



Meeting of the

CABINET

Wednesday, 31 July 2013 at 5.30 p.m.

AGENDA – SECTION ONE

VENUE

Committee Room, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG

Members:

Mayor Lutfur Rahman	– (Mayor)
Councillor Ohid Ahmed	– (Deputy Mayor)
Councillor Rofique U Ahmed	– (Cabinet Member for Regeneration)
Councillor Shahed Ali	– (Cabinet Member for Environment)
Councillor Abdul Asad	– (Cabinet Member for Health and Wellbeing)
Councillor Alibor Choudhury	– (Cabinet Member for Resources)
Councillor Shafiqul Haque	– (Cabinet Member for Jobs and Skills)
Councillor Rabina Khan	– (Cabinet Member for Housing)
Councillor Rania Khan	– (Cabinet Member for Culture)
Councillor Oliur Rahman	– (Cabinet Member for Children's Services)

[Note: The quorum for this body is 3 Members].

Committee Services Contact:

Matthew Mannion, Democratic Services,
Tel: 020 7364 4651, E-mail: matthew.mannion@towerhamlets.gov.uk

Public Information

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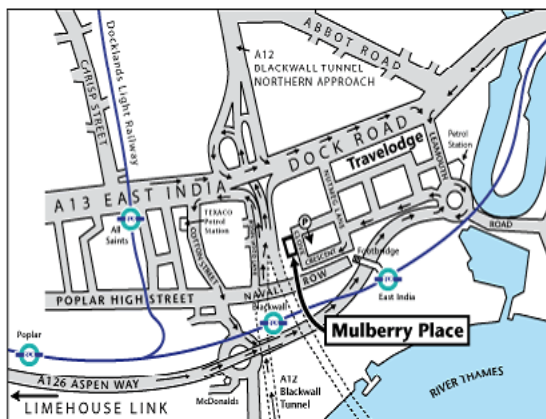
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QR code for smart phone users

LONDON BOROUGH OF TOWER HAMLETS

CABINET

WEDNESDAY, 31 JULY 2013

5.30 p.m.

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

PUBLIC QUESTION AND ANSWER SESSION

There will be an opportunity (up to 15 minutes) for members of the public to put questions to Cabinet members before the Cabinet commences its consideration of the substantive business set out in the agenda.

Questions can be submitted in advance to the Town Hall or be asked on the evening.

Please send any questions to Matthew Mannion, Democratic Services, Town Hall, Mulberry Place, Poplar, E14 2BG or email matthew.mannion@towerhamlets.gov.uk by 5pm the day before the meeting.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS (Pages 1 - 4)

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 Monitoring Officer.

	PAGE NUMBER	WARD(S) AFFECTED
3. UNRESTRICTED MINUTES	5 - 12	

The unrestricted minutes of the Cabinet meeting held on 3 July 2013 are presented for information.

4. PETITIONS

To receive any petitions.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's advice of Key Issues or Questions in relation to Unrestricted Business to be considered

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

(Under provisions of Article 6 Para 6.02 V of the Constitution).

UNRESTRICTED REPORTS FOR CONSIDERATION

6. A GREAT PLACE TO LIVE

6.1 Private Sector Renewal Policy 13 - 58 All Wards

6.2 Fuel Poverty and Insulation Works on HRA Properties (Project 2) 59 - 68 Bethnal Green South; Weavers

7. A PROSPEROUS COMMUNITY

7.1 Proposals for Bow School 69 - 104 Bow East; Bromley-By-Bow

8. A SAFE AND COHESIVE COMMUNITY

8.1 Cumulative Impact Policy (Brick Lane Saturation Zone) 105 - 160 Spitalfields & Banglatown; Weavers; Whitechapel

9. A HEALTHY AND SUPPORTIVE COMMUNITY

9.1 Supporting Carers - Respite Care Breaks 161 - 168 All Wards

10. ONE TOWER HAMLETS

10.1 Welfare Reform and Discretionary Support 169 - 230 All Wards

10.2 Financial Inclusion Strategy 231 - 284 All Wards

10.3 Quarter 2 Special Contracts Forward Plan 285 - 292 All Wards

11. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

12. UNRESTRICTED REPORTS FOR INFORMATION

12.1 Exercise of Corporate Directors' Discretions 293 - 298 All Wards

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

In view of the contents of the remaining items on the agenda, the Committee is recommended to adopt the following motion:

“That, under the provisions of Section 100A of the Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985, the Press and Public be excluded from the remainder of the meeting for the consideration of the Section Two business on the grounds that it contains information defined as Exempt in Part 1 of Schedule 12A to the Local Government, Act 1972”.

EXEMPT/CONFIDENTIAL SECTION (PINK)

The Exempt / Confidential (Pink) Committee papers in the Agenda will contain information, which is commercially, legally or personally sensitive and should not be divulged to third parties. If you do not wish to retain these papers after the meeting, please hand them to the Committee Officer present.

- | | PAGE
NUMBER | WARD(S)
AFFECTED |
|--|------------------------|-----------------------------|
| 14. EXEMPT / CONFIDENTIAL MINUTES | | |
| The exempt / confidential minutes of the Cabinet meeting held on 3 July 2013 are presented for information. | | |
| 15. OVERVIEW & SCRUTINY COMMITTEE | | |
| 15 .1 Chair's advice of Key Issues or Questions in relation to Exempt / Confidential Business to be considered. | | |
| 15 .2 Any Exempt / Confidential Decisions "Called in" by the Overview & Scrutiny Committee | | |
| (Under provisions of Article 6 Para 6.02 V of the Constitution). | | |
| EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION | | |
| 16. A GREAT PLACE TO LIVE | | |
| Nil items. | | |
| 17. A PROSPEROUS COMMUNITY | | |
| Nil items. | | |
| 18. A SAFE AND COHESIVE COMMUNITY | | |
| Nil items. | | |
| 19. A HEALTHY AND SUPPORTIVE COMMUNITY | | |
| Nil items. | | |

20. ONE TOWER HAMLETS

Nil items.

**21. ANY OTHER EXEMPT/ CONFIDENTIAL
BUSINESS CONSIDERED TO BE URGENT**

**22. EXEMPT / CONFIDENTIAL REPORTS FOR
INFORMATION**

Nil items.

SCRUTINY PROCESS

The Overview and Scrutiny Committee, at its meeting on **Tuesday 10 September 2013** may scrutinise provisional decisions made in respect of any of the reports attached, if it is "called in" by **five** or more Councillors except where the decision involves a recommendation to full Council.

The deadline for "Call-in" is: Friday 9 August 2013 **(5.00 p.m.)**

Councillors wishing to "call-in" a provisional decision, or members of the public wishing to submit a deputation request, should contact: **John Williams**
Service Head Democratic Services:
020 7364 4205

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Agenda Item 2

DECLARATIONS OF INTERESTS - NOTE FROM THE MONITORING OFFICER

This note is for guidance only. For further details please consult the Members' Code of Conduct at Part 5.1 of the Council's Constitution.

Please note that the question of whether a Member has an interest in any matter, and whether or not that interest is a Disclosable Pecuniary Interest, is for that Member to decide. Advice is available from officers as listed below but they cannot make the decision for the Member. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending a meeting.

Interests and Disclosable Pecuniary Interests (DPIs)

You have an interest in any business of the authority where that business relates to or is likely to affect any of the persons, bodies or matters listed in section 4.1 (a) of the Code of Conduct; and might reasonably be regarded as affecting the well-being or financial position of yourself, a member of your family or a person with whom you have a close association, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward affected.

You must notify the Monitoring Officer in writing of any such interest, for inclusion in the Register of Members' Interests which is available for public inspection and on the Council's Website.

Once you have recorded an interest in the Register, you are not then required to declare that interest at each meeting where the business is discussed, unless the interest is a Disclosable Pecuniary Interest (DPI).

A DPI is defined in Regulations as a pecuniary interest of any of the descriptions listed at **Appendix A** overleaf. Please note that a Member's DPIs include his/her own relevant interests and also those of his/her spouse or civil partner; or a person with whom the Member is living as husband and wife; or a person with whom the Member is living as if they were civil partners; if the Member is aware that that other person has the interest.

Effect of a Disclosable Pecuniary Interest on participation at meetings

Where you have a DPI in any business of the Council you must, unless you have obtained a dispensation from the authority's Monitoring Officer following consideration by the Dispensations Sub-Committee of the Standards Advisory Committee:-

- not seek to improperly influence a decision about that business; and
- not exercise executive functions in relation to that business.

If you are present at a meeting where that business is discussed, you must:-

- Disclose to the meeting the existence and nature of the interest at the start of the meeting or when the interest becomes apparent, if later; and
- Leave the room (including any public viewing area) for the duration of consideration and decision on the item and not seek to influence the debate or decision

When declaring a DPI, Members should specify the nature of the interest and the agenda item to which the interest relates. This procedure is designed to assist the public's understanding of the meeting and to enable a full record to be made in the minutes of the meeting.

Where you have a DPI in any business of the authority which is not included in the Member's register of interests and you attend a meeting of the authority at which the business is considered, in addition to disclosing the interest to that meeting, you must also within 28 days notify the Monitoring Officer of the interest for inclusion in the Register.

Further advice

For further advice please contact:-

Isabella Freeman, Assistant Chief Executive (Legal Services), 020 7364 4801; or
John Williams, Service Head, Democratic Services, 020 7364 4204

APPENDIX A: Definition of a Disclosable Pecuniary Interest

(Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, Reg 2 and Schedule)

Subject	Prescribed description
Employment, office, trade, profession or vacation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by the Member in carrying out duties as a member, or towards the election expenses of the Member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority—</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to the Member's knowledge)—</p> <p>(a) the landlord is the relevant authority; and</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p>
Securities	<p>Any beneficial interest in securities of a body where—</p> <p>(a) that body (to the Member's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>

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LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE CABINET

HELD AT 5.30 P.M. ON WEDNESDAY, 3 JULY 2013

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

Members Present:

Mayor Lutfur Rahman	(Mayor)
Councillor Ohid Ahmed	(Deputy Mayor)
Councillor Rofique U Ahmed	(Cabinet Member for Regeneration)
Councillor Shahed Ali	(Cabinet Member for Environment)
Councillor Abdul Asad	(Cabinet Member for Health and Wellbeing)
Councillor Alibor Choudhury	(Cabinet Member for Resources)
Councillor Shafiqul Haque	(Cabinet Member for Jobs and Skills)
Councillor Rabina Khan	(Cabinet Member for Housing)
Councillor Rania Khan	(Cabinet Member for Culture)

Other Councillors Present:

Councillor Gulam Robbani	(Executive advisor to the Cabinet and Mayor on adult social care)
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Officers Present:

Anne Canning	(Interim Corporate Director, Education Social Care and Wellbeing)
Aman Dalvi	(Corporate Director, Development & Renewal)
Chris Holme	(Acting Corporate Director - Resources)
Robin Beattie	(Service Head, Strategy & Resources & Olympic Impact, Communities Localities & Culture)
Colin Cormack	(Service Head Housing Options, Development & Renewal)
Ben Gadsby	(Political Adviser to the Conservative Group)
Numan Hussain	(Political Advisor to the Mayor, Executive Mayor's Office, Chief Executive's)
Kevin Kewin	(Service Manager, Strategy & Performance, Chief Executive's)
Martin Ling	(Housing Policy Officer)
Megan Nugent	(Legal Services Team Leader, Planning, Chief Executive's)
Jackie Odunoye	(Service Head, Strategy, Innovation & Sustainability, Development & Renewal)
Takki Sulaiman	(Service Head Communications, Chief Executive's)
Claire Symonds	(Service Head, Customer Access and ICT)
Murziline Parchment	(Head of Executive Mayor's Office, Democratic Services, Chief Executive's)
Louise Fleming	(Senior Committee Officer, Democratic Services)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Councillor Oliur Rahman, Cabinet Member for Children's Services
- Mr Stephen Halsey, Head of Paid Service and Corporate Director, Communities, Localities and Culture

Noted

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

No declarations of Disclosable Pecuniary Interest were made.

3. UNRESTRICTED MINUTES

The unrestricted minutes of the ordinary meeting of the Cabinet held on 5 June 2013 were presented for information.

4. PETITIONS

No petitions were received.

5. OVERVIEW & SCRUTINY COMMITTEE**5.1 Chair's advice of Key Issues or Questions in relation to Unrestricted Business to be considered**

The Mayor welcomed Councillor Motin Uz-Zaman, Chair of the Overview and Scrutiny Committee (OSC), who provided an update on their meeting held the previous evening.

He reported that they had discussed:

- The findings and recommendations of two scrutiny working groups and a challenge session report;
- The 2012/13 Strategic Performance and Corporate Budget Report; and
- The 2013/14 Work Programme.

Councillor Uz-Zaman thanked Councillor Alibor Choudhury, Cabinet Member for Resources for presenting the Strategic Performance and Corporate Budget monitoring report. He also invited the Mayor to attend a Scrutiny Spotlight session at the next meeting of the OSC.

The Mayor thanked Councillor Uz-Zaman for his contribution.

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

The Clerk advised that no requests had been received by the Assistant Chief Executive (Legal Services) to 'call-in' for further consideration, by the Overview and Scrutiny Committee, any provisional decisions taken by the Mayor in Cabinet, at the Cabinet meeting held on 5 June 2013.

