

**LONDON BOROUGH OF TOWER HAMLETS**

**MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE**

**HELD AT 7.00 P.M. ON MONDAY, 30 JANUARY 2012**

**C1, 1ST FLOOR, 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 Stephanie Eaton  
Councillor Sirajul Islam  
Councillor Zenith Rahman  
Councillor Amy Whitelock  
Councillor Helal Uddin

**Co-opted Members Present:**

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

**Other Councillors Present:**

Councillor Alibor Choudhury

**Officers Present:**

David Galpin – (Head of Legal Services (Community), Legal Services, Chief Executive's)  
Michael Keating – (Service Head, One Tower Hamlets)  
Chris Naylor – (Corporate Director Resources)  
Peter Hayday – (Interim Service Head, Financial Services, Risk and Accountability)  
Isobel Cattermole – (Acting Corporate Director, Children, Schools & Families)  
Kate Bingham – (Acting Service Head Resources, Children Schools & Families)  
Louise Russell – (Service Head Strategy & Performance, Chief Executive's)  
Chris Holme – (Service Head Resources, Development & Renewal)  
Jackie Odunoye – (Acting Corporate Director, Development & Renewal)  
Barbara Disney – (Service Manager, Strategic Commissioning, Adults Health & Wellbeing)

Stephen Halsey	– (Corporate Director Communities, Localities & Culture)
Jamie Blake	– (Service Head of Public Realm, Communities Localities and Culture)
Paul Thorogood	– (Service Head Resources, Adults Health and Wellbeing)
Stephen Cody	– (Interim Corporate Director Adults Health & Wellbeing)
Corinne Hargreaves	– (Efficiency Programme Manager, Strategy & Performance, Communities Localities & Culture)
Antonella Burgio	– (Democratic Services)

### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Co-opted Member Mr Jake Kemp.

### **2. DECLARATIONS OF INTEREST**

No declarations of personal or prejudicial interests were made.

### **3. REQUESTS FOR DEPUTATIONS**

Nil items.

### **4. REPORTS FOR CONSIDERATION**

### **5. GENERAL FUND AND CAPITAL REVENUE BUDGETS AND MEDIUM TERM FINANCIAL PLAN 2012-2015**

The Chair welcomed Councillor Choudhury, Cabinet Member, Resources together with Chief and Senior Officers who attended to discuss their budget proposals.

The Committee received a summary of budget proposals 2012-13 and service area pressures in the directorates of; Children Schools and Families (CSF), Resources, Communities Localities and Culture (CLC), Development and Renewal (D&R), and Adults Health and Well-Being (AWHB).

#### **Children Schools and Families Directorate**

The Committee and CSF Officers discussed the following matters:

#### *Proposals:*

- Open Buildings for Community Hire - Proposal to offer CSF buildings outside of normal hours for community use would mitigate against

costs of these premises

- Adopting a Traded Basis of Parent Support Services - This affected parental engagement and involvement services. The scheme would generate an income and enable the service to trade more actively
- Savings in the Costs of Procuring Placements for Looked After Children - CSF was exploring ways of procuring places for looked after children without using agencies were possible. Collaborative work was being undertaken with other North East London boroughs to ensure that the best possible placements are achieved for children in care
- Consolidating Information Systems – “Single View of the Child”. Service management would be revised but this would not affect frontline services. Potential risks around the proposed revisions were factored into the proposals. Efficiencies would be back-office and additional benefits derived from integration of learning and development would be gained. Safeguarding remained at the forefront of the merger proposals. Risk mitigation was done prior to making proposals.
- Anticipate Growth in Pupil Transport Demands – Transport was procured mainly through CLC Directorate through normal Council processes. CFS has noted a growing trend in transporting children from the east of the Borough to schools in the west of the Borough and is seeking to mitigate this by supporting good schools and supporting their expansion wherever possible

*Committee’s Areas of Enquiry:*

- Engaging Parents of Post-16 children – It was felt that engagement needed to be approached differently. It was presently achieved through student groups and members, however a role exists to develop engagement with parents of post-16 pupils. The role of the present parent panel was to contribute to the overarching strategic plan and business plan. Director agreed that engagement with parents of post-16 pupils was an area for development.
- Other Plans for Engagement:
  - to maintain good relationships with community schools and
  - to ensure that community schools continue to offer the type of education that will attract applications for school places
  - to engage with the new independent schools regime for safeguarding reasons and
  - to ensure that the best deal can be given to the Borough's children.
- Biggest Areas of Risk
  - increasing demand on schools and children's social care caused by population growth.

risk of a potential surge in demand for independent schools; the Directorate awaited legislation from Central Government on this matter.

no additional risk regarding decrease in Government grants was expected

some risk around DSG increase in 2013 - 14 was anticipated although details were not yet known

- Pressures from Government Changes to the Benefits Regime – implications were being explored through the work of the One Tower Hamlets service
- Qualitative Risks in Reducing Contract Value/sizes for Procuring Foster Care – specialist practitioners were engaged in this area and the risk level measured at 5%; was not considered significant.
- Provide Housing for Prospective Foster Carers in the Borough – this was suggested as a method of encouraging foster placements to remain within the Borough. The Director advised this would require a policy shift. It was noted that a policy of this kind would not necessarily produce the intended benefits for children in care.

