



**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from:

- Councillor Suluk Ahmed
- Ann Sutcliffe, Corporate Director, Place (Karen Swift, Director of Housing was deputising)
- Caroline Holland, Corporate Director Resources (Nisar Visram, Director Finance Procurement and Audit was deputising)

**2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS**

There were no declarations of disclosable pecuniary interest.

**3. UNRESTRICTED MINUTES****DECISION**

That the unrestricted minutes of the Cabinet meeting held on Wednesday 25 January 2023 be approved and signed by the Mayor as a correct record of proceedings.

**4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR****5. OVERVIEW & SCRUTINY COMMITTEE****5.1 Chair's Advice of Key Issues or Questions**

There were no Pre-decision Scrutiny Questions.

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

Nil items.

**6. UNRESTRICTED REPORTS FOR CONSIDERATION****6.1 Homecare for Adults- recommissioning of services****DECISION**

1. Note the impact of the proposed changes as set out in the report.
2. Agree to the recommended solution/s and proposed model of care as set out in the report.
3. Authorise the Corporate Director Health Adults and Communities to restart the recommissioning and tender process, with the award of new homecare contracts in accordance with the published evaluation criteria and in consultation with the Mayor.

**ACTION BY:  
ACTING CORPORATE DIRECTOR HEALTH, ADULTS AND  
COMMUNITIES (S. BANERJEE)**

Interim Head of Service- Ageing Well, Integrated Commissioning (B. Gladstone)

**Reasons for the decision**

The current contracts for the provision of homecare services to adults are due to expire on 31 December 2023 following authorisation from the Mayor in Cabinet on 14 December 2022.

A tender process that commenced in April 2022 was paused in August 2022 and subsequently aborted in November 2022 due to formal requests for a review of the previous administration's methodology for delivering homecare to service users in the Borough by the Mayor. The review has determined that changes to the commissioning and contracting model are required in order for the Council to award contracts that can deliver on the Council's new strategic priorities.

The changes requested were a significant enough departure from the previous advertised methodology and specification to require the previous tender process to be abandoned and a new process to be commenced in line with the law. This also allows homecare providers who were not interested in the previous opportunity to re-engage with the tender now that the Council's commercial requirements have changed.

To implement the required changes, further work will need to be undertaken to understand the implications of changes and to finalise the details of a preferred model which can then be presented to the market via the tender process. This will need to incorporate further engagement and co-production with service users, care workers and homecare providers. Officers will need to recommence the commissioning and procurement process in early 2023.

The new procurement process is anticipated to take a total of twelve (12) months to complete. This will include a period of pre-tender market analysis and engagement (3 months), the preparation of revised tender documentation including a service specification, contract schedules and agreed price: quality weighting and scoring mechanism (3 months), a two-stage tender process (5 months) and contract award (1 month). In addition, a further period of transition and contract mobilisation will be necessary following contract award. The Corporate Director Health Adults and Communities will report on progress to the Mayor during the procurement process and at least at the end of each section mentioned here.

The Council is committed to protecting the most vulnerable people in the borough and in this case has a legal duty to do so. The recent extension of the existing contracts was necessary to ensure that there is seamless continuity of care services to those people who are reliant on them.

**Alternative options**

It would be technically and legally possible to spot-purchase any number of providers to deliver homecare in the Borough as an alternative to a framework contract. However, this would present an increased risk to the effective oversight of the quality and safety of homecare provision to vulnerable residents in need of care and support living across the Borough. In addition, each package of care would be subject to the Council's procurement procedures and therefore some form of quotation process with competition would be required each time. This could significantly delay the provision of care in many cases and would be clearly not desirable

**6.2 Annual Schools Report 2021-2022****DECISION**

1. To note the recommendations contained within the report for measures to further improve the performance of Tower Hamlets schools, subject to:
  - a. Exploration of alternative independent advisors to assist the Council with its ambition to review A Level and sixth form provision, involving the Mayor and Lead Member.
  - b. Not accepting the DFE recommendation regarding comparable data. Mayor and Cabinet wish to receive this data to enable comparison and learning.
2. To note the Equalities Impact Assessment / specific equalities considerations as set out in section 9 of the report.

