on employment, building on existing positive partnerships and areas of comparative advantage, and beginning by making best use of national recovery programmes such as Kickstart and Restart. The partnership between the council and JCP and the establishment of a youth hub to support implementation of the Kickstart programme for 16- to 24-year-olds is one example of such collaboration.

There is an appetite from partners to combine forces in a strategic approach to employment and skills, supporting both the long term unemployed and the newly out-of-work. This approach needs to look particularly at support for women from Black, Asian and Minority Ethnic backgrounds, disabled residents and those with caring responsibilities, and how employment and good mental health can be linked. It needs to go hand in hand with the implementation of the Black, Asian and Minority Ethnic Inequality Commission recommendations, and with access to financial/benefits advice and access to childcare to tackle barriers to work.

The pandemic is creating additional challenges including a rapid increase in unemployment. Between March 2020 and April 2021, the number of 18- to 24-year-old residents claiming out of work benefits rose from 1,330 to 3,745. Many will find work, but the review team is concerned about the long-term effects on the finances and wellbeing of those who do not. The over 50's were also badly affected, and some of these residents may not find work again, with long term consequences for their wellbeing and income in retirement. The newly unemployed will be competing for jobs against those who have been out of work for a long time. Stakeholders were also worried that businesses who are facing a tough time may not prioritise employing disabled people, even though the pandemic has demonstrated that flexible or home-based work is workable.

Many stakeholders reported a notable increase in mental health worries during the pandemic, particularly amongst residents who are financially insecure. Their concerns are backed up by emerging findings from the Act Early study which found elevated levels of mental health problems amongst parents of young children. The potential exists for a virtuous circle where improved mental health and decent employment go hand in hand.

Work is not the answer for everybody. Some people reminded the review team that

“Not everybody can work, and for some people with caring responsibilities for children and older family members, work does not pay.” Disability organisations focus group

Case study: Workpath

When I first stepped foot into Workpath I was completely out of my comfort zone. I would have sleepless nights of financial worry not seeing how I could change my current situation.

The training was not easy, but it pushed me each week into learning a new skill, changing my attitude, and allowing me to understand what potential I had. I had struggled for a long time on most days to be sociable however now I had a reason to get out and engage on a positive level. I gained qualifications in Business and Administration, Prevent and safeguarding, I.T skills and learned how to manage my financial income. These women invested their time in me, one by one, week by week. I gained more respect for them and could genuinely see that they cared and believed in me. I valued their opinions and knew that what they was advising me was honest, they had nothing to gain from me continuing as they had candidates on the programme that would see it through.

I was in incredible amounts of debt and the transition from being on benefits for a long period of time frightened me but gaining a paid employment position supported me immensely.

(Resident supported by Workpath through the Women and Health Programme, currently employed in the NHS, feedback to Workpath team as part of evaluation)

Finding 10: insecure work

Further investigation is required to develop an effective response to the increase in low-paid insecure work – in the ‘gig economy’ and amongst the self-employed. In the medium term, support to post-16 and adult learning to level 3 is key.

With a large majority of children in poverty living in households where somebody works, tackling low paid, low hours, insecure work and low paid self-employment should be a priority.²⁵

Many residents work in sectors with concentrations of insecure employment: including 19% who are employed in distribution, hotels and restaurants.

Compared to other London boroughs, Tower Hamlets has a low, but rapidly growing, proportion of self-employed workers. Self-employment in London has grown rapidly over the last decade and was responsible for much of the jobs recovery after the 2008 economic recovery, with high concentrations in construction and the arts.^{26 27}

The council has taken some important steps to address low pay and insecure work. It was an early adopter of the London Living Wage. Through funding for the Tower Hamlets Advice Consortium, it supports employment advice delivered through four

consortium members, ranging from initial ET1 form-filling to representation at employment tribunal.

In the short term, the opportunities for the council to make a difference to precarious and low paid employment and self-employment may be limited. The Tower Hamlets partnership is in the early stages of aligning its employment practices through a local 'anchor institutions' charter with a commitment to work towards the [London] Mayor's Good Work Standard. However, most insecure work is outside the public sector, with public administration (and defence) only accounting for 5% of workers on less secure work arrangements nationally. Only 19% of jobs in Tower Hamlets are in public administration, education and health. There are therefore limits to the potential of a 'local anchor institutions' approach to tackling wider issues of insecure work and poor employment practices in the borough. Further work to develop approaches and options is recommended, possibly exploring some of the following:

- promoting information and advice about employment rights particularly if the long-awaited Employment Bill is enacted into law, learning from neighbouring Newham's new Employment Rights hub,²⁸ and/or exploring trades unions' role in raising awareness
- reviewing the council's own employment practices so there are opportunities for training and progression for staff at low pay grades, apprentices can progress to level 3, the In-House Temporary Resourcing Service can be used more routinely, and that applicants with the right skills are not screened out through unnecessary requirements (for example, for a degree)
- considering security and progression in relation to the health and social care workforce in the borough

In the medium term, focusing on post 16 and adult education so that as many residents as possible are qualified to level 3 is important. This matters because level 3 (A level equivalent) acts as a threshold beyond which workers are much more likely to experience pay progression: workers qualified to level 3 have a 19% lower chance of being on low pay. Nationally and locally, too many learners are stuck at level 2.

Finding 11: early years and childcare

Access to affordable quality childcare and early years provision helps to reduce the cost of living, and is essential for children's development, supporting working parents, and promoting gender equality. The recent decline in take-up of childcare and the Free Early Education Entitlement is a threat to economic recovery and to children's healthy development. Focused promotion based on an understanding of the barriers to uptake is recommended.

In London, childcare is one of the key drivers of high living costs for families with young children. For example, the average weekly price of a full-time nursery place for a two-year-old in inner London is estimated at £310.45.²⁹ For families on Universal Credit, a cash limit on support for childcare costs (an 85% rebate on costs of £175 per week for one child) limits work options for many families by effectively locking them out of paid childcare. Work commissioned by the Child Poverty Action

Group estimates that the universal credit system provides enough support to keep childcare affordable and make work pay in London up to about only half of a full-time job for parents with young children. More work may be affordable where a three- or four-year-old (and in some cases a two-year-old) gets some 'free' hours under the early years entitlement.³⁰

The council does not provide childcare but conducts regular assessments under its Childcare Sufficiency duty and provides some sector support. Providers currently face a challenging financial environment because of low hourly rates and the removal of pandemic protections for providers with low occupancy. These are national/London issues over which the local authority has little control.

High quality early years provision offers important developmental benefits for children as well as allowing parents to work. Alongside its sufficiency duty, the council also promotes take-up of the various Free Early Education Entitlements funded by central government, some targeted at disadvantaged families.

Tower Hamlets has historically had one of the lowest take up rates in London of this entitlement. Focused promotion of the two-year-old free entitlement (for example) increased take up from 37% in summer 2017 to 56% of eligible children in the autumn term of 2019.

Childcare attendance and Free Early Entitlement uptake reduced during Covid as a result of parents' safety concerns and a lower number of Covid-safe places. For example, by December 2020, there were an unprecedented 1,034 vacant Covid-safe places in local childcare providers and take up of Free Early Education for disadvantaged two-year-olds fell to one of the lowest levels in the capital. The long-term impact on childcare providers' financial sustainability is unclear, although most have survived the immediate impact of the pandemic.³¹ Addressing uptake as a priority will help to enable parents (particularly mothers) to develop skills and return to the workplace and support development and school readiness amongst young children.

Longer term, declining birth rates in the borough suggests that women's and families' aspirations around careers, family size and caring may be changing. This has implications for the council's duty to ensure enough childcare places for working parents and parents who are studying or training for employment. A clearer profile of family size and demographics in the borough will be available following the 2021 census.

Finding 12: income maximisation

There is unmet potential to adopt a more systematic approach to income maximisation. This should include embedding use of the LIFT dashboard and benefits and budgeting calculator across council services and in key partnerships.

There is a compelling case for systematic early financial intervention to help residents increase their incomes and avoid financial crisis. But effective early intervention depends on identifying who is at risk and providing them with support which is relevant to their individual circumstances.

Its access to administrative data provides the council with an important comparative advantage for early intervention: allowing it to reach out to residents who might benefit from targeted information and support. Through the Tackling Poverty team, the council subscribes to the [Low Income Families Tracker](#) (LIFT) dashboard, provided by the organisation Policy in Practice and using administrative data inputted by the council. It also purchases a comprehensive [benefit and budgeting calculator for use by advisers](#) which has the potential to be used widely across the council to support residents.

The Tackling Poverty Team has demonstrated the potential of this approach through the targeted work and benefit take up campaigns of its resident support team. Interventions such as the council tax arrears project, commissioned by the Tackling Poverty team but implemented by the Citizens Advice Bureau, demonstrate how information about residents can be used – with appropriate safeguards – in the context of joint working. However, the LIFT dashboard is an under-utilised resource: some of the council teams which needed to identify and reach out to low-income residents were unaware of its existence. More could be done to embed use of data and a systematic approach to identifying residents who might benefit from income maximisation and financial inclusion support.

In looking to embed and scale up its use of these tools, the council might look to other London boroughs, such as the Royal Borough of Greenwich, where a holistic approach and use of the Benefits and Budgeting Calculator is embedded across a range of council services. In a six-month period, Greenwich identified up to £20 million per year of unclaimed benefits.³²

Case study: Using data for Pension Credit Take-up

In 2019, the Tackling Poverty team ran a campaign to increase uptake of Pension Credit. Using information from the Low-Income Families Tracker, residents who were likely to be eligible for Pension Credit were sent a letter offering support with applications. Eighty older residents – seventy per cent of whom were women - successfully claimed an average of £1,952 a year each: a total annual increase in income of £156,170. The team is currently repeating the take-up drive: letters have been sent out to those residents thought to be eligible, and a publicity campaign is under development with posters on notice boards and a planned stall in Roman Road Market.

Box: Access to data about Universal Credit claimants and the benefits cap

Between January 2020 and February 2021, households claiming universal credit increased by 135% from 15,972 to 37,566 households.

By February 2021, 2,384 households in Tower Hamlets were subject to the benefits cap. 2137 of these were in receipt of Universal Credit, including nearly 500 households losing over £100 each week. The cap meant that many families did not benefit fully from pandemic protections and has now been imposed on residents who lost their jobs at the start of the pandemic.³³ During the pandemic, few residents have been able to get work or increase their hours as intended by the policy. The cap systematically disadvantages lone parents with children and larger families, leaving many without essentials and in debt.

Yet the council has no way of identifying and getting in touch with many of the affected residents to offer support. Currently, administrative data is limited to legacy benefits and the council is only provided with DWP-held data on people receiving universal credit cohort in an extremely limited range of circumstances. London boroughs continue to press for access to this information - proportionately and for a specific set of purposes.

Finding 13: poverty and other council services

The local authority has an opportunity to do more to address poverty and deprivation, and to mainstream income and financial inclusion through its existing relationships with residents and families.

Through the provision of early help, social care and safeguarding support for residents, the council has relationships with individual residents and families.

Services should consider whether there are more opportunities for such services to explore how residents' needs for money, housing, warmth, and food can be met.

Poverty and deprivation affect the lives of many residents and families using local authority services.³⁴ National research highlights the social determinants in inequalities in which families become involved in child welfare services.³⁵ The British Association of Social Workers has produced materials to support the practice of social workers working with people living in poverty.³⁶

Although there are huge pressures on such services, the review team heard - for example - that adult social care services will work with residents to access information, advice and housing services. Some stakeholders said that they felt service reviews were often carried out under time pressure and it was difficult to consider wider issues: they felt that more time spent identifying opportunities for income maximisation, tackling debt, and reducing costs would be well-spent.

Prevention and early help programmes such as Supporting Stronger Families and Linkage Plus offer examples of how information and signposting on income and finance issues could be included as part of broader programmes.

Case study: Linkage Plus: tackling poverty as part of preventative support for older residents

Linkage Plus is a longstanding programme for residents over fifty, and an example of an integrated programme with an embedded information and signposting element. It is currently delivered by a consortium led by Toynbee Hall and made up of St Hilda's Community Centre East, Neighbours in Poplar, Peabody Trust, and Age UK East London, with an annual spend of £643,000 for 2017 – 2022, funded jointly by the council and the clinical commissioning group. The programme currently supports around 1000 older residents each year in a broad programme which tackles isolation and encourages residents to get involved in physical and social activities, volunteering and work, and health promotion activities.

Involvement starts with an initial assessment, and it is at this point that issues around poverty become clear and that work to prevent financial hardship crisis takes place. Some of the most common issues include dealing with DWP deductions for overpaid

benefits, or dealing with rent charges, debt, lack of essential household items, and access to food. Often these issues have arisen because of language barriers, online applications which make it hard for residents to claim what they are entitled to, non-user-friendly forms for applying for exemptions, or because of lack of awareness – for example, of council tax exemption for people living with dementia. The project addresses the most pressing issues by making calls on residents' behalf to DWP or landlords, or support with form filling. Referrals are made to accredited advice services - often those run by consortium members – when required. The programme also supports residents to improve their financial position by encouraging them to apply for pension credit or attendance allowance, helping them to find a cheaper energy supplier, or helping with grants.

Finding 14: information and advice

In the council's funding and commissioning of information and advice provision, more could be done, and faster, to support moves towards a 'no wrong door' approach.

Information and advice on social welfare law and debt is a key component of an early intervention approach to poverty. People who are vulnerable to poverty - those with a long-term illness or disability, young and older adults, people on low incomes and those living in temporary accommodation - have a high likelihood of experiencing justiciable problems.³⁷ Good quality advice can help people sort out a range of issues include benefits, financial inclusion, problem debt, and issues including immigration, housing and employment.

With 33 identified advice services, the largest number of any London borough, Tower Hamlets has a diverse and active advice sector.³⁸ The sector is a source of strength and support for the borough's diverse communities and a vital tool for realising their rights.

A LBTH cabinet paper in 2019 reported that "information and advice [was] being provided in a disjointed and inconsistent way, leading to duplication, gaps and confusion about where a resident should go if they require information and advice."³⁹

Discussions with the review team suggested there is a long way still to go to address these concerns. Research commissioned from the Social Market Foundation and Toynbee Hall in 2019 found the greatest unmet advice needs in Tower Hamlets were in housing and welfare benefits, with many residents needing support for several issues. Some demand for advice was preventable and the result of national and local systems not functioning as they should.

The council provides substantial funding for advice provision from its Local Community Fund and through jointly commissioned information, advice, and advocacy through Tower Hamlets Together. It also funds a range of other programmes with an information or signposting element and employs staff who provide information to residents.

Funding from the Local Community Fund supports the 13-member Tower Hamlets Advice Consortium for £3.2m for 2019 to 2023. In the year to September 2020, the consortium supported 19,828 residents on 36,579 issues, including 4722 residents supported to maximise their income. £2.9 million in residents' personal debt was

reduced or written off, and residents received £18.6 million per annum in increased or backdated income. The consortium has a reach across the borough and its different communities. The team noted that 16 – 24-year-olds make up less than 4% of clients, even though this age group is an estimated 13% of the population and has faced unprecedented challenges because of the pandemic.⁴⁰

A new Information, Advice and Advocacy project (the successor to the Local Link Project) will commence shortly funded by Tower Hamlets Together partners and to be implemented by Age UK and partners.

There are a range of other initiatives designed to link residents with appropriate advice and information, such as Community Navigators funded by Public Health, Care Navigation provided by ELFT and Social Prescribing commissioned by the CCG, as well as council staff from a range of services who provide information and signposting as part of their support and prevention for residents.

There is an active Tower Hamlets Community Advice Network which is working in partnership with the Children's Society Coordinated Crisis Support programme to develop a referral system.

Yet, despite all of these positive initiatives, confusion, and lack of access to information and advice was one of the most common issues that came up in stakeholder discussions. This reflected the 2019 research described above, where providers reported that people tended to seek advice only at a late stage.

The review team also heard some concerns that residents were being signposted from service to service (involving both the voluntary and council services), and some people were seeking advice repeatedly on the same issue. Some felt that residents in crisis were not given enough support to address the complex range of issues they face. Some noted that it was difficult for residents to access some of the more specialist areas of advice (such as immigration or employment advice). Currently there does appear to be potential for improvement so that advice provision overall in the borough is as accessible, well-integrated and effective as it can possibly be.

Finding 15: housing and homelessness

Housing costs and housing conditions – particularly overcrowding – featured in nearly every discussion the review team held about poverty in Tower Hamlets. The review recommends that prevention of homelessness forms part of an early financial intervention approach.

Affordable, decent housing, overcrowding, rent arrears and evictions emerged as key issues in the review. Tower Hamlets has high value homes, high land values, and this leads to affordability challenges because the most socially and economically excluded households are on very low incomes. These are far-reaching issues which are already a priority for the administration.

Housing and poverty are connected in multiple ways:

- high housing costs reduce residents' disposable incomes. Twenty-eight per cent of children in the borough live in low-income households before housing costs, but this figure increases to 56% after housing costs are accounted for –

the largest differential in the country. Tower Hamlets has one of the largest gaps between local housing allowance and rents in London.

- low and unpredictable incomes can lead to indebtedness and ultimately to homelessness. The pandemic is adding to pressures. By November 2020, the proportion of households claiming state support for housing costs had risen to 36.2%⁴¹. National funding for Discretionary Housing Payments fell by over 40% to £1.1 million in 2021/22, reducing the council's ability to respond to residents' additional needs for support with housing costs.
- the benefit cap is a major obstacle in the council's preventative approach supporting households who are homeless or at risk of homelessness. The cap makes it very difficult indeed to find affordable accommodation in the private rented sector to prevent homelessness, makes identification of temporary accommodation in London for homeless residents challenging, and makes it hard to find areas of London with accommodation which residents can afford when moving on from temporary accommodation. With 2853 households in temporary accommodation in December 2020, the pressures on residents and the costs for the local authority are considerable.
- housing is one of the main channels that connects poverty to lower well-being, physical health, and achievement. In May 2021, more than 9,000 out of the 21,246 households on the housing register were overcrowded

"It affects children as they grow up. You know if they're living in overcrowded housing. I've got a 16-year-old who's doing GCSEs, who shares a room with his 12-year-old sister, and his 8-year-old brother. So, it affects him going forward." (Resident, Toynbee Hall research)

"We went to flats where the windows were not opening, or didn't work, or where there was just one tiny window for a whole flat. The amount of people in the flats was huge. This is the worst housing I've ever visited in the capital." (School leaders focus group)

"There has to be work done in the council on the link between poverty and housing. We have two bubbles down at the moment: year 5 and nursery. Our Year 5 has missed 10 weeks of school because of this. It's really linked to overcrowded housing." (School leaders focus group)

The council and partners work to address these issues through several channels:

- delivery of affordable housing - in the year to October 2020, LB Tower Hamlets delivered more new affordable homes than any other local authority
- housing quality - the council has long-standing Mandatory Licensing for Houses of Multiple Occupation, an additional licensing scheme (from 2019) and a selective landlord licensing scheme covering privately rented property in Weavers, Whitechapel and Banglatown & Spitalfields (since October 2016 and recently renewed)
- a range of different initiatives – from parks, to liveable streets, and breakfast and homework clubs in schools - recognise the pressure on indoor space

Nevertheless, the housing issues facing low-income families remain pressing, and the council remains constrained by a shortage of land, of funding, powers, and tools

from central government. The percentage of properties in the private rented sector has increased steeply in Tower Hamlets from 18% in 2001 to an estimated 41% currently, and the council is limited in its ability to license and oversee the activities of private sector landlords.

The main recommendation of the poverty review is that stronger links are developed between homelessness prevention activity and early financial intervention, so that wherever possible, residents get early support and can maintain their tenancies.

Finding 16: free school meals provision

The Mayor's Free School Meals programme is a major investment and there is evidence that universal free school meals have a range of benefits for family finances, health, and learning. Evidence of impact from Tower Hamlets would help to build the case for more generous national provision.

The Mayor's Free School Meals programme extends free school meals provision to 19,000 children in years 3 to 6 who would not otherwise be eligible. Effectively, this extends the national Universal Infant Free School Meals programme to all primary pupils. Tower Hamlets is one of only four London boroughs to provide this level support.

The cost of the Mayor's Free School Meals programme is £3.02 million a year, funded from the public health budget and reserves. This equates to a saving for families of £450 per child (estimated in 2019). Clearly, some of this subsidy goes to families who could otherwise afford to pay for free school meals. However, the programme benefits many low-income families who are above the net income threshold of £7,400 per annum, addressing a significant cliff edge for families on Universal Credit, as well as families not eligible for public funds. It is of particular benefit to those larger families who would not otherwise be eligible for benefits-linked free school meals.

Although the impact of the Tower Hamlets programme has not been evaluated, the wider evidence base for universal free school meals was reviewed internally in 2019. Most evidence comes from the introduction of the national Universal Infant Free School Meals programme in 2014. It shows modest (although mixed) evidence of some learning and health gains from universal meals provision:⁴²

- Increased uptake of FSM amongst benefits-eligible as well as non-benefits eligible pupils
- Improved nutritional content of food consumed during the school day. There is some emerging evidence of a positive impact of UIFSM on bodyweight
- Improved learning behaviours, and improved attainment

The additional funding provides more work for catering staff: including those employed by council's contract services and paid at a rate substantially above the London Living Wage. The vast majority of these are residents.

It is important to note that some schools felt the programme reduced the incentive for parents of eligible children in years 3 to 6 to register for Free School Meals, meaning that schools missed out on pupil premium funding (£1,345 per primary pupil in 2021/22) allocated for children who have received FSM in the last 6 years.

During the pandemic, free school meals and holiday hunger became a topic of national concern. Local and devolved governments are considering options such as extending universal free school meals to secondary schools, universal breakfast provision, longer term holiday meals support, and extending FSM to all families eligible for universal credit.^{43 44 45} Additional evidence from Tower Hamlets and other boroughs supporting primary provision could help make the case for national adoption of more generous approaches to free school meals provision, and to protect the existing national Universal Infants FSM programme.

Finding 17: council tax reduction

A growing body of national evidence on the impact of localized council tax reduction schemes suggests there is a strong case for generous schemes such as the one operated by LBTH.

In 2013, local authorities in England became responsible for administering local council tax reduction schemes, with reduced central funding available. Local authorities are required by law to have a scheme but have discretion over scheme terms. Local schemes for pensioners are protected, with a full reduction for those with an income below the applicable amount.

Tower Hamlets is one of 74 authorities in 2020/21 to have no minimum payment⁴⁶. This means that working age adults on the lowest incomes pay no Council Tax. This, combined with the large number of people receiving support (the second highest in London in 2021) makes the LBTH scheme is one of the most generous in England. Since 2017, Tower Hamlets' care leavers under 25 have also been exempt. An additional fund provides further discretionary reductions in Council Tax for residents in exceptional hardship: this provided £45,000 to 109 households in 2018/19.

In 2020/21, the scheme cost £31.8 million, with 37,920 claims, and 21,965 cases with 100% discount on 31st March 2021. The most recent figures show an increase in the number of people supported by 12.3% over the past year.⁴⁷ Additional support was provided by central government to help meet the extra costs associated with council tax support during the pandemic.

Assessing the impact of such a large and costly programme is difficult. However, there is good comparative evidence to show council tax debt is particularly difficult for people to manage, that collection rates are higher in areas with more generous exemptions, and that harsh enforcement practices do not improve collection rates.

- Council tax debt has risen sharply across England and is now the most common form of arrears for those seeking debt advice, with 9 in 10 of those approaching Citizens Advice for help with council tax arrears also struggling with other debts.⁴⁸ In many parts of the country, council tax is also one of the household bills with the harshest consequences for non-payment, with central regulations pushing councils to take inflexible and aggressive action. Being in arrears can be extremely stressful as people struggle to pay bills, pay for food, and fuel, and seek to manage their debts through doorstep lenders or unsecured loans.⁴⁹

- As well as benefiting low-income residents, more generous council tax reduction schemes can also improve collection rates. Tower Hamlets' collection rates for 2020/21 were 97.5%, compared to an average collection rate of 96.8% across England and 95.6% for Inner London. Across the country, those councils adopting minimum payments schemes have seen an increase in the number of households in arrears. Across London boroughs, collection rates are positively associated with more generous Council Tax Reduction schemes (such as Tower Hamlets'), although on average poorer boroughs have lower collection rates.⁵⁰
- Analysis conducted for the GLA found no evidence that such flexible, customer-centric policies lead to lower collection rates than harder enforcement policies.⁵¹ Tower Hamlets council is one of eight London boroughs to have adopted the Citizens Advice/Local Government Council Tax Protocol.⁵² The protocol aims to help people avoid getting into debt in the first place, and to ensure enforcement agents act within the law, thereby avoiding poor collection practices which make people's debt problems worse.

Finding 18: food poverty, fuel poverty and digital poverty

A more joined-up and strategic approach to initiatives on food poverty, digital poverty, and fuel poverty is needed to tackle the underlying drivers of need, ensure such programmes reduce the cost of living for residents in the greatest need, and deliver sustainable benefits.

There are many initiatives in the borough which aim to address food, fuel, and digital poverty. The scale of in-kind provision of food and digital devices increased dramatically during the pandemic. It was not possible to do justice to these diverse programmes during the review. Many are positive and well designed. The council's role in these different initiatives ranges from delivery, coordination, collaboration, to very limited involvement.

Beyond the unique circumstances of the pandemic, there is a need to tackle the poverty which underlies the need for food banks and other types of in-kind support. The council should work with other organisations in the borough to ensure residents accessing food banks get timely and effective support so they can improve their situation in a sustainable way.

Some programmes aim to reduce the cost of living by introducing economies of scale in purchase of food or fuel: these are positive but need careful appraisal so that they are genuinely sustainable.

Food bank use was increasing nationally before 2020, and demand rose rapidly during the pandemic. Modelling by the Trussell Trust shows this demand to be driven by growing need, insufficient income from social security, compounded by ill-health or adverse life experiences and lack of informal and formal support.⁵³ Nearly one in three adults across London's City and East constituency were food insecure in 2019, with single parents, those in the lowest income quintile, unemployed, people from Black, Asian and Minority Ethnic backgrounds, and disabled people most affected.⁵⁴ While some people visited foodbanks for the first time during the pandemic, much

foodbank use was by people who had previously experienced persistent or recurrent severe poverty.

During the pandemic, Tower Hamlets council's Tackling Poverty team established a food hub providing over 635 tonnes of food to 37 local organizations, including five schools. It also supported several food banks with help finding funding. A short evaluation found the council's performance was felt by community organizations to be satisfactory although some issues were reported about the volume and freshness of the food, and lack of healthy food options.⁵⁵ The council also coordinated the delivery of food to shielding households, as well as implementation of the Holiday Activities and Food programme funded by the Department for Education. Working alongside the Coordinated Community Support programme, the team supported Mulberry School for Girls' food and care service, providing food parcels, household necessities, toiletries, and sanitary hygiene kits. The service included welfare referrals to the school social worker and local advice agency, Island Advice – for examples, 31 referrals were made in May 2020.⁵⁶

The council belongs to and supports the Tower Hamlets Food Partnership, a multi-sector network hosted by Women's Environmental Network bringing together charities, businesses and statutory services who have a shared interest in food. Alongside meeting immediate food needs, the partnership is committed to work towards upstream solutions to tackle the causes of poverty and reduce the need for food banks, and to champion models of food provision that are sustainable, dignified, offer choice, and provide pathways to other advice and support services.⁵⁷ As part of the partnership, the council contributed to the start-up costs for the Food Store at Limborough House and is exploring how the social food pantry model might be rolled out.

Case study: First Love Foundation's model

Tower Hamlets has been the home for several innovative approaches. For example, First Love Foundation has developed a 'hub style' model of support for people in financial crisis. Developed in response to the needs of First Love's clients, and through a longstanding partnership with the Child Poverty Action Group, the model has informed the Trussell Trust's new national income maximization strategy, and the Foundation is working to support the London Food Strategy Food Roots incubator programme. First Love Foundation argue that this approach makes a real and lasting difference to people's lives and should form the basis of crisis response.

Finding 19: problem debt and arrears

There is some promising practice on supporting residents with financial inclusion, over-indebtedness and arrears. The financial inclusion approach and a focus on debt and arrears should be scaled up as part of an early financial intervention approach.

Levels of over-indebtedness in Tower Hamlets are exceptionally high. There were relatively few mentions of debt in discussions with residents and stakeholders. However, an estimated thirty-one per cent of Tower Hamlets residents – the highest proportion in the country – were over-indebted in 2018.⁵⁸ Nationally, an estimated

four in five of those already experiencing problem debt have experienced an income shock since the beginning and the pandemic.⁵⁹

Low incomes and high costs create ongoing financial difficulties for residents which can drive them towards crisis, particularly if they have to deal with an unexpected cost. These difficulties are exacerbated by delays and errors in the social security system, excessive deductions, the five-week wait for Universal Credit, and the benefit cap.⁶⁰ Uncoordinated debt collection by public authorities is an important contributor to destitution. Debt and money worries are linked to mental health problems including anxiety and depression, and to difficulties in relationships with family and friends. Some residents have specific issues: for example, residents who have been rough sleeping and need support to reduce debts as part of a broader programme of support.

Financial inclusion - ensuring residents have access to useful and affordable financial products that meet their needs and improving financial capability and resilience – is an important element of a local safety net.⁶¹ A focus on financial inclusion and tackling over-indebtedness were amongst the recommendations of the Tower Hamlets Fairness Commission in 2013.

The review identified a number of debt-related interventions:

- Debt advice is a core element of advice provision funded through the Local Community Fund.
- A grant of £100,000 from the Tackling Poverty Fund was agreed to help the London Community Credit Union meet a pandemic-related increase in demand for loans while maintaining its capital adequacy ratio.
- Tower Hamlets' Tackling Poverty team worked with East End CAB in 2020-2021 in a similar project, designed to provide targeted support for residents in significant and persistent council tax arrears. Letters were sent to 979 residents. 101 clients engaged with the service with a total gain of £85,850. The pandemic means it is difficult to assess the impact of this intervention: not only was it difficult to engage residents, but the council stopped pursuing residents for payment of council tax during the pandemic.

Beyond these examples, there is limited evidence of sustained work on financial inclusion. Proactive and joined-up debt support can make a big difference to residents. Pilot projects in Newcastle and Barking and Dagenham supported by the Cabinet Office helped to reduce arrears, and improved employment, housing and living standard, demonstrating a 24 to 34 times return on investment.⁶²

Finding 20: residents subject to No Recourse to Public Funds restrictions

Additional work is needed to understand whether the council's support to residents facing financial hardship and subject to No Recourse to Public Funds restrictions could be improved, and to understand how best to support EEA+ nationals with pre-settled status.

The complexity of the issues surrounding local authority support for residents who are subject to No Recourse to Public Funds restrictions, meant that it was not

feasible for the review to address the council's work in this area in sufficient detail to make well-evidenced recommendations.

Key considerations include

- how effectively statutory powers and duties are used to support residents
- the adequacy of subsistence payments
- how far immigration advice and other resources are used to resolve cases, and policies and protocols enabling residents to access other services
- how effectively the council works with the Home Office where decisions are outstanding
- how the council works in a strategic way to understand needs that cannot be met under its duties and meets them in partnership with non-statutory organisations

There are an estimated 1.376 million people in the UK with no recourse to public funds. They cannot access certain welfare benefits, homelessness assistance or social housing and are particularly vulnerable to destitution.⁶³ The introduction of the ten-year route to settlement for those who apply to stay in the UK on Family and Private Life grounds means that many families are currently living on low incomes for a very prolonged period.⁶⁴ A further group of undocumented people – of whom there were an estimated 397,000 in London in the UK at the start of 2017 – are at particular risk of insecurity, destitution, and exploitation.⁶⁵

The council supports a number of adults, families, and care leavers with no recourse to public funds whose rights under the Human Rights Act are being violated or are in danger of being violated, using powers under the Children Act 1989 and the Care Act 2014:

- There has been an overall rise in council expenditure supporting families subject to NRPF with accommodation and financial subsistence under section 17 of the Children Act. Expenditure was just over £350,000 (2016/17) and £620,000 (2019/20) and was expected to be around £523,000 in 2020/21. Around forty to fifty families are generally supported at any one time. During the pandemic, more families required support. They included some parents who had been working cash in hand and lost work (this peaked at the start of 2021); and families where a working parent died from Covid, and their partner has no recourse to public funds and no way of supporting their children.
- For adults with NRPF, the council has duties under the Care Act 2014 to meet needs arising from or related to a physical or mental impairment or illness, and under the Human Right Act 1998 for people excluded from support under schedule 3 of the Nationality, Immigration and Asylum Act 2002. Such residents usually approach the council for assessment with the support of a solicitor or advice agency. Most are homeless, although a number of residents each year are supported while applying for the destitution domestic violence concession.

These are important statutory duties but entirely unfunded by national government. Across the UK, local authorities incur significant costs: an average of £17,887 per year for a household, with households receiving support for an average of two years.

77% of households exiting support do so because they are granted leave to remain, meaning that costs could be substantially reduced with swifter decision-making in resolving immigration issues.⁶⁶

Residents subject to NRPF were particularly financially vulnerable during the pandemic. NRPF conditions were not lifted, although the 'everyone in' policy included people with no recourse to public funds, and there is now a pressing concern around future support for those people who have been housed during the pandemic under public health support measures.

A rapid research project on local authority responses to people with NRPF during the pandemic showed variable information and provision between authorities. Voluntary sector organisations reported that many people with NRPF struggled to access food, shelter and subsistence support, and faced difficulty accessing local authority support. Recommendations for local authorities included links with support organisations, providing suitable accommodation and adequate subsistence support, clear referral and assessment procedures, and clear information about how to seek support. Tower Hamlets was not one of the authorities with specific information for people with NRPF on its website early in the pandemic.⁶⁷ A small emergency fund was made available via Praxis during the pandemic, in addition to funding for Praxis as part of the Local Community Fund's support for Advice Tower Hamlets.

The passing of the deadline for EEA+ nationals to make an application to the EU settlement scheme, poses additional challenges as some residents who are EEA+ nationals may lose their rights to work, rent and welfare support. Local authorities are likely to have to bear the costs of supporting residents – including many of the most vulnerable - to make a late application and for those with pre-settled status to reapply for settled status.⁶⁸

Finding 21: the local safety net and crisis support

The Council has relatively generous arrangements for supporting residents in financial crisis and was able to use these effectively during the pandemic. Local welfare assistance schemes provide an important local safety net for residents who are facing a one-off crisis which has left them unable to afford essentials.

Effective support can help to mitigate the damaging impact of crisis on families and particularly children's wellbeing, avoid escalating crises such as illness and homelessness, and provide an opportunity for financial advice and income maximisation support for residents.⁶⁹ In a study cited by the National Audit Office, an investment of £0.5million into local welfare assistance generated £9.7million in savings to other public services.⁷⁰

With the closure of the national Discretionary Social Fund in 2013, local authorities were given the responsibility of setting up Local Welfare Assistance Schemes. There is no statutory obligation on authorities to run such a scheme and from 2015/16, central government funding for this duty ceased to be ringfenced. Nationally, by 2020/21, notional funding allocated in the Revenue Support Grant for local welfare assistance was 55% of the 2010/11 allocation in real terms. Research by the Children's Society prior to the pandemic found that 1 in 7 local authorities no longer

have a local welfare assistance scheme, and that – of those that do – just 39% of the notional central government allocation is spent.⁷¹

In Tower Hamlets, the current scheme – known as the Residents Support Scheme - was introduced in 2018. It replaced a Local Welfare Assistance Policy which provided around £500,000 per year from 2013 to 2017 in crisis grants and support grants. The RSS provides a combination of goods and services, combined with pre-paid cards for residents who do not have the funds to pay for fuel, food or essential household furniture or white goods. Processing of claims to the scheme has been administered by Northgate Public Services on behalf of the council since 2018. In the year to 31 March 2021, the scheme made 1212 awards totalling £769,050. During the pandemic, the scheme also operated as a vehicle for Covid fuel and food support: 2139 applications were agreed with a total value of £190,203, and the limit of one application per households per year was lifted.

Monthly data returns provide timely and comprehensive information on decision-making times, client profiles and the immediate needs met by the scheme. In 2018, work was undertaken to identify and address the reasons for low take up by residents from Bangladeshi backgrounds, private tenants and pensioners, and the scheme has been promoted to key stakeholders and landlord forums.

Tower Hamlets has therefore sustained support to local welfare assistance at a time when other local authorities have reduced funding, or ended such schemes altogether. The scheme is generally considered to be broad enough to allow for provision of a range of items, has a quick turnaround and works with different partners. The Tackling Poverty team believe that their well-established scheme with good local connections allowed them respond quickly to deliver Covid-related support. This chimes with broader evidence gathered by the Trussell Trust who found that areas with good local welfare assistance schemes in place were able to use the Covid Emergency Assistance Grant more quickly and effectively than those who lacked well-established schemes.⁷²

One of the original objectives of the scheme was to provide short term support to residents allowing them to adjust to and cope with changes in welfare benefits: transitioning onto Universal Credit, becoming subject to the benefit cap or the bedroom tax. The initial case for the scheme noted that the new scheme would review each resident making an application to see if they would benefit from further assistance (on income and benefits, education training and employment opportunities, or social well-being and reducing isolation). It is hard to evaluate the extent to which this objective has been met, however the provision of welfare and benefits advice will be part of the new RSS contract.

Tower Hamlets is one of seven councils with longstanding involvement in the LGA's Reshaping Financial Support action learning programme, feeding into good practice guides, and informing a growing network that now includes more than 120 councils.⁷³ Through participation in the Coordinated Community Support project, the Tackling Poverty team has been part of an effort to embed the Resident Support Scheme in the wider borough effort to respond effectively to financial hardship and crisis. The project is run by The Children's Society in partnership with several organisations (including the Local Government Association) in four local areas. It aims to address gaps in emergency support provision through better networking of local agencies and to address the underlying causes of crises. Findings from the first year of

implementation are not specific to the Resident Support Scheme but highlight the need to build on strong informal networks in Tower Hamlets to develop more systematic referral arrangements, to build on the more proactive communications during the pandemic with a range of advertising routes to reach residents, and to build on the role and commitment of schools.⁷⁴

Going forward, there are opportunities to ensure enduring benefits from the scheme, by linking it more effectively to advice and income maximisation, developing a loan element and links to financial inclusion, identifying whether there are groups (including residents who do not access online services) who are not able to access the scheme, and building a business case for investment in the scheme through impact measurement. The scheme will only ever be one part of the different ways that people can get support. A more joined-up approach, underpinned by the referral mechanisms developed through the Coordinated Community Support project, will help ensure that residents in need can access a wider range of local and community support alongside the Resident Support Scheme.

Recommendations

The short term: recovery priorities

Between now and Spring/Summer 2022, the review recommends a focused and well-coordinated programme of communications and outreach in conjunction with schools, advice agencies and the VCS as government protections put in place during the pandemic are withdrawn. This should ensure that residents get the very best information, advice, and access to opportunities. The focus should be on mobilising existing avenues of support effectively to reach residents in a timely way.

Specific recommendations are that the council -

1. Scales up efforts to promote take-up of benefits through targeted communications, and a broader promotion campaign: including Healthy Start vouchers, the Free Early Education Entitlement, nationally funded Free School Meals (for those who are benefits-eligible), Pension Credit and other benefits.
2. Develops a campaign so that residents who are negatively affected by the withdrawal of pandemic protections or at risk of homelessness know where to get help and are encouraged to seek advice, through direct communication with residents and via VCS, children's centres, schools, and GPs, using the Tower Hamlets Connect digital portal to provide accurate information and signposting.
3. Maps which council services may be able to use the LIFT dashboard and/or the Budgeting and Benefits Calculator and begins a rollout which is supported and monitored to check that the approach is manageable and produces results.
4. Supports delivery of the Kickstart and Restart programmes to secure and sustain the very best opportunities for young and older adults in Tower Hamlets, and in a way which builds collaborative working.
5. Introduces short term measures to improve joint working. During the remainder of FY2021/22, the review team recommends that the council works with the following key partners to identify and implement practical poverty reduction measures as follows:
 - With schools: key messages for parents on income maximisation, access to information and advice, resources, and good practice, sharing lessons from poverty proofing the school day.
 - With advice agencies: supporting inter-agency referrals, improving awareness of information and advice to residents; ensuring link up between Tower Hamlets Advice Consortium and Tower Hamlets Connect.
 - With food banks: to promote access to information and advice for residents in need
 - With housing providers: to build on the interest on joint work on employment and skills, starting with the Restart and Kickstart projects.
 - With the ActEarly research programme: identify a programme of research to understand the impact of existing interventions, and to develop new proposals.

Strategic directions: recommendations

Beyond the immediate recovery, the review recommends that the council works with partners and voluntary, community and faith groups to develop a strategic approach to poverty reduction. This should be focused on local actions that will make a real and sustainable difference to residents who are at risk of poverty, using scarce resources effectively and at the right time to avoid the human and public cost of financial crisis and homelessness.

Short term impact Early financial intervention	Medium term impact Employment and skills	Long term impact A bright future for the new generation
<p>What?</p> <p>A whole systems approach to increasing incomes, reducing costs and arrears, and averting financial crisis.</p>	<p>What?</p> <p>A partnership programme to improve skills, and access to decent work with opportunities for progression</p>	<p>What?</p> <p>A relentless focus on achieving the best possible outcomes for all children.</p>
<p>Desired outcome</p> <p>Tower Hamlets residents on low incomes increase their incomes, reduce levels of problem debt and arrears, and reduce their risk of homelessness.</p>	<p>Desired outcome</p> <p>More Tower Hamlets residents are in work, and there is a reduction in the percentage of working residents in insecure and low paid work.</p>	<p>Desired outcome</p> <p>Children from low-income households achieve educational outcomes and enjoy the same standard of physical and mental health as their national peers.</p>
<p>How?</p> <p>Understanding and building on the different contacts that residents have with services at different points in their life.</p> <p>Proactively and effectively using all available relationships with residents, working with partners and community organisations, and making the best use of data, digital channels and clear accessible communications and commissioned services to help residents maximise their incomes, reduce the cost of living including food and fuel, and avoid becoming over-indebted.</p> <p>Supporting strong community links and working with staff, volunteers, residents, and trusted institutions to increase trust and uptake of advice and support.</p>	<p>How?</p> <p>Building on and extending existing relationships to build an ambitious partnership borough-wide work programme, which builds on the comparative advantage of different partners and links to London initiatives. The programme should address inclusion, inflexible working practices, the barriers – including childcare and other care – which prevent women, carers and disabled residents – from accessing employment. It should link to relevant recommendations of the Black, Asian and Minority Ethnic Inequalities Commission.</p>	<p>How?</p> <p>Based on the best evidence and starting from investment in the early years, addressing inequalities in physical and mental health, sustaining the gains in school achievement of the last twenty years, and extending these to support older teenagers to develop excellent qualifications, confidence, and capabilities to thrive and progress in adulthood. This should include a particular focus on progression from level 2 to level 3 qualifications as a basis for accessing decent work and progression. Poverty proofing interventions and services to ensure children from low-income families thrive.</p>

Recommendations: areas for further consideration

The review team recommends that the council considers how it might best respond to other issues identified in the review:

1. Communicating about poverty in a balanced way which highlights aspects of the borough's story which are transformative, as well as the real challenges.
2. Involving residents with lived experience of living on a low income in developing and overseeing strategic approaches and action plans on poverty.
3. Approaches to partnership work and social infrastructure which facilitate community action and mutual support to tackle poverty.
4. Adopting a more consistent and rigorous approach to understanding impact and lessons learned across poverty-focused interventions, including major investments such as the Mayor's Free School Meals and Council Tax Reduction programmes.
5. Further scoping to consider what an effective local response to insecure, low paid work might look like.
6. Actions to increase take up of childcare and free early education places.
7. Whether there are opportunities for more coordinated and strategic approaches to digital poverty, fuel poverty and food provision.
8. Reviewing the council's support to adults and families with no recourse to public funds.

Background papers

- A. Poverty Review Scope
- B. Review process and resident and stakeholder engagement
- C. Mapping of council implemented and supported poverty interventions (March 2021)
- D. Evidence base and updated Poverty Profile 2021
- E. Toynbee Hall Poverty Review Summary Report

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<p>Cabinet</p> <p>22nd September 2021</p>	
<p>Report of: Will Tuckley, Chief Executive</p>	<p>Classification: Unrestricted</p>
<p>Strategic delivery and performance reporting – Q1 2021/22</p>	

Lead Member	John Biggs, Executive Mayor
Originating Officer(s)	Sharon Godman, Director Strategy, Policy and Performance Thorsten Dreyer, Head of Intelligence and Performance Juanita Haynes, Senior Intelligence and Performance Manager Vicky Allen, Intelligence and Performance Manager
Wards affected	All wards
Key Decision?	No
Forward Plan Notice Published	1 st June 2021
Reason for Key Decision	This report has been reviewed as not meeting the Key Decision criteria.
Strategic Plan Priority / Outcome	All

Executive Summary

This report provides the Mayor in Cabinet with an update on the council's performance against the performance indicators included in our Strategic Plan in quarter 1 of 2021/22.

Recommendations:

Cabinet is recommended to:

1. Note the strategic delivery and performance report for quarter 1 of 2021/22;
2. Note that the Covid-19 pandemic continues to have an impact on service delivery in some parts of the council;
3. Review the performance of the strategic measures, including those measures where the minimum expectation has been missed.

1 REASONS FOR THE DECISIONS

- 1.1 The council is committed to improving outcomes for residents. Our corporate priorities and outcomes are found in our Strategic Plan and provide a framework for action.
- 1.2 Our Performance & Accountability Framework sets out the process for monitoring the timely and effective delivery of the Strategic Plan to improve outcomes for residents. In line with the framework, Cabinet receives regular update reports to ensure oversight of pace, delivery, performance and improvement activities. Cabinet receives a report on performance indicators only in quarters 1 and 3 of the financial year while at the mid-year and end-of-year points (quarters 2 and 4), the report also includes a progress update on delivery of our Strategic Plan actions.
- 1.3 This report promotes openness, transparency and accountability by enabling Tower Hamlets residents to track progress of activities that impact on their lives and the communities they live in.

2 ALTERNATIVE OPTIONS

- 2.1 Cabinet may decide not to review the delivery and performance information. This is not recommended as Members have a key role to review and challenge underperformance and to utilise performance information to inform resource allocation.

3 DETAILS OF THE REPORT

- 3.1 *Background*
- 3.2 The Strategic Plan is the council's main business plan and embeds the priorities set by the administration into council delivery. This report provides the Mayor in Cabinet with an update on the delivery and implementation of the council's Strategic Plan throughout the year.
- 3.3 The council's transition to becoming a truly outcome-based organisation continues and in April 2021 Cabinet adopted the Strategic Plan 2021-2024. The plan has been updated to reflect our continued response to the pandemic, our move into pandemic recovery for the borough and the progress and achievements made since the last Strategic Plan. To reflect this the plan is underpinned by a revised set of 76 performance measures, aligned to the council's corporate outcomes. Some of the new measures have been carried forward from 2020/21 whilst others have been replaced to allow for any impacts the pandemic may have on our performance.

- 3.4 Minor amendments to the format of the quarterly report have also been introduced from this year onwards so that we reduce the burden, reporting on performance indicators only in quarter 1 and 3, whilst quarters 2 and 4 will include reporting on delivery activity.
- 3.5 In February 2021 the Prime Minister announced the Covid-19 roadmap to cautiously ease lockdown restrictions in England. In line with the revised government guidance we have begun reopen some of our services, increased capacity where needed whilst retaining some services online that are working well remotely.
- 3.6 Our Workpath service and business and enterprise support services are continuing to support residents and local businesses to thrive and survive post-Covid-19 challenges. We are providing support for local businesses and job preparation training for residents so that they can access job opportunities when the economy reopens. Through Kickstart, a new programme funded by the Department of Works and Pensions, we have also been able to secure placements and jobs for young Tower Hamlets residents.
- 3.7 As the lockdown measures eased we have continued to work with schools and to support pupils and their families to return to school. We remain committed to ensuring more children and young people have access to an internet connection and a digital device and we have helped distribute laptops provided by the Department of Education so that they can participate in online learning.
- 3.8 We continue to promote the uptake of the vaccine as the most effective way of being protected from Covid-19, setting up community clinics in various locations across the borough and launching the #ihadmyjab campaign. By the end of the quarter 175,918 residents had had their first dose of the vaccine, and 85,504 residents were fully vaccinated.
- 3.9 *Performance summary*
- 3.10 Although the restrictions in place during the lockdown began to ease at the beginning of the quarter the consequences of the pandemic have continued to impact on several performance indicators. Where we have not met our target, our report provides more detail on what we are planning to do to improve performance in the future.
- 3.11 At the end of quarter 1 2021/22, 27 performance indicators have met or are exceeding their target and 9 are between the target and the minimum expectation, while 12 are falling short. We are unable report the results of 17 indicators normally derived from our annual residents' survey. This is because we were not able to carry out our normal annual residents' survey in 2020 and instead conducted a mid-pandemic survey. Results from this survey cannot be compared to previous years. There is one indicator for which data collection was suspended or has been delayed beyond the publication of this report. We are still awaiting data for seven indicators.

3.12 Indicators that are exceeding the target broadly fall into the main areas of the business as set out below. Full details of all indicator performance can be found in appendix 1.

Education, skills, employment and income

- Percentage of 16–17 year olds in education, employment or training
- Idea Store learners who pass their course
- Small and medium, and new enterprises supported through the council's business programme
- Young people (16-24) supported into employment via the Kickstart programme
- Residents who complete their job preparation training with the Workpath service
- Residents who complete their job preparation training with the Workpath Service who are women
- Residents who complete their job training with the Workpath service who live in the most deprived postcode areas
- Average annual income increase for residents receiving benefit maximisation support
- Residents who are better off after receiving benefit maximisation support
- Idea Store learners who pass their English for Speakers of Other Languages (ESOL) course
- Residents supported into employment by the Workpath partnership

Health, social care and safeguarding

- Education Healthcare Plan assessments completed within the statutory timescales of 20 weeks
- Young people engaging with the youth service who achieve a recorded outcome
- Closed section 42 adult safeguarding enquiries where desired outcomes expressed were achieved
- People engaging with the smoking cessation service who quit smoking

Environment and sustainability

- Level of public realm cleanliness (litter)
- Primary school pupils benefiting from a school street at their school
- Residents engaged with initiatives which contribute to reducing air pollution
- Number of regeneration outcomes secured

Housing supply and homelessness

- Households whose homelessness has been prevented or relieved
- Homeless households moved into affordable, sustainable housing
- Lettings to overcrowded households
- Level of temporary accommodation use

Community safety

- Victims of violence against women and girls or hate crime who feel safer after engaging with victim support
- Young people entering the youth justice system for the first time

Customer service and how we work as a council

- Service user satisfaction with the council's online service offer
- Budget variance from the general fund

3.13 Indicators that are falling short of the minimum expectation broadly fall into the main areas of the business as set out below:

Education, skills, employment and income

- Percentage of eligible children living in low-income families accessing early-years provision
- Pupils who are attending primary schools in Years 1 – 6
- Residents who complete their job preparation training who have disabilities

Environment and sustainability

- Level of household recycling

Housing supply and homelessness

- Level of affordable homes completed (by habitable room)
- Annual infrastructure target expenditure achieved

Health, social care and safeguarding

- People who are more independent after being supported through reablement services
- People using social care who receive direct payments as part of self-direct support

Community safety

- Drug users (opiate users) successfully completing treatment
- Criminal justice clients successfully completing drug and alcohol treatment

Customer service and how we work as a council

- Council staff sickness absence rate
- Council staff turnover rate

3.14 *Setting targets and improving outcomes*

3.15 The council is committed to driving improvement which sees us deliver high performing services and in turn improved outcomes for our residents. As part of our move to becoming an outcomes-based organisation, we have introduced a more mature approach to performance management which

seeks improvement while at the same time taking into account more clearly the operating realities we face.

- 3.16 We need to consider factors affecting local government today. For example, budgetary constraints mean we have to do more with less whilst our population continues to grow, and expectations rise.
- 3.17 Absolute numerical improvement is often less appropriate now that we have refocused our activities on improving the life chances of our most vulnerable residents. A focus on numerical improvement can drive the wrong kind of behaviour and place the focus in the wrong area of concern.
- 3.18 Our improvement journey has been steep, and whilst there is no doubt that we need to continue improving, there is also recognition that sustainability is important. Improvements and new ways of working take time to bed in, and our targets need to reflect this.
- 3.19 Our target setting principles take these challenges into consideration:
- We will only set targets for performance indicators and not for contextual indicators. Contextual indicators are those less directly in the council's control but which are important for prioritising council investments and actions.
 - Targets will be set using a bandwidth approach consisting of a target and a minimum expectation. The target (upper bandwidth) should adhere to one or more of the following target setting principles:
 - Be aligned to an external target, such as a statutory, national or Mayoral manifesto target, or target in strategies and policies where they have been agreed by Cabinet or a Tower Hamlets Partnership group;
 - Aim to improve on our benchmark performance position within the appropriate benchmark family group or maintain a high level of performance where we are among top performing councils;
 - Be based on management information evidence, especially for new measures where targets have previously not been set;
 - Take account of operational practicalities as described below;
 - In relation to perception surveys, we will monitor the direction of travel rather than set specific targets.
 - Targets for all measures are set against the operating realities of the service – for example service changes, funding changes, changes in legislation or in local or national policy. These changes may result in the need to re-baseline the targets from one year to the next to reflect the changing circumstances in which the service operates.
- 3.20 The Covid-19 pandemic and subsequent and ongoing recovery has had a significant impact on many services. Our target setting principles take these challenges into consideration.
- 3.21 Changes that have had occurred as a result of Covid-19 can be taken into consideration under the last principle. Where services have had to cease or

significantly alter operations in response to government guidelines we have adjusted existing targets accordingly, where needed, to ensure they remain realistic. For example, cumulative targets will not include periods during which services were suspended. Targets also take into consideration, where possible, any further impacts Covid-19 may have on services.

4 EQUALITIES IMPLICATIONS

- 4.1 The council's Strategic Plan is focused on meeting the needs of the diverse communities living in Tower Hamlets and ensuring that everyone can play their part in a vibrant and cohesive community. The strategic outcomes and supporting activities are designed to reduce inequalities and the foster community cohesion. Equalities considerations are embedded in all outcomes of the Strategic Plan with specific actions focusing on areas of inequality identified through the Borough Needs Assessment being addressed under Strategic Plan Outcome 4 - Inequality is reduced and people feel that they fairly share the benefits from growth.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications,
- Consultations,
- Environmental (including air quality),
- Risk Management,
- Crime Reduction,
- Safeguarding.
- Data Protection / Privacy Impact Assessment.

5.2 Best Value (BV) Implications

- 5.3 Section 3 of the Local Government Act 1999 requires the council as a best value authority to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". Monitoring of performance information and acting on the findings is an important way in which that obligation is being fulfilled.

5.4 Sustainable action for a greener environment

- 5.5 Strategic Plan Outcome 5 - People live in a borough that is clean and green is dedicated to taking sustainable action for a cleaner environment. It focuses on key areas of sustainability, including air quality, waste and carbon emission. Key activities include work to drive up the borough's recycling rate, reducing

CO2 emissions, and implementing a number of initiatives to improve air quality, including making Tower Hamlets one of the best boroughs for walking and cycling through our Liveable Streets programme.

5.6 *Risk management implications*

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

5.8 *Crime and disorder reduction implications*

5.9 Strategic Plan Outcome 7 - People feel safer in their neighbourhoods and anti-social behaviour is tackled and Strategic Plan Outcome 8 – People feel they are part of a vibrant and cohesive community are dedicated to crime and disorder reductions. Activities under these outcomes are designed to improve safety, the perception of safety and community cohesion.

5.10 *Safeguarding implications*

5.11 Strategic Plan Outcome 2 - Children and young people are protected so they get the best start in life and can realise their potential is dedicated to keeping children and young people safe from harm. The activities under this outcome seek to safeguard children and build on our Ofsted success.

5.12 Strategic Plan Outcome 3 - People access joined-up services when they need them and feel healthier and more independent is our key outcome in relation to safeguarding vulnerable people. Key activities include projects to address the impacts of the pandemic on the health and wellbeing of residents, as well as supporting greater choice and independence for those requiring adult social care.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

6.1 This report sets out the performance position for the Strategic Plan at the end of quarter 1 2021/22. There are no direct financial implications arising from the recommendations of this report

7 COMMENTS OF LEGAL SERVICES

7.1 The report provides performance information. It is consistent with good administration for the council to consider performance related monitoring information. This also assists the council achieve Best Value and may demonstrate continuing improvement.

7.2 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 targets are formulated by reference to its public sector equality duty and monitoring performance against those targets should help to ensure they are delivered.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1: Strategic delivery and performance report quarter 1 2021/22 - performance indicator outturn

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

- None

Officer contact details for documents:

Juanita Haynes, Senior Intelligence and Performance Manager

Vicky Allen, Intelligence and Performance Manager

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Strategic **delivery** KPI
performance report
Q1 review 2020-21





The Strategic Plan is the key link in the 'Golden Thread' and used to inform directorate, service and team planning. It also sets out how the council will deliver the objective and priorities set out in the new Tower Hamlets Plan developed by the Tower Hamlets Strategic Partnership.

The council is looking to deliver the following priorities and outcomes over the next three years.

Priority 1 - People are aspirational, independent and have equal access to opportunities

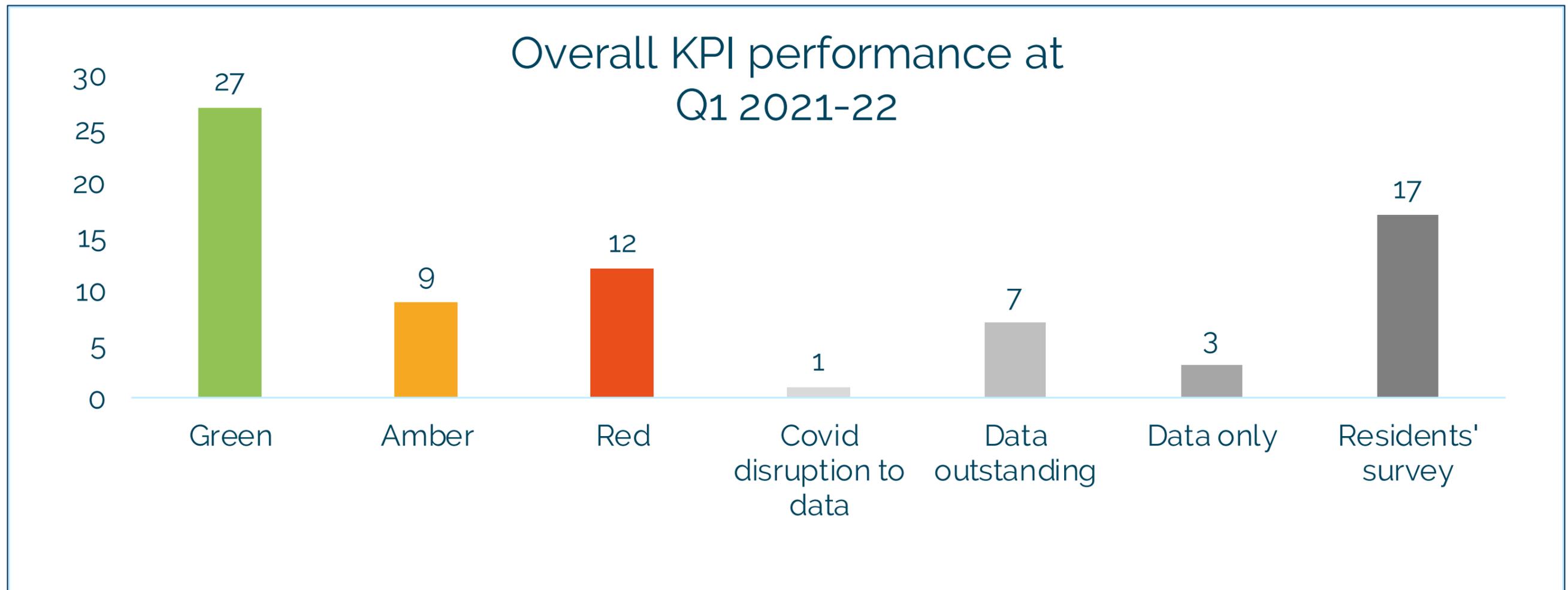
1. People access a range of education, training, and employment opportunities.
2. Children and young people are protected so they get the best start in life and can realise their potential.
3. People access joined-up services when they need them and feel healthier and more independent.
4. Residents feel they fairly share the benefits from growth and inequality is tackled.

Priority 2 - A borough that our residents are proud of and love to live in

5. People live in a borough that is clean and green.
6. People live in good quality affordable homes and well-designed neighbourhoods.
7. People feel safer in their neighbourhoods and anti-social behaviour is tackled.
8. People feel they are part of a cohesive and vibrant community.

Priority 3 - A dynamic, outcomes-based council using digital innovation and partnership working to respond to the changing needs of our borough

9. People say we are open and transparent putting residents at the heart of everything we do.
10. People say we work together across boundaries in a strong and effective partnership to achieve the best outcomes for our residents.
11. People say we continuously seek innovation and strive for excellence to embed a culture of sustainable improvement.



Priority 1

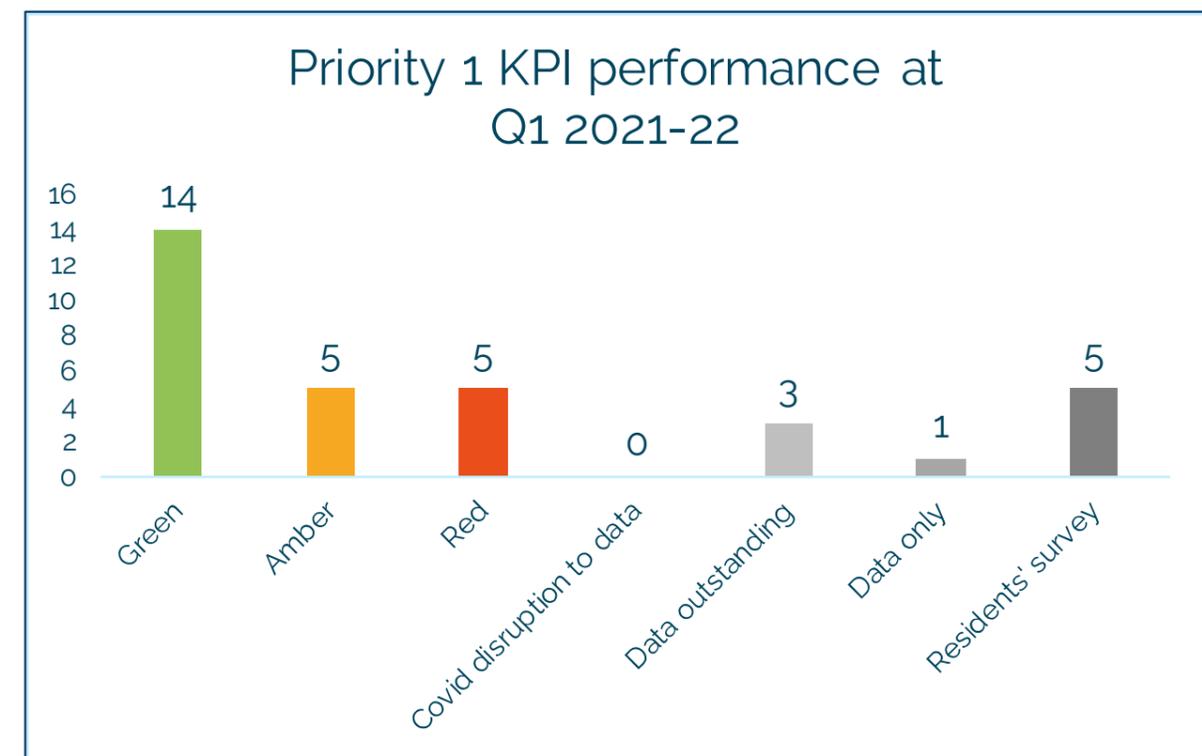
People are aspirational,
independent and have
equal access to
opportunities



The people of Tower Hamlets are dynamic and diverse and have shown resilience throughout the pandemic. Our children and young people are aspirational, and our adults are increasingly interested in living in more environmentally-friendly and healthy communities.

We have selected thirty-three measures to understand whether we are making progress in achieving this outcome.

We have met or exceeded the target for fourteen measures. Five measures fell short of the target but exceeded our minimum expectation. Unfortunately, we did not achieve our target for five measures. For the remaining measures there is no planned outturn this quarter or there is a delay in national data being released due to the pandemic.





Outcome	Measure Number	Indicator Name	Short description	Outturn 2020/21	Annual Target 2021/22	Annual Minimum Expectation 2021/22	Target 2021/22	Minimum Expectation 2021/22	Outturn Q1 2021/22	Last updated	Year on year trend	RAG status	Comment
ONE	1	Percentage of eligible children living in low income families accessing early years provision	The percentage of eligible 2 year olds accessing early years provision	NEW	55.00%	49.50%	55.00%	49.50%	41.3%	Q1	N/A	RED	A number of factors have led to the measure being off target. There has been a national decrease in the take up of Early Learning for two-year olds (called EL2) due to Covid-19. National lockdowns, school closures and self-isolating has increased parents' reluctance to access childcare. Childcare providers have reduced the number of children they are admitting to meet social distancing requirements. Self-isolating has reduced staffing levels in childcare restricting the number of places available. The hourly funding rate for EL2 places is less than that paid for the universal and 30hours entitlements and requires twice the staffing levels. Childcare providers with limited places favour the fee-paying babies and older children to ensure the financial stability of their service. Providers, especially childminders, have benefitted from the increased universal credit and as a result are not offering places at present. Private, voluntary and independent nurseries have utilised furlough where they are able, and this has resulted in fewer places being available or fewer hours/days being offered. The recent restructure of the service and staff absence has resulted in backlog of EL2 applications. The early years' service is taking a number of steps to improve attendance; trialling new parent portals enabling parents to check their eligibility, promoting our provision and free early education entitlements workshops to relevant agencies to promote childcare funding options that are open to families. Nurseries are also supported to increase the number of places on offer. A new outreach worker is also recruited to engage with eligible families.
ONE	2	Percentage of secondary pupils attending school regularly	The percentage of secondary school pupils who attended at least 90% of their possible sessions.	82.9%	90.2%	81.8%	90.2%	81.8%	82.6%	Q1	↓	AMBER	Whilst secondary school attendance in Tower Hamlets is at or above national levels, we have not met our target. Secondary school attendance has been seriously affected by Covid due to high degree of parental anxiety and the large number of families in Tower Hamlets who have two levels of vulnerability - being a member of the Black and minority ethnic population and having extended family members living with them who have underlying health conditions. We expect attendance to increase as Covid cases reduce and with the roll out of the vaccination programme. Our attendance welfare service has been working with targeted schools to support them to tackle entrenched cases of persistent absence. We are also looking at how we can further reduce absence through enforcement activity.
ONE	3	Percentage of 16-17 year olds in education, employment or training	The proportion of 16-17 year olds who are in Education, Employment or Training (EET). The measure is based on tracking the progression of young people in the age group.	95.0%	94.0%	84.6%	94.0%	84.6%	94.3%	May-21	↑	GREEN	Latest available data May 2021 94.3 percent of young people in the borough are in education, employment and training. We have exceeded our target of 94 percent. More young people are now in EET than this time last year.
ONE	4	Percentage of Idea Store Learning learners who pass their course	The percentage of adult Idea Store learners who completed their course successfully. Counting number of courses successfully passed.	97.0%	97.0%	87.3%	97.0%	87.3%	100.0%	Q1	↑	GREEN	Term Y covers those learners who took longer than one individual term to pass their course. In Term Y, 239 residents enrolled achieving 100 percent pass rate. We exceeded our target of 97 percent.
ONE	5	Number of small and medium, and new enterprises supported through the council's business programmes	The number of businesses in the borough involved in participating in any of the enterprise support projects that the council runs.	1,069	600	540	200	180	288	Q1	↑	GREEN	305 SMEs received support through a range of business programmes including help with applying for grants and attending topical masterclasses. We exceeded our target of 200.
ONE	6	Number of young people (16-24) supported into employment via the Kickstart programme	Cumulative measure. Straight count of the number of TH residents who secure a job through the Kickstart programme. This will include any residents who may have secured jobs through another Kickstart gateway contract	NEW	469	422	110	106	111	Q1	N/A	GREEN	Up to the end of June 776 Tower Hamlets young people aged 16-24 had secured a Kickstart placement. 111 of those Tower Hamlets residents are within the Council's own Gateway Consortium. We met our in-year target of 110. We also supported a further 30 young people who are not residents of Tower Hamlets via our Gateway.
ONE	7	Percentage of residents who complete their job preparation training with the Workpath service	Workpath is a unique employment service for Tower Hamlets residents, providing a wide range of training and support to help people overcome their often multiple barriers to getting into work. Counting number of courses successfully passed/completed. Courses to be included to be confirmed.	NEW	75.00%	67.50%	40.00%	36.00%	48.58%	Q1	N/A	GREEN	This quarter we undertook 771 job preparation training and intervention activities with our Workpath clients helping them to gain the skills they need to enter the jobs market. Interventions included interview preparation, application support, coaching, barriers to employment and skills assessments. Please note that we have set in-year targets which will cumulate to our 75 percent annual target.
ONE	8	Number of residents supported into employment by the Workpath service	Workpath is a unique employment service for Tower Hamlets residents, providing a wide range of support to help people overcome their often multiple barriers to getting into work. Counting the number of adults supported into employment by the council's Workpath Service. Cumulative measure	326	630	396	157	99	94	Q1	↓	Data only	Given the uncertainty in the economy the target we have set is advisory only.



Outcome	Measure Number	Indicator Name	Short description	Outturn 2020/21	Annual Target 2021/22	Annual Minimum Expectation 2021/22	Target 2021/22	Minimum Expectation 2021/22	Outturn Q1 2021/22	Last updated	Year on year trend	RAG status	Comment
TWO	9	Percentage of Education Healthcare Plan assessments completed within the statutory timescales of 20 weeks	The percentage of Education Healthcare Plan assessments complete within 20 weeks.	NEW	53%	47.70%	26%	23.40%	43.01%	Q1	N/A	GREEN	An EHC plan is a legally-binding document outlining a child or young person's special educational, health, and social care needs. We met our target of completing EHCP's within statutory timescales, improving outcomes for 40 children / young people.
TWO	10	Children with child protection plans receiving timely visits	Percentage of children on a child protection plan receiving a visit within 10 working days	NEW	95.0%	90.0%	95.0%	90.0%	94.56%	Q1	↑	AMBER	We narrowly missed our target of 95 percent. There has been an increase in challenges to engage young people aged 16+ as well as a small cohort of families who fail to engage. Our social workers and other professionals are now focussing more effort into working with these hard to reach groups to ensure those children remain safeguarded.
TWO	11	Families who are seeing the benefits of being supported before problems escalate	The percentage of families who achieved improved outcomes through Early Help support.	N/A	70.0%	63.0%	70.0%	63.0%	N/A	Q3	N/A	Data outstanding	Due to technical accessibility issues as yet unresolved, we are not able to accurately report this measure. We continue to liaise with both our internal IT provider and external system supplier to resolve the issue ahead of the next quarterly update.
TWO	12	Percentage of pupils who are regularly attending primary school in reception year	The percentage of pupils in Reception who attended at least 90% of their possible sessions.	76.0%	80.50%	72.45%	80.50%	72.45%	77.0%	Q1	↑	AMBER	This year we have set ourselves more challenging attendance target and whilst we missed our target of 80.5 percent, the percentage of regular attenders is now slowly improving. Attendance in reception year has been seriously affected by Covid-19 due to high degree of parental anxiety and the large number of families in Tower Hamlets who have two levels of vulnerability - being a member of the BAME population and having extended family members living with them who have underlying health conditions. Our attendance welfare service has been working with targeted schools to support their improvement. Our early years services are focussing on working with families with children who are persistently absent from school.
TWO	13	Percentage of pupils who are regularly attending primary school in Years 1-6	The percentage of pupils in Years 1-6 who attended at least 90% of their possible sessions.	84.0%	95.00%	85.50%	95.00%	85.50%	85.2%	Q1	↑	RED	We have missed our target of 95 percent however the proportion of regular attenders has been slowly improving over the past year. Primary school attendance has been seriously affected by Covid-19 due to high degree of parental anxiety and the large number of families in Tower Hamlets who have two levels of vulnerability - being a member of the BAME population and having extended family members living with them who have underlying health conditions. Our attendance welfare service has been working with targeted schools to support their improvement. It is worth noting however, that there may need to be a higher level of legal enforcement of attendance in the coming academic year.
TWO	14	Long term looked after children who are in stable placements	The percentage of children who have been looked after for two and a half years or more who have been in the same placement for at least the last two years or who are placed for adoption.	72.7%	72.0%	65.0%	72.0%	65.0%	67.8%	Q1	↓	AMBER	Whilst we have missed our target for this measure, our performance is comparable to the national average. Performance has been affected because there were a number of children who experienced placement disruption and moves. We have set up stringent procedures on authorisation of placement moves and we are doubling our efforts in seeking long term fostering matches to ensure children remain secure and in stable placements.
TWO	15	Young people engaging with the youth offer who achieve a recorded outcome	The percentage of young people who are engaged with the with the council's and council commissioned youth centres who achieve a recorded outcome.	35.6%	50.0%	45.0%	50.0%	45.0%	25.9%	Q1	↓	GREEN	This quarter 160 young people who engaged with our youth offer and achieved a recorded outcome. Through our youth service programme, we offer a range of courses designed to improve confidence, well-being and other soft skills. We have recently recommissioned new providers for this service, and expect our performance to improve over the coming months to reach our 50 percent annual target.