6. A GREAT PLACE TO LIVE

6.1 Overcrowding and Under-Occupation Statement

Councillor Rabina Khan, Cabinet Member for Housing, introduced the report and welcomed the recommendations.

The Mayor welcomed the report and accepted the recommendations.

RESOLVED

To approve the proposals in the report:

1. Approve the Overcrowding and Under Occupation Statement attached at Appendix 1.
2. Approve Overcrowding and Under Occupation Statement Action Plan attached at Appendix 2.

6.2 Draft Homelessness Statement 2013-17

Councillor Rabina Khan, Cabinet Member for Housing, introduced the report and welcomed the recommendations which were important in light of the government reforms to the welfare system.

The Mayor welcomed the report, thanked officers and the Cabinet Member and accepted the recommendations.

RESOLVED

To approve the proposals in the report:

1. *Agree the Homelessness Statement 2013 – 17.*
2. *Agree that the action plan and outcome measures for the statement be finalised by the Homelessness Partnership Board.*
3. *Note the equality analysis of the statement.*

7. A PROSPEROUS COMMUNITY

Nil items.

8. A SAFE AND COHESIVE COMMUNITY

Nil items.

9. A HEALTHY AND SUPPORTIVE COMMUNITY

9.1 Hostels Commissioning Plan

Councillor Abdul Asad, Cabinet Member for Health and Wellbeing, introduced the report and welcomed the recommendations. He highlighted the incorrect spelling of his name in the report and asked for this to be correct for the record.

The Mayor welcomed the report and accepted the recommendations.

RESOLVED

To approve the proposals in the report:

1. The Mayor in Cabinet is recommended to agree the updated Hostels Commissioning Plan attached as appendix 2 and the future design of the hostel sector in readiness for the next procurement. The Hostels Commissioning Plan and recommendations therein will be subject to a formal consultation period following this.

9.2 Extension of Block Contract - Hotel in the Park

Councillor Abdul Asad, Cabinet Member for Health and Wellbeing, introduced the report and welcomed the recommendations.

The Mayor welcomed the report and accepted the recommendations.

RESOLVED

To approve the proposals in the report:

1. Approve the extension requested in paragraph 6.3.
2. Authorise the Assistant Chief Executive (Legal Services) to enter into all necessary documents to implement the decision at 2.1

10. ONE TOWER HAMLETS

10.1 New Cross – Finsbury Market Cable Tunnel – Subsoil Disposal

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report.

The Mayor welcomed the report and accepted the recommendations.

RESOLVED

To approve the proposals in the report:

- a) Note the contents of the report;
- b) Agree the freehold disposal of the subsoil interest to UKPN on the terms proposed in parts 1 & 2 of this report.

10.2 Contracts Forward Plan Q2

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report.

The Mayor welcomed the report and accepted the recommendations.

RESOLVED

To approve the proposals in the report:

- 1. Consider the contract summary at Appendix 1, and identify those contracts about which specific reports – relating to contract award – should be brought before Cabinet prior to contract award by the appropriate Corporate Director for the service area;**
- 2. Confirm which of the remaining contracts set out in Appendix 1 can proceed to contract award after tender subject to the relevant Corporate Director who holds the budget for the service area consulting with the Mayor and the relevant lead member prior to contract award; and**
- 3. Authorise the Assistant Chief Executive (Legal Services) to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 2 above.**

10.3 Strategic Performance, 12/13 General Fund Revenue Budget and Capital Programme Monitoring Q4

Councillor Alibor Choudhury, Cabinet Member for Resources, introduced the report.

Mr Chris Holme, Acting Corporate Director Resources, advised that he would respond in writing to the Chair of Overview and Scrutiny Committee regarding the areas of concern raised by the Committee.

The Mayor welcomed the report and accepted the recommendations.

RESOLVED

To approve the proposals in the report:

1. Note the Council's financial performance compared to budget for 2012/13 as detailed in Sections 3 to 6 and Appendices 1-4 of this report.
2. Note and approve the proposed transfers to reserves as detailed in Appendix 5 of this report.
3. Review and note 2012/13 year end performance for strategic measures and Strategic Plan activities in Sections 7 and 8 and detailed in Appendices 6 & 7.

11. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil items.

12. UNRESTRICTED REPORTS FOR INFORMATION

Nil items.

13. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That pursuant to regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the press and public be excluded from the remainder of the meeting:

- (a) As it was likely, in view of the nature of the business to be transacted in Section Two of the agenda, that if members of the public were present during consideration of this business there would be disclosure of exempt information.
 - Exempt information is defined in section 100I and, by reference, Schedule 12A of the Local Government Act 1972 ("the 1972 Act"). To be exempt, information must fall within one of the categories listed in paragraphs 1 to 7 of Schedule 12A, must not fall within one of the excluded categories in paragraphs 8 and 9 and the public interest in maintaining the exemption must outweigh the public interest in disclosing the information.
 - Agenda item 20.1 "New Cross – Finsbury Market Cable Tunnel – Subsoil Disposal Part II" as the discussion of those reports was likely to contain information relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council and the Lessee.
- (b) As although there is a public interest favouring public access to local authority meetings, in this case the Cabinet concluded that given the information contained in:
 - Agenda item 20.1. "New Cross – Finsbury Market Cable Tunnel – Subsoil Disposal Part II" contained information relating to the financial or business affairs of any particular person (including the authority holding that information). There is information in

the report relating to the financial affairs of the Council and the Lessee. This information is not information falling within paragraph 8 (information required to be reported by companies) or paragraph 9 (development for which the Council may give itself planning permission) of Schedule 12A. The report is concerned with one of the Council's disposal proposals which is at a critical stage. Publication of the details of any proposals could prejudice the Council achieving its obligation to obtain best consideration from the use of its resources and best value from the procurement process.

that the public interest in maintaining the exemption on the information outweighed the public interest in disclosing it.

14. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

15. OVERVIEW & SCRUTINY COMMITTEE

15.1 Chair's advice of Key Issues or Questions in relation to Exempt / Confidential Business to be considered.

Nil items.

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

Nil items.

16. A GREAT PLACE TO LIVE

Nil items.

17. A PROSPEROUS COMMUNITY

Nil items.

18. A SAFE AND COHESIVE COMMUNITY

Nil items.

19. A HEALTHY AND SUPPORTIVE COMMUNITY

Nil items.

20. ONE TOWER HAMLETS

20.1 New Cross – Finsbury Market Cable Tunnel – Subsoil Disposal Part II

RESOLVED

The Mayor considered the report and agreed its recommendations.

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

Nil items.

22. EXEMPT / CONFIDENTIAL REPORTS FOR INFORMATION

Nil items.

The meeting ended at 5.49 p.m.

Chair, Mayor Lutfur Rahman
Cabinet

Agenda Item 6.1

Committee/Meeting: Cabinet	Date: 31/07/13	Classification: Unrestricted	Report No: CAB 11/134
Report of: Development and Renewal Originating officer Martin Ling		Title: Private Sector Renewal Policy Wards Affected: All	

Lead Member	Cllr Rabina Khan – Cabinet Member for Housing
Community Plan Theme	A Great Place to Live
Strategic Priority	Improving and maintaining the quality of housing and the local neighbourhood

1.0 **SUMMARY**

- 1.1 The Council has a duty under Part 1, Chapter 1, Section 3 of the Housing Act 2004 to review housing conditions in their district.
- 1.2 Where housing conditions are found to require improvement, assistance can be provided under the terms of Article 3 of the Regulatory Reform (Housing Assistance) Order 2002; Under these terms a local authority is also required to have adopted a Private Sector Renewal Policy. The Policy should set out how the Council is able to assist in improving the living conditions for residents who live in private sector housing within the Borough.
- 1.3 The proposed options to create the Private Sector Renewal Policy 2013 -2015 incorporate the information gained from the Private Sector Stock Condition Survey 2011 and current budget information.
- 1.4 This Report outlines options for updating the Council's Private Sector Housing and Renewal Policy. The last policy, then described as a framework was produced in December 2004 to meet the requirements of the Regulatory Reform (Housing Assistance) Order 2002 that provided a new framework for private sector housing renewal.
- 1.5 A public consultation on a draft Private Sector Renewal Policy upon which the main options set out below are based was launched on the 9th May 2013 and concluded on the 20th June 2013. A summary of the responses to the consultation are set out at 7.0 below.

DECISIONS REQUIRED

The Mayor in Cabinet is recommended to:-

- I. Approve the Private Sector Renewal Policy attached at Appendix 1

2.0 REASONS FOR THE DECISIONS

- 2.1 The Council has a duty under Part 1, Chapter 1, Section 3 of the Housing Act 2004 to review housing conditions in their district. Where housing conditions are found to require improvement, assistance can be provided under the terms of Article 3 of the Regulatory Reform (Housing Assistance) Order 2002.

The private sector stock condition demonstrates that housing conditions are found to require improvement and the Council has a ring-fenced budget available to spend on improvements in the private sector

3.0 ALTERNATIVE OPTIONS

- 3.1 The Council could choose to adopt a modified Private Sector Renewal Policy which may require further impact assessment, but the versions in the appendices are recommended for reasons set out in the body of the report.

4.0 BACKGROUND

- 4.1 The Council is required to have a Private Sector Housing Renewal Policy. Since the last Policy was published there have been significant changes in central government policy that makes it more challenging to create a policy that meets the needs of local residents. This is largely down to the unavailability of funding to assist those in the private sector.
- 4.2 According to the Council's private sector stock condition survey, the private rented housing sector is now the largest housing sector in the Borough and it is growing rapidly. The cost of owner-occupation and private renting is very high in the Borough. The table below details the tenure breakdown for the borough.

Comparison of Housing stock by tenure, April 2011

Tenure	2003	%	2011	%
Owner occupied	27,308	31	25,339	23
Council owned	24,200	28	12,500	12
Registered social landlord	17,828	20	26,484	24
Private rented sector	17,513	20	41,870	39
Shared ownership	500	1	2,000	2
Total	87,349	100	108,193	100

Source: Private Sector Stock Condition Survey 2011

- 4.3 The median household income of Borough residents is £29,500. The average rent of a three bedroom private rented home is £2,083pcm which is 80% of the median family income. The average cost of a home is £364,500 which is over 12 times the salary of the median salary.

- 4.4 Central government policies and funding opportunities that are relevant to private sector housing do little to assist our residents, who are in the most housing need, to access this housing. All funding streams from central Government now offer very small capital grants and rely on funding through increased rental income and promote affordable rents at 80% of market rent.
- 4.5 Government grant assistance for thermal insulation and energy efficiency are constantly changing and will be promoted to all residents through the Tower Hamlets Energy Co-op.
- 4.6 Only the delivery of Mandatory Disabled Facilities Grants and the removal of Category 1 hazards are statutory requirements for the Council, however, the Private Sector Housing Renewal Policy seeks to support vulnerable residents to remain living safely and securely in their own homes and to enable low income residents to improve, insulate and adapt homes to meet their needs.

5.0 BUDGET

- 5.1 The only funding from Central Government is for Mandatory Disabled Facilities Grants. This funding has remained at £730,000 p.a. since 2008-09. The Council has historically topped up this funding with its own capital resources from within the Local Priorities Programme, but in both 2012-13 and 2013-14 has instead allocated £250,000 of the Borough's Personal Social Services Capital Grant allocation to bring the total budget up to £980,000. No funding commitment has been made beyond the current financial year.
- 5.2 The Council has not made a budget commitment for discretionary grants since 2010-11. The GLA made some types of discretionary grant assistance available through the Mayor of London's Regional Housing Pot Targeted Funding Streams. This funding stream ended in 2011. However, not all of this funding was spent and there is now a total of approximately £1,965,000 available for discretionary grants and empty property work for the 2013-14 financial year onwards.
- 5.3 Cabinet in February 2013 approved an initial allocation of £250,000 to fund private sector improvement grants, including Empty Property Grants, in 2013-14, meaning that there is some £1,715,000 of available uncommitted resources that can only be spent on private sector renewal works and associated staffing costs.

6.0 CONSULTATION

- 6.1 A public consultation on a draft Private Sector Renewal Policy upon which the main options set out below are based was launched on the 9th May 2013 and concluded on the 20th June 2013.
- 6.2 The draft Private Sector Renewal Policy and survey questionnaire were posted on the Council website and an article promoting the consultation was published in East End Life. In addition the draft policy was sent to the East London National Landlords Association and all Registered Providers in the borough.

- 6.3 Reflecting the relatively uncontroversial nature of the consultation, only three responses were received. All respondents were in broad agreement with the scheme although two disagreed with the payments of grant to landlords as they felt it was a landlord duty to maintain properties without public subsidy. The third suggested that when properties are damaged and rent not paid or cost associated in removing bad non paying and damaging tenants, landlords should be considered for financial assistance.

