

Meeting of the

OVERVIEW & SCRUTINY COMMITTEE

Tuesday, 8 May 2012 at 7.00 p.m.

A G E N D A

VENUE

Room M71 7th Floor, Town Hall, Mulberry Place, 5
Clove Crescent, London, E14 2BG

Members:	Deputies (if any):
<p>Chair: Councillor Ann Jackson Vice-Chair: Councillor Rachael Saunders, Scrutiny Lead, Adults Health & Wellbeing</p>	<p>Councillor Judith Gardiner, (Designated Deputy representing Sirajul Islam, Ann Jackson, Rachael Saunders, Zenith Rahman, Helal Uddin and Amy Whitelock Councillor Peter Golds, (Designated Deputy representing Councillor Tim Archer) Councillor Ahmed Adam Omer, (Designated Deputy representing Ann Jackson, Sirajul Islam, Zenith Rahman, Helal Uddin and Amy Whitelock) Councillor Harun Miah, (Designated Deputy representing Councillor Fozol Miah) Councillor David Snowdon, (Designated Deputy representing Councillor Tim Archer) Councillor Bill Turner, (Designated Deputy representing Ann Jackson, Sirajul Islam, Zenith Rahman, Helal Uddin and Amy Whitelock)</p>
<p>Councillor Tim Archer, Scrutiny Lead, Chief Executive's Councillor Stephanie Eaton Councillor Sirajul Islam, Scrutiny Lead, Resources Councillor Fozol Miah Councillor Zenith Rahman, Scrutiny Lead, Communities Leisure & Culture Councillor Amy Whitelock, Scrutiny Lead, Children Schools & Families Councillor Helal Uddin, Scrutiny Lead, Development & Renewal</p>	
<p>[Note: The quorum for this body is 3 voting Members].</p>	

Co-opted Members:	
Memory Kampiyawo	– (Parent Governor Representative)
Jake Kemp	– (Parent Governor Representative)
Rev James Olanipekun	– (Parent Governor Representative)
Canon Michael Ainsworth	– (Church of England Diocese Representative)
Mr Mushfique Uddin	– (Muslim Community Representative)
1 Vacancy	– Roman Catholic Diocese of Westminster Representative

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact:

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LONDON BOROUGH OF TOWER HAMLETS
OVERVIEW & SCRUTINY COMMITTEE

Tuesday, 8 May 2012

7.00 p.m.

SECTION ONE

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST

To note any declarations of interest made by Members, including those restricting Members from voting on the questions detailed in Section 106 of the Local Government Finance Act, 1992. See attached note from the Chief Executive.

3. UNRESTRICTED MINUTES

3 - 16

To confirm as a correct record of the proceedings the unrestricted minutes of the meeting of the Overview and Scrutiny Committee held on 3rd April 2012.

4. REQUESTS FOR DEPUTATIONS

To be notified at the meeting.

5. SECTION ONE REPORTS 'CALLED IN'

There were no Section One reports 'called in' from the meeting of Cabinet held on 4th April 2012.

6. REPORTS FOR CONSIDERATION

6.1 Scrutiny Spotlight

A verbal presentation will be given by Mayor Luftur Rahman.

6.2 Asset Management and Value for Money

17 - 36

6.3 Arts and Events Scrutiny Challenge Session

37 - 46

7. VERBAL UPDATES FROM SCRUTINY LEADS

(Time allocated – 5 minutes each)

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

(Time allocated – 30 minutes).

**8 .1 Section 1 Pre-Decision Questions be Submitted to
Cabinet on 9th May 2012**

To consider any Section 1 pre-decision questions that the Committee may wish to submit to Cabinet at its meeting on 9th May 2012.

8 .2 Mayoral Decisions

i. To note that no Mayoral decisions have been published.

ii. To receive a verbal update on recent Mayoral decisions which have been called-in.

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

Agenda Item 2

DECLARATIONS OF INTERESTS - NOTE FROM THE CHIEF EXECUTIVE FOR MEMBERS OF THE OVERVIEW & SCRUTINY COMMITTEE

This note is guidance only. Members should consult the Council's Code of Conduct for further details. Note: Only Members can decide if they have an interest therefore they must make their own decision. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending at a meeting.

Declaration of interests for Members

Where Members have a personal interest in any business of the authority as described in paragraph 4 of the Council's Code of Conduct (contained in part 5 of the Council's Constitution) then s/he must disclose this personal interest as in accordance with paragraph 5 of the Code. Members must disclose the existence and nature of the interest at the start of the meeting and certainly no later than the commencement of the item or where the interest becomes apparent.

You have a **personal interest** in any business of your authority where it relates to or is likely to affect:

- (a) An interest that you must **register**
- (b) An interest that is not on the register, but where the well-being or financial position of you, members of your family, or people with whom you have a close association, is likely to be affected by the business of your authority more than it would affect the majority of inhabitants of the ward affected by the decision.

Where a personal interest is declared a Member may stay and take part in the debate and decision on that item.

What constitutes a prejudicial interest? - Please refer to paragraph 6 of the adopted Code of Conduct.

Your personal interest will also be a prejudicial interest in a matter if (a), (b) and either (c) or (d) below apply:-

- (a) A member of the public, who knows the relevant facts, would reasonably think that your personal interests are so significant that it is likely to prejudice your judgment of the public interests; AND
- (b) The matter does not fall within one of the exempt categories of decision listed in paragraph 6.2 of the Code; AND EITHER
- (c) The matter affects your financial position or the financial interest of a body with which you are associated; or
- (d) The matter relates to the determination of a licensing or regulatory application

The key points to remember if you have a prejudicial interest in a matter being discussed at a meeting:-

- i. You must declare that you have a prejudicial interest, and the nature of that interest, as soon as that interest becomes apparent to you; and
- ii. You must leave the room for the duration of consideration and decision on the item and not seek to influence the debate or decision unless (iv) below applies; and

- iii. You must not seek to improperly influence a decision in which you have a prejudicial interest.
- iv. If Members of the public are allowed to speak or make representations at the meeting, give evidence or answer questions about the matter, by statutory right or otherwise (e.g. planning or licensing committees), you can declare your prejudicial interest but make representations. However, you must immediately leave the room once you have finished your representations and answered questions (if any). You cannot remain in the meeting or in the public gallery during the debate or decision on the matter.

There are particular rules relating to a prejudicial interest arising in relation to Overview and Scrutiny Committees

- You will have a prejudicial interest in any business before an Overview & Scrutiny Committee or sub committee meeting where both of the following requirements are met:-
 - (i) That business relates to a decision made (whether implemented or not) or action taken by the Council's Executive (Cabinet) or another of the Council's committees, sub committees, joint committees or joint sub committees
 - (ii) You were a Member of that decision making body at the time and you were present at the time the decision was made or action taken.
- If the Overview & Scrutiny Committee is conducting a review of the decision which you were involved in making or if there is a 'call-in' you may be invited by the Committee to attend that meeting to answer questions on the matter in which case you must attend the meeting to answer questions and then leave the room before the debate or decision.
- If you are not called to attend you should not attend the meeting in relation to the matter in which you participated in the decision unless the authority's constitution allows members of the public to attend the Overview & Scrutiny for the same purpose. If you do attend then you must declare a prejudicial interest even if you are not called to speak on the matter and you must leave the debate before the decision.

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE

HELD AT 7.00 PM ON TUESDAY, 3RD APRIL 2012

**ROOM M71, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT, LONDON,
E14 2BG**

Members Present:

Councillor Ann Jackson (Chair)
Councillor Rachael Saunders (Vice-Chair)
Councillor Tim Archer
Councillor Sirajul Islam
Councillor Zenith Rahman
Councillor Amy Whitelock
Councillor Helal Uddin

Other Councillors Present:

Councillor Peter Golds
Councillor Denise Jones
Councillor Oliur Rahman

Co-opted Members Present:

Memory Kampiyawo – (Parent Governor Representative)
Rev James Olanipekun – (Parent Governor Representative)
Canon Michael Ainsworth – (Church of England Diocese Representative)

Guests Present:

–

Officers Present:

David Galpin – (Head of Legal Services (Community), Legal Services, Chief Executive's)
Michael Keating – (Service Head, One Tower Hamlets)
Andy Bamber – (Service Head Safer Communities, Communities, Localities & Culture)
Isobel Cattermole – (Corporate Director)
Mary Durkin – (Service Head, Youth and Community Learning)
Pete Smith – (Development Control Manager)
Helen Smith – (Consultation and Engagement Officer)
Emily Fieran-Reed – (Head of Community Safety Partnership, Domestic Violence & Hate Crime)
Sarah Barr – (Senior Strategy Policy and Performance Officer)

Simone Scott-Sawyer – (Democratic Services)

1. APOLOGIES FOR ABSENCE

An apology for absence was received from Jake Kemp.