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THREE	16	People who are more independent after being supported through reablement services.	Reablement is a short term service provided to people leaving hospital or current service users who may have deteriorated following a fall or a spell of illness. Reablement is designed to enable them to remain more independent for longer. The measure reflects the proportion of new clients who required reduced support after reablement or who did not require any further support within the year.	55.0%	75.00%	67.50%	75.00%	67.50%	47.4%	Q1	↓	RED	47.4 percent of residents who previously required reablement, needed reduced or did not need further support within the year. We have missed our target of 75 percent. There has been an increase in the number of residents who have required this service since the pandemic and an increase in the number of short-term care clients. More people require a new care service or an increased care package after discharge as they are found to have additional needs that can be met at home. We expect performance to improve in line with the reduction in the number of hospital admissions due to Covid-19.
THREE	17	Residents' self-reported level of physical activity	This measure is taken from the council's residents' survey. It is expressed as the percentage of respondents who say that, on average, they complete over 150 minutes of physical activity and are therefore considered physically active in line with national guidance.	29.0% (2018/19)	31.88%	26.12%	31.88%	26.12%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
THREE	18	Residents' self-reported level of health	This measure is taken from the council's residents' survey. It is expressed as the percentage of respondents who report their health as being 'very good' or 'good'.	77.0% (2018/19)	79.48%	74.52%	79.48%	74.52%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
THREE	19	Number of people using social care who receive direct payments as part of self directed support	This measure is derived from the Adult Social Care Outcomes Framework (ASCOF). Direct payments are an indication of individuals having choice and control of their services.	22.4%	650	630	650	630	583	Q1	↓	RED	The target for this measure is now numerical, rather than a percentage. The new target for 2021/22 is 650 service user. At the end of Q1 there were 583 active users of direct payments, a drop of 22 clients from Q4 of 2020/21. A large proportion of the drop in numbers was due to Covid-19 deaths during the second wave. In an effort to reach our target by Q4 of 2021/22, we have set up an improvement group to look at initiatives to make direct payments easier to access and to improve uptake. As part of that process targets have been set for individual teams within the service to increase the number of new clients taking up direct payment on a monthly basis.
THREE	20	Overall satisfaction with care and support services	This measure is taken from the statutory annual service user survey and used as a benchmarking metric nationally for service quality. It is expressed as a percentage where the numerator is all respondents who say they are 'extremely', 'very' or 'quite satisfied' and the denominator is the total number of responses to the question.	86.7% (latest data 19/20) - no survey in 20/21	88%	84%	88%	84%	N/A	N/A	N/A	Residents' survey	This measure is from an annual statutory survey that will not be reported until the end of the financial year.
THREE	21	Overall contribution of care and support services to quality of life	This measure demonstrates the contribution of care and support services to the quality of life of service users. It is derived from the statutory annual service user survey question 'Do care and support services help you to have a better quality of life?'. The measure is expressed as the percentage of those who answer 'yes' to the question.	93.2% (19/20) - no survey in 20/21	94%	89%	94%	89%	N/A	N/A	N/A	Data outstanding	Annual measure
THREE	22	Number of people who are signposted to find appropriate advice and support in the wider community that helps them to maintain their independence	PLACEHOLDER - this measure will derive from a KPI for the new Advice, Information and Guidance contract that will be in place from July 2021. It is a measure of the effectiveness of advice and signposting services in enabling people to self-manage their health and wellbeing.	NEW	65%	62%	65%	62%	N/A	N/A	N/A	Data outstanding	No data available for Q1 as the new Age UK service started at the end of July.
THREE	23	% of closed section 42 enquiries where desired outcomes expressed were achieved. (Making Safeguarding Personal)	This is a measure from the Safeguarding Adults Collection and relates to Making Safeguarding Personal. The numerator is the total number of clients who expressed their desired outcomes where those outcomes were fully or partially achieved.	76.8%	83%	76%	83%	76%	86.11%	Q1	N/A	GREEN	86.11 percent of closed section 42 enquiries where desired outcomes expressed were achieved. We exceeded our target of 83 percent. This achievement equates to 98 vulnerable adults having been safeguarded from abuse or neglect.
THREE	24	Number of people engaging with smoking cessation service who quit smoking	Number of self-reported successful quitters at 4 weeks. Successful quitters are those smokers who successfully quit at the four-week follow-up. A client is counted as a 'self-reported 4-week quitter' when assessed four weeks after the designated quit date, if they declare that they have not smoked, in the past two weeks. It is expected that 80% of the quits should be verified with a carbon monoxide reading (NICE Guidance).	826 (Q1 - 3 20/21 total)	1200	1100	250	225	288	Q1	↓	GREEN	This is an estimate figures based on 463 people setting quit dates in community stop smoking service and pharmacies. Full data will come by end of August and this indicator will be updated. The revised target this year is 1200 quits due to COVID recovery.



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FOUR	25	Residents' self-reported level of health for groups experiencing health inequalities - BAME residents	This measure is taken from the council's residents survey. The result is expressed as the percentage of respondents who report their health as being 'very good' or 'good'.	76.8% (2018/19)	79.36%	74.40%	79.36%	74.40%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
FOUR	26	Residents' self-reported level of health for groups experiencing health inequalities - residents from C2, D, E socio-economic groups	This measure is taken from the council's residents survey. The result is expressed as the percentage of respondents who report their health as being 'very good' or 'good'.	68.3% (2018/19)	71.1%	65.6%	71.1%	65.6%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
FOUR	27	Proportion of residents who complete their job preparation training with the Workpath service who are women	Workpath is a unique employment service for Tower Hamlets residents, providing a wide range of support to help people overcome their often multiple barriers to getting into work. Measuring the proportion of residents supported into work by the workpath (actual number) who are female. Cumulative measure.	NEW	45%	41%	45%	41%	48.5%	Q1	N/A	GREEN	This quarter, we undertook 374 job preparation training and intervention activities with Workpath clients in this cohort. The range of activities are summarised in measure number 7. This quarter we have also supported 54 women into employment.
FOUR	28	Proportion of residents who complete their job preparation training with the Workpath service who are from BAME backgrounds	Workpath is a unique employment service for Tower Hamlets residents, providing a wide range of training and support to help people overcome their often multiple barriers to getting into work. Measuring the proportion of residents supported into work by the Workpath who are from Black, Asian and minority ethnic (BAME) backgrounds. Cumulative measure.	NEW	85%	77%	85%	77%	84.2%	Q1	N/A	AMBER	This quarter, we undertook 649 job preparation training and intervention activities with Workpath clients in this cohort. (The range of activities are summarised in measure number 7). We narrowly missed our target (by 0.82ppts) but met minimum expectation. This quarter we also supported 93 BAME residents into employment. Workpath offers a range of internal and external training and support interventions, including high quality targeted basic skills and ESOL through Idea Store learning. All clients are facing significant barriers including practical concerns such as care responsibilities and debt; alongside multiple skills need, personal health issues, and low self-esteem and confidence. Ongoing pastoral care from the team and other providers is vital to ensure our targeted demographics are able to complete interventions, and so completion rates vary across subject and providers. The team will focus on ensuring consistent pastoral care across all provision with the caveat that every provider, including Workpath, is extremely stretched for resources. BAME clients have cited additional concerns about their health vulnerability in relation to Covid: access to quality broadband and devices; caring responsibilities. The service has never received complaints about its provision in relation to equalities and it is difficult to say whether the % fluctuation is simply a reasonable fluctuation given how small it is, or whether it will be ongoing. Further considerations could be dropout rates: for example, construction is a key focus for the service, but it is unpopular as a career choice for certain BAME groups. Whilst officers try to promote the myriad career pathways in construction and related sectors, some clients may start a course to try it but still drop out. Officers will clarify the reasons behind non completion of training and take steps to address those reasons. We also hope to see performance improve as the number of Covid cases continues to reduce along with the increase in vaccination take up.
FOUR	29	Proportion of residents who complete their job preparation training with the Workpath service who have disabilities	Workpath is a unique employment service for Tower Hamlets residents, providing a wide range of support to help people overcome their often multiple barriers to getting into work. Measuring the proportion of residents supported into work by the Workpath who have a disability or health problem. Cumulative measure.	NEW	15%	14%	15%	14%	13.2%	Q1	N/A	RED	This quarter, we undertook 102 job preparation training and intervention activities with Workpath clients in this cohort (The range of activities are summarised in measure number 7). We missed our target by 1.77ppts. The Workpath service supports residents with multiple barriers into work. Covid has had a disproportionate impact on residents with disabilities, with many self-isolating or experiencing barriers when accessing remote intervention activities. We expect an improvement as the number of Covid cases continues to reduce along with the increase in vaccination take up. This quarter we also supported 28 disabled residents into employment. Aligning the training needs of peoples with disabilities is challenging. Most disabled people work part-time because of their additional barriers and some of the same issues apply to accessing training: eg. physical access, travel, broadband and IT access; not unique to people with disabilities, but some disabled people may have additional IT related barriers such as a need for suitable screens, keyboards, and adjustable desk/chair). Although the service is doing its upmost to deliver flexible and blended learning throughout lockdown and the slow return to face-to-face delivery, and has successfully pivoted for the most part, these additional issues need to be explored. The service has secured funding that could help with IT related issues and will investigate further what other barriers to the completion of training can be removed in the short and long term for people with disabilities. Clients will be contacted for additional feedback.



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FOUR	30	Proportion of residents who complete their job preparation training with the Workpath service who live in the most deprived postcode areas	Workpath is a unique employment service for Tower Hamlets residents, providing a wide range of support to help people overcome their often multiple barriers to getting into work. Measuring the proportion of residents supported into work by the Workpath who from deprived postcodes. Deprived postcodes has been defined postcodes in the bottom 3 deciles according to the Index of Multiple Deprivation (IMD). Cumulative	NEW	70%	63%	70%	63%	73.2%	Q1	N/A	GREEN	This quarter, we undertook 564 job preparation training and intervention activities with Workpath clients in this cohort. The range of activities are summarised in measure number 7. This quarter we have also supported 89 women into employment.
FOUR	31	Average annual income increase for residents receiving benefit maximisation support	This indicator measures the average annual increase in benefits achieved for residents who were supported to maximise their income on benefits (including backdated appeals and new benefits) (£). This is a demand-led service and therefore target represents the average achieved for residents over the past four years. However it should be noted that changes to welfare eligibility could reduce the amounts achieved.	£5,720.86	£6,130.7	£5,517.6	£6,130.7	£5,517.6	£6,578.38	Q1	↑	GREEN	Between April and June 2021, the average annual increase in benefits achieved for residents who were supported to maximise their income on benefits (including backdated appeals and new benefits) was £6,578.38. We achieved our target of £6,130.70. Residents can receive benefits maximization support from our in-house Tackling Poverty Team and through the LCF-funded Advice Tower Hamlets consortium of 12 partner organisations led by the Citizens Advice Bureau.
FOUR	32	Number of residents who are better off after receiving benefit maximisation support	Numerator of measure above: Average annual income increase for residents receiving benefit maximisation support	NEW	3980	3582	995	895	1367	Q1	N/A	GREEN	1367 Tower Hamlets residents have received benefits maximization support which has led them to be better off due their income being increased and/or through backdated payments. Our target of 995 was exceeded.
FOUR	33	Households whose homelessness has been prevented or relieved	Percentage of households whose homelessness was prevented or relieved via the Housing Options Service or through any funded initiative. Of those whose cases were closed in that quarter. Cumulative measure. Based on statutory returns.	44.9%	50.00%	45.0%	50.00%	45.0%	N/A	Q4	↑	GREEN	The latest published data is for Q4 2020/21. During Q4 43.22 percent of households who approached us with the threat of becoming homeless had their homelessness prevented or relieved. Our target of 26 percent was exceeded. This equates to 201 preventions in the quarter and 868 over the course of the year.

Priority 2

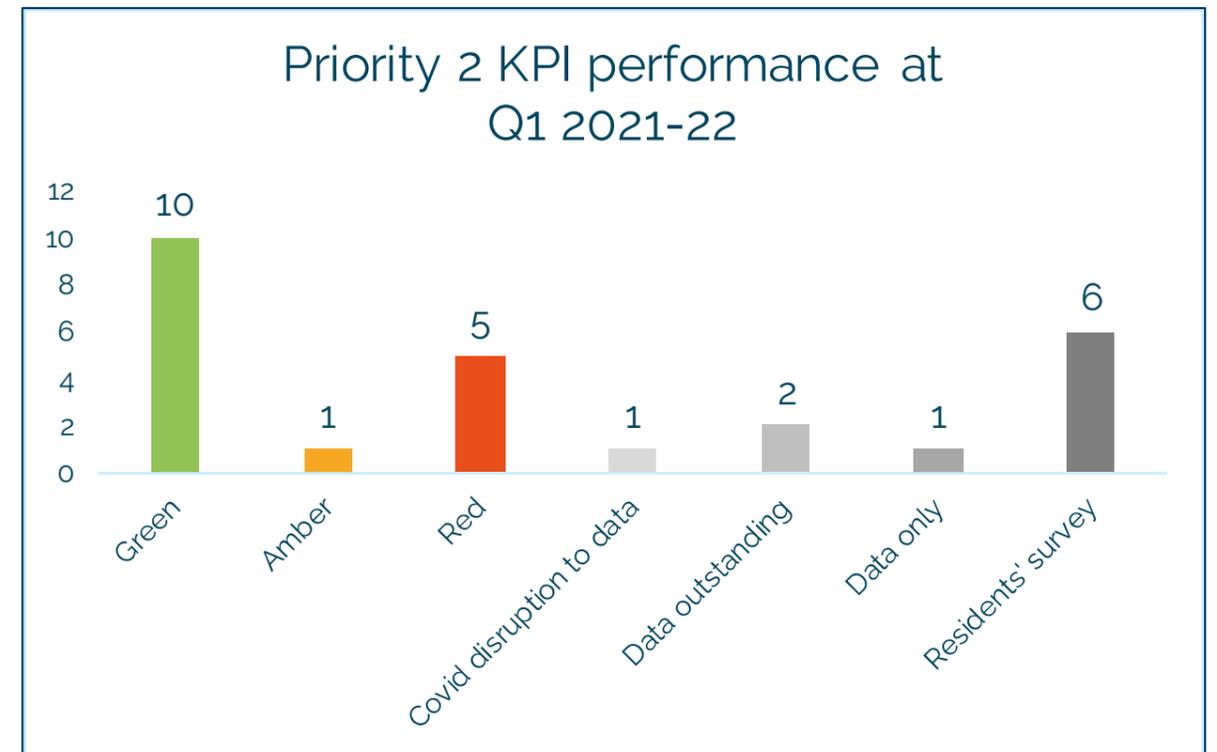
A borough that are residents
are proud of and love to live
in



We want to improve the quality of life of our residents by being the safest, greenest, cleanest and most environmentally sustainable borough where everyone can thrive and flourish

We have selected twenty-six measures to understand whether we are making progress in achieving this outcome.

We have met or exceeded the target for ten measures. One measure fell short of the target but exceeded our minimum expectation. Unfortunately, we did not achieve our target for five measures. For the remaining measures there is no planned outturn this quarter or there is a delay in national data being released due to the pandemic.





Outcome	Measure Number	Indicator Name	Short description	Outturn 2020/21	Annual Target 2021/22	Annual Minimum Expectation 2021/22	Target 2021/22	Minimum Expectation 2021/22	Outturn Q1 2021/22	Last updated	Year on year trend	RAG status	Comment
FIVE	34	Level of public realm cleanliness (litter)	This measure is based on a national methodology to assess the cleanliness of streets and the public realm relating to litter. Surveys of a sample of areas are carried out monthly across the borough. Results of all the surveys will be combined to get the annual result. Areas are scored against a national benchmark of cleanliness levels for litter, and the measure is expressed as the percentage of areas surveyed which meet or exceed the cleanliness standard.	86.13%	92.0%	82.8%	92.0%	82.8%	95.4%	Q1	↑	GREEN	Between April and June 2021, we have inspected 240 transects of land and found 229 of them to have met or exceeded the national cleanliness standard, equating 95.42 per cent. We exceeded our target of 92 percent. We have also introduced new technology to help us spot hotspots and target our resources to those areas more quickly. This quarter we have particularly focussed on clearing litter from our parks and open spaces.
FIVE	35	Level of CO2 emissions generated by the council's activities	Level of CO2 emissions generated by council activities (measuring % reduction from the baseline).	18.0%	50% (reduction on baseline equating to 4,500tCO2 emissions)	45.0%	N/A	N/A	N/A	2020/21	N/A	Data outstanding	We measure the reduction on emissions from our baseline year of 2018/19. Our carbon emissions in 2020/21 were 7,366 equating to an 18 percent reduction in carbon emissions compared to our baseline year. We missed our target of 26 percent. Whilst we saw a gas (24 percent) and electricity (6 percent) consumption, our emissions from the council's transport fleet increased (38 percent). One reason for the increase in emissions from our transport fleet is that the waste collection service transfer from external contractors back in-house bringing these emissions back in scope for being counted for this measure. In addition, the Covid pandemic response meant that we increased use of our vehicles, for example due to food distributions to our vulnerable residents.
FIVE	36	Level of household recycling	The measure looks at the percentage of household waste which is sent for reuse, recycling and composting. The end of year figure is based on the cumulative totals for the whole year while quarterly figures relate to performance in the quarter only.	20.5%	22.0%	20.5%	22.0%	20.5%	19.5%	Q4	↓	RED	19.5 percent of household waste generated in the borough was sent for reuse, recycling and composting. We have missed our target of 22 percent. The amount of household waste produced has increased with residents working from home. However persistent contamination of recycling with non-recyclable materials is a key reason why we have not met our target. We are currently planning a new recycling campaign to encourage residents to recycle more and recycle right.
FIVE	37	Proportion of primary school pupils benefiting from a school street at their school	Streets around schools are often dominated by idling cars and speeding traffic at drop off and pick-up times, resulting in air pollution and an environment that is generally unpleasant for walking and cycling. The numerator for this measure is the number of primary aged pupils who go to a school where a school street has been applied.	21.8%	45.3%	36.1%	27.0%	24.3%	27.0%	Q1	↑	GREEN	This quarter, 1.6 percent primary school aged children benefitted from traffic reduction measures outside their school, contributing to our annual target for this year of 45.3 percent for 2021/22. Added to the other school streets that we have already completed. This brings the total proportion of children who have benefitted to 27 percent.
FIVE	38	Proportion of the population who live in low traffic neighbourhoods	The % of the borough population who live within the boundaries of the liveable streets project/s. Population based on Census data.	0%	6 LTNs		6LTNs		N/A	Q4	N/A	Data outstanding	We are mapping the LTN areas to identify the proportion of residents that live within each LTN boundary. In addition, we are working to establish reporting methodology which will accurately reflect the street works and improvements that contribute towards LTNs.
FIVE	39	Residents engaged with initiatives which contribute to reducing air pollution	Air pollution is a major environmental risk to health. Influencing behavioural change by measuring the number of residents engaged with initiatives which aim to reduce air pollution. Including initiatives aimed at school children, residents and businesses in the borough. Initiatives and events as outlined in our Air Quality Action Plan.	NEW	376	338	94	84	214%	Q1	N/A	GREEN	One of the ways that we are tackling the issue of air pollution is through education, engagement and myth busting about engine idling. We engaged with 214 residents this quarter exceeding our target of 94.



Outcome	Measure Number	Indicator Name	Short description	Outturn 2020/21	Annual Target 2021/22	Annual Minimum Expectation 2021/22	Target 2021/22	Minimum Expectation 2021/22	Outturn Q1 2021/22	Last updated	Year on year trend	RAG status	Comment
SIX	40	Residents' satisfaction with the area as a place to live	This measure is taken from the council's residents' survey and is expressed as the percentage of respondents who are very / fairly satisfied with the local area as a place to live.	70% (2018/19)	72.2%	67.8%	72.2%	67.8%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
SIX	41	Level of affordable homes permitted (by habitable rooms)	The percentage of affordable homes by habitable room that have been given planning permission in the period. Counting habitable rooms is consistent with reporting with official reporting on the London Development Database (LDD) and our own policies. The % of habitable rooms measure will not equate to number of units because of housing need in the borough is for more family sized homes.	31.6%	50%	35%	50%	35%	37.27%	Q1	↑	AMBER	37.27 percent of homes permitted this quarter were classified as affordable (measured by habitable room), equating to 41 habitable rooms (13 homes). We exceeded our target of 35 percent but missed our aspirational target of 50 percent of all homes (by habitable room) being affordable. Our targets are subject to viability and we robustly scrutinise viability appraisals where they are lower than 35% affordable housing. Where a housing figure lower than 35% is accepted, relevant review mechanisms are secured to ensure that improvements in viability through the life of the development lead to increased affordable housing contributions. Whilst the council does have a new homes programme, the construction of most residential development in the borough is led by the private sector and registered providers (RPs). The council has a role in facilitating development through the planning process but cannot directly influence the construction or completion of new homes by private developers, including the affordable component. However our S106 agreements do require the affordable housing to be delivered in the first phases of a proposed development or to be pro-rata with the completion of the market housing, given this is the priority need. We continue to negotiate firmly on planning applications to ensure the maximum reasonable amount of affordable housing is secured at the planning stage. An increasing number of major applications are now following the fast-track route set out in London Plan policy which removes the need for time consuming viability negotiations, provided that a minimum of 35% affordable housing, with a policy compliant mix, is proposed. This will help the council to meet the overall target for level of affordable homes permitted.
SIX	42	Level of affordable homes completed (by habitable room)	Percentage of completed homes (by habitable room) that are classed as affordable.	25.9%	50%	35%	50%	35%	0%	Q1	↓	RED	No homes which were classified as affordable were completed this quarter (measured by habitable rooms). We missed our minimum expectation of 35 per cent. Housing completions are affected by a range of factors including build programmes that can vary considerably across different types of site and the cyclical nature of affordable housing grant allocations. Whilst the council does have a new homes programme, the construction of most residential development in the borough is led by the private sector and registered providers. The council has a role in facilitating development through the planning process but cannot directly influence the construction or completion of new homes by private developers, including the affordable component. The measure is reporting the percentage of affordable homes completed as evidenced by completion certificates issued by either an Approved Inspector or the council's Building Control department. There is typically a time lag between onsite inspection, practical completion so that occupiers can move in and the issue of certificates so the number of affordable homes completed in this period may increase if late arriving completion certificates are received.
SIX	43	Homeless households moved into affordable, sustainable housing	Moving residents out of temporary accommodation and into affordable, sustainable homes is a priority for the council. This indicator measures the number of all lets in the reporting period which were made to homeless households into social housing or into the private rented sector.	NEW	540	486	135	121	158.0%	Q1	↑	GREEN	158 homeless families have been moved into affordable, sustainable housing this quarter. We have exceeded our in-year target. 75 families at risk of homelessness were moved into social housing and 83 into the private rented sector.
SIX	44	Lettings to overcrowded households	Measuring the number of lets to households on the common housing register (in Bands 1&2 but excluding homeless households) who have been rehoused.	55.3%	50%	45%	50%	45%	68.1%	Q1	↑	GREEN	68.09 per cent of lets to in the quarter were to overcrowded households on the common housing register. The target was exceeded. This percentage represents lets for 207 families of the 304 total lets for this quarter to applicants on the housing register.
SIX	45	Level of temporary accommodation use	Moving towards target of reducing number of households in temporary accommodation to under 2,000 in three years time.	2,696	2,850	3,166	2,850	3,166	N/A	Q4	↑	GREEN	Latest available published data (Q4 2020/21) shows that 2,696 households are living in temporary accommodation in our borough. We are committed to reducing this number to under 2,000 within the next three years and we are putting actions and procedures in place to help us achieve this aim.
SIX	46	Number of regeneration outcomes secured	Measuring provisions towards regeneration outcomes achieved through planning consents including strategic sites and allocations in the Local Plan. The eight regeneration outcomes are: Infrastructure and Place-making; Reducing inequalities and enhancing wellbeing; Making communities safer and more cohesive; Public realm and environment; Affordable housing; Employment; Enterprise; and, Town centres and markets.	NEW	5 (out of 8)	4 (out of 8)	5 (out of 8)	4 (out of 8)	6.3	Q1	N/A	GREEN	Measuring the regeneration improvements and benefits that development brings to the Borough by counting the number of regeneration outcomes each development has identified that it will deliver. There are eight regeneration outcomes which are set out in our Local Plan, we therefore are scoring strategic planning permissions out of eight. This quarter three strategic planning applications were permitted: in Byng Street, land in Bethnal Green, and at Stroudley Walk, with an average score of 6.3 regeneration outcomes. We exceeded our target of scoring 5 regeneration outcomes out of 8. Note: Regeneration benefits from strategic planning permissions can often take several years to realise due to the length of time it can take to complete these developments.
SIX	47	Percentage of annual infrastructure target expenditure achieved	We have an ambitious investment programme in infrastructure and local services including schools, homes and parks. In January 2021, Cabinet approved our budget for 2021/22 this equates to just over £200m (general fund budget). Measuring the percentage of infrastructure spend target achieved to date. Cumulative measure	NEW	100%	82.0%	20.0%	18.0%	7.0%	Q1	N/A	RED	This quarter we have spent 7 percent of our infrastructure budget. Whilst we have missed our 20 percent target, 7 percent represents over £14 million out of a budget of over £199 million this year. We have spent more than 5 percent of the respective budgets for delivering our new Town Hall, works to council-owned assets and parks programmes such as sports facilities, playgrounds and biodiversity projects in our parks. In addition, we have spent a significant amount of infrastructure funding on areas in Liveable Streets Phase 1, part of our wider public realm improvement programme. We have spent less than we had expected to at this stage of the year on NHS-led projects because of focus on pandemic, Local Infrastructure Fund (LIF) capital projects and large-scale bridge projects, however these budgets have been re-profiled.



Outcome	Measure Number	Indicator Name	Short description	Outturn 2020/21	Annual Target 2021/22	Annual Minimum Expectation 2021/22	Target 2021/22	Minimum Expectation 2021/22	Outturn Q1 2021/22	Last updated	Year on year trend	RAG status	Comment
SEVEN	48	Young people entering the youth justice system for the first time	This measure looks at the number of young people who enter the youth justice system for the first time in their lives. The measure is calculated quarterly for a rolling 12 month period and is expressed as a rate per 100,000 people in the relevant age group. This standardisation enables comparison to other areas.	372	350	385	350	385	334.5	Q3	↑	GREEN	Ministry of Justice release data around six months in arrears. Latest available data is for Q3 2020/21. The number of young people entering the youth justice system for the first time for the rolling 12 month period to end of December 2020 was 98.
SEVEN	49	Young people reoffending rate	This measure looks at a cohort of young people who received a pre-court or court disposal or were released from custody within the 3-month cohort date range. The measure calculates the percentage of young people in the cohort that had a proven reoffence (an offence that resulted in a further outcome). This is known as the binary reoffending rate. Typically, the data for this measure comes from the Police National Computer and is published by the MoJ (Ministry of Justice). To allow time for proven reoffences the cohort is always 18-24 months prior to the period being reported on by the MoJ.	N/A	33.7%	37.07%	33.7%	37.07%	N/A	Q3	N/A	Covid disruption to data	This data comes from the Ministry of Justice and their data release has been delayed.
SEVEN	50	Residents' concern about crime and anti-social behaviour	This measure is taken from the council's residents' survey and is expressed as the percentage of respondents who felt that crime and Anti-Social Behaviour was ranked in the top three concerns for them.	48.0% 2018/19	45.1%	50.9%	45.1%	50.9%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
SEVEN	51	Residents' feeling of safety in their local area	This measure is taken from the council's residents' survey and is expressed as a percentage of respondents who feel safe in their local area during the daytime.	86.0% 2018/19	88.0%	84.0%	88.0%	84.0%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
Seven	53	Victims of violence against women and girls who feel safer after engaging with victim support	This indicator measures the effectiveness of the council's commissioned service. The council commissions a service to support women and girls who have experienced domestic abuse. The measure is derived from the results of a self-completion satisfaction survey that all those who have used the service are invited to complete and forms part of the contract monitoring of the commissioned service. This is a new measure, slightly changed from a previous one that used to include feelings of safety of Hate Crime victims as	90.5%	86.0%	77.4%	86.0%	77.4%	92.5%	Q1	↓	GREEN	We have commissioned Solace, an independent charity supporting victims of domestic violence. In Q1, 92.5 percent of victims of violence against women and girls feel safer after engaging with victim support. We exceeded our target. This achievement equates better outcomes for 49 victims of domestic violence.
SEVEN	52	Drug users (opiate users) successfully completing treatment and not returning within 6 months	This indicator looks at successful addiction recovery. It shows the proportion of opiate users that left drug treatment successfully (free of drug(s) dependence) who do not return to treatment again within 6 months expressed as a proportion of the total number of opiate users in treatment. It is well evidenced that cessation of drug use reduces re-offending significantly, reduces infection transmission and improves health and well-being.	3.3%	4.50%	4.00%	4.50%	4.00%	3.25%	May-21	↑	RED	40 opiate users left our drug treatment service successfully free of drug dependence and did not return within six months. This achievement equates to a rate of 3.25 per cent of all clients in drug treatment. We have not met our target of 4.5 per cent. Covid-19 continues to present a risk to staying drug free and it is not appropriate to rush the discharge of treatment which will remove support networks meaning more people are staying in treatment longer. We secured an additional facility which will be opening in the Autumn. It will allow the treatment service to operate within social distancing rules while more service users can access treatment face to face, which should impact positively on treatment outcomes.
SEVEN	54	Criminal justice clients successfully completing drugs and alcohol treatment	This indicator looks at successful addiction recovery of clients coming through the criminal justice system. It shows the drug and alcohol users that left treatment successfully. It is well evidenced that cessation of drug use reduces re-offending significantly, and improves health and well-being.	7.0%	10.0%	9.0%	10.0%	9.0%	7.9%	May-21	N/A	RED	We did not meet our target. Overall the number of criminal justice clients in treatment has fallen over the last 12 months while the number of successful treatment discharges has decreased too. Covid-19 presents a risk to clients staying alcohol-free and it is not appropriate therefore to rush the discharge treatment which would mean removing support networks. We have recently received additional funding from the Home Office as part of the ADDER programme. Some funding will be for new projects which will aim to increase engagement of those coming out of the criminal justice system with community treatment and to improve their recovery outcomes.



Outcome	Measure Number	Indicator Name	Short description	Outturn 2020/21	Annual Target 2021/22	Annual Minimum Expectation 2021/22	Target 2021/22	Minimum Expectation 2021/22	Outturn Q1 2021/22	Last updated	Year on year trend	RAG status	Comment
EIGHT	55	Residents' level of volunteering	This measure is taken from the council's residents survey and is expressed as a percentage of respondents who answered yes to the statement 'over the last 12 months, how often, if at all, have you taken part in any volunteering activities? By volunteering, we mean giving unpaid help through groups, clubs, schools or organisations for the benefit of others'.	N/A	23.4%	18.6%	23.4%	18.6%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
EIGHT	56	Level of hate crime	MOPAC Local Borough Police Priority - Number of offences of hate reported to the Police including Disability, Faith, Homophobic, Racist and Transgender. This is a 12 months rolling measure.	1,140	N/A	N/A	N/A	N/A	1,313	Q1	N/A	Data only	This is a contextual measure. We do not set targets.
EIGHT	57	Residents' perception of people from different backgrounds getting on well	This measure is taken from the council's residents survey and is expressed as the percentage of respondents who feel that 'people from different backgrounds who get on well together'.	78.0% 2018/19	80.4%	75.6%	80.4%	75.6%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
EIGHT	58	Percentage of Idea Store learners who pass their English for Speakers of Other Languages (ESOL) course	This measure is a subset of the overall Idea Store learning measure in Outcome 1.	98.0%	80.00%	72.00%	80.00%	72.00%	100.0%	Q1	↑	GREEN	Term Y covers those learners who took longer than one individual term to pass their ESOL course. In Term Y, 219 residents enrolled achieving 100 percent pass rate. We exceeded our target of 75 percent.
EIGHT	59	Proportion of residents who have friends from other ethnic backgrounds	This measure is taken from the council's residents survey and is expressed as the percentage of respondents who state that they have friends from different ethnic backgrounds to themselves.	76.0%	Not set	Not set	Not set	Not set	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.

Priority 3

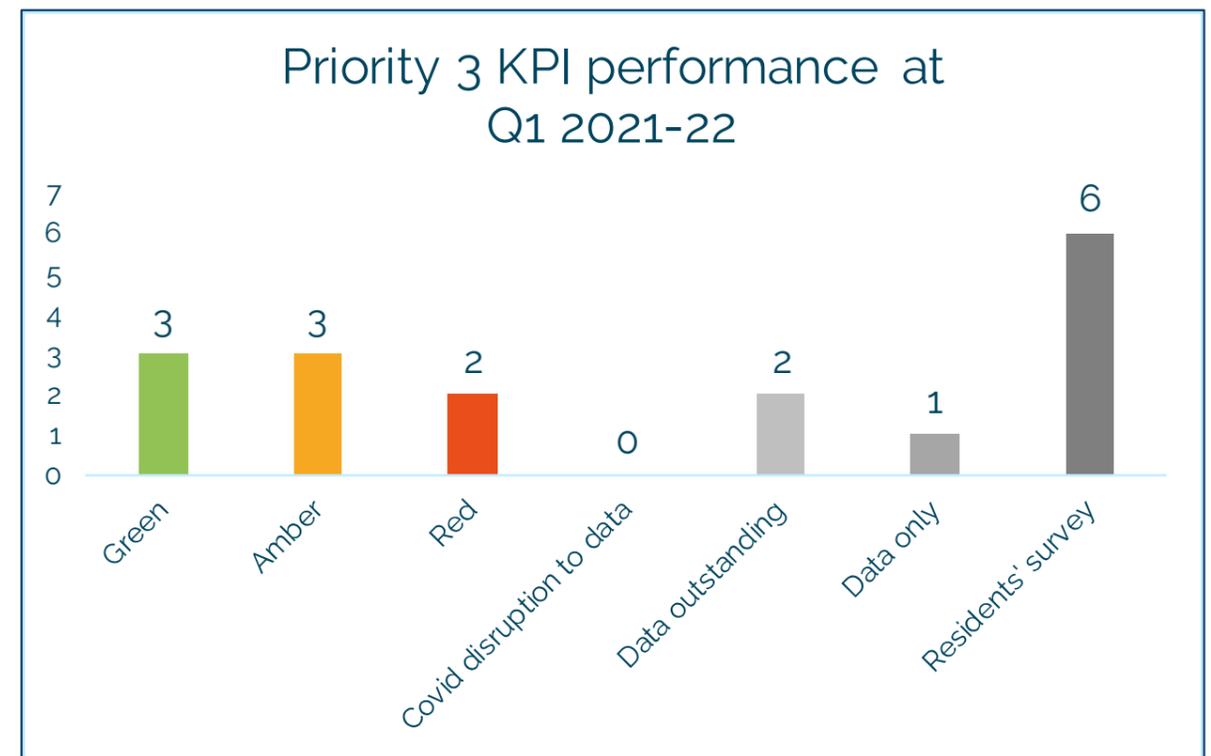
A dynamic, outcomes-based council using digital innovation and partnership working to respond to the changing needs of our borough



We are transforming our services in a way that manages expectations, demand and makes the best use of limited resources while continuing to improve people's experience of the borough

We have selected seventeen measures to understand whether we are making progress in achieving this outcome.

We have met or exceeded the target for three measures. Three measures fell short of the target but exceeded our minimum expectation. Unfortunately, we did not achieve our target for two measures. For the remaining measures there is no planned outturn this quarter or there is a delay in national data being released due to the pandemic.





Outcome	Measure Number	Indicator Name	Short description	Outturn 2020/21	Annual Target 2021/22	Annual Minimum Expectation 2021/22	Target 2021/22	Minimum Expectation 2021/22	Outturn Q1 2021/22	Last updated	Year on year trend	RAG status	Comment
NINE	60	Service user satisfaction with the council's online service offer	This indicator measures the percentage of customers who are satisfied with the online customer experience.	50.0%	70.0%	60.0%	70.0%	60.0%	88.8%	Q4	↑	GREEN	After completing an online transaction, we ask service users to rate their satisfaction with our service offer out of five. In Q1, 7,170 residents who completed an online form said they were satisfied with the council's online service offer (providing a rating of three or more out of five stars). We are now measuring satisfaction for over 40 online forms, including in the topic areas of council tax, refuse collection, planning, parking and anti-social behaviour.
NINE	61	Proportion of the most frequent council transactions completed online	This indicator measures the percentage of most frequent council transactions that are completed online as oppose to over the telephone.	NEW	50.0%	40.0%	50.0%	40.0%	N/A	N/A	N/A	Data outstanding	Methodology still to be agreed
NINE	62	User satisfaction with libraries and Idea Stores	This measure is taken from the council's residents survey and is expressed as the percentage of respondents who agree a great deal or to some extent with the statement 'the council involves residents when making decisions'.	60.0% 2018/19	64.9%	59.1%	64.9%	59.1%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
NINE	63	Residents' perception of being involved in decision-making	This measure is taken from the council's residents survey and is expressed as the percentage of respondents who agree a great deal or to some extent with the statement 'the council keeps residents informed about decisions'.	57.0% 2018/19	59.9%	54.1%	59.9%	54.1%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
NINE	64	Residents' perception of being kept informed by the council	This measure is taken from the council's residents survey and is expressed as the percentage of respondents who agree a great deal or to some extent with the statement 'the council keeps residents informed about what it is doing'.	72.0% 2018/19	74.6%	69.4%	74.6%	69.4%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
NINE	65	Residents' perception of council transparency	This measure is taken from the council's residents survey and is expressed as the percentage of respondents who agree a great deal or to some extent with the statement 'the council is open and transparent about its activities'.	51.0% 2018/19	53.9%	48.1%	53.9%	48.1%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
TEN	66	Children and young people accessing mental health services	This measure gives the percentage of children and young people aged 0 - 18 who have a diagnosable mental health condition and are receiving treatment to support their mental wellbeing.	27.1%	35.0%	35.0%	35.0%	35.0%	N/A	2020/21	↓	Data outstanding	Data is currently reported at aggregated level by East London Foundations Trust (ELFT) for Tower Hamlets, Newham and City and Hackney. We are working with ELFT to agree the CAMHS data set, that will include borough level access.
TEN	67	Number of residents supported into employment by the Workpath partnership	This measure is a count of the number of residents supported into work through support from the Workpath partnership, consisting of the council's Workpath service and a range of internal and external partners. Cumulative measure.	692	761	692	190	173	360	Q1	↑	GREEN	360 Tower Hamlets residents have been supported into work by our Workpath partnership. We have exceeded our in-year target of 191. This quarter 124 residents were placed into CLW, 72 into JETS, and 64 via Poplar Harca
TEN	68	Resident satisfaction with council and partner response to anti-social behaviour (ASB)	This measure is from the council's annual resident survey and shows the percentage of respondents who are satisfied with the council and partners response to ASB.	52.0% 2018/19	54.9%	49.1%	54.9%	49.1%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years. See detail in Our performance section.
TEN	69	Residential and nursing admissions (over 65s)	This measure is from the Adult Social Care Outcomes Framework (ASCOF 2a pt 2) national set of metrics and is a key Better Care Fund indicator for assessing the effectiveness of integrated work across the local health and care system. It measures the number of council-supported older adults (65+) whose long-term support needs were met by a change of setting to residential and nursing care during the year (excluding transfers	330.8	350	380	87.5	100	91.1	Q1	↓	AMBER	In Q1 there were 19 permanent admissions of older people to residential or nursing homes. To meet the target range of 350 admissions per 100,000 people over 65, we need to admit fewer than 6 people per month to nursing or residential settings. We have narrowly missed the target, mainly because there are high numbers of people being discharged from hospital with complex care needs who cannot be supported in their own homes. Hospital bed occupancy remains high and this relates to the ongoing impact of the Covid 19 pandemic. We are working closely with the hospital and our health partners to monitor the situation and ensure that people are discharged safely to their own homes as far as possible.



Outcome	Measure Number	Indicator Name	Short description	Outturn 2020/21	Annual Target 2021/22	Annual Minimum Expectation 2021/22	Target 2021/22	Minimum Expectation 2021/22	Outturn Q1 2021/22	Last updated	Year on year trend	RAG status	Comment
ELEVEN	70	Council staff sickness absence rate	This measure looks at the average number of sickness absence days per full-time equivalent employee over the past 12 months. The measure is reported monthly as a rolling 12 month figure.	12.73 days	8 days	10.24 days	8 days	10.24 days	11.4%	Q1	↑	RED	The average number of sickness absence days per full time equivalent employee over the past 12 months was 11.35 days. We missed our target of 8 days. Like many organisations, we have seen a significant rise in absence associated with Covid-19. Our Mental Health First Aiders are available to all council staff. We are also providing health and wellbeing support to all staff via our Occupational Health providers. We have also implemented an employee assistance programme and physiotherapy services to those in need.
ELEVEN	71	Council staff turnover rate	Measuring the percentage of staff who have left the organisation in the rolling 12 month period. As a proxy of staff retention.	11.7%	10.00%	12.00%	10.00%	12.00%	13.8%	Q1	↓	RED	13.8 percent of staff left the organisation over the last 12 months. Performance fell short of our 10 percent target. There have been several organisational changes and reviews resulting in voluntary departures from the organisation. We expect turnover to fluctuate while we go through a period of organisational transformation.
ELEVEN	72	Percentage of top 5 % of earners who are women	Of all staff earning top 5%, what per centage are women. Based on gross pay and excluding any school staff. Applies to permanent staff and staff who have been employed for over a year. Snapshot at end of each period.	NEW	50.00%	48.83%	50.00%	48.83%	48.2%	Q1	N/A	AMBER	48.2 percent of our senior staff are women, we missed our target of 50 percent but exceeded our minimum expectation target. This percentage equates to 100.5 full time equivalent staff. During this Q1 there has been a higher number of female staff, within the top percent of earners' salary range, who have left due to retirement, end of fixed term contracts and resignation as a promotional opportunity. There are a number of recruitments, within the top percent of earners' salary range, which are currently being undertaken in line with our commitment to diversity. It is hoped and anticipated that recruitment into these roles will attract the appointment of women with the right skills and experiences.
ELEVEN	73	Percentage of top 5 % of earners from black and minority ethnic communities	Of all staff earning top 5%, what per centage are from black and minority ethnic communities. Based on gross pay and excluding any school staff. Applies to permanent staff and staff who have been employed for over a year. Snapshot at end of each period.	NEW	TBC	TBC	TBC	TBC	32.6%	Q1	N/A	Data only	32.6 percent of our senior staff are BAME, equating to just over 68 full time equivalent staff. A target for this measure has not yet been set.
ELEVEN	74	Residents' perception of the council doing a better job than last year	This measure is taken from the council's residents survey and is expressed as the percentage of respondents who agree a great deal or to some extent that the council is doing a better job than a year ago.	59.0% 2018/19	61.9%	56.1%	61.9%	56.1%	N/A	2020/21	N/A	Residents' survey	We were unable to carry out our normal annual residents' survey and instead conducted a mid pandemic residents' survey. Results cannot be compared to previous years.
ELEVEN	75	Budget variance for the general fund	This measure looks at the variance of the general fund actual spend against the budget to date.	-0.20%	+/-2.5%	+/-2.5%	+/-2.5%	+/-2.5%	N/A	2020/21	N/A	GREEN	Provisional outturn reported. £19m underspend equates to 0.2% of the general fund budget. Final 2021/22 outturn will be reported at final close of accounts. Q1 outturn will be presented to Cabinet in July 2021, setting out the council's provisional outturn performance against budget.
ELEVEN	76	Media and press view of the council	This measure looks at the percentage of positive and neutral media coverage (trade, local, regional, national and BME media) of the council as an organisation, across a range of media platforms, that is either positive or neutral in tone.	91.6%	80.00%	70.00%	80.00%	70.00%	79.7%	Q1	↓	AMBER	This quarter there were 892 pieces of media on the council of which 711 were assessed as being positive or neutral in content, equating to 79.7 per cent. Our target of 80 per cent was narrowly missed. It should be noted that the target has gone up from 50% to 80% which is a high target coupled with the fact that most of the negative media coverage is out of the control of the Communications Service. Instead the Communications Service focuses on proactive communications across all our channels including media to tell our story. Negative coverage is flagged to services via Senior Communications Officers and media monitoring, and we try to combat it by telling our story proactively. In this case, some of the reasons for the figure not reaching 80% could be the purdah period which reduces the amount of proactive work the council does and proactive communications. There were also issues which resulted in negative coverage including the low uptake of Covid vaccinations in Tower Hamlets, a judicial review being granted to protect a Mulberry tree from being dug up and plans for the Chinese embassy to be relocated in the borough. In these cases the Communications Service would have created lines with the service to explain our position, and also tried to be proactive in helping to improve outcomes - for example with Covid vaccinations. On the whole, 79% positive or neutral coverage is a very good outcome for a local authority. As a Communications Service, our focus is proactive communications to tell our story and to that end in June we agreed the key communications themes. Criticism of Covid vaccinations, Mulberry tree or the Chinese embassy attracted significant negative media coverage as they are high profile stories.

<p>CABINET</p> <p>22 September 2021</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Kevin Bartle, Interim Corporate Director Resources</p>	<p>Classification: Unrestricted</p>
<p>Budget Monitoring Report 2021-22 Period 3</p>	

Lead Member	Councillor Ronald, Cabinet Member for Resources and the Voluntary Sector
Originating Officer(s)	Ahsan Khan – Head of Strategic Finance (Chief Accountant)
Wards affected	All wards
Key Decision?	No
Forward Plan Notice Published	N/A
Reason for Key Decision	N/A
Strategic Plan Priority / Outcome	<p>1. People are aspirational, independent and have equal access to opportunities.</p> <p>2. A borough that our residents are proud of and love to live in.</p> <p>3. A dynamic outcomes-based Council using digital innovation and partnership working to respond to the changing needs of our borough.</p>

Executive Summary

This report presents the budget monitoring report 2021-22 as at 30th June 2021 for the General Fund, Dedicated Schools Budget (DSB), Housing Revenue Account (HRA), progress made against savings targets and the Council’s capital programme. It also provides projections on General Fund earmarked reserves and the forecast impacts of Covid on the Councils finances in 2021-22.

Recommendations:

Cabinet is recommended to:

1. Note the Council’s projected outturn position against General Fund, Dedicated Schools Budget, Housing Revenue Account and earmarked reserves for 2021-22, based on forecasts as at 30th June 2021;
2. Note the reserves position of the Council is uncertain pending the

closure of the statement of accounts for the period 2016 – 2021;

3. Note the Council's projected outturn position against General Fund and Housing Revenue Account capital programme approved budgets, based on forecasts as at 30th June 2021;
4. Note that there are no equalities implications directly resulting from this report, as set out in Section 4.

1 REASONS FOR THE DECISIONS

- 1.1 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.
- 1.2 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.

2 ALTERNATIVE OPTIONS

- 2.1 The regular reporting of Revenue and Capital Budget Monitoring information through the year and the preparation of the provisional outturn position after the year end 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.
- 2.2 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.
- 2.3 Set alongside relevant performance information it also informs decision making to ensure that Members' priorities are delivered within the agreed budget provision.
- 2.4 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.

3 DETAILS OF THE REPORT

- 3.1 On 4 March 2021 the Council considered and agreed the Revenue Budget and Council Tax for 2021-22. The Council also agreed Dedicated Schools Budget (DSB) and the Housing Revenue Account (HRA) budget for 2021-22, which includes rent setting and other charges.
- 3.2 The net budget requirement for 2021-22 has been set at £363.1m and includes delivering savings of £28.9m (£23.7m for 2021-22, and £5.2m slippage from previous years).
- 3.3 The projection for the General Fund outturn is for an overspend of £0.1m, which already takes into account the use of some earmarked reserves in delivering services (i.e. without the use of these reserves there would be a higher forecast overspend). Furthermore, given the latest forecast financial position, earmarked General Fund reserves are consequently projected to reduce; from £173m to £166m by the end of this financial year. It is important to note that the reserves position of the Council is uncertain pending the closure of the statement of accounts for the period 2016 – 2021.
- 3.4 The continuing reduction in reserves is clearly not a sustainable position for the Council given the constraints imposed by the current Medium Term Financial Strategy and the associated need to contain net expenditure in line with approved budgets.
- 3.5 The Dedicated Schools Budget (DSB) is forecasting an underspend of £0.8m for 2021-22. The allocation of the DSG for high needs block was increased by 8%, this has meant significant increases in budgets for 2021-22. This will go towards addressing the brought forward cumulative deficit of £11.6m, forecast reducing it to £10.8m at year end. A mitigation plan is also being developed by the Council to address the DSG cumulative deficit.
- 3.6 The Housing Revenue Account (HRA) is forecast to overspend by £0.7m for 2021-22 and this will reduce HRA reserves to £51.6m at year end. This overspend largely results from residual costs relating to the fire at Hadley House which are not covered by the Council's insurance policy, additional one-off ICT costs relating to the recent upgrades at THH and loss of rents relating to a number of parking spaces that have been decommissioned as a result of developments.
- 3.7 The detailed monitoring report, setting out estimated variances against approved budgets and the reasons for the variances, along with the financial implications of the currently reported financial position, is attached as Appendix A to this report.
- 3.8 Detailed progress made against savings targets are contained in Appendix B.

- 3.9 A summary of the non ring-fenced and ring-fenced Covid-19 grants and forecast overall Covid spend and reduced income is detailed within Appendix C.
- 3.10 The projection for outturn on the capital programme is an underspend of £37.7m on the General Fund programme and £3.0m on the Housing Revenue Account programme.

4 EQUALITIES IMPLICATIONS

- 4.1 There are no equality implications directly resulting from this report.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
 - Consultations,
 - Environmental (including air quality),
 - Risk Management,
 - Crime Reduction,
 - Safeguarding.
 - Data Protection / Privacy Impact Assessment.

- 5.2 There are no other statutory implications contained in this report.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The attached report is primarily financial in nature and the financial implications of the issues raised have been included in the main report.

7 COMMENTS OF LEGAL SERVICES

- 7.1 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 Cabinet to receive information about the revenue and capital budgets as set out in this report

7.2 The monitoring of financial information is also a significant contributor to meeting the Council's Best Value legal duty and therefore this report complies with that legal duty.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix A: Budget monitoring report 2021-22 as at 30th June (period 3)
- Appendix B: Summary MTFS Savings Tracker 2021-24
- Appendix C: 2021-22 Covid-19 Financial Forecast Summary

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

- None

Officer contact details for documents: N/A

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Appendix A

Budget monitoring report 2021-22 as at 30th June (period 3)

	Section	Page
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Circulated to	Cabinet
Date	22 September 2021
Classification	Unrestricted
Report of	Corporate Director of Resources
Lead Member	Cllr Ronald, Cabinet Member for Resources and the Voluntary Sector
Originating Officer(s)	Ahsan Khan, Head of Strategic Finance (Chief Accountant)
Wards affected	All Wards
Key Decision?	No

Forecast General Fund (GF) £0.1m overspend

Forecast Dedicated Schools Grant (DSG) £0.8m underspend before transfer to reserve

Forecast Public Health (GF) £0.1m overspend before transfer from reserve

Forecast Housing Revenue Account (HRA) £0.7m overspend before transfer from reserve

<i>Forecast position as overspend/(underspend)</i>						
£m	Gross impact on General Fund	Estimated COVID-19 non-ring fenced grants*	Variance before reserve adjustments	Contribution to / (from) Reserves	Net impact on General Fund GF/DSG/HRA	
Children & Culture	4.6	(0.9)	3.7	(2.0)	1.7	
Resources and Governance	8.4	(4.8)	3.6	(2.2)	1.4	
HA&C	5.0	(4.5)	0.5	0.0	0.5	
Place	10.6	(5.8)	4.8	(5.6)	(0.8)	
Sub-total GF Services	28.6	(16.0)	12.6	(9.8)	2.8	
Corporate and Financing costs	(6.6)	(1.0)	(7.6)	6.4	(1.2)	
Covid relief	0.0	(1.5)	(1.5)	0.0	(1.5)	
Total General Fund	22.0	(18.5)	3.5	(3.4)	0.1	
Ringfenced Items						
Dedicated Schools Grant			(0.8)	0.8	0.0	
Public Health GF			0.1	(0.1)	0.0	
HRA			0.7	(0.7)	0.0	
Overall Position			3.5	(3.4)	0.1	

*The estimated COVID-19 non-ring fenced grants include funding for both expenditure incurred and income foregone pressures

General Fund

The gross month 3 (30th June) 2021-22 financial forecast before Covid grants is an underlying overspend of £22.0m. The position after the application of Covid grants, and contributions from reserves, is a net overspend of £0.1m. This is a relatively small variance for the council following an unprecedented year in relation to the on-going Covid-19 pandemic, which continues to create uncertainties for the council in 2021-22. However, there remains a continuing reliance on using one-off reserves, which is not sustainable in the long term, to balance the budget. The reserve draw down requests are at this stage provisional as they have not yet been approved by the s151 officer. Significant savings are still to be delivered in 2021-22 within a continuing very challenging environment for the council. Any overspend at the year-end will be funded from reserves and it should be noted that the overall reserves position remains uncertain pending the delayed closure and audit of the Council's accounts for the period 2016 – 2021.

Covid-19

The Council continues to work with partners and with residents to: prevent and limit the spread of Covid-19; support the most vulnerable through the pandemic; support children and families through lockdown and school closure; support businesses and residents through economic hardship; help make Tower Hamlets as safe a place as possible and work closely with communities.

The pandemic has created cost pressures, delayed planned savings actions and an adverse impact on income collection. The full impact will begin to be experienced now and over the medium term as the shortfall on previous years' collection fund is accounted for from 2021-22 onwards.

To date the government has provided total non-ringfenced grant of £51.1m (tranches 1-5), of which £34.6m was utilised in previous years. The total relief available for utilisation in 2021-22 is £16.5m (£51.1m less £34.6m). In addition, the Government will reimburse a proportion of income foregone, estimated at £2.0m.

Collection Fund

For business rates, to the end of June, we have collected £117.7m of £419.3m billed (28.1% in-year collection rate) compared to 26.7% for 2020, which is an improvement on 2020 but still lower than pre-pandemic collection levels.

For council tax, to the end of June we have collected £38m of the £154m Council Tax bills raised (24.7% in-year collection rate) compared to 24.6% for the same period in 2020, which is a slight improvement on 2020 but still lower than pre-pandemic collection levels.

Dedicated Schools Budget

The forecast underspend is £0.8m. The allocation of the DSG for High Needs Block was increased by 8%, this has meant significant increases in budgets for 2021/22. This will go towards addressing the brought forward cumulative deficit of £11.6m, reducing it to **£10.8m** at year end. A mitigation plan is also being developed by the Council to address pressures on the Dedicated Schools Budgets and the cumulative deficit.

HRA

The HRA is forecast to overspend by £0.7m. This overspend largely results from residual costs relating to the fire at Hadley House which are not covered by the Council's insurance policy, additional one-off ICT costs relating to the recent upgrades at THH and loss of rents relating to a number of parking spaces that have been decommissioned as a result of developments. The impact of this movement will be to reduce reserve balances within the HRA to **£51.6m**.

General Fund and Earmarked Reserves

There is a forecast reduction in the year-end reserves position, this is summarised in the table below:

All in figures in £m	Provisional outturn 2020-21	Forecast 2021-22	Increase/(decrease)
General Balance	20.0	20.0	-
Reserves without restrictions	75.1	74.0	(1.1)
Total	95.1	94.0	(1.1)
Restricted Reserves	97.9	91.9	(6.0)

Reserves (excluding restricted reserves) are forecast to decrease by £1.1m. We are in a hugely unpredictable environment and we are facing significant challenges over the medium-term thus it is important to maintain reserves at an adequate level to help mitigate and manage these significant risks and ensure the council remains on a sustainable footing going forward.

Forecast overspend of £1.7m on General Fund

Forecast DSG underspend of £0.8m before transfer to reserves

£m	Forecast Variance		
	Estimated impact on General Fund (GF)	Variance before reserve adjustments	Contribution to /(from) Reserves
Children and Culture (GF)	1.7	3.7	(2.0)
Children and Culture (DSG)	-	(0.8)	0.8

The general fund is projected to be overspent by a **gross £4.6m**. This forecast includes the impact of Covid-19 currently estimated at a £0.9m pressure as at period 3 and a contribution from reserves of £2m for the cost of providing Free School Meals for all Children in Tower Hamlets Primary Schools, giving a net General Fund position of a **£1.7m overspend** without any impact of Covid-19 and use of Council agreed reserves. The gross overspend is as follows: Children’s Social Care £0.9m, Commissioning and Culture £1.8m, Children’s Resources £2.0m with a balanced position in Education. The net positions after Covid relief and reserves are Children’s Social Care £0.9m, Commissioning and Culture £0.8m, Children’s Resources and Education both with a balanced budget.

The improving Covid-19 position has meant that many services are returning to similar operational levels as pre pandemic however there remains uncertainty in a number of areas where there are thought to be residual elements needing to be identified, this is particularly the case with increasing numbers of Social Care referrals. Work continues to review all the spend and lost income due to Covid-19 in order to ensure that a true base budget is reflected.

There have been a number of savings attributed to the budget for 2021/22 compared with the budget of the previous year including distribution of the previous central Agency staff rebate, which has meant overall reductions in staffing budgets between the two years leaving some areas without fully funded staffing budgets. The total MTFs savings which have been applied to the budget for the Directorate in 2021/22 stand at £3.295m with three major elements in respect of the revised Early Help and Youth offer (c£1m), the ending of growth that invested in Children’s Social Care and the Social Work Academy (800k), and Education savings including upon SEND School Travel (c£1m).

	£m	Forecast variance commentary
Children’s Social Care	£0.9m	
(i) CSC - Staffing £0.6m		<p>The division continues to work to reduce the previous use of agency staff, the trend is positive and we are now below the benchmarked London average. However there is still a significant reliance on agency in certain areas particularly in the Assessment and Intervention teams.</p> <p>The work to realign the budgets will bring a more specific focus on the base cost of staffing and whether there are areas of potential savings within some areas that will support the forecast cost of overspends is other areas.</p>

The budget saving allocated from the changes in the Matrix contract has meant that overall there is a reduced staffing budget whilst numbers have not decreased to match that decrease

- (i) **Leaving Care
£0.3m** The Costs of placements for leaving care are currently showing a significant overspend for the costs of supported Accommodation for young people leaving care. This position is being reviewed to provide assurance on the accuracy of the forecast.

Commissioning and Culture £1.8m

- (i) **Contract Services
£0.8m** The pressure in Contract Services has remained challenging despite the full return to School for 2021/22. There have remained a number of year group closures which has seen a reduction in the number of meals taken at short notice. The element of this that can be attributable to Covid has yet to be quantified and therefore there is the potential to make a charge to the unringfenced Covid grant. Other strategies continue to be explored to further reduce the level of deficit.

- (ii) **Leisure and Parks
Income
£0.7** There are a number of income losses, GLL income loss is £471k. Outdoor Education income loss is £81k. Barts & Royal London Cardiac rehab programme income loss is £30k. Total £582k will be claimed from the unringfenced covid grant.

- (iii) **SEN Transport
£0.3m** For the first term of this year passenger transport were unable to optimise the routes for SEN transport from 48 to 40 routes which had been in the original transport plan, the difference in cost of £300k will be charged to the unringfenced Covid grant.

Education £Nil

- (i) **Closure of Shapla, St Mathias and Cherry Tree Schools
£0.8m** The Cost of closing the three schools this year has yet to be finalised, however all Schools have closed with a budget deficit and will be charged with a number of redundancies. Work is ongoing to apply further mitigation here, through the use of full year budgets and DSG contingencies in supporting the closing costs.
- (ii) **Early Years and Children's Centres
(£0.8)** Children & Family Centres are showing a reduced spend through a structural Budget surplus that will be corrected as part of the budget realignment.

Resources £2.0m

- (i) **Contribution from reserves in relation to providing KS2 Free School Meals** This is an agreed use of reserves, £6m agreed over 3 years at £2m per year to support the cost of providing all Primary School Children in Tower Hamlets with a Free School Meal regardless of their income based eligibility.

Forecast overspend of £1.4m, after reserves movements

£m	Forecast Variance		
	Estimated impact on General Fund (GF)	Variance before reserve adjustments	Contribution to /(from) Reserves
Resources and Governance	1.4	3.6	(2.2)

The Resources and Governance directorate forecast impact on the general fund is an overspend of £1.4m. This position is following Covid-19 funding of £4.8m, Covid Outbreak Management Fund grant of £0.3m and after the drawdown of reserves totalling £2.2m.

The reserve movements include drawdowns from the Transformation Reserve for the Finance Improvement Programme (circa £1m) and HR Improvement Plan (£0.14m), Local Election Reserve of circa £0.5m for the governance referendum, Insurance Reserve for the Insurance Team (£0.35m), the ESOL for Integration Fund reserve (£156k) and the Local Community Fund reserve (£60k).

Please also note that there will be a drawdown of £2m from the ICT Transformation Reserve towards the funding of ICT capital infrastructure improvements totalling £5.5m.

Details of the areas of overspending and mitigations are summarised below.

£m	Forecast variance commentary
Communications and Marketing	- Forecast breakeven position, after expected funding from the Contain Outbreak Management Fund (COMF) grant for pandemic related work.
Strategy, Improvement and Transformation	0.2 The £0.2m overspend forecast position is demonstrated through the part-year delay in the Enabled Functions restructure (consultation commenced in June) of £0.3m, reduced by staffing costs requested to be allocated to the Contain Outbreak Management Fund (£0.1m). There will be a drawdown from the Covid Recovery Fund of £175k for community-led recovery, health and economic recovery, and supporting children and young people. Two reserves will be drawn down in 2021-22, being the ESOL for Integration Fund reserve (£156k) and the Local Community Fund reserve (£60k), which were created in 2020-21 for projects that spanned across 2020-21 and 2021-22.
Customer Services	0.6 Month 3 forecast overspend for Customer Services of £0.6m. This is due to Local Presence unachievable and delayed savings (£0.9m), reduced by staffing costs allocated to Covid grants (£0.2m) and a forecast underspend in Registrar's income (£0.1m).

The Month 3 forecast for **Customer Access** is an overspend of £0.7m due to Local Presence unachievable and delayed savings (£0.9m) partially offset by staffing costs allocated to Covid grants (£0.2m).

The Local Presence and Idea Store Asset Strategy agreed at Cabinet in

March 2021 will achieve £1.235m of the £1.6m saving target from the following three savings:

£0.3m Additional Local Presence Efficiencies

£0.7m Phase 2 Local Presence - putting Digital First

£0.6m 2021-22 Local Presence and Idea Store Asset Strategy

Of the total target of £1.6m, there will be unachievable savings of £0.365m which will need to be considered for cancellation in the 2022-25 MTFs, and estimated savings slippage of £0.515m due to staff consultation and part-year implementation during 2021-22.

Customer Access staffing costs relating to Covid of £180k will be requested to be allocated to the Covid Outbreak Management Fund grant.

Covid-19 non-ringfenced grant funding is requested to fund the estimated £15k overtime costs caused by pandemic work carried out in the Customer Contact Centre and Idea Stores and £27k for lost income relating to room hire in Idea Stores.

Idea Stores Learning is forecasting reduced income of £138k for adult community learning classes due to the pandemic. The Council is expected to receive Sales, Fees and Charges income compensation from MHCLG of £98k and the remaining £40k of reduced income is requested to be funded from the non-ringfenced Covid emergency grant.

The month 3 forecast for **Registrars Services** is a forecast underspend of £0.1m, due to fees & charges income, after allocation of Covid non-ringfenced emergency grant for extra staffing to process the backlog of registrations from the pandemic.

The Modernisation of the Registration Service saving (SAV GOV 002 20-21) of £40k has been achieved through pay and non-pay efficiencies.

The Registrars Service is expected to move into the St George Town Hall in late summer which will increase income maximisation from events such as weddings. The income budget for Registrars has been increased in budget setting by £30k, being a contribution towards the corporate Greater Commercialisation saving, and is forecast to over-achieve the income budget by a further £0.1m.

The Month 3 forecast for **Information Governance** is a balanced budget. This assumes recharges of circa £20k to relevant directorates for the costs of independent investigators for statutory complaints.

**Legal, Monitoring Officer,
Democratic and
Electoral Services**

- The Month 3 forecast is a breakeven position, however legal services is a demand led service and the level of work will need to be monitored throughout 2021-22 to identify any potential overspend pressures.

There will be an increase in court proceedings as the backlog of cases from the pandemic now work their way through the courts and therefore £150k of counsel fees are requested to be funded through the Covid non-ringfenced emergency grant.

Legal services has a £100k staffing saving in 2021-22 (SAV GOV 001 20-21). This is a demand led service and therefore the staffing saving will need to be monitored through 2021-22 to check that the level of legal work allows for this to be achieved.

The Review of Monitoring Officer service structure saving (SAV GOV 003

21-22) of £52k will be achieved part-year in 2021-22, with full year effect saving achieved for 2022-23.

The Electoral Services staffing saving (SAV GOV 001 21-22) of £80k will be achieved in 2021-22.

The governance referendum of the Mayoral system was carried out in May 2021 as well as the London Assembly elections. The London elections will be funded through the GLA, however a drawdown will be required from the Local Elections Reserve to fund the costs of the governance referendum (circa £0.5m). Also the extra Covid social distancing and cleaning costs for venues of £0.15m is requested to be funded through the Covid non-ringfenced emergency grant.

The 2021-22 position includes a £30k assumption of income accrued for previous year elections which should be achieved through Parliamentary Constituency Claims yet to be settled.

Revenues and Benefits Service

0.2 Covid-19 had a significant impact on the staffing levels required in Revenues Services for administering Council Tax, Housing Benefits and Council Tax reduction claims. There is an expected 2021-22 extra cost of £821k demonstrated by £671k direct staffing costs and a £150k commissioned contract for external processing support.

The government provided Additional Burdens Funding for administration of the Covid-19 business grants schemes, Local Restriction Grants and the Council Tax Hardship Fund. The cost pressure remaining of £521k, after anticipated government funding of £300k, is requested to be funded by the non-ringfenced Covid-19 emergency grant.

The Council has increased the use of self-service options for the payment of bills by residents. This has successfully aided the achievement of staffing savings, however the increased bank transaction fees for card payments online and by touchtone phone has created a £0.2m pressure against the collection charges budget.

Enforcement activity to recover debts through the courts was suspended during the pandemic and this created an under-achievement in court costs awarded income in 2020-21, however it is forecast that this will be returning to pre-pandemic levels in 2021-22.

The following savings are expected to be fully achieved in 2021-22:

£0.5m Improved Recovery of Housing Benefits Overpayments

£0.2m Improvements in Self Service and Digital uptake for Council Tax and Business Rates

£0.12m Merging the Revenues & Benefits Services (Phase 1)

£0.098m Revenues - Cashiers - reduce cash and cheque handling and eliminate the need for cheque printing – full year effect has now been achieved for 2021-22.

The 2020-21 Benefits service – centralisation of assessments – service review and restructure savings of £0.7m have been delayed due to needing to facilitate grant payments and new business rates reliefs relating to the Covid-19 pandemic and a significant increase in the number of residents submitting new claims for Council Tax Reduction. Replacement funding of £0.7m has been requested from the Covid-19 emergency grant. The long term staffing requirement from the pandemic and increased properties for Council Tax will need to be considered as part of the 2022-25 MTFS refresh.

The 2021-22 Merging the Revenues & Benefits Services (Phase 2) saving of

£0.15m has been delayed due to the pandemic and is therefore requested to be short-term funded in 2021-22 from the Covid non-ringfenced emergency grant.

As well as the main Housing Benefits Administration Grant, the Benefits Service has also historically received adhoc grants from government departments, such as from the DWP for participation in pilot schemes. Due to the Covid-19 pandemic, these other grants have not been available in full and it is expected that this will result in an income pressure of £0.4m for 2021-22 which has been requested from the Covid-19 emergency grant.

Human Resources and Business Support

Phase 2 business support review slippage

- 0.4 The Month 3 forecast for HR and Business Support is an overspend of £0.4m due to slippage in Business Support savings. The service is requesting a drawdown from transformation reserves of £0.14m for the HR improvement plan. A report will be taken to CLT to make a further bid for funding required for systems and operational improvements.

Covid-19 emergency grant funding of £72k is requested for staffing costs relating to co-ordinating key worker information, monitoring and managing the Coronavirus inbox, managing redeployments, collating health and wellbeing information for key workers, and supporting managers with increased staff absences for muscular skeletal, mental health and Covid-19 issues.

Business Support is forecast to achieve £0.8m of the £1.2m staffing savings targets within 2021-22. The £0.4m forecast overspend, from the short-term savings slippage, is due to the part-year effect in 2021-22 from changes occurring in-year and to allow further review of the potential future structure and centralisations.

Finance, Procurement and Audit

- Forecast breakeven position, subject to a drawdown of circa £1m from the Transformation Reserve for the Finance Improvement Programme and £0.35m from the Insurance Reserve for the Insurance Team.

The Council has committed to continue with its improvement journey following issues highlighted in the ongoing audits of the Council's accounts for 2018-19 and 2019-20. It is anticipated circa £1m will need to be drawn down from the Transformation Reserve in 2021-22 to fund the improvements. This sum has been taken into account in the forecast Council reserve levels going forward.

Information Technology

- Month 3 forecast breakeven position.

There will be a drawdown of £2m from the ICT Transformation Reserve towards the funding of ICT capital infrastructure improvements totalling £5.5m.

£0.5m is requested from the Covid non-ringfenced emergency grant for extra IT equipment costs to support remote working and hybrid meetings.

Corporate Management, Mayor's Office and Central Resources

- Forecast breakeven position in the areas of the Chief Executive's Office, Mayor's Office and central Resources and Governance.

Covid-19 related costs of £110k are requested to be funded by the non-ringfenced Covid grant for communications, additional cleaning and security at Registrars and Idea Stores buildings and BECC staffing.

Forecast overspend £0.5m on the General Fund

Forecast Public Health overspend of £0.1m before transfer from reserves

£m	Forecast Variance		
	Estimated impact on General Fund (GF)	Variance before reserve adjustments	Contribution to / (from) Reserves
HA&C	0.5	0.5	-
Public Health	-	0.1	(0.1)

The Health, Adults and Community Directorate's forecast outturn at Period 3 for 2021-22 is a £0.541m overspend against a revised budget of £148.9m. In addition to this, expenditure totalling £3.909m is projected to be funded from the Covid non-ringfenced grant for 2021-22 with an additional £1.596m of expenditure to be funded by the NHS under arrangements to cover the costs of packages of care on discharge from hospital until September 2021, when the current NHS Hospital Discharge and Community Support package ends.