7.0 OPTIONS

The options available to the Council are set out in the following table but the main policy areas which the Cabinet could approve in order to meet the objectives are set out below:

- 7.1 Mandatory Disabled Facilities Grants (DFGs). The 2012/13 DFG programme was overcommitted and over £1.53m of DFG monies have been allocated. This means that some £530,000 of works have been carried forward to the 2013/14 budget and therefore less funding is available this year.
- 7.2 Discretionary DFGs of up to £25,000 could be made available from the limited budget but both Registered Providers (RPs) and owner occupiers could explore other options. This is not recommended.
- 7.3 Houseproud – the equity release loan scheme was discontinued in 2011. Officers have been unable to establish suitable equity release products that could be promoted to residents.
- 7.4 Home Repair Assistance – these grants have been successful and could be used to remove Category 1 hazards from the homes of the most vulnerable residents in the private sector. The grant limit of £6,000 is normally adequate.
- 7.5 Landlord Grants – Landlords' Improvement Grants (LIG) will only normally be available to landlords who let property to tenants referred to them by the Council. The grants will be available to remove minor hazards from the property. The grants will be limited to a maximum of £6000 and a contribution of up to 50% could be sought from landlords.
- 7.6 Empty Property Grants – there is a strong case to be made for offering these grants if the landlord is prepared to let the properties to clients referred from the Housing Options Service at rents no higher than the Local Housing Allowance for a set period of time – usually 5 years. This could be a cost effective source of accommodation in the Borough and allow the Council to discharge its homelessness duty within the private sector. The intention will also be to make grant also conditional on the use of local contractors if appropriate.
- 7.7 The table below sets out the current assistance available to private sector residents and then suggests how this will change in the proposed Private Sector Renewal Policy 2013 – 2015 and gives reasons for these changes.

Private Sector Housing Renewal and Empty Property Framework	Proposed changes	Context and reasoning	Funding and spend
Mandatory Disabled Facilities Grants (DFGs) up to a maximum of £30,000.	<p>These grants are governed by the Housing Grants, Construction and Regeneration Act 1996 (as amended)</p> <p>There is currently no proposed changes. However future legislation may introduce amendments to the scheme.</p>	<p>There is limited ability to change these mandatory grants which are available on a means tested basis to owner occupiers, private sector tenants and private sector landlords including Registered Providers (RPs). The majority of the £980,000 budget (70%) was spent on RP applications. Officers propose to work with RPs so that they agree to contribute towards the cost of these grants from April 2014.</p>	<p>£730,000 allocation from central Government with £250,000 top up from Personal Social Services capital grant. Total spend on DFGs for 2012-13 was approximately £1,000,000, including resources brought forward to finance commitments from 2011-12.</p>
Discretionary Disabled Facilities Grants up to £25,000 to 'top up' mandatory DFGs where adaptation costs are above the £30K maximum, where providing multiple adaptations or an extension or where the works are not mandatory, such as for the provision of a mobility scooter store.	Unable to offer Discretionary DFGs.	Without any funding the Council is unable to offer these grants. Owner occupiers could look at releasing equity in their homes and RPs would have to use their own resources. Many of these grants would be for extensions which may increase the capital value of the property.	No new funding available
'Houseproud' – an equity release loan scheme with a grant incentive of up to £6000.	Unable to continue to support the 'Houseproud' Scheme.	These grants were withdrawn in 2011 due to changes in Equity Loan regulations required by the	No new funding available.

		FSA and a lack of funding. The only take up of this assistance was by up to 25 'right to buy'. leaseholders a year over the last 10 years to pay for their major works bills. A new package of options is now available to these leaseholders.	
<p>Home Repair Assistance of up to £6,000 to cover the following types of work</p> <ul style="list-style-type: none"> • Minor repairs and improvements • Energy efficiency and thermal insulation • Minor Adaptations • Specialist reports to ascertain the extent of works required to remedy a defect • Works to facilitate a speedier hospital discharge. 	<p>Home Repair Assistance Grants of up to £6,000 should only be available to vulnerable owner-occupiers who are either disabled or over 60 years of age and on a qualifying benefit to remove Category 1 hazards from their homes</p> <p>Energy efficiency and thermal comfort works will be available through the new Government Incentives of the Green Deal and ECO.</p>	<p>The Council does not have the resources to support un-sustainable home ownership. Private Sector tenants are able to ask the Council's Environmental Health Service to take enforcement action against their landlord to improve the quality of their homes, owner occupiers are reliant on their own funds to carry out urgent repairs. However many vulnerable owners do not have sufficient funds to fall back on when faced with urgent repairs.</p>	<p>No new funding available.</p> <p>However £1.97M has been saved from targeted Funding Stream grants from the GLA up until 2011. Some of this money can be used to fund these small grants and the officer post to administer them for the next 2 years</p> <p>The Tower Hamlets Energy Co-op will help residents access funding initiatives to assist with energy efficiency measures.</p>
<p>Landlord Improvement Grants</p>	<p>Unable to offer Landlord Improvement Grants</p> <p>Or</p> <p>Offer grants of up to £6000 with</p>	<p>These grants were withdrawn in 2006 due to lack of funding. The Council could give a limited amount of grant from remaining budgets.</p>	<p>No new funding available.</p>

	matched funding conditions for landlords who agree to let properties to tenants referred to them by the Council.		
Empty Property Grants	<p>Unable to offer Empty Property Grants</p> <p>Or</p> <p>Offer up 50 Empty Property Grants to landlords who allow the Council to use the new homes as affordable housing at rents below the Local Housing Allowance.</p>	<p>These grants are currently not available until the Policy is renewed. Empty properties are expensive to return to use and current funding streams have substantially lower capital grants and rely on market rents to fund the works. These homes could not be made available to our local residents.</p>	<p>No suitable new funding</p> <p>Some of the £1.97m budget identified can also be spent on Empty Property work. This money can only be used for empty property work and it will support the salaries of 2.4 FTE officers until October 2013 then 1.6 FTE officers until the role changes focus.</p>

8.0 COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 8.1 In light of the significant reduction of capital funding available to the Authority, this report asks the Mayor's Advisory Board to consider the resources available to support the Private Sector Renewal Policy 2013-15 and seeks approval for various grant regimes as outlined in the 'Options' section of the report.
- 8.2 The draft Private Sector Renewal Policy (attached as Appendix 1) covers a range of grant types, including Disabled Facilities Grants, Home Repair Grants, Landlords' Improvement Grants and Empty Property Grants. These grants are funded from different funding sources, and in February 2013, Council adopted the following capital estimates for the 2013-14 financial year:
- 8.3 Disabled Facilities Grant - a capital estimate of £980,000, the expenditure being financed through the Disabled Facilities Grant allocation of £730,000 received from the DCLG supplemented by the utilisation of £250,000 of the Personal Social Services capital grant allocation received from the Department of Health.
- 8.4 Private Sector Improvement Grants, including Empty Property Grants – an initial capital estimate of £250,000 in respect of 2013-14, to be financed from

ring-fenced resources received from the Mayor of London's Regional Housing Pot.

8.5 The report sets out possible levels of assistance that will enable the Council to continue to offer a Private Sector grants process over the next three years. Although alternative funding regimes will continue to be sought, there is currently very little scope for additional resources to be secured for these grants. The Council itself has extremely limited uncommitted capital resources and although an element of the Local Priorities Programme used to be allocated to support this grant regime, any future initiatives would need to be considered in relation to other conflicting priorities within the capital programme.

8.6 However, the Council does currently hold uncommitted specific resources of approximately £1,715,000* that are available to finance the proposals within the report. These funds were received from the Mayor of London's Regional Housing Pot specifically to allow discretionary grant assistance, mainly in respect of empty properties. It is anticipated that this level of funding will finance the grant regime for approximately three years, however expenditure and commitments must continue to be closely monitored to ensure that resources are not exceeded.

* £1,965,000 of resources were carried forward into 2013-14. Funding of £1,715,000 remains available after the Private Sector Improvement Grant allocation of £250,000 outlined in paragraph 4.1.2 has been taken into account.

8.7 It should be noted that as well as the actual grant payments themselves, an element of the East London Partnership funding supports the administration of the programme, and finances the employment of Empty Property Officers. These revenue costs must be taken into account as a call on the available grant when monitoring commitments to ensure that resources are not exceeded.

8.8 The Disabled Facilities Grant funding element within the capital programme will continue to be considered on an annual basis, and will still be dependent upon grant resources made available by the DCLG, and if appropriate, the Department of Health.

9.0 CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)

9.1 The Council is required by section 3 of the Housing Act 2004 to keep the housing conditions in Tower Hamlets under review so as to identify whether it may need to take action pursuant to specified housing-related powers. The specified powers include –

- Provisions of Part 1 of the Housing Act 2004 (appropriate enforcement action in relation to category 1 housing hazards);
- Article 3 of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 (“the Housing Reform Order”).

9.2 Article 3 of the Housing Reform Order empowers the Council to provide direct and indirect assistance to any person for the purpose of improving living conditions in Tower Hamlets and to enable the person to achieve one of the following –

- Acquire living accommodation.
- Adapt or improve living accommodation (whether by alteration, conversion, enlargement, installation of anything or injection of any substance or otherwise).
- Repair living accommodation.
- Demolish buildings comprising or including living accommodation.
- Construct buildings that comprise or include replacement living accommodation where buildings comprising or including living accommodation have been demolished.

9.3 The Housing Reform Order specifies constraints on the exercise of the Article 3 power. Article 4 provides that the Council may not exercise the Article 3 power unless it has adopted a policy for the provision of assistance under Article 3, given public notice of the policy and made the policy available to the public (by inspection and by post, on payment of a reasonable charge). Any exercise by the Council of power under Article 3 must be in accordance with its adopted policy.

9.4 The proposed Private Sector Housing Renewal Policy includes assistance of the kind permitted by Article 3 of the Housing Reform Order. Adoption of the policy is an executive function, by virtue of the default provision in section 9D of the Local Government Act 2000. The Policy is not the housing policy which forms part of the Council's budget and policy framework.

9.5 The Policy refers to the use of disabled facilities grants. The Council administers the disabled facilities grant scheme under Part 1 of the Housing Grants, Construction and Regeneration Act 1996. Any use of disabled facilities grants will have to be in accordance with the requirements of that Act, including as to the eligibility of applicants.

9.6 Before adopting the Policy, the Mayor in Cabinet must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). The report indicates that an equality analysis has been carried out and this may contain material relevant to consideration of the public sector equality duty.

10.0 ONE TOWER HAMLETS CONSIDERATIONS

10.1 An Equality Assessment has been carried out on the Private Sector Renewal Policy and is attached at Appendix 2. Poor quality housing in the private sector impacts across all communities and the policy sets out a framework to

reduce this impact and assist in community cohesion between groups across the Council.

11.0 SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 11.1 There are no specific sustainable action for a greener environment implications but the refurbishment of properties that can improve or provide accommodation for households affected will take into account sustainability issues in line with current planning and building policies.

12.0 RISK MANAGEMENT IMPLICATIONS

- 12.1 There are no specific risk management implications in the final version of the Private Sector Renewal Policy as the funding is limited and ring-fenced to meeting the policy objectives through strict criteria

13.0 CRIME AND DISORDER REDUCTION IMPLICATIONS

- 13.1 There are no specific crime and disorder reduction implications.

14.0 EFFICIENCY STATEMENT

- 14.1 There are no efficiency implications in the Private Sector Renewal Policy

15.0 APPENDICES

- 15.1 Appendix 1 - Private Sector Renewal Policy
Appendix 2 - Equality Impact Assessment

Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

**List of “Background Papers” used in
the preparation of this report**

Private Sector Stock Condition Survey

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Development and Renewal
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London Borough of Tower Hamlets

Private Sector Housing Renewal Policy 2013 – 2015 (Draft)

Private Sector Housing Renewal Policy 2013 - 2015

Contents

Introduction and Budget

1. Statutory Duty
2. Proportion of stock
3. Budget
4. Scope of Grant assistance

Appendix 1

1. Disabled Facilities Grants - owner-occupiers
2. Disabled Facilities Grants - tenants
3. Disabled Facilities Grants - landlords
4. Home Repair Grants - owner-occupiers
5. Landlords' Improvement Grants
6. Empty Property Grants
7. General grant and assistance entitlement, conditions and definitions

Appendix 2

Applications, Determinations, Appeals and Complaints

Appendix 3

Scheme of Delegation

Introduction and Budget

This policy sets out the Council's position on direct grant funding to owner occupiers and private sector landlords and tenants.

1. Statutory Duty

The Council has a duty under Part 1, Chapter 1, Section 3 of the Housing Act 2004 to review housing conditions in their district.

Where housing conditions are found to require improvement, assistance can be provided under the terms of Article 3 of the Regulatory Reform (Housing Assistance) Order 2002; however a local authority is also required to have adopted a Private Sector Renewal Policy. The Policy should set out how the Council is able to assist in improving the living conditions for residents who live in private sector housing within the Borough.

2. Proportion of housing stock

According to the council's private sector stock condition survey, the private rented housing sector is now the largest housing sector in the Borough and it is growing rapidly. The cost of owner-occupation and private renting is very high in the Borough. The table below details the tenure breakdown for the borough.

Comparison of Housing stock by tenure, April 2011

Tenure	2003	%	2011	%
Owner occupied	27,308	31	25,339	23
Council owned	24,200	28	12,500	12
Registered Providers	17,828	20	26,484	24
Private rented sector	17,513	20	41,870	39
Shared ownership	500	1	2,000	2
Total	87,349	100	108,193	100

Source: Private Sector Stock Condition Survey 2011

3. Budget

Tower Hamlets Private Sector Housing Renewal Policy is extremely restricted as targeted funding is not currently available from Central Government.

Empty Property Grants will be prioritised in this Policy as they provide a valuable source of accommodation in in the Borough.