An apology for lateness was received from Councillor Zenith Rahman.

2. DECLARATIONS OF INTEREST

Councillor Rachael Saunders declared a personal interest in respect of agenda item 5.2 as she had been in receipt of information from some of the service providers managing the contract in question;

Councillor Helal Uddin declared a personal interest in respect of agenda item 5.2 as his employer Bromley-by-Bow had a partnership working relationship with Poplar HARCA;

Reverend James Olanipekun declared a personal interest in respect of agenda item 5.2 as the Vice-Chair of Poplar HARCA Board, Chair of Services Board and a resident member of Contract Performance Monitoring Committee.

3. UNRESTRICTED MINUTES

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

RESOLVED

That the unrestricted minutes of the meetings of the Overview and Scrutiny Committee held on 13th February and 6th March 2012 be approved and signed by the Chair as correct records of the proceedings.

4. REQUESTS TO SUBMIT PETITIONS

The clerk advised that there had been a request for a petition in respect of the business contained on the agenda from the Director of Communities and Neighbourhoods, Babu Bhatthercherjee.

The petition related to agenda item 5.2 and it was presented by Shah Shariyar and Sister Christine Frost MBE. Their concerns were highlighted as follows:

Shah Shariyar

- Youth Services were currently thriving and as such there was little justification for changing it. Poplar HARCA was a good example of the success of youth services in the borough;
- The petition was based on concerns expressed by the young and old in Tower Hamlets;
- Over 2,403 had signed the petition to express real concern. They requested that the Cabinet decision be rejected in order that a full and proper debate could take place [at full Council];
- The decision was rushed and young people had not been consulted. It was only right that the views of young people were taken into account to inform the decision to be made by the Council;
- Youth services should be run by local organisations and they must be consulted about the issue first.

Sister Christine Frost [Trustee of SPLASH]

- SPLASH currently run a very professional organisation;
- Drug and alcohol abuse projects currently worked very well with SPLASH;
- Anti-social behavioural problems had led to round-table discussions in the past, resulting in positive outcomes. Collectively, they had been able to come up with some creative and sustainable solutions to problems;
- There were over 9,000 young people in Tower Hamlets who ought to be consulted first as they were the primary beneficiaries of this service. Therefore it would be preferable for the Cabinet discussion to be taken to Council for a fuller debate.

In response to questions from Members, the following additional points were made:

- Match funding had been introduced and this enabled the organisation to obtain additional funding from other sources, thereby bringing large sums of monies into the borough. This was over and above the contractual provisions of SPLASH;
- Although the area was not directly affected by the London riots last August, in times of similar crises, the youth clubs were able to remain open for longer hours;
- Young people feared that if the service was brought back in-house, the focus would shift away from young people;

- One of the many challenges such as getting young people back into employment could be exacerbated by this proposed change to the service.

RESOLVED:

THAT the petition be noted.

5. SECTION ONE REPORTS 'CALLED IN'

5.1 Cabinet Decision Called-in: Statement of Community Involvement

The Chair welcomed Councillor Peter Golds in accordance with the provisions of Part 4 of the Council's Constitution and also welcomed Pete Smith Development Control Manager, together with Helen Smith, Consultation and Engagement Officer, who were in attendance to respond to the call-in.

Councillor Golds presented the reasons for the call-in outlining his concerns. Following this he responded to questions from the Committee.

His concerns were as follows:

- § Approximately 40% of all major planning applications in London take place in Tower Hamlets;
- § Many residents had concerns about the way planning was conducted in the borough. They would therefore prefer to be notified about planning applications at an early stage to avoid repeating blunders from the past;
- § It seemed unreasonable to expect residents to regularly go online to check the planning applications submitted for Tower Hamlets on the slim chance that their locality may be affected by a planning application.

Pete Smith and Helen Smith submitted apologies for absence on behalf of Councillor Rabina Khan, Cabinet Member for Housing, and Owen Whalley, Head of Planning and Building Control. They responded and their points were summarised as follows:

- There was a six week consultation period;
- The Planning Department received approximately 2000 planning applications per year and sent out approximately 160,000 consultation letters;
- In light of increasing postal charges and taking into account that there was an approximate 2 % response rate [around 3,500 responses] from residents, this was considered a drain on the Council's resources and a paperless system was therefore preferred.

Following concerns outlined by Members and officers' responses to their questions, the following points emerged:

- Concern was expressed that a "one size fits all" approach had been adopted. The 2 % response rate quoted by officers was deemed misleading as Members often got direct feedback and received emails from concerned residents about planning applications;
- Officers were trying to ensure that residents had alternative, viable mechanisms to engage with the Council;
- They were currently looking at ways of setting up Members' forums to address residents' concerns. This was a working document and Members' concerns would therefore be taken into account;
- The crossover between Licensing and Planning areas was an ever evolving one and Members were concerned that residents must be kept apprised of changes in their neighbourhoods;
- Navigating the Council's website could sometimes be a challenge and the Council must strive to share information with residents proactively, therefore there might always be a need for a paper-based system.

Possible solutions

- Residents could be offered a menu system which enabled them to select the type of "information" they would like to receive from the Council;
- An online system which automatically "pushed out" information to residents via SMS texts;
- For those residents without internet access, senior managers were currently trying to find other ways of disseminating information, for instance through a hotline telephone system, one-stop shops, weekly publications etc;
- Equalities issues - officers pointed out that work was being done with "My Tower Hamlets" for instance, to ensure that residents were able to engage more and were kept up to date with current planning applications;
- With regards to those residents with hearing or visual impairments, officers endeavoured to raise this with the Equalities team. Officers would also work with the IDEA stores to look at innovative ways of circulating information – for e.g. by making home visits to those who were home-bound or, providing help with using the computer;
- There would be closer liaising with colleagues at "My Tower Hamlets" to ensure there were alternative mechanisms for residents to engage.

Equalities

- Officers would try to address this issue by running a Communications campaign, involving residents on how to utilise “My Tower Hamlets”;
- For those individuals who were less conversant with IT, they would still receive notification letters and the hotline telephone number would be advertised;
- Residents can visit the Town Hall to view planning applications.

The Committee noted that the proposals were due to go out to consultation and did not wish to refer the report back to Cabinet for further consideration. Instead, they requested that officers take into account all the views expressed by Members and report back to the Committee before it was submitted to Cabinet. Their views were summarised as follows:

- Tower Hamlets had a diverse and mobile community, therefore it did not need a “one size fits all” approach, but a bespoke service that worked for its residents;
- Residents’ lack of awareness about important planning applications was of concern;
- The importance of Licensing, Entertainment and Planning matters should be shared with residents e.g. if there had been changes to delivery times and/or licensing and entertainment, these should be communicated to the community;
- Information could be shared through emails or texts;
- Disability issues should also be factored in.

RESOLVED

That the called-in report not be referred back to Cabinet for further consideration, but that officers note and comment on Members’ views as discussed and report back to the Overview and Scrutiny Committee before reporting to Cabinet.

5.2 Cabinet Decision Called-in: Youth Service Delivery

The Chair welcomed Councillor Denise Jones in accordance with the provisions of Part 4 of the Council’s Constitution and also welcomed Isobel Cattermole, Corporate Director, together with Mary Durkin, Service Head, Youth and Community Learning, who were in attendance to respond to the call-in.

The Committee considered the following:

- the views and comments made by Councillor Denise Jones in presenting the call-in;
- the information given by Councillor Oliur Rahman Cabinet Member for Children's Services with Isobel Cattermole, Corporate Director, Children Schools and Families and Mary Durkin, Service Head, Youth and Community Learning in response to Councillor Jones' issues; and
- the answers to the Committee's questions given by Councillor Jones and by Councillor Oliur Rahman, with Isobel Cattermole and Mary Durkin.