Table 1: Health, Adults and Community Forecast Outturn Summary Period 3 2021-22

Service	2020/21 Outturn			2021/22 Projected Outturn @ Period 3		
	Revised Budget	Projected Final Outturn	Projected Final Variance	Current Budget *	Projected Outturn Period 3	Projected Variance Period 3
Adult Social Care	92,197,519	94,535,559	+2,338,040	98,651,442	100,651,350	+1,999,908
Integrated Commissioning	9,124,339	6,917,307	-2,207,032	8,354,377	6,813,268	-1,541,109
Community Safety	6,377,938	6,054,016	-323,922	5,564,948	5,523,219	-41,729
Public Health	35,195,373	35,195,373	+0	36,350,890	36,474,599	+123,709
Total HAC	142,895,169	142,702,255	-192,914	148,921,657	149,462,437	+540,780

- Budgets to be realigned as part of Budget Realignment exercise particularly Better Care Fund Budgets
- Excludes expenditure on Covid Cost Centres

Adult Social Care

Adult Social Care is forecasting an overspend position of £1.999m for 2021-22 on a revised budget of £98.651m. However this is offset by an underspend in Integrated Commissioning – these variances are artificial as the budget realignment exercise currently underway will move money into the correct budget areas. Adult social care as a whole (Adult Social Care & Integrated Commissioning divisions) are together at period 3, forecasting an overspend of £458,799. This position is supported by ongoing Covid funding and therefore there is risk of increased budget pressure becoming evident during the year particularly if NHS funding for packages of care on discharge from hospital ceases. There is also further work underway to verify the learning disability spend against budget and this is another significant risk.

Table 2 below provides a detail of the projected overspend position at Period 3 for 2021-22 for Adult Social Care by category of expenditure and income.

Due to demand and unit costs for services continuing to increase, weekly Care and Support Plan Assurance Meetings (CSPAM) continue. CSPAM Tier I data (where weekly unit costs are £500 or more) currently shows that since the 1st April 2021, a total of 32 out of the total of 106 cases assessed,

have resulted in a decrease in package, with a full year impact of £1.514m reduction in costs (as seen in Table 3 below). However, we have also seen an increase of care needs, resulting in 41 clients requiring an increase in care packages, resulting in a full year impact of £1.582m increase in costs, and 33 clients with no change. The net full year effect of CSPAM Tier I to date is an increase of £0.068m.

CSPAM Tier II data (where weekly unit costs are under £500) shows that a total of 154 out of 289 clients assessed since April (Table 4 below) have seen an increase in care package, with an additional full year impact of £1.105m. 60 clients have seen a reduction in care packages (£0.750m reduction in full year costs) with 75 clients having no changes. The overall net full year impact of CSPAM Tier II to date shows an increase of £0.356m.

This is the reverse of the position seen in the last financial year where smaller packages (CPAM Tier II) showed an overall net reduction in cost.

In line with the NHS Hospital Discharge and Community Support Package Guidance issued in May 2021, a total of £1.596m is projected to be recovered from NHS England (via the Clinical Commissioning Group - CCG) in relation to eligible costs during 2021-22 for additional packages of care for when clients are discharged from hospital. The majority of costs relate to additional home care and care home placements. Funding was provided between 1st April 2021 to 30th June 2021 for 6 weeks of funded care post discharge, and between 1st July 2021 and 30th September 2021 for 4 weeks of funded care post discharge. With the cessation of this funding from 1st October 2021, costs for the remainder of the financial year will need to be funded via the Council's Covid non-ringfenced grant or will be a further pressure on the budget.

CSPAM data clearly demonstrates the increasing needs and complexities of clients, with additional 1-1 support and 24-hour homecare packages being required to meet growing demand. With the cessation of NHS and other Covid grant funding to the Local Authority, financial pressures on Adult Social Care budgets are growing. In addition, the costs of long-covid implications on additional social care needs have yet to be quantified - it is still unclear the impact of the 2% of cases that remain ill after 12 weeks have on long-term adult social care referrals, and the cost implications on future budgets.

Table 2: ASC Projected Outturn Period 3 2021/22 – by Expenditure and Income Category (excluding Covid Related expenditure balances)

Cipfa Category of Expenditure/Income	Care Type	Revised Budget 2021/22	Actual to Date	Projected Forecast 2021/22	Projected Variance Period 3 2021/22	Comments
Employees		20,715,854	4,871,430	20,206,986	-508,868	P3 projections now take account of posts being funded via BCF.
Premises-Related Expenditure		9,500	2,230	11,094	+1,594	Extra expenditure on room hire
Transport-Related Expenditure		2,264,918	19,223	1,574,707	-690,211	Budget includes £100k savings and reduced expenditure on Client related transport
Supplies & Services		695,645	94,497	736,857	+41,212	Increase in costs for professional fees
Third Party Payments	Block	8,591,298	2,377,102	8,294,343	-296,955	Reduced projection as a result of reduction of clients
	Day care	4,894,055	161,994	3,972,757	-921,298	Reinvestment and the impact of closing 2 centres
	Direct Payment	11,489,300	3,632,633	11,622,095	+132,795	Based on last years outturn and drive to increase the use of direct payments in commissioned services
	Extra Care	2,679,718	402,933	3,300,233	+620,515	Increase use of extra care sheltered housing for clients
	Home care	28,022,381	7,333,245	30,517,808	+2,495,427	Increase in homecare support
	Nursing Care	5,048,261	538,778	4,813,001	-235,260	
	Prevention & Support	1,318,413	861,044	736,649	-581,764	
	Residential	21,698,868	3,188,745	21,799,711	+100,843	Increase in residential placement costs
	Respite Care Residential	40,313	12,776	39,884	-429	More realistic forecast
	Supported Living	6,541,203	328,960	7,552,872	+1,011,669	More realistic forecast in P3 - realigning clients to the correct packages and increasing the cost
	Other	883,082	10,753	62,655	-820,427	Adjustment being made to reflect outturn of previous year
	Other Third Party Payments	1,658,264	(65,684)	1,694,861	+36,597	This is based on last years actuals
Transfer Payments		0	0	3,025	+3,025	
Support Services		18,300	24,521	1,680,305	+1,662,005	Insufficient budget allocation
Capital and Financial Accounting		0	0	0	+0	
Income	Other	0	(11,348)	(18,298)	-18,298	
	Other Income	(947,835)	(70,274)	(912,042)	+35,793	More realistic forecast done
	Government Grants	(440,380)	(1,444,673)	(445,380)	-5,000	
	Other Health funding	(3,530,435)	711,641	(2,396,219)	+1,134,216	Movement of income to S117
	BCF	(6,046,583)	338,935	(6,200,894)	-154,311	
	Client Contributions	(5,727,966)	(1,101,760)	(4,333,045)	+1,394,921	Movement of income to S117
	S117 Income	(1,224,732)	(0)	(3,662,616)	-2,437,884	Adjustment of income
Total		98,651,442	22,217,701	100,651,350	+1,999,908	

Table 3: CSPAM Tier I Period 3

CSPAM Tier I Summary	No. of clients	Change in weekly cost	Full year impact
Increase	41	(30,353)	(1,582,597)
Decrease	32	29,041	1,514,209
No Change	33	0	0
TOTAL	106	(1,312)	(68,387)
Deferred	12	(514)	(26,817)
NEW	9	(1,075)	(56,032)

Table 4: CSPAM Tier II Period 3

CSPAM Tier II Summary	No. of clients	Change in weekly cost	Full year impact
Increase	154	21208	1,105,810
Decrease	60	(14,388)	(750,214)
No Change	75	0	0
TOTAL	289	6,820	355,596
Deferred	15	(10,423)	(543,445)

New	20	2,348	122,442
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Integrated Commissioning

Integrated commissioning is expected to underspend by £1.541m at Period 3 however this offsets the overspend in Adult Social Care as set out above. The budget realignment exercise will ensure that money is in the correct budgets which will resolve this issue by removing relevant underspends. An additional £100k has been built into the forecast for the additional Lease and repair costs for the Sonali Gardens day centre, although these costs are yet to be finalised and could be higher.

There is currently a budget pressure within community equipment that is forecast to overspend by £360k based on April and May invoices. Work is underway to analyse current demand to determine whether this is due to additional health or social care demand increases, as the current BCF Section 75 agreement states that any overspend should be met by the originating commissioner of that equipment item. A risk and gain sharing agreement between the CCG and Local Authority is proposed and will be developed.

Table 5: Integrated Commissioning Projected Outturn Summary Period 3 2021-22

Vote & Descriptions	Budget 2021-22 £	Projected Forecast Period 3 2021-22 £	Projected Variance Period 3 £
A35 Adults of Working Age	444,189	444,189	+0
A47 Access to Resources	454,981	804,000	+349,019
A48 Carers & Cross Cutting Issues	1,643,104	1,226,905	-416,199
A50 Ageing Well	5,748,674	5,094,819	-653,855
A53 Commissioning & Health	63,429	-756,645	-820,074
Integrated Commissioning Total	8,354,377	6,813,268	-1,541,109

Community Safety

The Community Safety Division is expected to underspend by £0.042m. This is mainly due to 3 vacancies within the THEO enforcement team, a vacant head of service post (now recruited to) and one-off recharges for work carried out by the CCTV Service on behalf of another organisation. A £90k underspend exists within the DAAT team due to lower than budgeted prescribing costs and resolution of the backdated claims issue (£58k 2019/20 & £67k 2020/21) with the CCG for prescribing cost invoices. It is anticipated that a similar amount will be claimed from the CCG in 2021-22. A Memorandum of Understanding has been drafted to resolve this historic issue and to formalise these arrangements with the CCG.

The community safety budget was adjusted by £1.392k in 2021-22 for savings, of which £840k related to general fund and £552k Public Health grant funding. The MTFs savings for 2021-21 are applied against the Community Safety Response Team budget £614k, VAWG, Hate Crime and Community Safety Teams £226k, Substance Misuse £450k and Healthy E1 service £102k.

Whilst the budget was reduced at the beginning of the financial year there will be slippage in savings by approximately £324k as a reorganisation needs to be undertaken to stop these services and significantly reduce staffing headcount. This assumes the proposed redesign and restructures will be implemented and finalised within six months. Work to mitigate this slippage is taking place and the forecast to date is positive in this regard. The CCTV budget is expected to be on budget following the budget re-alignment exercise. The overall underspend position is expected to change once the cost of the residential rehabilitation programme is agreed. Further funding of £200k is sought from the public

health grant further to recent CLT approval, to fund additional DAAT related expenditure. This is not yet built into the forecast on either budget (PH/CS).

Table 6: Community Safety Projected Outturn Summary Period 3 2021-22

Vote & Descriptions	Budget 2021-22 £	Projected Forecast Period 3 2021-22 £	Projected Variance Period 3 £
E80 Safer Communities Management	283,604	233,000	-50,604
E81 Community Safety Partnership, Domestic Violence & Hate Crime	669,891	1,068,341	+398,450
E84 Drug and Alcohol Action Team (DAAT)	6,962	0	-6,962
E89 Business Continuity/Civil Protection	294,088	238,366	-55,722
E91 Drug and Alcohol Action Team (DAAT) – Treatment)	240,157	157,211	-82,946
E92 Safer Neighbourhood Operations	4,070,246	3,826,301	-243,945
Community Safety DAAT and ASB Total	5,564,948	5,523,219	-41,729

Public Health

Public Health is currently expected to overspend by £0.124m overall. Although most of the services across public health are expected to be on budget, the spend against sexual health is unclear due to the nature of the service being largely demand-led. The forecast is currently based on data provided by the London Borough of Newham, who manage the integrated health service in North East London and is primarily historic spend. However, further work is needed by them to provide a more precise forecast. An additional £981k budget has been provided for PrEPⁱ related spend, however, it is not yet clear how this is built into the Newham baseline forecast. Newham have indicated that there will potentially be additional costs for transformation elements e.g. optimisation incentives like vaccines, Long Acting Reversible Contraceptives etc. that are now included within the forecast figures. They have confirmed that projected forecast figures will be updated in quarter 2. Recharges to the Public Health Grant for VAWG, Domestic Abuse & the Hate Crime Team will be £55k lower than budgeted due to other grant funding being made available to some of the services being funded from these budgets, however, the public health grant allocations will be utilised in 2022-23.

An additional £1.111m will be funded from Public Health in 2021-22 and further £495k in 2022-23. These include recharges in 2021-22 from the Children’s directorate for Physical Activity/Sports (£444k), Domestic Violence (£180k) and Local Community service within Governance £487k. Recharges previously built in for SPP support are likely to be higher than budgeted, however, as recharges are now-time based and some activity related to covid-19 work, it is difficult to forecast at this stage. The support service recharges to public health are based on historic figures, with a plan for these to be reviewed further.

The forecast includes expenditure related to the Loneliness Task project (£150k). Previously it was agreed this will be funded from Reserve. Should public health grant overspend in 2021-22, this will be drawn down from the reserve. The current reserve balance (including the 2020-21 underspend) is £3,321,792.

Table 7: Public Health Projected Outturn Summary Period 3 2021-22

Cost code & Descriptions	Budget 2021-22 £	Projected Forecast Period 3 2021-22 £	Projected Variance Period 3 £
21019 Local Outbreak Management *	0	0	+0
21020 Clinically Extremely Vulnerable *	0	0	+0
37001 Public Health - Director	3,976,781	3,904,213	-72,568
37005 Public Health – Healthy Environments	340,036	445,000	+104,964
37006 Public Health – Healthy Communities	932,357	942,581	+10,224
37007 Public Health – Healthy 0-5 year olds	11,177,395	11,175,500	-1,895
37008 Public Health – Healthy Children & Adolescents	3,954,637	3,962,441	+7,804
37009 Public Health – Healthy Young Adults	13,215,594	13,432,677	+217,083
37010 Public Health – Healthy Middle Age & Older People	2,754,090	2,612,187	-141,903
37014 Public Health-LSCTP Project	0	0	+0
37015 Public Health-Covid 19 *	0	0	+0
37017 Community Test Fund *	0	0	+0
37018 Self-Isolation Fund *	0	0	+0
37040 Contain Outbreak Management *	0	0	+0
37041 VOC Surge Testing *	0	0	+0
Public Health Total	36,350,890	36,474,599	+123,709

* Covid-19 cost centres

HA&C Capital Summary Period 3

The majority of capital projects in the HA&C Directorate have paused due to the pandemic and will now be reinstated during 2021/22. Table 8 below provides an overview of the 2021/22 budget and a summary of progress on each. Projects in the approved programme are monitored via the HA&C Capital Oversight Group which meets monthly.

Some key projects are delivered by the NHS and are therefore dependent upon the NHS's capacity to deliver, given the priority and focus on the Covid-19 Pandemic e.g. Goodman's Fields project and Aberfeldy Practice.

In relation to the CCTV project, there was some slippage on the programme and a number of other risks which are being managed in relation to the aging infrastructure and the move to the new Town Hall. This is being addressed as risk mitigation with oversight through the HA&C capital board. Historically there have never been any formal contracts in place in the CCTV suite. In July 2020, in order to reduce risks to the Council, Cabinet approved direct award of three contracts to the organisations in question for one year with an optional one-year extension. Whilst there has not been a competitive tender exercise, negotiation has been undertaken to reduce costs associated with these services in this interim period and an annual saving of at least £150k has been achieved. This work has progressed well, and 2 contracts are now awarded with one imminent award. This significantly negates the GDPR risk on the Council's corporate risk register.

Virtual meetings, as well as site visits, have been carried out with various council departments to establish the timelines for each of the protective security projects. For some schemes it was agreed the best course of action is to carry out the works at the same time as infrastructure projects lead by the Liveable Streets programme to ensure join up e.g. Whitechapel /East London Mosque, Columbia

Rd/Gosset St, as well as Brick Lane have been identified as three key areas which will require hostile vehicle mitigation measures given the risk on crowded places and latest Government guidance. The Council will respond to the new proposed Protect Duty consultation.

Table 8: HA&C Capital Programme Projected Forecast Period 3 2021-22

Project Name	Programme/Team	Project Code	Cost Centre	Capital Budget 21/22	Forecast Period 3 21/22	Projected Variance Period 3 21/22
Wellington Way Health Centre	Healthy Environments	520102	39310	42,453	0	-42,453
Maximising Health Infrastructure	Healthy Environments	530088	39310	755,540	72,090	-683,449
Aberfeldy Village	Healthy Environments	530110	39310	3,012,174	1,500,000	-1,512,174
Buxton Street West - Landscaping (Green Grid)	Healthy Environments	530114	39310	74,435	0	-74,435
Goodman's Fields	Healthy Environments	530115	39310	5,805,271	3,446,096	-2,359,175
Sutton's Wharf	Healthy Environments	530116	39310	2,164,515	1,961,791	-202,724
Island Medical	Healthy Environments	560000	39310	801,295	684,285	-117,010
Wood Wharf	Healthy Environments	560002	39310	2,908,335	2,890,000	-18,335
Aberfeldy Village WellOne - Community Hub within GP Practice	Healthy Environments	560003	39310	324,007	436,400	+112,393
Total Healthy Environments				15,888,024	10,990,663	-4,897,362
Transformation of CCTV	Community Safety	560004	39320	2,806,473	2,825,671	+19,198
Protective Security Fund - Community Safety	Community Safety	560005	39320	199,760	77,000	-122,760
Total Community Safety				3,006,233	2,902,671	-103,562
LD Supported Accommodation - Sewardston Rd/Antill Rd	Integrated Commissioning	560001	39305	1,555,173	400,000	-1,155,173
Norman Grove (ASC Element)	Integrated Commissioning	600012	39305	1,800,000	666,664	-1,133,336
Total Integrated Commissioning				3,355,173	1,066,664	-2,288,509
Total HAC Capital 2021/22				£22,249,431	£14,959,998	-£7,289,433

Forecast £0.8m underspend on the General Fund after requested transfers from reserves

£m	Forecast Variance		
	Estimated impact on General Fund (GF)	Variance before reserve adjustments	Contribution to /(from) Reserves
Place	(0.8)	4.8	(5.6)

The Place Directorate is forecasting a £4.8m adverse variance before proposed reserve drawdowns. The Directorate is projecting to drawdown £5.6m from agreed and ringfenced reserves, identified during the budget setting process, resulting in a net underspend after reserves of £0.8m.

The reserves that are planned to be used form part of the Directorate's budget and are not being used to offset a general overspend. Some of these reserves are funding core services such as the Tackling Poverty team where a corporate decision was taken to remove general fund budget, specific posts and the rent increase within Temporary Accommodation to prevent an adverse impact on the Housing Benefit subsidy position. Other reserves are funding target and approved projects such as clearing fly tipped materials at Ailsa Wharf, replacing trees or upgrades to the vehicle workshop to allow more income to be generated. The majority of these reserves represent unspent ringfenced grants that cannot be used for any other purpose.

Details of the reserve drawdowns are provided below:

Reserve	Division	Amount
Fly Tipping reserve to fund Ailsa Wharf	Public Realm	£475k
Cavat (replacement trees funding)	Public Realm	£40k
Transport workshop reserve	Public Realm	£123k
Rechargeable Works > 6 years old	Public Realm	£300k
S278 Highways Rechargeable Works	Public Realm	£600k
MPG Tackling Poverty Fund	G&ED	£851k
Support for Domestic Violence	G&ED	£47k
FHSG – Transformation of Homelessness	Housing	£1,000k
FHSG – Homelessness service	Housing	£1,567k
Rough Sleepers Initiative	Housing	£200k
PRS Access Grant	Housing	£100k
External Wall Surveys	Housing	£257K
Homeless Prevention Grant (Top Up)	Housing	-£371k
LIF Regeneration Funding	Resources	£400k
Total		£5,589k

Decisions around reserve drawdowns will be made at year end and will be dependent on the financial position of both the Directorate and Authority at that time. Therefore, these are assumed drawdowns and will be subject to change at year end.

The table below provides a summary of this forecast at a divisional level. Significant underspends have been forecast within Public Realm, which are partly offset by budget pressures within Property & Major Programmes.

	Net Budget	Outturn before drawdowns	Variance before drawdowns	Reserve (drawdowns) / Top Ups	Variance after Reserve movements
	£m	£m	£m	£m	£m
Property & Major Projects	17.8	20.5	2.7	0.0	2.7
Public Realm	33.8	32.3	-1.5	-1.5	-3.0
Growth & Economic Development	3.1	4.0	0.9	-0.9	0.0
Planning & Building Control	1.6	1.3	-0.3	0.0	-0.3
Housing & Regeneration	8.9	11.4	2.5	-2.7	-0.2
Resources	0.1	0.5	0.4	-0.4	0.0
Total	65.3	70.0	4.7	-5.5	-0.8

The Directorate has £3.9m of savings targets in 2020/21. Of these savings, £2.8m are forecast to be delivered, £1m of savings are forecast to slip into the next financial year and £0.1m is undeliverable.

The slippage relates to savings targets within the Property division where £1m of savings are due in year relating to better use of the Council's property portfolio. Although a work plan has been developed to deliver the saving, the current Covid-19 environment is making it increasingly difficult and a slow process to either let or dispose of property. Incentives are having to be offered when letting properties, for example rent holidays, to secure tenants, resulting in delays to the delivery of the savings. Delivery of these savings is further hampered by an inherent budget pressure relating to loss of rent at Jack Dash House following a corporate decision to allow THH to vacate the premise but the budget pressure remaining with Property. Any savings made will firstly mitigate this pressure unless a decision is taken to manage it corporately. The budget realignment work has commenced within the Place Directorate with a view to managing this pressure in the future.

Should the opportunity arise, consideration should be given to setting up reserves from any surplus made within Planning & Building Control. Currently there is no budget provision for appeals leading from member decisions. Each year a number of costly appeals occur, putting pressure on the service and a requirement to generate additional income or find alternative savings to manage this cost. Every five years the Council must also produce an updated local plan. Again, there is no base budget provision to meet this cost, estimated at £2m. A reserve to fund all or part of this cost would mitigate the need for large growth bids which place additional pressure on the MTFS.

The Place Directorate has been significantly impacted on by the Covid-19 pandemic. Forecast costs and income loss attributable to COVID-19 across the Place Directorate total £10.2m in 2021/22, of which £3.1m is planned to be offset by specific ring fenced grant, £1.2m from the sales, fees and charges recompense scheme for lost income, £4.7m from general Covid-19 grant and the remaining £1.2m from the Mayor's Covid-19 Recovery fund.

Property & Major Programmes

The Property & Major Programmes division is forecasting an overspend of £2.7m against budget inclusive of s106 drawdowns. There are a number of factors contributing to this overspend which are detailed below.

Corporate Property

The Corporate Property service is forecasting an overspend against budget of £0.4m.

Bromley Hall School is a vacant property declared surplus to requirements and transferred with no budget as it was previously funded from Basic Needs grant within Children's services, creating an ongoing budget pressure of £0.1m.

There are further forecast unbudgeted security costs of £0.3m relating to the William Brinson building which is vacant. It is hoped that guardians will be in place once leases are signed that will reduce this pressure but delays are being experienced within legal services.

A decision is required around meeting these ongoing costs relating to empty properties, whether that is from existing budget, corporately or through a growth bid. At present the division cannot mitigate this cost pressure. Processes also need to be put in place to ensure future transfers do not occur without adequate budget provision.

Capital Delivery

The capital delivery service is forecasting to outturn in line with budget. This position includes a budgeted drawdown of £90k from s106 income. An assumption has been made that the Capital Delivery team will capitalise salaries in line with budgets.

Facilities Management

The Facilities Management service is forecasting an underspend of £0.3m against budget. The main reasons for this underspend are detailed below.

The new Town Hall revenue budget is forecasting an underspend of £0.1m. The budget has been set aside for pilot schemes for furniture (testing best use of spaces) as required and very little spend is forecast.

During the pandemic FM staff have been redeployed onto specific Covid-19 related work associated with making the Council buildings safe and compliant ahead of the planned return to the office. Although this work is forecast to reduce, any associated costs will be charged against the general Covid-19 grant, resulting in a projected underspend of £0.2m within the general fund.

Corporate Landlord Model

The Corporate Landlord Model (CLM) is forecasting to overspend by £1m. This is made up of a number of factors:

The CLM rates budget is forecasting to overspend by £0.4m. The cross-rail multiplier does not form part of the base budget for business rates. Work is ongoing to mitigate this pressure

Service charge budget is forecasting to overspend by £0.3m due to unbudgeted insurance charges relating to Mulberry Place.

The energy budget is forecasting to overspend by £0.2m with unit costs increasing.

The Cleaning budget is forecast to overspend by £0.1m as a result of MTFS savings that are slipping.

Non-Operational Investment Estate

The overall variance within the non-operational investment estate is an overspend of 1.6m.

There are £1.2m savings target within the Property & Programme Management division relating to better use of Council assets that are slipping. Proposals have been drawn up to deliver the savings in full but are unlikely to be delivered in year, primarily the result of rent holidays being given to new Organisations leasing Council properties where it is increasingly difficult and time consuming to secure new tenants in a

Covid-19 environment. There will be proposals that come to fruition and deliver savings in year but these are forecast to offset an inherent budget pressure.

An ongoing budget pressure of £0.4m which relates to rental loss from Jack Dash House. A corporate decision was taken to allow THH to vacate this premise on the expiry of their previous lease agreement resulting in a budget shortfall. Even when fully occupied, the building will not realise sufficient rental levels to meet the income target. A corporate decision needs to be taken about how this shortfall will be met as it cannot be mitigated within the Property directorate.

Resources

The Resources Division is forecasting to outturn in line with budget. This forecast assumes that any costs incurred within the Regeneration Team (currently forecast at £0.4m) will be funded from LIF monies and drawn down from reserves.

Growth & Economic Development

The Growth & Economic Development division are forecasting to have an adverse variance of £2.5m before any drawdowns from s106 funding or reserves. The service has budgeted to utilise s106 funding and Mayoral Priority reserves for both its core activities and specific project work in year. Drawdowns totalling £2.5m have been forecast, with £1.6m from s106 to fund specific projects within the Growth and Economic Development services and £0.9m from the Mayoral Priority Growth Tackling Poverty reserve to fund the core team costs. The Growth & Economic Development division is forecasting to outturn in line with budget after drawdowns.

Economic Development

Economic Development is forecasting to outturn with a £0.1m overspend. This pressure relates to the careers service where it was planned to utilise s106 funding to cover some of the service costs. However, there is no available s106 to apply to the Careers service and this shortfall will be mitigated by underspends elsewhere in the Directorate.

Employment & Skills Service are forecasting an overspend of £0.4m. This is being mitigated though using unspent PAS budget and s106 income. As a result, no variance is being reported.

Supported Employment service focuses on the Kickstart project, getting 16-25 year olds into employment. It is funded from a combination of grant and s106 income. The grant covers the salaries of the apprentices being placed and the s106 income the salaries and costs of the officers providing this service. It is forecast that the service will be on budget.

A small underspend is being forecast within the Careers Young Workpath service as a result of vacancies. This underspend is being used to partly mitigate the pressure in the Careers service.

Growth

The Growth service is underspending by £0.2m against budget. This underspend relates to vacancies within the business partnerships team. This underspend will be partly used to mitigate the pressure with the Careers service.

Economic Development Management

There is a £0.1m cost pressure against Economic Development Management as a result of an unbudgeted recharge from SPP. This cost pressure is being mitigated through the underspend detailed above in the Growth service.

Tackling Poverty

Tackling Poverty is forecasting to outturn in line with budget. Additional spend has been approved on the Crisis Support Residents Scheme and will be funded from the MPG Tackling Poverty reserve. This will increase the forecast drawdown to £0.9m.

The Tackling Poverty service has received £1.8m for Healthy Activity funding following the Marcus Rashford campaign. This funding will be used to provide school holiday activities throughout 2021/22.

Continuing Covid-19 response

The Tackling Poverty team continues to undertake significant additional work in response to the Covid-19 pandemic, with rules around the resident support scheme being relaxed and through the opening of a food bank and food deliveries to vulnerable and shielding residents. Food vouchers have also been distributed to vulnerable residents and a track and trace system implemented. In total spend in 2021/22 is estimated at £2m, which will be met from ringfenced grant, £1.4m from the Covid Local Support Grant and £0.6m from Test and Trace grant funding. There is no anticipated call on the general Covid-19 grant pot. On top of this funding the directorate has been successful in securing funding from the Mayor's Outbreak Recovery fund for specific projects. In total Growth & Economic Development has received approval for £571k of spend across a number of activities including business adaptation grants (£350k for schemes to help small and micro businesses), support to advice agencies (£121k to increase their capacity to support clients) and £100k for food pantries. These amounts are forecast to be spent in full.

Planning & Building Control

The Planning & Building Control service is forecasting an adverse variance against budget of £0.4m before any s106 funding. The service is planning to drawdown £0.7m from s106 income to fund elements of the Infrastructure Planning team, management costs and the new Digital Support Service (currently being recruited into as part of a service restructure). The Planning & Building Control service is forecasting a favourable variance against budget after reserve drawdowns of £0.3m

Current projections of salary costs will result in an underspend of £0.8m against budget. There are vacancies within Building Control, Development Management, Application Support, Local Land Charges and Infrastructure Planning. These services are currently recruiting to a significant number of these posts, the majority of which should be filled during the year, reducing this forecast underspend to £0.5m.

A savings proposal to restructure the technical services and directorate management systems teams, creating a new Digital Support service and a review of how this service will be funded, utilising more s106 income rather than general fund is underway. There are some delays to the recruitment to these posts and therefore a risk that the saving target will not be met in full in year. At present it is not possible to accurately forecast the amount of any slippage and this will be monitored and reported in future budget monitoring reports. However, it is anticipated that any slippage can be mitigated by savings from the vacancies detailed above and will not result in a cost pressure.

There is likely to be residual unbudgeted costs relating to appeals where the Secretary of State has called in planning decisions. These are likely to include Westferry Printworks, the Bell Foundry on Whitechapel estate and the Chest Hospital. At present unbudgeted costs of £0.2m are being projected. There is a risk of further challenges during the year which will incur more unbudgeted cost and they will be reported as and when they occur.

Income received to date is broadly in line with budget with minor overs and unders across the various fees to the end of June. This will continue to be monitored and reported throughout the year. There is some delay in being able to accurately forecast income across Planning & Building Control as a result of the AIMS cash receipting system posting all income to one account code in Agresso.

At present it is difficult to forecast the level of THCIL and MCIL admin fee that will be available to use during the year. It is therefore assumed that CIL income will be in line with budget, with £1m being applied in 2021/22.

Any work undertaken on SPD's during the year will be funded from LIF income and have no impact on the outturn position.

Building Control Trading Account

Current forecasts for the Building Control Trading Account is in line with budget. There are vacancies within the service but these roles are currently being advertised and any saving will be minimal. There are no material variances on income at present. Any under or overspend will be transferred to or drawn down from the reserve at year end.

Public Realm

Public Realm is forecasting to underspend by £1.5m before any reserve movements. Reserve drawdowns for specific work totalling £1.5m have been forecast, resulting in an underspend after reserve drawdowns of £3m. Details of the variances are outlined below:

Public Realm Management

The Public Realm Management is forecasting a £0.2m underspend as a result of vacancies within the team.

Highways & Traffic Management

Highways and Traffic Management are forecasting to outturn with a favourable variance of £0.2m against budget.

A drawdown from balances of £0.3m for rechargeable works relating to historic temporary structures income that is over six years old and has past the statute limitations period and no longer has to be returned to the developer. It is LBTH policy for any amounts held in reserve for longer than six years to be utilised within the general fund if not claimed back.

There are also historic balances relating to s278 highways rechargeable works totalling £0.6m. Highways are planning to spend this in year on highways improvement works and will therefore have no impact on the outturn position.

Income from outdoor advertising is projected to under recover by £0.1m due to some advertising boards being currently inactive. The contracts for these sites will be re-procured as digital units which will likely be in place in the next financial year

Waste Services

Overall, there is a nil variance within Waste services, however there are a number of favourable and adverse variances which net off, such as vacant posts being offset by use of agency staff. There is a £0.2m savings target within waste services, this is being met in-year through additional one-off income relating primarily to uncollected income for cleansing at Chrisp Street market.

The Waste service continues to incur costs directly related to COVID-19, with additional costs of £0.2m forecast for agency cover during the year. These costs will be offset against the general COVID-19 grant and not impact on the business as usual outturn position. The service has received a further £0.3m from the Mayors Covid-19 recovery fund for use on enhanced street cleansing. It is assumed this will be spent in full.

Operational Services

Operational services are forecasting a £0.5m underspend within waste disposal. This is related to underspends against the disposal contract due to reduced tonnages. Any underspend will be used to purchase additional recycling sacks, resulting in nil variance.

The Council has a statutory responsibility to clear fly tipped materials from around the Ailsa Wharf site which has recently been sold to Country Gardens. The clearing of the site has been outsourced at a cost of £0.5m. Although this work was completed in this year it is being funded from reserves and will have no impact on outturn.

There is a projected under recovery of income totalling £1.4m for commercial waste income as a result of the pandemic. This will be reclaimed through the MHCLG Sales, Fees & Charges Losses scheme and have no impact on the business as usual position.

The Green team are forecasting to spend £0.1m on replacement trees. This will be funded from CAVAT developer income received in previous years and will have no impact on the outturn position.

Parking Services

Parking services are forecasting to underspend against budget by £1.3m. There are a number of factors making up this underspend.

The Enforcement service (PCN related income) is currently operating at pre covid-19 levels with tickets being issued in line with budgeted levels. The team have worked with highways to introduce new moving traffic cameras, including school street cameras to reduce overall environmental impact and user road safety, which are forecast to result in an increase in CCTV tickets issued across the borough and additional income estimated at £2m. However, this is part being offset by pressures on the Parking debt budget where an under recovery against the income target of £1.8m is forecast. This target relates to Aged debt cases where the central debt collection team are falling short of the targeted debt recovery levels that they felt were recoverable and therefore budgeted.

Bay suspension income is forecasting to over recover by £0.8 with demand for the service continuing to be high. This income level is in line with the outturn position from the previous year

Income totalling £0.2m for bay suspensions has been foregone as a result of the re-opening of high streets programme where businesses used outdoor space to enable social distancing. These parking bays were suspended free of charge. This cost will be met from the Covid-19 general grant and not impact on the forecast position.

Casual Parking income is forecasting to over recover by £0.5. This is mainly due to the introduction of the diesel levy in May 2020 and its full year impact. Drivers of higher polluting diesel vehicles pay a surcharge to park within the Borough.

Removals is forecasting to under recovery by £0.2m, with introduction of 24/7 TFL bus lane enforcement resulting in longer time period for collection and removal of vehicles

The Ultra Low Emission Zone will be introduced in October 2021, and its likely to have an impact on income. Evidence from other Boroughs (Westminster suffered a 5% reduction in income) indicate that less vehicles will travel through the Borough or it will encourage greater use of greener vehicles (e.g. low polluting electric vehicles) which will then not incur any surcharges when parking in the Borough. The fee and charge structure is based around vehicle emissions and this will need to be reviewed as part of budget setting for 2022/23 to minimise the impact on revenue.

Concessionary Fares

An underspend of £1.2m for Freedom Passes as a result of fewer TFL journeys being undertaken during the pandemic. The current years calculation is based on the previous year's journeys where travel was restricted due to lockdown. This is a one off saving and budget has not been reduced to reflect the lower charge

Environmental & Regulatory Services

Environmental & Regulatory services has underspent against budget by £0.4m. There are a number of factors contributing to this underspend position.

Vacancies held within the out of hours noise service, pest control, traveller's liaison, licensing administration and food safety services. These vacancies have saved £0.3m in year. These posts have been very difficult to fill and staff retention is a problem within this area.

Re-deployment of Environmental Health Officers on to Covid-19 work during lockdown has resulted in an underspend of £0.1m, with these costs being reclaimed from Covid-19 grants rather than being paid for by general fund resources.

A further £0.5m of costs are due to be incurred for the mortality wave 2 payment. This cost will be offset against the general COVID-19 grant. There is no impact on the forecast outturn position.

Works undertaken by COVID Marshalls is continuing and costs are forecast at £0.1m. These will be met from the COMF grant administered by HAC and have no impact on the outturn position.

Street Trading Account (Markets)

There is a shortfall of £0.3m against the street trading account. The street trading reserve has been used in full and cannot run into deficit. Therefore, this cost pressure will be met from the general fund.

Markets continue to struggle after the phased re-opening. It is anticipated that markets will open to full capacity in September, pending government guidelines. There has been an overall reduction in market traders since pre-covid levels and the Markets have lost income as a result.

Each Market has reduced capacity by up to 60% to allow for greater distancing between pitches. This has resulted in fewer casual traders being able to attend the markets, further reducing income.

The Government has introduced the Business & Planning Act 2000 which provides guidance around the reopening of highstreets. This will result in an annual reduction of £0.1m for ongoing fees for table and chair licenses.

Income losses of £0.4m have been forecast that are directly attributable to Covid-19. This results from a phased programme to re-open the markets and greater spacing between pitches, reducing the capacity for casual traders within the markets. This income loss will be reclaimed through the MHCLG sales, fees and charges recompense scheme.

The Markets service has successfully bid for £0.1m funding from the Mayor's Covid Recovery fund for use in developing and training market traders to use an online trading platform. It is forecast that this funding will be spent in full.

Housing & Regeneration

The Housing & Regeneration division are forecasting to overspend against budget before any reserve drawdowns by £2.5m. Budgeted reserve drawdowns totalling 2.7m have been projected along with the use of £7.8m of grant received in year. The Housing & Regeneration division is forecasting a favourable variance of £0.2m after reserve adjustments.

However, this underspend position excludes the impact of the Housing Benefit Subsidy loss. Growth totalling £4.6m has been added to this budget to mitigate the historic cost pressure. Despite this, forecasts show a further pressure of £3m. This forecast overspend is due to temporary accommodation costs, increased demand due to the pandemic and its economic impact on the level of housing benefit claims. It is requested that the non-ringfenced Covid-19 emergency grant funds this £3m pressure due to the increase in costs since 2019-20 caused by the pandemic. However, this will become a cost pressure that will need mitigating in the future when there is no Covid grant funding.

Homelessness numbers remain high but appear to have plateaued, placing pressure on the use of expensive nightly booked and bed & breakfast accommodation at additional cost. A lack of move on options in affordable housing within London is increasing this pressure, particularly for larger properties, making it very difficult for the Council to discharge its duty. Private License Accommodation costs and Non Secure Tenancy costs remain high and any reductions in year are likely to be minimal due unbudgeted costs from decanting Vantage House and the potential impact on numbers following the lifting of the eviction ban.

However, additional rental income relating to 400 property acquisitions as part of the buyback programme is mitigating this cost pressure by generating additional rental income over that budgeted and reducing the reliance expensive nightly booked and private licensed accommodation. Repairs costs on these buyback properties in the early year of the programme are very low, with each property being brought up to habitable standard as part of the initial capital investment. This further increases the surplus being generated by the rents on these properties and reduces the pressure from the high demand for the service. Overall, Homelessness is projecting a small favourable variance of £0.1m.

This forecast includes a significant increase in the bad debt provision for current tenant arrears caused by delays in getting clients on to Housing Benefits, a significant number of benefit capped households with large arrears and very few debts being written off. In recent weeks there has been a significant reduction in the backlog and the benefit capped cases are a priority of the transformation project, all of which is hoped will lead to a reduction in the bad debt position.

This forecast also includes a Fire Safety team that are undertaking and documenting the results of fire risk surveys on the external walls of privately owned high rise properties. In 2021/22 this team will be funded from EWS grant that has been held in reserve specifically for this project and will therefore not impact on the forecast outturn. Any work undertaken by this team in future years will need to be funded from core budgets, either through growth or from savings elsewhere within the Division.

The transformation project to deliver £2m savings is underway, with key officers in post and policies and initiatives going live or programmed. A cabinet report in September will highlight the key elements of the transformation project and main changes. Costs of the transformation will be met in year by Flexible Homelessness Support Grant, with a projected drawdown from the reserve of £1m.

Lettings Service

A £0.1m underspend relates to the Housing Options Lettings service as a result of vacant posts and income from Registered Social Landlords (RSL's) exceeding budgeted targets. RSL's use the Council's common housing register above budgeted levels and as a result the charge made to them for this service is higher.

Covid-19 Response

Homelessness and Rough Sleeping are forecasting ongoing Covid-19 related spend of £0.9m, with accommodation costs forecast at £314k, support packages totalling £535k and staffing costs of £70k. This is being funded from MHCLG 2021/22 Rough Sleepers Initiative grant of £0.9m (£500k one off uplift for additional support and move on costs and a second tranche of £400k for an extension of covid safe emergency and intermediate accommodation and on-site support).

Housing have been successful in securing £0.2m of Mayor's Covid recovery funding to fund Health and Wellbeing support workers and to provide services to maintain wellbeing and physical and mental health for households struggling financially with rent payments. It is forecast that this funding will be spent in full.

Forecast £1.2m underspend, after Covid-19 funding and movements in reserves

£m	Forecast Variance		
	Estimated impact on General Fund (GF)	Variance before reserve adjustments	Contribution to /(from) Reserves
Corporate and financing costs	(1.2)	(7.6)	6.4

The corporate and financing costs Month 3 forecast is a £1.2m underspend, following £1m Covid-19 funding, the planned MTFS drawdown from reserves of £1.254m to balance the 2021-22 budget, and other movements in reserves.

Other movements in reserves include the transfer of the further extension year (2021-22) of New Homes Bonus grant, announced in the Spending Review 2020, of £7.654m into the New Homes Bonus reserve (of which £6m was agreed in the 2021-22 budget to be transferred into the Free School Meals reserve to fund the Key Stage Two extension until the end of 2023-24).

A Covid Recovery Fund of £3m has been created (funded from the New Homes Bonus reserve) as agreed at the Council budget meeting in March 2021. Services will drawdown from the Covid Recovery Fund reserve to fund the projects agreed by Cabinet on 30 June 2021.

The Council is utilising its Collection Fund Smoothing Reserve to align the government grant funding of business rates reliefs with the timing of deficit payments over the three-year period 2021-24. In the 2021-22 budget, Council agreed the use of the one-off Local Council Tax Support Grant (£4.025m) and one-off non-ringfenced Lower Tier Services Grant (£1.404m) to fund extra pressures that could be experienced, above assumptions in the MTFS, in the Local Council Tax Reduction Scheme (LCTRS) and business rates income due to the impact of the pandemic on the economy and unemployment.

Details of the variances are summarised below:

£m	Forecast variance commentary
Cross-Directorate Savings	
1.9	Cross-directorate savings of £3.809m are held corporately.
Slippage in savings achievement	<p>There is slippage in the Local Presence / Contact Centre Review saving of £1.15m. The Programme Management Office is supporting the review of the service areas in which this saving can be achieved, the timing profile of achievement and the level of any potential unachievable saving amount.</p> <p>There is short-term slippage in the Reduction in Enabling and Support Services Costs saving (restructure consultation commenced in June) of £0.75m.</p> <p>Covid non-ringfenced emergency grant is requested to fund Covid related savings slippage of £1m, being Greater Commercialisation (£0.431m), Review of Printing/ Scanning/ Use of Multi-Functional Devices (£0.371m) and Change of working hours and use of Flexible Retirement schemes (£0.200m).</p>

There were two savings identified, through the review of 2021-22 fees & charges, towards the Greater Commercialisation savings target of £0.5m. These were £39k extra income through the introduction of household bulky waste charges after 2 free collections and Commercial bulky waste charges, and £30k extra income in Registrars Services. The remaining savings of £431k are being identified through the Commercialisation Board.

Recharges to ringfenced funding areas Review to be carried out in 2021-22	2.0	Forecast of potential General Fund pressure which could arise from a review of recharges, from directorates and corporate support recharges, to ringfenced funding areas and trading accounts.
Redundancy, Severance and Early Retirement Forecast overspend against budget	1.0	Forecast overspend of £1.0m against budget of £2.45m, estimated based on 2020-21 outturn, for redundancy and severance costs, early retirement pension strain and compensation payments. The corporate budget only funds redundancy costs where these relate to achieving savings agreed in the medium term financial strategy (MTFS).
Pay inflation budget Budget held centrally	-	Pay inflation budget of £1.056m is held centrally for potential 2021-22 pay award increase. £2.044m of the 2021-22 £3.1m budget has been allocated to directorates to fund the 2020-21 pay inflation shortfall from the 2.75% national pay award increase (2020-21 General Fund cost increase of £5.144m against the 2020-21 pay inflation budget of £3.1m).
Pension Fund deficit repayment Underspend against budget	(1.0)	Forecast underspend against the budget allowed (£12.8m) for the payment to the Pension Fund to meet deficit estimated by the actuary.
Corporate contingency Budget to cover unforeseen circumstances	(3.1)	There are currently no commitments against the contingency budget of £3.1m.
Treasury Management Forecast underspend on borrowing costs budget	(2.0)	<p>A forecast underspend on the borrowing costs budget due to slippage in the capital programme. Minimum Revenue Provision (MRP) internal borrowing costs of £4.6m are expected to be funded by the rental income earned through the property buyback programme in Place directorate.</p> <p>It is forecast that interest and dividend income in 2021-22 will be £1.6m. This is below the income budget of £2.3m and continues to be significantly lower than the 2019-20 and 2020-21 levels of income, mainly due to the Covid-19 impact on the economy and the Bank of England subsequently reducing its base rate to 0.1%.</p>

Housing Revenue Account (HRA)

4

Forecast outturn overspend of £0.7m before contribution from reserve

£m	Estimated impact on HRA	Forecast Variance	
		Variance before reserve adjustments	Contribution to /(from) Reserves
HRA	-	0.7	(0.7)

The Housing Revenue Account is forecasting an overspend of £0.7m when compared with budget. This overspend results from residual costs relating to the fire at Hadley House which are not covered by the Council's insurance policy, additional one-off ICT costs relating to the recent upgrades at THH and loss of rents relating to a number of parking spaces that have been decommissioned as a result of developments. These cost pressures are being partly offset by reduced ASB costs resulting from a new offer to procure Police Officers from the Metropolitan Police at a reduced rate to patrol the estates.

It is anticipated that the HRA will incur additional building safety costs following the introduction of the new bill. These costs will be predominantly staff costs and will be covered in year by a growth bid that was approved as part of previous budget setting. Therefore, there will be no impact on the outturn position as long as the costs are contained within growth levels.

There are a number of technical adjustments and recharges that the HRA incurs which historically have not been calculated or posted until year-end, for example insurance recharges, depreciation and Item 8 calculation. In previous year's this has resulted in underspend and if this trend continues will mitigate the overspend reported above. Work is ongoing to estimate these costs and they will be included in future forecasts.

Any overspend at year end will be met from a drawdown from reserve balances within the HRA.

The table shows forecast pressures on 2021-22 General Fund balances and how this might be managed by means of utilising earmarked reserves. Note the reserves position of the Council is uncertain pending the formal closure of statement of accounts for the period 2016 – 2021.

	Balances as per provisional outturn 2020/21	Assumed Contribution to / (from) Reserve	<i>Potential adjustment to maintain GF balances</i>	Forecast balance 31 March 2022
£m	£m	£m		£m
GF balances (general reserve)	20.0	(0.1)	1.3	21.2
Budgeted drawdown in MTFs	0.0	(1.2)	0.0	(1.2)
	20.0	(1.3)	1.3	20.0
Earmarked reserves consist of:				
Earmarked reserves with restrictions				
Insurance	10.0	(0.4)	0.0	9.6
New Civic Centre	0.0	0.0	0.0	0.0
Parking Control	3.3	0.0	0.0	3.3
Collection Fund Smoothing*	54.5	0.0	0.0	54.5
Free School Meals Reserve	6.0	(2.0)	0.0	4.0
Public Health Reserve	3.3	(0.1)	0.0	3.2
Revenue Grants Unused	8.7	(2.5)	0.0	6.2
COVID 19 grant	3.5	(3.5)	0.0	0.0
Local Elections	0.8	(0.5)	0.0	0.3
CIL	7.8	0.0	0.0	7.8
Covid Recovery Fund	0.0	3.0	0.0	3.0
Earmarked reserves with restrictions – Subtotal	97.9	(6.0)	0.0	91.9
Earmarked reserves without restrictions				
Risk Reserve*	6.5	0.0	0.0	6.5
Transformation Reserve	3.6	(1.1)	0.0	2.5
ICT Reserve	9.6	0.0	0.0	9.6
Mayor's Tackling Poverty Reserve	3.4	(0.8)	0.0	2.6
Mayor's Priority Investment Reserve	5.4	0.0	0.0	5.4
New Homes Bonus	40.1	4.6	(1.3)	43.4
Services Reserve	6.5	(2.5)	0.0	4.0
Earmarked reserves without restrictions - Subtotal	75.1	0.2	(1.3)	74.0
Total Earmarked Reserves	173.0	(5.8)	(1.3)	165.9
Total GF and Earmarked reserves	193.0	(7.1)	0.0	185.9

*The Collection Fund Smoothing Reserve is restricted in its use as it is solely intended to deal with surpluses and deficits that arise on an annual basis in the collection fund. The reserve figure above excludes the Local Council Tax Support Grant (£4.0m) and the Lower Tier Services Grant (£1.4m) which are expected to be received and utilised in 2021-22.

The table shows the 2021-22 provisional outturn position for the Housing Revenue Account, and for Dedicated Schools Grant.

HRA and DSG reserves	Balances as per provisional outturn 2020/21 £m	Forecast Movement £m	Forecast balance 31 March 2022 £m
Housing Revenue Account (HRA)	52.3	(0.7)	51.6
Dedicated Schools Grant (DSG)	(11.6)	0.8	(10.8)
Total Other Reserves	40.7	0.1	40.8

Overall Position

We have £327m of investments and £72m borrowing.

At the end of June 2021 investment in the portfolio totalled £327m, returning average income of 0.71% and total return (including capital gains/losses) of 1.87%.

Income Position

Forecast under-achievement in investment income.

The 2021-22 budget for investment income is £2.3m and the forecast is £1.6m based on expected cash levels throughout the year and expected dividends from pooled funds. This return is significantly lower than both 2019-20 and 2020-21, mainly due to the continued Covid-19 impact on the economy and the subsequent reduction in base rate to 0.1% by the Bank of England.

Benchmarking

We compare favourably for the return we get from our investments.

According to the 2021-22 Quarter 1 benchmarking information received from our advisors, Arlingclose Ltd, our average income return of 0.71% outperformed a group of fifteen London councils (0.53% average income return) but slightly underperformed against 124 national local authorities (0.82% average income return).

The Council's return on internally managed treasury investments of 0.18% performed well above a group of fourteen London councils by 0.07%.

We are continuing to look at alternatives that retain and protect the capital value of our investments while maximising income return.

Liquidity

31% of funds are available within 7 days ensuring adequate cash is available to meet expenditure payments.
64% of funds are available within 100 days.

Inflation

Monies invested are currently not holding value against current inflation.

As at June 2021, the Consumer Prices Index (CPI) inflation was 2.5%, up from 2.1% in May 2021. The Council's average income return of 0.71% is lower, demonstrating that currently the future value of the funds invested today will be less.

The income return is positively impacted by dividends received from investments in externally managed pooled funds. The capital values of these funds were temporarily negatively affected by the economic impact of Covid-19, however they have since regained their value and are now at par (£76m) with the purchase price (£76m).

Security

The average credit rating across the portfolio of investments at the end of Quarter 1 was A+. This was at par with the average of the group of 124 national local authorities.

This section shows the amount of money we have collected from tax payers of the borough, and the split between the amount that is retained and the amounts paid over to central government and the GLA.

The business rates position could be significantly affected by valuation appeals (especially for office accommodation and retail, hospitality and leisure sectors) which could be submitted to the Valuation Office Agency for consideration. For 2020-21 the appeals provision included £102m (Council share of £30.6m) to take account of potentially successful Material Change of Circumstances (MCC) appeals relating to the pandemic.

NNDR (Business Rates)

We are expected to collect £402m in total for 2021-22.

Collection levels continue to be impacted by the Covid-19 pandemic.

There is an accumulated Business Rates Collection Fund deficit to the end of 2020-21, of which the Council share is £85.6m and of this circa £42.5m is funded through expanded retail and nursery scheme relief grants. The Council is utilising its Collection Fund Smoothing Reserve to align the government grant funding of business rates reliefs with the timing of deficit payments over the three-year period 2021-24.

The government will provide compensation funding for 75% of components of the 2020-21 deficit.

The accumulated deficit includes the significant impact of the increased appeals provision which includes allowance for potentially successful Material Change of Circumstances (MCC) appeals relating to the pandemic. The accumulated deficit also includes a significant increase in the loss allowance (bad debt provision) for potential non-payment of debts to the Council, again due to the pandemic.

The Covid-19 pandemic continues to have a significant impact on the 2021-22 business rates income through revaluations, other changes to the rating list and a reduction in collection rates. The level of the deficit will continue to be affected by changes in the pandemic and its economic impacts and is therefore being monitored closely.

For the total Business Rates income (retained by the Council and passported to the GLA and central government), the original estimate for Business Rates net rates payable for 2021-22 was £458m. This has adjusted to £402m after changes to the Extended Retail Relief Scheme and Section 31 grant will be provided to offset this reduction and the effect of rateable value changes in the valuation list.

To the end of June, we have collected £117.7m of £419.3m billed (28.1% in-year collection rate) compared to 26.7% for 2020, which is an improvement on 2020 but still lower than pre-pandemic collection levels. This includes collection of the Business Rate Supplement (BRS) for the London Crossrail development.

Council Tax

We were expected to collect

There is an accumulated Council Tax Collection Fund deficit to the end of 2020-21, of which the Council share is circa £7.3m. The government will fund 75% of components of the 2020-21 deficit.

£151m in total for 2021-22.

Collection levels continue to be impacted by the Covid-19 pandemic.

Council Tax income is split between the Council (circa 75%) and the GLA (circa 25%).

The deficit includes the impact of the loss allowance (bad debt provision) which was increased by £3.1m (Council share) from £11.9m (2019-20) to £15.0m (2020-21) due to the impact of the pandemic.

The Covid-19 pandemic has reduced the collection rate and it has increased significantly those claiming benefits including through the Local Council Tax Reduction Scheme (LCTRS). The cost of the LCTRS scheme rose from £26.7m in 2019-20 to £31.6m in 2020-21. The level of claimants has remained at the increased pandemic level to date (estimated £33.2m cost in 2021-22 which includes the effect of the annual Council Tax increases).

For total Council Tax income (both retained by the Council and passported to the GLA) the collectable budget for 2021-22 is £151m.

To the end of June we have collected £38m of the £154m Council Tax bills raised (24.7% in-year collection rate) compared to 24.6% for the same period in 2020, which is a slight improvement on 2020 but still lower than pre-pandemic collection levels.

Target for year £28.9m

£19.6m savings to be delivered

£m	21-22 Target	Prior Year Slippage	Saving Target	Forecast Savings	Slippage	Under Recovery	Over recovery
	A	B	C = A + B				
HA&C	5.4	0.4	5.8	5.1	0.6	0.0	0.0
Children and Culture	5.1	0.6	5.7	3.0	1.9	0.7	0.0
Place	3.2	0.7	3.9	2.8	1.0	0.1	0.0
Resources and Governance	3.7	1.9	5.5	4.5	0.8	0.4	0.0
All	6.3	1.7	8.0	4.2	3.8	0.0	0.0
Total	23.7	5.2	28.9	19.6	8.1	1.2	0.0

Total savings target for 2021-22 is £28.9m (£23.7m relates to approved savings as part of the 2021-22 budget setting process, and £5.2m as a result of previous years' savings not delivered, which have been re-evaluated since the last report).

- £19.6m is identified as being on track to deliver savings;
- A net position of £8.1m is forecast to slip into future years due to timing issues;
- £1.2m has been identified as unachievable

Please refer to 'Appendix B – Summary MTFs Savings Tracker 2021-24' for a detailed breakdown and latest updates on savings programme.

Total forecast impact of Covid £17.0m
forecast to reimbursed (as per MHCLG return) £2.0m

£m	Total Covid expenditure claimed against non-ringfenced grant	Reduced income not relating to sales fees and charges and claimed against non-ring fenced grant	Sales fees and charges income expected to be reimbursed	Sales fees and charges income not being reimbursed claimed from non ring-fenced grant	Total
Children and Culture	0.3	0.6	0.0	0.0	0.9
Resources and Governance	4.2	0.4	0.1	0.0	4.7
HA&C	3.9	0.0	0.6	0.0	4.5
Place	3.9	0.2	1.3	0.5	5.9
Corporate and financing costs	1.0	0.0	0.0	0.0	1.0
Total	13.3	1.2	2.0	0.5	17.0

As a consequence of Covid, the forecast additional expenditure impact (excluding ring-fenced grants spend) on General Fund services in 2021-22 is forecast at £17.0m. This includes foregone income of £2.0m as a consequence of Covid that is anticipated to be reimbursed by Central Government.

Please refer to 'Appendix C – 2021-22 Covid-19 Financial Forecast Summary' for an analysis of the non ring-fenced and ring-fenced Covid-19 grants and estimated overall Covid related spend and reduced income.

General Fund Period 3 Capital Monitoring

General Fund Programme	Directorate	Revised Budget	Current Forecast	Actual Amount	Variance
		£m	£m	£m	£m
Approved Programme	Children & Culture	36.8	25.1	2.3	(11.7)
	Health Adults and Community	22.2	15.0	(0.0)	(7.2)
	PLACE	111.1	101.2	14.5	(9.9)
	RESOURCES	3.4	0.3	0.1	(3.1)
Approved Programme Total		173.6	141.7	16.8	(31.9)
Approved Rolling Programme	Children & Culture	3.0	3.7	0.4	0.7
	PLACE	9.5	9.5	1.1	0.0
	RESOURCES	3.5	3.5	0.0	0.0
Approved Rolling Programme Total		16.0	16.7	1.5	0.7
Invest to Save Programme	PLACE	27.7	20.3	2.1	(7.4)
Invest to Save Programme Total		27.7	20.3	2.1	(7.4)
LIF Programme	PLACE	5.9	6.7	0.0	0.9
LIF Programme Total		5.9	6.7	0.0	0.9
Completed and Retentions Projects	PLACE	0.9	0.9	0.0	(0.0)
Completed and Retentions Projects Total		0.9	1.0	0.0	0.0
General Fund Total		224.1	186.4	20.4	(37.7)

The total current General Fund capital programme for 2021/22 of £224.1m consists of £199.2m approved at Full council March 2021, additions of £2.7m approved at Cabinet June 2021 and £22.2m of 2020/21 slippage reported at July 2021 Cabinet as part of the 2020-21 provisional outturn budget monitoring report. The current estimated General Fund capital expenditure for the year is forecast at £186.4m, which represents 83% of the current 2021/22 capital budget. The spend to date is £20.4m, representing 9% of the total approved budget.

Services are projecting £37.7m underspend against the budget, and although early in the year, much of this is anticipated to slip into future years. As part of the 2022/23 budget setting process, capital budgets will again be reviewed for re-profiling to better reflect the anticipated spend profile on projects, this is due to be initially reported to Cabinet in January 2022, followed by full council.

In period 3, the council has implemented a more robust forecasting processes, which includes the requirement for services to both provide forecasts and explanations on variances on a monthly basis. It is anticipated that as the process becomes fully imbedded within the council over the coming months, more accurate and up to date forecasting will be available for reporting purposes.

Based on the spend to date and the continuing effects of the pandemic, services are finding it difficult to forecast accurately and to deliver as programmed. As such, while the current forecast do appear to be ambitious, this will be closely monitored through the year to outturn.

The major variances are described below:

Approved Programme:

Children's and Culture

Budget £36.8m

Forecast: £25.1m

Variance: (£11.7m) underspend

The major programme under Children's services is the Basic Need and Expansion programme, within this programme there are several large schemes currently under way and in the early stages. The forecast for Period 3 shows that certain scheme budgets within the programme will need to be re-profiled in line with the latest up to date spend profiles.

The notable schemes that will require budget re-profiling include George Green school (£2.7m underspend), where the project is at the feasibility stage; the actual build phase is due commence in future years, with a view to complete by 2024. Wood Wharf school project budget (£2.0m underspend) was recently increased for future years to include internal fit out, and budgets will need to be re-profiled for this. Oaklands school project (£2.0m) is being held up by issues relating to land ownership, which is causing delays in the project, hence the spend profile is anticipated to slip.

Other smaller various individual contributing factors to the forecast underspend within the Children's and Culture directorate largely relate to scheme budgets which need to be re-profiled in line with the latest up to date spend profiles. The required re-profiling of budgets will be completed as part of the 2022/23 budget setting process.

Health, Adults and Communities

Budget £22.2m

Forecast: £15.0m

Variance: (£7.2m) underspend

The Sewardstone and Antill projects have now been separated (£1.2m underspend). The Sewardstone element now has approval and funding in place, Anthill does not, as there are ongoing discussions on the best course of action to provide best value for money. This scheme will be re-profiled accordingly. Norman grove (£1.3m underspend) is part of a wider housing scheme, and this shows the HAC contribution – there are discussions to transfer the budget. The Aberfeldy project (£1.5m underspend) is progressing, through there were leasing discussions between two external parties that delayed progress, these have now largely been resolved. It is worth noting that the project is not delivered by the council.

Goodmans' fields is showing a large underspend (£2.4m), however the project has been delivered by the CCG, it has reached practical completion, however the CCG switched from Tower Hamlets to North East London at the end of the last financial year and this has created delays in the NHS being able to draw done funds from the council. Full spend is anticipated.

Place

Budget £111.1m
Forecast: £101.2m
Variance: (£9.9m) underspend

The key projects that make up the forecast underspend variance of £9.9m within Place are anticipated slippage of budgets in the Lea Valley bridges schemes (£2.0m), as it expected works will now commence in future years.

The high street capital schemes are forecasting a £1.4m underspend. The key reason for this anticipated slippage is due to Covid-19 restrictions and government guidelines on essential work and permitted travel.

As a result work progressed in 2021/22 has been mainly: detailed design development, consultation with stakeholder, resident groups and enterprises on proposals (via Zoom etc) and other technical and development work. This experience and slippage of spend is reflected in most of other capital programmes.

The TfL funded capital schemes have an allocated budget of £1.0m with a nil forecast until there is confirmation with TfL on scheme approvals.

Whitechapel improvements scheme budgets have a forecast under spend of £1.0m, as the programme delivery is expected to extend across future years.

Other various smaller individual contributing factors to the forecast underspend within the Place directorate largely relate to scheme budgets which need to be re-profiled in line with the latest up to date spend profiles. The required re-profiling of budgets will be completed as part of the 2022/23 budget setting process.

Resources

Budget £3.4m
Forecast: £0.3m
Variance: (£3.1m) underspend

This budget consists of IT transformation and Agresso re-hosting and upgrade, which are coming to an end and progressively well respectively. The next phase of programmes, including fraud investigation systems and cyber security amongst other things are currently going through procurement processes, once this has successfully completed, the forecasts will be updated through the year.

Annual Rolling Programme:

Children's and Culture

Budget £3.0m
Forecast: £3.7m
Variance: £0.7m overspend

The conditions and improvement programme is anticipated to overspend by £0.7m. This is a mixture of planned and emergency works that need to take place within schools, budgets will be accelerated to accommodate this as required.

Place

Budget £9.5m
Forecast: £9.5m
Variance: Nil variance

Notable schemes within the Place annual rolling programme include, disabled facilities grants schemes, Public Realm carriageways and Footways, investment works to LBTH assets are all forecast on budget.

Resources

Budget £3.5m
Forecast: £3.5m
Variance: Nil variance

The IT Rolling programme 2021 is a newly agreed IT programme in which some projects commenced in May 2021. The programme has made some very good progress. However, there are some initial delays due to various technical and resource capacity issues. We continue to monitor spend very carefully, and we will re-profile the capital forecasts regularly. We expect all projects to commence before the end of the financial year and we also anticipate that all projects will be delivered, albeit some may take longer than first anticipated.

Invest to Save:

Place

Budget £27.7m
Forecast: £20.3m
Variance: (£7.4m) underspend

The forecast underspend largely relates to purchase of accommodation for temporary accommodation (TA) (£5.4m), where slippage from 2020/21 has now been factored in. There will be a need to review and re-profile the budget in the coming months. Conversion to TA is also forecast to underspend by £1.2m, this will be kept under close review whilst the council identifies the most suitable sites for conversions.

Housing Revenue Account (HRA) forecast £3.0m underspend

HRA Period 3 Capital Monitoring

Housing Revenue Account Programme	Directorate	Revised Budget	Current Forecast	Actual Amount	Variance
		£m	£m	£m	£m
Housing Revenue Account (First 1,000 homes)	HRA	54.4	53.8	8.5	(0.6)
Housing Revenue Account Total		54.4	53.8	8.5	(0.6)
Housing Revenue Account (THH Projects)	HRA	2.6	0.0	0.0	(2.6)
Housing Revenue Account (THH Projects) Total		2.6	0.0	0.0	(2.6)
Housing Revenue Account (THH Rolling)	HRA	23.3	23.5	0.1	0.1
Housing Revenue Account (THH Rolling) Total		23.3	23.5	0.1	0.1
HRA Completed and Retentions Projects	HRA	0.4	0.4	0.0	0.0
HRA Completed and Retentions Projects Total		0.4	0.4	0.0	0.0
HRA Total		80.7	77.7	8.7	(3.0)

The total current Housing Revenue Account capital programme for 2021/22 of £80.7m consists of £151.6m approved at Full council March 2021, less a budget re-alignment of £68.7m relating to the first 1,000 homes to reflect the approval of budget adjustments presented at Cabinet June 2021 (still maintaining the full funding envelope of £232m on the first 1,000 homes) and £2.2m of 2020/21 slippage reported at July 2021 Cabinet as part of the 2020-21 provisional outturn budget monitoring report.

The forecast for the year is £77.7m, which represents 96% of the budget. The spend to date is £8.7m, which is 11% of the budget. The HRA capital programme is forecast to underspend by £3.0m in 2021/22.

While the current forecast is largely on budget, this will be closely monitored through the year to outturn.