4. Scope of Grant Assistance

The policy covers the following grant categories:

4.1 Disabled Facilities Grants:

Owner-occupiers and Tenants

The Council is committed to making Mandatory Disabled Facilities Grants available to all eligible owner-occupiers and private sector tenants so that they can remain living independently in their own homes. A disabled owner-occupier or tenant may apply for a Disabled Facilities Grant for a number of purposes which will primarily improve access and comfort. Full details are set out in Appendix 1.

Mandatory Disabled Facilities grants will continue to be available to eligible owner-occupiers and private sector tenants and the maximum mandatory Disabled Facilities Grant is £30,000.

These grants are means tested except for the benefit for a disabled child under the age of 18.

Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

Private Landlords and Registered Providers

A private landlord or a Registered Provider may apply for a Disabled Facilities Grant on behalf of a disabled tenant, or potential tenant for a number of purposes which will primarily improve access and comfort. Full details are set out in Appendix 1.

The maximum mandatory Disabled Facilities Grant is currently £30,000. Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

Applications made by Registered Provider must also demonstrate that no other suitable accommodation is available to transfer the tenant to and that the tenant is not under-occupying the property.

During 2013/14 officers will work with Registered Providers to agree a way of funding Mandatory DFGs for their tenants in 2014/15.

Further details on the Disabled Facilities Grant can be found in Appendix 1.

4.2 Home Repair Grants

Small grants may be made available to eligible owner-occupiers to enable them to remain in their own homes safely and avoid minor accidents.

Home Repair Grants may be made available to owner-occupiers who are:

- over 60, or
- disabled or infirm, or the parent or carer of a disabled child and
- in receipt of an income related benefit or eligible tax credits.

These grants will be for the following types of works:

- Minor Repairs and Improvements
- Minor Adaptations
- Minor Hazard Removal

Home Repair Grants for minor repairs and improvements will only be available if the applicant has owned and lived at the property as their only main residence for at least 3 years. The Home Repair Grant will be limited to a maximum of £6,000.

The grant will not normally be available to part fund major works costing over £6,000. These grants are not repayable.

Further details on the Home Repair Grant can be found in Appendix 1

4.3 Landlords' Improvement Grants

Landlords' Improvement Grants (LIG) will only normally be available to landlords who let property to tenants referred to them by the Council.

The grants will be available to remove minor hazards from the property.

The grants will be limited to a maximum of £6000.

The grants will not normally be available to part fund major works costing over £6000.

The grant will be repayable if the property is sold or transferred within a 2 year period, with interest.

The landlord will be required to make the property available for letting for tenants nominated by the Council for a period of no less than 2 years from the date of the final grant payment.

Further details on the Landlords' Improvement Grant can be found in Appendix 1.

4.4 Empty Property Grants

Empty Property Grants may be made available to owners of empty properties who wish to refurbish, demolish and rebuild their property or to convert it into a number of units and make it available for letting. The Empty Property Grant can contribute to the cost of the works needed to bring the home up to the decent homes standard and incorporate works to make the home safe, secure and affordable to keep warm.

Only landlords who are accredited under the London Landlords' Accreditation Scheme (LLAS) will receive grants. The maximum amount of grant assistance would be dependent upon the size of the resultant units.

The owner of the empty property would be required to let out the property for a period of 5 years to families nominated by the Council at a rent level below the Local Housing Allowance.

The grant will be repayable if the property is sold or transferred within a 5-year period, with interest.

Priority will be given to larger 1 bedroom and 2 bedroom homes built to a high design standard situated in areas of high demand.

4.5 Other Assistance

Tower Hamlets Home Improvement Agency

The Tower Hamlets Home Improvement Agency (THHIA) was set up in 1990 to assist elderly, disabled or low-income homeowners to apply for grants and now will also assist eligible Registered Providers in applying for DFGs for their tenants. The agency employs experienced surveyors who can act on behalf of vulnerable residents to supervise building works and also has advisors who can assist in the completion of application forms and other paperwork. This gives vulnerable residents the confidence to have building works carried out in their homes.

There is a charge for this service, 15% of the total net cost of the works, but this can be funded by the grant or the loan, leaving the applicant or Registered Provider with no up-front costs.

The agency maintains a list of approved contractors who provide value for money and guarantee a quality finish. Upon completion of the works the agency will retain a proportion of the money for six months to ensure that, should anything go wrong, the builder will return promptly to put the matter right.

The quality of the service provided to clients is regularly checked through the use of Customer Satisfaction Surveys with a simple multiple choice answer sheet or telephone survey checking not only the actions of the supervising officer but also the contractors performance, time keeping and general behavior.

Landlord Services

The London Landlord Accreditation Scheme (LLAS) was formally launched at the London Landlords Day in July 2003, with considerable interest from landlords who attended the event. This organisation has now become the United Kingdom Landlord Accreditation Partnership (UKLAP)

Empty Property Grants are only available to UKLAP registered landlords

More information on the scheme can be found at www.londonlandlords.org.uk

Appendix 1

Private Sector Housing Renewal Policy (Draft, subject to Cabinet approval in 2013)

1. Disabled Facilities Grants for owner-occupiers

A disabled owner-occupier may apply for a Disabled Facilities Grant for the following purposes:

- Facilitating access to and from the dwelling by the disabled occupant *for example widening doorways and installing ramps*
- Making the dwelling or building safe for the disabled occupant *for example* adapting a room in which it would be safe to leave a disabled person unattended or improved lighting to ensure better visibility
- Access to the principal family room by the disabled occupant
- Access to or providing a bedroom for the disabled occupant *for example installing a stairlift*
- Access to or providing a room containing a bath or shower for the disabled occupant or facilitating the use by the disabled occupant of such a facility *for example providing a level access shower*
- Access to or providing a room containing a WC for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Access to or providing a room containing a wash hand basin for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Facilitating the preparation and cooking of food by the disabled person
- Improving or providing a heating system for the disabled person
- Facilitating the use of power, light or heat by the disabled person by altering same or providing additional means of control *for example lowering light switches or raising plug sockets*
- Facilitating access and movement around the dwelling to enable a disabled person to care for someone *for example a spouse or child*
- Facilitating access to an existing garden where feasible.

The disabled person (unless a child under the age of 18) and any partner are means tested to determine the amount of their contribution towards the cost of the work.

The maximum mandatory Disabled Facilities Grant is currently £30,000.

Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

2. Disabled Facilities Grants for tenants

A disabled private tenant or RSL tenant may apply for a Disabled Facilities Grant for the following purposes:

- Facilitating access to and from the dwelling by the disabled occupant *for example widening doorways and installing ramps*
- Making the dwelling or building safe for the disabled occupant *for example* adapting a room in which it would be safe to leave a disabled person unattended or improved lighting to ensure better visibility
- Access to the principal family room by the disabled occupant
- Access to or providing a bedroom for the disabled occupant *for example installing a stairlift*
- Access to or providing a room containing a bath or shower for the disabled occupant or facilitating the use by the disabled occupant of such a facility *for example providing a level access shower*
- Access to or providing a room containing a WC for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Access to or providing a room containing a wash hand basin for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Facilitating the preparation and cooking of food by the disabled person
- Improving or providing a heating system for the disabled person
- Facilitating the use of power, light or heat by the disabled person by altering same or providing additional means of control *for example lowering light switches or raising plug sockets*
- Facilitating access and movement around the dwelling to enable a disabled person to care for someone *for example a spouse or child*
- Facilitating access to an existing garden where feasible

Where the application is a tenant's application, the disabled person (unless a child under the age of 18) and any partner are means tested to determine the amount of their contribution towards the cost of the work.

The maximum mandatory Disabled Facilities Grant is currently £30,000

Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

Tenants of Tower Hamlets Homes are able to apply for Disabled Facilities Grants but a more streamlined process has been developed between the Occupational Therapist and Tower Hamlets Homes.

3. Disabled Facilities Grants for landlords

A private landlord or Registered Provider may apply for a Disabled Facilities Grant on behalf of a disabled tenant, or potential tenant for the following purposes:

- Facilitating access to and from the dwelling by the disabled occupant *for example widening doorways and installing ramps*
- Making the dwelling or building safe for the disabled occupant *for example* adapting a room in which it would be safe to leave a disabled person unattended or improved lighting to ensure better visibility
- Access to the principal family room by the disabled occupant
- Access to or providing a bedroom for the disabled occupant *for example installing a stairlift*
- Access to or providing a room containing a bath or shower for the disabled occupant or facilitating the use by the disabled occupant of such a facility *for example providing a level access shower*
- Access to or providing a room containing a WC for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Access to or providing a room containing a wash hand basin for the disabled occupant or facilitating the use by the disabled occupant of such a facility
- Facilitating the preparation and cooking of food by the disabled person
- Improving or providing a heating system for the disabled person
- Facilitating the use of power, light or heat by the disabled person by altering same or providing additional means of control *for example lowering light switches or raising plug sockets*
- Facilitating access and movement around the dwelling to enable a disabled person to care for someone *for example a spouse or child*
- Facilitating access to an existing garden where feasible

The maximum mandatory Disabled Facilities Grant is currently £30,000.

Applications for discretionary disabled facilities cannot be considered due to budget restrictions.

Applications made by Registered Providers must also demonstrate that no other suitable accommodation is available to transfer the tenant to and that the tenant is not under-occupying the property.

During 2013/14 officers will work with Registered Providers to agree a more equitable way of funding adaptations through the DFG system for the benefit of their tenants.

4. Home Repair Grants for owner-occupiers

To qualify for a Home Repair Grant (HRG) an applicant must:-

- Be over 60 years of age on the date of the application, or
- Be disabled or infirm, or the parent or carer of a disabled child, and
- Be on an income-related benefit or tax credits (see table below).

In addition the applicant must:-

- Be aged 18 or over on the date of application
- Live in the dwelling as their only main residence
- Have the power or duty to carry out the works (with the appropriate consents)
- Be an owner-occupier who occupies the dwelling as their only main residence.

The types of works that can be grant aided are:-

- Minor Repairs and Improvements
- Minor Adaptations
- Minor Hazard Removal.

Applications for minor repairs and improvements will only be considered where the applicant has owned the dwelling for the last three years. The grant will not normally be available to part fund major works costing over £6,000.

Applications for minor adaptations for works to enable a disabled child to be cared for in their own home will be accepted from the parents or carer of that disabled child.

All grant eligible works must be completed within 4 months of the date of the grant approval.

Income related benefits and tax credits
Income Support
Income Support Mortgage Interest
Housing Benefit
Council Tax Benefit
Council Tax and Disability Premium
Child Tax Credit and/or Working Tax Credit
Income Based Job Seekers Allowance
Income Based Employment and Support Allowance
Attendance Allowance
Disability Living Allowance
Industrial Injuries Disablement Benefit and Constant Care Allowance
War Disablement Pension and Constant Care Allowance
Pension Credit
Households in receipt of either working tax credit which includes a disability element or child tax credit providing the person entitled to the tax credit has a relevant income of less than £15,050.00 as defined for the purposes of determining eligibility for the tax credit.

PLEASE NOTE THIS TABLE WILL BE SUBJECT TO REVISION WHEN UNIVERSAL CREDIT IS INTRODUCED IN TOWER HAMLETS

5. Landlords' Improvement Grants

Landlords' Improvement Grants (LIG) will only normally be available to landlords who let property to tenants referred to them by the Council.

The grants will be available to remove minor hazards from the property.

The grants will be limited to a maximum of £6000.

The grant would be repayable with interest if the property was sold within a 2 year period,. To protect the Councils position the landlord would be required to enter into a deed of covenant and a restriction would be registered against the landlord's title at the land registry, or in the case of unregistered land a caution would be registered.

The landlord will be required to make the property available for letting for tenants nominated by the Council for a period of no less than 2 years from the date of the final grant payment.

6. Empty Property Grants

Empty Property Grants (EPGs) may be made available to owners of empty properties including Registered Providers if:

- They own the freehold or a lease with a least 10 years remaining on the dwelling
- They are an individual, a partnership or a Company registered in the United Kingdom
- They intend to make the property available for letting for a minimum of 5 years after the completion of the works, to families nominated by the Council
- They are accredited under the United Kingdom Landlord Accreditation Partnership (formally London Landlord Accreditation Scheme).

The Empty Property Grant could cover the works needed to bring the home up to the decent homes standard (including demolition and re-building) and incorporate works to make the home safe, secure and affordable to keep warm.

The maximum amount of grant assistance would be dependent upon the size of the resultant units and the status of the landlord.

Type of Accommodation	Maximum Grant
One bedroom flat	£20,000
Two bedroom flat or house	£25,000

Three bedroom flat or house	£30,000
-----------------------------	---------

The owner of the empty property will be required to let out the property for a period of 5 years on completion of the works, to families nominated by the Council at a rental level that is below the Local Housing Allowance.

The conditions of this grant are that for the period of 5 years following the payment of an Empty Property Grant the landlord must provide the Council annually with the following documents:

- A certificate for the safety of any gas appliances
- A certificate of safety for the automatic fire detection system
- A certificate for adequate buildings insurance
- A copy of the Tenancy Agreement

All grant eligible works must be completed within 12 months of the date of the grant approval.

To protect the Councils position the landlord would be required to enter into a deed of covenant and a restriction would be registered against the landlord's title at the land registry, or in the case of unregistered land a caution would be registered.

If any of these conditions are breached then the grant will become repayable with interest in line with standard Council terms.

7.0 General Grant Entitlement, Conditions and Definitions

The requirements in this section relates to all discretionary grants.