8.2 The main points raised in the discussion are highlighted below:

- Cllr Rahman argued that the main objective of the decision was to save money through management costs, with no intended changes to service provision in each local area, to the places where those services were delivered or to the staff delivering them. Young people should not be affected by this decision.
- It was recognised by everyone that in the current financial context, the youth service should be required to find savings where possible. But it was suggested that this could be done by partnership working with current providers rather than a completely new model.
- There was not enough information in the report on why this decision was being taken now, and how savings would be realised through an in-house service. Furthermore, there was insufficient information on the risks associated with the decision, particularly the potential increase in rents the youth service could have to pay. More time should have been spent developing the proposals, with full cost and risk analysis. Insufficient attention had been paid to potential 'unintended consequences' of bringing the service in-house.
- It was proposed that savings would be found through a reduction in the number of managers required - there was currently a contract manager for each LAP. However, the cost of these was not known, and the paper did not clearly set out how this reduction would be made and what savings this would realise.
- There had been insufficient communication and consultation with existing providers, although Cllr Rahman said he and his officers had been speaking to some of them and would continue to do so. Providers had previously been reassured that nothing would be changing before 2013.
- This lack of communication had upset many providers, as shown by the petition presented at OSC and their comments to the media. The Council risked damaging its partnership working-relationship with these providers, which it hoped would continue. This could in turn impact on the Council's ability to secure community premises at little or no costs as required.
- The youth service was originally contracted out in 2001, because the existing model was not working. When the contracts were re-tendered

in 2006, performance was still poor. Since then performance against key targets had improved significantly. This was attributed to a move to outcome-based contracting, where providers were given the freedom to allocate resources as they thought best, providing they met their targets. Bonuses were paid for providers who met *stretch* targets. These contracts were monitored very closely, with management support for providers and written warnings when providers failed to meet their targets. This model of close monitoring against targets, with support for those providing services would continue if the service was brought in-house.

- One of the stated aims of bringing the services in-house was to improve partnership working with public health, GP networks and the Police. However, existing providers already worked closely with these organisations to address health inequalities and community safety, and it was not clear how these relationships would be improved by an in-house service.

9. ALTERNATIVE COURSES OF ACTION PROPOSED

9.1 The Committee resolved to refer the decision back to Cabinet for further consideration with the following comments:

- This decision was not being undertaken in the right way – there had been insufficient work to date to clarify the potential risks, costs and benefits of a move to in-house management. It was therefore not clear what the benefits of this change were, or why it was being undertaken now and in such a hurry, with the contracts concerned due shortly for review and renewal.
- There was clearly significant concern from the community and providers about this change, and insufficient communication and consultation with providers before the report was published. Further consultation with providers, and with young people, should be done to understand their concerns, before progressing further with this decision.
- The Committee was disappointed by the negative comments about existing providers made by the Lead Member. If we were to continue our important partnership working with these providers we needed to maintain good, constructive relationships with them.
- This report was another example of reports coming to Cabinet, and to public view, with insufficient information on which to base a decision. This report had been tabled at too early a stage, and as such had upset the community and providers and had the potential to affect the service it sought to preserve.
- The lack of information and consultation on this had resulted in the decision being called in. The community felt wary of a decision which appeared to have been taken without their involvement, with possible future effects that may not have been foreseen due to lack of thoroughness now.

The Committee proposed that the called-in report be referred to Cabinet and full Council, if Members believed that the proposals contradicted Council policy. In accordance with the CYPP principles: *“There are some changes for the voluntary sector: the expectation from Government is that less will be provided or commissioned by the local authority, and more will be provided by the community and voluntary sector. Again, this gives greater accountability to voluntary sector organisations, and the expectation is that this sector will play a bigger role in helping to meet the priorities set out in our plan”*. The proposal appears to take responsibility and power out of the voluntary sector and into the local authority and was therefore in direct contravention of the Children Plan. It breached the Council Policy Framework, thus it was possible to refer it to full council as there were over 2,000 signatures which would trigger a full Council debate in any event.

David Galpin, Head of Legal Services, Community, clarified that Members were required to focus on the Call-in by either endorsing it and referring the matter back to Cabinet for consideration, or taking no action and effectively endorsing the Cabinet decision, enabling implementation to go ahead.

In conclusion, Members outlined the following points:

- The lack of information in the Cabinet report was of real concern and it was regrettable that this matter had to be referred to the Overview and Scrutiny Committee;
- There was a need for more engagement with the young people;
- Poplar HARCA – this organisation had several volunteers but if the service was brought in-house, how would these volunteers be utilised?
- KPIs – how would these be measured accurately?
- Once in-house, some Members feared that there was a danger of bureaucracy taking over. With a contracts system, the expectation was that the provider must meet targets, otherwise the contract could be terminated. There may be no such incentive with an in-house service;
- The assumption was that an in-house service equated to a cheaper service, but this was not necessarily the case. There were lots of unanswered questions and further debate was needed;
- Members sought assurances that monies would not be spent inappropriately if the service was brought in-house.

RESOLVED

That the called-in report be referred back to Cabinet for further consideration and that the Cabinet note and comment on the matters set out in the referral report.

6. REPORTS FOR CONSIDERATION

6.1 Presentation on the Children and Families Plan

Layla Richards, Service Manager, Strategy, Partnership and Performance, together with Isobel Cattermole, Corporate Director, introduced the report.

Ms Richards tabled a PowerPoint presentation and wished to obtain feedback from Members. Alternatively, Members had the option to attend workshop sessions where they could give their views about the Plan. Ms Cattermole stressed the need to respond to the pressing issues, particularly with regards vulnerable children in the community.

Cllr Oliur Rahman, Cabinet Member for Children's Services, informed Members that although it was not a statutory requirement, the Partnership considered the Plan a useful tool to adopt to run a successful Children's service.

Officers responded to some Members' concerns and the following points were outlined:

- Ms Cattermole pointed out that with welfare reform, additional strain was inevitable, though there were good networks in place, which had been established since the start of the Children, Schools, and Families Directorate in 2006. Hence good relationships with schools had been forged and were still in place and the infrastructure was there to produce desired results;
- Involvement with parents and young people was encouraged at every stage and obtaining their views was imperative as this was a requirement of the inspection service;
- Tower Hamlets GP services – Ms Cattermole confirmed that the local authority undertook work with schools for e.g. weighing of children, immunization etc. However, schools were in need of resources as they were not qualified health professionals and partnership working was crucial;
- Youth Services – Ms Cattermole stated that although the Council did not deliver the Children and Young Peoples Plan, they delivered it to ensure that issues such as drug and alcohol abuse and domestic violence were addressed. Swimming was a good example of successful working with CLC partners in ensuring good attendance at lessons. Emphasis was also placed on improving outcomes for young people going into adulthood;
- Educational issues – Ms Cattermole stressed that a “one size fits all” approach would not be appropriate as the Plan must account for individual children's needs and skills;

- As an example, Ms Cattermole also noted that the East London NHS Foundation Trust, the local mental health trust, did excellent work with teenage girls subjected to domestic violence or peer pressure;
- Transition from primary to secondary and from secondary onwards – transitional workers in schools were in place and there was also a good tracking system to help children cope with drug addiction problems for instance. A “buddy” system was also in place to mentor children.

The Chair thanked the officers for the presentation.

RESOLVED

That the verbal report and presentation be noted.

6.2 Community Safety Plan 2012 - 13

Emily Fieran-Reed, Head of Community Safety Partnership, Domestic Violence & Hate Crime, and Andy Bamber Service Head - Community Safety, introduced the report.

Ms Fieran-Reed tabled a PowerPoint presentation and highlighted the following points:

- A strategic assessment was produced as part of the statutory requirement;
- The Community Safety Partnership Board had endorsed the Plan;
- The Olympics was a big factor and a one year plan was considered appropriate – it included priorities for the CSP [pages 110 -124], Governance Structure etc;
- Consultation evidence from the public had been included;
- The Governance structure had recently been revised;
- Consultation for the next CSP was to commence with immediate effect.

Following a discussion between Members and officers, the following points were highlighted:

- It was noted that violence against women ought to be recorded separately to ensure accurate monitoring of data;
- Restorative justice – Ms Fieran-Reed stated that this would be a very useful tool and that the Council was fully signed up to it. Mediation was deemed an equally useful tool;
- Lack of communication with residents on police activity – the Public Confidence and Satisfaction Board would tackle such issues;

- There was a need to engage the Community Safety team and agencies across the borough to tackle crime;
- The community and Registered Social Landlords [RSLs] must work jointly to tackle crime. Ms Fieran-Reed confirmed that all local RSLs were represented on the CSP board by the Director of Housing and Community Services, Tower Hamlets Homes. Ward panels carried out street and block briefings which had proved quite popular;
- There was apprehension over the lack of detail in the report about public safety regarding the Olympics, for instance drug taking or people trafficking etc. Ms Fieran-Reed stated that there had been an “Olympic” Planning Day dealing with violence against women/girls and similar issues would be looked into.

Mr. Bamber informed Members that he was in receipt of victimisation data which he endeavoured to circulate to the Committee the following week. He stated that the Plan was a year long taking into account the two-week Olympic events. There were separate service delivery plans emanating from the different services to deliver community safety and this would be coordinated by the Borough Olympic Control Centre [BOCC] which would then be communicated to a wider audience.

The Chair thanked the officers for the presentation.

RESOLVED

That the report be noted.