Appendix B - Summary MTFS Savings Tracker 2021-24

	2021-22						2022-23						2023-24					
	Savings target	Slippage from previous year	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over delivery)	Savings target	Slippage from previous year	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over delivery)	Savings target	Slippage from previous year	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over delivery)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Directorate																		
Health, Adults & Community	5,366	353	5,719	5,086	633	-	1,366	633	1,999	1,999	-	-	100	-	100	100	-	-
Children & Culture	5,126	585	5,711	3,038	1,924	749	1,552	1,924	3,476	3,476	-	-	380	-	380	380	-	-
Place	3,190	700	3,890	2,790	1,000	100	1,025	1,000	2,025	2,025	-	-	5,216	-	5,216	5,216	-	-
Governance	348	-	348	331	17	0	200	17	217	217	-	-	-	-	-	-	-	-
Resources	3,330	1,858	5,188	4,038	785	365	200	785	985	985	-	-	700	-	700	700	-	-
Cross-Directorate / Corporate	6,275	1,664	7,939	4,167	3,772	-	4,880	3,772	8,652	8,142	-	510	785	-	785	435	-	350
Total	23,635	5,160	28,795	19,450	8,131	1,214	9,223	8,131	17,354	16,844	-	510	7,181	-	7,181	6,831	-	350
Savings Achievement Status																		
Delivered / On Target	13,462	2,158	15,620	15,620	-	-	5,972	-	5,972	5,972	-	-	5,631	-	5,631	5,631	-	-
Slipping but Achievable	8,817	1,517	10,334	3,588	6,746	0	3,141	6,746	9,887	9,887	-	-	1,200	-	1,200	1,200	-	-
Undeliverable / Unachievable	1,356	1,485	2,841	242	1,385	1,214	110	1,385	1,495	985	-	510	350	-	350	-	-	350
Total	23,635	5,160	28,795	19,450	8,131	1,214	9,223	8,131	17,354	16,844	-	510	7,181	-	7,181	6,831	-	350

Appendix B - MTFs Savings Tracker 2021-24

							23,635	5,160	28,795	19,450	8,131	1,214							9,223	8,131	17,354	16,844	-	510	7,181	-	7,181	6,831	-	350		
Reference	Year Approved	Title	Dir.	Directorate	Service Area	Savings Achievement Status	2021-22						2022-23						2023-24													
							Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)	Forecast Savings RAG	Project Status RAG	Status update	Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)	Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)					
ADU003/17-18	2017-18	Helping People with Learning Disability live Independently	HAC	Health, Adults & Community	Adult Social Care	Slipping but Achievable	-	254	254	254	-	-	Green	Green	£254k slippage to 2021/22. £78k associated with Shared Lives not delivered in 2020/21. Review of this programme and the 21/22 further savings (see above) being delivered.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 001 / 19-20	2019-20	Efficiencies in Commissioned Services for Adult Social Care (part of the £1m saving) - Hotel in the park	HAC	Health, Adults & Community	Adult Social Care	Delivered / On Target	20	-	20	20	-	-	Green	Green	21/22 Savings. Part of the £1m savings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 001 / 19-20	2019-20	Efficiencies in Commissioned Services for Adult Social Care (part of the £1m saving) - IMHA/Advocacy	HAC	Health, Adults & Community	Adult Social Care	Delivered / On Target	70	-	70	70	-	-	Green	Green	21/22 Savings. Part of the £1m savings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 001 / 19-20	2019-20	Efficiencies in Commissioned Services for Adult Social Care (part of the £1m saving) - Rethink	HAC	Health, Adults & Community	Adult Social Care	Delivered / On Target	150	-	150	150	-	-	Green	Green	21/22 Savings. Part of the £1m savings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 001 / 19-20	2019-20	Efficiencies in Commissioned Services for Adult Social Care (part of the £1m saving) - MH Supported Accommodation	HAC	Health, Adults & Community	Adult Social Care	Delivered / On Target	570	-	570	570	-	-	Green	Green	21/22 Saving. £214k delivered in 20/21. Remaining £356k will be delivered in 21/22 through targeted support and reviews. Part of the £1m savings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 001 / 19-20	2019-20	Efficiencies in Commissioned Services for Adult Social Care (part of the £1m saving) - Direct placement support	HAC	Health, Adults & Community	Integrated Commissioning	Delivered / On Target	20	-	20	20	-	-	Green	Green	21/22 Savings. Part of the £1m savings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 001 / 19-20	2019-20	Efficiencies in Commissioned Services for Adult Social Care (part of the £1m saving) - Information and Advice - Advocacy (cross cuttings)	HAC	Health, Adults & Community	Integrated Commissioning	Delivered / On Target	35	-	35	35	-	-	Green	Green	These savings have now been achieved.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 001 / 19-20	2019-20	Efficiencies in Commissioned Services for Adult Social Care (part of the £1m saving) - Information and Advice	HAC	Health, Adults & Community	Integrated Commissioning	Delivered / On Target	135	-	135	135	-	-	Green	Green	These savings have now been achieved.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 003 / 19-20	2019-20	Promoting Independence and in Borough Care for Adults with Disabilities	HAC	Health, Adults & Community	Adult Social Care	Delivered / On Target	700	-	700	700	-	-	Amber	Amber	21/22 saving - Of the £247k CLDS Saving, confirmed Savings delivered to date is £311k on negotiation of placement (122k), Lester court (£24k), Section 117 (£146k), Reduction in day services packages (£17k), with a further £46k planned for out of borough/increased independence placement moves. A further £42k is planned to be delivered in 21/22 and a £129k will be delivered in 22/23 due to the part-year effect of placement negotiations. The other savings relating to the £700k saving, are subject to further analysis.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 001 / 20-21	2020-21	Accommodation and support for single homeless people	HAC	Health, Adults & Community	Integrated Commissioning	Delivered / On Target	343	-	343	343	-	-	Green	Green	21/22 - 22/23 Saving. There are 2 elements to this savings scheme; the first linked to Hackney Road Hostel and the second linked to Floating Support provision. Re: Hackney Road Hostel, GLA monies have been secured for 4 year funding of this scheme, which will deliver the saving in full (green). Re: Floating Support, the service has been re-profiled to deliver the saving in full (green). This saving was planned for 22/23, but the work has been delivered early in 21/22.	350	-	350	350	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 002 / 20-21	2020-21	Merging of the physical disability day opportunities service with the Riverside Day Service	HAC	Health, Adults & Community	Adult Social Care	Slipping but Achievable	316	-	316	316	-	-	Amber	Green	21/22 saving - this saving is now proposed to be delivered by a new savings proposal for a new model of day support which would involve the closure of these two centres previously earmarked for merger. Consultation on the new proposal concluded and goes to Cabinet in July 2021. Implementation date delayed and therefore slippage in savings level in 21/22 requires mitigation. Linked to SAV/HAC 003/21-22.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 003 / 20-21	2020-21	Changes to the adult social care charging policy	HAC	Health, Adults & Community	Adult Social Care	Slipping but Achievable	132	99	231	132	99	-	Amber	Green	Charging Policy amended following consultation and decision in Cabinet. Implementation in progress. Slippage 3/4 months which may impact on in year savings but may be mitigated by higher income achieved overall.	-	99	99	99	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 004 / 20-21	2020-21	Integration of Tower Hamlets short-term support services - rehabilitation and reablement	HAC	Health, Adults & Community	Adult Social Care	Delivered / On Target	-	-	-	-	-	-	Amber	Amber	Consultation on changing the charging policy was about to launch at the end of March 2020 to ensure delivery of this saving. Consultation postponed due to Covid. Implementation now expected 1/1/21 rather than 1/10/20. Potential loss of saving should be set against Covid expenditure. Consultation has an additional option added that would increase the income received and mitigate the slippage. Option being considered of delivering this saving earlier.	100	-	100	100	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 005 / 20-21	2020-21	Technology-enabled care	HAC	Health, Adults & Community	Adult Social Care	Slipping but Achievable	-	-	-	-	-	-	Green	Green	22/23 Saving - work in progress. The 100k is a marker figure whilst scoping work is done. Likely to require capital which is flagged in the review of the capital programme. Further plans will be developed following the diagnostic work planned to be undertaken by Argenti.	100	-	100	100	-	-	-	-	-	-	-	-	-	-	-		
SAV / ALL 001 / 21-22	2021-22	Transformation of Regulatory and Enforcement Functions	HAC	Health, Adults & Community	Community Safety & Public Realm	Delivered / On Target	-	-	-	-	-	-	Green	Green	21/22 saving - with the transformation of the CCTV service, saving of 1 FTE will be realised from 22/23 onwards at £53k. Public Realm/Comm Safety are working towards a more mobile solution at a cost of £50k to Comm Safety to allow a more efficient way to issue FPN's and generate income, to reduce back-office measures in Corporate BSU Hub at around £100k pa for service. Governance processes around procuring this system are causing delays which may impact income generation and present a risk. Invest to save proposal has been presented to DPB for a system called Liberator.	150	-	150	150	-	-	-	-	-	-	-	-	-	-	-	-	-
SAV / HAC 001 / 21-22	2021-22	Tenant Activity Pot (TAP) activities programme	HAC	Health, Adults & Community	Integrated Commissioning	Delivered / On Target	299	-	299	299	-	-	Green	Green	This saving has been delivered	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
SAV / HAC 002 / 21-22	2021-22	Adults Transport savings	HAC	Health, Adults & Community	Adult Social Care	Delivered / On Target	100	-	100	100	-	-	Green	Green	21/22 saving - delivery on target as part of Transport Delivery programme	100	-	100	100	-	-	-	-	-	-	-	-	-	-	-		

Reference	Year Approved	Title	Dir.	Directorate	Service Area	Savings Achievement Status
SAV / PLA 010 / 21-22	2021-22	Restructure of Directorate Management Systems (DMS) & Technical Support Team (TST)	PLA	Place	Planning & Building Control	Delivered / On Target
SAV / PLA 011 / 21-22	2021-22	Waste Services Reorganisation	PLA	Place	Public Realm	Delivered / On Target
SAV / PLA 012 / 21-22	2021-22	Growth service rationalisation and efficiencies	PLA	Place	Growth & Economic Development	Delivered / On Target
SAV / PLA 013 / 21-22	2021-22	Employment & Skills Service transformation	PLA	Place	Growth & Economic Development – Employment & Skills	Delivered / On Target
SAV / PLA 014 / 21-22	2021-22	Performance and Value service transformation	PLA	Place	Growth & Economic Development	Delivered / On Target
SAV / PLA 015 / 21-22	2021-22	Reduction in Facilities Management Team & realignment of Postal Services	PLA	Place	Property & Major Projects	Delivered / On Target
SAV / PLA 016 / 21-22	2021-22	More sustainable planting methods - reprofiling of existing savings Parks Review PLA05/18-19	PLA	Place	Green Team, Public Realm	Delivered / On Target
SAV / GOV 001 / 20-21	2020-21	Legal services	GOV	Governance	Legal Services	Delivered / On Target
SAV / GOV 002 / 20-21	2020-21	Modernisation of the Registration Service	GOV	Governance	Registration Service	Delivered / On Target
SAV / GOV 001 / 21-22	2021-22	Electoral Services	GOV	Governance	Electoral Services	Delivered / On Target
SAV / GOV 002 / 21-22	2021-22	Communications Service restructure	GOV	Governance	Communications	Delivered / On Target
SAV / GOV 003 / 21-22	2021-22	Review of Monitoring Officer service structure	GOV	Governance	Monitoring Officer	Slipping but Achievable
SAV / GOV 004 / 21-22	2021-22	Cancellation of subscriptions to benchmarking services	GOV	Governance	Strategy, Policy and Performance	Delivered / On Target
ALL009/17-18	2017-18	Consolidation of Business Support and Administration Functions	ALL	Resources	All	Slipping but Achievable
SAV / RES 10 / 18-19	2018-19	Improved Recovery of Housing Benefits Overpayments	RES	Resources	Benefits	Delivered / On Target
SAV / RES 10 / 18-19	2018-19	Additional Local Presence Efficiencies	RES	Resources	Customer Access	Delivered / On Target
SAV / RES 001 / 19-20	2019-20	Improvements in Self Service and Digital uptake for Council Tax and Business Rates	RES	Resources	Revenue Services	Delivered / On Target
SAV / RES 001 / 20-22	2020-21	Revenues - Cashiers - reduce cash and cheque handling and eliminate the need for cheque printing	RES	Resources	Revenue Services	Delivered / On Target
SAV / RES 002 / 20-21	2020-21	Benefits service – centralisation of assessments – service review and restructure	RES	Resources	Benefits Service	Delivered / On Target
SAV / RES 003 / 20-21	2020-21	ICT Savings - Reprofiling of agreed savings (SAV/ RES 05 / 18-19)	RES	Resources	ICT	Delivered / On Target
SAV / RES 004 / 20-21	2020-21	Finance Services – Process improvements & new Finance System Implementation - Reprofiling of agreed savings (SAV/ RES 06 / 18-19)	RES	Resources	Corporate Finance	Delivered / On Target
SAV / RES 001 / 21-22	2021-22	Business Support Phase 2 – Additional efficiencies in Business Support staffing	RES	Resources	Business Support	Delivered / On Target
SAV / RES 002 / 21-22	2021-22	Reorganisation of Executive Support – Phase 2	RES	Resources	Business Support	Slipping but Achievable

2021-22									
Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)	Forecast Savings RAG	Project Status RAG	Status update	
328	-	328	328	-	-	Green	Amber	The saving involves a restructure of TST and DMS teams and the creation of a new digital support team. The restructure is ongoing but there has been delay. The impact of any delay will be mitigated through vacant posts throughout the service.	
100	-	100	100	-	-	Green	Green	Restructure process is in progress and is expected to be complete by mid year	
162	-	162	162	-	-	Green	Amber	Restructure process is underway and saving will be delivered	
257	-	257	257	-	-	Green	Amber	Restructure process is underway and saving will be delivered	
200	-	200	200	-	-	Green	Amber	Restructure process is underway and saving will be delivered	
176	-	176	176	-	-	Green	Green	Vacant post that has been deleted	
20	-	20	20	-	-	Green	Green	This target has been achieved where the flower beds have been planted with low maintenance permanent perennials.	
100	-	100	100	-	-	Amber	Amber	1. This is a demand led service and therefore the staffing saving will need to be monitored through 2021-22 to check that the level of legal work allows for this to be achieved.	
40	-	40	40	-	-	Green	Green	1. This saving has been achieved through pay and non-pay efficiencies.	
80	-	80	80	-	-	Green	Green	1. Staffing saving has been achieved.	
54	-	54	54	-	-	Green	Green	1. Staffing saving has been achieved.	
52	-	52	35	17	0	Amber	Green	1. The deputy monitoring officer post will be vacant from August 2021. The full year effect saving will be achieved in 2022-23.	
22	-	22	22	-	-	Green	Green	1. Subscriptions have been cancelled.	
-	300	300	-	300	-	Amber	Amber	1. Phase 1 restructure has been implemented and phase 2 planning is underway to achieve the remaining savings.	
-	500	500	500	-	-	Green	Green	1. This saving is expected to be achieved in 2021-22.	
-	300	300	300	-	-	Green	Green	1. This saving was mitigated in 2020-21 and will be permanently achieved in 2021-22 as part of wider Local Presence changes.	
200	-	200	200	-	-	Green	Green	1. This saving has been achieved.	
-	98	98	98	-	-	Green	Green	1. The restructure was delayed due to the pandemic and took effect from January 2021. The full year effect saving has been achieved for 2021-22.	
100	600	700	700	-	-	Amber	Green	1. This restructure is actioned however the savings achievement is delayed due to needing to facilitate grant payments and new business rates reliefs relating to the Covid-19 pandemic, a significant increase in the number of residents submitting new claims for Council Tax Reduction, and an increase in workload due to an increased number of properties for Council Tax. 2. Replacement funding of £0.7m has been requested from the Covid-19 emergency grant to meet this short-term pressure in 2021-22. The long term staffing requirement from the pandemic and increased properties for Council Tax will need to be considered as part of the 2022-25 MTFS refresh.	
550	60	610	610	-	-	Green	Green	1. The £0.06m slippage in the rack rationalisation has been achieved in the full year impact for 2021-22. 2. The new £0.55m savings have been achieved through contract efficiencies.	
-	-	-	-	-	-	Green	Green	1. This saving will be achieved through a review of the Finance and Procurement staffing structure.	
324	-	324	324	-	-	Green	Green	1. This is being achieved through vacant posts which will be deleted from the structure.	
553	-	553	453	100	-	Amber	Green	1. Consultation has commenced on a restructure. The majority of the savings have already been achieved through vacant posts which will be deleted as part of the restructure.	

2022-23						2023-24					
Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)	Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)
-	-	-	-	-	-	-	-	-	-	-	-
100	-	100	100	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
(20)	-	(20)	(20)	-	-	-	-	-	-	-	-
200	-	200	200	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	17	17	17	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	300	300	300	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
100	-	100	100	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
100	-	100	100	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	100	100	100	-	-	-	-	-	-	-	-

Reference	Year Approved	Title	Dir.	Directorate	Service Area	Savings Achievement Status	2021-22						2022-23						2023-24								
							Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)	Forecast Savings RAG	Project Status RAG	Status update	Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)	Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)
SAV / RES 003 / 21-22	2021-22	Local Presence and Idea Store Asset Strategy	RES	Resources	Customer Services	Undeliverable / Unachievable	600	-	600	-	235	365	Red	Amber	1. Following consultation with stakeholders and resulting agreement by Cabinet, the revised changes will not achieve £365k of the originally proposed savings. 2. There is a delay in savings achievement in 2021-22 of the £235k due to required staffing consultation and the new structure is expected to be effective from 1/9/21.		235	235	235								
SAV / RES 004 / 21-22	2021-22	Finance, Procurement and Audit – process and system improvements	RES	Resources	Finance, Procurement and Audit	Delivered / On Target	200	-	200	200	-	-	Green	Green	1. The internal audit restructure has finished, and a finance and procurement restructure is planned to occur in 2021-22.		-	-	-	-	-	-	-	-	-	-	
SAV / RES 005 / 21-22	2021-22	IT - cancel memberships of LOTI and Gartner	RES	Resources	IT	Delivered / On Target	60	-	60	60	-	-	Green	Green	1. This saving has been achieved.		-	-	-	-	-	-	-	-	-	-	
SAV / RES 006 / 21-22	2021-22	Reduction in the level of IT services	RES	Resources	IT	Delivered / On Target	273	-	273	273	-	-	Green	Amber	1. Alternative savings are being identified for some aspects of the original savings plan which are being reviewed.		-	-	-	-	-	-	-	-	-	-	
SAV / RES 007 / 21-22	2021-22	Corporate Programme Management Office (CPMO) Staffing Reduction	RES	Resources	Corporate Programme Management Office	Delivered / On Target	200	-	200	200	-	-	Green	Green	1. This saving has been achieved through vacant posts which are being permanently deleted as part of the Enabled Functions review.		-	-	-	-	-	-	-	-	-	-	
SAV / RES 008 / 21-22	2021-22	Merging the Revenues & Benefits Services (Phase 1)	RES	Resources	Revenues and Benefits	Delivered / On Target	120	-	120	120	-	-	Green	Green	1. This was actioned in 2020-21 and has achieved the full year saving in 2021-22.		-	-	-	-	-	-	-	-	-	-	
SAV / RES 009 / 21-22	2021-22	Merging the Revenues & Benefits Services (Phase 2)	RES	Resources	Revenues and Benefits	Slipping but Achievable	150	-	150	150	-	150	Amber	Green	1. The pandemic has delayed the staffing restructure and Covid non-ringfenced grant has been requested to offset this saving for 2021-22.		150	150	150								
SAV / RES 010 / 21-22	2021-22	Human Resources - reprofile of agreed saving RES001/17-18	RES	Resources	HR and OD	Slipping but Achievable							Amber	Amber	1. The ability to make long-term savings in HR staffing is being reviewed to inform the achievability of the savings profiled in 2023-24.		-	-	-	-	-	-	700	700	700		
ALL001/17-18	2017-18	Review of Printing/ Scanning/ Use of Multi-Functional Devices (MFD's)	ALL	Cross-Directorate / Corporate	All	Slipping but Achievable		371	371	-	371	-	Red	Amber	1. The MFD and Reprographics elements of the project are delivered. 2. A hybrid mail solution for outward mail will be implemented to achieve these remaining savings of £371k, however the full year effect will be achieved for 2022-23 and the slippage in 2021-22 is requested to be offset through the Covid non-ringfenced grant.		-	371	371	371							
ALL003/17-18	2017-18	Debt Management & Income Optimisation	ALL	Cross-Directorate / Corporate	All	Slipping but Achievable		143	143	69	74	-	Amber	Green	1. Growth in Council tax base above original MTFS assumption for 2021-22 (£69k) and 2022-23 (74k) will be allocated against this saving.		-	74	74	74							
ALL006/17-18	2017-18	Local Presence / Contact Centre Review	ALL	Cross-Directorate / Corporate	All	Undeliverable / Unachievable		1,150	1,150	-	1,150	-	Red	Red	1. Implementation of the new Customer Access model achieved £900k of savings from One Stop Shop closures and establishment changes from channel shift. 2. The remaining savings slippage of £1.15m includes shift of customer access to 'digital by default' to reduce demand (including housing options and pest control), closure of Rushmead One Stop Shop site and consolidation of high volume telephone contact into contact centre.		-	1,150	1,150	640	510						
SAV / ALL 001 / 19-20	2019-20	Phase 2 Local Presence - putting Digital First	ALL	Cross-Directorate / Corporate	Cross-Directorate / Resources - Various	Slipping but Achievable	700	-	700	420	280	-	Amber	Amber	1. There is a delay in savings achievement in 2021-22 due to required staffing consultation and the new structure is expected to be effective from 1/9/21. 2. This saving will be fully achieved in the full year effect for 2022-23.		-	280	280	280							
SAV / ALL 002 / 19-20	2019-20	Counter Fraud Initiatives	ALL	Cross-Directorate / Corporate	Cross-Directorate / Resources - Risk and Audit	Delivered / On Target	100	-	100	100	-	-	Green	Green	1. The income budget in Internal Audit, Anti-Fraud and Risk has been increased to take account of this increased target for court awarded costs.		-	-	-	-	-	-	-	-	-	-	
SAV / ALL 003 / 19-20	2019-20	Contract Management	ALL	Cross-Directorate / Corporate	Cross-Directorate / Resources - Various	Delivered / On Target	1,000	-	1,000	1,000	-	-	Green	Amber	1. Savings have been allocated to service directorates. Contracts within directorates need to produce average efficiencies of circa 6% through tenders and direct negotiations.		-	-	-	-	-	-	-	-	-	-	
SAV / ALL 004 / 19-20	2019-20	Reduction in Enabling and Support Services Costs	ALL	Cross-Directorate / Corporate	Cross-Directorate / Resources - Various Support Services	Slipping but Achievable	1,500	-	1,500	750	750	-	Amber	Green	1. This restructure was delayed due to the pandemic (formal consultation commenced in June 2021) and will achieve full year effect savings in 2022-23.		-	750	750	750							
SAV / ALL 005 / 19-20	2019-20	Asset Management Service	ALL	Cross-Directorate / Corporate	Cross-Directorate / Place / Children's Services - Asset Management	Slipping but Achievable	500	-	500	-	500	-	Amber	Amber	1. 250k of this saving relates to Place; £250k relates to Childrens. 2. The programme will consist of a range of projects that focus on making the best of Council property with outcomes including:- community asset transfer options, development opportunities, disposals and reduced running costs and new rental streams. Delays to delivery of this programme has resulted from Covid-19 with a slow down in the market for leasing properties. Where properties are let it normally requires an incentive, such as a rent free period, putting further delay in delivering the saving.		-	500	500	500							
SAV / ALL 001 / 20-21	2020-21	Contract Management Efficiencies - Reprofile of agreed savings (SAV/CORP 02 / 18-19)	ALL	Cross-Directorate / Corporate	All	Delivered / On Target	900	-	900	900	-	-	Green	Amber	1. Savings have been allocated to service directorates. Contracts within directorates need to produce average efficiencies of circa 6% through tenders and direct negotiations.		1,950	1,950	1,950								

Reference	Year Approved	Title	Dir.	Directorate	Service Area	Savings Achievement Status	2021-22						2022-23						2023-24											
							Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)	Forecast Savings RAG	Project Status RAG	Status update	Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)	Savings target	Slippage from previous	Revised Savings target	Forecast savings achievable	Savings slippage	Unachievable or (over)			
SAV / ALL 002 / 20-21	2020-21	Greater Commercialisation - Re-profiling of agreed savings (SAV/ ALL 007 / 19-20)	ALL	Cross-Directorate / Corporate	All	Slipping but Achievable	500	-	500	69	431	-	Amber	Amber	1. There have been savings achieved through the review of 2021-22 fees & charges. This review identified £39k extra income through the introduction of household bulky waste charges after 2 free collections and Commercial bulky waste charges, and £30k extra income in Registrars Services. 2. The remaining savings of £431k are being identified through the Commercialisation Board. It is requested that the delayed achievement is offset through the Covid non-ringfenced grant.	2,000	431	2,431	2,431	-	-	-	-	-	-	-	-	-	-	-
SAV / ALL 003 / 20-21	2020-21	Fees & Charges - reprofiled through SAV/ COP 003 / 21-22	ALL	Cross-Directorate / Corporate		Delivered / On Target	545	-	545	545	-	Green	Green	1. Savings have been allocated to service directorate income budgets that were agreed for increased fees & charges.	420	-	420	420	-	-	235	-	235	235	-	-	-	-	-	-
SAV / ALL 002 / 21-22	2021-22	Change of working hours and use of Flexible Retirement schemes	COP	Cross-Directorate / Corporate	Workforce	Slipping but Achievable	200	-	200	200	-	Red	Red	1. Slippage is requested to be funded from the Covid non-ringfenced emergency grant.	400	200	600	600	-	-	200	-	200	200	-	-	-	-	-	-
SAV / ALL 003 / 21-22	2021-22	Review of Senior Leadership Team	COP / GOV	Cross-Directorate / Corporate	Senior Management	Slipping but Achievable	330	-	330	314	16	Amber	Green	1. £314k has been achieved in 2021-22 through the merging of two Corporate Director posts into the joint CD Resources and Governance post, and the deletion of the Divisional Director Property & Major Programmes post. 2. The remaining £16k will be achieved in 2022-23, together with the 2022-23 savings target of £110k, through future Senior Leadership Team changes.	110	16	126	126	-	-	-	-	-	-	-	-	-	-	-	-
SAV / COP 001 / 21-22	2021-22	Income Through Housing Companies - reprofile of agreed saving SAV/ RES 08 / 18-19	COP	Cross-Directorate / Corporate	Housing	Undeliverable / Unachievable	-	-	-	-	-	Red	Red	1. There is currently no activity within the housing companies and as a result this saving was agreed through the 2021-24 MTFS to be re-profiled to 2023-24. 2. A review of the use of the housing companies is being undertaken with a view to having a clear strategy around their roles and any savings that could be delivered.	-	-	-	-	-	-	250	-	250	-	-	-	-	-	250	
SAV / COP 002 / 21-22	2021-22	THH - Potential support service Savings - reprofile of agreed saving SAV/ RES 09 / 18-19	COP	Cross-Directorate / Corporate	Housing	Undeliverable / Unachievable	-	-	-	-	-	Red	Red	1. The saving relates to support service savings from the in-sourcing of THH. 2. A decision has been taken to retain the current ALMO for a minimum of four years and as a result this saving was agreed through the 2021-24 MTFS to be re-profiled to 2023-24.	-	-	-	-	-	-	100	-	100	-	-	-	-	-	100	

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Appendix C: 2021-22 Covid-19 Financial Forecast Summary

£m

Expenditure and Reduced Income	
Expenditure (General Fund) 2021-12	
Health, Adults and Community	20.4
Children and Culture	0.3
Place (excluding HRA)	8.2
Resources and Governance	4.5
Corporate	1.0
Expenditure (General Fund) 2021-22	34.4
Total reduced income (General Fund) 2021-22	
Reduced income not relating to sales, fees & charges and claimed against non-ringfenced grant (General Fund)	1.2
Sales, fees & charges reduced income (General Fund)	2.5
Total reduced income (General Fund)	3.7
Grand Total - Expenditure and Reduced Income	38.1

Covid-19 Funding - government and NHS funding (excluding passported support for businesses)	
Sales, Fees & Charges reduced income reimbursement claims	(2.0)
Non-ringfenced COVID-19 funding	(13.0)
Government grants for COVID-19	(12.7)
Grand Total - Covid-19 Funding	(27.7)

2020-21 Covid grants carried forward in balance sheet	(11.9)
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Grand Total - Government funding (excluding Collection Fund) available for covid pressures	(1.5)
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Housing Revenue Account (HRA):	
Expenditure (HRA)	0.0
Reduced income (HRA)	0.2
Housing Revenue Account (HRA) Covid costs not assumed as funded from the Covid non-ringfenced grant	0.2

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<p>Cabinet</p> <p>22 September 2021</p>	
<p>Report of: Dan Jones</p>	<p>Classification: Unrestricted</p>
<p>EV Charging Delivery Plan and Funding towards new charging points</p>	

Lead Member	Councillor Kahar Chowdhury, Cabinet Member for Highways and Public Realm – (Job Share post as part of Social Inclusion and Public Realm portfolio)
Originating Officer(s)	Mohammed Chibou, principal Transport Planner
Wards affected	All Wards
Key Decision?	Yes
Forward Plan Notice Published	12 July 2021
Reason for Key Decision	Impact on Wards
Strategic Plan Priority / Outcome	<p>Outcome 5: People live in a borough that is clean and green.</p> <ul style="list-style-type: none"> 5. Deliver the Air Quality Action Plan and initiatives to prevent pre-COVID-19 levels of air quality 6. Promote use of cleaner fuel types amongst residents and businesses 7. Deliver the council’s Net Zero Carbon action plan and work with residents and partners to cut carbon emissions across the borough

Executive Summary

The draft delivery plan for meeting the needs of electric vehicle growth in the Borough is attached to this report. This delivery plan sets out the role the Council will play in the next four years in supporting the switch to electric vehicles. This role includes developing new charging facilities for electric vehicles, promoting their benefits to a wider audience and steps we can take to reduce the cost of owning an electric vehicle in the borough.

This draft delivery plan will replace the council's existing electric vehicle charging delivery plan which was approved by Cabinet in September 2017. The existing plan informed the existing Council target of 500 charging points by 2025.

Analysis undertaken by officers and external consultants predicts to the need of circa 1400 charging points by 2025. The new draft strategy will seek to deliver more than 500 by mid-2023 and 1400 by mid-2025.

There are two Office for Zero Emission Vehicle funding pots that will be used to deliver the plan. The first is for 150 slow street lighting column chargers (already secured) and the second is for 250 7kw fast chargers. Both pots require a 25% match contribution from the Council.

Recommendations:

The Cabinet is recommended to:

1. Approve the Electric Vehicle Charging Delivery Plan and targets for delivery by 2025.
2. Adopt a capital estimate of £329,840 to be included in the capital Programme 2021/22, and earmark £82,000 from the Transportation Service Streetscene Enhancement Revenue budget to deliver 150 Street Lighting Column Electric Vehicle Charge Points by 31 March 2022.
3. Approve £500,000 of CIL funding as a match contribution towards a bid for £1,500,000 which will be released subject to the bid being successful.
4. Approve the use of the available procurement channels to procure 150 slow charge lamp column charging points and 250 fast chargers

1 REASONS FOR THE DECISIONS

- 1.1 This decision is required in order that work can proceed to deliver on policies set out in the Strategic Plan Priority 5 (People live in a borough that is clean and green)

2 ALTERNATIVE OPTIONS

- 2.1 *Refusal to install the required number electric vehicle charging points on street:* This would compromise the Council's ability to comply with its own Strategic Plan and with London-wide Air Quality and Transport Policies.

2.2 Reduce the speed of delivery: current changes in the market and emissions legislation suggests that demand is likely to grow more quickly than predicted and slowing delivery would have similar impacts to refusing to deliver any points.

3 DETAILS OF THE REPORT

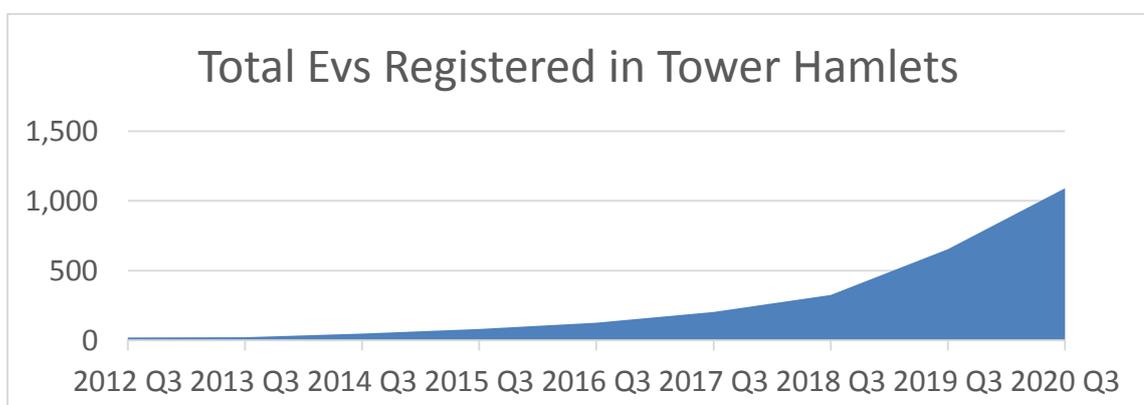
3.1 The objective of the delivery plan will be to set out our approach on encouraging the uptake of EVs within Tower Hamlets through the introduction of an expanded EVCP network.

3.2 This delivery plan sets out our approach to facilitating the switch to electric vehicles for those who drive from, to and through our Borough. There are three main strands to our approach in this delivery plan:

- Increasing the number of charging points
- Reducing the cost of charging points
- Improving information for our residents and businesses

3.3 There are various factors which indicate strong growing demand for public charging points in Tower Hamlets which will support a viable charging network which will facilitate strong electric vehicle adoption.

- a. Tower Hamlets is one of the highest density boroughs in terms of population. But this also applies to density of vehicles. The Borough has over 2700.
- b. 93% of homes in Tower Hamlets do not have access to their own off-street parking.
- c. By the third quarter of 2020, Tower Hamlets had 1091 plug-in cars and light goods vehicles, an increase of 66% from the previous year which is the 3rd highest growth rate in Inner London.



3.4 As of June 2021, Tower Hamlets has 23 fast charging Source London Points and 98 street lighting column charging points. There are also two rapid charging points installed by TfL. Tower Hamlets currently have the lowest

number of charging points per 100,000 residents of any Inner London Borough.

- 3.5 Growth modelling has been carried out by officers and two independent consultants. All three pieces of work converge on a need of circa 1400 charging points needed in the Borough by 2025. These are made up of 1200 residential charging points 200 destination charging points and 23 rapid charging points.
- 3.6 The residential charging points will comprise a mix of street lighting column charging points (charging at 5kw per hour) and fast chargers (charging at 7kw per hour). Destination charging points are made up of fast chargers which will range from 7kw to 22kw fast chargers. Rapid chargers will charge at 50kw per hour.
- 3.7 The Council has already secured £247,840 from OZEV for 150 new street lighting column chargers which require £82,000 of Council funding to make a 25% contribution.
- 3.8 260 7kw fast chargers will cost around £2,000,000 and will be funded by the Council submitting a bid for £1,500,000 to OZEV. This will require £500,000 of match funding which will need to be funded by CIL.
- 3.9 The delivery plan also estimates the need of 23 rapid charging points. These charging points have high purchase and installations relative to the standard fast chargers. Each one can cost between £25,000-£40,000 to install depending on a site. We will seek to deliver the required rapid chargers through partnership with private operators using a revenue share model with not upfront costs to the Council.
- 3.10 The mix of slow chargers, residential fast chargers, destination fast chargers and rapid chargers will be rolled out over the four years of the delivery plan period. Table 1 below sets out the phasing for delivery.

Table 1: LBTH Charge Point Delivery Phasing				
Charger Type	2022	2023	2024	2025
Residential slow chargers (5kw)	274	479	697	890
Residential fast chargers (7kw)	92	160	232	297
Destination Fast charging (7kw-22kw)	62	107	155	199
Rapid charging (50kw)	7	12	16	21
Total	435	758	1100	1407

- 3.11 For the slow and fast chargers, the Council will be pursuing a model by which it acts as a charging point operator. This entails the Council having ownership of the points and collecting the revenue from charging activity. This means the Council will be responsible for annual maintenance costs and it is

anticipated that revenue income from the points will cover the annual maintenance costs.

3.12 Consultants, Steer, carried out a financial assessment of the approach and this is summarised in the table below. It shows there is the potential for annual profit of over £500,000 by 2025.

3.13

Table 2: Tower Hamlets LBTH EV Charging Network Profit & Loss Statement					
Statement	2021	2022	2023	2024	2025
Total Revenue	£166,769	£363,244	£619,428	£893,724	£1,147,831
Total Operating Costs	-£79,006	-£120,074	-£173,489	-£230,285	-£281,173
Depreciation	-£46,894	-£109,675	-£191,163	-£277,775	-£355,163
EBIT	£40,869	£133,495	£254,777	£385,664	£511,496
Net Profit	£40,869	£133,495	£254,777	£385,664	£511,496

3.14 These figures are based on a series of assumptions including the EV adoption growth rate and charging behaviour for EV charging in the Borough. These include:

- i) Fully dedicated bays for each of the chargers.
- ii) A year on year growth rate in EV adoption of 35% up until 2025 (the current rate is 60%).
- iii) Electrification of the boroughs private hire fleet reaching 50%.

4 EQUALITIES IMPLICATIONS

4.1 An EIA screening document has been completed in accordance with EIA guidance and is attached to this paper. The outcome for the screening is that a full EQIA is not required for the proposals. However, a full EQIA will be prepared once the locations of the charging points are agreed and a supplier is appointed. This is the stage at which information on the costs of charging and the type of charging point will be fully known.

5 OTHER STATUTORY IMPLICATIONS

5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications: The delivery of this strategy seeks to utilise procurement channels for the installation of charging points which are

being procured to ensure value for money is maximised through efficiencies of scale.

- Consultation: Section of the London Local Authorities and Transport for London Act 2013 Government legislation public notices to issue where charge points are proposed. This will be undertaking for each or the points to be installed through this delivery plan.
- Environmental (including air quality): The entire objective of this plan is to facilitate a shift to cleaner electric vehicles and meeting Outcome of the Strategic Plan (People live in a borough that is clean and green).
- Risk Management: Health & Safety assessments and plans will be required from the relevant contractor in all implementation work in order to mitigate any risk to the Council, contractor's employees and/or the public in the delivery and ongoing operation of these facilities.
- Crime Reduction: Caution will be applied in extending the initial supply of electric vehicle points to enable them to be monitored for any crime and antisocial behaviour issues which may arise.
- Data Protection: Contracts will be entered into with various supplier and there will cover GDPR implications.

6 DRAFT COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 This report seeks approval to include in the 2021/22 capital programme £329,840 to deliver 150 Street Lighting Column Electric Vehicle Charge Points by 31 March 2022.
- 6.2 This project will be financed partly by grant awarded by the office of zero emissions vehicles (OZEV) for £247,840, (75% of which is paid on acceptance of offer and the balance 25% after completion of the project) and £82,000 earmarked from the Transportation Service Streetscene Enhancement Revenue budget.
- 6.3 The revenue costs of £82k will need to be ringfenced and contained within the transportation revenue budgets within Place Directorate
- 6.4 The £500,000 of CIL funding as a match contribution towards a bid for £1,500,000 will be released subject to the bid being successful.

7 COMMENTS OF LEGAL SERVICES

- 7.1 S216 of the Planning Act 2008 states that regulations must require the authority that charges CIL to apply it or cause it to be applied to supporting development by funding the provision, improvement, replacement, operation or maintenance of infrastructure. 'Infrastructure' is defined broadly and non-

exhaustively in the same section to include among other things 'other transport facilities'. This broad term reasonably includes electric vehicle charging points the subject of this report.

- 7.2 Regulation 59 of the CIL Regulations 2010 (as amended) duly reflects s216 of the Planning Act 2008 in terms of the application of CIL funds for infrastructure to support the development of its area.
- 7.3 The key statutory test is that the infrastructure must support the development of the council area.
- 7.4 The 'area' in question above refers to the Tower Hamlets borough area and therefore encompasses land owned by the Council. It is therefore lawful for the EV charging infrastructure to be placed on Council owned land.
- 7.5 On this basis, the project complies with the legislative provisions listed above and this infrastructure can be funded for and provided by CIL provided that the provision of this infrastructure supports the development of the area.
- 7.6 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 demonstrate that this duty has been discharged.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Draft Delivery Plan
- Steer Report
- Equalities Screening Sheet

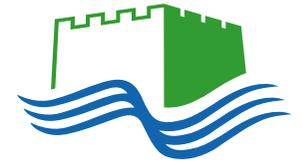
Background Documents – Local Authorities (Executive Arrangements) (Access to Information)(England) Regulations 2012

- None

Officer contact details for documents:

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TOWER HAMLETS

Charging Forward

Tower Hamlets electric vehicle
delivery plan: 2021-2025

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Foreword

In March 2019 the council declared a climate emergency. This commits the council to becoming a net a net zero carbon council by 2025 and a net zero carbon borough by 2050 or sooner. Reducing emissions from transport will be a key part of our achieving our carbon reduction commitments. Furthermore, Tower Hamlets has the fifth highest level of air pollution in London and around 40% of our residents live in areas that breach EU and government guidance on safe levels of air pollution.

The swift transition to electric vehicles will be one of the most important actions to achieve our Net zero and air quality objectives. Since 2018 we have installed 23 fast charging points and over 80 slow charging points on street lighting columns. But the data shows us that we need to do more if we are to achieve a meaningful switch to electric vehicles over the next four years and beyond.

This delivery plan sets out our plan to encourage the switch through developing new charging facilities for electric vehicles, promoting their benefits to a wider audience and steps we can take to reduce the cost of owning an electric vehicle in the borough.

We are pleased to present this electric vehicle delivery plan.

1. Our approach in this delivery plan

This delivery plan sets out our approach to facilitating the switch to electric vehicles for those who drive from, to and through our borough. There are three main strands to our approach in this delivery plan:

- Increasing the number of charging points
- Reducing the cost of charging points

Improving information for our residents and businesses

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Increasing the number of charging points

Accelerating the switch to electric vehicles will require potential users to feel confident that there is an adequate number charging points to meet their needs, that these will be conveniently located and will be available when needed.

To date, the majority of those in the UK who already have electric vehicles charge off-street. For residents with access to their own private parking, this need can be met by charging from home where overnight charging is a convenient and low-cost option. However, for many businesses and residents in London, this is not an option. An estimated 93% of all households in Tower Hamlets do not have access to off-street parking¹. Therefore, access to nearby and reliable public charging is essential if we are to ensure the switch to electric vehicles in the borough.

Reducing the cost of charging points

We will work to ensure fairer costs of charging for the 93% of homes in Tower Hamlets that do not have access to their own off-street parking. The cost of charging a standard 40kw electric vehicle from using a public charger can be much higher than it is for a home charger. It is therefore important that we minimise this disparity in charging costs and work to ensure fairer pricing for

public charging. We will set out in this delivery plan how we will prioritise value for the end user for new charging points installed in the Borough.

Improving information for our residents and businesses

Despite the recent growth of electric vehicles, they are still a relatively new concept to many of our residents and businesses. Many of the electric vehicles that currently exist in the borough can be attributed to early adopters, but many are still unaware or are just learning about the advantages of electric vehicles and misconceptions are still common.

Residents and business will need help to understand the key differences between owning an electric vehicle and conventional petrol or diesel vehicle. As well as providing charging infrastructure we will develop a new electric vehicle online portal which will provide information including:

- The costs of owning and running an electric vehicle
- Different charging options
- Availability of local charging points

¹ <https://onstreetcharging.acceleratedinsightplatform.com/>

The challenge

Achieving net zero carbon emissions

In March 2019, Tower Hamlets Council declared a climate emergency. The council's net zero carbon action plan sets out our goals and commitment to tackling the climate emergency. Transport is now the highest greenhouse gas emitting sector of the UK economy¹, accounting for 21% of emissions.

The swift transition to electric vehicles will be one of the most important actions to achieve the council's net zero targets. Electric vehicles use 80-90% less energy than those powered by fossil fuels, due to the efficiency of electric motors and their ability to brake regeneratively.

A typical electric vehicle charged in the UK currently produces around 32-43g CO₂ per km; for a typical electric car this would reduce to just 13-17g CO₂ per km by 2030 and 4-5g CO₂ per km by 2050, thanks to the further decarbonisation of electricity. This compares to an EU average of 121g CO₂ per km for petrol and diesel cars sold in 2018.

Local air pollution from transport

Road transport is a major source of air pollution that harms human health and the environment. Vehicles emit a range of pollutants including nitrogen oxides (NO_x) and particulate matter (PM). With 40% of our residents living in areas with unacceptable air quality.

NO₂:

Concentrations are highest west of the borough closest to the City, with a large area exceeding the NO₂ annual objective, and along and around the main roads across the rest of the borough, with areas such as Limehouse and Poplar exceeding the annual objective. The lowest concentrations are in the south of the borough on the Isle of Dogs.

PM₁₀:

The highest concentrations and exceedances being along all the main roads through the borough.

PM_{2.5}:

The highest concentrations are shown in the western edge of the borough and along the main roads running through the borough

Coordinating our approach with our wider transport policies

A key element to achieving our zero carbon and air quality objectives is to incentivise a change to walking, cycling and public transport so less people feel the need to drive. Our strategic transport objectives are guided the borough's transport strategy and third local implementation plan.

Both documents set out policies to prioritise walking, cycling and public transport use over private vehicle trips. Our local implementation plan specifically sets out a target to reduce the number of cars owned from 50,000 in 2021 to 36,000 in 2041. But there are many trips that will still need to be carried out by car and we will need to ensure that emissions from these are minimised.

² <https://www.theccc.org.uk/wp-content/uploads/2020/12/The-UKs-transition-to-electric-vehicles.pdf>

The challenge

Meeting the needs of the growth of electric vehicles in the borough

As of June 2021, Tower Hamlets has 23 fast charging points and 98 lamp column slow charging points. There are also two rapid charging points installed by Transport for London as part of London network of 300 rapid chargers.

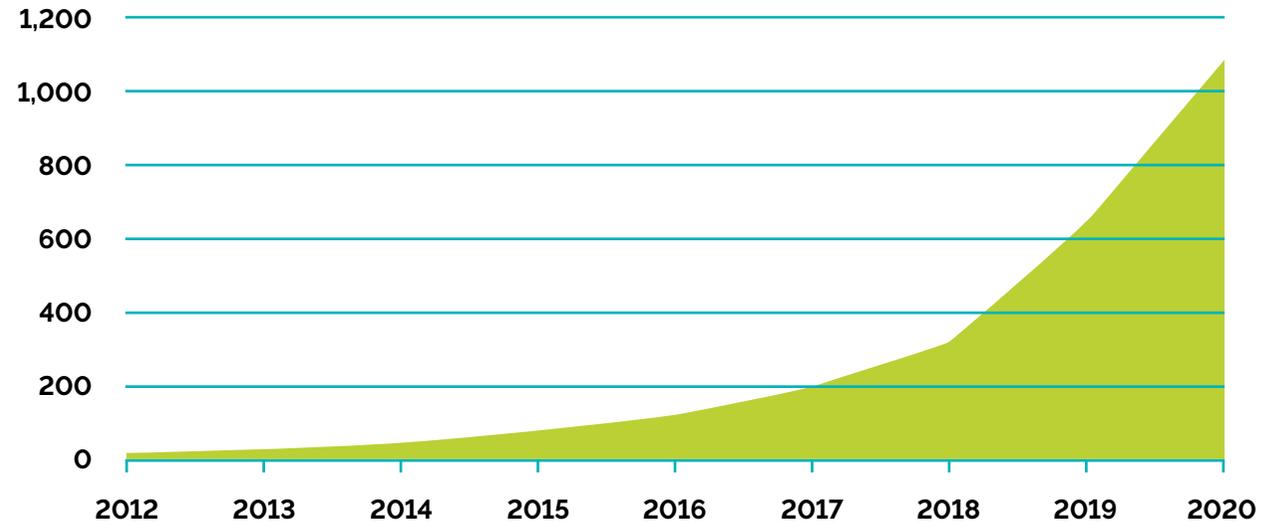
By mid-2020, Tower Hamlets had 1091 plug-in cars and light goods vehicles, an increase of 66% from the previous year which is the 3rd highest growth rate in inner London and higher than the growth rate for London which was just under 51%.

This significant growth of electric vehicles is despite the modest provision of public charging points being available on street, which is often cited as a barrier to adoption. A new and improved charging network in the borough will further accelerate electric vehicle adoption.

Access to off street parking

The lack of access to off-street parking is a key indicator for assessing the need of public charging infrastructure. In Tower Hamlets 65% of residents do not have access to a charging point within 5 minutes' walk, which is the 4th highest in Inner London³.

Total EVs registered in Tower Hamlets



66%

annual growth in electric vehicle registrations - the third highest in inner London



1300

plug in vehicles registered in the borough in 2021



93%

of households in Tower Hamlets have no access to off street parking - the highest in London



2700

vehicles per square km - the seventh highest in London



65%

of households are more than 5 minutes walk from the nearest Charger - the fourth highest in inner London

³ <https://onstreetcharging.acceleratedinsightplatform.com>

The challenge

Taxi and PHV (private hire vehicles) in Tower Hamlets

London has a growing fleet of zero emission-capable taxis and private hire vehicles and this is certain to have implications for the demand of charging infrastructure. In 2018 a requirement was put in place for all new taxi registrations in London to be zero emission capable and in 2020 all new (under 18 months old) PHVs licensed for the first time to also be zero emission. The largest PHV fleet is Uber, which has stated an ambition for 20,000 of its drivers to switch to EVs by the end of 2021, and 100 per cent of its drivers to have done so by the end of 2025.

Electric taxis and PHVs will have a significantly higher demand for charging points and this will have an impact on demand in boroughs such as Tower Hamlets that have high concentrations of both taxis and PHVs. For Tower Hamlets we will need to consider overnight charging demand for taxi and PHV drivers who live in the borough with no access to off street parking. This will inform suitable locations for destination/rapid charger for their operation during the day.

Fleet vehicles

A recent study⁴ suggested that the electric vehicle market can be divided into two groups of consumers; 'BuyBy' who are those who purchase vehicles for their own use and 'BuyFor' who are those whose vehicles have been purchased for them as part of a fleet (BuyFor). The EV market so far has been dominated by the BuyBys, but market changes mean that it is likely that the next phase of growth will be dominated by the BuyFors. This equates to a significant increase in electric vehicle buying potential with 56% of annual new car sales are purchased by fleets¹.

This will impact significantly on public charging point demand as a BuyBy driver has the opportunity to assess whether owning an electric vehicle can be facilitated given their charging options. For BuyFor drivers, they will need that vehicle, suitably charged, as a core tool to fulfil their job.

Electrifying the council's own fleet

As part of our commitment to be a net zero council by 2025, we will need increase the proportion of our fleet that is made up of electric vehicles. This new fleet will require a mix of onsite depot charging and public charging to facilitate operations. Our new charging network will therefore be developed to support the electrification of our fleet.

Car clubs

There are multiple car club operators who the council supports as an alternative to car ownership for residents. Data shows that when people use car clubs, it can encourage them to give up their cars and reduce their overall miles driven. All car club operators have an aspiration to switch to full electric vehicle fleets and available public charging points can facilitate that switch. We will therefore work with all the car club providers operating in the borough to ensure their aspirations are supported by our electric vehicles charging network.

⁴ http://www.field-dynamics.co.uk/wp-content/uploads/2020/09/On-Street-Households_The-next-EV-Challenge-and-Opportunity-1.pdf

Planning a network for 2025

In order to maximise the switch to electric vehicles we need to develop a public charging network that works for our residents and businesses. This involves determining how many charging points are needed and providing the right charging infrastructure at the right locations. In this chapter we set out our approach to forecasting the requirements for charging determining where chargers are located.

Key developments include implementation of the Ultra-Low Emission Zone (ULEZ) and Government announcement on the ban in the sale of new petrol and diesel vehicles from 2030. These are certain to accelerate the speed at which EVs are adopted in the borough and therefore the infrastructure required to charge them.

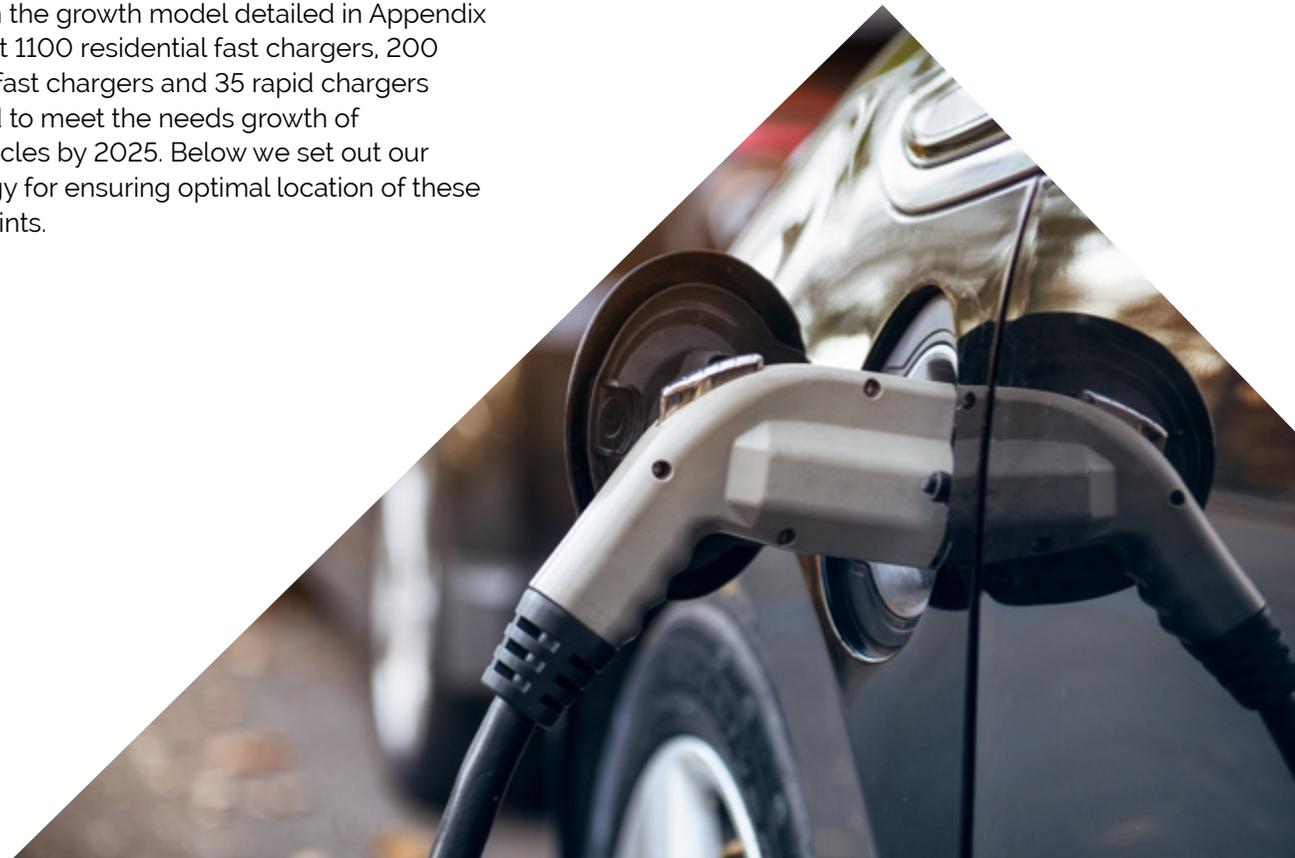
Required number of charging points

Output from the growth model detailed in Appendix A shows that 1100 residential fast chargers, 200 destination fast chargers and 35 rapid chargers are required to meet the needs growth of electric vehicles by 2025. Below we set out our methodology for ensuring optimal location of these charging points.

Developing a growth model

In 2017 the Mayor of London's EV Task Force developed a forecast model which aimed to provide an insight into how many chargers of each type may be needed in London up to 2025. This was a key part of the evidence base used to understand London's EV needs since the delivery plan was published. The model has been based on an understanding of electric vehicle growth, likely user behaviour and how chargers are used. It was research based and had been reviewed by a range of experts, including several members of the taskforce.

This delivery plan builds on the assumptions of the taskforce model while making adjustments to reflect local characteristics by applying Tower Hamlets figures. Further adjustments have been made to reflect recent technological and regulatory advancements which have occurred since 2017.



Where we will locate charging points

This delivery plan is focused on ensuring that all of our residents and businesses have suitable access to a charging point. Data shows less than 12% of residents do not live within 3-minute walk from any kind of public charger.

We will focus on addressing this by planning a network that minimises the distance needed to travel to a charging point. We aim to maximise the number of households and businesses residents and businesses are within 400m or three minutes' walk from a public charging point. Furthermore, we will ensure that we install the right types of chargers in the right locations.

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Street types

In 2012, TfL set up the Roads Task Force (RTF) which developed a system of classifying London's roads into 'Street Types' by considering their movement and place functions. These street types would then be used to consider the functions and performance of the road network in a holistic manner when considering the types of improvements that are made to the streets. These street types will be used to inform the right places for the three types of charger.

Roads Task Force Street Types

Strategic significance	Arterial road	High road	City hub /boulevard
Management	Connector	High street	City street
Local significance	Local street	Town square /street	City place
	Local significance	Place	Strategic significance

Where we will locate charging points

Residential slow and fast charging (7kw)

Using the roads task force classifications, local streets which have a low movement function and low place function will be where our residential charging points will be installed. These charge points will be either 5kw lamp columns chargers or 7kw standalone fast chargers. These will charge a standard electric vehicle in 7-10 hours.

Destination fast charging (22kw)

Destination charging points will be installed on high streets, city streets, town squares/streets and city places under the RTF designations. Key customers for destination charge points are visitors/shoppers and freight and fleet operators parking for a few hours. Places in Tower Hamlets that provide access to a range of commercial, cultural and civic activities, including shopping, leisure, employment, entertainment, culture, and social and community facilities. These will charge a standard electric vehicle in 4-6 hours.

Rapid charging (50kw)

Rapid charge points will be installed on arterial roads, high roads, city hubs/boulevards, and connectors. Rapid chargers provide charging for high mileage users such as zero emission taxi and PHV drivers and freight and fleet operators. These points could also be used by residents and visitors if slower standard charging is not available. These will charge a standard electric vehicle in 30 minutes to an hour.



A new residential charging network

We will install a network of 1100 residential charging points across the borough ensuring most residents are no longer than 3 minutes' walk from a residential charging point. These residential charging points will be delivered through a mix of 5kw lamp column points, 7kw fast, and 50kw rapid charging points.

If an electric vehicle is going to be left charging frequently for a prolonged period, then the driver will likely want that charging site within a convenient walk of their home. We will therefore seek to

ensure that the network is planned to minimize the distance travelled to the nearest charging point. Our methodology for doing this is detailed in Appendix B.

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A new destination charging network

Destination charge points will be in places where people stay for a few hours such as gyms, supermarkets and shopping centres. This will enable EV owners to incorporate charging into their usual routine. The model has set out that 200 destination chargers will be required by 2025. These will be located in key destinations including high streets, city streets, town squares/streets and city places. Destination charging points will charge up to 22kwh and will be deployed as double chargers at each of the destinations listed below.

Destination charging points

Located in key destinations and delivered through the Source London network. Locations include:

- Roman Road
- Roman Road West/Globe Market
- Whitechapel Market
- London Hospital
- Watney Market
- Bethnal Green Road
- Chrisp Street
- York Hall
- Tiller Leisure Centre
- Wapping
- Whitechapel Sport Centre
- Mile End
- St Georges Baths
- Poplar Baths
- Waitrose
- Sainsburys Whitechapel
- Crossharbour
- Victoria Park
- Kind Edward Memorial Park
- Bartlett Park
- Shoreditch High Street
- Brick Lane

A new rapid charging network

We will install 35 rapid charging points over two years to support zero emission capable taxis and support high mileage daily use vehicles that drive in and through the borough. Rapid charging points will be installed on arterial roads, high roads, city hubs/ boulevards, and connectors. Rapid chargers provide charging for high mileage users such as zero emission taxi and PHV drivers and freight and fleet operators. These points could also be used by residents and visitors if slower standard charging is not available.

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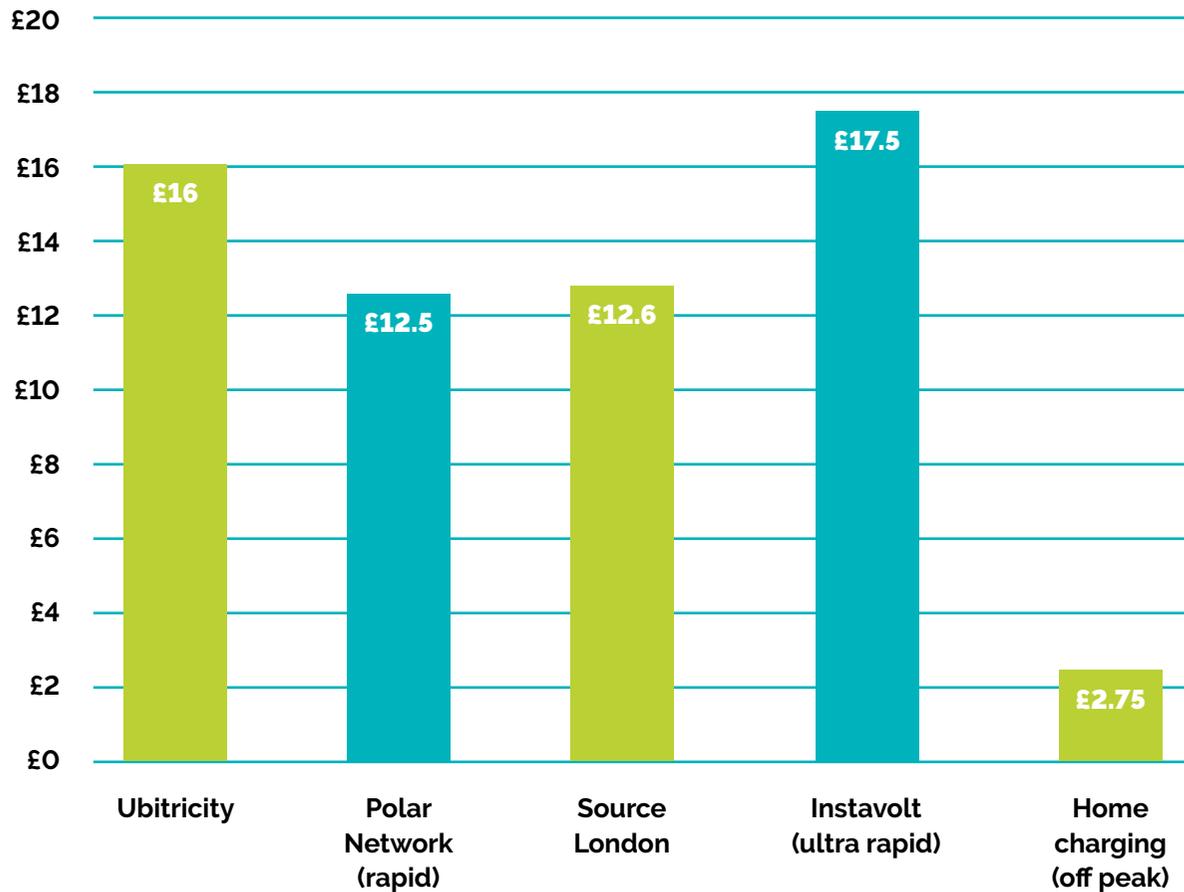


Reducing the cost of charging points

The cost of charging a standard electric vehicle from a home charger can be much lower than using a public charger. Figure 5 shows the difference in costs for a 40kw charge between the main charging operators and home charging.

This disparity in charging costs is particularly significant for Tower Hamlets which has the highest proportion of homes with no access to private parking in London at 93%. The reduction in running costs is a key driver to encouraging the switch to electric vehicles and for Tower Hamlets reducing the costs of charging will be crucial to maximizing EV adoption in the borough.

Figure 5: Comparison of public charging and home charging costs



Reducing the cost of charging points

Exploring different operating models

To have greater control on the costs of charging in Tower Hamlets, the council has assessed the feasibility of owning and operating its own charging network. This approach contrasts with how electric vehicle charging is usually deployed in most London boroughs where council's offer a full concession to an entity (usually a private company) to build and operate a network for a fixed period.

By owning and operating our own network, the council would have more control on the cost of charging, and it would enable us to be more effective at reducing the disparity between home charging and public charging.

Concessionaire model

With this model, the council offers a full concession to an entity (usually a private company) to build and operate a network for a fixed period. Advantages of this approached include:

- Charging points and installation is funded by the concession operator.
- Charging points are maintained and operated by the by the concession operator.

Borough owned network

This model involves the charging network being owned and operated by the council. This would be though establishing contracts for the operation and maintenance and the day to day running of the network with one or more operators.

Advantages of this approached include:

- Allows the council to have greater control on the customer experience.
- Gives the council greater say in charging costs.
- Gives the council greater say in where charging points are located.
- The council can collect revenue and re-invest into further expansion of the network.

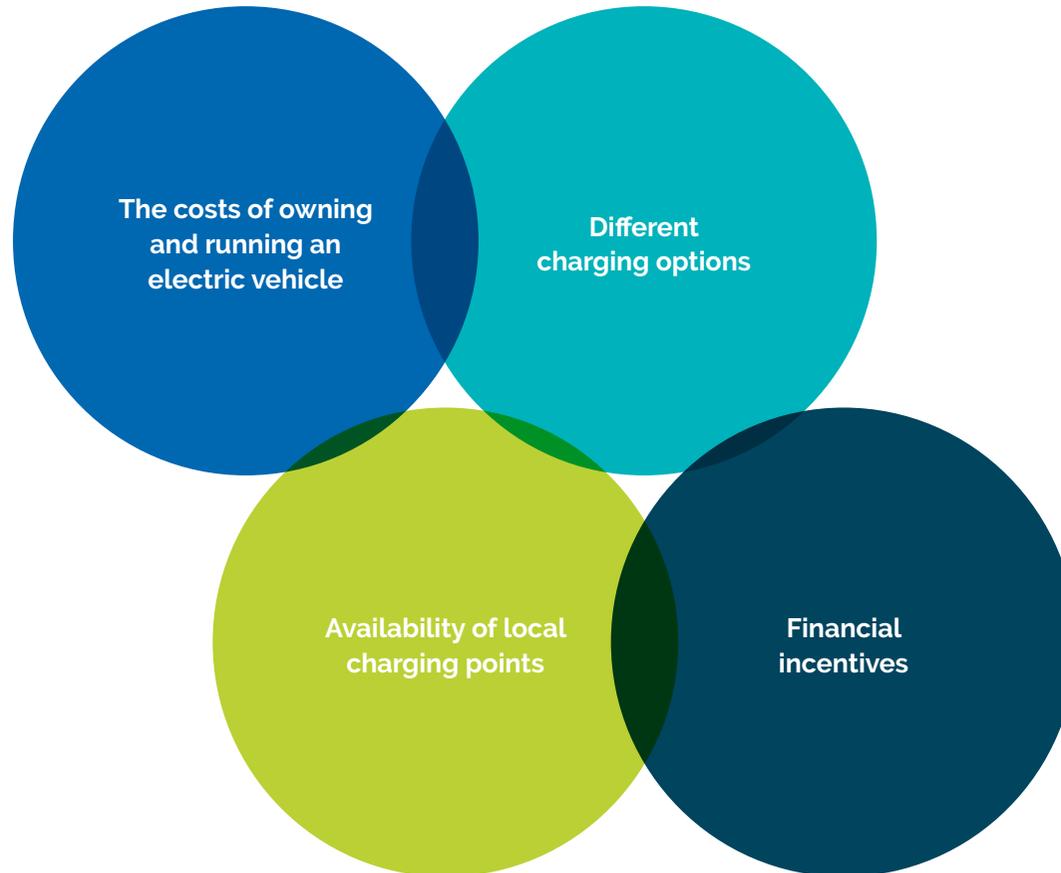


2. Improving information on electric vehicles

Despite the recent growth of electric vehicles, they are still a relatively new concept to many of our residents and businesses. Many of the electric vehicles that currently exist in the borough can be attributed to early adopters. However, the majority are unaware or just learning about the advantages of electric vehicles and misconceptions are still common.

The provision of clear and concise information is crucial to aid the transition towards electric vehicle adoption. Potential user awareness of the benefits, potential savings, charge point availability, and financial incentives supports the provision of charging points and lower charging costs in encouraging the uptake of EVs. We will therefore develop a new EV portal which provides information in order to demystify electric vehicles in an accessible way.

This will include information on:



2. Improving information on electric vehicles

Delivery timeline

LBTH charge point delivery phasing				
Charger type	2022	2023	2024	2025
Residential slow chargers (5kw)	300	350	500	900
Residential fast chargers (7kw)	20	100	150	200
Destination fast charging (7kw-22kw)	20	50	150	215
Rapid charging (50kw)	0	10	25	35
Total	340	510	825	1400

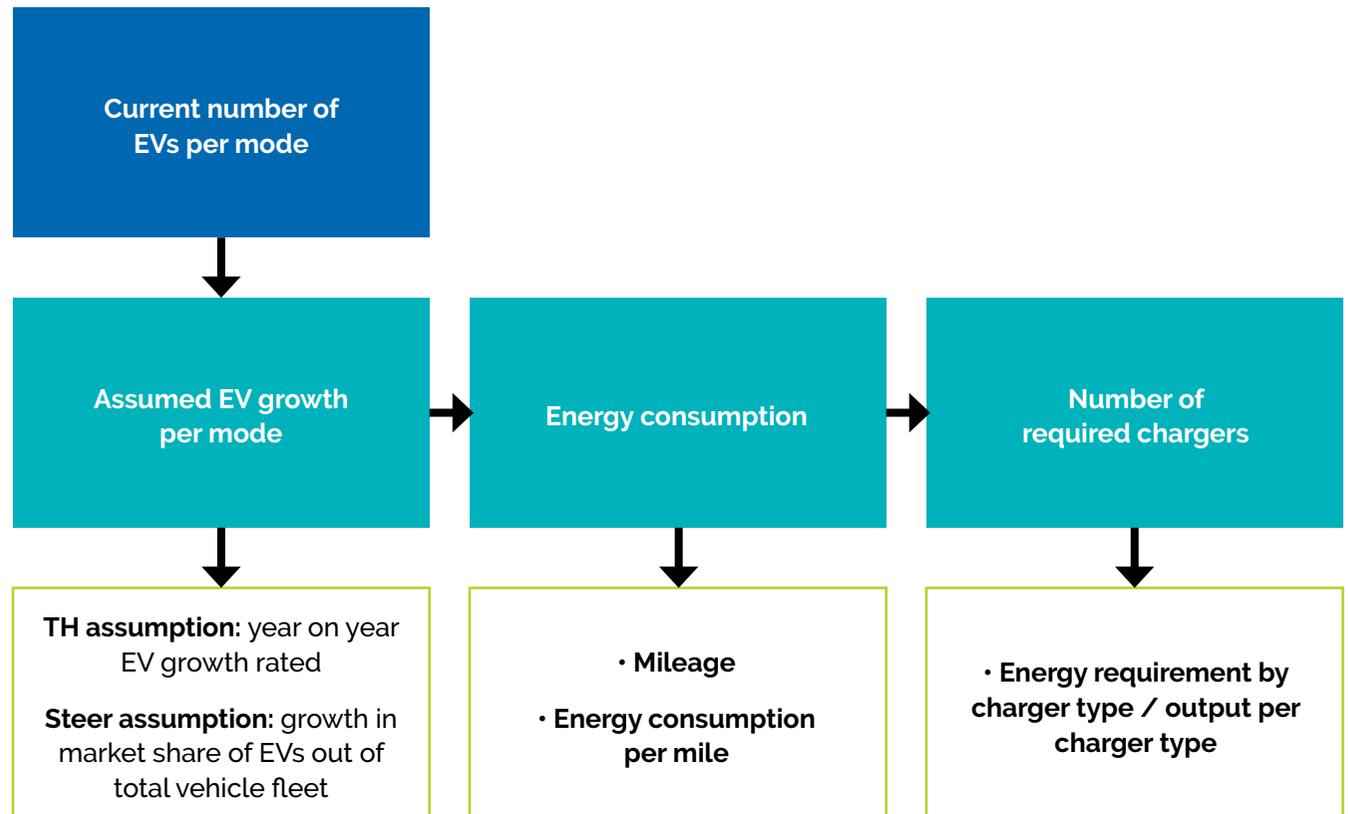
Appendix A

Electric Vehicle Growth Modelling

In 2017 the Mayors of London's Electric Vehicle Task Force developed a quantitative model which aimed to provide new insight into how many chargers of which type may be needed in London up to 2025. This has been a key part of the evidence base used to understand London's EV needs since the delivery plan was published in 2017. The model has been based on the best current understanding of EV trajectories, vehicle/charging technology, range of likely user behaviour and charger utilisation. It is research based, has been stress tested and has been reviewed by a range of experts, including several members of the taskforce.

This strategy builds on the assumptions of the taskforce model and applied to Tower Hamlets figures while making adjustments to reflect local characteristics by applying Tower Hamlets figures. Further adjustments have been made to reflect recent technological and regulatory advancements which have occurred since 2017. Figure 1.0 opposite presents the high-level guide to the modelling methodology that has been used to inform this delivery plan.

Figure 1.0: modelling methodology



Assumptions

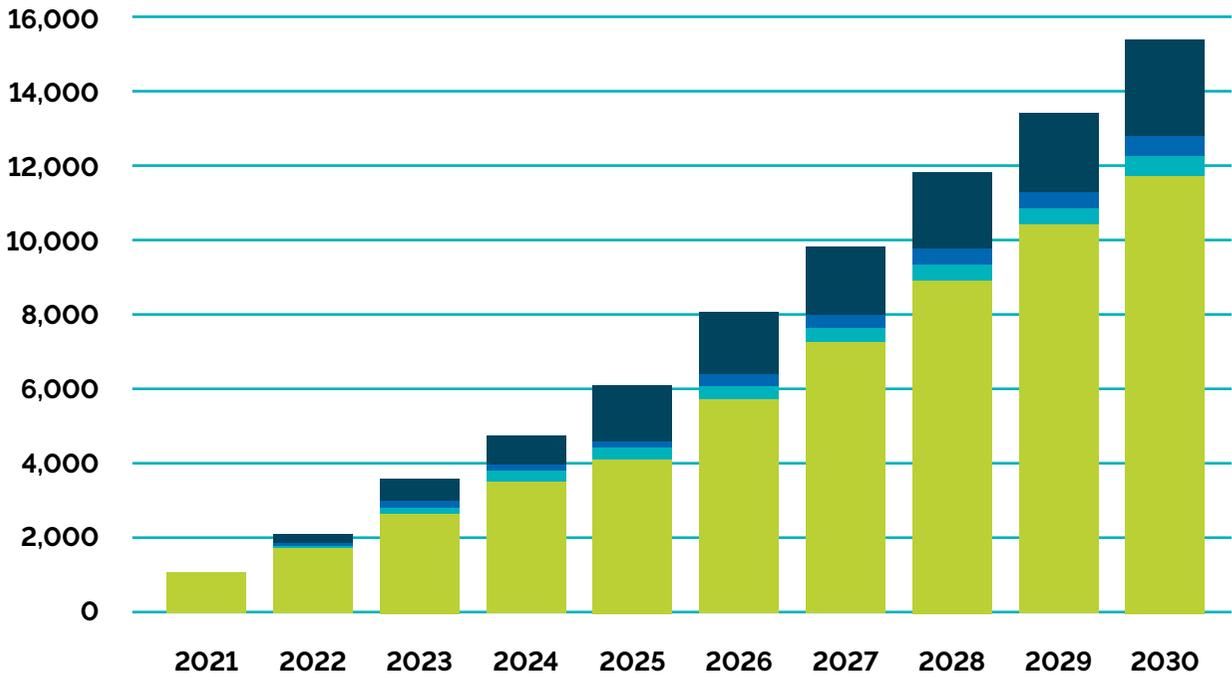
Growth of all vehicles

ONS data shows total licenced vehicles in Tower Hamlets has remained stable in the past 3 years at around 53,000. However, we have used an electric vehicle growth assumption that reflects the objectives of the borough to reduce private car ownership to 36,000 by 2041 (13% reduction from present day). This is an aspiration set out in the London Borough of Tower Hamlets Third Local Implementation Plan. The modelling scenario incorporates a gradual reduction in private car ownership, with the target being met in 2041.

Growth of electric vehicle sales

Looking into the growth profile of EVs, Figure 1.1 shows the forecast growth of EVs by each mode. The transition is expected to be steady over the next 10 years, with an increasing share of the fleet being electric year on year. From a position of 1,473 by the end of 2021, which quadruples to just over 6,000 in 2025 (12% of total vehicle fleet) and continues to climb reaching nearly 15,200 in 2030 (32% of total vehicle fleet).

E-Vehicles on road



Assumptions

Vehicle mileage

Milage Assumptions for each vehicle types are taken from the EV Taskforce Model (Table 1).

Table 1: mileage (miles per year)	
Car	7,500
Light goods	15,000
Motor cycles	500
Private hire	45,000

Energy requirements by vehicle type

Energy demand by kw/km is taken form analysis carried out by TfL (Table 2).

