

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE

HELD AT 7.00 P.M. ON TUESDAY, 3 AUGUST 2010

**M71, 7TH FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT,
LONDON, E14 2BG**

Members Present:

Councillor Ahmed Adam Omer (Vice-Chair)

Councillor Stephanie Eaton
Councillor Tim Archer
Councillor Rajib Ahmed
Councillor Rabina Khan
Councillor Zenith Rahman

Councillor Alibor Choudhury (Substitute)

Co-opted Members Present:

Mr Ahbab Miah – (Parent Governor Representative)

Other Councillors Present:

Councillor David Snowdon
Councillor David Edgar
Councillor Denise Jones
Councillor Joshua Peck

Officers Present:

Afazul Hoque – (Scrutiny Policy Manager, Scrutiny & Equalities, Chief Executive's)
David Galpin – (Head of Legal Services (Community))
Hafsha Ali – (Acting Joint Service Head Scrutiny & Equalities, Chief Executive's)
Ruth Dowden – (Complaints Manager)
Chris Naylor – (Corporate Director, Resources)
Stephanie Ford – (Interim Performance Manager, Strategy & Performance, Chief Executive's)
Judith St John – (Head of Ideas Stores, Communities Localities & Culture)
Matthew Vaughan – (Political Advisor to the Conservative Group)
Chris Saunders – (Interim Political Advisor to the Labour Group, Chief Executive's)

Farhana Khan	– (Scrutiny & Equalities Admin Officer)
Basit Ali	– (Asset Manager, Asset Strategy, Capital Delivery & Property Services, Development & Renewal)
Amanda Thompson	– (Team Leader - Democratic Services)

VICE-CHAIR COUNCILLOR AHMED ADAM OMER IN THE CHAIR

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Ann Jackson, Lesley Pavitt and Harun Miah.

Councillor Alibor Choudhury was present as a substitute.

2. DECLARATIONS OF INTEREST

Councillors Alibor Choudhury and Rabina Khan declared personal interests in agenda item 6.1 as they were the relevant ward councillors.

3. UNRESTRICTED MINUTES

The Chair reported that further to the update given at the last meeting, he wished to inform the Committee that his Scrutiny Review would now be focusing on empowering minority communities in the Borough with an emphasis on the Somali community.

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

RESOLVED

That the unrestricted minutes of the meeting of the Overview and Scrutiny Committee held on 6 July 2010 be approved and signed by the Chair as a correct record of the proceedings.

4. REQUESTS TO SUBMIT PETITIONS

None.

5. REQUESTS FOR DEPUTATIONS

None.

6. SECTION ONE REPORTS 'CALLED IN'

6.1 Report Called In - Idea Store Strategy Action Plan Update - Idea Store Watney Market and One Stop Shop

Councillor David Snowden for the Call-In Members referred to the reasons in their requisition and highlighted the main issues that they held with the provisionally agreed decision to create a new Idea Store and One Stop Shop in Watney Market.

Committee Members put detailed questions to Councillor Denise Jones, Cabinet Member for Culture and Creative Industries, Judith St John, Head of Idea Store, and Basit Ali, Interim Head of Asset Strategy, on a number of issues including the decision to combine an Idea Store and One Stop Shop, what would happen to the existing Idea Store, the potential for other commercial and residential uses, the suitability of the location, why only one valuation was sought, whether any Registered Social Landlords (RSLs) were consulted, the marketing of the site, use of S106 monies and how consultation processes were undertaken.

Ms St John and Mr Ali responded on behalf of the Cabinet in detail on the points raised stating that there would be no gap in service provision, there were significant planning and development constraints that would prevent the land being commercially marketable, the risks involved for private developers were too great and site too small for RSLs for the land to achieve any value, and that the £2m lottery funding would be lost if the project did not go ahead.

The Committee were informed that it was considered normal practice to seek just one valuation, and that full consultation had been carried out with residents regarding the proposed project.

Members of the Committee who were also the relevant Ward Councillors expressed concern that residents had only recently been informed of the proposals for the site and had not been asked to express a preference for anything else. The structure itself was overbearing and there were concerns regarding the safety aspects of combining a library with a One Stop Shop.