6.3 Presentation on the Overview and Scrutiny Annual Review

Sarah Barr, Senior Strategy Policy and Performance Officer introduced the report and invited Members to submit their views and comments. She tabled a PowerPoint presentation and the following points were noted:

- The next report would be submitted to the Overview and Scrutiny Committee in June;
- Improving the relationship with the Mayor;
- Call-ins – to look at improved ways of dealing with call-ins.

Members were apprehensive about a number of issues highlighted below:

- There was concern that the relationship between the Committee and the Mayor needed to improve and Members were therefore pleased that he would be attending the next Committee meeting;
- The lack of detail in some Cabinet reports was causing undue concern in the community. This had also resulted in the need for extra-ordinary meetings which was a drain on officer time and ultimately Council monies.

The Chair thanked the officer for the presentation.

RESOLVED

That the verbal report and presentation be noted.

7. VERBAL UPDATES FROM SCRUTINY LEADS

Nil items.

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

Nil items.

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

The Chair informed Members that if the “Future Sourcing Project– Preferred Bidder Recommendation” report submitted to Cabinet on 4th April was called in, in view of the associated strict deadlines in complying with the contract, an extra-ordinary meeting of the Committee would likely be scheduled on 17th April. Members were therefore asked to note this provisional date in their diaries.

The meeting ended at 9.41 pm.

Chair - **Councillor Ann Jackson**
Overview & Scrutiny Committee.

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Agenda Item 6.2

Committee	Date	Classification	Report No.	Agenda Item No.
Overview and Scrutiny Committee	8 th May 2012	Unrestricted		
Report of: Cllr Sirajul Islam, Chair of Working Group, Scrutiny Lead, Resources		Title: Asset Management and Value for Money - Report of the Scrutiny Working Group		
Originating Officer(s): Adam Walther Strategy, Policy and Performance Officer		Ward(s) affected: All		

1. Summary

- 1.1 This report submits the report and recommendations of the asset management and value for money working group for consideration by the Overview and Scrutiny Committee.

2. General recommendations

It is recommended that Overview and Scrutiny Committee:

- 2.1 Agree the draft report in Appendix 1 and the recommendations contained in it.
- 2.2 Authorise the Service Head for One Tower Hamlets to amend the draft report before submission to Cabinet, after consultation with the scrutiny review group.

3. Background

- 3.1 The Working Group was established in January 2012 to investigate how the Council could improve the delivery of value for money when managing assets, both in capital and revenue terms.
- 3.2 The aim of the review was to bring to light a clearer understanding of how our assets are managed, and the costs in managing them. One year on from the publication of the Asset Strategy, and the move out of Anchorage House as part of the Smarter Working Programme the review into asset management is particularly timely. The objectives of the review were to:

- Develop an understanding of how the council manages its assets in both capital and venue expenditure
 - Add value in recommending improvements with a focus on value for money and an understanding of legislative changes
 - Investigate how effectively the council manages energy efficiency and recommend improvements
- 3.3 Once agreed, the Working Groups report will be submitted to Cabinet for a response to the recommendations.

4. Comments of the Chief Financial Officer

- 4.1 Overview and Scrutiny Committee are asked to agree the recommendations of the Scrutiny Working Group report on asset management and value for money. The recommendations relate both to overall asset management issues and more specifically to improving energy efficiency across the wider asset portfolio.
- 4.2 With regard to the former, work is in train to assess the viability of developing a corporate landlord model. The costs associated with this will be contained within the Development and Renewal budget. Similarly the directorate is developing a community assets register and reviewing for processes for the external body utilisation of Council owned community assets. Again that work stream will be contained within existing directorate resources.
- 4.3 With regard to the energy efficiency recommendations, investigating incentives for enhancing best value, reporting on performance and better reporting of energy costs, the associated costs are primarily staff related and would have to be funded from compensatory opportunity savings within Development and Renewal.

5. Comments from the Chief Legal Officer

- 5.1 The Council is required by section 21 of the Local Government Act 2000 to have an Overview and Scrutiny Committee and to have executive arrangements that ensure the committee has specified powers. Consistent with this obligation, Article 6 of the Council's Constitution provides that the Overview and Scrutiny Committee may consider any matter affecting the area or its inhabitants and may make reports and recommendations to the Full Council or the Executive in connection with the discharge of any functions. It is consistent with the Constitution and the statutory framework for the Executive to provide a response.
- 5.2 The scrutiny report is primarily concerned with increasing efficiency in the management of the Council's commercial property portfolio. This objective is consistent with the Council's obligation as a best value authority within the meaning of the Local Government Act 1999. Section 3 of the Local Government Act 1999 requires the Council 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”.

- 5.3 To the extent that the Council required any additional source of power to pursue particular recommendations, such as in relation to energy efficiency, this may be found on the Council’s general power of competence in section 1 of the Localism Act 2011. The general power enables the Council to do anything that individuals generally may do, subject to such restrictions and limitations as are imposed by other statutes.

6. One Tower Hamlets

- 6.1. A consistent approach to assets supports effective service provision. The report specifically recommends that a framework and resource are provided to enable current and potential external providers to make more efficient use of council assets.

7. Sustainable Action For A Greener Environment

- 7.1. A core part of this report centres around energy efficiency and provides recommendations which further sustainable action for a greener environment. The report recommends that incentives are investigated to ensure that assets become more energy efficient and make a lower impact on our environment.

8. Risk Management Implications

- 8.1. Risks relating to the recommendations will be monitored through the council’s corporate risk register and directorate risk registers. Risks are assessed for likelihood and impact, and will have responsible owners and programmes of mitigating actions.

9. Efficiency Statement

- 9.1 The basis of the scrutiny review is to ensure greater value for money and efficiency when managing council assets and makes recommendations to this effect.

10. Appendices

Appendix 1 Asset Management and Value for Money - Scrutiny Working Group Report

**Local Government Act, 1972 Section 100D (As amended)
List of “Background Papers” used in the preparation of this report**

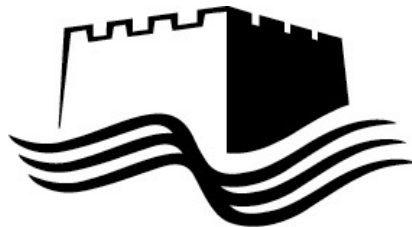
Brief description of "back ground papers"

Name and telephone number of holder and address where open to inspection.

None

N/A

**Asset Management and Value for Money -
Scrutiny Working Group Report**



TOWER HAMLETS

London Borough of Tower Hamlets
May 2012

Acknowledgements

The working group would like to thank all the officers and partners that supported this Review. Most importantly we would like to thank Basit Ali, Head of Asset Strategy, John Coker, Strategic Housing Manager, Sian Pipe, Energy Manager and Abdul Khan, Sustainable Development Manager.

Working Group Chair:

Councillor Sirajul Islam

Working Group Member:

Councillor Helal Uddin

Development and Renewal Directorate:

Jackie Odunoye	Interim Head of Development and Renewal
Ann Sutcliffe	Head of Strategic Property
Basit Ali	Head of Asset Management
John Coker	Strategic Housing Manager
Sian Pipe	Energy Manager
Abdul Khan	Sustainable Development Manager

Chief Executive's Directorate:

Adam Walther	Strategy, Policy and Performance
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External:

None, it was not possible to find a suitable expert witness within the timescales of this review.

Chair's forward

Councillor Sirajul Islam Chair of Working Group, Scrutiny Lead, Resources

Following the Spending Review 2010, the council is faced with a reduction central government grant income of approximately £84m over four years. This includes reductions in revenue income of over 30% and capital funding reductions of over 45%. This involves a significant programme of cost reductions which is being sought from all areas of the council with difficult decisions having to be implemented.

An area which does not always receive the scrutiny and exposure as many service areas is in the management of the councils 965 – 1000 assets. This is a significant service area, and one which offers numerous opportunities to make savings. Any reduction in net spend through improved asset management allows the council to invest in service provision, highlighting the importance of this area.

The review group was established to look into how effectively the council is managing its stock, and in doing so, whether it is delivering value for money for its residents. Although a short period of three months placed some restriction on our scope, we were able to review both capital and revenue spend – in both how the council manages its buildings, and how it manages energy use.

I am please to present a report which addresses significant areas of council spend clearly and concisely. I have found many examples of effective asset management, and officers which are working hard to deliver value for money through our portfolio, often in difficult circumstances. However, the review group has identified some areas of weakness, and room for improvement in delivering value for money.

Asset management is a large and complex area of council work, and one which a small scale review would not be able to cover. Nevertheless, this report provides some significant recommendations which we believe will improve the way in which the council manages its assets, and will save the council money in the longer term.