7.1 Eligibility

- Home Repairs Grant will not be available for Mobile homes or houseboats
- Grant aid will not normally be made available to 'persons from abroad'
- Grant aid will not normally be made to non UK registered companies
- No grant eligible work is to start before approval of the grant, unless written consent is given in writing by the council
- The works must be carried out by a contractor whose estimate formed part of the original grant application
- The ownership details of the applicant must be confirmed by Land Registry records, a lease or tenancy agreement.

- Works that are eligible for funding through an insurance claim will not be grant aided.
- Where the receipt of an income related benefit or tax credits makes an owner eligible for consideration for Home Repairs Grant, this will apply to all owners of the property regardless of main place of residence.

7.2 Amount of grant

- All discretionary grants are subject to the availability of funding
- Reasonable fees for architects, surveyors, engineers and advisors will be included within the amount of grant, where applicable.

7.3 Council's Obligations

- To provide advice about the extent and nature of the owner's financial and other obligations, through a third party if appropriate
- To have regard to the applicants ability to afford any contribution to the grant or repayment of the grant
- To list the conditions of the grant aid with the notification of the approval of the grant.

7.4 Payments

- Interim grant payments will be available at the discretion of the Council and on receipt of an acceptable invoice or supervising officer's valuation certificate.
- Final payments will only be paid upon submission of the Final Accounts and all Certificates and Guarantees. Certificates to be provides for all gas and electrical installations and guarantees for all damp proofing, dry rot and roofing works. Building Control certificates are to be provided where Building Regulations Approval was required
- All grant eligible works must be completed within the stated period from the date of the grant approval.
- Payment will be made to the applicant unless otherwise specified in writing

7.5 Conditions

See individual grants.

7.6 Definitions

Owner-occupier means the person who, as an owner, occupies the dwelling-house as their main residence.

Owner means in relation to any dwelling, means:

- an estate in fee simple absolute in possession, or
- a term of years, under a long tenancy of more than 21 years absolute, of which not less than five years remain unexpired at the date of the application, whether held by the applicant alone or jointly with others

Landlord means a person who is the owner of a dwelling which is let to a tenant either as a periodic tenancy or a fixed term tenancy in exchange for rent.

Private Tenant means a tenant whose landlord is not a local authority or Registered Provider or other public body.

Tenant means a person who occupies a dwelling which is let either as a periodic tenancy or a fixed term tenancy and pays rent to a landlord.

Dwelling means a building or part of a building occupied or intended to be occupied as a separate dwelling for habitable purposes, together with any yard, garden, outhouses and appurtenances belonging to it or usually enjoyed with it.

Infirm means not physically or mentally strong through age or illness

Disabled has the meaning set out in section 100 of the Housing Grants, Construction and Regeneration Act 1996

Vulnerable households are defined as people on the qualifying benefits listed in the table below:-

Income related benefits and tax credits
Income Support
Income Support Mortgage Interest
Housing Benefit
Council Tax Benefit
Council Tax and Disability Premium
Child Tax Credit and/or Working Tax Credit
Income Based Job Seekers Allowance
Income Based Employment and Support Allowance
Attendance Allowance
Disability Living Allowance

Industrial Injuries Disablement Benefit and Constant Care Allowance
War Disablement Pension and Constant Care Allowance
Pension Credit
Households in receipt of either working tax credit which includes a disability element or child tax credit providing the person entitled to the tax credit has a relevant income of less than £15,050.00 as defined for the purposes of determining eligibility for the tax credit.
PLEASE NOTE THIS TABLE WILL BE SUBJECT TO REVISION WHEN UNIVERSAL CREDIT IS INTRODUCED IN TOWER HAMLETS

Person from Abroad means that the person should be habitually resident in the Common Travel Area i.e. the UK, Republic of Ireland, the Channel Islands and the Isle of Man.

Appendix 2

Applications, Determinations, Appeals and Complaints

1. Applications

All applications for grants, loans and other forms of assistance must be made on the relevant application form. These forms are available from:

The Private Housing Improvement Team

London Borough of Tower Hamlets
Mulberry Place (Clove Crescent)
London
E14 2BG

or they can be downloaded from the Council's website at

www.towerhamlets.gov.uk

Assistance is available in translation of the application forms into the main community languages.

In the case of an Empty Property Grant the grant application must include:

- A fully completed and signed application form
- Two itemised and quantified estimates for all the works required to bring the property up to the up to the decent homes standard and for works to make the home safe, secure and affordable to keep warm.
- Particulars of any preliminary or ancillary services and charges
- Proof of ownership
- Particulars of all relevant Building Control and Planning applications and consents

In the case of a Landlords' Improvement Grant the grant application must include:

- A fully completed and signed application form
- Two itemised and quantified estimates for all the works required to bring the property up to the up to the decent homes standard and for works to make the home safe, secure and affordable to keep warm.
- Particulars of any preliminary or ancillary services and charges
- Proof of ownership

- Particulars of all relevant Building Control and Planning applications and consents

In the case of Home Repair Grants the application must include:

- A fully completed and signed application form
- Two itemised and quantified estimates for all the works required
- Particulars of any preliminary or ancillary services and charges
- Proof of ownership
- Particulars of all relevant Building Control and Planning applications and consents

2. Determination

The Grants Panel will consider all applications for grants and assistance. This Panel will meet on a fortnightly basis and make recommendations to the delegated officer as to how the application should be determined. All grants are subject to budget availability.

Full applications for all types of Home Repair Grants will normally be determined within 20 working days from the date of application.

Full applications for Landlords' Improvement Grants will normally be determined within 40 working days from the date of application.

Full applications for Empty Property Grants will normally be determined within 40 working days from the date of application.

All notifications of decisions will be made in writing to the applicant.

3. Appeals

Appeals about how this Policy Framework is implemented in individual cases, for example where an application for assistance is refused, will be considered by the Service Head– Housing Options

Any appeal must be made within 28 days of the applicant being made aware of the Council's decision.

Appeals must be set out in writing and sent to

Service Head– Housing Options
London Borough of Tower Hamlets
Mulberry Place (Clove Crescent)
London
E14 2BG

The appeal submission must include the specific grounds on which the appeal is based. Appeals will only be considered on the following grounds:

- That the policy has not been applied correctly, or
- That the case in question is exceptional in some way that justifies an exception to the policy.

Appeals will not be considered on the grounds that the appellant simply disagrees with the policy. However, any written comments and complaints about the Policy Framework will also be considered as described below.

A written response to an appeal will be given within 28 days. If the Service Head believes that the case is exceptional, or at least merits further consideration, it will be referred to the Corporate Director of Development and Renewal along with recommendations and options where appropriate. The Corporate Director of Development and Renewal, in consultation with the Lead Member for Housing may then authorise a grant or other assistance as an exception to the general policy.

4. Complaints

Tower Hamlets strives to provide good quality services for everyone. So we take complaints seriously because they highlight the problems with our services and what we should do to improve things.

We hope to be able to settle your complaint quickly and informally at your first point of contact. Where this is not possible, the rest of this section explains our three-stage complaint procedure.

You can get leaflets and complaints forms explaining this procedure from your nearest One Stop Shop, Tower Hamlets Town Hall, IDEA Stores and libraries.

Anyone who is receiving a service from the council can make a complaint. You can complain about not being treated fairly or properly, or if we have not done what we promised in the right time and to the right standard.

Stage 1

It is best to discuss the problem with the staff concerned or their manager. This should be the fastest and most effective way to resolve your problem.

Stage 2

Make a formal complaint, preferably in writing. You can get a form from council offices, Tower Hamlets Town Hall and libraries. Once you have filled it in, you can hand it in at any council reception point. If you find it difficult to fill in a form, please

ask for help from your most convenient council office. You may also complain by telephone.

Stage 3

If you are not satisfied with the written response to your complaint at Stage 2, you may appeal to the Head of Paid Service, who will begin an independent review. You must appeal in writing to the Head of Paid Service, Mulberry Place, 5 Clove Crescent, London E14 2BG within 20 days of the Stage 2 reply.

At Stage 2 and 3, we make a commitment to acknowledge your complaint within two working days and reply within 20 working days. We will advise you if we cannot complete the investigation within this time and explain why.

Appendix 3 - Scheme of Delegation

Decision	Level of Authority
Major Changes to Private Sector Renewal Policy	Mayor in Cabinet
Capital Budget allocation	Mayor in Cabinet
Minor modifications to Private Sector Renewal Policy	Corporate Director of Development and Renewal and the Lead Member for Housing
Exceptions to the Private Sector Renewal Policy based on the criteria set out in the Policy Framework	Corporate Director of Development and Renewal and the Lead Member for Housing
Waiver of grant conditions	Head of Service – Development & Renewal
Approval of Grants up to £6,000	Private Sector Housing and HIA Co-ordinator
Approval of Grants from £6,000 to £30,000	Section Head - Private Sector and Affordable Housing Manager
Extension of period of grant availability	Section Head - Private Sector and Affordable Housing Manager
Decision to Compulsory Purchase an empty property	Mayor in Cabinet

Equality Analysis (EA)

Section 1 – General Information (Aims and Objectives)

Name of the proposal including aims, objectives and purpose:

Overcrowding and Under Occupation Statement

The purpose of the Statement is to set out a plan to reduce overcrowding, assist under occupiers to move into smaller accommodation and improve the living conditions of thousands of families.

This will in turn improve the health and wellbeing for all households and the educational prospects of children, currently living in overcrowded conditions.

The delivery of the actions in the Statement will contribute to more sustainable communities by enabling households to live in suitable housing in the long term and reduce the numbers of households inadequately housed who are on the Common Housing Register.

It should be noted that the households of the majority of people who are impacted by the Overcrowding and Under Occupation Statement will need to join the Common Housing Register scheme and be assessed for rehousing.

The purpose of Common Housing Register Allocation Scheme is to set out the order of priorities for allocating a limited supply of housing to the substantial number of applicants on the Housing Register.

Overcrowded Households are currently placed in Priority Band 2 by date order.

Under occupying households are currently placed in Priority Band 1b. Those giving up the most bedrooms are considered first.

The scheme was subject to a review in 2012/13 following the enactment of the Localism Act and a revised scheme was approved by Cabinet in April 2013. The scheme was subject to a comprehensive Equalities Assessment which can be viewed here:

<http://modern.gov.towerhamlets.gov.uk/ieListDocuments.aspx?CId=320&MId=3755&Ver=4>

Who is expected to benefit from the proposal?

Primarily overcrowded households, although under occupying households who can be rehoused into suitable more affordable accommodation will also benefit.

Service area:

Development and Regeneration

Team name: **Strategic Housing**

Service Manager: **Faisal Butt**

Name and role of the officer completing the EA:

Martin Ling – Housing Policy Officer x0469

Section 2 – Evidence (Consideration of Data and Information)

What initial evidence do we have which may help us think about the impacts or likely impacts on service users or staff?

Statistics covering housing demand in the Borough including:

Housing Waiting list broken down by need
Data on overcrowding
Data on underoccupation
Data on medical need
Data on race of applicants for social housing
Population and census projections
National and regional data and research on overcrowding

Data from the 2011 Census and the Council's Common Housing Register demonstrate high levels of overcrowding across all sectors and in particular the social rented housing sector. Over 9000 households in the borough require at least one extra bedroom.

The data shows that families with children and in particular those from ethnic minority groups are most likely to be affected.

There are over 1100 households who are under occupying property in the social sector who have registered for a priority transfer on the Common Housing Register.

3,096 working age under occupying households will lose up to 25% of their Housing Benefit following the introduction of the Social Sector Size Criteria (SSSC), on April 1st 2013.

736 of these households are under occupying in Council (THH) housing and 2,360 households are under occupying in other Social Housing. The majority of these households will be made up of older people.

These figures are amongst the highest levels in London and demonstrate the need to work proactively with partners to reduce the problem.

Section 3 – Assessing the Impacts on the 9 Groups

How will what you're proposal impact upon the nine Protected Characteristics?

For the nine protected characteristics detailed in the table below please consider:-

- **What is the equality profile of service users or beneficiaries that will or are likely to be affected?**

-Use the Council's approved diversity monitoring categories and provide data by target group of users or beneficiaries to determine whether the service user profile reflects the local population or relevant target

group or if there is over or under representation of these groups

- **What qualitative or quantitative data do we have?**

-List all examples of quantitative and qualitative data available

(include information where appropriate from other directorates, Census 2001 etc)

-Data trends – how does current practice ensure equality

- **Equalities profile of staff?**

-Indicate profile by target groups and assess relevance to policy aims and objectives e.g. Workforce to Reflect the Community. Identify staff responsible for delivering the service including where they are not directly employed by the council.

- **Barriers?**

-What are the potential or known barriers to participation for the different equality target groups?
Eg, communication, access, locality etc

- **Recent consultation exercises carried out?**

-Detail consultation with relevant interest groups, other public bodies, voluntary organisations, community groups, trade unions, focus groups and other groups, surveys and questionnaires undertaken etc. Focus in particular on the findings of views expressed by the equality target groups. Such consultation exercises should be appropriate and proportionate and may range from assembling focus groups to a one to one meeting.