Table 2: electricity consumption (kWh/vehicle/mile)	
Car	0.18
Light goods	0.25
Motor cycles	0.06
Private hire	0.2

Energy output (utilisation) by charger type

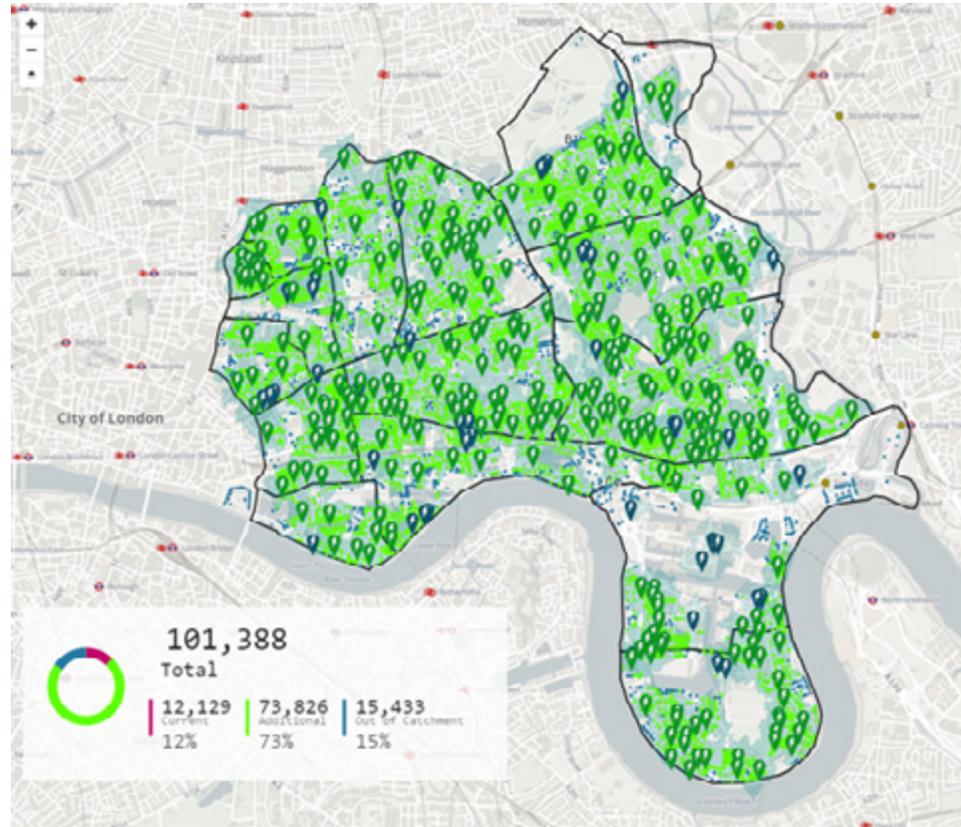
An assumption regarding average energy provided per charger is required to attempt linking energy demand to the scale of infrastructure chargers. Table 3 shows what can be considered a reasonable range of average utilisation by plug-in time. While maximum theoretical utilisation may be 24 hours per day, this is considered impractical and would be likely to involve unreasonable levels of queuing

Table 3: effective utilisation (hours/day)	
Residential (on-street)	5
Destination	5
Rapid charging	3

Appendix B

Catchment modelling tool

We have used a catchment modelling tool to optimise the locations of charging points to maximise the coverage of charging points by reducing walking distance. There are over 300 locations identified for EV charging which cover 73% of households in the borough within 3 minutes' walk and 100% of households within 5 minutes' walk.



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Equality Impact Assessment Screening Tool

Section 1: Introduction

Name of proposal
For the purpose of this document, 'proposal' refers to a policy, function, strategy or project
This is an EIA Screening for the following items relating to a project to install new charging points in Tower Hamlets: <ol style="list-style-type: none">1. A new Electric Vehicle Charging Delivery Plan and targets for delivery by 2025.2. 150 new Street Lighting Column Electric Vehicle Charge Points by 31 March 2022.3. 250 new fast chargers delivered by April 2023
Service area and Directorate responsible
Place
Name of completing officer
Mohammed Chibou
Head of Service
Ann Sutcliff

The Equality Act 2010 places a 'General Duty' on all public bodies to have 'due regard' to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between those with 'protected characteristics' and those without them
- Foster good relations between those with 'protected characteristics' and those without them

This Equality Impact Analysis provides evidence for meeting the Council's commitment to equality and the responsibilities outlined above. For more information about the Council's commitment to equality, please visit the Council's [website](#).

Section 2: Summary of proposal being screened

Describe the proposal including the relevance of proposal to the general equality duties and protected characteristics under the Equality Act 2010

1. A new Electric Vehicle Charging Delivery Plan and targets for delivery by 2025. This will set out our approach on encouraging the uptake of electric vehicles within Tower Hamlets through the introduction of an expanded EVCP network.
2. The installation of 150 slow charging points that will be attached to existing street lighting columns. These are to be delivered by March 2022
3. The installation of 250 fast charging points across the borough by March 2023

Section 3: Equality Impact Analysis screening

<p>Is there a risk that the policy, proposal or activity being screened disproportionately adversely impacts (directly or indirectly) on any of the groups of people listed below?</p> <p>Please consider the impact on overall communities, residents, service users and Council employees.</p> <p>This should include people of different:</p>	Yes	No	Comments

▪ Sex	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
▪ Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
▪ Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
▪ Religion or Philosophical belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
▪ Sexual Orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
▪ Gender re-assignment status	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
▪ People who have a Disability (physical, learning difficulties, mental health and medical conditions)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>The nature of charging on the highway involves drivers using their own charging cable to connect their car with the public charging point. This activity can be difficult for people with limited mobility as cables are usually stored in the rear of the car. It will be a challenge for achieving full access for most of our new charging points but there is scope to install a limited number of fully accessible points where sufficient space can be identified and the cable is attached to the points. We will undertake feasibility of maximise access for drivers with limited mobility.</p> <p>This approach can be justified due to genuine reason for implementation through the Council's Strategic Plan Priority outcome 5 which requires us to</p> <ul style="list-style-type: none"> •Deliver the Air Quality Action Plan and initiatives to prevent pre-COVID-19 levels of air quality •Promote use of cleaner fuel types amongst residents and businesses <p>Furthermore, this charging network represents a proportionate means of achieving a legitimate council aim.</p>
▪ Marriage and Civil Partnerships status	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
▪ People who are Pregnant and on Maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
You should also consider:			

<ul style="list-style-type: none"> ▪ Parents and Carers ▪ Socio-economic status ▪ People with different Gender Identities e.g. Gender fluid, Non-binary etc. ▪ Other 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------	-------------------------------------	--

If you have answered **Yes** to one or more of the groups of people listed above, **a full Equality Impact Analysis is required**. The only exception to this is if you can 'justify' the discrimination (Section 4).

Section 4: Justifying discrimination

Are all risks of inequalities identified capable of being justified because there is a:	
(i) <i>Genuine Reason</i> for implementation	<input checked="" type="checkbox"/>
(ii) The activity represents a <i>Proportionate Means</i> of achieving a <i>Legitimate Council Aim</i>	<input checked="" type="checkbox"/>
(iii) There is a <i>Genuine Occupational Requirement</i> for the council to implement this activity	<input type="checkbox"/>

Section 5: Conclusion

Before answering the next question, please note that there are generally only two reasons a full Equality Impact Analysis is not required. These are:

- The policy, activity or proposal is likely to have **no or minimal impact** on the groups listed in section three of this document.
- Any discrimination or disadvantage identified is **capable of being justified** for one or more of the reasons detailed in the previous section of this document.

Conclusion details

Based on your screening does a full Equality Impact Analysis need to be performed?

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you have answered **YES** to this question, please complete a full Equality Impact Analysis for the proposal

If you have answered **NO** to this question, please detail your reasons in the 'Comments' box below

Comments
The disadvantage identified is capable of being justified on the grounds set out above. Furthermore, this will be mitigated through deploying where possible charging points with cables already attached which will address the difficulty of disable drivers having to use their own charging cable.

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<p>Cabinet</p> <p>22 September 2021</p>	
<p>Report of: Denise Radley - Corporate Director Health Adults & Community</p>	<p>Classification: Unrestricted</p>
<p>AHSCS5019 Domiciliary and Personal Care Contracts Extension</p>	

Lead Member	Councillor Rachel Blake, Deputy Mayor and Cabinet Member for Adults, Health and Wellbeing
Originating Officer(s)	Bola Akinfolarin, External Funding & Commissioning
Wards affected	All wards
Key Decision?	Yes
Reason for Key Decision	Financial threshold
Forward Plan Notice Published	5 August 2021
Strategic Plan Priority / Outcome	All

Executive Summary

1.1 The current Domiciliary and Personal Care contracts in Tower Hamlets are due to come to an end on 6th February 2022.

1.2 Work is underway to re-procure these contracts with a focus on coproduction and an outcomes-based approach. These services are vital to supporting people in their own homes. As such, the engagement of people who use the services, and their carers is critical to developing the best possible outcomes framework and specification. An extension of the current contracts for six months will provide sufficient time for this work and approach to be carried out.

Recommendations:

The Cabinet is recommended to:

1. Approve the extension of the current Adult and Children Domiciliary and Personal Care contracts for a period of 6 months.

1 REASONS FOR THE DECISIONS

- 1.1 The current Domiciliary and Personal Care contracts in Tower Hamlets are due to come to an end on 6th February 2022.
- 1.2 Work is underway to re-procure these contracts with a focus on coproduction and an outcomes-based approach. These services are vital to supporting people in their own homes. As such, the engagement of people who use the services, and their carers is critical to developing the best possible outcomes framework and specification. An extension of the current contracts for six months will provide sufficient time for this work and approach to be carried out.

2 ALTERNATIVE OPTIONS

- 2.1 Reject the 6-month extension of the current Adult and Children Domiciliary and Personal Care contracts.
 - This would result in no coproduction or stakeholder engagement before a new contract was procured and so is not a viable option.

3 DETAILS OF THE REPORT

3.1 Background

- 3.2 Domiciliary and personal care services are commissioned as a key means of meeting the Councils statutory duties to provide services under Community Care law.
- 3.3 There are currently approximately 2174 Home Care Service Users, utilising approximately 22535.76 hours of care, at a cost of circa £30 million per year.
- 3.4 The current contracts were let in 2017 and had a geographical locality-based focus designed to maximise efficiency and to align providers with wider integrated care with NHS partners. Feedback from various sources is that partnership working has vastly improved since the advent of locality working in late 2018. Relationships have been built and key information is routinely shared as necessary amongst partner organisations. This has led to improved quality of care and better outcomes for Service Users.
- 3.5 New contracts need to be procured and we want to build upon the positives of the current contracts, whilst also taking the opportunity to coproduce a new model of delivery with a focus on outcomes.
- 3.6 In addition to this, demand for support is also likely to grow over the coming years. POPPI (Projecting Older People Information System) projects that the number of older people requiring help in Tower Hamlets with at least one

domestic task will rise from 5,582 in 2019 to 6,341 in 2023 and to 9935 in 2035. As such we want to create contracts which respond to the growing demand, while also supporting prevention and reablement.

3.7 **Design of a best practice Home Care solution**

3.8 Work is underway to re-procure these contracts with a focus on coproduction and an outcomes-based approach.

3.9 There are a range of new market developments resulting from Covid-19 and several new models of Home Care that are now in place across the country. A six-month extension would allow us to consider these developments carefully and capture them in our new contracts. Our work is helping to identify best practice and viable models that could be a good fit for Tower Hamlets. These innovations include:

3.10 **Coproduction**

3.11 We have commenced coproduction activities around Home Care and have much more planned as a full coproduction strategy and approach is developed for the new Domiciliary and Personal Care contracts, reflecting Tower Hamlet's commitment to 'involve communities in everything that we do' (Community Engagement Plan). Our aim is to ensure citizens are active and equal partners in developing approaches and as such planned work includes:

- Continuing to work in close partnership with lead community and representative organisations to co-deliver workshops, focus groups and discussions with citizens to ensure coproduction in all stages of design, development, and delivery. This will enable Home Care users, their carers, families, and networks to set out the issues and barriers as they experience them; scope what works well and what doesn't, what good support should look like and so helping with the selection of the preferred model;
- Building on the themes and insights from people using Home Care interviewed for the Anyway Any How, Healthwatch report;
- Planning and supporting the involvement of citizens in the selection of providers and the ongoing role in overseeing successful implementation;
- Planning the right structures and governance for review so people's views and experience shape evaluation; quality assurance and future delivery.

3.12 We have already established the need for continuous coproduction in the following areas:

- Influence design process
- Update and revise design to ensure best fit
- Confirm and plan to embed future coproduction, such as in contract and quality monitoring activities

- 3.13 We are currently in collaboration with Healthwatch and Almost Anyhow colleagues looking to identify service users who are willing to be engaged in the process.
- 3.14 We believe that effective coproduction will be critical to set the right delivery and contractual model and to meet the desired outcomes our residents want from Home Care. The risks in not completing and sustaining effective coproduction could compromise our credibility and relationship with citizens, mean that we miss important views and insights, and don't reach people whose views are less heard. Ultimately it may mean that we don't commission support that is grounded in what is important to local people. An extension is required to fully conduct these activities.
- 3.15 **Outcome based performance measurement**
- 3.16 There is potential to introduce a new outcome-based framework which could capture the measurement of key Service User expectations and potentially make use of the "I statements" and insights we captured as part of the preparatory work developed for this contract with Anyway Any How & Healthwatch. Again, many Councils are coproducing these frameworks to drive better value from their Home Care arrangements (for example, Swindon, Thurrock, and the Isle of Wight. The Isle of Wight has strengthened delivery and quality via a prime provider arrangement across three localities. Individuals work out their support with the prime provider so increasing flexibility and satisfaction. Market and workforce stability has much improved with supply and continuity assured by the prime providers subcontracting as needed with other suppliers but with them remaining accountable for quality);
- 3.17 **Stakeholder engagement**
- 3.18 There are a significant number of stakeholders to the Home Care contracts. These include:
- Single point of access or front door services – Information, Advocacy & Advice service; assessment and care management;
 - Health partners; hospital discharge teams; social prescribers;
 - Voluntary and community sector; faith organisations; mutual aid groups;
 - Healthwatch; user led organisations; representative groups; disability specific groups;
 - Carers groups and organisations;
 - Workforce / employment partners;
 - Service Users; experts by experience (see coproduction section).
- 3.19 We have established project governance arrangements around the re-procurement of Home Care so that we can effectively gather stakeholder views and perspectives and ensure key stakeholders are appropriately consulted and informed.

3.20 **Connections with other key social care activities**

3.21 Effective Home Care is a key component of the future model and vision for social care in Tower Hamlets. It is central to delivering on the ambitions set out in the new Strategic Plan (Tower Hamlets Strategic Plan - 21-24) which discusses the Council 'refocusing efforts on providing the right care, at the right time, that supports people to be as independent as possible' with the recommissioning of Home Care a major part of that. Consequently, the Domiciliary and Personal Care contracts have several important interfaces with critical social care activities, and it is important that Home Care activities are aligned and act in harmony. These include:

- Access to services and management of demand at the front door;
- Redesigned day services;
- Assessment and care planning activities;
- Reablement; and
- Housing, extra care, supporting living and residential care.

3.22 The potential changes we are reviewing have significant consequences and impacts on other parts of the social care delivery model and need to be fully worked through and agreed if they are to be effective and supported across the service.

3.23 There would be significant risks to the delivery of the new Domiciliary and Personal Care contracts and/or opportunities would be missed if these interfaces and synergies are not properly explored. An extension would allow for this debate and exploration to take place.

3.24 **Market providers**

3.25 It is vital that we attract high quality and innovative providers onto the new Domiciliary and Personal Care contracts.

3.26 We are proposing a range of market engagement events to help shape the Home Care specification and contracts and to warm up potential market providers. This includes exploring the potential of new local providers, based in the Council and employing local people, coming into the market and exploring how we can bring innovative national payers into Tower Hamlets.

3.27 To establish a good understanding of who we will contract and what they will do, we require extensive workshops and discussions addressing:

- How providers can work more collaboratively both together and with community groups, promoting innovation and their examples of how they are working effectively elsewhere;
- Quality assurance systems for providers, including the role of experts by experience;

- Diversifying and the role of lead providers that could link well with smaller and community providers thereby extending choice and local relevance;
 - The specific skills and specialisms of providers to respond to local needs and aspirations;
 - Engaging with a range of different types of providers to stimulate ideas and partnerships;
 - Workforce considerations and how to maximise sustainable local opportunities across our diverse communities supporting local jobs, local community links and the local economy;
 - Practical aspects of contract mobilisation; reporting and payment mechanisms.
- 3.28 It is important that the Council are making changes in the contractual arrangements to improve value for money and to seek to incorporate features that respond to key Service Provider concerns and issues.
- 3.29 An extension to the current contract would enable us to complete this important work.
- 3.30 **Change management**
- 3.31 There are a range of complex change management activities to ensure that the contracts are implemented effectively and to create the right conditions of success.
- 3.32 Whilst these activities will partly depend on the choices, we make in our Home Care delivery models, we will need to ensure we are ready to implement the new Home Care delivery arrangements. This is likely to require activities in a range of areas including:
- Alignment with assessment and care planning;
 - Information, Advocacy & Advice, front door and reablement approaches that minimise the need for long term support;
 - Support for people to live at home well for longer e.g., equipment and adaptations;
 - Wider market shaping to extend choice and also to divert from residential care or to support more successful and sustainable hospital discharge;
 - Supporting the growth of Direct Payments;
 - Aligning the Contract to changes in social work practice;
 - Quality assurance and quality management approaches;
 - New financial management and performance management processes;
 - New governance and partnership arrangements;
 - Coproduction
- 3.33 It is likely that we will require a significant amount of time to deliver these activities.
- 3.34 There will also be a need to carefully consider how we transition from the current arrangements to the future model. Again, this will need careful

planning and consideration and will be vital to a smooth change from the current to a future model.

3.35 The time extension will mean we can make the changes we need to secure the qualitative and financial benefits we are hoping for and should ensure that we have time to properly plan the implementation, to make the changes and to embed the new arrangements.

3.36 **Better contract management, quality assurance and performance monitoring**

3.37 We are looking at our key processes and skills and capacity we need to manage Home Care activities more effectively to ensure we get the right quality of service and better value for money;

3.38 **Changes in contract scope**

3.39 There is potential to extend the scope of the Domiciliary and Personal Care contracts and consider incorporation of other services, particularly to embrace closer working with the health sector and the community and voluntary sectors. For example, we are in productive and ongoing discussions about extending the contract to include District Nursing. This would build and learn from Tower Hamlet's 2018 Neighbourhood Care Team pilot.

3.40 **Other considerations**

3.41 Other considerations include:

- Individual Service Funds (ISFs)
- Payment by Results
- A New Team Delivery Model

3.42 We believe that these new ideas could help the Council to achieve the benefits and value expected from the new Domiciliary and Personal Care contracts.

3.43 These issues need to be carefully considered and developed. This will take time to get right and can only be achieved with the proposed extension.

3.44 **Key programme objectives, aims and outcomes and value**

3.45 The re-procurement of Home Care is expected to deliver a range of benefits. These include:

- Delivering an outcome focussed, consistently higher quality service – ensuring that the new contracts are structured to help the Council and

Service Providers deliver a great service that delivers the best possible outcomes for Service Users.

- Preventative – the Contracts help the Council to manage future demands for the Service by helping to keep people independent and resilient living at home for as long as possible. This can also help to reduce hospital admissions or the need for more costly and restrictive interventions such as residential care.
- Partnership and Contract Management – the contracts need to be based on sound Partnering principles and enable effective contract management to ensure that the contracts are effectively managed and delivered. The contracts need to be underpinned by high quality systems and processes to ensure that there is clarity in the performance of the contracts and in payment processes.
- Direct payments – the contracts promote the further use of Direct Payments and enables Residents to establish their own arrangements with Service Providers (increasing the number of people with direct payments is a measure in the Tower Hamlets Strategic Plan – 2021 – 24).
- Value for Money – the contracts deliver better value for money and reduces the comparatively high cost of the current Service.

3.46 The achievement of these key benefits, however, will require significant and complex changes to the current Home Care contracts which need to be properly considered and debated, evaluated and designed.

3.47 We are in the process of completing this work and a time extension would allow this process to be completed and help to capture the full value we expect from the new Home Care contracts.

3.48 **Proposal and rationale**

3.49 Below is a draft timetable, which considers the required time needed to develop and tender a new Domiciliary and Personal Care contracts.

Actions	Date
Specification Development	14 th June – 14 th December 2021
Specification Live	January 2022
Tollgate 1	February 2022
Market supplier Event	March 2022
Publish Advert in OJEU website	March 2022
Issue SQ	March 2022
Return SQ	April 2022
Issue Tender Documents	April 2022
Interview and Presentations	May 2022
Evaluation complete/ Agree award Recommendations	May 2022
Tollgate 2	June 2022
Contract Award	July 2022
Implementation	August – September 2022
Contract Commencement	September 2022

- 3.50 It is proposed that the current contracts be extended for a period of six months. Six months will be attached to the beginning of the process to support the work outlined above.
- 3.51 The cost of the extensions is £14,011,000 (Adults), and £350,000 (Children's) and we will continue to commission these services in accordance with the Ethical Care Charter including additional payment of London Living Wage.

4 EQUALITIES IMPLICATIONS

- 4.1 There is no potential that the proposal covered by this report disproportionately adversely impacts (directly or indirectly) on any of the protected characteristic groups.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
 - Consultations,
 - Environmental (including air quality),
 - Risk Management,
 - Crime Reduction,
 - Safeguarding.
 - Data Protection / Privacy Impact Assessment.
- 5.2 No other statutory implications have been identified.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The current total Homecare budget for Adult Social Care, across all client groups, is £28.022m in 2021/22.
- 6.2 The existing contracts will require extension until the development and new service delivery models are put into place. The new homecare solution will hopefully deliver innovative practice to improve cost efficiencies and better value for money.
- 6.3 The additional costs arising from uplifts from the London Living Wage will be met via Corporate inflationary funding that has been provided to Adult Social Care for 2021/22 and will not be an additional pressure to the existing budget.
- 6.4 The cost of the extensions amounting to £14.011m in Adult Social Care and £0.350m in Children's for a 6-month extension period, will need to be contained within approved budgets in 2021/22.
- 6.5 The element of Children's expenditure is a small proportion of the total contract value and costs will be met from within current budgets for 2021/22.

7 COMMENTS OF LEGAL SERVICES

- 7.1 Part 1 of the Care Act 2014 requires local authorities to provide services for adults with care needs and to prevent or reduce the need for future care and support.
- 7.2 The Council has the legal power to undertake the activities referred to in this report.
- 7.3 The Council is required to undertake a competitive exercise prior to the award of any contract in compliance with the public Contracts Regulation 2015, as amended and the Council's constitution.
- 7.4 In accordance with the provisions of Regulation 72 (1) (e) of the Public Contracts Regulations 2015 as amended. Contracting Authorities can modify a contract during its term where the modifications, irrespective of their value, are not substantial within the meaning of paragraph (8). Having reviewed the provisions of paragraph 8 this extension is not substantial. As such, it is not necessary to commence a new procurement and there is minimum risk in extending the existing contract for 6-months.
- 7.5 Section 3 of the Local Government Act 1999 requires local authorities to achieve best value for the way in which their functions are exercised, as set out in the report, this extension is requested in order to redesign the new homecare service and this extension is based on the initial contract value, as such it could be argued that the best value obligation was satisfied at the award of the initial contract.

- 7.6 Section 149 of the Equality Act 2010 imposes the public sector equality duty, requiring Local Authority in the exercise of its functions to have due regard to the need to eliminate discrimination and advance equality of opportunity and foster good relations between people sharing a protected characteristic and those who do not. The requirement to satisfy the duty under section 149 would have been demonstrated at the initial contract award.

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

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Agenda Item 6.7

<p>Cabinet</p> <p>22 September 2021</p>	 <p>TOWER HAMLETS</p>
<p>Report of James Thomas, Corporate Director Children's and Culture</p>	<p>Classification: Unrestricted</p>
<p>Report on the outcome of representations received in response to the statutory (public) notice to amalgamate Ben Jonson Primary and Harry Roberts Nursery Schools</p>	

Lead Member	Councillor Asma Begum, Cabinet Member for Children's, Youth Service and Education
Originating Officer(s)	Terry Bryan, Service Head for Pupil Access and School Sufficiency and Ikwi Mkpuru, School Organisation Manager
Wards affected	St Dunstan's, Stepney Green, Mile End
Key Decision?	Yes
Forward Plan Notice Published	14 May 2021
Reason for Key Decision	To be significant in terms of its effects on communities living or working in an area comprising two or more wards or electoral divisions in the area of the relevant local authority.
Strategic Plan Priority / Outcome	A better deal for children and young people: aspiration, education and skills

Executive Summary

This report informs cabinet of the outcome of the four week period of public representation in response to the statutory notice on the proposal for the amalgamation (merger) of Ben Jonson Primary and Harry Roberts Nursery Schools. This would create an all-through 3 to 11 years' primary school, with effect from 1st January 2022

It recommends for the Mayor in cabinet to consider a decision on whether or not to formally agree for the schools' amalgamation.

Recommendations:

The Cabinet is recommended to:

1. Consider the report and its supporting documents, particularly the statutory notice (Appendix 1) and the Equality Assessment (Appendix 2), along with comments made by respondents to the Statutory Notice.
2. Agree to the amalgamation (merger) of Ben Jonson Primary and Harry Roberts Nursery schools to form an all-through 3 to 11 years' primary school, taking effect from 1st January 2022.

1 REASONS FOR THE DECISION

- 1.1 The recommendation is made in order to determine the council's decision following the responses received to the statutory notice.
- 1.2 The proposal is being put forward as part of the strategy for these two schools to move towards integrated 3 to 11 primary school provision, rather than maintain separate nursery and primary schools. This will benefit children's education by maximising the resources available and optimising the expertise of staff across the nursery and primary age range, providing outstanding nursery practice alongside top quality primary education in a single setting.
- 1.3 The amalgamation will also create a single governing body to drive the school's strategic planning, monitor whole school development to ensure robust accountability and provide an all-through primary school to serve the needs of the local community
- 1.4 Amalgamation of the schools would be achieved through the technical closure of Harry Roberts Nursery and extending the age range of Ben Jonson Primary, to accommodate the displaced Harry Roberts pupils. Ben Jonson Primary School would therefore become a primary school for pupils aged 3 to 11, whilst retaining its original school Department for Education (DfE) registration number.
- 1.5 In line with the DfE guidance (November 2019), 'Making significant changes (prescribed alterations) to maintained schools' and 'Opening and Closing Maintained Schools', public consultation has been undertaken in the form of a first stage informal consultation followed by a formal statutory notice inviting further representation over 28 day period.

2 ALTERNATIVE DECISIONS

- 2.1 The Mayor could decide not to agree to the recommendation for the schools amalgamation. In which case the schools would continue as separate institutions and seek to find alternative ways to work together to gain most benefit from their expertise and resources.
- 2.2 The Mayor could decide to delay his decision on the schools amalgamation. However, this could mean the amalgamation taking place later than the proposed date of 1st January 2022, by which time the position for both schools may be less advantageous and the uncertainty unsettling for children, staff and parents,

3 DETAILS OF THE REPORT

- 3.1 Following a report to cabinet on 28th April 2021, the Mayor agreed for the council to proceed with the issuing of a statutory notice for 28 days, in respect of the proposal to amalgamate Ben Jonson Primary and Harry Roberts Nursery Schools into an all-through 3 to 11 years' primary school. The main facts and the reasons for this decision are set out in both the April cabinet report and also in the earlier first stage public consultation paper attached as Appendix 3.

- 3.2 Notification of the publication of the statutory notice was advertised widely, in line with DfE guidance. It was posted publicly outside the schools and on the schools and council websites on the 14th June 2021. It was also published in East London Advertiser Newspaper on the 15th June 2021. All parents and staff received a copy of the notice, and other stakeholders were signposted to the council website.
- 3.3 Due to the coronavirus pandemic, it was not possible to hold the traditional method of public and parents' meetings for both the first stage consultation and the subsequent statutory notice period. However, several alternative methods were used, in accordance with the Tower Hamlets guidance on public consultation processes during coronavirus. These methods are explained below and in the report on the outcome of the first stage public consultation, included as Appendix 4.
- 3.4 Notwithstanding the reasonable adjustments required, due to coronavirus, stakeholder engagement on these proposals has been carefully undertaken, adopting a proportionate and targeted approach, according to [central government consultation principles](#) and in line with the 'socially distanced' requirements of the pandemic. Although the public response has been relatively low, it is evident that the variety of consultation methods used has enabled a high level of engagement with key stakeholders, particularly with the families and staff at both schools. It is also evident that the schools and their wider communities understand the full nature of the proposals and the possible outcomes from an amalgamation of the two schools.
- 3.5 Overall, from the feedback in meetings with families and staff, there is understanding about reasons for the amalgamation and positivity about the opportunities it brings. Although, it should also be noted that Harry Roberts school staff and parents are saddened by part of the need for change being considered in view of the impact of the reduction in early years funding.
- 3.6 Prior to the start of the consultation, the Local Authority's independent consultant held a series of preparatory meetings with both Ben Jonson and Harry Roberts schools to discuss the background and process for the consultation. These included separate meetings with the head teacher and chairs' of governors, the governing bodies, the school's senior leadership teams and schools' staff. The following formal meetings were then held as part of the consultation, to give consultees the opportunity to ask questions and make their views known

Parents (including wider public)	Information available online and in school newsletters during the Summer and Autumn 2020.
	Virtual Meetings 9.30 and 6pm 6 th July 2020
School Staff	One to one meetings offered 6 th July 2020
	Both Headteachers updated staff during meetings in Summer and Autumn Terms 2020.
	Trade Unions have been also been briefed on the consultation during the Summer and Autumn Terms 2020.

- 3.7 The schools worked with pupils to help them understand the proposal, seeking to reassure them that they would be fully supported throughout this period. This included age appropriate activities when consulting pupils on their views
- 3.8 Given that the statutory public consultation did not raise any issues that could be viewed as reasons not to proceed, this report recommends for the council to agree to proceed with plans for the amalgamation (merger) of Ben Jonson Primary and Harry Roberts Nursery schools into an all-through 3 to 11 years' primary school with the support of both School Governing Bodies.

4 RESPONSES TO THE STATUTORY NOTICE (Second Stage Consultation)

- 4.1 The statutory notice period provided a further opportunity to engage with stakeholders and obtain their views. This followed on from the earlier first stage consultation, the feedback from which was reported to the 28th April 2021 cabinet meeting and is included again with this report as Appendix 4
- 4.2 Five written representations were received in response to the statutory notice. One response was from the Chair of Governors of Harry Roberts Nursery School, on behalf of all the Governors of Harry Roberts Maintained Nursery School, unanimously agreeing to the proposed amalgamation of Ben Jonson Primary and Harry Roberts Nursery Schools and stating:

"We feel that the proposal so amalgamate Ben Jonson and Harry Roberts is the only sustainable option for the future. The last two rounds of nursery school Ofsted inspections have identified Harry Roberts as 'Outstanding' and we would ask that the Local Authority continues to do all it can to maintain specialist early years provision so that this outstanding Nursery practice is not lost throughout the Borough".

- 4.3 Three representations were received from governors at Ben Jonson School, in support of the proposed amalgamation of Ben Jonson Primary and Harry Roberts Nursery Schools.

One representation raised concerns that although parents were invited to the amalgamation consultation zoom meetings, the meetings did not cater for Sylheti/Bengali speaking parents. In response to this concern the LA recognises that it has been difficult to organise meetings during the pandemic, but a number of Bengali parents have contributed to the consultation and to the many informal discussions over the last year where bilingual staff were available, but translation was not requested. The two schools are planning briefings for parents (including bilingual) for September 2021 so that new parents can also be informed, and all parents are updated on the process/progress of the amalgamation.

- 4.4 The statutory notice period did not result in any representation that would give cause for the Local Authority to reconsider its recommendation for the amalgamation of Ben Jonson Primary and Harry Roberts Nursery Schools,
- 4.5 Both schools are in financially health positions and have not been affected by falling roles. If the decision is for the schools to amalgamate a full HR consultation will be completed before 1st January 2022, in line with the Council's 'Human Resources Organisational Change' policy and procedures (Appendix Five).

5 TIMETABLE FOR IMPLEMENTATION OF THE AMALGAMATION

- 5.1 If the decision is made for Ben Jonson Primary and Harry Roberts Nursery Schools to amalgamate, the timetable for implementation will be as follows:

Oct 2021	The LA, schools and THEP will work together to plan and finalise arrangements and the new staffing structures for the new primary school. This planning will also include minor capital works being undertaken to enable the primary school to operate as one set of buildings.
Oct-Nov 2021	Staff consultation will be undertaken on the new staffing structure for the primary school.
December 2021	Harry Roberts Nursery School will formally close on the 31 st December 2021 and Ben Jonson will convert to an all-through (3-11) primary school. Children from Harry Roberts Nursery will automatically transfer to the all-through primary school.
January 2022	Ben Jonson Primary School will officially operate from the 1 st January 2022.

6 EQUALITIES IMPLICATIONS

- 6.1 When making decisions the council must act reasonably and rationally. It must only consider relevant information and consult those affected, taking into account their views, before final decisions are made. It must also comply with its legal duties, including relating to equalities.
- 6.2 The Equality Act 2010 requires the LA, when exercising its functions, to have due regard to eliminate discrimination, harassment, victimisation; advance equality of opportunity; and to foster good relations between persons who share a relevant protected characteristic and those who do not (“the Public Sector Equality Duty”).
- 6.3 An Equalities Assessment has been conducted by the LA and is attached at Appendix 2. To date, it has not found any obvious equalities issues arising from this proposal, either for staff, parents or children, that could not be mitigated through the process.

Governors and LA officers have considered carefully whether changes may affect groups disproportionately. They will continue to work with Trade Unions to ensure that planning for any staff changes are fair and equitable and in line with agreed policies, including the Council’s ‘Human Resources Organisational Change’ policy and procedures

- 6.4 The equalities assessment has found that there are no obvious equalities issues arising from this proposal, either for staff, parents or children.

7 OTHER STATUTORY IMPLICATIONS

(i) Managing the Impact of the Amalgamation on School Staff

- 7.1 The LA and School Governing Bodies are working together to support the schools' staff through this change. A formal staff consultation will only take place once the final decision has been made on the schools' amalgamation. However, given that the financial position of both schools is strong, any necessary staff changes for September 2021 will be managed through natural wastage.

(ii) Best Value Implications

- 7.2 The Local Authority has a duty to ensure that governors are fulfilling their duties and that value for public money is achieved, whilst standards are maintained. This proposal supports the sustainability of high quality education for the children as it will maximise the available resource and space as well as ensure the pooling of the significant experience and expertise that exists in both schools.
- 7.3 The proposal does not have any significant mainstream revenue or capital implications for the council. When a school closes its finances (and any surplus or deficit) is returned to the LA. In the case of this amalgamation the Statutory Notice made clear that any remaining balances from the closing school (Harry Roberts Nursery) would be transferred to Ben Jonson Primary School on the last business day of its operation.
- 7.4 The closure of Harry Roberts Nursery School will release the annual lump sum element for the school from the Delegated School's Budget, (at a sliding rate over 2 years). This money reduces the pressure on the DSG that is caused by having a large number of smaller schools and provides better value for money across the school estate. Upon closure of Harry Roberts Nursery, 85% of the annual lump sum will be paid to the amalgamated school the year after amalgamation to support transition.
- 7.5 When a school closes its finances (and any surplus or deficit) is returned to the LA. In the case of this amalgamation the Statutory Notice has made clear that any remaining balances from the closing school (Harry Roberts Nursery) would be transferred to Ben Jonson Primary on the last business day of its operation.

(iii) Environmental (including air quality)

There are no environmental issues arising from this proposal.

(iv) Risk Management

7.6 If this recommendation is agreed, the LA will mitigate any risk by supporting the schools with the further stages of the amalgamation process, ensuring that this is carefully managed and evaluated in line with statutory guidance and taking account the views of stakeholders. The provision for children with Special Educational Needs will not be adversely affected by this proposal.

7.7 **Revenue Implications:**

In the event of amalgamation of the primary and nursery schools, savings should be generated with regard to employee-related costs as a result of leadership and administration and, as a result of the amalgamation of the two schools, the previous two lump sum payments would be reduced to one, given there will only be one school as result of this proposal.

Based on the current formula an amalgamated school will generate the same amount of Age Weighted Pupil Unit funding. There will however be a reduction relating to the formula lump sum paid.

Under the authority's formula distribution, a lump sum payment is made available to all new and amalgamating schools in the first financial year of opening. Any costs of redundancies as a result of the process would be met by the Local Authority.

This amalgamation process is being taken forward by extending the age range of the Primary School to become the new all-through Primary and closing the Nursery School, therefore the following actions will take place. On amalgamation, the balance of the school to be extended will be retained by the new all-through primary and all other balances (surplus or deficit) will be allocated against the amalgamated primary school budget. The budget of the new school will have financial adjustments to fall in line with typical budgets for that size school.

(v) Safeguarding

7.8 The report deals with the council's approach to managing the supply of school places for the local population. The efficient supply of school places contributes to the safeguarding of children by ensuring their early access to 'good quality' and sustainable education provision.

(vi) Data Protection / Privacy Impact Assessment

7.9 The council handles information in accordance with the Freedom of Information Act 2000 and the Data Protection Act 2018 and is the data controller for the purposes of the Data Protection Act 2018. For more information the privacy notice for Pupil Services can be accessed here.

(vi) Data Protection / Privacy Impact Assessment

7.10 The proposals presented in this report have followed an initial and formal public consultation using a variety of mechanisms. All responses received through these mechanisms or made directly to council officers or members have been included in the analysis of the feedback received. These responses have only been used to assess the community's view of the proposals and not for any other purpose.

- 7.11 The council handles information in accordance with the Freedom of Information Act 2000 and the Data Protection Act 2018 and is the data controller for the purposes of the Data Protection Act 2018. For more information, the privacy notice for Pupil Services can be accessed [here](#).

8 COMMENTS OF THE CHIEF FINANCE OFFICER

- 8.1 The nursery provision of the school would continue to be funded from the early year block and the main school from the Schools block of the dedicated schools grant. Currently Nursery Schools receive a supplementary allocation of funding to represent their specific costs, this would continue for the year following amalgamation but would cease from the Financial year 2023/24 and the nursery provision would revert to the same basis as other nursery provision in mainstream schools. The economies achievable from one management and administrative function would considerably outway the reduction in funding.
- 8.2 There would be a cost to the general fund if redundancies were incurred as part of the amalgamation

9 COMMENTS OF LEGAL SERVICES

- 9.1 In order to amalgamate the two schools, the proposal is for Harry Roberts Nursery School to be closed (“discontinued”) and for Ben Jonson Primary School to expand to take on the previously separate nursery school. The statutory process for school expansion (a ‘prescribed alteration’) is set out in Sections 18 and 19 of the Education and Inspections Act 2006 and in the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013. Statutory guidance is given in ‘Making Significant Changes (“prescribed alterations”) to Maintained Schools’ (October 2018). The statutory process for discontinuance of a maintained school is set out in Part 2 of the Education and Inspections Act 2006 and in the School Organisation (Establishment and Discontinuance of Schools) Regulations 2013. Statutory guidance is given in “Opening and Closing Maintained Schools” (November 2019).
- 9.2 Section 149 of the Equality Act 2010 requires a local authority to have due regard to the need to eliminate discrimination, advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it, and to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. An equality assessment has been carried out.
- 9.3 The proposals set out in this report comply with the above legislation and guidance.

Linked Reports, Appendices and Background Documents

Linked Report

None

Appendices

- Appendix 1 Statutory (Public) Notice (Stage two consultation)
- Appendix 2 Equalities Assessment
- Appendix 3 Public Consultation Document (Stage one consultation)
- Appendix 4 Public Consultation (Stage one) Feedback Report
- Appendix 5 Council's HR Organisational Change Procedure

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

None

Officer contact details for documents:

N/A

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Consultation Information:

Statutory notice on the proposal to amalgamate (combine) Ben Jonson Primary and Harry Roberts Nursery Schools.

14 June 2021



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Introduction

On Wednesday 28th April 2021 Tower Hamlets Council approved the publication of a statutory notice on the proposed amalgamation of Ben Jonson Primary and Harry Roberts Nursery Schools.

Notice is thereby given, in accordance with The School Organisation (Establishment and Discontinuance of Schools) Regulations 2013, that Tower Hamlets Local Authority intends to discontinue Harry Roberts Nursery by 31 December 2021. This notice includes the Local Authority's proposal to make a prescribed alteration to Ben Jonson Primary, to change the lower age limit to create an all-through (3 to 11 years) primary school from the 1 January 2022, in accordance with The School Organisation (Prescribed Alternations to Maintained Schools) (England) Regulations 2013.

Contact details

Name and address of local authority publishing the proposal:

Tower Hamlets Council, Town Hall, Mulberry Place, 5 Clove Crescent, London E14 2BG.

Name, address and category of schools proposed to be amalgamated:

Ben Jonson Primary School, Harford Street, Stepney, London, E1 4PZ

Harry Roberts Nursery School, Commodore Street, Stepney, London E1 4PF

Implementation

Date on which it is proposed to amalgamate the schools:

1 January 2022

It is proposed to implement the amalgamation as follows:

Harry Roberts Nursery School will close from Friday 31 December 2021.

Ben Jonson Primary School will alter its age range and convert to an all through (3 to 11 years) Primary School from 1 January 2022.

All children attending Harry Robert Nursery will transfer to Ben Jonson Primary School from 1 January 2022. Children currently attending Ben Jonson Primary School will continue in the newly amalgamated school.

Reason for amalgamation

The council, in partnership with the governing bodies of Ben Jonson Primary and Harry Roberts Nursery Schools, is intending for the two schools to amalgamate and become one primary school from the 1 January 2022, admitting pupils from 3 to 11 years of age.

The proposal is being put forward as part of the strategy for these two schools to provide integrated nursery and primary provision, rather than maintain separate Nursery and Primary Schools. This is beneficial to children's education because it reduces the stress caused by transition and optimises the expertise of the staff across both the nursery and primary age range.

Both Ben Jonson Primary and Harry Roberts Nursery Schools already work closely together and engage in joint planning, they share resources and expertise and are continually developing their links. A review of resourcing requirements, and the redesign of the sites to include a specialist resource centre for children with Social Emotional and Mental Health Needs, creates an opportunity to establish new governance arrangements that will unite both schools' common goals and values.

The governing bodies of Ben Jonson Primary and Harry Roberts Nursery Schools reviewed the future for both schools and consider that now is the right time for both schools to combine to become a single all-through provision (see **Appendix 1** for the first stage consultation).

Pupil numbers and admissions

The numbers for whom provision is currently made at the school:

Ben Jonson Primary School is a co-educational mainstream school for pupils aged four to eleven. The School has a published admission number (PAN) of 90 for each year group. As at 1 January 2021 the School had 576 pupils on roll.

Harry Roberts Nursery Schools School is a co-educational mainstream nursery school for pupils aged 3 to 4 years of age. The School currently has a PAN of 90. As at 1 January 2021 the School had 81 pupils on roll.

The Published Admission Number for each year group of the new 3 to 11 year old primary school will be 90, providing up to 720 places in total.

Displaced pupils

This proposal forms part of an amalgamation, and therefore no pupils will be displaced. From 1 January 2022, pupils currently at Harry Roberts Nursery School will have places at Ben Jonson Primary School.

Impact on the community

Ben Jonson Primary and Harry Roberts Nursery Schools serve the same geographic area and are adjacent to each other. The proposal will provide certainty of progression from nursery to primary phase and offer an all-through primary education. Therefore, it is not anticipated that there will be any adverse impact on the community.

Balance of denominational provision

Not applicable.

Nursery provision

It is intended that the current nursery at Harry Roberts Nursery Schools will continue to operate under Ben Jonson Primary School through the proposal to alter its lower age limit.

There will be no change for children in the current setting, the location and staff will remain the same. Therefore, the provision will continue to be accessible and convenient for local families.

Sixth Form provision

Not applicable.

Special educational needs provision

Earlier this year, Tower Hamlets Council approved the establishment of a Special Educational Needs Resource Centre for up to 12 children with Social Emotional and Mental Health Needs at Ben Jonson School from September 2021.

There are 10 pupils on roll at Harry Roberts Nursery who have been identified as having special educational needs, however, none have an education health and care plan (EHCP).

There are 45 pupils on roll at Ben Jonson Primary who have been identified as having special educational needs, of which there are 29 pupils with an EHCP. Both schools have fully accessible buildings and currently share the same site. Special educational needs children will continue to receive the same high levels of support in the primary school.

Travel

There will be no change to the travel distance for the children currently attending Harry Roberts Nursery School as they will transit to Ben Jonson Primary which is on the same site.

Finances

Ben Jonson Primary and Harry Roberts Nursery schools' financial balances will be transferred by 31 December 2021 to the new Ben Jonson Primary School, as part of the school's budget from 1 January 2022.

Procedure for making representations (objections and comments)

Within four weeks from the date of publication of this statutory notice, any person may object to or make comments on the proposal by email or by post.

Closing date for responses is 5pm, 12 July 2021

By email: school.organisation@towerhamlets.gov.uk

By post: School Organisation and Place Planning Manager
Pupil Services and School Sufficiency
Tower Hamlets Children and Culture
Town Hall
Mulberry Place
5 Clove Crescent
E14 5BG

We will not be able to consider any responses received after **12 July 2021**

All responses received during the representation period will be published on the Council's website later this year, and prior to a final decision on the amalgamation of the schools.

The website address is:

talk.towerhamlets.gov.uk/statutory-notice-benjonson-harryroberts

Appendix 1

Consultation information:

First Stage consultation feedback report on the proposal for the amalgamation (combine) of Ben Jonson Primary and Harry Roberts Nursery Schools.

19 March 2021

Report compiled by Dr Helen Jenner, Independent Consultant, Tower Hamlets Primary Review.

Introduction

This report summarises the planning undertaken to lead to a public consultation, and the responses to that consultation, on whether or not Harry Roberts and Ben Jonson School Governing `bodies should agree at their next meetings to ask the Local Authority to move to statutory consultation on a possible amalgamation between their schools from January 2022

Background

The Tower Hamlets Primary Review commissioned an Independent Consultant, Dr Helen Jenner, to work with schools they had identified as being at risk due to demographic change in the Borough. As well as working with the schools, Dr Jenner was asked to produce a public report “Future Ambitions” setting out principles for developing school relationships and partnerships for resilience and excellence. This document was shared with all Headteachers, Unions and Governors in March 2019. Regular updates on the Primary Review have been included in the termly Director’s Report for Governors.

Harry Roberts and Ben Jonson Schools Governing Bodies are both committed to maintaining quality early years and primary education for their community. They work in close partnership to support their children and families.

Harry Roberts School Governing Body was prompted by the partnership between the schools to approach Ben Jonson to see if they would consider amalgamation, in order to maintain the top-quality Nursery provision at Harry Roberts, in the face of falling roles and significantly reduced funding.

Both Governing Bodies reached the conclusion that to amalgamate their two schools is the best solution to optimising early years and 3-11 educational provision in the area.

Governors planning

A Steering Group, consisting of the Headteachers, and a governor rep from each school, supported by the Independent Consultant, has led the work on considering the implications of the proposal for both Harry Roberts Nursery school and Ben Jonson Primary School. Other school staff have joined the meetings when

appropriate and there has been regular feedback to both governing bodies.

A consultation document was prepared and agreed with the Local Authority. This was given in paper copy to all parents, circulated to Tower Hamlets Headteachers, through the Headteacher's Bulletin; emailed to staff unions and governors, and the Secretary of State has been notified of potential changes.

Information about the consultation was also placed on the school website. Parents and staff have been sent regular updates about the proposal and zoom meetings they can attend to express their views.

Because of coronavirus open meetings were not held, however a range of ways to feed into the consultation were organised:

We organised the following opportunities for staff, parents and carers to share views.

1. A response form (or any other written format) at the end of the consultation document to record views to be emailed, posted, or handed to the school.
2. A special email address was set up at each school for comments
3. 10 Virtual meetings were set up, including one with Sylheti/ Bengali translation.
4. Staff were provided with a briefing note to respond to any queries from parents.

Governors agreed responses from the different forms of consultation should be summarized in a report for Governors, to be sent to the Steering Group, by the end of March 2021, The Steering Group will consider responses so far on 16th March

Alongside the amalgamation consultation there has also been an organizational change consultation at Harry Roberts School, where staffing reductions have had to be made to address reduced funding and falling roles. The proposed staff changes are not as a result of the amalgamation process.

Consultation response

Zoom meetings

Zoom meetings were available for staff and parents to attend. Three meetings were available for Harry Roberts, 3 for Ben Jonson and 3 for participants from either school.

A summary of the 9 meetings held to date (2,3 and 4th March) is available in Appendix "Responses". This outlines the range of issues raised, the number of responses received, the queries raised and includes initial responses to those queries.

Attendance at zoom sessions:

Numbers at each zoom meeting

Date	Time	Staff	Parents	Governors	HT	Independent	Title
2 March	9.15	1	3	1	1	1	HR
	2.30		1	1	2	1	HR
	3.30	15		1	1	1	HR

3 March	9.15	1	8	2	2	1	BJ
	2.30	1	4	2	1		BJ
	3.30	10		2	1		BJ
4 March	8.15			2	3	1	Open
	12.30	2		1	2	1	Open
	18.00			1	2	1	Open

Those meetings shaded light green were positive about the proposal. Those that spoke at the meeting shaded yellow expressed significant reservations.

Several people attended more than one meeting. The overall numbers of participants were:

Total attendees

Numbers	BJ	HR
Staff	10	15
Governors	2	1
Parents	11	5
HT	1	1
Over lappers	1 Gov/parent 2 parents children in both 5 parents experience both	

Those groups shaded green were positive about the proposal, of those that spoke in the meetings those shaded yellow expressed significant reservations.

The responses have been analysed, using thematic coding, key themes are -

- The majority of participants in the meetings felt that the amalgamation would be in children's interests, although a small number worried that the outstanding Nursery provision might be challenging to maintain in a Primary School.
- Many participants recognised the potential for the two schools to be "more than the sum of their parts" if they came together.
- School staff particularly recognised the opportunity to share expertise across their schools.
- Parents particularly recognised the benefits their children had from attending Harry Roberts Nursery School and feel that amalgamation would support transition to Primary School and could give a really strong start to school.
- Many participants recognised that the amalgamation could be a strong way to ensure quality early education is protected, against a backdrop of reduced funding.
- Some staff raised anxiety that in a large primary school the importance of early years education might be overlooked.
- Several participants sought re-assurance over premises and organisational issues moving forward.
- A few people considered that the loss of Nursery Schools will significantly reduce the quality of early years education.

Written Responses

Eleven written response have been received.

	Governors	Staff	Parents
BJ	5	1	1
HR	2	4	1
	Just GB 4	5	2

1 parent also a governor

2 staff members are governors

8 responses were strongly positive and viewed the amalgamation as a real benefit for children, two felt the amalgamation was the best option in difficult circumstances, and one felt it was not a positive option.

One response raised concerns about the staffing reductions being made at Harry Roberts and the impact this would have, and whether parents were aware of the staffing reductions this response flagged the concern around loss of Nursery Schools as centres of excellence.

Several responses flagged the importance of maintaining quality early years education through a positive child centred amalgamation.

The funding reductions that have led to the need to reduce posts at Harry Roberts were also raised by two respondents.

Both Headteacher's have contributed to the consultation process and have put forward the following summary statements:

Alex (Harry Roberts Nursery)	Amalgamation is a positive and constructive solution to enabling Harry Roberts Nursery to continue to give the children the best education and care that we can. It will build on the existing good working relationship that we have with Ben Jonson School. It is important that we hold on to our excellent early years practice and consolidate this further together.
Monica (Ben Jonson Primary)	Harry Roberts and Ben Jonson have always worked closely together to serve the local community. Though the notion of amalgamation has been arrived at as a pragmatic solution in this financial climate we are very excited about the prospect of ensuring the ethos, quality and expertise of the nursery thrives in the context of a 3 – 11 school.

Feedback to stakeholders

It is recommended that this Consultation Summary and the "Amalgamation Feedback Summary" be posted on the school website and be emailed to parents, staff and other stakeholders.

Governing Body next steps

Harry Roberts and Ben Jonson Steering Group, informed by the views of their respective governors, met on March 16th to consider this feedback report and whether they are recommending that the Local Authority move to publish statutory notices.

Harry Roberts Governing Body discussed the feedback from consultation meetings at their 4th March 2021 meeting and confirmed that despite the reservations of some members of staff at Harry Roberts, amalgamation remains the right direction of travel. Some members of staff appeared to be continuing to confuse the necessary staffing reductions at Harry Roberts as being a consequence of amalgamation, rather than caused by falling rolls and funding. This needs to be reclarified in future staff sessions regarding the staffing re-organisation. They supported Steering Group members and agreed that, provided there were no significant new responses received the Steering Group should recommend moving to statutory notice.

The Steering Group have considered the responses and feel that it would be appropriate for the Local Authority to move to statutory notices on the proposal. They recognise that some staff at Harry Roberts, in particular, remain concerned about the amalgamation. This is compounded by the need to reduce staff at Harry Roberts, regardless of the amalgamation. Whilst the presumption of protection of Nursery Schools is recognised the potential amalgamation with Ben Jonson is the only financially viable alternative to preserve quality Nursery education for the community.

Ben Jonson Governing Body met on March 25th and confirmed their commitment to the Local Authority moving to Statutory Notice.

Overview of the independent consultant

Both schools' governing bodies have taken their role in ensuring fair and thorough consultation very seriously and have worked hard to ensure all views are heard, and queries answered.

Overall, there is a strong positive response to the proposals, although Nursery school staff, and Nursery parents, are saddened by the impact of reduced funding and numbers on levels of staffing at the Nursery School.

The support for the quality of Nursery provision, and staff dedication, has been very positive. This should be a strong guide to what parents expect if the two schools do amalgamate – they wish to see excellent Nursery provision in the centre of their children's journey through 3-11 provision at Ben Jonson, and believe the amalgamation could support this journey to excellence.

I can see no reason not to progress to Statutory Notices.

[ENDS]

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Appendix 2 - Equality Impact Analysis Initial Screening Tool

Section 1.0: Background Information

Name of Completing Officer:	Ikwi Mkparu
Date of Initial Screening:	22.03.21
Date of review:	19.07.21
Service Area & Directorate:	Pupil Services and School Sufficiency
Head of Service:	Terry Bryan

Section 2.0: Summary of policy, proposal or activity being screened

Name of policy, proposal or activity:
<p>The London Borough of Tower Hamlets, in partnership with the governors of Harry Roberts Nursery and Ben Jonson Primary Schools, are proposing to merge the two schools to form a three form entry 3-11 primary school, with 60 FTE Nursery equivalent, and a Primary Age Social, Emotional and Mental Health (SEMH) provision. This will create a single primary school, with a nursery and a special educational needs resource base, from the start of the Spring Term in 2022.</p> <p>Harry Roberts School Governing Body was prompted by the partnership between the schools to approach Ben Jonson to consider amalgamation, in order to maintain the top-quality nursery provision at Harry Roberts, in the face of falling roles and significantly reduced funding. Both Governing Bodies reached the conclusion that to amalgamate their two schools is the best solution to optimising early years and 3-11 educational provision in the area.</p> <p>This Equalities Impact Assessment concerns the proposal to amalgamate Harry Roberts Nursery and Ben Jonson Primary Schools. It is proposed that the amalgamated school will open on 1 January 2022, catering for pupils from ages 3 to 11. The process to achieve this involves the 'technical closure' of Harry Roberts School on 31st December 2021 and the expansion of Ben Jonson School, to include nursery provision. It should be noted there will be no actual closure of school buildings.</p>
What are the aims / objectives of the policy, proposal or activity?
<p>The proposal is being put forward as part of the strategy for these two schools to move towards integrated 3 to 11 primary school provision, rather than maintain separate Nursery and Primary Schools. This is beneficial to children's education because it will optimise the expertise of the staff across the nursery and primary age range. Bringing the two schools together will provide the benefit of outstanding nursery practice underpinning top quality primary education, in a single education experience.</p> <p>Tower Hamlets has a great tradition of excellent education and values the important role that schools have in increasing the life chances of our children. The proposed amalgamation forms part of a wider review of primary school places across the borough, initiated to enhance the sustainability of schools and their ability to maintain high standards in the face of significant demographic changes in the west and east of the borough.</p> <p>From 8th February to 19th March, Ben Jonson Primary and Harry Roberts Nursery Schools, consulted their pupils, parents, staff and local communities, on the proposal to amalgamate the schools. Feedback from the consultation suggests that majority of the consultee were in support of the amalgamation, though the Nursery school staff, and Nursery parents, are saddened by the impact of reduced funding and numbers on levels of staffing at the Nursery School.</p> <p>A further four week statutory consultation was undertaken from 14th June to 12th July 2021, giving the general public and other stakeholders, the opportunity to comment or make objections on the proposal to amalgamate</p>



the schools. Five representatives were received in response to the statutory consultation. four where in support of the amalgamation, however one raised concerns for need for bilingual translation at parent meetings, to ensure that parents for whom English is not their first language, are able to contribute to the consultation and to make informed decisions.

The Local Authority has responded stating that It has been difficult to organise meetings during the pandemic, but a number of Bengali parents have contributed to the consultation and to the many informal discussions over the last year where bilingual staff were available, but translation was not requested.

The two schools are planning briefings for parents (including bilingual) for September 2021 so that new parents can also be informed, and all parents are updated on the process/progress of the proposed amalgamation.

If an amalgamation is decided, the running of the school would be overseen by a single headteacher and governing body. The primary school would bring both schools together to become one community.

The proposed amalgamation would build on and strengthen the joint working already taking place across the two schools, to:

- Provide continued access for pupils and their families to extended services and facilities.
- Develop more opportunities for the staff, such as shared training and the chance to work more closely across the curriculum and gain experience and understanding of all key stages
- Strengthen and continue developing community links which already exist.
- Ensure opportunities to enhance the educational offer, and access to resources for all our pupils embedding top quality early years provision at the heart of children's educational experience
- Develop greater financial stability to make certain we continue to improve and offer world class education.
- Increase capacity to offer a quality integrated SEMH provision for those pupils across Tower Hamlets who have additional SEND needs.



Section 3.0: Equality Impact Analysis Test:

<p>Is there a risk that the policy, proposal or activity being screened disproportionately adversely impacts (directly or indirectly) on any of the groups of people listed below? This should include people of different:</p>	<p>Yes ✓</p>	<p>No ✓</p>	<p>Comments:</p>																														
<p>Age Page 281</p>		<p>✓</p>	<p><u>Pupils:</u></p> <p>Under the proposed amalgamation, all children will remain at their current school site as both schools share one site. There will be minimal / no disruption to all children aged 3 – 11 years. No one year group will be adversely affected than others. There will not be any impact on the current year 6 children as they would have transitioned to secondary school by the proposed date of amalgamation.</p> <p>As the table below shows, pupil numbers are distributed evenly across all year groups and across the schools, with a dip noted in year 1. As the feeder school to Ben Jonson Primary School, it can be assumed that majority of the current Harry Roberts Nursery pupils would have transitioned to Ben Jonson Primary School, by the proposed amalgamation date.</p> <table border="1" data-bbox="553 1023 2007 1209"> <thead> <tr> <th>Year Group</th> <th>N1</th> <th>N2</th> <th>R</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> </tr> </thead> <tbody> <tr> <td>Harry Roberts Nursery School</td> <td>81</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Ben Jonson Primary School</td> <td></td> <td></td> <td>87</td> <td>70</td> <td>86</td> <td>84</td> <td>81</td> <td>79</td> <td>89</td> </tr> </tbody> </table> <p>The proposed amalgamation would further ensure a smooth transition From Nursery to Reception whilst maintaining a very high educational standard.</p> <p>The schools are not directly comparable with regards to educational outcomes due to one being a Nursery and the other a Primary School, however, an Ofsted inspection in November 2018 determined that Harry Roberts Nursery School was rated as</p>	Year Group	N1	N2	R	1	2	3	4	5	6	Harry Roberts Nursery School	81									Ben Jonson Primary School			87	70	86	84	81	79	89
Year Group	N1	N2	R	1	2	3	4	5	6																								
Harry Roberts Nursery School	81																																
Ben Jonson Primary School			87	70	86	84	81	79	89																								



“**Outstanding**” whilst Ben Jonson School continued to be rated as “**Good**”, maintaining this status since 2012.

Harry Roberts Nursery School: <https://reports.ofsted.gov.uk/provider/20/100888>

Ben Jonson Primary School: <https://reports.ofsted.gov.uk/provider/21/100890>

The differing needs of each age group will continue to be met. The care and importance given to each individual child, which is a strength of both schools, will always remain paramount.

Maintaining great quality early years education will be a core value for the newly established school.

Staff:

The table below shows a similar split in age ranges for each school:

Harry Roberts Nursery School	Staff age range	Total
	25 - 34	1
	35 - 44	4
	45 - 54	6
	55 - 64	6
	65 - 74	1
Ben Jonson Primary School	25 - 34	46
	35 - 44	55
	45 - 54	17
	55 - 64	8

The impact on staff, who will join together to form one staffing structure, is expected to be minimal given all staff employed at Harry Roberts Nursery and Ben Jonson Primary Schools (at the time of the proposed amalgamation) would automatically continue their employment in the new primary school and their rights would be preserved under TUPE. No redundancies are expected to occur under the proposal and where there are duplicates of posts, creative solutions will be sought to retain staff. Because of this, no particular age group will be disadvantaged over another.

Should the merger be approved in the Council’s Cabinet, there will be a full formal HR consultation, following processes agreed with the trade unions, to maximise staff strengths and build on their expertise and good will. In addition, staff across the



schools would benefit from continuity of staff policies and procedures, and the same dates for staff training days and school holidays.

Through their review of the leadership structure in both schools, the Governing Bodies from Harry Roberts and Ben Jonson Schools agreed that the headteacher post for the new Primary School would not, in effect, be vacant and therefore not subject to advertising or selection requirements. They however recognized that embedding a role for the Head of Early Years, as part of the Ben Jonson leadership team would ring fence the pay and comparative seniority of the Head of the Nursery School

Sex

✓

Pupils:

The breakdown of boys versus girls is very evenly spread within both schools although the Primary school roll is slightly weighted more towards boys than girls. Irrespective of gender, all pupils will benefit from the increased long-term educational and financial sustainability that the proposed amalgamation would bring; therefore, no adverse impact is identified regarding this protected characteristic.

	Girls	Boys	Total
Harry Roberts Nursery School	33	48	81
Ben Jonson Primary School	271	305	576

Staff:

The staff gender breakdown is weighted heavily towards women at both schools (see table below), as is the case across most primary school provision in the borough and elsewhere. However, as no redundancies are proposed no disproportionate impact on either gender is anticipated.

	Female	Male	Total
Harry Roberts Nursery School	18	0	18
Ben Jonson Primary School	109	17	126

Race

✓

Pupils:

Harry Roberts Nursery and Ben Jonson Primary Schools have a similar pupil demographic in terms of ethnicity, as evidenced



below:

Ethnicity	Harry Roberts Nursery School	Ben Jonson Primary School
Any Other Asian Background	1	4
Any Other Black Background		1
Any Other Ethnic Group	1	14
Any Other Mixed Background	4	13
Any Other White Background		10
Bangladeshi	65	491
Black - Any Other Black African Background		6
Black - Somali	1	14
Black Caribbean		3
Indian		1
Pakistani	2	4
White - British	2	10
White and Asian		2
White and Black African		1
White and Black Caribbean		1
Vietnamese		1
Information Not Yet Obtained	5	
Total	81	576

Pupils:

	EAL	Not EAL	Total
Harry Roberts Nursery School	70	11	81
Ben Jonson Primary School	408	168	576

Merging the schools will not cause any significant changes to the pupil demographic of the new school, with Bangladeshi children still the main ethnicity. Both schools have pupils with English as an additional language (EAL) so will be able to share best practice with how to support children who are bi/multi-lingual. All pupils, irrespective of ethnicity, will also benefit from



the long-term stability that should be achieved through the merger.

Staff:

Both schools have a similar staff demographic in terms of ethnicity (as evidenced below), with Bangladeshi staff in the majority. This also reflects the pupils' ethnic demography in both schools. Under the proposed amalgamation very little change is anticipated for staff on a day-to-day basis and staff conditions of service will not be affected. Because of this, no particular ethnic group will be disadvantaged over another and children of all ethnicities will therefore benefit from the continuity of having the same known staff at the school.

Ethnicity	Harry Roberts Nursery School	Ben Jonson Primary School
Any Other Asian Background		
Any Other Black Background	1	
Any Other Ethnic Group		
Any Other Mixed Background		
Any Other White Background	1	7
Bangladeshi	9	78
Black – Any Other Black African Background		1
Black – Somali	1	3
Black Caribbean	1	2
Chinese		
Indian		1
Pakistani		1
White – British	5	33
White – Irish		
White and Asian		
White and Black African		
White and Black Caribbean		
Refused		
Vietnamese		



		Total				
Religion or Philosophical belief	✓	No impact identified – no data collected and neither school is a faith school.				
Sexual Orientation	✓	No impact identified – no data collected				
Gender re-assignment	✓	No impact identified – no data collected				
People who have a Disability (Physical, learning difficulties, mental health and medical conditions)	✓	The table below shows that there are no pupils in the Nursery School with Education, Health & Care (EHC) Plans, whilst 5% of pupils in the Primary School have EHC Plans, though the percentage of pupils on SEN support is slightly higher in the Nursery School. Merging the two schools will ensure that a child’s transition from infant to juniors will be seamless, and embed a robust, inclusive approach to supporting children with SEND from age 3 to age 11. This will be fulfilled by the approved development of a primary SEMH resource provision that would be based at Ben Jonson Primary School from September 2021.				
			SEN Support	EHC Plan	None	Grand Total
		Harry Roberts Nursery School	10	0	71	81
		Ben Jonson Primary School	45	30	502	576
Marriage and Civil Partnerships status	✓	No impact identified – no data collected				
People who are Pregnant and Maternity	✓	No impact identified – no data collected				
Parents and Carers	✓	<u>Parents:</u> Formal and informal responses to the first stage consultation were largely positive, with carers and parents seeing the amalgamation as a natural next step for two successful schools. In addition, merging the two schools would give parents the reassurance that their child will not have to change school after Nursery, which adds another transition. This is especially important after COVID-19, which caused an unnatural and unexpected break in most children’s schooling. Ofsted report for both schools outlines that parental engagement and support is overwhelmingly positive. Merging the two schools together will allow for this support to be further developed, with the continued strengthening of existing community links.				



Socio and Economic		✓	<p><u>Pupils:</u></p> <p>Harry Roberts Nursery and Ben Jonson Primary share a very similar socio-economic background, with the proportion of pupils receiving Free School Meals (FSM) in the Primary School much higher than in the Nursery School.</p> <table border="1" data-bbox="560 411 1832 523"> <thead> <tr> <th></th> <th>FSM Eligible</th> <th>No FSM</th> <th>%</th> <th>Grand Total</th> </tr> </thead> <tbody> <tr> <td>Harry Roberts Nursery School</td> <td>9</td> <td>72</td> <td>11</td> <td>81</td> </tr> <tr> <td>Ben Jonson Primary School</td> <td>210</td> <td>366</td> <td>36</td> <td>576</td> </tr> </tbody> </table> <p>Merging both schools should benefit children of all backgrounds via the sharing of existing good practice. "Pupil premium funding is used effectively to support disadvantaged pupils. Any barriers to learning are quickly identified, and intervention activities are targeted to close gaps that help them learn. Consequently, disadvantaged pupils and other vulnerable pupils make good progress in most year groups." Ofsted 2012 - Ben Jonson Primary School.</p>		FSM Eligible	No FSM	%	Grand Total	Harry Roberts Nursery School	9	72	11	81	Ben Jonson Primary School	210	366	36	576
	FSM Eligible	No FSM	%	Grand Total														
Harry Roberts Nursery School	9	72	11	81														
Ben Jonson Primary School	210	366	36	576														
People with different Gender Identities		✓	No impact identified – no data collected															

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If you have answered **Yes** to one or more of the groups of people listed above, **a full Equality Impact Assessment is required.** The only exceptions to this are listed in sections 5.1 and 5.2 of this document.

Section 4.0: Justifying Discrimination:

Are all risks of inequalities identified capable of being justified because there is a:

- (i) *Genuine Reason* for implementation
- (ii) The activity represents a *Proportionate Means* of achieving a *Legitimate Council Aim*
- (iii) There is a *Genuine Occupational Requirement* for the council to implement this activity

✓

✓
✓

Section 5.0: Conclusion

Before answering the next question, please note that there are generally only two reasons a full Equality Impact Analysis is not required. These are:



5.1 The policy, activity or proposal is likely to have **no or minimal impact** on the groups listed in section three of this document.

5.2 Any discrimination or disadvantage identified is **capable of being justified** for one or more of the reasons detailed in the previous section of this document.

5.3 Conclusion Details:

5.4 Do you recommend a fully Equality Impact Analysis is performed ?

Yes

No

If you have answered **YES** to this question, please proceed to section 6.0 Sign Off.

If you have answered **NO** to this question, please detail your reasons in section 5.5 (across) before proceeding to section 6.0 Sign Off.

5.5 Reasons a full Equality Impact Analysis is not required:

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On a day-to-day basis, very little will change for children as there will be no need for any pupils to move to another school under this proposal. The care and importance given to each individual child, which is a strength of both schools, will always remain paramount. As a result, the impact on pupils with protected characteristics will not be significant, with no one group more adversely affected than others.

Owing to falling rolls and reduced funding, Harry Roberts Nursery are currently undergoing a staff restructure unrelated to the proposed amalgamation, however some members of staff at the nursery school appeared to attribute the restructure as being a consequence of the amalgamation.. This therefore needs to be reclarified in future staff sessions regarding the staffing re-organisation.

Very little change is anticipated for staff on a day-to-day basis under the proposal, All staff employed at the Nursery and Primary Schools (at the time of the proposed amalgamation) would automatically continue their employment in the new primary school, and their rights would be preserved under TUPE. If the amalgamation progresses, there will be a full HR consultation following processes agreed with the unions, to maximise staff strengths and build on their expertise and good will. Where there are duplicates of posts, creative solutions will be sought to retain staff. As a result, the impact on staff with protected characteristics will not be significant, with no one group more adversely affected than others.

Based on the findings of the EA, the proposal is robust. The proposal ensures increased equality of opportunity in regard to improved educational outcomes for all Harry Roberts Nursery and Ben Jonson Primary pupils. This would ensure that pupils will leave primary education with a robust education and having had the opportunity to participate in enriching extra-curricular activities. It is anticipated that an amalgamation will further enhance community links, with shared resources and outreach strategies helping to build upon existing successful programme of activities. Nursery provision will continue to provide the universal 15 funded hours for all 3- and 4-year olds as well as 30 funded hours for 3 and 4 year olds with working parents.



Section 6.0: Sign Off:

Signed

Date:

Name:

Position:

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Stage One Public Consultation on the proposal to amalgamate Harry Roberts Nursery and Ben Jonson Primary Schools from 1st January 2022

8th February 2021

The Proposal

The London Borough of Tower Hamlets, in partnership with the governors of Harry Roberts Nursery and Ben Jonson Primary Schools, are proposing to merge the two schools to form a three form entry 3-11 primary school, with 60 FTE Nursery equivalent, and a Primary Age Social, Emotional and Mental Health (SEMH) provision. This will create a single primary school, with a nursery and a special educational needs resource base, from the start of the Spring Term in 2022.

Why are we proposing the change?

Tower Hamlets Education Policy is to move towards integrated 3-11 primary school provision, rather than maintain separate Nursery and Primary Schools. We believe this is beneficial to children's education because it will optimise the expertise of the staff across the nursery and primary age range. Bringing the two schools together will provide the benefit of outstanding nursery practice underpinning top quality primary education, in a single education experience.

Both schools already work closely together and engage in joint planning, they share resources and expertise and are continually developing their links. A review of resourcing requirements, and the potential to redesign the sites to accommodate an SEMH provision, creates an opportunity to establish new governance arrangements that will unite both schools' common goals and values.

How does this affect our Headteachers?

The Headteachers at both schools are skilled, experienced leaders. For the two schools to merge to become a single primary schools one of them has to expand its age range. It would be difficult for Harry Roberts Nursery School to expand in this way because staff and governors have been focused on the youngest children, and the size of expansion beyond the early years stage would be more difficult to manage. The Senior Leadership of Ben Jonson is already very experienced in leading Early Years provision and therefore better placed to manage the addition of a nursery provision.

The Governing Bodies from Harry Roberts and Ben Jonson Schools have discussed this and agree that the headteacher post for the new Primary School would not, in effect, be vacant and therefore not subject to advertising or selection requirements.

A range of leadership structures has been considered by governors in both schools. They believe that embedding a role for the Head of Early Years, as part of the Ben Jonson leadership team would protect the pay and comparative seniority of the Head of the Nursery School, and establish a clear view that quality early years provision is a core value for the new school. This post would be ring fenced to the current Nursery Headteacher. Both schools have been working towards this model through establishing a Memorandum of Understanding (MOU) to help them move towards integrated school leadership.