Summary

The scrutiny review group sought to establish the progress of the council's Asset Strategy, February 2011, and to what extent it is achieving its aims of delivering value for money. Drawing on council documents, work from other councils, best practice and interviews, the review group analysed how the asset management team were managing capital expenditure, and how the strategy, regeneration and sustainability team were managing energy costs, a significant part of revenue expenditure.

The primary aim was to ensure that the council was taking value for money seriously, and where it was felt they were not, to offer recommendations. In the short timescales available to the group the conclusion drawn was that the council is working well in its drive to become more efficient with fewer resources.

Key Findings

1. That the council takes value for money seriously and has adopted a number of strategies and measures to enforce this in practice.
2. That despite the Asset Management Team having undergone significant restructures, the bringing together of numerous asset management functions has achieved greater efficiencies than otherwise would have been the case. Examples of measures are outlined in this report.
3. That the council does not operate a corporate landlord model (as school assets are managed separately), but this is being explored as a possible avenue for savings to make asset management in the Council more efficient.
4. That allocating energy costs to a specific budget holder is not viable. Significant fluctuations in energy prices means that most cost changes are out of the control of the council. However, energy costs should be outlined more clearly in the council budget reports where possible.
5. That using the government procurement process allows the council to access the best value for money energy prices, but that clearer incentives are required by all users of council properties to ensure that they are acting as energy efficient as possible.
6. That the move from Anchorage House to Mulberry Place will achieve significant energy savings, but that further detailed and final savings are yet to be confirmed.
7. That the council is making progress towards achieving its goal of reducing carbon emissions by 25% by 2012 as outlined in Carbon Management Plan 2009. However, a full report is required to assess current progress.

The research and findings have led to a number of recommendations.

Report Recommendations

Asset Management

- R1. That the Asset Management Team provide a report on the viability of centralising asset management, i.e. moving towards a corporate landlord model.
- R2. That the Asset Management Team develop a framework and provide a resource to enable current and potential external providers to make more efficient use of community assets.

Energy Efficiency

- R3. That the Sustainable Development Team investigates incentives for all users of council assets to become energy efficient. This would include staff, schools and the third sector.
- R4. That the Sustainable Development Team provides a report on our performance against our carbon management commitments as outlined in the Carbon Management Plan 2009.
- R5. That Corporate Finance provide greater clarity on energy costs and that this is reflected transparently in budget reports where appropriate.

Background and methodology

7. The management of the council's 965 – 1000 assets is a key part of council strategy. All council services require robust asset management to function effectively which includes the 80 buildings used by third sector groups.
- 7.1 The Corporate Asset Strategy agreed by Cabinet in February 2011, provided the backbone to the scrutiny review. The core part of this strategy were the four key objectives agreed in 2011:
 - § To support and enhance service delivery, ensure user satisfaction and meet broader council objectives
 - § To ensure that the council meets all its statutory obligations and that buildings are fit for purpose, in terms of location and condition
 - § To ensure value for money in management, maintenance and use of land and buildings
 - § That the procurement of works for buildings ensures sustainable design and that the buildings are maintained and managed in a way that maximises their energy efficiency
- 7.2 The review group therefore sought assurances that all four objectives were being met as part of their analysis. However, limited timescales meant that the review group focused its analysis on the latter two areas: value for money in asset management; and ensuring asset energy efficiency. This report will therefore focus on these two areas.

Value for money in asset management

Background and challenges

8. The Asset Management team is responsible for making sure that the council is making the best use of its assets, developing a long term strategy, and holding its properties at the lowest possible cost.
9. Internally it is seeking to become more efficient with Facilities Management and Building Schools for the Future having merged into the team in 2010, allowing shared resource. Ongoing plans include the growth of co-location such as Jack Dash House to the decant of Anchorage House.
10. Externally the Asset Management Team has four core approaches to ensuring Value for Money. These four objectives are outlined and expanded upon in the Asset Strategy 2011:
 - § To own and occupy fewer buildings.
 - § To reduce the running costs of our buildings.

- § To increase the occupancy levels of our buildings and maximise opportunities for co-location of services (including partners).
 - § To challenge the business case for retaining properties and sell surplus properties in a timely and efficient manner.
11. The Asset Management Team have identified key challenges to the service:
- § Improve its ability to collate and manage asset data – An accurate property database
 - § Supporting the delivery of more council homes, through the utilisation of council owned sites
 - § Retain a asset disposals programme – assist council financial planning and investment and ensure transparency of disposals
 - § Improve the management of community assets of over 80 properties
 - § A joined up approach to managing the council's assets – promoting the corporate landlord model. Moving to a centralised model, the Asset Management team would be responsible for strategic asset management, delivering capital investment and ensuring surveys for statutory compliance and undertaken and monitored. The team would also take responsibility for the day to day management of buildings, their repair and maintenance. The benefits of the model allows the centralisation of staff, reduces duplication and achieves savings (e.g. through corporate procurement of services previously procured department by department). This model would require more investigation. A more extensive report into the viability of this model is outlined as Recommendation One.
12. The Asset Management team will take a lead on ensuring that public sector providers seek further opportunities for co-location, particularly as the council takes on responsibility for public health.

Steps to provide greater value for money

13. The council is committed to completing rent reviews and lease renewals on time to generate increased revenue for the Council. In 2011/12 the council achieved a 10% increase in the total income raised from renting property.
14. The Asset Management team are actively marketing properties to let, either before they become vacant or on becoming vacant.
15. The team has also developed and implemented plans to generate advertising income from sites in the borough, including letting off the A13 highway. New plans are currently being developed to build on this.
16. Where the opportunity arises and where it is appropriate to do so the Asset Management team lease out empty office space and openly market

other commercial property to generate new income. To maximise market penetration and income, they often use external agents to do this.

Savings so far

Income

- § Approximately £300k per annum in new income from letting commercial property
- § On target to generate a further £300k per annum from more new lettings this year

Savings

- § Through the disposal of assets savings in excess of £240k and total capital receipts in excess of £6m will be achieved this year
- § By relocating services and acquiring 585-593 Commercial Rd savings of approximately £200k per annum are achieved against the proposed rental of keeping the service at Leven Road. The site purchased has regeneration potential and a market value of £5m (2011 valuation)
- § Resulting from the review of Council assets we are aiming for savings of £250k per year (some of this figure has already been achieved) and resulting from the development/redevelopment of a number of Council property savings of approx £320k per year will be achieved

Summary

- § Total new income generated approximately £300k
- § Approx new income target £300k
- § Total savings of in excess of £240k will be achieved
- § Total Capital receipts in excess of £6m will be achieved
- § Approx new savings targets £570k

17. The above information does not take into account all of the current work in progress in respect of both new income (revenue and capital) and additional savings. The financial details resulting from work in progress will be known in the coming months.
18. The current estimated expenditure on community assets is £250,000. The expenditure is targeted towards statutory health and safety surveys and works and external property maintenance and repairs.
19. In light of the Localism Act and the Community Right to Bid within the Act, a review of asset allocations is being carried out by officers in Asset Management team. This will inform the development of a list of Community Assets, as required by the Act. This is addressed as an area for greater work in Recommendation Two.

Ensuring the energy efficiency of assets

Background and challenges

20. Tower Hamlets spends millions of pounds on energy each year, in a volatile market that is set for price increases in both energy commodity costs and charges for pipes and wires. This presents a huge risk but also an opportunity for efficiency savings.
21. Wholesale energy prices are influenced by a range of factors including supply security, weather trends, exchange rates, European prices, geopolitical issues and market sentiments. This complicated mix can result in price volatility of 5-10% over the course of a few days and 100% in a year.
22. Utilities are not a typical category in that they do not display the same attributes as other categories where we are trying to make savings. Prices are market driven and simply setting a savings target of 10% through supplier negotiation or using lower price variants is not possible

Steps to provide greater value for money

23. The Strategy, Regeneration & Sustainability service in the Development and Renewal Directorate work hard to ensure that the council pays the lowest possible cost to manage assets, including schools. The council enters into a government procurement process on a flexible contract allowing it to secure energy as cheaply as possible. Were the council to procure energy alone, costs would probably be around 20% higher. A breakdown of costs is given in Appendices I.
24. The review group looked into the cost of energy in community and council managed assets, which are outlined in Appendix II. It was felt that there were not sufficient incentives for users to invest resources into energy efficiency, especially where the council contributes to energy costs. Recommendation Three of this report has therefore requested that incentive schemes are investigated.
25. In recent reviews by both the Cabinet Office and London Energy Project, Buying Solutions energy purchasing performance was found to be in the upper performance quartile and have “outperformed market benchmarks” (set using a methodology endorsed by Cabinet Office and HM Treasury). The Energy Team continues, therefore, to deliver good results in the Public Buying Organisation sector as well as, albeit anecdotally, against private sector companies.
26. In terms of energy efficiency the council has made progress in reducing its carbon emissions through installation of hard ware in buildings. So far the council has made 4.7% reductions in carbon emissions 2008-2010. As part of the Carbon Management Plan 2009 the council aims to have