After responding to questions Councillor Jones, and Councillor Edgar who was present for another item and who had been part of the Cabinet when the original decision was made, left the meeting while the Committee made its decision.

Following the debate the Committee voted on whether to refer the item back to the Cabinet for further consideration and on a vote of 5 FOR, 1 AGAINST and 1 ABSTENTION it was

RESOLVED:

That the decision be referred back to the Cabinet requesting that:

- 1) A second independent valuation of the plot of land listed in Appendix 1 of the report for development of the new Idea Store Local and One Stop Shop is undertaken;
- 2) Further community consultation is undertaken to establish exactly what local residents would like to see the land used for;
- 3) The source (s) of the s106 funding required to support this project are identified; and
- 4) The need for an Idea Store in Watney Market and investment in the existing Watney Market Library is reviewed.

7. SCRUTINY SPOTLIGHT

Councillor David Edgar, Lead Member for Resources, gave a presentation on the key issues, achievements, and challenges arising from his portfolio.

Councillor Edgar stated that the role of the Directorate was to help colleagues in Council and partners across the borough – including NHS Tower Hamlets – deliver the best public services with the resources it had at its disposal.

Achievements in 2009/10 included:

- Rushmead and Cheviot One Stop Shops completely re-furbished
- Recently independent monitored mystery shopping of One Stop Shops had given four out of five visits the maximum 100% score
- £100 pensioner discount delivered to nearly 4,000 pensioners
- The business rate deferral scheme – brought in to help businesses with the increase in business rates – implemented and over 700 local businesses supported
- £2 million additional benefit entitlements identified and paid to Tower Hamlets pensioners
- Continuing focus on establishing a workforce to reflect the community: 60% of staff were female; 50% BME and 20% Bangladeshi. Steady progress was also being made to ensure better representation of BME and Bangladeshi staff at more senior grades
- A 50% reduction in agency staff
- A 30% improvement in return rate on the staff survey - the overall results showed that the Council scored above average in half the key measures compared to similar organisations and average on the rest
- The first council in London to achieve compliancy to the government's code of connection enabling secure interactions between local authorities and central government departments through GCSx and Encryption.

Councillor Edgar advised that the overarching challenge for the next few years was responding to a significant reduction in funding in ways that reduced costs while minimising the impact on the users of the services provided.

The challenges for 2010/11 included:

- Supporting the development of a balanced budget strategy for 2011/12 to 2013/14
- Working with Directorates to identify further opportunities for efficiency savings and reducing costs
- Implementation of the Council's information management strategy – to lay the foundations for future improvements in services and reduced costs
- An increasing focus on workforce planning including the number of buildings occupied, levels of agency staff, and the number of management layers.

Members of the Committee asked questions on a number of related issues including the cost of the Rushmead/Cheviot refurbishments, the impact of the Business Rates Deferral Scheme, procurement methods, reductions in the agency staff, the use of S106 monies, financial control of Tower Hamlets Homes, waste minimalisation, levels of variance between Directorate's budgets, and the impact of moving to 12 monthly instalments for Council Tax collection.

Councillor Edgar then responded in detail to the concerns raised, highlighting in particular:

- The Council were alert to the risks of reducing the number of agency staff and aware of when this was not appropriate
- The Council kept an oversight of the financial control of Tower Hamlets Homes
- The Chair of the Council's Planning Committees had asked for more information to be provided on S106 monies when considering applications
- The possible introduction of a Waste Minimalisation Strategy would be looked into
- The overall budget position needed to be considered as opposed to individual directorates, and the total picture reflected well
- Moving to 12 monthly payments had been the right thing for residents as it enabled better household budgeting

The Chair thanked Councillor Edgar for his presentation.

8. BUDGET AND POLICY FRAMEWORK ISSUES

8.1 Budget 2011/12 - 2013/14 - Resource Allocation and Budget Review

It was agreed that this report due to be considered as urgent business would be taken together with the previous item in order that Councillor Edgar could respond to the related questions.

RESOLVED

That the contents of the report be noted.