If, following this and further consultation, an amalgamation is decided the running of the school would be overseen by a single headteacher and governing body. The primary school would bring both schools together to become one community, that we consider will be the best for the children. In working towards the amalgamation, the governors have set up a joint steering group and established a revised staffing structures to ensure that the school can operate efficiently and effectively.

What are the benefits of becoming a single primary school?

Further opportunities to enhance the educational offer, and access to resources for all our children; embedding top quality early years provision at the heart of children's educational experience.

Continued access for pupils and their families to extended services and facilities.

The opportunity for Foundation Stage, Infant and Junior phases to keep improving and moving forward.

Greater financial stability to make certain we continue to improve and offer world class education.

More development opportunities for the staff, such as shared training and the chance to work more closely across the curriculum and gain experience and understanding of all key stages. The strengthening and continued developing of community links which already exist.

Increased capacity to offer a quality integrated SEMH provision for those children across Tower Hamlets who have additional SEND needs.

What will it mean for the children?

The whole purpose of the merger is to create an environment that will have a positive impact on the quality of education that children receive.

In the future there would be the same policies and procedures, and the same dates for staff training days and school holidays.

Increased access to school facilities (including outdoor areas) regardless of school phase.

What will it mean for my child being part of a larger school?

On a day-to-day basis, very little will change. The differing needs of each age group will continue to be met. The care and importance given to each individual child, which is a strength of both schools, will always remain paramount.

Maintaining great quality early years education will be a core value for the newly established school.

What will it mean for the staff?

Again, very little will change on a day-to-day basis. Staff conditions of service will not be affected. Both Harry Roberts Nursery and Ben Jonson Primary School have needed to review staffing structures because of financial constraints.

All staff employed at the Nursery and Primary Schools (at the time of the proposed amalgamation) would automatically continue their employment in the new primary school, and their rights would be preserved under TUPE.

Each year, all schools review their staffing and budgets; both Harry Roberts and Ben Jonson schools have reviewed their structures as part of their budget planning activities. The amalgamation will probably require some further changes and create new opportunities for staff. If the amalgamation progresses, there will be a full HR consultation following processes agreed with the unions, to maximise staff strengths and build on their expertise and good will.

The amalgamation is not expected to require compulsory redundancies, but there will be a need to avoid a duplication of job roles. Creative solutions will be found to retain the excellent staff at both schools.

Would there be any changes to the school building?

In the event of amalgamation, the school would remain largely the same with all the existing premises being used in the most appropriate and effective way. However, it does provide an exciting opportunity to bring together early years play space and integrated nursery and reception provision. Plans are also being developed to ensure a single entrance to the school, and other possible minor adaptations.

As we settle in as one school there may be other changes which need to be made to ensure we use all the school space effectively.

Because the school will also have an SEMH specialist provision, and Bowden House Primary School will also operate on the school site there will need to be some changes to the current building arrangements. These would have to take place whether or not the schools amalgamate.

As both schools are involved in PFI contracts, these would remain in place for the new school. Some minor alterations may be necessary.

Procedure to achieve the amalgamation (merger)

It is proposed that the amalgamated school will open on 1 January 2022 catering for pupils from ages 3 to 11. The process to achieve this involves the 'technical closure' of Harry Roberts School on 31st December 2021 and the expansion of Ben Jonson School, to include nursery provision. It should be noted there will be no actual closure of school buildings.

Admissions

If the proposal is agreed the Primary School would be created on 1 January 2022 and the following would apply:

- September 2021 - Children who apply for nursery places at Harry Roberts and those applying for reception at Ben Jonson, will be offered places through the standard admissions process - using the agreed New School entrance for measuring distance.
- All children currently attending Harry Roberts Nursery School or Ben Jonson Primary will automatically join the amalgamated School in January 2022.

Why are we consulting you?

We want to consult you to gather your views because you are part of the school community. The governing body of the schools and the London Borough of Tower Hamlets cannot simply decide to make changes to schools without first seeking the views of parents and others. There is a legal process which must be followed before changes can be made, and it is important that the governing body and the council hear your views before deciding whether to proceed.

We have organised the following opportunities for parents and carers to share views. Because of coronavirus these must be social distancing compliant. However, we have tried to ensure that everyone has a full opportunity to respond to this consultation.

1. You can use the response form (or any other written format) at the end of this document to record your views. It can be posted to the schools, or emailed to

Consultationemailaddress:admin@harryroberts.towerhamlets.sch.uk

Consultationemailaddress:consult2@benjonson.towerhamlets.sch.uk

2. There is a box in the reception of each school where you can leave your comments, response forms and any questions.

3. The Local Authority consultant, who is supporting the schools with the consultation process will be available for 1 to1 socially distanced questions/feedback

4. If it is possible socially distanced playground meetings will be set up as per schedule below:

Tuesday 2nd March, Harry Roberts - Parents 9.15am and 2.30pm, Staff 3.30pm

Wednesday 3rd March, Ben Jonson - Parents 9.15am and 2.30pm, Staff 3.30pm

Thursday 4th March - Open meetings 8.15 am, 12.30, 6pm

If this is not possible due to Coronavirus, virtual “zoom” meetings will be set up. Meeting links will be sent closer to the time.

5. If you would like someone to phone you to answer question and discuss your views, please let your school office know and provide a contact number and a time that would suit

you.

6. School staff will create age appropriate ways of consulting with our children on their views as part of their on-line teaching.

What happens next?

The informal consultation period starts from 8th February to 19th March 2021. The last page of this document can be used to feedback your view to governors, so please return it to the schools' office. Following the consultation process, the governors will consider your views and decide whether or not to recommend to the council to proceed with the next stage of consultation for the schools' amalgamation.

The decision to amalgamate the schools has to be taken by the council, but it must take consultation responses, and school governors' recommendations into account.

In the first half of the Summer Term the council will feedback to you on the consultation. In April, the council's cabinet (or the Mayor's Decision Panel) will decide whether to publish statutory notices proposing the amalgamation. Once the statutory notices are published, everyone has four weeks where they can respond to the council regarding the proposal. The notices will be posted early in May 2021 and will explain how to make responses.

The final decision to amalgamate the schools will be taken by the Local Authority at its Council Cabinet meeting in September 2021.

How can I get more information on the proposal?

The council will publish the feedback from the consultation on its website during the Summer Term.

If permission is granted to publish a statutory notice, further details of this proposal will also be available in the Consultation hub of the Tower Hamlets Council website. This document will also be available on both schools' websites, along with the papers that the governors have considered before consulting with you:

<https://www.harryroberts.towerhamlets.sch.uk>

<https://www.benjonson.towerhamlets.sch.uk>

Thank you for taking the time to consider our proposal, we look forward to hearing your views.

Harry Roberts Chair of Governors. Ben Jonson Primary Chair of Governors

	Harry Roberts Nursery School	Ben Jonson Primary School
I have child/ren attending	<input type="checkbox"/>	<input type="checkbox"/>
I am a staff member at	<input type="checkbox"/>	<input type="checkbox"/>

Proposal to Amalgamate Harry Roberts and Ben Jonson Schools – Response Form

Our proposal is to bring together Harry Roberts and Ben Jonson Schools.

This would create an all-through 3-11 Ben Jonson Primary School from 1 January 2022. We welcome your views on this proposal. Please fill in this response form and return it to the address below no later than 5pm, 19th March 2021

1) Do you agree with the proposal to amalgamate our two schools to become one school?
Please tick as applicable

Yes		No	
-----	--	----	--

2) If you like the proposal, please say why you think it is a good idea?

3) If you dislike the proposal, please tell us why you are concerned?

4) Any other comments?

I am a governor at	<input type="checkbox"/>	<input type="checkbox"/>
Other (please describe)		

Your Name (Optional) _____

Please return this form to the relevant school by 22nd July 2021. Feedback from question one will be summarised numerically. Comments will be typed-up and anonymised. This information will be made available to the public (via the school website), but all respondents' comments and information will be anonymised.

Stage One Consultation Feedback Report Harry Roberts and Ben Jonson Schools

(March 12th, 2021)

Report compiled by Dr Helen Jenner, Independent Consultant, Tower Hamlets Primary Review.

Introduction

This report summarises the planning undertaken to lead to a public consultation, and the responses to that consultation, on whether or not Harry Roberts and Ben Jonson School Governing `bodies should agree at their next meetings to ask the Local Authority to move to statutory consultation on a possible amalgamation between their schools from January 2022

Background

The Tower Hamlets Primary Review commissioned an Independent Consultant, Dr Helen Jenner, to work with schools they had identified as being at risk due to demographic change in the Borough. As well as working with the schools, Dr Jenner was asked to produce a public report “Future Ambitions”¹ setting out principles for developing school relationships and partnerships for resilience and excellence. This document was shared with all Headteachers, Unions and Governors in March 2019. Regular updates on the Primary Review have been included in the termly Director’s Report for Governors.

Harry Roberts and Ben Jonson Schools Governing Bodies are both committed to maintaining quality early years and primary education for their community. They work in close partnership to support their children and families.

Harry Roberts School Governing Body was prompted by the partnership between the schools to approach Ben Jonson to see if they would consider amalgamation, in order to maintain the top-quality Nursery provision at Harry Roberts, in the face of falling roles and significantly reduced funding.

Both Governing Bodies reached the conclusion that to amalgamate their two schools is the best solution to optimising early years and 3-11 educational provision in the area.

Governors Planning

A Steering Group, consisting of the Headteachers, and a governor rep from each school, supported by the Independent Consultant, has led the work on considering the implications of the proposal for both Harry Roberts Nursery school and Ben Jonson Primary School. Other school staff have joined the meetings when appropriate and there has been regular feedback to both governing bodies.

A consultation document² was prepared and agreed with the Local Authority. This was given in paper copy to all parents, circulated to Tower Hamlets Headteachers, through the Headteacher’s Bulletin; emailed to staff unions and governors, and the Secretary of State has been notified of potential changes.

¹ The Future Ambitions Report is available on the Tower Hamlets Primary Review Website.

² Included in Appendix “Supporting Documents”

Information about the consultation was also placed on the school website. Parents and staff have been sent regular updates about the proposal and zoom meetings they can attend to express their views.

Because of coronavirus open meetings were not held, however a range of ways to feed into the consultation were organised:

We organised the following opportunities for staff, parents and carers to share views.

1. A response form (or any other written format) at the end of the consultation document to record views to be emailed, posted, or handed to the school.
2. A special email address was set up at each school for comments
3. 10 Virtual meetings were set up, including one with Sylheti/ Bengali translation.
4. Staff were provided with a briefing note to respond to any queries from parents.

Governors agreed responses from the different forms of consultation should be summarized in a report for Governors, to be sent to the Steering Group, by the end of March 2021, The Steering Group will consider responses so far on 16th March

Alongside the amalgamation consultation there has also been an organizational change consultation at Harry Roberts School, where staffing reductions have had to be made to address reduced funding and falling roles. The proposed staff changes are not as a result of the amalgamation process.

Consultation Response

Zoom meetings

Zoom meetings were available for staff and parents to attend. Three meetings were available for Harry Roberts, 3 for Ben Jonson and 3 for participants from either school.

A summary of the 9 meetings held to date (2,3 and 4th March) is available in Appendix "Responses". This outlines the range of issues raised, the number of responses received, the queries raised and includes initial responses to those queries.

Attendance at zoom sessions:

Numbers at each zoom meeting

		Staff	Parents	Governors	HT	Independent	
2nd March	9.15	1	3	1	1	1	HR
	2.30		1	1	2	1	HR
	3.30	15		1	1	1	HR
3rd	9.15	1	8	2	2	1	BJ
	2.30	1	4	2	1		BJ
	3.30	10		2	1		BJ
4th	8.15			2	3	1	Open
	12.30	2		1	2	1	Open
	18.00			1	2	1	Open

Those meetings shaded light green were positive about the proposal. Those that spoke at the meeting shaded yellow expressed significant reservations. Several people attended more than one meeting.

The overall numbers of participants were:

Total attendees

Numbers	BJ	HR
Staff	10	15
Govs	2	1
Parents	11	5
HT	1	1
Overlappers	1 Gov/parent 2 parents children in both 5 parents experience both	

Those groups shaded green were positive about the proposal, of those that spoke in the meetings those shaded yellow expressed significant reservations.

The responses have been analysed, using thematic coding, key themes are -

- The majority of participants in the meetings felt that the amalgamation would be in children’s interests, although a small number worried that the outstanding Nursery provision might be challenging to maintain in a Primary School.
- Many participants recognised the potential for the two schools to be “more than the sum of their parts” if they came together.
- School staff particularly recognised the opportunity to share expertise across their schools.
- Parents particularly recognised the benefits their children had from attending Harry Roberts Nursery School and feel that amalgamation would support transition to Primary School and could give a really strong start to school.
- Many participants recognised that the amalgamation could be a strong way to ensure quality early education is protected, against a backdrop of reduced funding.
- Some staff raised anxiety that in a large primary school the importance of early years education might be overlooked.
- Several participants sought re-assurance over premises and organisational issues moving forward.
- A few people considered that the loss of Nursery Schools will significantly reduce the quality of early years education.

Written Responses

Eleven written response have been received.

	Governors	Staff	Parents	
BJ	5	1	1	1 parent also a governor
HR	2	4	1	2 staff members are governors
	Just GB 4	5	2	

8 responses were strongly positive and viewed the amalgamation as a real benefit for children, two felt the amalgamation was the best option in difficult circumstances, and one felt it was not a positive option.

One response raised concerns about the staffing reductions being made at Harry Roberts and the impact this would have, and whether parents were aware of the staffing reductions this response flagged the concern around loss of Nursery Schools as centres of excellence.

Several responses flagged the importance of maintaining quality early years education through a positive child centred amalgamation.

The funding reductions that have led to the need to reduce posts at Harry Roberts were also raised by two respondents.

Both Headteacher's have contributed to the consultation process and have put forward the following summary statements:

Alex	Amalgamation is a positive and constructive solution to enabling Harry Roberts Nursery to continue to give the children the best education and care that we can. It will build on the existing good working relationship that we have with Ben Jonson School. It is important that we hold on to our excellent early years practice and consolidate this further together.
Monica	Harry Roberts and Ben Jonson have always worked closely together to serve the local community. Though the notion of amalgamation has been arrived at as a pragmatic solution in this financial climate we are very excited about the prospect of ensuring the ethos, quality and expertise of the nursery thrives in the context of a 3 – 11 school.

Feedback to stakeholders

It is recommended that this Consultation Summary and the "Amalgamation Feedback Summary" be posted on the school website and be emailed to parents, staff and other stakeholders.

Governing Body next steps

Harry Roberts and Ben Jonson Steering Group, informed by the views of their respective governors, met on March 16th to consider this feedback report and whether they are recommending that the Local Authority move to publish statutory notices.

Harry Roberts Governing Body discussed the feedback from consultation meetings at their 4th March 2021 meeting and confirmed that despite the reservations of some members of staff at Harry Roberts, amalgamation remains the right direction of travel. Some members of staff appeared to be continuing to confuse the necessary staffing reductions at Harry Roberts as being a consequence of amalgamation, rather than caused by falling rolls and funding. This needs to be reclarified in future staff sessions regarding the staffing re-organisation. They supported Steering Group members and agreed that, provided there were no significant new responses received the Steering Group should recommend moving to statutory notice.

The Steering Group have considered the responses and feel that it would be appropriate for the Local Authority to move to statutory notices on the proposal. They recognise that some staff at Harry Roberts, in particular, remain concerned about the amalgamation. This is compounded by the need to reduce staff at Harry Roberts, regardless of the amalgamation. Whilst the presumption of protection of Nursery Schools is recognised the potential amalgamation with Ben Jonson is the only financially viable alternative to preserve quality Nursery education for the community.

Ben Jonson Governing Body met on March 25th and confirmed their commitment to the Local Authority moving to Statutory Notice.

Overview of the independent consultant

Both schools' governing bodies have taken their role in ensuring fair and thorough consultation very seriously and have worked hard to ensure all views are heard, and queries answered.

Overall, there is a strong positive response to the proposals, although Nursery school staff, and Nursery parents, are saddened by the impact of reduced funding and numbers on levels of staffing at the Nursery School.

The support for the quality of Nursery provision, and staff dedication, has been very positive. This should be a strong guide to what parents expect if the two schools do amalgamate. they wish to see excellent Nursery provision in the centre of their children's journey through 3-11 provision at Ben Jonson and believe the amalgamation could support this journey to excellence.

I can see no reason not to progress to Statutory Notices.

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Human Resources and Organisational Development Organisational Change Policy

Version 1.0

Implemented: October 2020



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 - Changes to contractual terms with no risk of redundancy
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Further information and advice

Appendix 1 – Appeals Procedure

1. INTRODUCTION

- 1.1 Tower Hamlets aims to provide best value services to our community and regards its staff as its most important asset to do this. Changes to service delivery within the organisation are inevitable, and the council wants to accommodate these changes in a positive way, wherever possible.
- 1.2 Restructuring and reorganisation is constant within local government, often arising from changing service needs and budgetary pressures. Recognising that change often causes instability for the individual, team and organisation, this procedure sets out a clear and rapid method of dealing with organisational change whilst continuing to deliver services and avoid compulsory redundancy wherever possible.
- 1.3 This policy applies to all staff directly employed by the Council. It does not apply to employees in schools under local management, to Chief Officers, or to workers employed through an agency.
- 1.4 Supplementary guidance for managers should be referred to in applying the procedure.

2. LEVELS OF CHANGE

- 2.1 There are various levels of change that require different approaches and involve different processes both for consultation on the change and for moving forward with the change itself.
- 2.2 All levels of change require differing levels of engagement with Trade Unions (TU) and affected staff depending on the nature of the change. This policy sets out three levels of change and it is essential that managers, with advice from their HR Business Partner, consider which of the three levels applies. The levels are set out below:
 - Minor or Business as Usual change
 - Contractual changes (no redundancies)
 - Contractual changes (with risk of redundancies)
- 2.3 **MINOR CHANGES (Business as Usual or temporary)**
 - 2.3.1 This can include changes to the allocation of duties, changes to line management, or location within the borough, or to provide cover (e.g. for sickness absence cover or surges in workloads, changes to IT, and piloting new ways of working.)
 - 2.3.2 By their nature, such changes often occur at short notice and can be reasonably expected to improve systems and processes. They do not impact an employee's role substantively or result in potential redundancies and these minor changes are not covered by this policy.
 - 2.3.3 Deletion of vacant posts which have not been filled for more than 12 months or have been covered by an agency worker during that timeframe, may also be

deleted without the requirement for a formal consultation of the change in the establishment. Managers should communicate with the TU's and with affected teams where the vacancy is located to advise of them of the removal of the vacancy.

- 2.3.4** The principle of being reasonable and considering business requirements, applies. Guidance on this is covered in the Managers Guidance document.

2.4 CONTRACTUAL CHANGES WHERE THERE ARE NO POTENTIAL OR ACTUAL REDUNDANCIES

- 2.4.1** This can include permanent changes to working practices or times e.g. introducing 'shift' working or a change in working hours and substantial changes or additions to duties and JD's

- 2.4.2** There is a requirement to consult with the TU and affected employees. The consultation does not need to follow the format and timeframes described in Section 2.5 below as there is no minimum period of consultation; however, we will ensure, that there is a consultation period of 2-4 weeks depending on the nature and scale of the changes.

- 2.4.3** Management will inform staff of the proposed change and the reasons why the change is required and will seek to reach agreement with each employee on new contract terms.

- 2.4.4** Where individual agreement is not forthcoming, the required statutory notice to amend the contractual element will be given.

- 2.4.5** Employees may be accompanied by a trade union representative or work colleague at meetings with management.

2.5 CONTRACTUAL CHANGES WHERE THERE ARE POTENTIAL REDUNDANCIES

- 2.5.1** This can include reductions in numbers not covered by natural wastage, the closure or reduction of work in services or locations, significant permanent changes to location or changes to jobs that require substantially different skills.

- 2.5.2** These changes require formal consultation using the stages set out below. In addition to moving employees into new roles, structures and locations, managers will need to consider a range redundancy avoidance measures. This includes the placement/redeployment of employees who have no role in the newly restructured business area.

- 2.5.3** Where it is intended to make changes that may result in a potential or actual redundancy, this will be shared with the relevant recognised trade unions.

- 2.5.4** Managers should ensure that they work to at least required statutory timeframes for consultation. These are:

Formal consultation on changes which might result in redundancies:

- 30 days for 20 – 99 redundancies
- 45 days for 100 or more redundancies.

- 2.5.5** Where there is a risk of redundancy or actual redundancy there is a statutory requirement, where more than 20 redundancies are proposed, that consultation must start at least 30 days before any dismissals take effect, and 45 days before any dismissals take effect where more than 100 redundancies are made.
- 2.5.6** A consultation period commences **only** when full documentation on the proposed changes is issued to the employees affected and to the relevant union(s). Documentation will include details of the changes, such as proposed job descriptions, staffing structures, new rotas, etc. Where the change is major, such as a reorganisation of a large section or department, it may take longer to complete, and the consultation period may be extended.
- 2.5.7** The method of selecting staff into the new structures will be part of the formal consultation process. The method will be influenced by whether the total number of jobs is the same or reduced and whether the purpose and function of the jobs remain substantially the same (albeit sufficiently different from existing jobs to constitute potential redundancy). Consultation should consider direct matching into the new posts, 'pooling' for assessment interviews where employees may be suited to more than one of the new posts, ringfencing, placement to alternative roles outside the new structure but within the existing directorate and redeployment to other posts outside the new structure across the wider organisation.
- 2.5.8** A redundancy occurs when the employer dismisses an employee because there is a reduced need for employees to perform a particular kind of work. As soon as management is seriously considering a change which involves the dismissal on the grounds of redundancy of any employee, they will undertake formal consultation.

3. FORMAL CONSULTATION

- 3.1** The purpose of formal consultation is to get feedback from the trade unions and employees on means of avoiding the dismissals, discussing alternative ideas for change, reducing the numbers of employees to be dismissed, and mitigating the consequences of the dismissals. Management will:
- 3.2 Complete Formal Statutory Processes**
- 3.2.1** In situations where proposals may result in 20 or more redundancies in a 90 day period, formal statutory notification must be sent to the Redundancy Payments Service (HR1 form) as well as formal notification to the trade unions setting out its duty to consult under Section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992.
- 3.3 Consult the relevant TU for the groups of employees affected**
- 3.3.1** Consultation will start when management provide the TU with a written statement containing the following information:
- i. reason for the proposals

- ii. number and description of employees at risk
- iii. total numbers at the establishment
- iv. proposed selection method
- v. proposed method of carrying out any dismissals
- vi. proposed method of calculating any redundancy payments
- vii. proposed date in which notice letters will be issued to impacted staff (this will also include issuing notice of early termination to any staff on fixed term contracts).

3.3.1 Wherever possible, management should inform the TU ahead of formal consultation to avoid surprise and should consider involving the TU informally at an earlier stage (pre consultation).

3.3.2 Invite the TU and employees to a meeting, which commences the formal consultation, shortly after the written statement has been given to explain the proposals and answer any immediate questions.

3.3.3 Subsequently meet the TU and individual employees to hear and respond to their views. If the TU make any counter proposals, respond in writing saying what action is to be taken as a result, and explaining the reasons for that decision. Ideally all this should be done before the end of the formal consultation period.

3.4 Consult employees impacted by the proposed changes

3.4.1 Particularly where there is risk of redundancy. You can do this via briefings, letters, email etc. Keep staff informed of progress and offer individual meetings.

3.4.2 Staff may be accompanied by a TU representative or work colleague at consultation meetings with management.

3.4.3 At the end of consultation employees who are directly matched to a new role will receive written confirmation of their new role and all remaining staff will be issued with formal notice of redundancy. Implementation to the remaining new posts in the restructured service will take place concurrently with the notice periods.

4. HOW POSTS WILL BE FILLED

4.1 A suggested method for filling posts during restructuring is detailed below. This applies to selective change and redundancy situations. In some situations, the ordering may be varied where it serves to mitigate the risk of redundancy or to retain required skills and experience. The method for filling posts should be discussed with the unions at the outset of the process and explained in the consultation documentation.

4.2 Stage 1: Direct Matching

4.3.1 Where a post in the new structure is the same or substantially the same as the existing post. A direct match can be considered for roles within 2 grades up or down of the new post and where there is just one employee for the job, then the employee should be slotted into the job automatically, i.e., matched to the new

post without the need for an interview. As a guide, there must be at least a 70% match between the current and proposed job description and matching should be based on the main functions and activities of the roles.

4.3 Stage 2: Pooling and competitive appointments

4.3.1 Where there is a post in the new structure which is the same or substantially the same as the existing post (as above), and is within 2 grades up or down of the new post and meet the 70% threshold for a direct match, but there are more employees who are eligible for the job than there are posts, employees will be subject to a competitive appointment process, i.e., they will each compete for the posts available. Selection will be based on specific criteria set out in the person specification and may comprise scoring of skills, knowledge, and abilities via interviews, tests or assessment centres appropriate to the grade and type of post being filled.

4.4 Stage 3: Ring Fencing

4.4.1 Ring-fencing will apply to “at risk” employees whose posts are being deleted or where the role has substantially changed and where new roles have some similarity to their current post and are of the same grade or no more than two grades higher or lower.

4.4.2 Ring fences will be constructed on the basis of unmatched staff having a potential claim on a new post because of their “at risk” status and the similarity with their current post and grade. Staff who are ring fenced will need to take part in any internal appointment process to assess their suitability for the proposed role. Again, ringfences will normally be within 2 grades up or down of the new post.

4.4.3 In some cases, the ringfence stage may be opened out to all staff in scope of the restructure regardless of grade, where the intention is that this will mitigate the risks of compulsory redundancy and avoid staff having to go through multiple selection processes. This will be discussed with the TUs in advance of the restructure where the ringfence is applied in this way.

4.5 Stage 4: Remaining unfilled posts

4.5.1 Any posts in the proposed new structure which are unfilled through direct matching, pooling and competitive appointment or through ring-fencing will only be advertised to the current service areas affected in the first instance.

5. REDEPLOYMENT

5.1 Employees who have not been appointed to posts via Stages 2 – 4 above have the right to be considered for redeployment opportunities across the wider organisation.

5.2 Staff vulnerable to redundancy should normally have priority over others for vacant positions, with equal priority with those being considered for redeployment for ill health and disability reasons.

5.3 A suitable alternative post is one that the employee has the qualifications (where essential/relevant) and aptitude to do immediately or will have in the near future with reasonable training.

- 5.4** Redeployees will be able to be considered for jobs within two grades for their current grade but will only be directly matched to roles which are of the same grade and which are a 70% match. Where staff are redeployed to a lower graded post the employee's pay will be protected for two years, in accordance with the Pay Protection policy. Salary protection will not exceed two grades below current grade of employee. Redeployees may be considered for higher graded posts, but must satisfy the essential criteria for the roles in order to be selected.
- 5.5** The Recruitment and Resourcing team will
- match employees to any suitable vacancies based on the information contained in the employee profile forms and JDs, with a trial period;
 - resolve issues in respect of redeployment,
 - Oversee the administration of the redeployment process.
- 5.6** The Senior HR Business Partner (with responsibility for Resourcing and Recruitment) will ensure consistency of application of the Council's procedures for redeployment.
- 5.7** HR Business Partners, in conjunction with Finance, will ensure that information on suitable funded vacancies across the Council is made available to those eligible for redeployment.
- 5.8** HRBP in conjunction with the Lead Manager will identify all potential suitable alternative roles within the Directorate which could be considered redeployment opportunities for staff at risk from the restructure at the outset of the restructure and seek DLT agreement to hold the vacancies for staff potentially displaced from the restructure. The search will include roles currently filled on an interim basis by agency staff.

6. TRIAL PERIODS

- 6.1** A trial period of 4 weeks (or such longer period up to a maximum of 8 weeks as is agreed beforehand for the purposes of retraining) should be given for all redundancy redeployments.

7. SELECTION FOR REDUNDANCY

- 7.1** Selection must be on the basis of factors which select the most capable employees to perform the jobs that remain. It must be done free of any bias that contravenes the Council's equalities policies. It will normally be done on the basis of selection assessment and/or interviewing those in the vulnerable group as though a recruitment process were operating, with judgements made by the interview panel on the basis of the essential requirements of the job, as illustrated by the written person specification.
- 7.2** We may need to choose individuals from within the selection pool if there are not enough volunteers for redundancy. These choices will be based on objective criteria such as:

- length of service (only as one of a number of criteria)
- attendance records
- disciplinary records
- skills, competencies and qualifications
- work experience
- performance records

7.3 Volunteers for redundancy will normally be invited from amongst the group at risk of redundancy and from others whose jobs would provide suitable alternative work for those at risk of redundancy.

7.4 Volunteers must be told that the final selection is at the discretion of the Council, and they will not be selected if this means that the Council does not keep the best people for the jobs remaining.

7.5 This is a private and confidential matter between the manager and the employee. Where voluntary redundancy is refused, a written justification by the manager will be provided explaining why the role is critical to service delivery.

7.6 The Council's decision is final and there is no further right of appeal against a decision not to grant voluntary redundancy.

8. FIXED TERM/TEMPORARY EMPLOYEES

8.2 In accordance with the The Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, employees on a fixed term contract should be treated no less favourably than a permanent member of staff.

8.3 In genuine redundancy situations, fixed term/temporary employees with more than 2 years' service receive the same entitlement to redundancy pay as comparable permanent employees.

8.4 The specific nature of the contract should be considered when making decisions about whether fixed term/temporary employees are included in any selection processes related to organisational change. In cases where individuals have been engaged for specific purposes, i.e. covering absence/maternity cover, pending a restructure, specific projects or where they have less than one year's service at the point the structure is planned to go live, they will not be included.

8.5 Managers should seek advice from HR when planning organisational change.

9. APPEALS

9.1 The appeals procedure is attached at Appendix 1. An employee can appeal against a manager's decision **not** to grant a direct match by outlining why they believe they are a 70% direct match to the role(s).

9.2 An employee cannot appeal where they disagree with a match, since it mitigates a risk of redundancy.

- 9.3** The grounds for appeal will be only be considered where the employee considers the threshold for a direct match has been incorrectly assessed.
- 9.4** Appeals must be submitted in writing to the relevant Head of Service/Divisional Director, whichever is applicable, within 5 working days of receiving confirmation of the finalised direct match list and state why the decision was unfair or unreasonable.
- 9.5** If appealing against selection for redundancy, the employee must state why their selection for redundancy on the grounds that the procedure was not correctly followed or that the selection decision was unfair or unreasonable in all the circumstances. The employee must submit written notification of their appeal to the relevant Head of Service/Divisional Director within 5 working days of being notified of the selection decision.
- 9.6** Appeals not to grant direct match rights will be heard by an independent manager within the wider business area of change, that is not impacted by and/or involved with the change process, together with a representative from HR & Organisational Development. It is the responsibility of the relevant Head of Service/Divisional Director of the business area for change to nominate an independent manager to hear the appeal. Appeals will be heard within 10 working days of receiving the notice of appeal. The relevant Head of Service/Divisional Director will confirm the outcome of the appeal in writing 5 working days after the hearing.
- 9.7** Appeals against selection for redundancy will be heard by the relevant Head of Service/Divisional Director of the business area for change, whichever is applicable, together with a representative from HR & Organisational Development. Appeals should be heard within 10 working days of receiving the notice of appeal. The relevant Head of Service/Divisional Director will confirm the outcome of the appeal in writing 5 working days after the hearing.
- 9.8** The employee is entitled to be accompanied to an appeal hearing by a workplace colleague or an accredited trade union representative.
- 9.9** Where an employee's appeal is successful, the panel will liaise with the relevant Corporate Director to determine whether it is necessary (dependant on the circumstances of the case) to rerun the selection process or re-examine the specific selection criteria.

10. ROLES AND RESPONSIBILITIES

10.1 Managers

10.1.1 Managers play a key role in the organisational change process. Once a need for change has been identified and agreed, managers will be responsible to implement the required change effectively.

10.1.2 Key responsibilities are to:

- Ensure a business case is completed, signed off and approved by the senior leadership team of your business area (i.e. Directorate) before any commencement of changes begin.
- Ensure relevant budgets to fund the new changes and any potential redundancy costs are approved by finance. (see template for business case) – Annex 1)
- Access change toolkit materials and guidance on preparing for and managing change well.
- Consider measures to mitigate any adverse impacts of the change, including undertaking skills gaps analyses and commissioning training to build capability and capacity for working in the new services.
- Ensure early engagement with staff and trade unions in advance of formal consultation setting out the drivers for change, process to be followed and timescales for change.
- Follow the guidance and provisions in this procedure and supporting documents.
- Engage in a full and meaningful consultation process with staff and the TU's.
- Use the following criteria for consultation:
 - business rationale including costings
 - people impact
 - agreed schedule for engagement and implementation including timeline
 - Equality Impact Assessments (EIAs)
 - prepare the options for taking forward the change, outlining the benefits and implications of each. The level of detail will be dependent on the scale of the change to be made
 - seek approval for the change processes to be taken forward through your relevant senior leadership team meeting
 - determine and obtain project management support and expertise if required
 - establish a project team to include PMO, HROD, Finance, communication and other subject matter experts as necessary
 - ensure that, where appropriate, the following methods are used to engage with all employees involved and in scope of the change:
 - information sharing
 - consulting
 - negotiating
 - work in collaboration with the Corporate Equality Team to complete an EIA for the planned change.

9.10 Project Manager

9.10.1 Due to the size and complexities some organisational changes will require and benefit from project management expertise. The role of the project manager is to oversee the whole change exercise provide tools to ensure resources are appropriately allocated; risks managed and that the project is delivered within agreed timescales.

9.11 HR Business Partner (HRBP)

9.11.1 The HRBP is the liaison point between the business and HR. The HRBP role is a strategic one and they will be able to help senior managers make decisions on the range of staffing issues that might be raised as part of the organisational

change process. It is therefore important that managers and HRBPs begin working together before decisions that might affect employees are considered.

9.11.2 The HRBP will be responsible for:

- working with managers, enabling them to identify the appropriate change processes that match the circumstances and helping develop the business case for change, providing data on establishment, and redundancy costs etc.
- ensuring that workforce plans and timelines for the review are in place to cover the period of the change.
- bringing an awareness of 'best practice' from other parts of the organisation to enable managers to take a consistent and fair approach to change.
- bringing in other experts to assist with the change processes e.g. Employee Relations, Learning and Development, Payroll.

10.4 Employees in scope of the change process

10.4.1 Employees have an important role to play, to make sure they have the information necessary to make informed choices and to promote the positive impact of change. They can do this by:

- making themselves aware of and taking ownership of options open to them
- engaging actively in the change processes, including selection for roles redeployment. This may involve completing forms, participating in assessments, meetings and responding to consultation.
- making themselves aware of the options open to them and giving them careful consideration
- being open to re-training and developing into new roles where required.

9.12 Trade Union (TU)

10.4.1 The TU's have an important role as follows:

- representing the unions' memberships through consultation with managers throughout the process of change.
- working constructively with managers to minimise the impact of change on employees.
- providing their members with representation in cases of complaint or grievance that might arise as a result of organisational change.

For further information or advice on any aspect of this procedure, please contact your HR Business Partner or email Hr.corporate@towerhamlets.gov.uk

Appendix 1

Job Matching Appeals Procedure

1. Employee submits an appeal within 5 days of receiving the formal notification of the job matching proposals (after the indicative grades have been confirmed).
2. The DD/Service Manager will be responsible for organising the appeal meeting and sending invites to the parties involved. Where the post is a generic post, the employees will be invited to nominate a maximum of two staff to represent their case to the panel.
3. The appellants have the right to representation at the hearing and it is their responsibility to arrange this.
4. The panel will comprise of a Senior Management Representative supported by a HR BP, neither will have been involved in the review.
5. The management representative must produce a pack of information for the panel including the current and proposed JDs, the job matching proforma, the appellants grounds of appeal and a written response to the grounds of appeal. The pack should be available at least 3 days in advance of the hearing.

6. Order of the Hearing

- 6.1 The employees will present their case first (maximum of 30 minutes) to set out why they feel they should have been matched to the new job.
- 6.2 The panel and management representatives can ask questions
- 6.3 The management representative then presents their case (maximum of 30 minutes) and again take questions from the employee(s), their representatives and the panel.
- 6.4 The panel will ask each party to make their final submissions (5 minutes max each) and ask the parties to withdraw
- 6.5 If a decision cannot be made on the day, the panel should agree to provide the response in writing within 2 days.
- 6.6 There is no further right of appeal.

<p>Cabinet</p> <p>22nd September 2021</p>	
<p>Report of: Ann Sutcliffe, Corporate Director, Place</p>	<p>Classification: Unrestricted</p>
<p>Affordable Self-Build on Council Owned Land – Disposal and marketing of sites</p>	

Lead Member	<p>Councillor Danny Hassell, Cabinet Member for Housing Councillor Eve McQuillan, Cabinet Member for Planning and Social Inclusion</p>
Originating Officer(s)	Mariana Schiller (Self-Build and Co-Housing Project Manager) and Robin Sager (Regeneration Schemes Coordinator)
Wards affected	All wards
Key Decision?	Yes
Reason for Key Decision	Significant impact on wards
Forward Plan Notice Published	14 th July 2021
Strategic Plan Priority / Outcome	<p>1. People are aspirational, independent and have equal access to opportunities;</p> <p>2. A borough that our residents are proud of and love to live in;</p>

Executive Summary

The Mayor has committed to support up to 50 self-build homes over the period 2018-2022. To facilitate this, officers have produced a Self-Build Policy and separate Guidance document. Both documents were subject to consultation with members of the Self-Build Forum and the wider public. The Self-Build Policy and Guidance as well as a list of proposed Council-owned sites for self-build were approved as an Executive Decision by the Mayor at Cabinet on 25th March 2020.

The first 2 self-builds sites (Christian Street and Lark Row) were advertised on the GLA Small Sites Portal inviting bids between January and April 2021. An assessment panel was assembled to score bids and select a preferred bidder for each site based on an assessment criteria that prioritised quality over cost. The panel included Council officers as well as officers from the GLA and Community Led Housing Hub (London). Officers are also working on advertising and disposing the next two sites in the programme (Pigott Street and Smythe Street) which will follow the same process undertaken for the first two sites. Finally, officers are also looking into adding more sites to the programme for future marketing and disposal.

Recommendations:

The Cabinet is recommended to:

1. Approve disposal of Christian Street and Lark Row to preferred bidders selected by assessment panel, on a 250-year lease in accordance with the previously approved Self-Build Policy and Guidance.
2. Approve marketing and disposal of Pigott Street and Smythe Street under the Self-Build Programme, in accordance with the process undertaken for Christian Street and Lark Row.
3. Note that more sites will be added to the Self-Build Programme. Should suitable sites be identified, Cabinet will be asked to approve the inclusion of these into the programme.
4. Delegate authority to the Corporate Director of Place to market and dispose of any future sites added to the Self-Build programme in line with the process set out in this report once Cabinet has approved inclusion of any site into the Self-Build Programme.

1 REASONS FOR THE DECISIONS

- 1.1 The Self-Build Policy and Guidance were approved by Cabinet in March 2020, along with a list of Council-owned sites to be disposed for affordable self-build (Appendices 1, 2 and 3). These were developed to respond to the Mayor's election manifesto pledge to support up to 50 self-build homes during the period 2018-2022.
- 1.2 For the first two sites made available for bidding on the GLA Small Sites Portal (Christian Street and Lark Row) a total of 19 bids were received – 6 for Christian Street and 13 for Lark Row. These proposed different design principles, governance and management arrangements and number of affordable homes being delivered, but most of the bids were of high quality and in line with the Assessment Criteria and Guide to Bidders (Appendices 4 and 5). An expert panel formed by Council officers as well as officers from the GLA and Community Led Housing Hub (London) was formed to score the bids and shortlist preferred bidders for each site. Following clarifications with bidders and due diligence checks, a preferred bidder for each site will be confirmed by the assessment panel.
- 1.3 It is now key to agree disposal of these two sites to the preferred bidders selected by the panel in order to deliver on the Mayor's commitment. As established by the adopted Self-Build Policy and Guidance, the affordability of schemes will be maintained in perpetuity through a S106 agreement applied to the planning consent that will prescribe the permitted use of the

land for self-build only; apply resale price caps to the sale of the homes; and require clear allocation policies for initial and future sale or letting of self-build homes. Example S106 clauses can be found at Appendix 6.

- 1.4 Cabinet is also asked to approve marketing and disposal of the next two sites in the programme (Pigott Street and Smythe Street). They will be marketed on the GLA Small Sites Portal and bids will be assessed by an assessment panel, following the same process undertaken for Christian Street and Lark Row. Affordability of schemes will also be maintained in perpetuity through a S106 agreement, in line with the adopted Self-Build Policy and Guidance.
- 1.5 Finally, Cabinet is asked to note that officers will look into adding more sites into the programme. Should suitable sites be identified, Cabinet will be asked to approve the inclusion of these into the programme. Cabinet is also asked to approve delegated authority to the Corporate Director of Place to follow the same process that is proposed for Pigott Street and Smythe Street once future Council-owned sites are approved for self-build by Cabinet. As the Council's Self-Build Programme becomes more established and delivers on the Mayor's commitment, it is recommended approval for following the same process for future sites added to the programme in order to streamline the process. The marketing of sites will follow a process that has already shown itself to be reliable and robust given the high levels of interest for the first two sites in the programme and the fact that sites are marketed with clear, standardised contractual terms which have been developed specifically for the programme. These provide a proportionate level of control, with simplicity and efficiency in mind. This is exemplified by the standard long leasehold subject to planning. The process of scoring bids following a clear assessment criteria, which favours quality over cost, and is conducted by an experienced assessment panel has also shown itself to be reliable and robust.

2 ALTERNATIVE OPTIONS

- 2.1 Not agreeing disposal of Christian Street and Lark Row to preferred bidders may result in failure to deliver on the Mayoral commitment on self-build housing and disaffect the self-build community in the borough, particularly the groups involved in developing bids. Potentially, there could also be a breach of statutory duty in relation to the provisions of the Housing and Planning Act 2016 and the Self-build and Custom Housebuilding Act 2015.
- 2.2 Not agreeing marketing and disposal of the next two sites (Pigott Street and Smythe Street) may lead to the same consequences outlined above.
- 2.3 Not noting that more sites will be added to the programme or agreeing delegated authority to follow the same process that is proposed for Pigott Street and Smythe Street for any future Council-owned sites that are added to the Self-Build Programme may, in addition to the same

consequences outlined above, also lead to delays in progressing the programme and, as a consequence, future selected bidders missing the deadline for securing GLA grants through the London Community Housing Fund.

- 2.4 An alternative option considered was for the Council to enter into a shared equity arrangement with the self-builder with the Council providing an additional “affordability discount” (of between 20% to 50%) by way of a retained equity stake. The comments provided by the Chief Finance Officer at the pre-consultation stage for the March 2020 Cabinet report did not recommend this option.
- 2.5 Consideration was given to alternative routes of financing of schemes should bidders fail to access GLA grants due to missing the deadline. Although schemes can also be financed through loans, mortgages and personal savings/equity, it is considered that having the option to access GLA grants is crucial to ensuring that the programme is inclusive and prioritises affordability, particularly for those individuals and groups that would find it challenging to finance their projects otherwise.

3 DETAILS OF THE REPORT

Background

- 3.1 Following approval by Cabinet for the Self-Build Policy and Guidance and list of proposed sites for self-build in March 2020, officers proceeded with advertising the two first sites (Christian Street and Lark Row) on the GLA Small Sites Portal, the details of which are described below. Officers are also working on advertising and disposing the next two sites in the programme (Pigott Street and Smythe Street) by following the same process, and looking into adding more sites to the programme for future marketing and disposal.

Christian Street and Lark Row

Marketing and assessment of bids

- 3.2 Following site due-diligence work and the preparation of information packs, Christian Street and Lark Row were offered on the GLA Small Sites Portal. The bidding process was open from 29th January to 16th April 2021 (a total of 11 weeks). Included in the pack available to bidders on the portal were site particulars (Appendices 3a and 3b), Assessment Criteria (Appendix 4), Guide to Bidders (Appendix 5), S106 example clauses (Appendix 6) and Draft Lease (Appendix 7). Bidders also had access to technical information about the sites including planning statements, topographical, archaeological and geotechnical surveys as well as a tree survey and ecology report. During the bidding process, 1:1 meetings were offered to groups and individuals that were interested in bidding for the sites. There were also telephone discussions and email exchanges where clarifications were sought. A notice of intended disposal of Open Space land for the Lark Row site was published on the Docklands & East London Advertiser with contact details for any queries

and/or objections to be sent to.

- 3.3 Due to its limited size, Christian Street was open to bids from individuals and groups whereas Lark Row was only open to bids from groups. A total of 13 bids were received for Lark Row and 6 bids for Christian Street.
- 3.4 Once bidding was closed, the GLA transferred all files received to the Council. An assessment panel was formed to score the bids, including Council officers with expertise in design, social value, finance and governance. Officers from the Community Led Housing Hub (London) and the GLA were also included in the panel. In total, the panel had 5 members. The Assessment Criteria prioritised quality (80%) over cost and finance (20%). Within quality there were a number of criteria including bidders' local connection, governance (for group bids) and management for the scheme, community benefit (including affordability of units), design, value for money and deliverability. Cost included both the receipt offer for the site as well as bidders' financial models.
- 3.5 To ensure a balanced and fair decision, each criteria was assessed by at least two panel members. Once all scores had been submitted, the panel met to moderate and agree final scores. An initial shortlist for each site was drawn up and officers undertook clarifications with shortlisted bidders before they were confirmed, and due diligence checks commenced. These include checking whether household income is within the upper income cap for Shared Ownership in London (currently £90,000 per household) to comply with the affordability element of the programme.
- 3.6 The panel verified that the three highest bids for each site were high-quality, deliverable schemes that would deliver value for money and affordability so as to ensure that should the first bidders for each site fail any of the diligence checks or withdraw their bid, the panel may award sites to the second or third highest bidders.

Site disposal

- 3.7 The disposal process follows the following procedures: The assessment panel is responsible for selecting preferred bidders for each site and for undertaking eligibility checks. Cabinet is asked to agree disposal of the sites to the bidders selected and confirmed as preferred by the panel, as the latter has responsibility for ensuring that selected bids present the best offer in relation to the Self-Build Programme's strategic aims such as affordability of units, and that they have scored highest regarding the Assessment Criteria (Appendix 4).
- 3.8 Site disposal will be by way of a granting a long lease (250 years) with a reversionary interest to the Council. The disposals are subject to planning permission and the availability of finance to the self-builder. If the land is disposed to a community-led organisation, the Council will enter into an agreement to lease following the selection of the preferred community-led organisation by the assessment panel. Once planning permission has been granted, the Council will grant a head lease to the community-led

organisation. For single-unit self-build sites, the Council will enter into an agreement to lease following the selection of the preferred individual by the assessment panel. Once planning permission has been granted, the Council will grant a lease to the individual self-builder. In order to protect affordability in perpetuity, the Council will put in place appropriate restrictive covenants in the agreement to lease, the head lease and individual lease documents. Self-builders will also be required to incorporate these covenants into future leases and any rental agreements for the self-built homes.

Restrictive covenants will:

- restrict the permitted use of the land to the provision of community-led self-build housing;
- restrict the future sale or rent of the self-build homes by requiring a resale price cap to reflect any reduction in value of the land sold for self-build, equivalent to a proportion of the prevailing open market value relative to the initial discounted gross development value;
- contain a definition of community-led self-build, including the requirement that self-build homes must be occupied by individuals who are members of community-led groups and that future occupants live in the homes on the same basis and require community-led groups and individual self-builders to have in place clear allocation policies for the discounted sale or letting of self-build homes in line with agreed income brackets and caps.

These affordability covenants will be reinforced by a S106 agreement applied to the planning consent (example S106 clauses can be found in Appendix 6).

- 3.9 Once the panel confirms award of sites to preferred bidders and following Cabinet approval for the process outlined above, bidders will progress their schemes through the planning system including having pre-application meetings with Council officers. Once a planning application has been submitted, consultation will take place as set out in the Tower Hamlets Statement of Community Involvement. Once planning permission has been secured, any self-build project will need to be designed and built in accordance with the current Building Regulations and associated legislation. Self-Builders who are building on Council-owned land will be required to use the Council's Building Control team at each stage of the design and construction process.

Pigott Street and Smythe Street

Marketing and assessment of bids

- 3.10 The same process described in 3.2-3.6 would apply to the next two sites in the programme (Pigott Street and Smythe Street). Site particulars will be prepared in line with those for Christian Street and Lark Row (Appendices 3a and 3b) and bidders will have access to the same pack of information on the GLA Small Sites Portal. An assessment panel will be assembled with a similar

composition of expertise, and scoring will be based on the same Assessment Criteria (Appendix 4).

Site disposal

- 3.11 It is proposed that the same process outlined in 3.7-3.9 is undertaken for Pigott Street and Smythe Street. Therefore, Cabinet is currently being asked to agree disposal of the sites to the bidders to be selected and confirmed as preferred by the panel, as the latter will have responsibility for ensuring that selected bids present the best offer in relation to the Self-Build Programme's strategic aims such as affordability of units, and that they have scored highest regarding the Assessment Criteria (Appendix 4). The same legal procedures outlined in 3.7-3.9 would also apply.

Future sites for self-build

- 3.12 This pioneering affordable self-build housing programme has so far attracted a considerable level of demand and interest from the local self-build community and from other Local Authorities considering ways to fulfil their statutory duties to meet the needs of self-build. Bids received for Christian Street and Lark Row demonstrated a commitment to meeting local housing needs and delivering wider benefits to communities including public open spaces and community rooms/hubs as part of the proposed schemes. Moreover, the knowledge exchange between the Community Led Housing Hub (London) and the Council, as well as assembling an expert panel to score the bids, is contributing to building capacity within the Council to support more self-build and community-led housing projects. In addition to helping to ensure that the Council complies with its duties under the Housing and Planning Act 2016 and the Self-build and Custom Housebuilding Act 2015, marketing more sites for self-build will also contribute to the Council's strategic priorities, specially Priority 1: People are aspirational, independent and have equal access to opportunities and Priority 2: A borough that our residents are proud of and love to live in, by supporting communities in playing a leading role to deliver the housing that they aspire to have.
- 3.13 The report approved as an Executive Decision by the Mayor at Cabinet on 25th March 2020 contained a list of eight sites under consideration for self-build. These were agreed to be included in the Self-Build Programme. Following an assessment conducted by officers from the Development Management Team, four of these sites were considered viable in planning terms – Christian Street, Lark Row, Pigott Street and Smythe Street –, whilst the other four - Land adjacent to 251-257 Brick Lane, 82 Mile End Road, Land behind Greaves Cottages and Dora Street - were considered challenging in planning terms due to them being too small and/or constrained. Officers will continue looking at the four sites that were considered challenging to assess whether they could be brought forward for self-build. Officers will also continue working with the Housing Regeneration and Capital Delivery Teams to identify other suitable sites for self-build.

- 3.14 Once new sites are identified, these will be brought to Cabinet for approval to be included in the programme. This current report proposes that the Corporate Director of Place is given delegated authority to undertake the same process that is proposed for Pigott Street and Smythe Street for any future sites that are added to the programme. In practice, this means that once sites are approved to be included in the Self-Build Programme by Cabinet, marketing and disposal will follow the procedures explained in 3.2-3.9.

4 EQUALITIES IMPLICATIONS

- 4.1 An Equality Analysis Quality Assurance Checklist (EAQAC) was undertaken for the Self-Build Policy and Guidance and did not identify any negative impacts across the nine plus one protected characteristics. A further Equalities Screening has been undertaken to account for the specific contents of this report and it can be found at Appendix 8.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 This report seeks approval for the disposal and marketing of sites for self-build in compliance with the Right to Build requirement of the Housing and Planning Act 2016 in addition to the Self-Build Policy and Guidance adopted by the Council. The policy is state aid compliant and fulfils existing obligations in relation to best value and achieving best consideration in the disposal of Council-owned land.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 The report is seeking approval for the disposal of land at Christian Street and Lark Row to preferred bidders selected by assessment panel, on a 250-year lease for self-build homes in accordance with the previously approved Self-Build Policy and Guidance. The report is also seeking approval to market and dispose of land at Pigott Street and Smythe Street for the same purpose.
- 6.2 In relation to the disposal of Council owned land, the Council must demonstrate that it is seeking best value and achieving best consideration. As outlined in section 4 of the draft Self Build Policy, it is proposed that Council-owned land identified for disposal will be subject to a closed bidding process, with bids being evaluated against the criteria of: value for money, community benefit, deliverability, design innovation and energy efficiency with land being sold to the highest scoring bidder.
- 6.3 As a result the Council is seeking approval to dispose of these sites below market value. Independent valuations have taken place and the recommended offers do not represent the best financial consideration but are in compliance with the self-build policy and guidance previously approved.
- 6.4 However, the Local Government Act 1972 General Disposal Consent (England) 2003 permits disposals at less than best consideration where, the

disposal secures the promotion or improvement of the economic, social or environmental wellbeing of its area. This applies provided the undervalue does not exceed £2m. This consent is not, however, designed to override s123 but simply limit its effect. When disposing of land at an undervalue, authorities must remain aware of the need to fulfil their fiduciary duty in a way which is accountable to local people. Independent valuations have determined the undervalue is less than the £2m threshold.

- 6.5 Appendix 4 and 5 of the self-build policy and guidance sets out the methodology for determining a percentage cap on future sales and rental levels, should the winning bid result in land being disposed of at lower than the market value. This would essentially be the difference between the value of the completed development, and the development costs (including the reduced offer for the land), expressed as a percentage. This methodology should be applied for these sites.

7 COMMENTS OF LEGAL SERVICES

- 7.1 This report correctly states that the Self-Build Policy and Guidance were approved by Cabinet in March 2020, along with a list of Council-owned sites to be disposed for affordable self-build.
- 7.2 Local authorities are given powers under the Local Government Act 1972, subject to applicable legal constraints, to dispose of land in any manner they wish, including granting a lease. However, a disposal must be for the best consideration reasonably obtainable, as set out in section 123 of the Local Government Act 1972 (except in the case of short tenancies), unless the Secretary of State consents to the disposal. This lease would not be classed as a short tenancy.
- 7.3 However, the Secretary of State has given a general consent in 2003 (Circular 06/03: Local Government Act 1972 general disposal consent (England) 2003) to councils to dispose of land where that council considers that the purpose for which the land is to be disposed is likely to contribute to the promotion or improvement of the economic and / or social and / or environmental wellbeing of its area and residents. The second condition to this consent is that the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).
- 7.4 This report states that bids have been received which demonstrate a commitment to meeting local housing needs and delivering wider benefits to communities including public open spaces and community rooms/hubs as part of the proposed schemes (para 3.12). This is further supported by the Council including restrictions within the lease which in summary ensure that the use of the land is restricted to the provision of self-led community development, restriction of the future sale or rent of the self-build homes by requiring a resale price cap to reflect any reduction in value of the land sold for self-build, equivalent to a proportion of the prevailing open market value relative to the

initial discounted gross development value and a definition of community-led self-build, including the requirement that self-build homes must be occupied by individuals who are members of community-led groups.

- 7.5 In relation to the second condition, para 6.3 confirms that independent valuations have been determined the undervalue is less than the £2,000,000 threshold.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1 – Self Build Policy
- Appendix 2 – Self Build Guidance
- Appendix 3 – List of Proposed Self-Build Sites
- Appendix 3a – Christian Street Site Particulars
- Appendix 3b – Lark Row Site Particulars
- Appendix 4 – Assessment Criteria
- Appendix 5 – Guide to Bidders
- Appendix 6 – S106 Affordability in perpetuity example clauses
- Appendix 7 – Draft Lease
- Appendix 8 – Equality Impact Analysis Screening Tool

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

- None

Officer contact details for documents:

N/A

Tower Hamlets Affordable Self-Build Policy On Council Owned land 2019-2022

FINAL DRAFT

CONTENTS

1. Introduction
2. Delivery of Affordable Housing
3. Site Information and Pre application Advice
4. Site Evaluation and Disposal
5. Site Marketing, Expressions of Interest and Allocation
6. Consultation
7. Quality Control
8. The Community Infrastructure Levy and VAT
9. Equalities and Diversity

1. Introduction

- 1.1 This document sets out the Council's policy on self-build housing on Council owned land and a number of areas associated with the self-build process. In terms of scope, this policy applies to Council owned land within both the General Fund and Housing Revenue Account.
- 1.2 The Council is committed to supporting self-build housing. The Mayor included a pledge in the Labour Party manifesto for the May 2018 local elections to help facilitate up to 50 self-build homes over the next 4 years:

We will support self-build schemes with residents who want to build their own homes, supporting up to 50 self-build homes over the next four years¹.

- 1.3 A self-build guidance document has also been produced that explains how the Council will support residents who want to build their own homes in the borough and explains the operation of the self-build register.

2. Delivery of Affordable Housing

- 2.1 The Council will seek to deliver affordable housing in perpetuity on all Council owned sites provided for self-build. To achieve this, the Council will apply weighted criteria within the bid scoring methodology to prioritise:
 1. Households earning lower than the upper income cap for Shared Ownership in London (currently £90,000 per household). This will be assessed through the submission of an allocations policy and financial model as part of the initial bid and with household income assessed at the point of planning and before the lease is completed.
 2. Applications containing allocation policies for residents whose income is closer to the average household income in the borough.

¹ Tower Hamlets Manifesto 2018 (Labour)

3. Bid submissions from community led groups or organisation unless the site in question is only appropriate to accommodate a single dwelling unit (see 2.3 for details). All Council owned land sold for self-build will therefore follow one of the following two routes:

Community Led Self-Build – The Council will grant a long lease to a community led organisation on individual or multi-unit sites.

Individual Self Build – The Council will grant a long lease to an individual on single unit sites

- 2.2 The Council will prioritise self-build proposals that include the provision of affordable rented homes over affordable ownership schemes. In each case the homes will be owned and managed by the bidding group or organisation and may include secure tenancies or cooperative tenures. This preference will be reflected in the bid scoring methodology.
- 2.3 The Council will also prioritise proposals that optimise the density of housing on Council land, in line with planning policy. Bids will be scored on the number of homes (units) proposed in relation to planning advice on the best use of the land at the time of submission. It is the Council's expectation that for the majority of sites, this will exclude individual bidders as most sites will be capable of accommodating more than 1 home (unit).
- 2.4 Affordability in perpetuity will be achieved by including a number of "affordability covenants" in leases that:
- Restrict the permitted use of the land to the provision of community led self-build housing.
 - Restrict the future sale or rent of the self-build homes by requiring a resale price cap to reflect any reduction in value of the land sold for self-build, equivalent to a proportion of the prevailing open market value relative to the initial discounted gross development value.
 - Contain a definition of community led self-build, including the requirement that self-build homes must be occupied by individuals who are members of community led groups and that future occupants live in the homes on the same basis.
 - Requiring community led groups and individual self-builders to have in place clear allocation policies for the discounted sale or letting of self-build homes in line with agreed income brackets and caps.
- 2.5 These affordability covenants will be reinforced by a S106 agreement applied to the planning consent that:
- Prescribes the permitted use of the land for Self-Build only.
 - Applies resale price caps to the sale of the homes.
 - Requires clear allocation policies for initial and future sale or letting of self-build homes.

3. Site Information and Pre-Application Advice

- 3.1 The Council will provide general planning guidance for sites considered suitable for self-build. This may involve producing a planning statement for sites as part

of the disposal pack and information on the availability of pre-application advice.

- 3.2 The planning statement will provide self-builders with a summary of the Council's policy requirements and design considerations.
- 3.3 Applicants that are successful in applying to self-build on Council owned land will also have access to professional advice through the Tower Hamlets planning pre-application advice service.
- 3.4 Information on the Council's pre-application advice service can be found here: [Tower Hamlets planning pre-application advice](#). The Tower Hamlets Self-Build Guidance document contains advice on the assistance, including funding support, available to aspiring self-builders.

4. Site Evaluation and Disposal

- 4.1 All Council owned land proposed for disposal to self-builders will be considered by the Council's capital governance structure and evaluated against the following criteria:
 - Value for money (including how the site has been optimised for housing and the quantum of affordable dwelling units).
 - Community benefit (including local connection and level/type of affordability proposed).
 - Deliverability.
 - Design Innovation
 - Energy Efficiency
- 4.2 The disposal of the land for self-build will be by way of a grant of a long lease (250+ years) with a reversionary interest to the Council. The disposal will also be subject to planning permission and the availability of finance to the self-builder.
- 4.3 The land will be sold to the highest scoring bidder assessed against the criteria set out in 4.1 submitting closed bids to the Council. Bids will be assessed according to the following methodology: 80% quality; 20% price.
- 4.4 For self-build by a community led organisation, the Council will enter into an agreement to lease upon the selection of the preferred community led organisation. Once planning permission has been granted, the Council will grant a head lease to the community led organisation.
- 4.5 For single unit self-build sites (see 2.3 for details), the Council will enter into an agreement to lease upon the selection of the preferred individual. Once planning permission has been granted, the Council will grant a lease to the individual self-builder.
- 4.6 The Council will put in place appropriate restrictive covenants in the agreement to lease, the head lease and individual lease documents to ensure affordability in perpetuity.
- 4.7 Self-builders will also be required to incorporate these covenants into future leases and any rental agreements for the self-built homes.

5. Site Marketing, Expressions of Interest and Allocation

- 5.1 Sites that have been approved for sale by the Cabinet will be marketed through the Council's self-build web site: https://www.towerhamlets.gov.uk/ignl/housing/Self_build
- 5.2 The Council will also publicise/market available self-build sites on the [GLA small sites portal](#).
- 5.3 Expressions of Interest from prospective self-builders registered with the Council must be submitted using a **standard pro-forma**. Bidders will be asked to follow the guidance provided when completing the pro-forma. – **[Pro forma and guidance to follow]**.

6. Consultation

- 6.1 The Council will employ a 3-stage consultation process in relation to the evaluation and disposal of sites for community-led self-build:
- Stage 1 – Site Investigation and evaluation
 - Stage 2 – Pre-sale consultation
 - Stage 3 – Planning application consultation
- 6.2 **Stage 1** - The Council will inform all residents living within a 10 metre boundary of any site being investigated.
- 6.3 **Stage 2** - Where the Council intends to dispose of its land for self-build housing, it will carry out a consultation with neighbouring residents before bidding on the site is opened and the sale is put to the Cabinet for approval.
- 6.4 The resident consultation process will be managed by the Housing Regeneration Team, with each consultation managed on a bespoke basis to include:
- Involvement of local residents and TRAs.
 - Involvement of co-housing groups and self-builders.
 - Involvement of Ward Councillors.
- 6.5 **Stage 3** – Once a planning application has been submitted it will follow the usual planning process and consultation will be as set out in the *Tower Hamlets Statement of Community Involvement* which details how and when the Council will consult with local communities.

7. Quality Control

- 7.1 The Council wishes to see innovative and well-designed self-build housing, and requires that all self-build projects comply with the Council's design requirements and planning policies, including any pre-application advice, design codes and wheelchair requirements. Additionally, self-builders will be required to comply with all statutory undertakers' requirements.
- 7.2 Once planning permission has been secured, any self-build project must be designed and built in accordance with the current Building Regulations and associated legislation. Self-Builders who are building on Council owned land will be required to use the Council's Building Control team at each stage of the design and construction process.

8. Community Infrastructure Levy and VAT

- 8.1 The Community Infrastructure Levy or CIL is a transparent and fair way of ensuring that new developments contribute to the provision of essential local facilities such as roads, education, recreation and public transport.
- 8.2 All new dwellings are liable for the levy but self-builders can apply for an exemption. This exemption has to be claimed before building work commences and proof of residency and use as a sole or main home is required within 6 months of completion. If this form, or the documentary evidence is not supplied, the whole amount of the levy becomes payable. This is also the case where the dwelling is no longer the self-builder's main home or the dwelling is rented out within 3 years of completion.
- 8.3 As a self-builder, you have to apply for the exemption before commencing work by submitting the following forms:
- Form 7: Self Build Exemption Claim Form Part 1
 - Form 1: Assumption of Liability
 - Form 6: Commencement Notice

Within 6 months of completion you must also send to us the following form and documentation or the Council will clawback the CIL liability:

- Form 7: Self Build Exemption Claim Form Part 2

Documentary evidence:

- Title deed of property (with YOUR name on it)
- Compliance certificate (Building Regs completion certificate)
- Council tax certificate

Plus two of the following (with the bidders name and address on it):

- Utility bill
- Bank statement
- Electoral Roll Registration

Plus one of the following documents:

- Approved claim from HMRC VAT refunds for DIY housebuilders
- Specialist Custom Build Warranty
- Proof of approved self/custom build mortgage

8.4 Please Note – The Council will clawback CIL if you sell or let the property within 3 years of completion.

8.5 Because new build construction is exempt from VAT, self-builders can reclaim VAT on qualifying building works. The following web pages provide you with more details on reclaiming VAT.

www.gov.uk/vat-building-new-home/overview

<http://www.selfbuildportal.org.uk/vat>

9. Equalities and Diversity

9.1 The Council is committed to delivering quality services to all and will respond positively to the needs and expectations of all users of the self-build service. We are committed to eliminating discrimination on any grounds including:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation
- Socio-economic...

9.2 This is derived from our respect for every individual. This policy applies equally to everyone who applies to go on, or is on the self-build register or who accesses any part of our self-build service.

DRAFT

Tower Hamlets Self-Build Guidance 2019-2022

FINAL DRAFT

CONTENTS

1. Introduction and Definitions
2. The Self-Build and Custom Housebuilding Register
3. How do I Get on the Register
4. How the Council Uses the Register
5. Next Steps after Registration
6. Data Protection (GDPR) and Removal From the Register
7. The TH Self Build Forum
8. Further Advice and Information

1. Introduction and Definitions

- 1.1 In 2016 the Government introduced the *Right to Build* with the aim of increasing the supply of homes. Under the Housing and Planning Act 2016, the Council must keep a register of individuals and groups who want to build their own home and must give suitable development permission to enough serviced plots available to meet the demand on the register.
- 1.2 The term self-build covers both self-build and custom-build housing. These terms are defined below:
- 1.3 **Self-build housing** is where individuals or groups of individuals directly organise the design and construction of their own homes. This covers a wide range of projects including traditional DIY self-build, to projects where self-builders employ someone to build their homes, or a groups of people build their own homes together.
- 1.4 You will be actively involved in acquiring land, getting planning permission, designing, building you home. You could do all the work yourself, but it is more usual to commission an architect to design the building, and commission a builder to build it.
- 1.5 **Custom build housing** is where you work with a developer as an individual or a group to help deliver your own home. The developer may help to find a plot, manage the construction and arrange the finance for your new home. This is more of a hands-off approach but homes can be tailored to meet individual requirements with different levels of customisation.
- 1.6 **Community-led housing** is where people and communities play a leading role in addressing their own housing needs. It has many overlaps with group self-build and custom-build, but also considers the long-term ownership or management of housing, and seeks to ensure that any benefits (such as affordability) are legally protected in perpetuity.

- 1.7 **Affordable Housing** is housing that is provided at no more than 80% of the open market value at the time of sale or renting the home. Under this programme however, it is the Council's aspiration to deliver affordability in line with average incomes in the Borough. More information on this is provided in the Affordable Self-Build Policy document.
-

2. The Self-Build and Custom Housebuilding Register

- 2.1 The Council is required by law¹ to keep a register of people who are looking for land in the borough to build houses or flats and live in them as their main home.
- 2.2 The Council will principally use the register as a means of determining the demand for self-build housing in the borough. The level of demand is established by reference to the number of entries added to the Council's register during a base period (12 months).
- 2.3 It is not a requirement to be registered on the Self-Build Register to bid for a site through this Programme, though it will help prospective bidders to keep informed of news about the Programme and future site releases.

3. How do I get on the Register?

- 3.1 The only way to register for a self-build home is on the internet. To register, you need to visit the Council's web page/site on self-build housing which can be found at:

https://www.towerhamlets.gov.uk/lgnl/housing/Self_build

- 3.2 The register is in 2 parts:

Part 1 is for individuals and associations who have a local connection to Tower Hamlets and can demonstrate access to sufficient resource to purchase the land required to build homes.

To be registered on **Part 1** of the register you must meet the following eligibility criteria:

- Be over 18 years old.
- Be a British citizen, a national of an EEA state or Switzerland.
- Be *seeking* to build a home as a sole or main residence. **Part 2** is for anyone else who meets the age and nationality requirements set out below, but either does not have a local connection to Tower Hamlets or cannot demonstrate access to sufficient resource to purchase the land required to build homes.

You must also meet the following **local eligibility conditions**:

¹ These duties are set out in two Acts of Parliament – **The Housing and Planning Act 2016** and the **Self-build and Custom Housebuilding Act 2015**. In addition the **Self-build and Custom Housebuilding Regulations 2016** set out how the register should be administered. This includes the eligibility requirements for joining the register.

- Have a local connection by living and/or working in the borough for a continuous period of at least 3 years and be living/working in the borough when you apply to go on the register*.

(*Note: if you are a member of the armed services you may be exempt from this requirement).

AND

- 3.3 You can demonstrate access to sufficient resource to purchase the land required to build a self-build home/s. If you are registering as part of an association, ALL members of the association must meet these criteria to join part 1 of the register.
- 3.4 If you do not meet the local eligibility conditions, but do meet the other criteria (age, nationality, sole or main residence) you will join part 2 of the register. However, entries to part 2 of the register do not contribute towards demand (ie. the number of serviced plots that the council is required to grant development permission for).
- 3.5 Individuals and groups without a local connection to Tower Hamlets (or with a proportion of members without a connection within their group) will still be eligible to bid for sites through the Affordable Self-Build Programme, however proposals will likely be scored down on the *community benefit* criteria, which includes criteria for local connection

4. How the Council Uses the Register

- 4.1 By registering, you are assisting the Council to determine the demand for self-build housing in the borough. At this stage you are not making any commitment to build your own home.
- 4.2 In registering your application, the Council is **not** committing to provide a serviced plot of land for you to build on. Registration does not guarantee that a suitable plot will be identified, or become available within any given "base period". Each base period runs from 31 October to 30 October every year. At the end of each base period, the council has 3 years in which to grant development permission to a sufficient number of serviced plots to satisfy the demand (ie. the number entries to part 1 of the register) for that particular base period.
- 4.3 The council will monitor the number of individuals and associations/groups on the register alongside the number of development permissions granted.
- 4.4 The Council may choose to publish progress updates on its website from time to time, setting out how many people have been accepted onto the register in a given period, how many development permissions granted.

5. Next Steps after Registration

- 5.1 The Council has up to 28 days to confirm that you are eligible and have been entered onto the register. If you are registered, we will write to you to let you know within the 28 days.

- 5.2 If your application is not eligible we will write to you to explain the reasons within 28 days of determining the application.
- 5.3 If the application is from an association, we will only write to the lead contact of the association as identified in the application.
- 5.4 The Council may contact you occasionally for information to update the register and provide you with information on the availability of self-build land. It is your responsibility to inform the Council of any change of circumstances, address or contact details. If for any reason we cannot contact you, your entry will be removed from the register.

6. Data Protection (GDPR) and Removal From the Register

- 6.1 By applying for a place on the self-build register you agree that the council can use the data you provide to understand demand for self and custom build within Tower Hamlets.
- 6.2 We will not pass identifiable data from the register onto anyone outside the Council without your written consent or, in the case of groups, the person who registered the details.
- 6.3 The register will not be a public document, but the Council may publish 'headline' data from it, e.g. the number of people on the register by area of residence.
- 6.4 If you want to be removed from the register, please e-mail the Council **[\[e-mail address to follow\]](#)** with your request. We may also contact you from time to time to check whether you want to remain on the register. If we cannot contact you using the details we hold we will remove your name from the register.

7. The TH Self-Build Forum

- 7.1 If we consider that an individual or member of any association is no longer eligible for entry on the register, we will contact you in writing within 28 days of our decision to let you know. We will provide the reasons for our decision and details of the appeals process.
- 7.2 Since May 2017 the Council has been facilitating a Self-Build Forum which has been held at the Town Hall with Cabinet members attending. The forum has been the principle way in which the Council has communicated with aspiring self-builders in the borough.
- 7.3 All applicants on the register are invited and on average 25 people have been attending these meetings. In May 2017, it was agreed with the forum that the Council would seek to identify suitable sites on Council owned land for consideration for self-build.
- 7.4 In addition, the Council may encourage Private Registered Providers and owners of private land in the borough to attend the forum to bring forward sites to facilitate wider self-build provision.