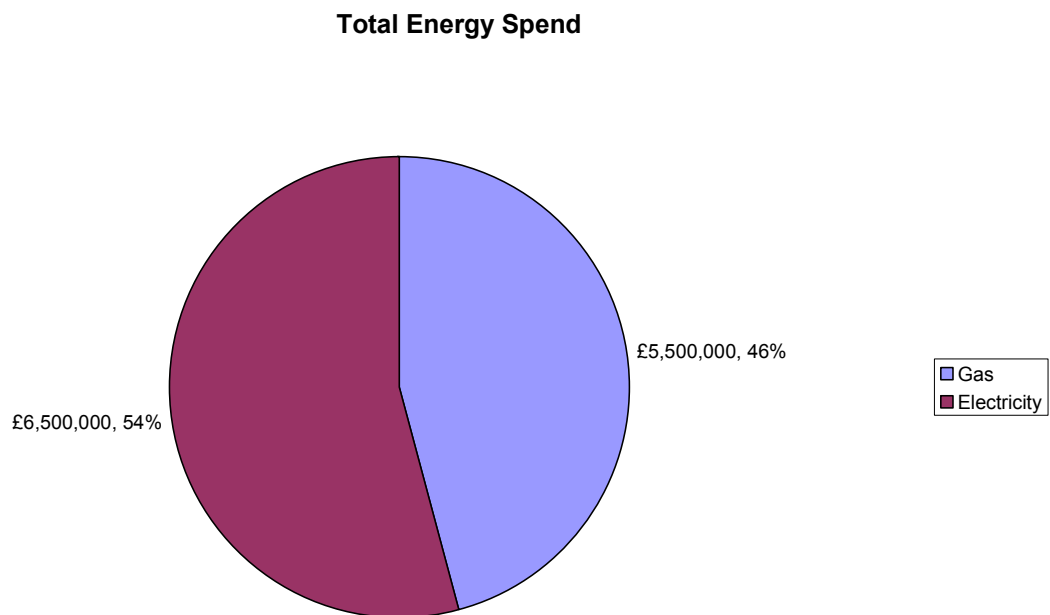
reduced emissions by 20% by the end of 2012. Further reductions are expected in the following years through property rationalisation by moving out of Anchorage House, smarter working and new ICT equipment. Recommendation Four requests a further report on our performance against the carbon target.

27. The review group found that although the council was making savings through effective procurement and smarter working, it was difficult to assess how this is translated into spend. Greater clarity on presenting our energy expenditure clearly is outlined as Recommendation Five.
28. The council has also secured £135,000 from the Olympic Delivery Authority / Greater London Authority to provide energy efficiency works to three schools in the borough, these works will be completed in the summer of 2012.

Appendix I: Energy Costs – evaluation and breakdown of sectors

Please note that the following are an average over 2009 – 2011 to give you an overall picture of the energy distribution. A further breakdown of the Tower Hamlets estate will be available in the next energy report (due in May 2012).

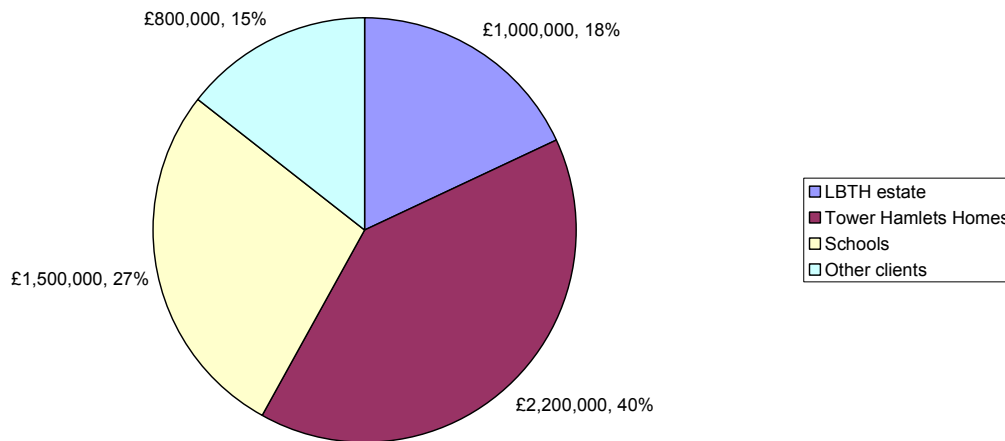
Energy split – Heat (gas) and Power (electricity)



Energy split between clients – Gas

Please note the costs for Tower Hamlets Homes (THH) includes all communal areas and THH offices. Tenants and leaseholders are recharged out of this total for communal use.

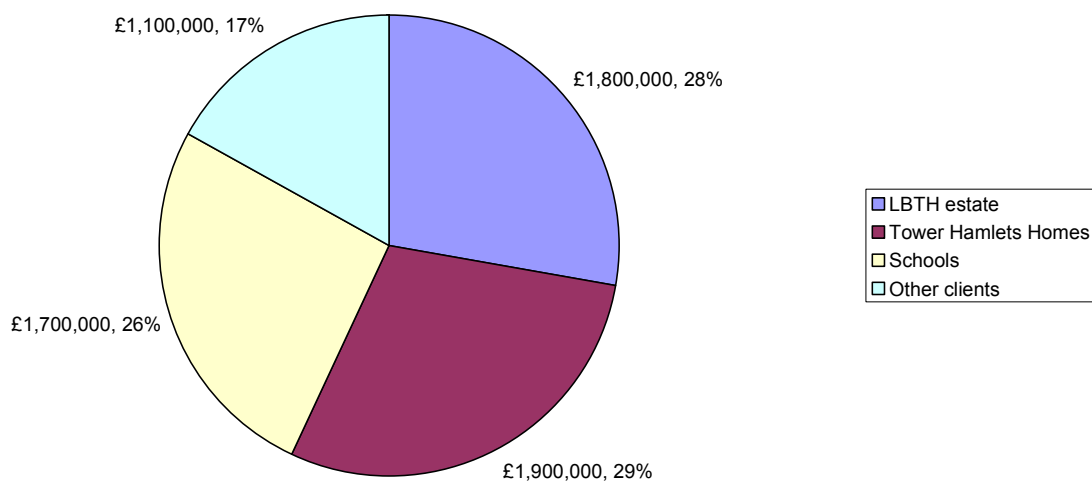
Gas breakdown



Energy split between clients – Electricity

Please note the costs for Tower Hamlets Homes (THH) includes all communal areas and THH offices. Tenants and leaseholders are recharged out of this total for communal use.

Electricity breakdown



Sian Pipe
April 2012

Appendix II: Tower Hamlets Energy Consumption 2009/10

Top Electricity Consumers

Site	Area m ²	kWh used 2010/11	kWh/m ²	Average annual costs £
GLL- Whitechapel Sports Centre	4302	3572229	830.4	330,000*
Resources- Toby Lane Depot	590	337180	571.5	31,000
CLC- Library- Watney Market Library	171	50453	295.0	4,850
Resources- Mulberry Place, 5 Clove Crescent, E14 2BG	17075	4510466	264.2	407,000
CLC- Library- Whitechapel Idea Store	3462	898299	259.5	82,000
D&R- Somali Day Centre Mayfield House, Cambridge Heath Road London E2 9LJ	114	28097.2	246.5	2,700
D&R- Wapping Riverside LHO 19 Prusom St, E1 9RR	424	94309	222.4	8,900
Resources- Coroner's court (Front of) 127 Poplar High Street	303	62683	206.9	5,800
CLC- Library- Bancroft Archive Library	1627	325694	200.2	31,000
GLL- Mile End Leisure Centre	5200	958251	184.3	88,000*
Resources- Anchorage House	19640	3491356	177.8	329,000*
Resources- Blackwall Goods Yard Depot	1399	238910	170.8	23,500
D&R- Stifford Community Centre, 2-6 Cressy Place	210	31437	149.7	2,950
D&R- Granby Hall Day Centre 37 St Matthews Row, London, E2 6DT	630	93231	148.0	8,500*
GLL- Mile End Stadium	1162	147618	127.0	15,000
Resources- Albert Jacob House, 62 Roman Rd, London, E2 0PG	4518	542382	120.0	50,000
AHW- 82 Russia lane	1017	117564.9	115.6	11,000
GLL- St George's	3368	385204	114.4	36,000*
Resources- Jack Dash House, 2 Lawn House Close, London, E14 9YQ	4843	476472	98.4	44,000
GLL- John Orwell Sports Centre	1896	185127	97.6	18,000*