- **Additional factors which may influence disproportionate or adverse impact?**

-Management Arrangements - How is the Service managed, are there any management arrangements which may have a disproportionate impact on the equality target groups

- **The Process of Service Delivery?**

-In particular look at the arrangements for the service being provided including opening times, custom and practice, awareness of the service to local people, communication

Please also consider how the proposal will impact upon the 3 One Tower Hamlets objectives:-

- Reduce inequalities
- Ensure strong community cohesion
- Strengthen community leadership.

	Impact – Positive or Adverse What impact will the proposal have on specific groups of service users or staff?	Reason(s) <ul style="list-style-type: none"> • Please add a narrative to justify your claims around impacts and, • Please describe the analysis and interpretation of evidence to support your conclusion as this will inform decision making <p>Please also how the proposal will promote the three One Tower Hamlets objectives?</p> <p>-Reducing inequalities -Ensuring strong community cohesion -Strengthening community leadership</p>
Race	Positive	<p>People of Asian heritage make up over 50% of those on the CHR at 53.2 %. People classified as “white” make up 24.9% and people categorised as Black are the 3rd largest group at 13.1%.</p> <p>Some ethnic minority groups can therefore be affected by overcrowding, particularly Bangladeshi and other BME households as they can have larger than average households, both by the number of children, and the adults within the extended family.. These ethnic groups are also more likely to experience other forms of housing need such as homelessness.</p> <p>By taking forward the actions in the statement, primarily by giving these households greater priority on the Common Housing Register, building new family homes and carrying out adaptations to existing properties, the needs of these households can be met.</p>
Disability	Positive	<p>Many overcrowded households also contain disabled members. The general purpose of the statement will be to rehouse or adapt the property of these households in order to alleviate the negative impact of living in overcrowded conditions.</p> <p>The statement sets out a specific action in relation to meeting the needs of households who include a disabled member. The Council will develop ‘Project 120’ by finding the best solution for each of the 120 applicants on the housing register requiring wheelchair accommodation. Many of these households are also overcrowded. To complement existing initiatives, a series of bespoke housing solutions are being worked up for that group of households who require Wheelchair Adapted/Mobility Standard A properties. Under the</p>

		<p>auspices of the title “Project 120” (to reflect the approximate number of households concerned), each household’s physical needs are assessed alongside their other housing preferences – location, size, type, etc. The initial target is to identify a suitable property and make an offer to all those identified in the first two years of the project.</p> <p>Overcrowding can also have a negative impact on mental health with poor and overcrowded conditions leading to stress and depression. Rehousing people who are suffering from mental health issues can help alleviate their suffering.</p>
Gender	Positive	<p>A proportion of households who are overcrowded will be headed up by single parents, the majority of whom will be headed up by a woman.</p> <p>By taking forward the actions in the statement, the needs of these households can be met and the impact of the statement will have a positive impact.</p>
Gender Reassignment	Neutral	<p>There is data not currently available on the number of either overcrowded or under occupying households containing a member with gender reassignment. Rehousing applications are assessed based on need regardless of gender reassignment. Therefore, no impacts are considered likely.</p>
Sexual Orientation	Neutral	<p>Detailed statistical information on the LGBT community within LBTH is very limited. Estimates for the size of the LGB community in London range between 10% to 25% of London’s population. (DTI 2004 Final Regulatory Impact Assessment: Civil Partnership). Rehousing applications are assessed based on need regardless of sexual orientation. Therefore, no impacts are considered likely.</p>
Religion or Belief	Neutral	<p>Based on the community profile it is estimated that people of Muslim faith make up approx. 36% - 55% of applicants on the Common Housing Register. The proposed statement deemed to be discriminatory or represent a barrier to any group of people based on their faith or belief.</p>
Age	Positive	<p>The Statement can have a positive impact on households which contain people of all ages. It should be noted that overcrowding can have a serious impact on the educational chances of young people who can be denied the space and quiet environment to study. By</p>

		<p>relieving overcrowding, these young people can have the opportunity to improve their educational chances.</p> <p>Older persons are more likely to be under occupying as their families will have grown up and left home. By enabling these households to move into smaller more manageable and possibly more affordable accommodation, these households can also benefit.</p>
Marriage and Civil Partnerships.	Neutral	The statement does have any specific actions in relation to marriage or civil partnerships.
Pregnancy and Maternity	Positive	<p>A proportion of households who are overcrowded may contain a pregnant woman who may require either already or when the child is born require additional living space.</p> <p>By taking forward the actions in the statement, the needs of these households can be met and the impact of the statement will have a positive impact.</p>
Other Socio-economic - Households on low incomes	.Positive	<p>3,096 working age under occupying households will lose up to 25% of their Housing Benefit following the introduction of the Social Sector Size Criteria (SSSC), on April 1st 2013. These households will be on very low incomes and could face further financial hardship if they are to meet the shortfall in rent from their other benefits entitlements.</p> <p>Actively assisting these households to move to smaller suitable properties where benefits will fully cover their housing costs could reduce the chances of these households facing financial hardship.</p>
Carers		Carers who live in overcrowded households will suffer the same problems as the rest of households and conditions could impact the ability of carers to assist effectively within these households can be enhanced.

Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence of or view that suggests that different equality or other protected groups (inc' staff) could have a disproportionately high/low take up of the new proposal?

No

(Please note – a key part of the EA process is to show that we have made reasonable and informed attempts to mitigate any negative impacts. AN EA is a service improvement tool and as such you may wish to consider a number of alternative options or mitigation in terms of the proposal.)

It should be noted that the majority of people who are impacted by the Overcrowding and Under Occupation Statement will need to join the Common Housing Register scheme and be assessed for rehousing.

The purpose of Tower Hamlets Common Housing Register Allocation Scheme is to set out the order of priorities for allocating a limited supply of housing to the substantial number of applicants on the Housing Register.

The fact that there is a limited supply of housing compared to the substantial number of applicants on the Housing Register means that not all households, particularly those with lower priority can be helped.

However as set out in the Equalities Assessment for the Common Housing Register scheme, the criteria for prioritising applicants were subject to a full consultation.

Section 5 – Quality Assurance and Monitoring

Have monitoring systems been put in place to check the implementation of the proposal and recommendations?

Yes

How will the monitoring systems further assess the impact on the equality target groups?

The Overcrowding and Under Occupation statement will be monitored by the Tower Hamlets Housing Forum Common Housing Register sub group.

Does the policy/function comply with equalities legislation?

(Please consider the [OTH objectives](#) and [Public Sector Equality Duty](#) criteria)

Yes

If there are gaps in information or areas for further improvement, please list them below:

None

How will the results of this Equality Analysis feed into the performance planning process?

The Council's Strategic Housing Team will take part in the monitoring of the Statement through the THHG group and feed the outcomes into the Development and Renewal Directorate performance planning process.

Section 6 - Action Plan

*As a result of these conclusions and recommendations what actions (if any) **will** be included in your business planning and wider review processes (team plan)? Please consider any gaps or areas needing further attention in the table below the example.*

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
<p>Example</p> <p>1. Better collection of feedback, consultation and data sources</p> <p>2. Non-discriminatory behaviour</p>	<p>1. Create and use feedback forms. Consult other providers and experts</p> <p>2. Regular awareness at staff meetings. Train staff in specialist courses</p>	<p>1. Forms ready for January 2010 Start consultations Jan 2010</p> <p>2. Raise awareness at one staff meeting a month. At least 2 specialist courses to be run per year for staff.</p>	<p>1.NR & PB</p> <p>2. NR</p>	

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
<p>Monitoring of Action Plan</p>	<p>21 actions as set out in Action plan</p>	<p>Each action to be assigned milestones including target dates for either completion or progress.</p>	<p>D & R team members,</p>	

Section 7 – Sign Off and Publication

Name: Faisal Butt (signed off by)	
Position: Housing Strategy and Partnerships Manager	
Date signed off: 03/06/2013 (approved)	

Section 8 Appendix – FOR OFFICE USE ONLY

This section to be completed by the One Tower Hamlets team

Policy Hyperlink :

Equality Strand	Evidence
Race	
Disability	
Gender	
Gender Reassignment	
Sexual Orientation	
Religion or Belief	
Age	
Marriage and Civil Partnerships.	
Pregnancy and Maternity	
Other Socio-economic Carers	

Link to original EQIA	Link to original EQIA
EQIAID (Team/Service/Year)	

Agenda Item 6.2

Committee/Meeting: Cabinet	Date: 31st July 2013	Classification: Unrestricted	Report No: CAB 011/134
Report of: Corporate Director: Aman Dalvi Originating officer(s): Jackie Odunoye Service Head: Housing, Regeneration & Sustainability Authors: John Kiwanuka – Housing Partnerships Manager (LBTH) Sarah K Pace – Head Business Development & Investment Planning (Tower Hamlets Homes)		Title: Adoption of Capital Estimates for Fuel Poverty and Insulation Works on HRA Properties Wards Affected: WEAVERS BETHNAL GREEN SOUTH	

Lead Member	Lead Member for Housing: Cllr Rabina Khan
Community Plan Theme	Great Place to Live
Strategic Priority	Ensuring value for money across the Council

1. SUMMARY

- 1.1 Fuel poverty and insulation works on HRA properties on Avebury and Bancroft Estates are designed to improve energy saving and performance of 637 homes. The scheme primarily comprises of External Wall Insulation (EWI) commonly referred to as Cladding, amongst other measures. The total scheme cost is estimated to be £6.7m, funded through Council resources, ECO funding and the Department for Energy & Climate Change (DECC) grant contribution. On the Council resources provision of £809,000 has already been set aside to contribute towards CESP/ECO works. Cabinet approved a capital estimate of £409,000 within the Non-Decent Homes element of the Housing Capital Programme that was approved on 8 February 2011, and £400,000 has been earmarked within the repairs and maintenance budget. There is also £1 million of New Homes Bonus approved by Council in March 2012.
- 1.2 This report seeks Cabinet approval for the adoption of capital estimates. The programme will not impose any costs on to leaseholders as it will be all in the main funded via national grants.

2. DECISIONS REQUIRED

The Mayor in Cabinet is recommended to:-

- 2.1 Adopt a capital estimate of £4.063 million for fuel efficiency works on HRA properties to supersede the existing approvals of £1.809 million that are already incorporated into the approved budget, noting that the increase of £2.254 million is the Department of Climate Change grant funded element of the scheme.

- 2.2 Agree the proposed Fuel Poverty and Insulation Works on HRA Properties.
- 2.3 Agree the procurement of the contract, for insulation works on HRA assets, funded by DECC, the Council and ECO, through the RENEW Framework following a competitive tendering process.
- 2.4 Authorise the Corporate Director D/R in consultation with ACE Legal to award the contract to the successful contractor following completion of the competitive tendering process.
- 2.5 Authorise the Assistant Chief Executive (Legal Services) enter into all necessary documents to implement the decisions made in respect of this report.

3. REASONS FOR THE DECISIONS

- 3.1 The Council acquired from Carillion Energy Services (CES) Intellectual Property Rights (IPR) consisting of designs, plans, planning permissions etc. that the company has prepared or obtained in relation to the estates. The cost of the IPR valued at up to £750,000 (depending on when the contract is entered into, as provided it is completed by 1st October 2013 there is a £50,000 discount available) is significant, however, these IPRs are of limited value to the Council unless the energy efficiency scheme subsequently proceeds for the specific sites and DECC grant and ECO funding is secured. If the scheme does not progress the Council will have acquired an asset of limited use and value.
- 3.2 It is imperative that the Council meet the spending agreement with DECC in which it was agreed that the delivery of the insulation works will commence in August 2013 and the whole scheme delivered six months later. The RENEW Framework presents a delivery avenue that is not only readily available but also appropriately procured. This framework was preferred because it specialises in energy efficiency improvements and has a major ECO obligated supplier on the framework..
- 3.3 The proposed energy savings programmes fall within the Great Place to Live strand of the Community Plan and in particular objective 2 - Improving and maintaining the quality of housing, including by maximizing energy efficiency.

4. ALTERNATIVE OPTIONS

- 4.1 Soft market testing indicates there is current interest in the council's proposed procurement; however a further lengthy delay may result in the potential partner energy companies discharging their interest in other schemes, which – at the moment – is mitigated by adopting the RENEW Framework.

5. BACKGROUND

- 5.1 As part of the Housing Revenue Account Business Plan, the Authority is proposing to spend approximately £30 million on insulation and energy efficiency works as part of the capital programme over the next thirty years. This is made up of the following elements:-

	£ million
Central Heating (includes radiators, boilers & communal heating)	13.90
Double Glazed Windows	13.10
Front entrance doors and/or rear/balcony doors (double glazed)	3.10

- 5.2 These measures will help improve the energy efficiency of homes and in consequence help reduce residents' fuel bills.
- 5.3 Last year, Tower Hamlets Homes, working with Carillion Energy Services and in consultation with residents and the Council, sought to supplement resources available to improve the energy performance by accessing funding through the Community Energy Saving Programme (CESP).
- 5.4 CESP is funded by an obligation on energy companies and was designed to provide up to 100% of funding support in the most deprived neighbourhoods containing homes with poor energy ratings, e.g. poorly insulated blocks.
- 5.5 However, in the course of developing the fuel poverty and insulation works scheme it became apparent that some financial contribution would be required from the Council. In part this was driven by the design standard required by the borough. CESP ended in March 2013 and was replaced by a new funding stream titled Energy Company Obligation (ECO).