**Action by:****CORPORATE DIRECTOR, CHILDREN AND CULTURE (J. THOMAS)**

Director of Education (S. Nyakatawa)

**Reasons for the decision**

N/A

**Alternative options**

N/A

**6.3 Future of Housing Management Services – Strategic Review and Consultation****DECISION**

1. To note the results of the consultation on the future of services for people living in council homes, as set out in paragraph 3.6 of the report.
2. To authorise the transfer of housing management services back in-house for the reasons set out in the report and authorise the relevant Corporate Directors following consultation with the Mayor to undertake the following:
  - i. Serving notice to terminate the Management Agreement with Tower Hamlets Homes.

- ii. Approval of organisational structures including amending or adding structures to accommodate staff and services transferring into the Council.
- iii. Staff consultation and administration of the transfer of staff under TUPE (Transfer of Undertakings Protection of Employment) regulations.
- iv. Transfer of budgets and financial processes.
- v. Resolution of contract novation and other legal issues.
- vi. Establishment of new governance arrangements.
- vii. Co-production of a tenants and leaseholders' engagement strategy.
- viii. Such other actions as are reasonably incidental and necessary to allow for the Council's Housing Management function to be delivered "in house" such as the appointment of consultants and other resources to support the move back in house.

**Action by:****CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)**

Director of Housing (K. Swift)

**Reasons for the decision**

The current Management Agreement between Tower Hamlets Homes (THH) and the Council ends on 31 March 2024 (with a possible extension of a further four years). The Council must take a decision on whether to extend the Management Agreement no later than six months prior to this date.

Having reviewed the options for the future of housing management services, the Council has assessed that bringing services back in-house will:

- provide an opportunity to join up services.
- increase accountability to residents and the Regulator for Social Housing (RSH).
- enable the Council to take a strategic approach to delivering good quality and new homes.

Given that no more additional Decent Homes funding is available, the Council did not find a significant reason to justify sustaining an Arms-Length Management Organisation (ALMO) model.

Between 24 October and 18 December 2022, the Council consulted residents on the future of housing management services. A mixed methods approach was used to collect views on if the Management Agreement with THH should be extended or if services should be brought back in-house under direct control of the Council. 86.21% of tenants and leaseholders agreed with the Council's proposals to bring services back in-house.

**Alternative options**

The Council could choose to extend the Management Agreement with Tower Hamlets Homes for four years. In this option, there would not be a period of transition or cost associated with bringing services back in-house (at least for

the four-year period). The Council would, however, need to be assured that it could provide best value under these arrangements, and that it is able to be directly accountable to residents and the Social Housing Regulator (notwithstanding services being at arms-length) as set out in the Building Safety Act 2022 and Social Housing Regulation Bill. Results from the consultation and strategic review do not demonstrate that this would be the best option to achieve this, or that tenants and leaseholders are of the opinion that this approach is preferred.

The Council could also have chosen to explore potential changes in ownership of its council homes or considered the creation of a new vehicle (for example undertaking a stock transfer or establishing a Registered Provider). It could also have considered entering into a Private Finance Initiative (PFI) contract. However, it was decided in the initial options appraisal (and prior to the consultation) that these were not viable options due to these being against the Council's Strategic Plan and Housing Strategy, including its new build programme.

#### **6.4 Harriott, Apsley, Pattison (HAP) Houses Regeneration Scheme Update**

##### **DECISION**

1. To approve the use of a development partnership approach for delivering the HAP Regeneration Scheme, subject to:
  - a. Increasing social value weighting to 10 per cent.
  - b. Requesting officers explore options to increase the social housing element to 50% or higher.
2. To note the indicative programme in the report for procuring a developer partner
3. To Note the expected commencement of the scheme's buy-back programme in February/March 2023 and issuing of an initial demolition notice to suspend the right to buy, approval for both elements was granted by Cabinet in Dec 2021.

##### **Action by:**

**CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)**

Director of Housing (K.Swift)

##### **Reasons for the decision**

In order to progress the Harriott Apsley & Pattison House Regeneration Scheme into its procurement phase, clarity is required on the route for delivery, which will dictate the nature of the funding and contractual arrangements for the scheme.

##### **Alternative options**

A variety of options have been explored for the scheme's delivery. The two primary alternatives to using a development partnership are the income strip or land sale route.

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

Nil items.

**8. EXCLUSION OF THE PRESS AND PUBLIC**

No resolution to exclude press and public was passed as it was not required.

**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 7.10 p.m.

Chair, Mayor Lutfur Rahman  
Cabinet