Top Gas Consumers

Site	Area m ²	kWh used 2010/11	kWh/m ²	Average annual costs £
GLL- St George's	3368	2289183	679.7	54,000*
9 &10 Heron Quay (Skillsmatch)- leasehold	166	89242	537.6	2,200*
GLL- Mile End Leisure Centre	5200	2225315	427.9	53,000*
GLL- Mile End Stadium	1162	365975	315.0	8,600*
Resources- Watts Grove Depot	662	197859	298.9	4,700
D&R- Toby Club, Vawdrey Close E1 4UA	806	215940	267.9	5,200
GLL- Tiller Leisure Centre	3269	861400	263.5	21,000*
Resources- Toby Lane Depot	590	139006	235.6	3,300
D&R- Wapping Youth Club, Tench Street, E1W 2QD	855	182307	213.2	4,300
CLC- Library- Chrisp Street Idea Store	1244	261240	210.0	6,200
Resources- Coroners court (Front of) 127 Poplar High Street	303	60025	198.1	1,500
CLC- Library- Bethnal Green Library	1293	210932	163.1	4,950
AHW- 82 Russia lane	1017	162769	160.0	disposal
Resources- Bromley Public Hall, Bow Road	703	100309	142.7	2,500
GLL- Whitechapel Sports Centre	4302	609172	141.6	14,000*
Resources- Albert Jacob House, 62 Roman Rd, London, E2 0PG	4518	507842	112.4	12,000
Resources- Anchorage House	19640	1747113.8	89.0	71,000*
GLL- John Orwell Sports Centre	1896	158125	83.4	3,900*
Resources- Mulberry Place, 5 Clove Crescent, E14 2BG	17075	1186553	69.5	28,000
D&R- Canal Club, Waterloo Gardens, London, E2 9HP	421	24447	58.1	600
D&R- Collingwood Tenants Hall, Collingwood Street, E1 5RF	343	19777	57.7	500
Resources- Jack Dash House, 2 Lawn House Close, London, E14 9YQ	4843	256160	52.9	6,000

* assumed costs

Strategy, Regeneration & Sustainability
April 2012

Appendix III: Smarter Working Programme Savings

Source: Mayor's Advisory Board (Strategic and Resource Planning) paper

Title: Smarter Working Programme – Detailed Financial Model

Author: Nick Coldicott, Programme Manager

Date of meeting: 6 July 2011.

Programme Savings	Total Costs (Savings) to June 2018; £'000
Reduction in staff costs due to reduced overtime	(44)
Future replacement hardware costs avoided with new storage	(297)
Support costs avoided with new storage	(1,157)
Reduced disaster recovery costs	(249)
Data Storage total	(1,747)
Power saved by thin client terminals rather than PC's	(102)
Cost saving by not replacing PC's	(2,175)
Reduced desktop support costs	(545)
Virtual Desktop Infrastructure	(2,823)
Rent	(20,120)
Service charges	(12,365)
Business rates	(5,497)
Maintenance & repairs	(663)
Cleaning	(987)
Electricity	(1,213)
Insurance	(603)
Anchorage House	(41,449)
Total Programme Savings	(46,020)
Net Programme Costs / (Savings)	11,255 (25,679)

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Agenda Item 6.3

Committee: Overview and Scrutiny	Date: 8 th May 2012	Classification: Unrestricted	Report No.	Agenda Item No.
Report of: Assistant Chief Executive		Title: Arts and Events Scrutiny Challenge Session		
Originating Officer: Paul Gresty – Strategy, Policy and Performance Officer, One Tower Hamlets Chief Executives Directorate		Wards: All		

1. SUMMARY

- 1.1 This report updates the Overview and Scrutiny Committee on the outcome of the scrutiny challenge session on Arts and Events.

2. RECOMMENDATIONS

- 2.1 The Overview and Scrutiny Committee is recommended to:

- Note the information in the report about the Scrutiny Challenge Session on Arts and Events held on Thursday 29th March 2012.
- Agree the recommendations contained in the report for submission to Cabinet.

LOCAL GOVERNMENT ACT, 1972 (AS AMENDED) SECTION 100D

LIST OF “BACKGROUND PAPERS” USED IN THE PREPARATION OF THIS REPORT

Background paper	Name and telephone number of and address where open to inspection
None	n/a

3. INTRODUCTION

- 3.1 This report provides a summary of the scrutiny challenge session around how Arts and Events delivered in Tower Hamlets promote the One Tower Hamlets principles of strengthening cohesion and building community leadership.
- 3.2 The session was facilitated by Paul Gresty from the One Tower Hamlets team on behalf of the scrutiny lead for the Communities, Localities and Culture (CLC) Directorate, Cllr Zenith Rahman. The session was attended by the Chair of Overview and Scrutiny, Cllr Ann Jackson as well as Frances Jones, Service Manager for One Tower Hamlets and Stephen Murray, Head of Arts and Events.

4. BACKGROUND

- 4.1 The Arts and Events team promotes the use of arts as a leisure activity, as a source of employment and training, and as a tool for social cohesion and inclusion by:
- Ensuring arts services broadly reflect the multi-cultural needs of the community
 - Ensuring access to the arts is available to all those living, working or studying in Tower Hamlets
 - Contributing to the Community Plan, Tower Hamlets Partnership objectives and central government targets through arts programmes
 - Providing support to voluntary sector arts organisations
 - Providing information on arts activities taking place in and around the borough
 - Working in partnership with neighbouring boroughs and the Arts Council to maximise resources and funding
 - Supporting festivals and events to improve the quality of people's lives, promote community cohesion, bring visitors to the borough and contribute to local economies
 - Administering a grants scheme for festivals
 - Supporting new and emerging filmmakers
 - Managing and maximising use of the Brady and Kobi Nazrul Centres
- 4.2 The Arts and Events team play a key role in delivering the One Tower Hamlets principles in practice and celebrating the rich diversity of cultures and communities within the Borough. One Tower Hamlets is a desire to build a borough in which everyone has an equal stake and status, have the same opportunities as their neighbours and where families are the cornerstone of success. One Tower Hamlets also means bringing different parts of the community together; encouraging positive relationships and tackling divisions through strong leadership and involving people in decision making. The three principles of One Tower Hamlets is therefore a desire to:

- Tackle inequality
- Strengthen cohesion
- Build community leadership

4.3 The One Tower Hamlets works closely with the Arts and Events team and in 2011/12 supported the following events:

• Black History Month brochure & outreach	2011	£9625
• Black History Month ring-fenced events	2011	£5000
• St Georges day events	2011	£3500
• Divali	2011	£1500
• Martyrs Day events	2012	£7500
• Christmas Tea Dance	2011	£2000
• Lesbian, Gay, Bisexual and Transgender film programme for East End Film Festival	2012	£5500
• Holocaust Memorial Day	2012	£3000
• Chinese New Year	2012	£2000
• Praxis Human Rights Day	2011	£1500

5. PURPOSE

5.1 Challenge sessions are designed as a one off way of updating participants on the key points of a particular area of work. A challenge session offers members the opportunity to express their views and put forward recommendations. The purpose of this scrutiny challenge session was:

- To increase members' scrutiny of how arts and events, delivered by the Arts and Events team, promote the principles of One Tower Hamlets. In particular, how arts and events strengthen community cohesion and build community leadership
- To evaluate work that has been undertaken by the Arts and Events team around strengthening cohesion and building community leadership in Tower Hamlets
- To give members and opportunity to express their views and put forward recommendations

5.2 The session focused on three questions:

- How do events funded via the Arts and Events team strengthen cohesion in the borough?
- What events have been funded in the last year and what was their aim?
- How does the Arts and Events team build capacity of community organisations in Tower Hamlets?

6. KEY DISCUSSION POINTS AND RECCOMENDATIONS

6.1 *Balancing corporate and community events*

The Arts and Events team work with the local community to help build their capacity to deliver events across the borough's parks and open spaces by:

- Providing advice on how to deliver safe and well organised events
- Producing and maintaining an online event toolkit for applicants as a reference tool
- Simplifying processes and procedures by tailoring application forms for street parties to take place
- Arts and Events also directly manage and deliver key council events for a diverse community

6.2 Frances Jones discussed the use of parks and community spaces to generate income which could then be used to further support, other smaller, community organisations to deliver events. Cllr Jackson felt the team could explore the possibility of this cross-fertilisation, whereby the arts and events team could use income generated from public events to support other areas such as training.