7.5 Through the forum, the Council will continue to offer support and advice to those on the register, including facilitating workshops and meetings with other stakeholders interested in self-build.

8. Further Advice and Information

The following information is provided by way of reference and guidance only. The Council does not accept any responsibility for the content of external sites.

The Mayor of London is making funding available to support community-led housing through the Community Housing Fund.

If you are interested in joining or starting a self-build project, Community Led Housing London are available to guide, mentor, and support groups at an early stage. This might include help thinking through various legal and governance structures, ways to develop the homes, accessing funding and finance and long-term management.

Groups can also apply for funding to commission business plans, architectural designs, development appraisals or legal advice to secure a site, as well as setting up and training costs.

Find out more at <https://www.communityledhousing.london/our-support/groups/>

Mayor of London: [making small sites available to small builders](#)

The Self-Build Portal www.selfbuildportal.org.uk/ provides a wide range of information on self-build and custom housebuilding. It is produced by the National Custom and Self-Build Association (NaCSBA).

NaCSBA has also assembled an online toolkit to provide further information on and highlight examples of self-build and custom housebuilding from the UK and Europe. The toolkit can be found at <http://righttobuildtoolkit.org.uk/#>

There is a range of information including self-build finance providers and insurers set out on the [Build Store website](#) (please note that this is a commercial website and the Council is not responsible for its content). The Government has also prepared a [Planning Practice Guidance](#) on Self-build and Custom Housebuilding.

The construction of new build dwellings is not subject to VAT, so self-builders can reclaim their VAT within 3 months of completing the work. Further information should be sought from [HMRC](#).

Legislation – A Reminder

[The Self-build and Custom Housebuilding Act 2015](#) requires each relevant authority to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of land in the authority's area in order to build houses for those individuals to occupy as homes. [The Self-build and Custom Housebuilding \(Register\) Regulations 2016](#) made under the Act provides guidance on designing and administration of the Register. [The Housing and Planning Act 2016](#) sets out the duties local planning authorities are required to meet regarding self-build and custom housebuilding.

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APPENDIX 3 – SELF-BUILD SITES UNDER CONSIDERATION

1. SELF-BUILD SITES

- 1.1 Following an ongoing internal review of its land and a recent survey by Urban R&D, officers have identified 8 potential self-build sites. Identification of these sites came in response to the mayoral pledge to help facilitate up to 50 units of self-build.
- 1.2 In January 2019, LBTH received a grant of £75k from the GLA as part of its Small Sites Programme. This funding will cover the cost of due diligence surveys on all of the 8 sites.
- 1.3 After undertaking a number of site surveys and receiving planning input from the LPA, officers will select 2 sites to commence further consultation on and actively consider for disposal in line with the Borough's emerging self-build policy. Future sites will similarly come forward in groups of two.

2. GLA SMALL SITES PROGRAMME

- 2.1 Through supporting public landowners to undertake due diligence and site identification work, the small sites programme aims to provide a streamlined service for public sector landowners and has two interrelated aims:
 - 1) to bring small publicly owned sites forward for residential-led development; and
 - 2) to invigorate new and emerging “sources of supply” including small developers, small housing associations and community-led groups.

Taking sites through the programme

- 2.2 It is expected that sites taken through the programme will be marketed with a good level of reliable due diligence in place, in order to remove uncertainty for bidders and achieve more credible offers for landowners.
- 2.3 Sites will be marketed with clear, standardised contractual terms which have been developed specifically for the programme to provide a proportionate level of control, with simplicity and efficiency in mind.
- 2.4 This is exemplified by the standard long leasehold subject to planning and

finance model, meaning the site is retained by the landowner until development has commenced. It also provides the landowner with continuing influence over the land and thus minimises risk.

- 2.5 Landowners may choose from a set of standard contracts and have the ability to include covenants limiting the use of the site to affordable and/or community-led housing, for example. In the case of LBTH, strict covenants will be placed on the lease as set out in the policy.

3. SITES UNDER CONSIDERATION

- 3.1 The 8 sites listed below are currently being considered for future disposal for self-build. Funding has been received by the GLA to undertake due diligence on each of the sites to better determine their suitability for housing.

Site Location	Ward
1) Smythe Street, E14 0HD	Poplar
2) Pigott Street, E14 7DN	Mile End
3) Lark Row, E2 9JA	St Peter's
4) Christian Street, E1 1AY	Whitechapel
5) Land adjacent to 251-257 Brick Lane, E2 7ED	Weavers
6) 82 Mile End Road, E1 3AR	Stepney Green
7) Land behind Greaves Cottages, Coltman St, E14 7LN	St Dunstan's
8) Dora Street, E14 7TP	Mile End

Consultation

- 3.2 195 letters were sent to residents living in close proximity to the 8 sites listed above. The letter informed residents that the site has been identified as having the potential to provide a small number of additional affordable homes and site investigations will be taking place to determine suitability.

- 3.3 To date officers have received 11 responses to the letters relating to the 8 sites. 6 responses detailed concern over any potential development; 3 responses were neutral and requested to be kept in form of progress; and 2 responses were positive. The most vociferous opposition to site 7 with residents citing loss of car parking and rights of lights issues..
- 3.4 Following completion of site investigations and DLT & CLT approval for the self-build policy, a period of consultation will begin with neighbouring residents prior to seeking a cabinet decision. Consultation will be co-led with Community Led Housing London. Cognisant of the resources required to deliver effective consultation, it is felt that a maximum of two sites will be consulted on and therefore considered for disposal at any one time.

Due Dilligence

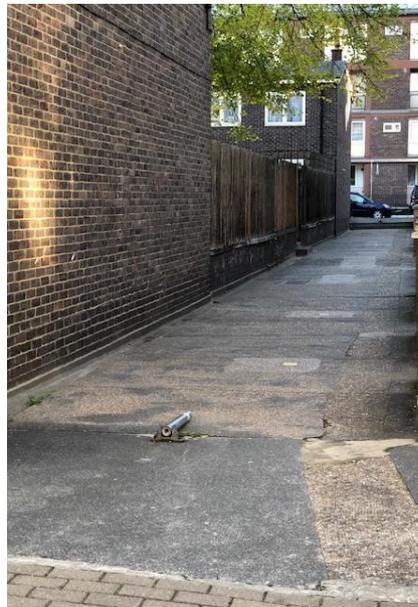
- 3.5 Survey reports have been completed for 5 of the 8 sites and we're expecting the reports for the final three sites to be completed by the end of August. From the due diligence that has been completed to date, planners have raised concern over a few of the sites. Namely, Dora St, the land behind Greaves Cottages and Mile End Road. Their concern predominantly focuses on the loss of open space, and owing to the size of the proposed developments little could be offered in terms of better quality reprovion within the immediate area. In the case of Mile End Road, concern was focused on the proximity of the site to a listed building to the east and the east-facing residential windows, along with the busy commercial location of the site.
- 3.6 In light of this, officers anticipate that the first two sites to be consulted on will be (provided planning endorsement and no adverse results from remaining due diligence):
- Lark Row (2019)
 - Christian Street (2019)

The following two sites will follow in 2020:

- Smythe Street (2020)
 - Pigott Street (2020)
- 3.7 Site images and locations of the four sites above have been appended to this document.

Site 1

Location: Smythe Street, E14 0HD
Ward: Poplar



Planning Summary:

Taking into account the likely separation distances necessary and the preferred orientation of a proposed building, it is considered that the site could possibly accommodate 1 or 2 units, depending on unit mix, within one building block that has a footprint comparable with a single regularly sized 3 or 4 bedroom house. A 3rd unit seems difficult to achieve, mindful of the need to avoid single aspect units or units within narrow frontages.

Due Dilligence Summary:

The site is currently a vacant and publicly accessible plot of land with overgrown with shrubs and a mature tree present to the southern border. The Site was previously developed as housing which was demolished between 1950 and 1962, therefore Made Ground is anticipated to be present. Identified potential off-site sources of contamination include railway sidings, electric substations, historic timber works, laundry/dry cleaners and a fire station. Given the position of these sources relative to the site

Site 2

Location: Pigott Street, E14 7DN
Ward: Mile End



Planning Summary:

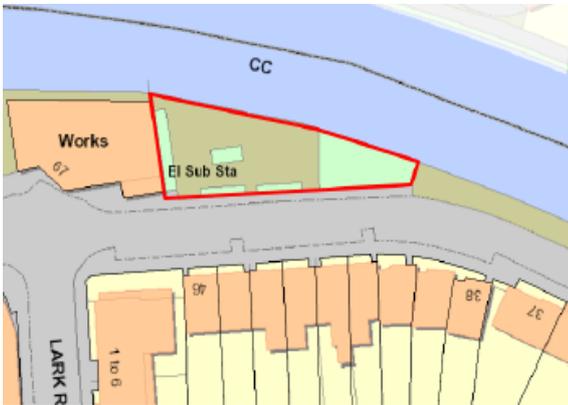
Pending – to be completed by end of August.

Due Dilligence Summary:

Pending – to be completed by end of August.

Site 3

Location: Lark Row, E2 9JA
 Ward: St Peter's



Planning Summary:

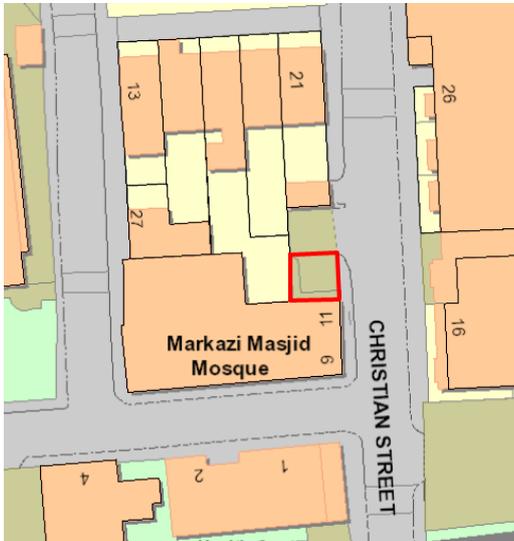
The site was left as a vacant, undeveloped plot of land following the construction of the Wellington Estate to the south. Subsequently the site was prone to being used for informal dumping and car parking, and was generally detrimental to the visual amenity of the locality. The Council is the landowner of the site and created a temporary park, as a regeneration project, by introducing planters and shrubbery. This site is not formally designated or protected as parks or open space land, and the Parks and Open Spaces team have no objections to the pre-application. Therefore the land could potentially be developed, subject to agreement with the landowner and compliance with all other policy considerations.

Due Dilligence Summary:

Pending – to be completed by end of August.

Site 4

Location: Christian Street, E1 1AY
 Ward: Whitechapel



Planning Summary:

Previously approved scheme consisted of a 3 storey building with a rear dormer in the pitched roof. This provided a commercial unit at ground floor and residential accommodation over the first, second and loft floors. However the previous proposal appears to have taken up a greater footprint than the proposed site area. In light of the above, it is considered that the site could potentially accommodate 1 or 2 residential units, depending on unit types.

Due Dilligence Summary:

The Site was previously developed as a sugar refinery and later redeveloped into terraced housing by 1916, therefore Made Ground is anticipated to be present and potential contamination related to the Sites previous industrial use may be present. Based on the current data, there are no known pre-19th century heritage assets located within the Site itself. However, there are 158 non-designated heritage assets recorded within 500m of the Site.

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Tower Hamlets Affordable Self-Build Programme



Open for bidding

Affordable self-build opportunity (residential)

On behalf of London Borough Tower Hamlets

Christian Street, E1 1AY

- Brownfield site located in Tower Hamlets
- Site area approximately 65sqm
- Long Leasehold (250 years) for sale via informal tender
- Bids from community led groups/organisations or individual self-builders only
- Part of the GLA's Small Sites Small Builders Programme



GLA Small Sites Programme

Local Authorities in London are delivering a number of small sites to the market as part of a pilot scheme for the GLA's Small Sites Programme. The programme is intended to:

Bring small publicly owned sites forward for residential-led development

Invigorate new and emerging 'sources of supply' including small developers, small housing associations, community-led housing groups and self builders.

Location

The site is situated on Christian Street in Tower Hamlets and is located approximately 330 meters to the south of Commercial Road (A13), which provides access in and out of central London.

The site is located 0.4 miles from Shadwell Overground station, which currently provides services at peak hours and 0.5 miles from Aldgate East Underground station.

The surrounding area comprises mixed residential and commercial uses in the Whitechapel area to the north. The residential areas of Tobacco Dock and Wapping are to the south towards the Thames.

The site is a 15 minute journey to Liverpool Street station, with access to national rail services.

Description

The site measures approximately 0.016 acres (0.0307ha) in size and is currently occupied by parking spaces and vehicular access to the adjacent site. The site is accessed directly from Christian Street.

The southern boundary of the site abuts the East London Markazi Masjid Mosque whilst the western and northern boundaries abut private gardens and courtyards. There is a lapsed planning consent on the site for a 3 storey single residential dwelling.

NOTE: Rights of access to the adjacent plot restrict the ground floor footprint to approximately half of the total site area (approx. 33sqm). Planning advice suggests development would be permitted above ground floor level.





Tower Hamlets Affordable Self-Build Programme



Open for bidding

Affordable self-build opportunity (residential)

On behalf of London Borough Tower Hamlets

Land at Lark Row, E2 9JA

- Brownfield site located in Tower Hamlets
- Site area approximately 350sqm
- Long Leasehold (250 years) for sale via informal tender
- Bids from community led groups/organisations only
- Part of the GLA's Small Sites Small Builders Programme



GLA Small Sites Programme

Local Authorities in London are delivering a number of small sites to the market as part of a pilot scheme for the GLA's Small Sites Programme. The programme is intended to:

Bring small publicly owned sites forward for residential-led development

Invigorate new and emerging 'sources of supply' including small developers, small housing associations, community-led housing groups and self builders.

Location

The site is situated on Lark Row in Tower Hamlets and is located approximately 250 meters to the east of Mare Street (A107), which provides access in and out of central London.

The site is located 0.2 miles from Cambridge Heath train station, which currently provides services at peak hours to London Liverpool Street in approximately 8 minutes.

The surrounding area comprises residential uses to the east and south, with a mixture of light industrial/commercial and residential land to the west.

The site is adjacent to the Regents Canal, across from which is located Victoria Park in Hackney. The main local amenities and shops are situated on Mare Street.

Description

The site measures approximately 0.09 acres (0.03 ha) in size and is currently occupied as a disused community garden. The site is accessed directly from Lark Row.

The northern boundary of the site abuts the Regents Canal whilst the western boundary abuts a light industrial building with planning approval for 4 storey residential development.

The western corner of the site comprises an area of trees and vegetation.



LBTH Affordable Self- Build Bid Scoring Criteria

This document sets out the criteria against which the Council will assess bids from community groups and individuals. The winning bid will be the one that best meets the criteria set out below:

Scoring:

Each criteria (excluding Receipt offered to LB Tower Hamlets) will be scored of 5, according to the following guidance.

A score of 0 on any of the criteria will allow the Council to disqualify that bid, irrespective of other scores.

The Council reserves the right not to select a preferred bidder following the scoring process.

5	Excellent	The bidder has provided a response that is robust and supported by suitable and relevant evidence of experience and technical and professional ability which exceeds the Council's expectations.
4	Good	The bidder has provided a response that is robust and supported by suitable and relevant evidence of experience and technical and professional ability.
3	Satisfactory	The response is compliant and the bidder has provided responses that demonstrate they meet the minimum requirements.
2	Fair	The response is superficial and generic. The bidder has provided insufficient response or the response given demonstrates limited experience and limited technical and professional ability to meet the Council's requirements
1	Poor	The bidder has provided wholly insufficient responses or the response given demonstrates very limited experience and insufficient technical and professional ability to meet the Council's requirements. Should any potential bidder be allocated with this score, its bid submission may be rejected.
0	Unacceptable	The bidder has not answered the question, has omitted information or has provided information that is not relevant and the Council is unable to determine whether the bidder possesses sufficient technical and professional ability. Should any potential bidder be allocated with this score, its bid submission may be rejected.

Assessment Criteria

Criteria	Section	Guidance	Top mark answer will include:	Sub weighting	Weighting
Cost	Receipt offered to LB Tower Hamlets	Please indicate your best financial offer for the site conditional on obtaining planning permission and development funding and subject to the contractual terms proposed for the site.	NA	50%	20%

	Financial model	<p>Please demonstrate the financial model used in your scheme. Indicating:</p> <ul style="list-style-type: none"> The number and mix of units The mix of tenures and levels of affordability Detailed breakdown of expected costs and revenues Financial Assumptions (including letters of support/intent to lend from lender if you have them) Sweat equity valuations (sweat equity is a term meaning an interest in a property earned by the community in return for labour towards upkeep or restoration, e.g. self-build/self-finish (painting the walls themselves). Show how viability relates to the proposed scheme 	<ol style="list-style-type: none"> 'Open book' approach financial model with detailed assumptions, costings, income and cashflow A bid that presents a realistic and viable proposal. 	50%	
Quality	Governance and management*	<p>Please describe the incorporation type of community-led housing organisation that applies to your group. Describe your governance structures and processes for this group, both in the design and construction period and during the ongoing management of the homes once built. To include:</p> <ul style="list-style-type: none"> Incorporation type Named roles and responsibilities Allocations / membership policy Other existing or draft policies and procedures <p>*This criterion will not be counted where bids are submitted by individuals for single unit sites.</p>	<ol style="list-style-type: none"> Clear and deliverable governance structure. Evidence of processes that ensure that governance is robust but also is guided by the overarching will of the community the group is constituted for – i.e. democratically organised. Evidence that governance structures are correctly aligned to the type of organisation set up (e.g. CLT or co-op, etc.) – communication with experts (e.g. London CLH Hub) on this matter will be marked well. Clear distinction of governance if organisations are seeking to partner with other organisations (e.g. Housing Association). Clear explanation of how homes will be managed once built. 	20%	80%
	Community benefit	<p>Please demonstrate the benefit the proposed scheme will bring to the local community and Borough of Tower Hamlets. Sections in your bid might include:</p> <ul style="list-style-type: none"> Affordability and tenure Meeting local need Additional services /facilities Community engagement (during and post development) 	<ol style="list-style-type: none"> A well communicated understanding of local needs. An appropriate and realistic response to meeting an identified local need through, for example, affordability, tenure, dwelling size, key principles and scheme design. A well thought out strategic approach to community engagement. 	20%	
	Local connection	<p>Please demonstrate your connection to London Borough Tower Hamlets based on whether you are a borough resident, cumulative time lived in the borough or connection to area through family, work, community group etc.</p>	<ol style="list-style-type: none"> Applicants demonstrate a strong narrative and local connection to the Borough of Tower Hamlets, through either time lived in the Borough, family connection, employment or involvement in community organisations/voluntary work/other. 	10%	
	Scheme design	<p>Please explain the proposed scheme design for your chosen site including:</p> <ul style="list-style-type: none"> Design principles – the guiding principles behind your scheme that respond to your group's vision and values and approach to aspects such as sustainability, public realm, materials and quality. Outline design – including site plan, floor plans, shared spaces (e.g. laundry, guest room, common house, etc.) Response to technical pack - indicate how you have considered the content of document and how your scheme and design will address the site constraints Design and construction standards to be incorporated – for instance, lifetime homes, Passivhaus, on-site energy generation, modular construction, etc. Schedule of accommodation – including number, type, tenure and built areas of all the homes proposed within the scheme. 	<ol style="list-style-type: none"> Clear translation of group vision and values into appropriate and achievable design principles, demonstrating a realistic vision for the scheme. Strong design concept, responding to the site context and group vision A clear understanding of the site constraints and contents of the technical pack. Outline architectural design that shows clarity of concept and addresses the site constraints in a way that is well thought out and appropriate to the site and its surroundings. Identification of areas where innovation could be achieved within the scheme, through, for example, energy efficiency, renewable energy, health and wellbeing, design concept, materials and construction. 	20%	
	Value for money	<p>How will your proposal deliver value for money and meet this programme and Council's strategic priorities, including:</p> <ul style="list-style-type: none"> Delivering more affordable housing Supporting strong, resilient and safe communities Encouraging better health and wellbeing 	<ol style="list-style-type: none"> Proposals that maximise efficiency of the sites (ie delivering numbers of affordable homes) and deliver high quality design, materials and construction specifications. Proposals that respond to identified social needs and deliver long term value for communities in Tower Hamlets. Proposals with a clear approach and response to identified health and wellbeing issues 	10%	

	Deliverability	<p>Please demonstrate how you plan to deliver the proposed scheme in a way that manages risk and completes within the expected timeframe. Sections in your bid might include:</p> <ul style="list-style-type: none"> • Group capacity and experience • Proposed development timeline • Detailed programme plan • Risk assessment • Finance and fundraising strategy 	<ol style="list-style-type: none"> 1. Demonstrated skills and capacity to deliver the proposed scheme, either internally within the group or to client appropriate services themselves. 2. A realistic and achievable plan for delivery. 3. A clear programme plan which maps out the various activities and milestones stated in the bid against key dates and timeframes. 4. A realistic finance and fundraising strategy mapped against key milestones. 6. A clear understanding of risks and an appropriate plan to mitigate them. 	20%	
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Tower Hamlets Affordable Self-Build Programme

Bid Guidance Pack



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1. Introduction to the Affordable Self-Build Programme

What we mean by Affordable Self-Build.

Through the Affordable Self-Build Programme, the council aims to make it easier for potential community led housing groups and individual self-builders to access the land they need to deliver more affordable housing in the borough.

As a community led group or individual self-builder you will be actively involved in acquiring land, getting planning permission, designing, building and managing your own home(s). You could do all the work yourself, or you can commission an architect to design the building and appoint a builder to build it.

Anyone can start a community led self-build group. You might be a group of friends or family, neighbours with similar interests or values, or members of an existing community group who want to build affordable housing to meet your needs.

As a group you might be interested in cohousing or other ways to live together collectively, or in providing secure, affordable housing for you and your community, for example by starting a housing co-op. There are lots of different options for how you might design and manage a self-build housing project, whether as a group or an individual household.

How sites will be released.

Sites are being released through a competitive bidding process via the GLA Small Sites Portal.

Bidding for sites is open only to community-led groups/ organisations. Where sites can only accommodate a single housing unit, bids will also be open to individual self-builders.

Sites will be awarded to the highest scoring bidder, with bids scored 80% on quality (value for money, community benefit, deliverability, design innovation etc) and 20% on the financial offer for the site. More information on how bids will be scored can be found in section 3.

The council will prioritise self-build proposals that include the provision of affordable rented homes over affordable ownership. The council will also prioritise proposals that optimise the density of housing on council land, in line with planning policy.

Once a preferred bidder is selected, the disposal of the land for self-build will be by way of a grant of a long lease (250+ years). The disposal will also be subject to planning permission and the availability of finance to the self-builder.

The diagram on page four describes how the process will work. Further details on the proposed Affordable Self-Build policy can be found

Delivering affordability in perpetuity.

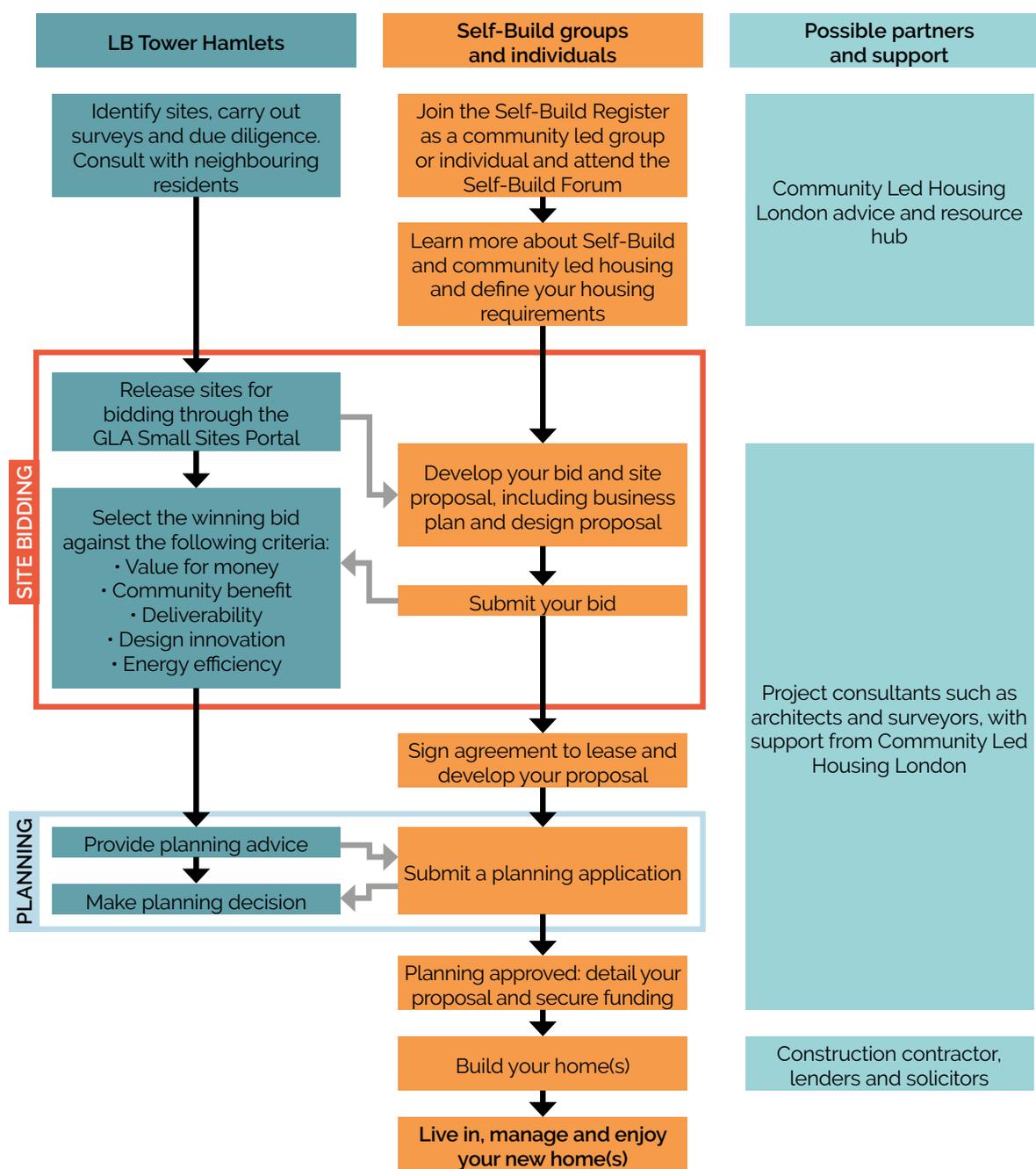
To ensure the homes built through this programme are genuinely affordable and meet the needs of borough residents, the council will apply the following measures:

1. A weighting system in the bid scoring methodology that prioritises applications that deliver homes at levels akin to London Affordable Rent, London Living Rent or other intermediate affordable levels, or contain allocation policies for residents whose income is closer to the average household income in the borough.
2. A requirement for prospective bidders to demonstrate future resident's eligibility for affordable housing in line with existing council policy. This means:
 - i) For each bidder, you should demonstrate the particular housing need(s) of your intended household(s), detailing how you will meet those needs through proposed design, tenures and levels of affordability in your proposed scheme.
 - ii) Each bidder must submit an allocations policy detailing how affordable units will be allocated to meet their identified need.

iii) For the preferred bidder, once selected you will be required to provide financial evidence (e.g. via credit checks and references) for each household intending to occupy the affordable units within the proposed scheme and agree a nominations agreement with the Local Housing Authority, where relevant.

3. The affordability achieved within the scheme will then be protected in perpetuity for any future sales or lettings through the Section 106 agreement and leasehold covenants on the property.

Process for prospective self builders



2. The Bidding Process

Who is eligible to bid for sites?

You must be a community led group or organisation, OR a named individual if proposing to build a single housing unit, to bid for sites through the Affordable Self Build Programme. As a community led group you should be legally incorporated, or be intending to incorporate soon, with an established governance structure. Any groups or individuals must be intending to live in the proposed homes as their primary and only place of residence.

You do not have to be a Tower Hamlets resident to bid for sites through the Programme. However points will be awarded in the assessment process for bids proposing to house people currently living, working or with a connection to the borough.

Structuring your bid.

Bids for sites through this programme should demonstrate a technically feasible and financially viable proposal to build homes on the given site, and the bidder's capability to deliver the scheme.

Bids should be structured around four key elements:

1. Your information, including: Group (or individual) description; your vision & objectives; identified housing need; legal incorporation and governance structure.

2. Your financial offer: Your financial offer conditional on obtaining planning permission and development funding and subject to the contractual terms proposed for the site.

3. Technical proposal: Provide an overview of your proposed scheme including:

- The anticipated number of residential units and associated square feet/metres of development, broken down by tenure as follows:
- Private Sale Units; Affordable Rented Units; Intermediate Units; Non-residential Units:

- Drawings showing the proposed layout and massing of your scheme, demonstrating how you are: Making the most efficient use of the sites; Integrating the proposals with the locality and local features, in terms of layout and massing; Demonstrating innovative and creative ways of overcoming constraints

- Please provide your plan for obtaining planning permission, appropriate to local conditions and requirements, actively addressing likely issues and describing intended engagement with the local planning authority, local communities and other stakeholders.

3. Deliverability and viability: Including:

- A financial appraisal for the proposed scheme. Financial appraisals should be submitted in full AND summarised within the main bid document.
- A summary of relevant past projects you or your project team may have been involved in. You may include images and a description of how you overcame challenges.
- Please provide your project management structure showing any consultants and/or contractors who may be involved in the delivery of the scheme.
- Please provide your project programme, showing credible timescales for key stages of planning, construction and completion of your proposed scheme.
- Please provide an overview of your approach to construction and health & safety during construction.
- Please set out the key project risks, and tangible and practical actions that can be undertaken to mitigate those risks.
- Please set out your approach to funding the scheme, including indicative sources of finance. Letters of support may be requested from preferred bidders.
- Please list the key cost and value assumptions you have used to form the basis of your financial offer, including: total Scheme Revenue; total Scheme Costs (excluding net residual land price, but including acquisition costs); total Developer Returns; total Finance Costs; finance Rate

How bids will be assessed.

Bids will be assessed in accordance with the Bid Scoring Criteria & Methodology (see separate document) by a panel of Council representatives and independent experts.

We will be looking for proposals with:

- An intention to make the most of the site in terms of residential accommodation, the affordability of units, the range of unit sizes and typologies.
- A good understanding of urban design principles, which integrate into the locality and respond to local context, in terms of layout and massing.
- A well-considered design approach, with innovative and creative ways of overcoming constraints and making the most of the site.
- A well-considered approach to environmental sustainability in the design, construction, and ongoing life of the housing.
- Good ideas on involving local communities and future residents, to turn 'new development' into homes for neighbours.

A clear and fair approach to housing allocation which prioritises households with a connection to Tower Hamlets, and ensures any affordable housing is allocated based on need and ability to pay.

What happens next?

Once a preferred bidder has been selected, they will be asked to enter into an Agreement to Lease (see separate document) and begin detailing their proposal and seeking planning permission and development finance.

Once planning permission has been granted and finance agreements are in place, the Council will transfer ownership of the site to the named organisation/individual by way of a 250 year lease.

Both the Lease and Agreement to Lease allow the Council the right to retain ownership of the site(s), should the scheme fail to be delivered on time or in accordance with the original proposal (particularly with regard to affordability).

3. Available Support

121 meeting with Council officers

The Council will be offering 121 meetings with Council officers half way through the bidding process. This will be an opportunity for prospective bidders to address any queries they may have in relation to the site(s), bidding process, lease or next steps.

Appointments will be available to book on a first come first serve basis. Details of the date and times available, and how to book will be made available on the site listing page on the GLA Small Sites Portal.

Council Self-Build Team

The Mayor of Tower Hamlets is committed to supporting self-build housing in the borough. To support this initiative we have created the position of Co-Housing and Self-Build Projects Manager whose job includes being available as a first port of call to assist anyone interested in self-build or co-housing in the borough. To get in touch contact

self-build@towerhamlets.gov.uk

Community Led Housing London

The Mayor of London is making funding available to support community-led housing through the Community Housing Fund.

If you are interested in joining or starting a self-build project, Community Led Housing London are available to guide, mentor, and support groups at an early stage. This might include help thinking through various legal and governance structures, ways to develop the homes, accessing funding and finance and long-term management.

Groups can also apply for funding to commission business plans, architectural designs, development appraisals or legal advice to secure a site, as well as setting up and training costs.

5. Supporting documents

To support bidders in preparing their bids, the following documents are available to be downloaded from the site listings on the GLA Small Sites Portal. If for any reason you are having trouble accessing these files, please contact self-build@towerhamlets.gov.uk for support.

Site particulars

Provides a summary of information about each individual site.

Technical due diligence

This contains a number of documents including technical surveys, used to aid the architectural and financial work of the bid.

Planning statement

This is a formal response from the Local Planning Authority outlining the planning policy requirements any future development on the promoted sites would need to comply with.

Title report

This details the specific rights of ownership, access, easement and other entitlements or restrictions that may apply to the site in question.

Site photos

Recent photos of the site from street level and above.

Site boundary

Gives the precise ownership boundary of the site in question.

Sample lease and Agreement to Lease

These are standard contracts under the GLA Small Sites programme and are non-negotiable. As per the conditions, the Agreement to Lease is granted upon the acquisition of full planning approval and funding offer. The Lease is then transferred upon completion of the proposed self-build scheme, .

4. FAQs

What type of organisation can bid for these sites?

Only organisations that are community led and not for profit can bid for sites through this programme. This includes Community Benefit Societies, Companies Limited by Guarantee or Cooperative Societies.

I'm an individual, can I still bid for a site?

If a site is realistically only capable of accommodating a single unit then bids from individual applicants as well as community led organisations will be accepted.

In the first round of site releases, the Christian Street site is one such site and bids from individuals will be accepted for this site.

Do I need to have all the money to build a project up front?

No, you do not need to have the finance or funds in place to build the homes at this stage. You will however be required to demonstrate that your proposal is financially viable and that you have a credible strategy in place to finance the project.

Can I build homes to rent or sell to other people?

No. As a self-build programme, the homes you build must be permanently occupied by the named individuals of the organisation that make the bid.

Can I build homes to rent or sell to other people?

No. As a self-build programme, the homes you build must be p

Get in touch

If you have any questions relating to the release of sites through the Affordable Self-Build Programme, please contact:

self-build@towerhamlets.gov.uk



Appendix 6 - Sec106 Community Led Self Build Terms

The following provides example Section 106 content for providing permanently discounted community led self-build housing. The Section 106 sits as a legal charge on the land and can only be varied by agreement of the Local Authority. The purpose of these clauses is to restrict the initial occupiers/sale and subsequent resale (and sub-letting) of Units on to eligible persons at a pre-determined discount in perpetuity.

DEFINITION OF TERMS

The following definitions (or versions of them as approved by the Council) should be included in the *Definitions* section of the Section 106 Agreement.

“Affordable Community Led Self Build” - means the building or completion by individuals or associations of individuals, of dwellings to be occupied as homes by those individuals, where affordability is clearly defined and legally protected in perpetuity.

“Site Owner” is the other party in this sec 106 Agreement, selected by the Council to sign a conditional agreement for lease, whether they are incorporated CLH organisation (e.g. self-build group) or Individual household.

“Eligible Person” – Means any person who meet the Eligibility Criteria for the Borough “Affordable Self Build Programme” [and any additional criteria defined within [successful CLH group] membership criteria].

“Eligibility Criteria” – Is the criteria agreed by the Borough and [selected Community Led Organisation] to assess the eligibility of individuals to own and rent Units. The Eligibility Criteria includes (but is not limited to) conditions that prospective residents must:

- Have been resident in the Borough for [number] years
- Have a household income of no more than [£90,000] per annum
- [Other specific criteria to be agreed]

AFFORDABLE HOUSING TERMS

General

These clauses should set out the parameters of the agreement that the successful Site Owner is entering. For example:

The Site Owner [selected CLH organisation or Individual] shall provide Intermediate Affordable Housing units with a discount of [XX%] on Open Market Value and Open Market Rent to be applied in perpetuity to all immediate and future sales and lettings.

The Site Owner shall not Occupy, cause or permit the Occupation and/or use or cause or permit the use of the Units other than as Intermediate Affordable Housing

That in respect of every lease granted assigned transferred or otherwise provided in respect of any Unit the following covenants shall be imposed:

"the lessee for himself or herself and his or her successors in title being the owner or owners for the time being and the mortgagee in possession of the terms of years hereby granted of the Unit hereby covenant with the lessor and separately with the [London Borough of Tower Hamlets] to comply with the terms of the Agreement between (1) the [London Borough of Tower Hamlets] and (2) the Site Owner [Individual or Community Led Organisation] pursuant to section 106 of the Town and Country Planning Act 1990 and dated [] and this covenant shall also be enforceable by the [London Borough of Tower Hamlets] against the Lessee and any successor in title under section 33 of the Local Government (Miscellaneous Provisions) Act 1982, section 16 of the Greater London Council (General Powers) Act 1974 and the Contracts (Rights of Third Parties) Act 1999, Section 1; and covenant not to sub-let the Units save with the prior approval of the Director of Housing as provided by clauses XX to XX inclusive of the same Agreement"

Determining the Open Market Value

The Open Market Value of the Units shall be determined as follows:

- the Site Owner will appoint a Valuer to undertake a Fair Check Valuation as at the anticipated date that

- such units will be available for first Occupation
- the Site Owner shall provide the Valuer's full written assessment to the Council for its approval
- in the event that the Council is minded not to accept the figure suggested by the Valuer for the Open Market Value then the Council shall appoint a second Valuer (who shall be independent of the first Valuer and at the cost of the Site Owner) to make a further assessment of the Open Market Value of an Unit by way of a Fair Check Valuation as at the anticipated date that such units will be available for first Occupation

FIRST OCCUPATION (OR SALE)

These clauses should describe the process and requirements for first occupation of the Units by self-builders, including a marketing program and the process for dealing with unsold units. For example:

Following the Implementation Date, the Site Owner / members of the [CLH group] Site Owner shall take up occupation of the Unit(s) with a good and marketable long leasehold title. This may involve a transaction between the Site Owner and individual owners of Units. The Site Owner / members of the [CLH group] Site Owner shall be Eligible Persons in accordance with the terms of this Agreement.

Where the Site Owner / members of the [CLH group] Site Owner are unable to take up occupation / ownership of Unit(s), prior to first occupation, not to sell or permit the sale of, nor to market or permit the marketing of the Units, other than in accordance with the Marketing Programme below.

SALES OR RE-SALES OF THE UNITS

These clauses should describe the process and requirements for selling the Units, including a re-sale marketing program and Re-sale Marketing Methods Plan units. For example:

General

An owner of a Unit desiring to sell that Unit shall comply with the terms of this Agreement

not to sell or permit the sale of any Unit to any person other than to an Eligible Person nor to Occupy or permit Occupation of the Units other than by an Eligible Person unless otherwise than in accordance with clauses below

to ensure that any disposal of a Unit pursuant to clause XX above contains a covenant restricting the subsequent disposal of that Unit in accordance with the terms of this Agreement

Marketing Programme

Not to market to sell or to permit the sale of any Unit other than in strict accordance with the following:

the owner of an individual Unit shall notify The Council in writing of the intention to sell the Unit

for the first [x] months following the date of the notification of the intention to sell the Unit (commencement of the marketing period) the owner shall not market or sell the Unit otherwise than in accordance with the Marketing Methods Plan exclusively to Eligible Persons who reside or are employed within the Borough and who meet the Eligibility Criteria.

Following the end of the Marketing Programme period not to market or sell the Units other than to Eligible Persons irrespective of where they reside or are employed.

In the event of the Marketing Programme being unsuccessful in achieving a sale of the Units such units shall continue to be marketed exclusively to Eligible Persons wherever they may reside.

Marketing Methods Plan

Prior to the Commencement of Development, the Site Owner shall submit a draft Marketing Methods Plan to the Council for approval setting out the marketing methods to be employed by the owner of a Unit for the duration of the Marketing Programme.

No owner of a Unit shall market any Unit otherwise than in strict accordance with the approved Marketing

Methods Plan as approved in writing by the Council.

To use reasonable endeavours throughout the duration of the Marketing Programme to comply with the provisions of the approved Marketing Methods Plan.

The terms of the Marketing Methods Plan may only be varied with the express written consent of the Council.

Reports to the Council throughout the Marketing Programme

To report to the Council in writing no less than once every calendar month throughout the Marketing Programme period with information including but not necessarily limited to the following:

- marketing methods employed
- outcome of the previous two months' marketing programme activities and the name address occupation and place of employment of the Eligible Person to whom any Unit was sold or is being sold
- analysis of success of the terms of the Marketing Methods Plan in general and including details of the numbers of enquiries inspections offers and so on
- any other information that the Council may reasonably request from time to time

The marketing methods employed for the duration of the Marketing Programme shall be deemed to be in accordance with the approved Marketing Methods Plan and the Marketing Programme unless the Council notifies the Owner in writing of deficiencies or omissions in the marketing methods employed within 14 days of receipt of the report submitted pursuant to clause XX above

Notification and Certification in respect of Re-Sales

Not to exchange contracts (or permit the exchange of contracts) for the sale of any Unit other than following the provision of a certificate ("the Certificate") in writing to the seller of the Unit that the Re-sale of the Unit has been carried out in accordance with the provisions of this Agreement.

not later than seven days following completion of the Re-sale of an Unit the Site Owner shall provide to the Council a copy of a Certificate together with details relevant to the status of the new owner as an Eligible Person, the sale price of the Unit, and Mortgagees of the Unit.

Mortgagees

In the event that a mortgagee of an individual unit shall become a mortgagee in possession or receiver shall be appointed then such mortgagee (or receiver) shall be entitled to sell that unit on the open market (for full open market value) only on the condition that at the point of sale, the Council shall be paid the remaining amount up to the value of the percentage discount set out above.

RENTALS OF THE UNITS

The clauses in this section should set the conditions upon which the Owner of a Unit is permitted to rent the Units, which requires Director Housing approval. Included here as an example (and may or may not be desired in full:

An owner of a Unit desiring to rent that Unit shall comply strictly with the provisions of clauses XX to XX in this Agreement not to rent out or otherwise permit the Rental of that Unit to any person other than in accordance with the following:

- that the tenant is an Eligible Person; and
- that the rent charged shall be at the discount of Open Market Rent as defined in clause XX of this Agreement with such value to be determined prior to any such letting of a Unit in accordance with clause XX of this Agreement; and
- that the Unit shall not be let or made available to let for a period of more than one year; and
- any such Rental shall be by way of an "Assured Shorthold Tenancy" as defined by the Housing Act 1988 and in the event that this legislation is amended or repealed and not re-enacted then any such Rental shall be limited to a specific duration which shall be for no more than one year; and
- before or upon the expiry of any such tenancy the Owner shall secure vacant possession of the Unit.

Not to rent out or otherwise permit the Rental of the Unit other than by first obtaining the Director of

Housing's written permission ("the Rental Certificate") in respect of each and every tenancy or rental agreement entered into and that the stipulations of such a tenancy or rental agreement shall prohibit the sub-letting of any such Unit to any other person unless that person is an Eligible Person and a Rental Certificate has been obtained in writing from the Director of Housing before the sub-let commences.

The Director of Housing shall have discretion to refuse to issue a Rental Certificate (and thereby refuse to permit the Rental of an Unit) in circumstances where an owner of an individual Unit seeks to rent it out for a term which in total would be longer than one year.

The Director of Housing shall be entitled to charge the lessor of a Unit a fee of not more than £150 (One Hundred and Fifty Pounds) plus valued added tax such a figure to be revised annually by the Director of Housing for the provision of the Rental Certificate.

The Open Market Rent of the Unit shall be determined by a Valuer appointed at the behest and expense of the owner of the Unit.

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Lease

LR1. Date of lease

LR2. Title number(s)

LR2.1 Landlord's title number(s)

LR2.2 Other title numbers

[None.]

LR3. Parties to the Lease

Landlord

The Mayor and Burgesses of the London Borough of Tower Hamlets of Mulberry Place 5 Clove Crescent London E14 2BG

Tenant

[] (**Tenant**) [of/Company Registration Number *[Details to be inserted]* whose registered office is *[Details to be inserted]*]

Other parties

[Details of relevant party to be inserted] (**Surety**) [of/Company Registration Number *[Details to be inserted]* whose registered office is at *[Details to be inserted]*]

LR4. Property

In the case of a conflict between this clause and the remainder of the Lease then, for the purposes of registration, this clause shall prevail.

The land demised by the Lease is known as *[Details to be inserted]* , defined as the **Land** in Clause 1 and more fully described in that definition.

LR5. Prescribed statements etc.

[None.]

LR5.1 Statements prescribed under rules 179 (dispositions in favour of a charity), 180 (dispositions by a charity) or 196 (leases under the Leasehold Reform, Housing and Urban Development Act 1993) of the Land Registration Rules 2003.

[None.]

LR5.2 The Lease is made under, or by reference to, provisions of:

[Leasehold Reform Act 1967]

[Housing Act 1985]

[Housing Act 1988]

[Housing Act 1996]

LR6. Term for which the Property is leased

The term as specified in the Lease at Clause 1.1.

LR7. Premium

[Insert amount in words] (£[Insert amount in numbers] [plus VAT of [Insert amount in words] (£[Insert amount in numbers]]

LR8. Prohibitions or restrictions on disposing of the Lease

The Lease contains a provision that prohibits or restricts dispositions.

LR9. Rights of acquisition etc.

LR9.1 Tenant's contractual rights to renew the Lease, to acquire the reversion or another lease of the Property, or to acquire an interest in other land

None.

LR9.2 Tenant's covenant to (or offer to) surrender the Lease

None.

LR9.3 Landlord's contractual rights to acquire the Lease

None.

LR10. Restrictive covenants given in the Lease by the Landlord in respect of land other than the Property

None.

LR11. Easements

LR11.1 Easements granted by the Lease for the benefit of the Property

[None.] [See [Schedule 1 Part1].]

LR11.2 Easements granted or reserved by the Lease over the Property for the benefit of other property

[None.] [See [Schedule 1 Part 2].]

LR12. Estate rent charge burdening the Property

None.

LR13. Application for standard form of restriction

If more than one standard form of restriction is required, then use this clause to apply for each of them, repeating the introductory words below for each restriction.

The Parties to the Lease apply to enter the following standard form restriction against the title of the Property:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a certificate signed by [*Landlord's name and address details to be inserted*] or its conveyancers that the provisions of **clause 7.7 of the Lease** dated [*insert date of Lease*] made between (1) [*insert Landlord name*] [and] (2) [*insert Tenant name*]) [and (3) [*insert Surety name*]] in respect of Land known as [*insert property address*] have been complied with or that they do not apply to the disposition (Form N)".

or

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a certificate signed by [*Landlord's name and address details to be inserted*] or its conveyancers that the provisions of Schedule [4] **paragraph [7.1] of the Lease** dated [*insert date of Lease*] made between (1) [*insert Landlord name*] and (2) [*insert Tenant name*]) [and (3) [*insert Surety name*]] in respect of Land known as [*insert property address*] have been complied with or that they do not apply to the disposition."

LR14. Declaration of trust where there is more than one person comprising the Tenant

[The Tenant is more than one person. They are to hold the Property on trust for themselves as joint tenants.]

OR

[The Tenant is more than one person. They are to hold the Property on trust for themselves as tenants in common in equal shares.]

OR

[The Tenant is more than one person. They are to hold the Property on trust (*insert here details of the trust*).]

OR

[Not applicable.]

LEASE

Dated

Between

- (1) **The Mayor and Burgesses of the London Borough of Tower Hamlets** of Mulberry Place 5 Clove Crescent London E14 2BG (the **Landlord**); [and]
- (2) [*Details of relevant party to be inserted*] (the **Tenant**) (referred to in Clause LR3 as the Tenant) (Company Registration Number [*Details to be inserted*]) whose registered office is at [*Details to be inserted*];and]
- (3) [*Details of relevant party to be inserted*] (the **Surety**) (referred to in Clause LR3 as the Surety) (Company Registration Number [*Details to be inserted*]) whose registered office is at [*Details to be inserted*].]

It is agreed:

1. DEFINITIONS

1.1 In the Lease the following definitions apply:

1954 Act means the Landlord and Tenant Act 1954

1995 Act means the Landlord and Tenant (Covenants) Act 1995

Adjoining Land means the land belonging to the Landlord which, together with the Development, is known as [*Details to be inserted*] and is shown edged [*Details to be inserted*] on the plan annexed hereto at Annex 3 marked "Plan B".]

Affordable Dwelling means [means any Affordable Rented Units or Intermediate Units as permitted by and described in the Planning Permission]

Affordable Housing means housing at the provided at no more than 80% of the open market value at the time of the sale or renting the home

Agreement for Lease means the agreement dated [*Details to be inserted*]made between the Landlord (1) [and] the Tenant (2) [and the Surety (3)] under which the Lease has been granted and any document supplemental to it or entered into pursuant to its terms.

Breach Termination Notice means a written notice served by the Landlord on the Tenant (copied to the Permitted Chargee) in the circumstances set out in clause 11.1(b) referring to that clause and the initial notice of breach and stating that failure to respond within 20 Working Days could lead to the Termination of the Lease, (such notice to follow failure by the Tenant to remedy a material breach within the period stated in the initial notice of a breach, non-performance or non-observance given to it by the Landlord in accordance with clause 11.1(b))

Commencement Date means the date which is [*Insert relevant date*] months from the date of the Lease subject to the provisions of clause [9]

Commercial Units means any building constructed or to be constructed by the Tenant in pursuance of the Agreement for Lease which is designed or intended for use exclusively for non-residential purposes together with any land forming its curtilage]

Common Areas means:

- (a) those parts of the Land not included in any Dwelling [or Commercial Unit (if any)];
- (b) those highways and Common Services not intended to be adopted as maintainable at public expense;
- (c) Open Space Land not intended to be transferred to the Council

Common Services means sewers, drains, channels, pipes, watercourses, gutters, wires, cables, pillars, turrets, amplifiers, poles, soakaways and any other apparatus for the supply, transmission or distribution of water, gas, electricity or telephone, radio or television signals or for the disposal of soil, foul water, rainwater or surface water, which are not to be adopted as maintainable at public expense.

Community Infrastructure Levy means the charge known by that name, as provided for in the Planning Act 2008 and any charge, levy, tax or imposition substituted for it and including related interest, penalties, liabilities, surcharges and costs of compliance.

Community-Led Self-Build means the building or completion by individuals or associations of individuals, of dwellings to be occupied as homes by those individuals, where the benefits to the local area and/or specified community are clearly defined and legally protected in perpetuity.

Compensation Sum means the amount calculated as the Price reduced by [any payments provided for in clause 3.2 which have not yet been paid] together with any costs properly payable to the Landlord pursuant to clause 7.11.

Council means the Mayor and Burgesses of the London Borough of Tower Hamlets

Development means the erection and completion on the Land of all buildings, erections, structures, highways, drainage, infrastructure and other works in accordance with the Planning Permission

Dispute means and includes any difference or dispute between the Landlord and the Tenant arising out of or in connection with the Lease or between the Landlord and the Permitted Chargee in relation to clause 12.2 which the Landlord and the Tenant (or the Permitted Chargee as the case may be) have been unable to resolve between them prior to referring the matter for resolution in accordance with the provisions of this clause 14 and shall include any question as to the validity or interpretation of the Lease and any dispute arising before or after Termination of the Lease.

Dwelling means any house, bungalow, flat, maisonette or other single unit of residential accommodation constructed on the Land together with any land forming its curtilage.

Enactment means statute, statutory instrument, statutory guidance, treaty, regulation, directive, byelaw, code of practice, guidance note, circular, common law and any notice, order, direction or requirement given or made pursuant to any of them for the time being in force.

Environment means all or any of the following media, alone or in combination: the air (including the air within buildings and the air within any other natural or man-made structures above or below ground), water (including water under or within land or in pipes or sewerage systems), soil, land and any ecological systems and living organisms supported by those media and buildings.

Environmental Law means all European Community, national and local statutes, and the common law, from time to time in force concerning:

- (a) pollution of, damage to or protection of the Environment or health and safety and/or the provision of remedies in respect of or compensation for damage or harm to the Environment or to health and safety and/or
- (b) emissions, discharges, releases or escapes into the Environment or the presence in the Environment of Hazardous Substances or the production, processing, management, treatment, storage, transport, handling or disposal of Hazardous Substances

and any bylaws, regulations or subordinate legislation, judgments, decisions, notices, orders, circulars, codes of practice and permits from time to time issued or made thereunder having force of law.

Force Majeure means any event or series of events of a similar nature to those set out below which is beyond the reasonable control of the Tenant or any person for which the Tenant is responsible including war or other hostilities, government restrictions, terrorism, sabotage, vandalism, riot or other civil commotion, political crisis, labour disputes, strikes, lockout, work stoppages or slowdowns, accidents, death of any person, flood, storm, earthquakes or other acts of God but excluding any such disputes, strikes, lockouts, stoppages or slowdowns affecting only the workforce of Tenant and its principal contractor (if any) or any person for which it is responsible and shall include delays in the commissioning of services and delays in obtaining discharge of planning conditions or obtaining any Requisite Consents (where these do not result from delays or failures to progress on the part of the Tenant and the Tenant can demonstrate that it has used all reasonable endeavours to obtain them)

Full Occupancy Date means the first date upon which all Dwellings upon the Land are occupied for residential purposes [and all Commercial Units (if any)] are occupied for commercial purposes or non-residential purposes.

Group means in relation to an undertaking, that undertaking, any subsidiary undertaking or parent undertaking of that undertaking, any other subsidiary undertaking of any parent undertaking of that undertaking (as each such term is defined in section 1161 or section 1162 (as applicable) of the Companies Act 2006)

Hazardous Substances means any wastes, pollutants, contaminants and any other natural or artificial substance, including, for the avoidance of doubt, radioactive material (in each case whether in the form of a solid, liquid, gas or vapour, and whether alone or in combination) which is capable of causing harm or damage to the Environment or to the health and safety of persons.

Implementation means the carrying out of a material operation (as defined in section 56 of the Town and Country Planning Act 1990) to implement the Planning Permission but disregarding any of the following operations which may be carried out on the Land:

- (a) demolition works;

- (b) site clearance;
- (c) ground investigations;
- (d) site survey works;
- (e) temporary access construction works;
- (f) archaeological investigation; and
- (g) erection of any fences and hoardings.

Insolvency Event means that the Tenant [or Surety]:

- (a) is the subject of an interim order under the Insolvency Act 1986;
- (b) has made any arrangement or composition for the benefit of its creditors which has not been discharged;
- (c) goes into liquidation whether voluntary or compulsory (save for the purpose of reconstruction or amalgamation without insolvency);
- (d) is, or is deemed for the purposes of section 123 of the Insolvency Act 1986 to be, unable to pay its debts as they fall due or admits inability to pay its debts as they fall due;
- (e) suffers the enforcement of any security over any of its material assets;
- (f) is otherwise dissolved, wound up, or ceases to exist;
- (h) has an administrator or a receiver or an administrative receiver appointed in respect of the whole or any part of its undertaking or assets; or
- (i) is the subject of an analogous procedure or step in any other jurisdiction,

provided that an Insolvency Event shall not have occurred solely by reason of the delivery of a petition for winding up a company where such petition is withdrawn within 10 Working Days.

Insolvency Termination Notice means a written notice served by the Landlord on the Tenant (copied to the Permitted Chargee) referring to the provisions of clause [11.1] and the relevant Insolvency Event and stating that Termination of the Lease has been triggered.

Interest means interest at the rate of four per cent per annum above the base lending rate from time to time of National Westminster Bank PLC (or of such other UK clearing bank as the Landlord may designate from time to time by giving notice to the Tenant) both before and after any judgment, calculated on a daily basis from the date on which the payment is due under the Lease to the date on which such payment is made.

Land means all that land situate at 1 – 46 Lark Row, London E2 9JA comprising the area which is edged red on the annexed hereto at Annex 1 plan marked "Plan A" and comprised within [part of] title number(s) *EGL392140* (and references to "Land" shall include any part or parts of it).

Landlord includes the person who is from time to time entitled to the reversion immediately expectant on the determination of the Lease.

Landlord's Percentage means [50%]

Lease means the Lease and any document supplemental to it or entered into pursuant to its terms.

Local Planning Authority means the Council or such other authority, as shall from time to time have authority to deal with town and country planning matters.

Management Company means any organisation from time to time nominated by the Tenant to manage the Land.

Open Space Land means that part of the Land being any open space, play areas, amenity areas and landscaping areas for general public use.

Overage Provisions means the provisions related to overage payments set out in Schedule 4

Party means a party to the Lease and **Parties** means more than one Party.

Payment End Date means [*insert relevant date*] months from the date of the Lease.

Permitted Chargee means any mortgagee of the Lease and/or holder of a floating charge over all or substantially all of the Tenant's business and assets and of whom the Landlord has written notice before the date on which the events giving rise to the right of re-entry occurred

Permitted Disposal means the disposal by way of transfer, lease, easement, wayleave or otherwise of:-

- (a) any parts of the Land for services including (without prejudice to the generality) gas governor sites, electricity substation sites, energy centres and energy substations and associated infrastructure, sewerage pumping stations and balancing pond sites ancillary to the development of the Land or any part thereof
- (b) areas of open space and areas on which any community facility is to be provided in accordance with the requirements of the Local Planning Authority;
- (c) Highways in accordance with the requirements of the Local Planning Authority;
- (d) any parts of the Land pursuant to the requirements of any Planning Agreement or any requirements of the Local Planning Authority or other statutory body pursuant to any planning obligation;

Permitted Part means an individual Dwelling

Permitted Use means the construction of the Development and thereafter the use and occupation of the Land for residential purposes in accordance with the Planning Permission and comprising [*insert full details of affordability, mix, section 106 etc... once planning approved*] and the Land shall not be used except for Community-Led Self-Build and Affordable Housing.

Planning Acts means all Enactments relating to town and country planning.

Planning Agreement means any agreement and/or undertaking required by the Local Planning Authority to be entered into as a condition of the grant or implementation of any planning consent, including any agreement pursuant to any one or more of Section 38 or Section 278 of the Highways Act 1980, Section 33 of the Local Government (Miscellaneous Provisions) Act 1982, Section 111 of the Local Government Act 1972, Section 106 of the Act (as amended by the Planning and Compensation Act 1991) or Section 104 of the Water Industry Act 1991 or any agreement with a water or sewerage undertaker or other appropriate authority as to water supply or to drainage or surface water and/or effluent from the Land or any provision of similar intent and any variation, amendment or modification thereof.

Planning Permission means the planning permission dated [*Insert relevant date*] issued by [*Insert relevant details*] under reference [] annexed hereto at Annex 2

Price means [*Insert details of amount in words*] (£*Insert details of amount in numbers*)

Prohibited Person means an individual or entity:

- (a) which is a company incorporated in or an individual resident in a country outside the United Kingdom unless it agrees to be bound by the jurisdiction of the English Courts and in respect of which a legal opinion from a reputable independent law firm in the relevant jurisdiction is provided in a form reasonably satisfactory to the Landlord (acting reasonably) relating to:
 - (i) the authority and capacity of the company or individual to act as the assignee, guarantor or funder (as applicable); and
 - (ii) the enforceability of the obligations of the company or individual as assignee, guarantor or funder (as applicable);
- (b) which enjoys sovereign or state immunity, unless it is a department, body or agency of the United Kingdom Government;
- (c) which uses funds that are derived from illegal or illegitimate activities;
- (d) which has been convicted of criminal activities, or is or has been involved in organised crime;
- (e) which is named on the consolidated list of terrorists maintained by the Bank of England pursuant to any authorising statute, regulations or guideline;
- (f) which is, or professes to be, resident in a nation state which at the relevant time is not recognised by the Government of the United Kingdom;
- (g) which is otherwise prohibited from entering into the proposed transaction pursuant to any applicable law or requirements of any country or governmental authority (including any exchange control regulations applicable thereto);
- (h) with whom the Landlord or any member of its Group may not lawfully contract, or with whom the established policy of the UK Government is that they should not contract;

- (i) whose activities would prevent the discharge by the Landlord or any member of its Group of its or their statutory duties or other legal functions;
- (j) which has a substantial direct interest(s) in gambling, gaming, pornography, the production or sale of alcoholic drinks, the production or sale of products containing or derived from tobacco or the manufacture or sale of arms and weapons (provided that any organisation that is engaged in legitimate investment and lending to any such business shall not constitute a Prohibited Person); or
- (k) whose activities could pose a threat to national security

Requisite Consents means all or any consents orders approvals licences and permissions on terms, and subject to conditions and limitations, acceptable to the Tenant (acting reasonably) required pursuant to the following (as applicable):

- (a) any Acts of Parliament and any statutory instruments, rules, orders, regulations, notices, directions, bye-laws and permissions for the time being made under or deriving validity from any Act of Parliament;
- (b) any European directive or regulations and rules having the force of the law in the United Kingdom; and
- (c) any Planning Acts, regulations (Including planning regulations, works, bye-laws or codes of practice of any local or statutory authority having jurisdiction over the Land and/or the Development,

which are required for the commencement, carrying out and use of the Development

Regulations means the Construction (Design and Management) Regulations 2015

Senior Representative means any director or senior executive officer of the Landlord or the Tenant (or the Permitted Chargee as the case may be).

[Site Specific Obligations means those matters set out in part 3 of Schedule 3]

Substantially Commence means :

- (a) that all Requisite Consents have been obtained;
- (b) all pre-commencement planning conditions of the Planning Permission have been satisfied;
- (c) initial registration certificates from NHBC or Zurich in respect of the Dwellings comprised within the Development have been obtained;
- (d) construction of the Development has commenced and Implementation has taken place.

Substantially Commenced Notice means a notice served by the Tenant pursuant to and in accordance with clause 10.4, which is accompanied by copies evidencing that all Requisite Consents have been obtained, all pre-commencement planning conditions of the Planning Permission have been satisfied and that an initial registration certificate from NHBC or Zurich has been obtained

Suitable Substitute means a person, firm or company, approved by the Landlord (such approval not to be unreasonably withheld or delayed) with the technical ability, commercial expertise and adequate financial facilities to complete the Development on the terms contemplated by the Lease

Surety means any person who, for the time being, guarantees performance of the Tenant's Covenants that person currently being the person specified as the Surety in Land Registry Prescribed clause LR 3

Tenant includes every person who is a successor in title under the Lease.

Tenant's Covenants means the covenants, terms, conditions, agreements, restrictions, stipulations and obligations falling to be complied with by the Tenant under the Lease

Term means 250 years from the date of this Lease.

Terminate the Lease means the exercise by the Landlord of the right identified in clauses 10.1 and 11.1, and "Termination of the Lease" shall be construed accordingly

Title Matters means the matters contained or referred to in (or in the documents contained or referred to in) the entries on the register of the title(s) under which the Landlord holds the Land.

Transport Assets and Premises means the whole or any part or parts of the transport infrastructure, roads, pavements, track, buildings, works, conducting media, lifts, escalators, bridges, tunnels, structures, plant, apparatus and equipment and all other things serving or used, controlled or enjoyed in connection with the Transport Undertaking from time to time including all those over, under, adjoining or near to the Property at any time.

Transport Undertaking means the transport undertakings or networks operated by the Landlord, relevant member(s) of the Landlord's Group or any successor to its functions (including London Underground system, the Docklands Light Railway and the Elizabeth Line or any London railway system running on, under, over or through the Property).

VAT means value added tax charged under the Value Added Tax Act 1994 and shall include any interest, fine, penalty or surcharge in respect of value added tax charged.

Working Day means any day except Saturday, Sunday or any public holiday in England.

2. INTERPRETATION

- 2.1 Where a Party includes two or more persons, the covenants made by that Party are made by those persons jointly and severally.
- 2.2 Words implying one gender include all other genders; words implying the singular include the plural and vice versa and words implying persons include any person or entity capable of being a legal person.
- 2.3 A covenant by the Tenant not to do any act or thing includes a covenant not to permit or suffer such act or thing to be done.

- 2.4 A reference to any Enactment includes all modifications, extensions, amendments and re-enactments of such statute in force for the time being and all instruments, orders, notices, regulations, directions, bye-laws, permissions and plans for the time being made, issued or given under them or deriving validity from them.
- 2.5 Provisions are to be construed independently and, if any provision is void or wholly or partly unenforceable, then that provision, to the extent that it is unenforceable, shall be deemed not to form part of the Lease, but the validity and enforceability of the remainder of that provision or of the Lease shall not be affected.
- 2.6 A reference to a numbered clause, schedule or paragraph is a reference to the relevant clause, schedule or paragraph in the Lease.
- 2.7 Headings to clauses, schedules and paragraphs are for convenience only and do not affect the meaning of the Lease.
- 2.8 The words “including” and “in particular” shall be construed as being by way of illustration or emphasis only and shall not limit the generality of the preceding words.
- 2.9 References to the completion of a transfer or other disposal mean the execution and delivery of the necessary documents, not their subsequent registration.
- 2.10 Any right or exception granted or excepted in favour of the Landlord shall be deemed to be granted or excepted in addition in favour of any other person authorised by the Landlord.
- 2.11 Where the consent or approval of the Landlord is required such consent or approval must be in writing and be signed by the appropriate officer who has been notified in writing by the Landlord to the Tenant as being the appropriate officer for such purposes).

3. **DEMISE AND PRICE**

- 3.1 In consideration of the Price payable by the Tenant to the Landlord (the payment details of which are set out in Clause 3.2) and any other sums payable under the Lease and the Tenant’s Covenants the Landlord HEREBY DEMISES to the Tenant with [full] title guarantee the Land

[TOGETHER with the benefit of the rights set out in Part I of Schedule 1 (so far as the Landlord can grant the same) and in common with the Landlord and all others now or hereafter enjoying or entitled to the like rights but

EXCEPT AND RESERVING to the Landlord (and those authorised by the Landlord) and its successors in title for the benefit of the Adjoining Land and the owners and occupiers thereof the rights, easements and privileges set out in [Part 2 of Schedule 1]

TO HOLD the same unto the Tenant for the Term

SUBJECT to all Title Matters and to all rights, easements, quasi-easements and privileges affecting the Land or any part thereof PAYING THEREFOR the yearly rent of ONE POUND (if demanded) on the anniversary of the date of the Lease.

- 3.2 The sum of [Insert details of amount in words] (£/Insert details of amount in numbers) has been paid on the date of the Lease (receipt whereof is hereby acknowledged)

[and [*Insert details of amount in words*] (£/[*Insert details of amount in numbers*]) being the balance of the Price outstanding on the date hereof is payable as follows:

- (a) [the Tenant shall pay the sum of [*Insert details of amount in words*] (£/[*Insert details of amount in numbers*]) to the Landlord on the [*insert the relevant date*]]
- (b) the Tenant shall pay the sum of [*Insert details of amount in words*] (£/[*Insert details of amount in numbers*]) to the Landlord on the Payment End Date or (if earlier) the date upon which it has been certified that the Development has achieved practical completion pursuant to the Tenant's building contract for the Development.]

4. **TRANSFER OF COMMON AREAS**

4.1 The Tenant and Landlord agree to join in, at any time (after the Full Occupancy Date) at the Tenant's request, a transfer of the whole or any part of the Common Areas to the Management Company and to surrender the Tenant's interest in the land transferred.

4.2 The transfer shall be in such form as the Landlord shall reasonably require.

5. **TRANSFER ETC OF COMMON SERVICES AND HIGHWAYS**

The Tenant and Landlord agree to enter into, at any time at the Tenant's request, any leases, transfers, easements, licences, agreements or other document with any public or statutory authority in connection with any Common Services or highways or matters ancillary thereto in such form as the Landlord shall approve (acting reasonably) (including any surrender of the Tenant's interest in any land the subject of those documents).

6. **GENERAL PROVISIONS RELATING TO TRANSFERS**

Notwithstanding the completion of any transfer under the Lease, the provisions of the Lease shall remain in force in respect of anything remaining to be done by the Tenant or the Landlord. In particular, such completion is not to be treated as an acknowledgment by the Landlord that all money due from the Tenant to the Landlord in respect of the transfer has been paid or that the Tenant has complied with any other obligations on its part.

7. **TENANT'S COVENANTS**

The Tenant further covenants with the Landlord as follows:

Rent

7.1 To pay (if demanded) the reserved rent on the days and in the manner as set out in clause 3.1.

Interest

7.2 To pay Interest on any sum of money payable to the Landlord by the Tenant under the Lease which is not paid when payment is due.

Outgoings

- 7.3 To pay all rates, taxes, levies, costs, charges, impositions, claims, assessments and outgoings whatsoever assessed on, or attributable to the Land its use and occupation (except in relation to any Dwelling [or Commercial Unit (if any)] which has lawfully been disposed of to a buyer/tenant and any land which is the subject of a transfer in accordance with clauses 5 and 6) now or hereafter imposed or charged upon the owner or occupier and to pay all charges for utilities consumed on the Land.

Indemnity

- 7.4 To indemnify and keep indemnified the Landlord from and against all consequences of claims, demands and liabilities howsoever arising from the use or occupation of the Land or its state of repair and condition or any breach by the Tenant of the Tenant's Covenants or the Title Matters or in respect of the design of the Development or any part thereof and the materials and workmanship used by the Tenant in the Development or any part thereof and any inaccuracies in the plan or other description of any Dwelling [or Commercial Unit (if any)] used in any disposal document.

Use

- 7.5 Not to use the Land or exercise any right granted by the Lease other than for the Permitted Use

[but Provided Further that any Permitted Chargee shall prior to seeking to dispose of any part of the Land pursuant to any default under the terms of its mortgage or charge shall give not less than [six] months' prior notice to the Landlord of its intention to dispose and:

- (a) if the Landlord responds within [three] months from receipt of the notice indicating that arrangements for the disposal of the Land can be made in such a way as to safeguard it as Affordable Dwellings [*and as part of the assets of a Community-Led Self-Build organisation*] then the Permitted Chargee shall co-operate with such arrangements and use reasonable endeavours to achieve this;
- (b) if the Landlord does not serve its response to the notice served under clause 7.5 (a) within the [three] months then the Permitted Chargee shall be entitled to dispose of the Land pursuant to its or their power of sale or other remedies under the mortgage or charge in question on the open market and from the date of actual completion of any such sale the designation of the Land or any part of it for use as Affordable Dwellings [*and as part of the assets of a Community-Led Self-Build organisation*] shall no longer apply and the whole of the Land may be used as private residential Dwellings;
- (c) if the Landlord or any other person cannot within [six] months of the date of service of its response under clause 7.5 (a) secure such a disposal then provided that the Permitted Chargee shall have complied with its obligations under clause 7.5 (a) the Permitted Chargee shall be entitled to dispose of the Land pursuant to its or their power of sale or other remedies under the mortgage or charge in question on the open market and from the date of actual completion of any such sale the designation of the Land or any part of it for use as Affordable Dwellings [*and as part of the assets of a Community-Led Self-Build organisation*] shall no longer apply and the whole of the Land may be used as

private residential Dwellings and the definition of Permitted Use will thereafter be deemed to have been modified to allow for such use

PROVIDED THAT at all times the rights and obligations in this clause 7.5 shall not require the Permitted Chargee to act contrary to its duties under the charge or mortgage and that the Landlord must give full consideration to protecting the interest of the Permitted Chargee in respect of moneys outstanding under the charge or mortgage.]

Alienation

7.6 Not to assign, transfer charge, share or part with possession of or grant any licence or interest in respect of the whole or any part of the Land to a Prohibited Person.