6. BODY OF REPORT

- 6.1 In November 2012 DECC announced a Fuel Poverty Fund to which Councils could apply for grant to support initiatives aimed at helping low income and vulnerable people keep warm this winter.
- 6.2 Consequently, the Council submitted a bid to DECC and secured £2.254m to support the delivery of energy saving measures to increase energy performance of 637 homes to Avebury and Bancroft Estates. The selection of these estates is dictated by the constraints of the CESP programme. The impact will be to increase the SAP rating for these properties by plus 10-15.
- 6.3 The proposed fuel poverty and insulation works on HRA properties focuses on cladding because earlier investments had addressed inefficient gas boilers. The scheme primarily comprises of External Wall Insulation (EWI) commonly referred to as Cladding, amongst other measures. The programme will involve 599 homes benefitting from wall insulation, 108 homes loft insulations, 24 homes cavity walls insulations, and the installation of higher rated boilers where needed. Benefits of the programme include:
- § Saving residents on average of £150 - £175 per year, based on a two bedroom flat, and will significantly alleviating fuel poverty.
 - § Making a demonstrable visible improvement to the external appearance of estates.
 - § Significantly reducing condensation in these properties.
- 6.4 Soft market testing with energy providers is on-going to secure the maximum level of ECO funding possible. There is positive indication that funding can be secured to enable work to be carried out to improve energy efficiency to benefit 637 homes in Avebury and Bancroft neighbourhoods as originally planned.
- 6.5 The £6.7m scheme will be funded by £1.809million for the Council, £2.254million from DECC and the difference will be bridged by the supplier who need to secure Energy Company Obligation (ECO) subsidies. This means that estimated

£4.81million worth of work for the Council's direct contribution of up to £1.809m. The council envisage to procure this contract through the RENEW framework in order to meet the DECC timescales, and it is intended that the council go live with this procurement at the end of July 2013.

- 6.6 The procurement approach requires THH to purchase the design, design specification and planning approval from Carillion Energy Services (CES) to form the basis for a mini-competition and award of a call-off contract to deliver the works. A call-off from a framework was proposed as an alternative to a full OJEU compliant tender due to the delivery constraint of spending £2.254m DECC grant funding before the end of May 2013. DECC have subsequently extended the period by which the grant funding is to be spent until October 2013. The RENEW framework was preferred as it is OJEU compliant, energy efficiency improvement specific and has both BG and CES as suppliers.
- 6.7 The project cannot be achieved within THH's current capacity due to the pressures of Decent Homes delivery. The successful suppliers will project manage the delivery of the scheme and provide a CDM coordinator, and Resident Liaison officers. Contract Administration and quality assurance functions will be resourced by the Decent Homes consultants for the respective Lot and THH will monitor performance and ensure that the project is appropriately governed.

6.8 **Proposed programme delivery:**

Activity	Milestone	Complete
Competition Planning Forum	25/06/2013	Yes
Competition Board	08/07/2013	Yes
Mayoral approval for CES IPS purchase	30/06/2013	Yes
Cabinet approval	31/07/2013	
Issue of Invitation to Tender (ITT)	09/07/2013	
Tender submission Deadline	06/08/2013	
Tender evaluation	By 20/08/2013	
Let Call – Off contract	27/08/2013	
On site commencement	31/08/2013	
Contract end	15/02/2013	

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 This report seeks approval for the procurement of a scheme to undertake insulation works to 599 properties on the Avebury and Bancroft Estates, with the adoption of corresponding capital estimates. The report also seeks approval to procure the contract through the RENEW Framework following a competitive tendering exercise.
- 7.2 As laid out in the report, the Council previously tried to attract funding from the Community Energy Saving Programme (CESP) to develop an external wall insulation scheme in partnership with an external organisation – Carillion Energy Services. However due to various cost increases and the reluctance of energy companies to commit to the scheme, the Council and its partner were unable to proceed with the programme. The CESP initiative ended on 31 March 2013 and has now been superseded by the Energy Company Obligation (ECO).

- 7.3 To support the initial CESP bid, £1,809,000 of resources that had previously been set aside by the Council in relation to energy efficiency works were earmarked as a contribution to towards the scheme. This was made up of £409,000 approved as part of the 2012-13 Housing Revenue Account capital programme and carried forward into 2013-14; £400,000 allocated within the HRA revenue Repairs and Maintenance budget(now to be treated as a Revenue Contribution to Capital); and £1 million of New Homes Bonus funding that was approved by Council in March 2012.
- 7.4 The Council has secured new grant funding of £2.254 million from the Department of Climate Change Local Authority Fund (Fuel Poverty), which with the resources already earmarked, means that a total contribution of £4.063 million is available towards the financing of an energy efficiency scheme.
- 7.5 As laid out in the report the Council now wishes to enter into a new procurement process to seek a partner energy company to deliver the energy efficiency scheme. The energy company will contribute significant funding under its 'Energy Company Obligation' (ECO) requirement. This contribution is estimated at £2,637,000 but will be subject to procurement through the RENEW framework.
- 7.6 The Council has purchased the Intellectual Property Rights (IPR) i.e. the designs, plans, planning permissions etc. that had been prepared or obtained in relation to the estates concerned by its initial partner, Carillion, which will no longer be involved in the project. These can cost up to £750,000, (depending on when the contract is completed) but the acquisition of these rights will enable a new scheme to the value of £6.7 million (including the costs of the IPR) to be developed. The proposed funding for the scheme will therefore be as follows:

	£
ECO Funding - via Energy Partner	2,637,000 *
DECC Grant	2,254,000
New Homes Bonus	1,000,000
Housing Revenue Account Contribution	400,000
Housing Capital Programme	409,000
	<u><u>6,700,000</u></u>

* Estimated Contribution

- 7.7 As outlined in paragraph 6.3, total investment of this level should enable a scheme to be undertaken to install energy efficiency measures to the 599 properties listed in Appendix A. The works will be scheduled in line with the Decent Homes works being undertaken on these estates in order that benefits can be obtained from economies of scale arising from the coordination of works e.g. reductions in scaffolding costs.
- 7.8 The insulation measures will lead to a reduction in residents' energy costs estimated at between £150 and £175 per property per year. They will also help to alleviate the condensation problems suffered by occupants of the blocks and in addition to the health and social benefits arising, should lead to maintenance savings within the Housing Revenue Account although these are not quantifiable at this stage. The cladding works should also generate savings within the HRA capital programme by reducing the need for future major planned external works to the blocks.
- 7.9 As funding of £1.809 million has already been approved for energy efficiency works, in order that the full scheme can be adopted, a total capital estimate for £4,063,000 needs to be adopted by Cabinet to enable the DECC grant funding to be

incorporated into the scheme. The Council's contribution will be capped at this level and it must be ensured that any funding risks caused by financial overspend lie with the partner energy supplier as part of any contractual arrangements entered into.

7.10 The capital estimate of £4,063,000 will therefore be financed as follows:

	£
DECC Grant	2,254,000
New Homes Bonus	1,000,000
Housing Revenue Account Contribution (RCCO)	400,000
Housing Capital Programme	409,000
	<u>4,063,000</u>

The majority of the expenditure will be incurred during the 2013-14 financial year, and it is essential that the DECC Grant element in particular is fully utilised by 31 March 2014 in accordance with the grant conditions.

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

- 8.1 The Council has a legal duty to obtain best value in respect of all its purchases of goods works and services.
- 8.2 The Council is also under a legal duty to tender this opportunity in Europe where the value of the contract is in excess of the European set threshold (currently £4.1m for works).
- 8.3 The amount that the Council is spending inclusive of the received grant is slightly below this threshold. However, this contract as a whole is described under the Public Contracts Regulations as a "works concession contract" which is a particular type of works contract.
- 8.4 Essentially the winning bidder will also make use of funds from a third party funder (who is a power company) and this is "ECO Funding".
- 8.5 Every year OFGEN require all power companies to channel profit back into energy saving measures and the winning bidder will be able to make profit from this. The Council is therefore offering an opportunity of a contract that will be worth more than the value it is spending which takes the overall contract value (as the calculation is set under the regulations) above the relevant European Threshold.
- 8.6 It is the intention that the Council will use the centrally procured RENEW Framework in order to tender this opportunity and this will satisfy the Council's obligations under the prevailing EU Law.
- 8.7 It is noted that the members on the framework are large companies who are not local to Tower Hamlets. However, the tender documentation is to include the local benefits factors detailed under the Procurement Policy and the winning bidder will be subcontracting into the local supply chain as is now common with the Council's major works contracts. This will provide for sustainable work for local firms and potentially apprenticeships and other local benefits. The local benefits element of the tender will

represent 5% of the overall evaluation score relating to quality in line with Counsel's advice. The final documents detailing the local benefits also form part of the contract obligating the winning bidder to deliver on these measures

9. ONE TOWER HAMLETS CONSIDERATIONS

- 9.1 The completion of work will help alleviate fuel poverty for 637 households living in greatest need on the Avebury and Bancroft estates.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 10.1 This report proposes that funding is allocated towards energy efficiency measures. This will reduce energy consumption and therefore will reduce carbon emissions from council properties.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 With the introduction of Self-Financing from April 2012, Tower Hamlets is responsible for running its HRA as a viable business, using HRA income in order to fund all HRA expenditure, including the capital works necessary to maintain and improve the housing stock, and the Decent Homes programme.
- 11.2 It is essential that the HRA medium-term financial strategy be kept under review, and is updated to reflect changes all decisions in relation to funding proposals, as well as in economic conditions and policy changes.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 12.1 There are no significant implications arising from these specific recommendations.

13. EFFICIENCY STATEMENT

- 13.1 The allocation of resources towards energy efficiency measures that are proposed in this report should reduce energy consumption within dwellings managed by the Council. Further projects will be undertaken in partnership with Tower Hamlets Homes to identify further on-going efficiency savings to ensure that the HRA remains sustainable in the longer term.

14. APPENDICES

Appendix 1 Project Scope Summary

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

Brief description of “background papers” Name and telephone number of holder and address where open to inspection.

None

John Coker Ext 3782

Appendix 2

						Number of dwellings/measures			
Lower Super Output Area	Ward	Estate	Number	Block/Street	External Wall insulation	Cavity Wall Insulation	Loft Insulation		
E01004312	Weavers	Avebury	1-8	Speakman House	8		2		
E01004312	Weavers	Avebury	1-8	Stuart House	8		2		
E01004312	Weavers	Avebury	1-8	Karslake House	8		2		
E01004312	Weavers	Avebury	1-8	Cadogan House	8		2		
E01004312	Weavers	Avebury	1-20	Eversley House	19		4		
E01004312	Weavers	Avebury	1-33	Rapley House	33				
E01004312	Weavers	Avebury	1-8	Snell House	8		2		
E01004312	Weavers	Avebury	1-8	Culpin House	8		2		
E01004312	Weavers	Avebury	1-24	Dence House	24		6		
E01004312	Weavers	Avebury	1-16	McKinnonwood House	16		4		
E01004312	Weavers	Avebury	1-8	Gillett House	8		2		
E01004312	Weavers	Avebury	1-16	Hulton House	16		4		
E01004312	Weavers	Avebury	1-8	Cheylesmore House	8		2		
E01004312	Weavers	Avebury	1-16	Dickinson House	16		4		
E01004312	Weavers	Avebury	1-8	Monk Bretton House	8		2		
E01004312	Weavers	Avebury	1-8	Crewe House	8		2		
E01004312	Weavers	Avebury	1-8	Cobb House	8		2		
E01004312	Weavers	Avebury	1-16	Swinton House	16		4		
E01004312	Weavers	Avebury	1-16	Simmons House	16		4		
E01004312	Weavers	Avebury	1-8	Onslow House	8		2		
E01004312	Weavers	Avebury	1-8	Warburg House	8		2		
E01004312	Weavers	Avebury	1-24	Firth House	24		6		

E01004312	Weavers	Avebury	1-8	Jackson House	8		2
E01004312	Weavers	Avebury	1-8	Hume House	7		2
E01004312	Weavers	Newling South	1-24	Briggs House		24	4
E01004312	Weavers	Granby	16, 20, 28	Granby Sireet			3
E01004213	Bethnal Green South	Bancroft East	1-10	Stannard Cottages	10		
E01004213	Bethnal Green South	Bancroft East	1-10	Rennie Cottages	10		
E01004213	Bethnal Green South	Bancroft East	1-20	Gibson Close	20		
E01004213	Bethnal Green South	Bancroft East	1-30	Barbanel House	30		6
E01004213	Bethnal Green South	Bancroft West	1-30	Redclyf House	29		6
E01004213	Bethnal Green South	Bancroft West	1-45	Bancroft House	45		9
E01004213	Bethnal Green South	Bancroft West	1-12, 1A-C,7A-C	Cephas House	18		
E01004213	Bethnal Green South	Bancroft East	1-30	Stothard House	30		6
E01004213	Bethnal Green South	Bancroft West	1-24	Ryder House	24		5
E01004213	Bethnal Green South	Bancroft West	1-30	Hadleigh House	30		
E01004213	Bethnal Green South	Bancroft West	1-54	Sceptre House	54		
E01004213	Bethnal Green South	Bancroft West	1	Stothard Sireet			1
E01004213	Bethnal Green South	Bancroft West	2, 12, 16	Lang Sireet			3
E01004213	Bethnal Green South	Bancroft West	1, 4, 6, 7	Colebert Avenue			4
E01004213	Bethnal Green South	Bancroft West	4, 5	Winkworth Cottages			2
					599	24	115

Agenda Item 7.1

Committee/Meeting: Cabinet	Date: 31 July 2013	Classification: Unrestricted	Report No: CAB 013/134
Report of: Corporate Director Education, Social Care & Wellbeing Originating officer(s) Pat Watson, Head of Building Development		Title: Proposals for BowSchool Wards Affected: Bow East, Bromley by Bow	

Lead Member	Cllr Oliur Rahman
Community Plan Theme	A Prosperous Community
Strategic Priority	Priority 3.1: Improve educational aspiration and attainment

1. **SUMMARY**

- 1.1 On 10 April Cabinet agreed to the publication of statutory proposals for Bow School to be expanded and to admit both girls and boys. An objection in the form of a petition has been received in the six week consultation period so Cabinet is required to consider the objection before deciding whether the proposals should be implemented.