6.3 In terms of continuing to promote community cohesion and build community leadership the arts and events team could 'sound out' local organisations and employers to assess the feasibility of attracting corporate sponsorship, particularly for larger events held in parks and open spaces. This may free up the arts fund to enable it to fund/deliver a broader range of community events around the Borough.

Recommendation 1:

That the Arts and Events team assess the feasibility of attracting Corporate sponsorship in the future

6.2 *Strengthening cohesion and building community leadership*

The Arts and Events team work with the local community to help build their capacity to deliver events in various community settings. The team provide strategic liaison and advice on how to deliver safe and well organised events and maintain an online event toolkit for applicants as a reference tool. In order to build on the positive work done to date and empower local communities to apply for funding, the team has simplified the processes and procedures for events such as street parties and other community events held in public spaces. This enables even the smallest local organisation to be considered for funding.

6.3 In 2010/11 the team processed 127 event applications and supported 56 additional expressions of interest. Where an application is not successful, the team will work with the community organisation, supporting them to improve their application to enable them to bid for future funding.

- 6.4 The team also allocates a Mainstream Grant to provide small grants for high quality public events and festivals, which are accessible to and of benefit to the community.
- 6.5 In 2010/11, 46 organisations were funded, with grants ranging from approximately £300 to £2500. The Events Fund aims to improve access to arts based events and encourages good practice in terms of arts delivery. It enables arts activities to be delivered where few would exist without the fund. It has helped to improve the quality of festivals and events in Tower Hamlets and extend the potential of events to develop audiences, encourage participation and increase community involvement. It has allowed for more adventurous or ambitious programming with the aim of promoting community cohesion and community leadership.
- 6.6 The Arts and Events team work collaboratively with a number of local arts partnerships including:
- Brick Lane Circle
 - Cardboard Citizens
 - Community Music
 - Kinetika Art Links International
 - Love Mosaic
 - Soyttten Sen
 - Soulfire Theatre
 - Spitalfields Music
 - Tamarind Theatre Co
 - Tower Hamlets Lifelong Learning Service
 - Udichi
- 6.7 Cllr Jackson discussed whether the service could increase the amount of networking it undertakes with local community organisations in the borough. Cllr Jackson felt that a community forum or network for local arts based organisations may further empower and build the capacity of smaller local community organisations and promote community development. The forum could focus on leading discussions around current issues for the local arts sector and what support and networks they would find useful. This would promote community inclusion as well as cohesion as the Arts and Events team could share knowledge and experience with smaller arts organisations.

Recommendation 2:

That the Arts and Events team support the creation of a forum or network to promote more collaborative working between different community organisations and local arts partnerships.

- 6.8 *Promoting Community Cohesion, Inclusion and Access*
The team have been nationally recognised for the work they have undertaken around accessibility and tackling inequality for disabled people in participating in and enjoying events. A code of practice has been implemented which ensures that any outdoor event has disabled access, including viewing platforms and designated areas for wheelchair users. The team has supported the artistic development of Heart n Soul - a leading disability arts organisation - through providing a platform for showcasing performance including music, dance, theatre and art.
- 6.9 The team deliver a diverse range of events that are cross cultural and encourage communities to work together. In 2010/11 they delivered or supported events such as Black History Month, Diwali, St Georges Day, Martyrs Day, and the East End Film Festival that focused on celebrating the achievements of the Lesbian, Gay, Bi-sexual and Transgender community in Tower Hamlets as well as events for the elderly. The aim of these events was to raise awareness of the diversity of Tower Hamlets and that it is one of its major strengths. As the events are cultural, they are open to all members of the community and give people an opportunity to learn about other faiths and cultures.
- 6.10 Cllr Jackson stressed the important role that events play in building community cohesion in a borough such as Tower Hamlets. Going forwards, Cllr Jackson believes it is crucial to engage and involve all communities to deliver and participate in a community event, particularly new communities.

Recommendation 3:

That the Arts and Events team analyse what events they have delivered or supported over the last couple of years, possibly in each LAP area, disaggregated by protected characteristics. This would help the team to identify if any communities have been overlooked and help them to focus on which communities they could support each year, either directly or indirectly in the form of a grant.

- 6.4 *Supporting Young People and Progression Routes*
The team administer an events fund and are involved in youth arts provision. Since 1979, the A' Arts Team have been the arts provider for the youth service in Tower Hamlets. Two full time staff and 70 specialist arts workers support young people to deliver project based workshops in performing arts, fashion and textiles, visual arts and music.
- 6.5 The table below shows how the Arts and Events team exceeded key performance indicator targets in 2010/11.

Key performance indicator	Number of contacts with young people	Number of participants involved with the service	Recorded Outcomes	Accredited Outcomes
Target	762	457	264	63
Actual	1004	680	482	67

- 6.6 The Arts and Events team works with a diverse range of young people and play a key role in uniting different communities via creative and interesting arts events. The Brady Centre is viewed by young people in the borough as an arts centre, not a community centre. This may explain why the centre has an even split between genders. There is also a relatively even split between different ethnic groups attending the centre and activities.
- White 16.3%
 - Asian 22.3%
 - Black 18.1%
 - Mixed dual heritage 11.6%
 - Other ethnic 15%
 - Refused to say 16.7%
- 6.7 There was a discussion around using the arts to change lives by developing skills and experience and give young people aspirations in terms of future careers. Giving young people a practical experience of the arts could empower them to see it as a future career. The arts could become a way of tackling inequality and further building community leadership.
- 6.8 Rainbow Film Society's objective is to advance the education of the public in the knowledge, understanding and appreciation of the arts, particularly the art of the film and allied visual techniques.

Recommendation 4:

That the Arts and Events team work with local arts based employers and organisations, as well as universities and colleges offering arts based courses over the next three years, to use the arts as a progression route for young people.

7. CONCLUSION

- 7.1 The Challenge Session was an opportunity for Members to discuss Arts and Events and how they can continue to strengthen community cohesion and build community leadership. It is proposed that the Arts

and Events team consider the recommendations above as part of discussions around the future direction of the service.

8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)

- 8.1 The Council is required by section 21 of the Local Government Act 2000 to have an Overview and Scrutiny Committee and to have executive arrangements that ensure the committee has specified powers. Consistent with this obligation, Article 6 of the Council's Constitution provides that the Overview and Scrutiny Committee may consider any matter affecting the area or its inhabitants and may make reports and recommendations to the Full Council or the Executive in connection with the discharge of any functions. It is consistent with the Constitution and the statutory framework for the Executive to provide a response.
- 8.2 The Council has power under section 145 of the Local Government Act 1972 to provide entertainment, facilities for entertainment and to develop the knowledge, understanding and practice of the arts and crafts which serve the arts. The Council is obliged by section 507B of the Education Act 1996, so far as reasonably practicable, to secure access for qualifying young people in Tower Hamlets to sufficient educational and recreational leisure-time activities for the improvement of their well being and sufficient facilities for such activities. A qualifying young person is someone aged 13 to 19. In the case of persons with learning difficulties, the age range is extended to ages 20 to 24.
- 8.3 Some recommendations in the report deal with matters incidental to the discharge of the Council's functions and the Council is specifically empowered to deal with such matters. The report contains a specific recommendation in respect of sponsorship. Whether or not sponsorship is appropriate for a particular event or programme will have to be assessed in each case and reflected in a written agreement.
- 8.4 The report aligns its recommendations with the theme of One Tower Hamlets expressed in the Tower Hamlets Community Plan. The Community Plan sets out the Council's sustainable community strategy within the meaning of section 4 of the Local Government Act 2000. It is consistent with good administration for the Council to have regard to this strategy in determining the exercise of its functions.
- 8.5 The report recommends analysis of events by reference to the protected characteristics under the Equality Act 2010. This may be consistent with the Council's equality duty under section 149 of the Equality Act, pursuant to which the Council must, in the exercise of its functions, 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 don't.

9. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 9.1 This report updates the Overview and Scrutiny Challenge Session on Arts and Events held on Thursday March. There are no specific financial implications emanating from this report.

10. ONE TOWER HAMLETS CONSIDERATIONS

- 10.1 The Arts and Events team play a key role in delivering the One Tower Hamlets principles in practice. The service plays a key role in promoting the rich diversity within the borough for residents and non residents of Tower Hamlets.

11. RISK MANAGEMENT

- 11.1 There are no direct risk management actions arising from this report.

12. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 12.1 The content of this report has no implications for a greener environment

13. EFFICIENCY STATEMENT

- 13.1 The report makes recommendations on how the Arts and Events service can use its existing resources to promote the One Tower Hamlets objectives.

14. APPENDICES

- 14.1 None

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