7.7 Not to assign, underlet, transfer, charge, mortgage, hold on trust, share or part with possession of or grant any licence or interest in respect of the whole or any part of the Land or agree to do so provided that the Tenant may:

(a) prior to the Full Occupancy Date charge the Lease to a person, firm or company providing the finance for the acquisition of the Land and the construction of the Development;

(b) prior to the Full Occupancy Date assign the Lease or underlet the whole (other than a Permitted Part) of the Land with the consent of the Landlord which shall not be unreasonably withheld or delayed provided that the Tenant complies with the following obligations:

(i) [paying to the Landlord upon the date of completion of any such assignment or under-letting any part of the Price which remains unpaid pursuant to clause 3.2 [together with (if applicable) any sums that have fallen due under the Overage Provisions in Schedule 4]]

(ii) [paying to the Landlord upon the date of completion of any such assignment or under-letting a sum calculated as follows:

A – B multiplied by the Landlord's Percentage

Where:

A = the amount of any payment or valuable consideration received or receivable by the Tenant in relation to such assignment or under-letting; and

B = the amount of the Price in respect of the whole of the Land;]

(iii) delivering to the Landlord unconditionally a deed of covenant from the under-tenant or assignee to comply with the provisions of this clause 7.7(b); and

(iv) pays the proper and reasonable costs and expenses of the Landlord (including without limitation the reasonable costs and expenses of the Landlord's solicitors) in respect of the preparation and approval of the deed of covenant together with

any VAT on those costs and expenses which the Landlord is unable to recover; and

- (v) makes an application to the Land Registry on form RX1 together with the requisite fee for a restriction to be entered onto the proprietorship register of the title number of the Land (or part of it, as applicable) allocated to it by the Land Registry in the form of the restriction set out in LR13 of the Lease;
 - (c) underlet any part of the Land in Permitted Parts upon leases of not more than [250] years (with the term ending on the same date) in a form appropriate to residential Dwellings [or upon leases of appropriate commercial terms acceptable to a willing lessor and a willing lessee in the open market for Commercial Units (if any)];
 - (d) make a Permitted Disposal; and
 - (e) after the Full Occupancy Date assign underlet or charge the whole of the Land without Landlord's consent being required.
- 7.8 In the case of a disposal in accordance with clause 7.7 of a Permitted Part or a Permitted Disposal the Landlord shall within [20] Working Days of receipt of a written request from the Tenant, provide to the Tenant the necessary release documentation in respect of the restriction entered against the title to the Land in respect of clause 7.7 provided that the Tenant shall be responsible for paying the Landlord's costs in so doing.
- 7.9 Once all payments due to the Landlord have been paid whether due under clause 3.2 [or the Overage Provisions in Schedule 4], the Landlord shall within [20] Working Days of a written request from the Tenant, provide to the Tenant the necessary release documentation for the withdrawal of the relevant restriction entered against the title to the Land in respect of clause 7.7 provided that the Tenant shall be responsible for paying the Landlord's costs in so doing.
- 7.10 Within 10 Working Days after the date of every dealing charge or other devolution of the Lease to give notice thereof in writing to the Landlord and produce to it a certified copy of the instrument effecting the devolution and pay the Landlord's reasonable registration fee (being not less than £30 plus VAT) (and in the case of a Permitted Chargee, such notice shall contain an address for service within England and Wales for the chargee)
- 7.11 To pay all proper costs and expenses (including solicitors' costs and surveyor's fees) incurred by the Landlord of and incidental to and in connection with:
- (a) the preparation and service of any notice under Section 146 of the Law of Property Act 1925 and any proceedings under Sections 146 or 147 of that Act even if forfeiture is avoided otherwise than by relief granted by the Court;
 - (b) taking action to forfeit the Lease, or terminate the Lease pursuant to clause 10 whether or not it is forfeited or terminated including cancellation of the Lease at the Land Registry; and
 - (c) any notices or consents required or given under the Lease even if the application is withdrawn or properly refused or if the proposal requiring consent does not proceed.

Communications

- 7.12 On the receipt of any notice, order, direction or thing from any competent authority affecting or likely to affect the Land whether the same shall be served directly on the Tenant or the original or a copy thereof be received from any other person whatsoever the Tenant will:
- (a) so far as such notice, order, direction or other thing or the Enactment regulations or other instrument under or by virtue of which it is issued or the provisions of the Lease require it so to do comply therewith at its own expense; and
 - (b) promptly deliver to the Landlord a copy of such notice, order, direction or other thing.

Repair

- 7.13 Subject to clause 7.14, throughout the Term to keep the Land and all the buildings or Dwellings [and Commercial Units (if any)] from time to time erected upon the Land (or relevant parts) well and substantially repaired and maintained in a structurally sound and safe condition.
- 7.14 Until the date upon which it has been certified that the Development has achieved practical completion pursuant to the Tenant's building contract for the works comprising the Development, to keep the part or parts of the Land subject to the Development in a safe and secure condition and all boundaries of the Property secure.
- 7.15 To permit the Landlord and its employees or agents at all reasonable and proper times to enter into, inspect and view the Land and any buildings and examine their condition Provided That (save in the case of an emergency), the Landlord shall not be entitled to so enter, inspect, view or examine any Dwelling [or Commercial Unit (if any)] on the Land following the grant of any under-lease of a Permitted Part in accordance with clause 7.7(c).
- 7.16 To remedy any breach of the Tenant's Covenants, immediately after notice of the breach is given to the Tenant and to pay as a debt, recoverable as if it were rent in arrears, all costs and expenses properly incurred by or on behalf of the Landlord in remedying any breach of the Tenant's Covenants.

Yield-up

- 7.17 At the end or sooner determination of the Term quietly to yield up the Land to the Landlord in accordance with the Tenant's Covenants.
- 7.18 On Termination of the Lease if and to the extent required by the Landlord in writing following Termination of the Lease, the Tenant shall as quickly as reasonably practicable at the Landlord's request and in a good and workmanlike manner reinstate the works comprising the Development which has been carried out and clear the Land to the Landlord's reasonable satisfaction.

Other Tenant Covenants

- 7.19 Not to use the Land for any illegal or immoral purposes and not to do anything on the Land which may be or become a nuisance or annoyance or cause damage or inconvenience to the Landlord or to the owners or occupiers of any adjoining or neighbouring land or cause or give rise to the significant possibility of significant harm to the health of living organisms and other interference with the ecological systems of which they form part or cause pollution of ground or surface water.

- 7.20 Not to commence any works forming part of the Development until the Tenant has obtained all permissions and consents required by all Planning Acts and any other Enactments in relation to the Development and to observe perform and comply with all obligations imposed on it by the Planning Permission, Requisite Consents and any Planning Acts or any Enactments.
- 7.21 To comply with all Planning Agreements affecting the Development including the payment of all sums payable thereunder and the discharge of all obligations thereunder and shall indemnify and keep indemnified the Landlord against all actions proceedings claims demands losses costs expenses damages and liabilities arising directly or indirectly from any breach of any Planning Agreements
- 7.22 The Tenant must do all acts and things required by, and comply and conform in all respects with, the provisions of any Enactments applicable to the use and occupation of the Land (which for the avoidance of doubt shall include the provisions of Section 57 of and Schedule 22 to the Environment Act 1995 and the Regulations) and in particular:
- (a) to be treated as the only client for the purposes of the Regulations;
 - (b) to comply with the lawful requirements of any statutory undertakers in respect of electricity, gas, water, telephone or other public services;
 - (c) to comply with the conditions imposed by any agreements, licences, permissions and approvals for development or use granted in relation to the Land and the Development; and
 - (d) arising from any Planning Permission, Requisite Consents, Planning Acts or Enactments (including but not limited to payment of any Community Infrastructure Levy).
- 7.23 The Tenant must not do or omit to be done anything which may result in the Landlord incurring or becoming liable to pay any penalty, damage, compensation, costs, charges or expenses.
- 7.24 **Competent Authorities**
- (a) In this clause "**Competent Authority**" means any government body, the Environment Landlord, court, tribunal or other body deriving power under Environmental Law.
 - (b) The parties agree that the apportionment by a Competent Authority of any liabilities that may arise under Part IIA of the Environmental Protection Act 1990 (as amended) ("**Part IIA**") in respect of pollution or contamination present in on or under or originating from the Land shall be undertaken on the basis that the Tenant shall have full responsibility for any and all such liabilities and the commercial terms of this Lease (including without limitation the Price) have been settled on that basis.
 - (c) It is hereby acknowledged and intended by the parties that clause 7.24(b) is an agreement on liabilities for the purposes of Part IIA.
 - (d) The parties agree that in the event of a notification being served on any of them which indicates that the Land is or is likely to be determined 'contaminated land' under Part IIA to notify the other as soon as is reasonably practicable.
 - (e) The parties undertake to furnish the Competent Authority with a copy of the Lease as soon as is reasonably practicable after receiving a note from the Competent Authority or a notification under clause 7.24(d) and individually to

agree to the application of clause 7.24(b) and to confirm such individual agreement in writing to the Competent Authority following receipt of such notice or notification.

- (f) The parties hereby undertake to use all reasonable endeavours to ensure that the Competent Authority applies the agreement on liabilities set out in clause 7.24(b).
- (g) For the avoidance of doubt the Landlord shall retain the right to appeal against a decision of a Competent Authority in accordance with Part IIA's appeal procedure.

7.25 The Tenant hereby undertakes to indemnify the Landlord and keep the Landlord indemnified in respect of all and any fines, penalties, charges, actions, losses, costs, claims, expenses, demands, duties, obligations, damages and other liabilities that the Landlord may suffer:

- (a) as a result of any failure of the Tenant to adhere to the provisions of clause 7.24; or
- (b) arising from any pollution or contamination present in or under or originating from the Land; or
- (c) arising from any Planning Permission, Requisite Consents, Planning Acts or Enactments (including but not limited to Community Infrastructure Levy).

7.26 To comply with all obligations affecting the Land and not to interfere with any rights which benefit them, including all Title Matters [and any Site Specific Obligations].

[Infrastructure Protection Provisions]

7.27 [Define "Critical Works" on a site by site basis]

7.28 [Not to carry out any Critical Works whatsoever to the Land which may adversely affect the Transport Undertaking, the Transport Assets and the Land or the Adjoining Land without obtaining the Landlord's consent, such approval not to be unreasonably withheld or delayed where the Tenant can demonstrate to the satisfaction of the Landlord in its absolute discretion that the Transport Undertaking the Transport Assets and the Adjoining Land (as the case may be) will be adequately protected, and in carrying out any alterations the Tenant shall promptly make good all damage caused to the Transport Undertaking, the Transport Assets and the Land and the Adjoining Land to the satisfaction of the Landlord (acting reasonably).]

7.29 [Imposition of conditions to be inserted if relevant]

7.30 [Insurance provisions to be inserted if relevant]]

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8. LANDLORD'S COVENANTS

8.1 The Landlord covenants with the Tenant as follows:

- (a) That the Tenant observing and performing the several covenants and stipulations on the part of the Tenant in the Lease shall peacefully hold and

enjoy the Land during the Term without any interruption by the Landlord or any person rightfully claiming under or in trust for it.

- (b) If requested by the Tenant and at the Tenant's expense (and provided that the Tenant has provided any bond or guarantee required by the relevant authority), the Landlord will enter into any Planning Agreements or any agreements (excluding any guarantee or bond) as landowner in so far as it is necessary to dedicate the land, sewer or other matter the subject of the agreement on terms approved by the Landlord (acting reasonably) and subject to the Tenant entering into an indemnity (in a form required by the Landlord) indemnifying the Landlord against all liability for all costs, obligations and liabilities in connection or arising therefrom.
- (d) If requested by the Tenant the Landlord as landowner (and in accordance with clause 5) will enter into any transfers, leases, easements, licences or other agreements with any public authority in connection with any adoptable common services or any service media and any ancillary apparatus pursuant to clause 5 on terms approved by the Landlord subject to the Tenant entering into an indemnity (in a form required by the Landlord) indemnifying the Landlord against all liability for all costs, obligations and liabilities in connection or arising therefrom.

9. COMMENCEMENT DATE EXTENSION

- 9.1 If the Tenant is materially delayed in commencing or proceeding with the Development solely by reason of Force Majeure then the Landlord shall allow such further time for the completion of the Development as is reasonable in all the circumstances [(being not more than [12] months)] as may be agreed by the parties (both acting reasonably) and the Commencement Date shall be extended accordingly.
- 9.2 Any extension of time for completion of the Development in accordance with clause 9.1:
 - (a) shall not have effect unless confirmed by the entry by the parties into a deed of variation to amend the Lease to reflect the extended Commencement Date at the expense of the Tenant; [and]
 - (b) [shall not change the Payment End Date].

10. COMMENCEMENT PERIOD TERMINATION

- 10.1 If the Tenant shall fail to Substantially Commence the Development by the Commencement Date then the Landlord may serve a written notice on the Tenant (copied to the Permitted Chargee (if any)) referring to this clause and stating that Termination of the Lease has been triggered ("**Commencement Date Termination Notice**"). Following the service of any Commencement Date Termination Notice under this clause, the provisions of clause 12 shall govern the respective rights of the Landlord, the Tenant and the Permitted Chargee.
- 10.2 Where the Lease is terminated following service of a Commencement Date Termination Notice the provisions of clause 11.4 shall apply.
- 10.3 Where the Lease is determined pursuant to clause 10.1, the Landlord shall pay the Tenant the Compensation Sum 10 Working Days after the date upon which the amount

of the Compensation Sum has been agreed or determined or (if later) the date upon which the provisions of clause 12 have been complied with.

10.4 On or after the Development having Substantially Commenced (but prior to termination of the lease), the Tenant shall be entitled to serve a Substantial Commencement Notice on the Landlord confirming that Implementation has taken place and on service of such notice, the provisions of clauses 9 and 10 shall be deemed to be of no further effect.

11. FORFEITURE

11.1 Without prejudice to any other remedies and powers contained in the Lease or otherwise available to the Landlord if:

- (a) an Insolvency Event shall occur at any time prior to the first occupation of the first Dwelling [or Commercial Units (if any)] constructed on the Land to be occupied then and in any such case the Landlord may notwithstanding the waiver of any previous right of re-entry serve an Insolvency Termination Notice; or
- (b) there shall be a material breach, non performance or non-observance by the Tenant of any of the Tenant's Covenants contained in clauses [7.1, 7.2, 7.3, 7.5, 7.7, 7.12, 7.13, 7.18, 7.19, 7.20, 7.21, 7.23, and 7.24],

and the Tenant has failed to remedy the breach within a reasonable period commensurate with the breach which shall be specified in a written notice given by the Landlord to the Tenant (which shall also specify the breach, non performance or non-observance) then and in any such case the Landlord may serve a Breach Termination Notice.

11.2 Following the service of any Insolvency Termination Notice or Breach Termination Notice in accordance with clause 11.1, the provisions of clause [12] shall govern the respective rights of the Landlord, the Tenant and the Permitted Chargee.

Termination of the Lease

11.3 The Landlord may not:

- (a) re-enter and take possession of the Land; or
- (b) forfeit the Lease;

unless it has first served on the Tenant (copied to the Permitted Chargee) a Commencement Period Termination Notice in accordance with clause 10.1, a Insolvency Termination Notice in accordance with clause 11.1(a), or a Breach Termination Notice in accordance with Clause 11.1(b) or and complied with the provisions of clause 12.

11.4 In the event of Termination of the Lease:

- (a) to the extent that the beneficial ownership of copyright, design right and any other intellectual property right in any documents, reports, investigations and

designs submitted and approved as part of the Planning Permission is vested in it, the Tenant grants to the Landlord, any intellectual property and the Permitted Chargee a royalty free, non exclusive and irrevocable licence to use and reproduce any and all of such documents and the designs contained in them in connection only with its ownership of the Development, any works carried out by the Tenant and the Land and this licence shall be freely assignable to third parties and carry the right to grant sub-licences;

- (b) to the extent that the beneficial ownership of copyright, design right or any other intellectual property right in any documents referred to in clause 11.4 (a) above is vested in any person other than the Tenant the Tenant shall use its reasonable endeavours to procure that the beneficial owner grants to the Landlord non-exclusive and irrevocable licence to use and reproduce all and any of the documents and the designs contained in them, for any of the purposes and on the same terms as set out in clause 11.4 (a) above;
- (c) the Tenant shall execute such document as the Landlord shall reasonably require to cancel any entry or title at the Land Registry;
- (d) the Tenant shall deliver to the Landlord reliance letters in a form acceptable to the Landlord acting reasonably from [*insert details of specific consultants.*]

11.5 Neither the Tenant nor the Landlord may vary or supplement (or attempt to vary or supplement) the Lease without the prior written consent of the Permitted Chargee, whose consent shall not be unreasonably withheld or delayed.

12. LANDLORD'S RIGHTS OF RE-ENTRY

12.1 Within three months after the service of a Breach Termination Notice, Commencement Date Termination Notice or Insolvency Termination Notice the Permitted Chargee shall confirm in writing to the Landlord whether it:

- (a) proposes to complete the Development in accordance with the terms of the Lease; or
- (b) proposes to seek a Suitable Substitute to complete the Development; or
- (c) proposes not to complete the Development.

12.2 Where the Permitted Chargee informs the Landlord pursuant to clause 12.1 they propose to either seek a Suitable Substitute or to complete the Development, then, within six calendar months of service of the Breach Termination Notice, Commencement Date Termination Notice or Insolvency Termination Notice the Permitted Chargee must either:

- (a) where they have indicated an intention to seek a Suitable Substitute:
 - (i) identify that Suitable Substitute;
 - (ii) obtain the Landlord's approval to that Suitable Substitute (such approval not to be unreasonably withheld or delayed); and

- (iii) procure that the Suitable Substitute enters into an assignment of the Lease with such extension of the Commencement Date (where the Tenant has not Substantially Commenced the Development) [and Payment End Date] as is reasonable in order to permit the completion of the Development and subject to any arrangements for curing any antecedent breaches by the Tenant as the Suitable Substitute and Landlord shall agree acting reasonably (or in the absence of agreement as determined in accordance with clause 14); or
 - (b) where they have indicated an intention to complete the Development enter into an assignment of the Lease [with such extension of the Commencement Date [and Payment End Date] as is reasonable in order to permit the completion of the Development and subject to any arrangements for curing any antecedent breaches by the Tenant as the Suitable Substitute and Landlord shall agree acting reasonably (or in the absence of agreement as determined in accordance with clause 14)].
- 12.3 Where the Permitted Chargee has responded within the period referred to in clause 12.2 confirming it will seek either a Suitable Substitute or will complete the Development, the Landlord will not take any steps to Terminate the Lease for the reasons set out in clauses 10.1, 11.1(a) or 11.1(b) until after the expiry of the time periods permitted to allow for the assignment of the Lease set out in clause 12.2.
- 12.4 Where the Permitted Chargee does not respond within the requisite period referred to in clause 12.2 or has replied indicating it will not be taking any action the Landlord shall be entitled forthwith to Terminate the Lease.
- 12.5 If the Permitted Chargee fails to complete the assignment of the Lease directly or to a Suitable Substitute in accordance with clause 12.2 then the Landlord may, without prejudice to any right of action or remedy which may have accrued in respect of any antecedent breach by either party of the Lease, Terminate the Lease.
- 12.6 Pending completion of any assignment and or actual Termination of the Lease pursuant to this clause 12 the Tenant shall remain liable for and shall continue to perform the provisions of the Lease unless the Landlord otherwise directs.

13. **LANDLORD'S PUT OPTION**

The Tenant grants the Landlord a put option conferring on the Landlord the right to require the Tenant to buy the Landlord's interest in the Land from the Tenant in accordance with the provisions of Schedule [3].]

14. **DISPUTES**

- 14.1 Any Dispute between the Landlord or the Tenant or the Permitted Chargee arising out of or connected with any matter referred to in the Lease for which a dispute resolution procedure is expressly provided in other clauses of the Lease shall be resolved in accordance with the dispute resolution procedure so provided. Any other Disputes which may arise between the Landlord or the Tenant shall be resolved in accordance with the procedures of this clause 14.
- 14.2 Any Dispute which may arise shall first be referred to the Senior Representative of the Landlord and the Tenant or the Permitted Chargee for resolution through negotiation. Either the Landlord or the Tenant or the Permitted Chargee may at any time give 10

Working Days' notice to the other requiring that a Dispute be referred to the Senior Representatives of the Landlord and the Tenant or the Permitted Chargee. Any such notice shall contain brief particulars of the Dispute which is to be so referred. The Senior Representatives will meet within 10 Working Days of the expiry of the notice, or within such shorter or longer period as may be agreed between the Landlord and the Tenant or the Permitted Chargee and shall at their meeting negotiate in good faith in an attempt to resolve the Dispute. The Landlord and the Tenant or the Permitted Chargee shall bear their own costs of referring a Dispute to Senior Representatives for resolution through negotiation.

14.3 If a Dispute is not resolved by Senior Representative, or if a Dispute has not been resolved within 20 Working Days after service of notice requiring that a Dispute be referred to Senior Representatives for resolution, either the Landlord or the Tenant or where relevant the Permitted Chargee shall be entitled to implement the dispute resolution procedure as set out in the following sub-clauses:

- (a) Any Dispute arising between the Landlord and the Tenant over any calculation or valuation to be made under the Lease (or any other issue which is not covered by clauses 14.3(b) or 14.3(c) shall be referred to an expert to be agreed upon by the parties, or failing agreement, to an expert nominated by the President for the time being of the Royal Institution of Chartered Surveyors and the expert's determination of the calculation or valuation shall be conclusive and binding.
- (b) In so far as the provisions of the Lease require the form and contents of any document to be entered into between any of the parties hereto to be settled and the settling or conditions of such form shall not be agreed or where the Dispute concerns the construction of the Lease then the same shall be settled by counsel of at least seven years call and experienced in property matters willing to act and in default of agreement as to his appointment to be appointed by the President for the time being of the Law Society.
- (c) Any Dispute over any accounting issue shall be referred to an expert to be agreed upon by the parties or failing agreement to an expert nominated by the President for the time being of the Royal Institution of Chartered Accountants.
- (d) Any costs payable by reason of the provisions of this clause 14 shall be borne initially in equal proportions by the Landlord and the Tenant (or where relevant the Permitted Chargee) and thereafter as may be adjusted by the award or awards pursuant to the provisions thereof.

15. **NOTICES ETC**

15.1 Any notice, decision, direction, approval, authority, permission or consent to be given by the Landlord under the Lease must be in writing and shall be valid and effectual (unless express provisions be made to the contrary) if signed by the director or such other officer or agent as the Landlord may from time to time by resolution designate for the purpose.

15.2 Any notice, decision, direction, approval, authority, permission or consent to be given by a Party must be in writing, addressed to the relevant party at a correct address and be sufficiently served, in the case of anything to be served on the Tenant, by being left or sent by post to the Tenant at its registered office for the time being and, in the case of anything to be served on the Landlord, by being left or sent by prepaid registered

post or by recorded delivery to the Landlord at [*insert relevant address details*] and marked for the attention of the [*insert relevant person's details*] (or such other address or reference as may be notified in writing by the Landlord to the Tenant for such purpose) [and in the case of anything to be served on the Surety, by being left or sent by post to the Surety at the address specified at the beginning of the Lease as being the address for service of the Surety (or such other address in England or Wales as the Surety may notify to the serving Party as its address for service for the purposes of the Lease)]

16. THE LANDLORD'S POWERS AND LIABILITY

16.1 Nothing contained or implied in the Lease or any consent or approval granted pursuant to it shall prejudice or affect the rights, powers, duties and obligations of the Landlord or any member of its Group in the exercise or discharge of its/their statutory or public functions (whether directly or under authorisation/delegation) as a statutory body or authority [which, in the case of Transport for London or any member of its Group, involve the functions of the strategic transport authority for Greater London which includes, but is not limited to, its role as a statutory consultee under the planning process].

16.2 The Parties acknowledge that:

- (a) [nothing in the Lease shall amount to a waiver by Transport for London or any member of its Group of their rights as a statutory consultee under the planning process and the Tenant shall not make any representations to the local planning authority to the effect that such consultation is not required;
- (b) in giving any consent approval or acknowledgement under the Lease the Landlord shall have regard to the requirements of Transport for London or any member of its Group if, in its absolute discretion, it believe that the proposed development of the Land will have an effect on the transport operations and undertakings of Transport for London or any member of its Group; and
- (c) matters or concerns relating to the operations or undertakings of Transport for London or any member of its Group are paramount and that such matters or concerns take precedence.]
- (d) the Landlord shall not be under any liability whatsoever in respect of any defect in the design of the Development permitted by the Planning Permission or otherwise and shall not be deemed to have made any representation or warranty as to the fitness or suitability of the Land for the purposes of the Development or any other representation or warranty and the Tenant declares that:
 - (i) no oral representation has been made to the Tenant prior to the date hereof by the Landlord or its agents concerning the subject matter of the Lease which has influenced, induced or persuaded the Tenant to enter into the Lease; and
 - (ii) it has been provided with all information necessary to assess the state and condition of the Land and has been afforded full opportunity to enter the Land to conduct such surveys as it wished.

17. VAT

17.1 All monies payable under the terms of the Lease are paid exclusive of VAT.

17.2 In the event of VAT being chargeable on such monies the Tenant will on demand pay the same to the Landlord at the appropriate rate in exchange for a VAT invoice addressed to the Tenant.

18. **ACKNOWLEDGMENT**

18.1 The Parties to the Lease do not intend that any term of the Lease shall be enforceable solely by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a Party.

18.2 No variation of the Lease shall be made other than by deed.

19. **[SURETY COVENANTS**

The Surety covenants with the Landlord as a direct and primary obligation in the terms set out in Schedule [2.]

20. **OVERAGE**

The Tenant covenants to pay overage in accordance with the Overage Provisions of Schedule 4 and the parties agree to comply with their obligations thereunder.]

21. **MISCELLANEOUS**

Law

21.1 The Lease is governed by and shall be construed in accordance with English law and subject to the exclusive jurisdiction of the English courts.

Commencement

21.2 For the avoidance of doubt the provisions of this document (other than those contained in this clause) shall not have any effect until this document has been dated.

21.3 If, before the expiry of this Lease [or the Put Option in Schedule 3], the Landlord grants a tenancy of the reversion immediately expectant on the determination of this Lease, whether under section 19 of the 1995 Act, or otherwise, any obligation of the Tenant to obtain the consent of the Landlord under this Lease to any dealing with it includes an obligation to obtain the consent of the lessor under such tenancy to that dealing.

Exclusion of warranty as to use

21.4 Nothing contained in the Lease or in any consent or approval given by the Landlord pursuant to the terms of the Lease shall imply or warrant that the Land may be used under the Planning Acts for the Permitted Use or for any other purpose authorised by the Landlord and the Tenant acknowledges that the Landlord has not given or made at any time any representation or warranty that any such use is or will be or will remain a lawful use under the Planning Acts.

New tenancy

21.5 The Lease [granted pursuant to the Agreement for Lease] creates a "new tenancy" as defined by section 28(1) of the 1995 Act.

Landlord's release on transfer of reversion

21.6 On every transfer (whether legal or equitable) of its interest in the whole of the Land, the Landlord is released from all liability for any breach of any landlord covenant of the Lease occurring after the transfer.

[Exclusion of 1954 Act

21.7 The Landlord and the Tenant agree that sections 24 to 28 (inclusive) of the 1954 Act to not apply to the Lease.

(a) Before the Tenant entered into the Lease or (if earlier) became contractually bound to do so, a notice in the form or substantially in the form set out in Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 was duly served on the Tenant.

(b) Before the Tenant entered into the Lease or (if earlier) became contractually bound to do so, either the Tenant or a person duly authorised by the Tenant to do so made a [statutory] declaration in accordance with paragraph [3] [4] of Schedule 2 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003.]

21.8 [The Landlord and the Surety agree that sections 24 to 28 (inclusive) of the 1954 Act to not apply to the Lease.

(a) Before the Surety entered into the Lease or (if earlier) became contractually bound to do so, a notice in the form or substantially in the form set out in Schedule 1 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 was duly served on the Surety.

(b) Before the Surety entered into the Lease or (if earlier) became contractually bound to do so, either the Surety or a person duly authorised by the Tenant to do so made a [statutory] declaration in accordance with paragraph [3] [4] of Schedule 2 to the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003.]

Compensation

21.9 Any statutory right of the Tenant to claim compensation from the Landlord on vacating the Land is excluded to the extent lawful.

Land Registration

21.10 The Tenant will register the grant and any transfer of the Lease or any right relating to it under the Land Registration Act 2002, and will comply with the relevant registration requirements. In doing so, the Tenant will ensure that any requisitions raised by the Land Registry are dealt with promptly and properly and the Landlord will provide such assistance as is reasonably required by the Tenant. [The Tenant is to apply to the Land Registry on form RX1 together with the requisite fee for a restriction in the form of the restriction set out in LR13 of the Lease to be entered onto the proprietorship registers of each of the title number(s) to be allocated to the Lease. The Tenant will provide the Landlord's solicitors with an official copy of the relevant register showing compliance with these requirements as soon as practicable.]

The Lease is executed as a deed by the parties and is delivered and takes effect on the date at the beginning of the Lease.

SCHEDULE 1 – GRANTS AND RESERVATIONS [AND SITE SPECIFIC MATTERS]

Part 1 - Rights easements and privileges granted to the Tenant

1. A right of way (until the same are adopted by the highway authority as highways maintainable at the public expense) for the Tenant at all times for all reasonable purposes over and along the carriageways and (on foot only) the footpaths on the Adjoining Land [shown coloured [**] on the annexed plan marked "Plan B" [which give access to the Land from the nearest public highway] and (until adoption) over such carriageways and footpaths as are constructed on the Adjoining Land.
2. A right (until adoption) to the free passage of water and soil, gas and electricity, telephone radio or television signals through the Common Services running through, in, under or over, or attached to, the Adjoining Land together with the right to enter the Adjoining Land to inspect, make, lay, clean, reconstruct, divert, alter, maintain or connect into such Common Services until they have been adopted, such entry to be on the following terms:
 - (a) entry may take place only at times to be agreed with the Landlord;
 - (b) entry shall otherwise be subject to such conditions as the Landlord may require including the requirement that no Common Services shall be overloaded;
 - (c) entry may only be over such parts of the Adjoining Land as may be necessary in order to carry out any infrastructure works and, in any event, may not be over any part of the Adjoining Land that has been built upon or is no longer in the Landlord's possession or control.
3. A right to enter the Adjoining Land to carry out any infrastructure works, and entry to be on the following terms:
 - (a) entry may take place only at times to be agreed with the Landlord;
 - (b) entry shall otherwise be subject to such conditions as the Landlord may require;
 - (c) entry may only be over such parts of the Adjoining Land as may be necessary in order to carry out the Infrastructure Works and, in any event, may not be over any part of the Adjoining Land that has been built upon or is no longer in the Landlord's possession or control.
4. Full right and liberty for the Landlord in their absolute discretion to manage or otherwise deal as they may think fit with any lands or premises adjacent or near to the Land and to erect thereon any buildings whatsoever and to make any alterations and carry out any demolition works to such adjacent lands or premises or rebuilding or other works which they may think fit or desire to do whether such buildings alterations or work shall or shall not affect or diminish the light or air which may now or at any time during the term hereby granted be enjoyed by the Tenant AND PROVIDED that any such works of construction demolition or alteration are carried out with due regard to modern standards and method of building and workmanship the Tenant shall permit such works to continue without interference or objection
5. Any right of entry pursuant to paragraphs 2 and 3 shall be on the basis that the person so entering shall causing as little damage as possible and make good any damage so caused as soon as reasonably practicable and to the reasonable satisfaction of the Landlord.

Part 2 – Exceptions and reservations

1. A right of way (until adoption) at all times and for all purposes over and along all roads and footpaths either existing at the date of this Lease or constructed at any time upon the Land.
2. The right to free passage of water, soil, gas and electricity, telephone, radio or television signals through the Common Services now or at any time running through, in, under or over or attached, to the Land.
3. The right to use, install, lay, clean, enlarge, extend, connect into, repair, reconstruct, divert, remove, alter and replace Common Services now or at any time in, under, over or attached to the Land and to enter upon such part of the Land as may be necessary (but excluding any parts which have permanent structures upon them or are within building lines) for any of the foregoing the person so entering doing as little damage as possible and as soon as reasonably possible making good any damage done.
4. A right of entry on to the Land in order to carry out any works to any Adjoining Land.
5. All other rights of entry given to the Landlord referred to elsewhere in the Lease.
6. The right to enter upon all such parts of the Land as may be appropriate for any other reasonable purpose connected with the Development.
7. All rights, easements, quasi-easements and privileges granted to, or enjoyed by, any third party in respect of the construction of any infrastructure or related matters.

[Part 3 – Site Specific Obligations]

SCHEDULE 2 – COVENANTS BY SURETY

1. INDEMNITY BY SURETY

The Tenant or the Surety shall while the Tenant remains bound by the Tenant's Covenants comply with the Tenant's Covenants and the Surety shall indemnify the Landlord against all claims, demands, losses, damages, liabilities, costs, fees and expenses sustained by the Landlord by reason of or arising out of any default by the Tenant in complying with the Tenant's Covenants.

2. SURETY JOINTLY AND SEVERALLY LIABLE WITH TENANT

The Surety shall be jointly and severally liable with the Tenant (whether before or after any disclaimer by a liquidator or trustee in bankruptcy or any forfeiture of the Lease) for the fulfilment of all the obligations of the Tenant under the Lease and agrees that the Landlord in the enforcement of its rights under the Lease may proceed against the Surety as if the Surety were named as the Tenant in the Lease.

3. WAIVER BY SURETY

The Surety waives any right to require the Landlord to proceed against the Tenant or to pursue any other remedy whatsoever which may be available to the Landlord before proceeding against the Surety.

4. NO RELEASE OF SURETY

None of the following or any combination of them shall release, discharge or lessen or affect the liability of the Surety under the Lease:

- (a) any neglect, delay or forbearance of the Landlord in endeavouring to obtain payment of any sums due under the Lease or in enforcing compliance with the Tenant's Covenants;
- (b) any refusal by the Landlord to accept any payment tendered by or on behalf of the Tenant at a time when the Landlord is entitled (or would after the service of a notice under section 146 of the Law of Property Act 1925 be entitled) to re-enter the Land;
- (c) any extension of time given by the Landlord to the Tenant;
- (d) save as provided for in the 1995 Act any variation of the terms of the Lease or the transfer of the Landlord's reversion or the assignment of the Lease;
- (e) any surrender by the Tenant of any part of the Land (in which event the liability of the Surety shall continue in respect of the part of the Land not so surrendered after making any necessary apportionments);
- (f) any other act, omission, matter or thing whereby but for this provision the Surety would be exonerated wholly or in part (other than a release under seal given by the Landlord).

5. DISCLAIMER OR FORFEITURE OF LEASE

- 5.1 If the Tenant (being an individual) becomes bankrupt or (being a company) enters into liquidation and the trustee in bankruptcy or liquidator disclaims or surrenders the Lease or the Lease is forfeited then the Surety shall (if it gives

written notice to the Landlord within 30 Working Days after such disclaimer or other event) accept from and execute and deliver to the Landlord a counterpart of a new lease of the Land (the proper and reasonable costs of which shall be borne by the Surety) and the Landlord shall grant such new lease to the Surety:

- (a) to take effect from the date of the disclaimer or other event;
- (b) for a term beginning on the date of the disclaimer and equal in length to the residue of the term granted by the Lease which would have remained had there been no disclaimer;
- (c) reserving by way of yearly rent an amount equal to the yearly rent payable immediately before the date of the disclaimer or other event such yearly rent to be payable from that date;
- (d) imposing on the Surety the same obligations as the Tenant was subject to immediately before the disclaimer or other event; and
- (e) otherwise containing the same terms and provisions as the Lease, including the provisions relating to payment of money, except that the Surety shall not be required to procure that any other person is made a party to the new lease as surety.

5.2 If the Surety does not require to take a new lease, the Surety shall nevertheless on demand pay to the Landlord a sum equal to the rents and other sums that would have been payable under the Lease but for the disclaimer or other event, from and including the date of such disclaimer or other event for a period of two years or (if sooner) until the date on which a lease or underlease of the Land to a third party is completed.

6. **SUPPLEMENTAL DOCUMENTS**

The Surety shall at the request of the Landlord join in any document made supplemental or collateral to the Lease.

7. **ADDRESS FOR SERVICE**

The Surety shall promptly notify in writing the Landlord of any change in the Surety's address for service and until such notice has been given the Surety's address for service shall be the Surety's address for service most recently notified in writing to the Landlord.

SCHEDULE 3 – PUT OPTION

1 Definitions and interpretation

1.1 Definitions

In this Schedule the following definitions apply:

Completion Date means the date which is 15 Working Days after the date of service of the Option Notice.

Option means the put option granted by paragraph 2.1

Option Notice means written notice exercising the Option

Option Period means the period of [five] years commencing on the Practical Completion Date

Part 1 Conditions means Part 1 of the Standard Commercial Property Conditions (Second Edition) and **Condition** means any one of them.

Part 2 Conditions means Part 2 of the Standard Commercial Property Conditions (Second Edition).

Practical Completion Date means the date of the certificate of practical completion of the Development issued under the terms of any building contract.

Purchase Price means One Pound (£1.00)

2 Put Option

2.1 The Tenant grants the Landlord a put option to require the Tenant to buy the reversionary interest in the Land (subject to the Lease) at the Purchase Price within the Option Period.

2.2 On exercise of the Option, the Landlord shall sell and the Tenant shall buy the reversionary interest in the Land (subject to the Lease) for the Purchase Price on the terms set out in this Schedule.

3 Option Notice

3.1 The Landlord may exercise the Option at any time during the Option Period by serving an Option Notice on the Tenant.

4 Title guarantee

The Landlord shall sell the Land with [full][limited] title guarantee but the covenants for title shall be modified as set out in paragraph 7.

5 Conditions

- 5.1 On exercise of the Option, the Part 1 Conditions shall be incorporated into this agreement in relation to the sale by the Landlord of the Land to the Tenant and in so far as they:
- (a) apply to a sale by private treaty;
 - (b) relate to freehold property;
 - (c) are not inconsistent with the other clauses in this Schedule and the Lease; and
 - (d) have not been modified or excluded by any of the other clauses in this Schedule and the Lease.
- 5.2 On exercise of the Option, the Part 2 Conditions shall not be incorporated into this agreement.
- 5.3 The following Conditions shall not apply:
- (a) Conditions 1.1.4(a), 1.3, 1.4.3 and 1.5;
 - (b) Condition 2.2;
 - (c) Conditions 3.1.4 and 3.3;
 - (d) Conditions 6.2, 6.4.1 and 6.6.2; and
 - (e) Condition 7.1.3.

6 Vacant possession

The Land shall be sold subject to any buildings or structures upon the Land and to any subsisting leasehold interests.

7 Transfer

The transfer to the Tenant shall contain the following covenants and declarations:

- (a) a declaration:
 - (i) that the Land is sold with [full][limited] title guarantee but the Transfer shall state that the covenants set out in sections 2 and 3 of the Law of Property (Miscellaneous Provisions) Act 1994 shall not extend to matters which are referred to in this Schedule; and
 - (ii) that the covenant set out in section 4(1)(b) of the 1994 Act shall not extend to imply that any covenant in the Lease which constitutes an obligation to put the Land in a better state of repair, decoration or condition than it is now in has been complied with;

(b) a covenant by the Tenant with the Landlord that the Tenant and its successors in title will observe and perform the covenants, stipulations, obligations, restrictions and other matters which fall to be observed and performed by the Landlord (whether as original covenantor or by way of indemnity) contained or referred to in or in documents contained or referred to in:

(i) the entries appearing in the property and charges registers of title number [*insert the relevant title number*] so far as they relate to the Land;

(ii) [any Site Specific Obligations]so far as they relate to the Land;

and will indemnify and keep indemnified the Landlord against all demands, claims, liabilities, losses, damages, costs and expenses suffered or sustained by the Landlord as a result of any future breach, non-performance or non-observance of the same;

[(c) a covenant by the Tenant as transferee not to use the Land except for the Permitted Use]

8 Completion

8.1 Completion of the transfer shall take place on the Completion Date.

8.2 On completion, the Tenant shall pay the Purchase Price to the Landlord.

9 Indemnity

With effect from the Completion Date, the Tenant shall indemnify and keep indemnified the Landlord and the Landlord's Group from and against any and all demands, claims, liabilities, losses, damages, costs, expenses, fines and penalties suffered or incurred by the Landlord and any member of the Landlord's Group as a result of, or arising out of, or in connection with:

(a) any failure by the Tenant to adhere to the provisions of paragraph 9; or

(b) the presence of any Hazardous Substance in, on, under, or originating from the Land,

regardless of the cause or reason.

10 Disputes

Any disputes between the Landlord and the Tenant (including any failure by them to agree a matter which they are at first instance required to do) may be referred by either of them to a Senior Representative and resolved in accordance with clause 14 of the Lease.

SCHEDULE 4 - OVERAGE PROVISIONS

1 Definitions

In this Schedule the following definitions apply:

Affordable Rented Units means any units designated as London Affordable Rent]

Affordable Rented Unit Adjustment Sum means [Insert figure in words from the Tenant's bid] Pounds (£ [insert same figure in numbers]) per square foot]

Affordable Rented Unit Base Area [insert details from the Initial Planning Permission of the Net Internal Area of the Affordable Rented Units]

Calculation Date means, for each Further Planning Permission, the earlier of:

- (a) the date on which the Further Planning Permission becomes Finally Determined; and
- (b) the date on which the Further Planning Permission is implemented.

Commercial Units means any part of the Land intended exclusively for use or occupation for trade or business or other non-residential uses]

Commercial Unit Adjustment Sum means [Insert figure in words from the Tenant's bid] Pounds (£ [insert same figure in numbers]) per square foot]

Commercial Unit Base Area [insert details from the Initial Planning Permission of the Net Internal Area of the Commercial Units]

Disposal means the transfer, assent or grant of a lease of the whole or any substantial part of the Land by the Tenant or any chargee or mortgagee of the Land whether or not for valuable consideration and any comparable arrangement to the same or similar effect but excluding any Permitted Disposal or the under-lease of a Permitted Part

End Date means [*the Full Occupancy Date*] or [*the date being [5] years from the Practical Completion Date*].

Finally Determined means six weeks have elapsed since the date of issue of the Further Planning Permission and either:

- (a) no Proceedings have been instituted in respect of that Further Planning Permission; or
- (b) any Proceedings which may have been instituted in respect of that Further Planning Permission have been exhausted (which shall occur on the withdrawal of such Proceedings or when the time for appealing against the decision of any court has expired and no appeal has been lodged) with that Further Planning Permission being finally upheld.

Further Planning Permission means a planning permission relating to the Land (including outline planning permission and any planning permission pursuant to section 73 of the Town and Country Planning Act 1990) obtained by or for the Tenant or any of the Tenant's successors in title to the Property.

Initial Planning Permission means the planning permission for the development of the Land dated [*insert relevant date of the Planning Permission attached at Annex 2 of the Lease*] (reference: [])

Intermediate Units means any units designated as London Shared Ownership and London Living Rent

[Intermediate Unit Adjustment Sum means [Insert figure in words from the Tenant's bid] Pounds (£ [insert same figure in numbers]) per square foot]

Intermediate Unit Base Area [*insert details from the Initial Planning Permission of the Net Internal Area of the Intermediate Units*]

London Affordable Rent means low cost rented homes complying with the requirements designated for this type of tenure (including rent levels falling within the prescribed benchmarks) in the Mayor of London's Homes for Londoners Affordable Homes Programme 2016-21 Funding Guidance dated November 2016;

London Living Rent means an intermediate affordable housing rent to buy product with sub-market locally specified rents on time-limited tenancies complying with the requirements designated for this type of tenure in the in the Mayor of London's Homes for Londoners Affordable Homes Programme 2016-21 Funding Guidance dated November 2016;

London Shared Ownership means a housing product allowing a home buyer to purchase a share in a new home and pay a regulated rent on the remaining share complying with the requirements designated for this type of tenure in the in the Mayor of London's Homes for Londoners Affordable Homes Programme 2016-21 Funding Guidance dated November 2016;]

Measurement Code means the edition of the RICS Property Measurement published on behalf of RICS which is current at the date of this Lease;

Net Internal Area means the net internal area as calculated in accordance with the Measurement Code;

Overage has the meaning given to it in paragraph 2.2 and 2.3 of this Schedule.

Overage Calculation Sum has the meaning given to it in paragraphs 2.2 of this Schedule

Overage Percentage means []%

Payment Date means the [20th] Working Day after the Calculation Date or (if later) after the amount of the payment has been agreed or determined.

Practical Completion Date means the date of the certificate of practical completion of the Development issued under the terms of any building contract.

Private Sale Unit means any Dwelling which is not an Affordable Dwelling]

Private Sale Unit Adjustment Sum means [Insert figure in words from the Tenant's bid] Pounds (£ [insert same figure in numbers]) per square foot]

Private Sale Base Area [insert details from the Initial Planning Permission of the Net Internal Area of the Private Sale Units]

Proceedings means all or any of the following as the case may be:

- (a) an application for judicial review under Part 54 of the Civil Procedure Rules arising from the grant, or any procedural step towards the grant, of Planning Permission, including any appeals to a higher court following a judgement of a lower court;
- (b) an application pursuant to Section 288 of the Town and Country Planning Act 1990 arising from the grant of Planning Permission by the secretary of state, including any appeals to a higher court following a judgement of a lower court;
- (c) any reconsideration by the planning authority of a planning application or by the secretary of state of an appeal (as the case may be) following a previous Planning Permission being quashed pursuant to an application within the meaning of paragraphs (a) or (b) above and the matter being remitted to the planning authority or the secretary of state (as the case may be).

Unit Types means [Affordable Rented Units], [Intermediate Units] [Private Sale Units and Commercial Units]

2. Overage

2.1 In the event that the Further Planning Permission consents a different Net Internal Area (whether greater or lower) to that authorised by the Initial Planning Permission the Overage Calculation Sum shall be calculated in accordance with the provisions of paragraph 2.2:

2.2 The Overage Calculation Sum shall be the product of the following formula $A = ((B \times \text{Affordable Rented Unit Adjustment Sum}) + (C \times \text{Commercial Unit Adjustment Sum}) + (D \times \text{Intermediate Unit Adjustment Sum}) + (E \times \text{Private Unit Adjustment Sum}))$

Where:

A = Overage Calculation Sum ;

B = the number of square feet (if any) by which the Net Internal Area of the Affordable Rented Units exceeds or is less than the Affordable Unit Base Area;

C = the number of square feet (if any) by which the Net Internal Area of the Commercial Units exceeds or is less than the Commercial Unit Base Area;

D = the number of square feet (if any) by which the Net Internal Area of the Intermediate Units exceeds or is less than the Intermediate Unit Base Area;

E = the number of square feet (if any) by which the Net Internal Area of the Private Sale Units exceeds or is less than the Intermediate Unit Base Area;

Where

2.3 Where the Overage Calculation Sum as calculated in accordance with paragraph 2.2 above is higher than the Price, Overage shall be calculated as follows:

$$O = (X - Y) \times Z$$

Where

O = the Overage

X = the Overage Calculation Sum

Y = the Price; and

Z = the Overage Percentage

2.4 Where the Tenant has already obtained a Further Planning Permission and has paid Overage in respect of that permission, then Overage shall be payable in accordance with the following calculation:

$$O = ((X - Y) \times Z) - W$$

Where

O = the Overage

X = the Overage Calculation Sum

Y = the Price; and

Z = the Overage Percentage

W = the total amount of Overage previously paid

2.5 The minimum value for the Overage shall be £0, so that where the Overage is a negative value, no Overage shall be payable.

3. Payment of Overage

The Tenant agrees that, for any Further Planning Permission in respect of which the Calculation Date occurs before the End Date, the Tenant shall (subject to the terms of paragraph 2) pay Overage to the Landlord on or before the relevant Payment Date.

4. Interest on late payment

If a party fails to pay any amount payable by it to another party under this Schedule on its due date, Interest shall accrue on the overdue amount on a daily basis from the due date up to the date of actual payment (both before and after judgment). Any Interest accruing under this paragraph 4 shall be compounded with the overdue amount on the last day of each month and shall be immediately payable on demand.

5. Keep Landlord informed

The Tenant shall supply promptly to the Landlord all documents and information relating to Overage as the Landlord shall reasonably require, and in particular shall supply a copy of each Further Planning Permission together with their calculation of any Overage which is payable within 10 Working Days of this permission being issued.

6. Anti-avoidance

6.1 The Tenant shall act in good faith.

6.2 In particular, the Tenant shall:

- (i) not do anything which is likely to adversely affect the amount of Overage or its prospects of being triggered;
- (ii) use reasonable endeavours to maximise the amount of Overage.

7. Dispositions

7.1 The Tenant may not make a Disposal (other than a Permitted Disposal or an under-lease of a Permitted Part) unless the donee:

- (i) executes a deed of covenant with the Landlord to comply with the Tenant's obligation in this Schedule on or before the date of the deed or document effecting the Disposal and delivers it unconditionally to the Landlord; and
- (ii) pays the proper and reasonable costs and expenses of the Landlord (including without limitation the reasonable costs and expenses of the Landlord's solicitors) in respect of the preparation and approval of the deed of covenant together with any VAT on those costs and expenses which the Landlord is unable to recover; and

- (iii) makes an application to the Land Registry on form RX1 together with the requisite fee for a restriction to be entered onto the proprietorship register of the title number of the Land (or part of it, as applicable) allocated to it by the Land Registry in the form of the restriction set out in LR13 of the Lease

Provided that the provisions of paragraph 7.1 (i) to (iii) shall not apply to the grant of an under-lease in respect of a Dwelling [or Commercial Unit (if any)] or to any Permitted Disposal.

- 7.2 The Tenant is to apply to the Land Registry on form RX1 together with the requisite fee for a restriction in the form of the restriction set out in LR13 of the Lease relating to the provisions of para 7.1 to be entered onto the proprietorship registers of each of the title number(s) to be allocated to the Lease.
- 7.3 The parties acknowledge that a restriction in these terms is not intended to be registered against any subsidiary titles created pursuant to a Permitted Disposal or under-lease of a Permitted Part and the Landlord will co-operate with the Tenant and any disponees to assist in dealing with any Land Registry requisitions in respect thereof provided that the Tenant shall be responsible for paying the Landlord's costs in so doing.
- 7.4 After the End Date and subject to all Overage due to the Landlord having been paid, the Landlord shall within 20 Working Days of the written request, provide to the Tenant the necessary release documentation for the withdrawal of the restriction entered against the title to the Land provided that the Tenant shall be responsible for paying the Landlord's costs in so doing.

8 Disputes

Any disputes between the Landlord and the Tenant (including any failure by them to agree a matter which they are at first instance required to do) may be referred by either of them to a Senior Representative and resolved in accordance with clause 14 of the Lease.

Annex 1

Land - Plan A

Annex 2

Planning Permission

[Annex 3

Adjoining Land - Plan B]

EXECUTED by the Parties as a Deed

Executed as a deed by)
[*Insert name of the Landlord company*])
Acting by a Director in the presence of:)

Signature of Witness :

Name of Witness :

Address :
.....
.....

Occupation:

Executed as a deed by)
[*Insert name of the Tenant company*])
Acting by a Director in the presence of:)

Signature of Witness :

Name of Witness :

Address :
.....
.....

Occupation:

Executed as a deed by)
[*Insert name of the Surety company*])
Acting by a Director in the presence of:)

Signature of Witness :

Name of Witness :

Address :

.....

.....

Occupation:

Equality Impact Analysis Screening Tool

Section 1: Background information

Name of completing officer	Date of screening
Mariana Schiller / Robin Sager	12/07/2021
Service area and Directorate responsible	
Place – Housing Regeneration	
Approved by (Director / Head of Service)	Date of approval
 Karen Swift	22/07/2021

Affordable Self-Build Programme– marketing and disposal of council-owned land for self-build

The Equality Act 2010 places a ‘General Duty’ on all public bodies to have ‘due regard’ to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advancing equality of opportunity between those with ‘protected characteristics’ and those without them
- Fostering good relations between those with ‘protected characteristics’ and those without them

This Equality Impact Analysis provides evidence for meeting the Council’s commitment to equality and the responsibilities outlined above. For more information about the Council’s commitment to equality, please visit the Council’s [website](#).

Section 2: Summary of proposal being screened

For the purpose of this document, ‘proposal’ refers to a policy, function, strategy or project

Name of proposal
Affordable Self-Build Programme – marketing and disposal of council-owned land for self-build
The aims/objectives of the proposal
<p>The Council is required by law to keep a register of people who are interested in self-build. These duties are set out in two Acts of Parliament, the Housing and Planning Act (2016) and the Self-build and Custom Housebuilding Act (2015). In addition, the Self-build and Custom Housebuilding Regulations (2016) set out how the register should be administered. In line with this, the Mayor of Tower Hamlets has committed to support up to 50 self-build homes over the period 2018-2022. To facilitate this, officers produced a Self-build Policy and separate Guidance document. The two documents as well as a list of proposed council-owned sites to be disposed via a long lease (250 years) for affordable self-build were approved as an Executive Decision by the Mayor at Cabinet on 25th March 2020. The Cabinet report included an Equalities Screening, which concluded that a full Equalities Analysis was not needed.</p> <p>The current Cabinet report recommends approval of disposal of the first 2 sites (Christian Street and Lark Row) to preferred bidders (selected by an assessment panel and based on an assessment criteria that prioritised quality over cost); approval of marketing and disposal of the next 2 sites in the programme (Pigott Street and Smythe Street) in accordance with the process undertaken for Christian Street and Lark Row; and approval for delegated authority to follow the same process that is proposed for Pigott Street and Smythe Street for any future council-owned sites that are added to the self-build programme. The Equalities Screening conducted below refers to these stages of the proposal.</p>

Section 3: Equality Impact Analysis screening

Is there a risk that the policy, proposal or activity being screened disproportionately adversely impacts (directly or indirectly) on any of the groups of people listed below ?	Yes	No	Comments
Please consider the impact on overall communities, residents, service users and Council employees.			

This should include people of different:			
<ul style="list-style-type: none"> ▪ Sex 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on sex.
<ul style="list-style-type: none"> ▪ Age 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on age.
<ul style="list-style-type: none"> ▪ Race 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on race.
<ul style="list-style-type: none"> ▪ Religion or Philosophical belief 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on religion or philosophical belief.
<ul style="list-style-type: none"> ▪ Sexual Orientation 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on sexual orientation.
<ul style="list-style-type: none"> ▪ Gender re-assignment status 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on gender re-assignment status.
<ul style="list-style-type: none"> ▪ People who have a Disability (physical, learning difficulties, mental health and medical conditions) 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on people who have a disability.
<ul style="list-style-type: none"> ▪ Marriage and Civil Partnerships status 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on marriage and civil partnerships status.
<ul style="list-style-type: none"> ▪ People who are Pregnant and on Maternity 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on people who are pregnant and/or on maternity.
<p>You should also consider:</p> <ul style="list-style-type: none"> ▪ Parents and Carers ▪ Socio-economic status ▪ People with different Gender Identities e.g. Gender fluid, Non-binary etc. ▪ Other 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Marketing and disposing council-owned sites for affordable self-build will not have any adverse impacts on parents and carers, socio-economic status or people with gender identities. The proposal will not have any other adverse impacts.

If you have answered **Yes** to one or more of the groups of people listed above, a **full Equality Impact Analysis is required**. The only exceptions to this is if you can 'justify' the discrimination (Section 4). **If there are equality impacts on Council**

staff please complete the restructure equality impact analysis on the [‘Organisational change process’ pages of the intranet](#).

Section 4: Justifying discrimination

Are all risks of inequalities identified capable of being justified because there is a:	
(i) <i>Genuine Reason</i> for implementation	<input type="checkbox"/>
(ii) The activity represents a <i>Proportionate Means</i> of achieving a <i>Legitimate Council Aim</i>	<input type="checkbox"/>
(iii) There is a <i>Genuine Occupational Requirement</i> for the council to implement this activity	<input type="checkbox"/>

Section 5: Conclusion

Before answering the next question, please note that there are generally only two reasons a full Equality Impact Analysis is not required. These are:

- The policy, activity or proposal is likely to have **no or minimal impact** on the groups listed in section three of this document.
- Any discrimination or disadvantage identified is **capable of being justified** for one or more of the reasons detailed in the previous section of this document.

Conclusion details

Based on your screening does a full Equality Impact Analysis need to be performed?

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you have answered **YES** to this question, please complete a full Equality Impact Analysis for the proposal

If you have answered **NO** to this question, please detail your reasons in the 'Comments' box below

Comments

The marketing and disposal of council-owned sites for affordable self-build follows the guidelines and procedures set out by the Self-Build Policy and Self-Build Guidance which were previously approved by Cabinet and for which an Equalities Screening was undertaken and concluded that there was not a need for a full Equalities Impact Analysis.

The assessment criteria for selecting a preferred bidder for sites prioritises level of affordability of homes proposed and bidders with incomes closer to the borough's average as well as bids that propose wider benefits for the neighbourhood such as sustainability standards, community spaces and public gardens. Quality is prioritised over cost as the former is weighted at 80% of final score and the latter at 20%, which further exemplifies the programme's aims to prioritise affordability and long-lasting benefits for local communities. The bidding process is open to individuals and groups and there is no requirement for members to live/work in the borough, although they score higher if they have a local connection.

Existing research into community-led housing has found that providing a vehicle for community led groups or individuals to develop their own homes empowers communities to thrive and supports the development of sustainable communities. By promoting the development of affordable self-build housing in perpetuity, the programme ensures that homes are being made available for people who would otherwise struggle financially to buy a home on the open market and would not necessarily have access to social housing. This then forces them into the private rented sector where they are likely to be less secure. The Affordable Self-Build Programme provides secure tenure in a housing environment where high rental costs and short-term tenancies create instability for many families on median incomes in the borough and key workers who have to seek housing outside the borough where many of them may have grown up.

Therefore, progressing the Affordable Self-Build Programme through marketing and disposal of sites will not have any adverse impact on any of the protected characteristic listed. Due to its affordability and community-led housing focus, the programme will bring lasting benefits to the borough's communities, including to those individuals and groups with protected characteristics.

Once the assessment panel confirms a preferred bidder for each site, a further screening may be undertaken to ensure that that particular bid does not have any adverse impacts on protected characteristics.

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<p>Cabinet</p> <p>22 September 2021</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Ann Sutcliffe, Corporate Director of Place</p>	<p>Classification: Unrestricted</p>
<p>Sutton Street Depot, 6 Sutton Street, London, E1 0AY</p>	

Lead Member	Mayor Biggs
Originating Officer(s)	Stephen Shapiro, Interim Head of Asset Management
Wards affected	Shadwell
Key Decision?	No
Forward Plan Notice Published	16 August 2021
Reason for Key Decision	This report has been reviewed as not meeting the Key Decision criteria.
Strategic Plan Priority / Outcome	<ol style="list-style-type: none"> 1. People access a range of education, training, and employment opportunities 2. Good jobs and employment 3. People say we work together across boundaries in a strong and effective partnership to achieve the best outcomes for our residents

Executive Summary

The report is to seek authority to grant a new lease at a level that exceeds Delegated Thresholds.

Recommendations:

The Cabinet is recommended to:

1. Grant a new 3-year lease, excluding security of tenure, to the existing occupier of 6 Sutton Street at a rent of £125,000 per annum, subject to an initial 12 month rent free period.
2. Approve the repayment of £80,000 in arrears by virtue of an up-front payment of £40,000 with the balance payable after 3 months after completion of the lease.
3. Agree a Schedule of Works with the tenant to be appended to the lease and to be completed within 6-months of completion. These works are appended at Appendix 1.

1 REASONS FOR THE DECISIONS

- 1.1 The proposed terms regularise the position of the tenant whose previous lease expired in June 2018. To prevent the tenant from acquiring security of tenure under the Landlord and Tenant Act 1954 the Council had the rent stopped.
- 1.2 The rent of £125,000 per annum represents best value for the Council because it provides an income for an otherwise disused building. The tenant has agreed to undertake a schedule of improvement works to the building which will cost in the region of £100,000 - £150,000. Considering the capital payment made by the tenant respect of the improvement works to be undertaken and the benefit that the Council will gain from such works on expiry of the lease a rent-free period of 12 months has been agreed.
- 1.3 Upon expiration of the June 2018 lease, the tenant did not pay rent and the building has remained vacant and unused. During this time the tenant has covered business rates and security costs associated with the building. However, on expiry of the lease, the Council did not seek possession to recover the property and the tenant remained in occupation. As the tenant has been in occupation since June 2018 it is possible that they could have obtained security of tenure. This means that the tenant has a right to a new tenancy even though the expired lease was excluded from the Landlord and Tenant Act 1954 (the Act). The Council are seeking to recover monies which are equivalent to rent for occupation from June 2018 to present day via a legal principal known as 'mesne profits'. The costs to pursue the arrears could be costly plus the time and resources taken to recover the rent outweighs the potential rent received. Therefore an £80,000 payment has been agreed with the tenant which will go towards the potential arrears for the building.
- 1.4 Discussions have been on-going to grant the tenant a new 3 year lease outside the Act, thereby continuing to prevent them securing continual rights of occupation. This ensures that the Council retains flexibility regarding future use of the site at the conclusion of this lease term.

The new lease would also include an obligation to undertake works within 6-months of completion of the lease. In the former lease there was an obligation upon the Council to pay £50,000 towards capital works on the building.
- 1.5 The documentation is ready to complete, but due to the rental level of £125,000 per annum being above Delegated Authority levels further authority is sought.

2 ALTERNATIVE OPTIONS

- 2.1 The main alternative option is not to agree the proposed lease and associated agreements. The Council would therefore need to seek vacant possession and be responsible for voids, re-letting the space and security costs.

3 DETAILS OF THE PROPOSAL

- 3.1 Terms have been agreed with the existing tenant to take a new 3-year Outside the Landlord and Tenant Act 1954 lease at an annual rent of £125,000 per annum, subject to an initial 12 month rent free period.
- 3.2 At the same time the Tenant will agree to undertake a Schedule of Works to be appended to the Lease within 6 months as well as repay £80,000 of arrears.

4 EQUALITIES IMPLICATIONS

- 4.1 There are no specific equalities implications arising from the report at this stage. The future redevelopment of the market site will require planning consent, which will involve consideration of issues such as affordable housing, access and employment opportunities.

5 OTHER STATUTORY IMPLICATIONS

- 5.1 The future transaction involving the Council's leasehold interest will be subject to the best consideration obligations in s123 of the 1972 Local Government Act.

6 COMMENTS OF THE CHIEF FINANCE OFFICER

- 6.1 This report seeks approval from the Mayor to grant a new 3-year lease, without Security of Tenure, to the existing occupier of the 6 Sutton Street site at a rent of £125,000 per annum, subject to an initial 12 months rent free period. The report also requests approval for the repayment of £80,000 of arrears by the tenant by virtue of an up-front £40,000 with the balance payable after 3 months, alongside removing the Council's liability to pay £50,000 to the lessee.
- 6.2 6 Sutton Street is a general fund asset and granting the rent holiday will create a budget pressure in year. However, this rent loss is being mitigated through the repayment of historic arrears and the avoidance of void costs (rates, utilities, security, letting fees etc) if the building were to remain empty. The void period would be unknown especially as the building is in a poor state of repair which the current tenant is dealing with (para. 6.3).
- 6.3 The lessee will also undertake dilapidation works to bring the building into use, estimated at £125,000. These works are capital in nature and therefore although the Council is incurring a revenue pressure from the rent holiday, it is benefitting from an equivalent saving within its capital programme. Should the

lessee not undertake these works then the liability and resultant cost would fall on the Council, further affecting the marketability and effective rent and void periods.

- 6.4 Entering into a lease arrangement Outside of the Act allows the Council to value the asset and associated rental payments inclusive of these capital works should the lease be renewed, potentially allowing the Council to benefit from increased rental income in future years.
- 6.5 All other revenue costs associated with the property, for example insurance, business rates will be met by the tenant and not the Council's budgets.
- 6.6 Although on first appearances it does not go fully towards meeting the Council's income targets, there is a far greater benefit to the mitigation, including £80,000 this financial year than by delaying or not entering into the lease which would result in zero income for an unknown period with resultant costs to be incurred by the Council. Therefore, from a finance perspective this proposal is recommended.

7 COMMENTS OF LEGAL SERVICES

- 7.1 Local authorities are given powers under the Local Government Act 1972, subject to applicable legal constraints, to dispose of land in any manner they wish, including sale of their freehold interest, granting a lease or assigning any unexpired term on a lease, and the granting of easements. However, a disposal must be for the best consideration reasonably obtainable, as set out in section 123 of the Local Government Act 1972 (except in the case of short tenancies), unless the Secretary of State consents to the disposal.
- 7.2 It is noted in this report at paragraph 1.2 that this transaction represents best consideration for the Council.
- 7.3 When a former tenant remains in occupation after a tenancy has been terminated, a landlord can claim money from the tenant for continued use of the premises. These payments are known as mesne profits. The amount of mesne profits payable is usually equivalent to the rent that the former tenant was paying (Swordheath Properties Ltd v Tabet [1979]).

Linked Reports, Appendices and Background Documents

Linked Report

- None.

Appendices

Appendix 1 – Schedule of Works

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

- None.

Officer contact details for documents:

Thomas Parsonage

thomas.parsonage@towerhamlets.gov.uk

0207 364 4106

**SUTTON STREET DEPOT
6 SUTTON STREET
LONDON
E1 0BB**

SCHEDULE OF WORKS

PREPARED BY;

**TAYLORED SPACE
111A GEORGE LANE
LONDON E18 1AN**

THE FOLLOWING DOCUMENT DESCRIBES VARIOUS BUILDING WORKS TO BE CARRIED OUT AT THE YARD AND PREMISES AT 6 SUTTON STREET LONDON E1 ORB.

THE WORKS ARE PRESENTED IN TWO SECTIONS AS FOLLOWS;

SECTION 1 EXTERNAL WORKS TO YARD AND BUILDINGS

SECTION 2 INTERNAL REFURBISHMENT WORKS TO THE REAR REAR BUILDINGS

(NO WORKS TO THE TWO FRONT BUILDINGS EACH SIDE OF THE ACCESS ARCH
ARE PROPOSED IN THIS SCHEDULE)

ALONG WITH A DESCRIPTION OF THE WORKS AN ESTIMATE OF THE COSTS OF THE WORKS IS INCLUDED AND IS CALCULATED TO INCLUDE ALL NECESSARY MATERIAL, LABOUR, PLANT AND MACHINERY AND PRELIMINARY COSTS. V.A.T. IS NOT INCLUDED

SECTION 1 EXTERNAL WORKS TO YARD AND BUILDINGS

A ROOF AND GUTTERS

- 1) Provide access scaffold as necessary to both roof slopes of right hand side or rear building. Remove all defective and broken roof slates. Check roof timbers and fit replacement matching slates with bright zinc clips. Leave roof watertight.
- 2) Provide access scaffold as necessary to all roof slopes of single storey left hand rear building. Remove loose and defective artificial slates along front roof verge. Check roof timbers and fit replacement matching slates with bright zinc clips. Leave roof watertight.
- 3) Provide access scaffold as necessary to flat roof over single storey storage sheds along rear boundary. Clean all roof surfaces and prepare as necessary. Apply single ply GRP membrane with all necessary proprietary flashing and weathering details. Leave roof watertight.
- 4) Using above reference scaffolding or access towers remove all gutters and fascias including barge boards from gables. Check and repair all roof timbers as necessary. Fit new black upvc fascia boards and ventilated soffit boards. Fit new black upvc deep flow guttering and ensure all roofs discharge into gutters.
- 5) Clean all debris from valley gutter extending full length of boundary parapet walls adjoin the various premises along Commercial Road and Deancross Street. Check for defects and repair as necessary.
- 6) Remove and clear away all r.w. downpipes. Provide new black upvc 75mm downpipes with brackets at 1.2m c/s.

B External walls

- 1) Remove all weed and plant growth from external wall faces of rear buildings and rake out all defective mortar pointing generally to a depth of 20mm. Repoint to match existing finish with sand cement mortar.
- 2) Provide all necessary access towers and remove all weed and plant growth from all boundary fence walls and rake out all defective mortar pointing generally to a depth of 20mm. Repoint to match existing finish with sand cement mortar.

- 3) Locate all brickwork fractures in boundary wall with adjoining premises in Sutton Street. Carefully rake out mortar from horizontal beds to a depth of 75mm and 500mm each side of fracture at 225mm vertical centres. Insert proprietary Thor Helical reinforcement bars and repoint with weather struck mortar finish.
- 4) Locate and repoint all defective mortar and replace missing or damaged coping stones.
- 5) Remove defective lintel over ground floor opening in right hand flank of rear building. Insert new concrete lintel and make good to brickwork.
- 6) Remove external waste pipes at low level to right hand side of main entrance of rear building.
Re-run wastes with new upvc pipe securely clipped to the wall and discharging into sealed gully.
- 7) Replace defective lateral soil pipe over main entrance door with new upvc pipe securely fixed to the wall and to an adequate fall.
- 8) Patch repair as necessary all external render faces. Prepare and paint 2no. coats Dulux Weathersheild masonry paint.
- 9) Provide 2no. vertical heavy duty galvanised steel roller shutters with electric motor operation to openings of rear single storey store rooms.
Make good surrounding brickwork.
- 10) Overhaul existing roller shutter to rear single storey store.

SECTION 2 INTERNAL REFURBISHMENT WORKS TO THE REAR BUILDINGS

A CLEARANCE

- 1) Remove all loose furniture from all areas of the rear buildings. Remove suspended ceilings and floor tiling from ground floor left hand side.
- 2) Demolish all non load-bearing partitions and false ceilings from rear single storey building.
- 3) Remove all redundant radiators and surface heating pipework from first floor offices.
- 4) Remove all redundant ventilation equipment and ducting from rear single storey building.

B ELECTRICAL WORKS

ALL WORKS TO BE CARRIED OUT BY A REGISTERED NICEIC ELECTRICIAN AND PROPERLY CERTIFIED ON COMPLETION.

- 1) Remove all electrical wiring and fittings from g.f. left hand side and rear single
- 2) From the existing meter position run 4no. new sub mains cables to separate office suites on both floors. Fit new consumer units.
- 3) To first floor office suites and ground floor right hand side suite, inspect existing wiring for compliance and carry out any necessary up-grades.
Connect existing circuits to new consumer units and leave fully operational.
- 4) To ground floor right hand side and rear single storey building provide complete new installation to provide lighting, power, heating and ventilation.
- 5) Provide 8no. LED external flood lights to yard area, mounted at h/l on rear building walls.
- 6) Inspect and upgrade as necessary existing integrated fire alarm and smoke detection systems.

C GENERAL REFURBISHMENT WORKS

- 1) Inspect and overhaul all fire doors at within first floor offices and leave fully operational.
- 2) Clean all wall surfaces and redecorate throughout first floor offices .
- 3) Clean all first floor toilet areas thoroughly including floor coverings. Replace any damaged or missing wall tiles.
- 4) Inspect all first floor sanitary fittings and replace or repair as necessary.
Leave operational.
- 5) Clean all first floor kitchen facilities. Inspect all fitted units and appliances.
PAT test any electrical equipment and repair or replace as necessary.
- 6) Thorough clean all common stairwell surfaces. Inspect balustrade and repair or replace any loose or missing balusters.
- 7) Clean all wall and ceiling surfaces and redecorate throughout stairwell.

Cont./

- 8) Consult with Fire Officer and fit 'Fire Escape' signage and fire extinguisher as directed by the officer.
- 9) Inspect ground floor ceiling of left hand side showroom for fire resting integrity and carry out any necessary remedial works.
- 10) Provide suspended tile ceiling to entire ceiling of left hand side showroom. Allow for incorporating light and alarm fittings.
- 11) Inspect all retained ceilings at both floor levels and repair suspended grid system as necessary. Provide replacement tiles as necessary.
- 12) Provide door and ironmongery to ground floor w.c.
- 13) Remove glass screen separating ground floor left hand showroom from stairwell. Construct new 1/2hr fire resisting partition full height.
- 14) Lay levelling screed to entire floor area of left hand side ground floor showroom and leave ready for floor covering .
- 15) Clean all wall surfaces and redecorate to left hand side ground floor showroom.
- 16) Inspect all sanitary fittings in ground floor left hand side showroom and replace or repair as necessary. Leave operational.
- 17) Lay d.p.m and 70mm screed to rear single storey rear building.
- 18) Infill 2no. opening in brick wall between external storage areas and office area of single storey building.
- 19) Make good all wall surfaces to single storey rear building and apply patch plaster to level as necessary. Redecorate all wall and ceiling surfaces.
- 20) Provide new continuous suspended ceiling to single storey rear building.

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