9. PERFORMANCE MONITORING

9.1 Strategic Performance and Corporate Revenue Budget Monitoring 2009/2010 Year End Report

Councillor Josh Peck, Deputy Leader of the Council, and Councillor Edgar, Lead Member for Resources, presented the Council's combined annual service and financial performance report, which covered the authority's progress against the actions in the Strategic Plan, Strategic and Priority performance Indicators and its financial position for year end 2009/10.

The Committee noted the following responses to questions:

- The Government's targets in relation to Children, Schools and Families had gone down, however the Council continued to set challenging targets in this area which often resulted in them not being met.
- The Council was confident it was doing all it could for Looked After Children however it was keen to try and increase placements inside the Borough as it was felt that this would provide a more secure environment. Foster families therefore received priority on the housing waiting list.
- Business Rates – Collection Performance had exceeded the target set by 1.3%
- The move to 12 monthly instalments for Council Tax collection meant that the recovery process for the final payment would be completed after year end.
- Tower Hamlets' innovative participatory budgeting project – 'You Decide' had enabled 815 residents from around the Borough to decide how almost 2.4m would be spent.
- The Council had already made progress in achieving savings by reducing the number of agency staff and streamlining services, and substantial work was being undertaken to improve the way services

were delivered. The Council would also be vacating Anchorage House as soon as the lease expired.

RESOLVED

That the report be noted.

9.2 Corporate Complaints and Social Care Complaints Annual Report 2009/2010

Councillor Josh Peck, Deputy Leader of the Council, supported by Ruth Dowden, Corporate Complaints Manager, introduced the report detailing a summary of the complaints received by the Council through the Corporate Complaints procedure during the period April 2009 to March 2010, and those received by the Local Government Ombudsman for the same period.

The Committee noted that there had been significant improvements in response times at each of the three complaint stages, and the Local Government Ombudsman had commented positively in the Annual Letter to the Council regarding the focus on local resolution and prompt responses.

Members of the Committee raised a number of questions concerning the compensation recommended by the Ombudsman following a case of maladministration, the effectiveness of each complaint stage, the high level of Lap 1 complaints, publicity of the service, and complaints concerning Tower Hamlets Homes.

Ruth Dowden provided the following responses:

- The Ombudsman's recommendation was still being considered by the Council's Assistant Chief Executive, Legal Services.
- Research was being undertaken to see if complaints not upheld at Stage 1 were then overturned at a later stage.
- In order to target specific groups, additional publicity was undertaken, and Social Care departments issued service users with complaints information and leaflets.
- Sometimes factors such as housing could influence the high level of complaints received for a particular area.
- Tower Hamlets Homes investigated their own complaints at stages 1 & 2, but the Council retained responsibility at stage 3 and Ombudsman.

RESOLVED

That the report be noted.

10. PRE-DECISION SCRUTINY OF SECTION ONE (UNRESTRICTED) CABINET PAPERS

RESOLVED

That the following Section 1 pre-decision questions be submitted to Cabinet for consideration:

Agenda Item 6.1 LBTH Housing Strategy – Annual Review for 2009/10 and the Annual Strategy Refresh (CAB 017/101)

1. What risk assessment has been undertaken in regards to Tower Hamlets Homes not achieving its 'Two Stars' rating?
2. What is the contingency plan for delivering decent homes in the events that THH does not achieve 2-star rating?
3. Has the Council done anything to gain insight about the methods used by Phoenix Housing Co op that may be of use in better fiscal management of housing stock?

Agenda Item 7.4 Framework for Minor Works and Repairs (CAB 022/101)

1. Is there any possibility of entering into partnership with other councils to get a less costly procurement process for Minor works?

Agenda Item 7.5 Allocation process for Council-owned property to Third Sector Organisations (CAB 023/101)

1. Has the Cabinet considered procuring an external agency to manage the third sectors use of Council buildings to ensure efficiency and fairness?
2. Will there be a review against these criteria of existing allocations?
3. Who sits on the Asset and Capital Strategy Board?
4. How will the Asset and Capital Strategy Board determine applications between applicants of equal merit?
5. Will there be an appeal process?

11. ANY OTHER SECTION ONE (UNRESTRICTED) BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

The meeting ended at 9.30 p.m.

Vice-Chair, Councillor Ahmed Adam Omer
Overview & Scrutiny Committee