## **Resources**

The Director affirmed that proposals could be delivered.

Measures to mitigate if savings were not delivered are:

- A contingency of £4M to mitigate for a degree of slippage
- General balances if pressures cannot be contained within contingency

### *Committee's Areas of Enquiry:*

- Contribution to Balances Not Required - The Director recommended that a contribution to balances would not be required this year as last year's targets had been delivered. Present balances held were in the region of £30M. Given this performance, the Director of Resources advised that, on this basis, this year's contingency provision was not required. Should circumstances change, this advice would be reviewed.
- Other Uses for Available Balances – it was projected that in the latter part of MTFS balances would grow because of under-spend. Once this had taken place the Council would be able to consider other uses for available balances.
- Income from Investments – the Council's investment advisors have advised that the Council's investments have been undertaken in the most prudent framework, they therefore recommend that the Council increase the period of investments within these chosen investment

areas.

- Fairness Commission – development of the proposal was underway.

### **Communities, Localities and Culture (CLC)**

Budget proposals were based on the remodelling of many CLC services which aimed to maintain quality and service visibility.

- Aims:
  - to broaden ways of generating income review services and procure more effectively.
  - to share services with other authorities (noted that Partners also face budget pressures (e.g. the Police) therefore there was risk)
  - to explore how to work with the police through co-location.
  - to maximise on income from sharing expertise (e.g. expertise in events management)

#### *Committee's Areas of Enquiry:*

- Pest Control – Introduction of further changes to service charges. This had been risk assessed through monitoring the impact of previously introduced charges for other pest control services. The proposals for 2013/14 was to introduce charges for rat infestation treatments and increase charges for other infestation treatments in line with benchmarked charges in other authorities.
- Bulk Waste – Introduction of a £15 per bulk waste collection with a concession of two free collections per year for Housing Benefits claimants. Facilities at the Recycling Centre remain free to users.
- Ideas Stores Stock Fund – contracts have been negotiated with suppliers which will mitigate the impacts of the reduction in the fund and the reduction in purchased materials would be applied where there will be least impact. The Council worked through the London Libraries Consortium to maintain stock through which savings of 50% were achieved on book funding. The Committee remained concerned that marginal interests may not be met.
- Escalator for Car Parking Permits Removed – the surcharge for second and third residents' car permits was discontinued for equalities reasons. It was considered that the £10 surcharge for a second car was not a material consideration in the decision to own two cars. Also a simpler permit regime produced savings in administrative functions. However the Committee thought that equalities issues were not satisfied here.

Action: Written information on projected reduction in income resulting from the removal of the surcharges to be circulated by J. Blake,

### Head of Public Realm

- Budget pressures were anticipated concerning the effects of the Olympic Games on CLC services.

### Development and Renewal (D&R)

The Director explained that the net general Fund budget in this service area was relatively small because of charges to regeneration programmes and other capital schemes, and the HRA. Savings proposals were:

- release of the Anchorage House leasehold.
- statement of community involvement
- charging for the cost of street naming and numbering
- further transport and supplies and services related savings.

#### *Committee's Areas of Enquiry:*

- Savings on Planning Consultations – implications would be reported to Cabinet on 7 March 2012. There were proposals for more cost-effective forms of consultation e.g. electronic methods. While aiming to reduce costs, there was no intention to engage less or publicise less locally.
- Closure of Anchorage House – risks concerning projected savings from the closure of Anchorage House were queried. The Director of Resources advised that costs saved had already been agreed with the landlord.

### Adults Health and Well-Being (AWHB)

Efficiencies of £10 million were proposed for the first phase of the MTFs.

Proposals included:

- Telecare and the extension of Telecare
- The comparative cost to authorities of care at home as balanced against the costs of institutional care

The risks were

- the effectiveness of electronic technology versus client isolation
- withdrawal of services after the closure of Aldgate Hostel. The service would be replaced with other smaller hostel services. It was noted that there was support for the closure as the type provision was out-dated and other smaller hostels were more successful for this type provision.

#### *Committee's Areas of Enquiry:*

- Impact of Benefits Cuts on Vulnerable People – modelling was being undertaken to identify people at risk.

- Impact of the New Service Provision Framework – whether there was an understanding of this (e.g. personalisation) on the service users. It was noted that some new models were better than traditional services and acknowledged that it would be necessary to monitor how service is being received.

Action written qualitative feedback on new models of service, how these were being received and their effectiveness to be provided by S Cody, Director AHWB

- Risks of Supporting People Contracts – the Committee expressed concern that driving down supporting people contracts would affect the pay of employees. The Director advised that terms and conditions of the tender enabled the Council to review staff accounts. Therefore the Council can monitor whether contract savings are being funded through reduced staff wages. There are checks and balances to ensure that contractors acted appropriately. Chair recommended that strong SLAs be established to protect employees of contractors engaged by the Council

## **RESOLVED**

That the above comments of the Committee be referred to Cabinet

The meeting ended at 8.47 p.m.

Chair, Councillor Ann Jackson  
Overview & Scrutiny Committee