2. **DECISIONS REQUIRED**

The Mayor in Cabinet is recommended to:-

- 2.1 Agree that statutory proposals for the enlargement and change of character of Bow School from September 2014 should be implemented as published.

3. **REASONS FOR THE DECISIONS**

- 3.1 Proposals have been developed to expand BowSchool, admit both boys and girls and transfer to a larger site. Cabinet has previously considered the response to the initial consultation and agreed that statutory proposals should be published. An objection has been received to the proposals therefore Cabinet has to consider the response to the consultation before deciding if the proposals should be implemented.

- 3.2 The LA must take a decision on statutory proposals within 2 months of the end of the consultation period or the matter must be referred to the Schools Adjudicator.

4. ALTERNATIVE OPTIONS

- 4.1 The due process has been followed in the consultation on the proposals. The final stage is the determination following consultation, in relation to which the options are set out in paragraphs 6.35 and 8.8 of the report.

5. BACKGROUND

- 5.1 On 10 April 2013 Cabinet received a report on the background to the development of the proposals to expand Bow School, admit both boys and girls and transfer to a larger site. The report included details of the consultation that had taken place.
- 5.2 The statutory process for changes to a school, including enlargement and change of character, require that after the initial consultation statutory proposals are published for a six week period. At the end of the six week period, any comments or objections received have to be considered before determination of the proposals.
- 5.3 Under the Council's scheme of delegation, where no objections are received, the Corporate Director has delegated authority to determine that published proposals should be implemented. Where any objection is received, the matter has to be determined by Cabinet.
- 5.4 The statutory proposals for Bow School were published on 22 April. These met the requirements of the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2007. One objection was received during the six week period.

6. BODY OF REPORT

- 6.1 There is a statutory framework for implementing certain alterations to schools, including enlargements and other changes of character. The requirements are included in the Education & Inspections Act 2006 with associated regulations. For community schools, the Local Authority (LA) can propose and determine certain alterations, including enlargement and change of character.
- 6.2 The prescribed process requires a two stage consultation process. The initial, pre-statutory consultation should provide information on the proposals and include a wide range of consultees. The outcome of this stage is then considered and, if the LA agrees, statutory proposals are published for a specified period (in this case six weeks). After this period, the LA must consider any responses to the second consultation and decide whether or not to implement the proposals, or modify them in the light of the consultation. This decision has to be taken within 2 months of the end of the six week period or the matter is referred to the Schools Adjudicator.

- 6.3 There is a right of appeal to the Schools Adjudicator for certain parties against the LA's decision.
- 6.4 The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2007 specify the process to be followed and matters to which the local authority and the Schools Adjudicator are required to have regard to in making decisions on statutory proposals. The following paragraphs set out the relevant matters to be considered for the present case.

Effect on Standards & School Improvement

- 6.5 The 2006 Act places duties on local authorities to secure delivery of provision and to respond to representations from parents about the provision of schools. On making a decision on proposals for expansion and change of character, the LA should be satisfied that they will contribute to raising standards, to the diversity of provision, the delivery of the Every Child Matters principles and equal opportunities.

Bow School Proposals

- 6.6 The Bow School proposals have been put forward to address the shortcomings of the existing school site, to meet the need for additional places and to ensure better access to secondary places in this area of the borough. The proposals will contribute to the overall range and quality of provision and offer extended school opportunities for students. No students will be displaced as a result of the proposals.

Conclusion

- 6.7 The proposals will contribute to raising standards, help every local child to achieve their potential, and ensure that there is equality of opportunity by providing sufficient school places.

Equal Opportunity Issues

- 6.8 The LA should consider whether there are any sex, race or disability discrimination issues arising from the proposals. This includes ensuring there is a range of opportunities to access school places which reflect the ethnic and cultural mix of the area whilst ensuring that such opportunities are open to all.

Bow School Proposals

- 6.9 The proposals for Bow School are to admit girls and boys in the expanded school. Bow School is at present one of three boys' schools in Tower Hamlets: Stepney Green School is a community boys' school and Bishop Challoner Boys' School is a Roman Catholic School. The proposals for Bow will reduce the number of boys' single sex community school places but the report to Cabinet on 10 April showed that the school at its new site will significantly improve the opportunities for girls living in the Bow area to access a secondary school near their home and reduce the distances they now have to travel to access a school place.

Conclusion

- 6.10 The proposals will reduce the choice of boys' community school places in Tower Hamlets but that is balanced against the provision of more places overall and providing choice for girls in the Bow area.

The Need for Places

Travel & Accessibility For All

- 6.11 In considering the proposals, the LA should be satisfied of the need for additional school places. Consideration should also be given to the need to ensure that children do not have to make unreasonable journeys to school.

Bow School Proposals

- 6.12 There is an increasing need for school places in Tower Hamlets to meet the needs of the rising school age population, as has previously been reported to Cabinet. By providing additional secondary school places in the Bow area, the LA is contributing to meeting the need and is ensuring that pupils living in the Bow area can access a school without travelling significant distance.

Conclusion

- 6.13 The proposals meet the needs of the rising local population. The school is accessible for local children and the additional places will reduce travel distances for children in this area who cannot now obtain a place locally. Providing sufficient school places ensures that all children are able to access a school place and have equal education opportunities.

Capital Funding

- 6.14 In considering the proposals, the LA should be satisfied that capital funding for implementation is available.

Bow School Proposals

- 6.15 The report to Cabinet on 10 April confirmed that there is capital funding provision for implementing the proposals for Bow School (£31.740m).

Conclusion

- 6.16 Capital funding has been identified to implement the proposals.

SEN Provision

- 6.17 The guidance in the regulations has particular reference to considerations relating to SEN provision, especially the impact of any reorganisation proposals on provision.

Bow School Proposals

- 6.18 There are no specific implications for SEN provision in the expansion proposals. There are no proposals to change any SEN provision. The school is an inclusive school and will continue to be so as a larger school. The new building will be accessible throughout.

Conclusion

- 6.19 There are no implications for specific SEN provision

Views of Interested Parties

6.20 The guidance requires consideration of the views of interested parties, including any comments submitted during the four week period.

Bow School Proposals

6.21 The report to Cabinet in April 2013 set out the responses that had been received to the initial consultation on the expansion proposals. Although the response to the consultation period was low, there was support for the proposals from parents and the school community.

6.22 The report to Cabinet on 10 April set out the consultation that has taken place. In summary this includes:

- Various meetings with parents and boys of the Bow School as the proposals for the Bow Lock site were developed, including the proposed admission of girls
- A consultation period was held from 7 January to 15 February 2013. This consultation was publicised on the Council’s website and on the school’s website, hard copy consultation documents were issued to all parents and carers of boys now on roll at Bow and to parents of children in years 4 and 5 of primary schools local to Bow School. A meeting was held at the school during the consultation period.

6.23 The response to the consultation was limited. As previously reported to Cabinet, the consultation paper included a form to return and responses were also received via the Council’s website. The analysis of those returned is as follows:

	Agree	Disagree	Not sure
I agree with the proposal to expand the school to provide more places	17	1	
I agree with the proposal to admit both girls and boys to the school	14	3	1
I agree with the proposed transitional admissions arrangements	13	1	4
I agree with the proposal to transfer the school to a new site	16	1	1

6.24 During the statutory consultation period, no comments or objections other than the petition referred to at paragraph 1.1 have been received. The Headteacher and governing body have not had contact from any parents or prospective parents expressing concerns about the proposal to admit girls. The petition received has 170 signatures. Although it states that signatories include parents of boys now at Bow School, it is not made clear how many people that includes. All addresses given, except one, are in Tower Hamlets. The petition states:

We, the undersigned, parents/potential parents/guardians of the Bow Boys’ School (Paton Close, Fairfield Road, London E3 2QD), residents living locally and all over the borough would like to register our objection to the proposal

to transform the Boys' School into a mixed school on the following grounds:

- Firstly, the proposed transformation would be a denial of the choice of single sex school granted to us and our children without proper and effective consultations with us
- Secondly, if this initiative is implemented, the choice of single sex boys' school in the borough will be diminished
- Thirdly, the establishment of a mixed school will adversely impact the attainment of children and discipline in the school. It is confirmed by research that attending a single sex school contributes to children's performance and achievements
- Finally this significant change of the existing character of the school would have an adverse effect on our young children's life, education and welfare.

In the circumstances we would like to request you not to proceed with this proposal any further without proper and genuine consultations with parents, potential parents, guardians, carers and residents living within the catchment area of the school, locally and all over the borough.

Response to the points raised in the petition

Loss of choice of single sex school

- 6.25 The proposals to admit girls and boys to Bow School will mean that there will be one boys' community school in Tower Hamlets, Stepney Green School, rather than two as at present. There will still be a boys only community school available for parents to apply to, as well as a boys' Roman Catholic school. In considering the decision to publish statutory proposals, Cabinet considered the implications of Bow admitting girls for the overall gender balance of existing mixed schools in Tower Hamlets.
- 6.26 The proposal for Bow to admit girls as well as boys is associated with the expansion of the school from 125 places each year to 270 places. The Cabinet report gave details of the position of girls living in certain areas of the borough, Bow East and West, who have to travel the longest distances to access a school. If Bow remained a boys' school at the new site and at the proposed larger size, the additional capacity being created would not properly meet the needs of the growing school age population and girls would be adversely affected.
- 6.27 The Equality Analysis included as Appendix 1 shows the trend in recent years for the number of 1st preference applications for single sex schools. For all three boys' schools, the data shows a decrease in the number of applicants. Applications declined by 20% from 395 in 2011 to 315 in 2013. The number of 1st choice applications to single sex girls' schools has increased, rising by 12% from 612 in 2011 to 684 in 2013.
- 6.28 The geographical distribution of 1st preference applications for Bow School shows that these are predominantly from those for whom it is the

local school, not necessarily that the choice is based on Bow as a single sex school. (See Equality Analysis).

Impact on children now at the school and impact on attainment in comparison with a single sex school

- 6.29 The debate around single sex versus co-educational (co-ed) is an on-going pedagogical argument. Although national data tends to show that single sex girls' schools might produce the best results, there is more to consider than solely achieving academic results. Overwhelmingly, the most important factor is the school itself.
- 6.30 In Tower Hamlets there is no significant evidence that mixed schools perform less well than single sex schools. All secondary schools in Tower Hamlets, boys', girls' and mixed, are judged as good or outstanding. This is a comprehensive judgement made by OFSTED based on the ethos, provision and outcomes of the school. The highest performing school in Tower Hamlets is a mixed school. The least well performing is a boys' school. Behaviour, which includes students' attitudes to learning, is judged as good or better in all Tower Hamlets secondary schools. Seven schools are judged to have outstanding behaviour, five of those seven are mixed schools, one is a girls' school and one is a boys' school.
- 6.31 In March 2013 Bow School was judged by OFSTED to be a "good and improving school". This provides a sound basis for the changes which the school will be undertaking by moving to the new site, expanding and admitting girls.
- 6.32 The petition states that the change would have "... an adverse effect on our young children's life, education and welfare". It should be noted that the Headteacher and governing body of Bow School have been carefully planning for the transition to the new school site to ensure that disruption to students' education is minimised. By relocating to the new site, the school will have the benefit of very significantly improved facilities.

The proposals should not proceed pending further consultation

- 6.33 As indicated above, the consultation process has been carried out according to the statutory requirements for a two stage process. The matters relating to the admission of girls to the school were taken into account in considering the decision on publication of statutory proposals. There was limited response from parents of boys now at the school and prospective parents of children at local primary schools in the catchment area.
- 6.34 It is noted that the petition makes reference only to part of the proposals for Bow School, admitting girls, and does not make reference to the expansion of the school. The proposals are part of the relocation of the school to new, purpose built premises with up to date accommodation and facilities for the benefit of all students. These new facilities are part of the wider provision of choice of good schools with excellent facilities across the borough.

Conclusion

- 6.35 Views of interested parties received in the initial consultation showed that members of the school community supported the expansion. Little response from outside the immediate school community was received at that stage, despite the wide dissemination of the consultation proposals.
- 6.36 The objection to the statutory proposals by means of the petition is noted. The LA has to decide on the balance of benefits for the proposed changes to Bow School. It is recognised that the change of character of Bow School will reduce the number of boys' single sex community school places available, but this must be balanced against the benefit for girls in the area to be able to access the new places at Bow School.

CONCLUSION & RECOMMENDATION

- 6.37 After consideration of the relevant matters, the Local Authority can:
- i. reject the proposals;
 - ii. approve the proposals;
 - iii. approve the proposals with modification (eg. an amendment to the effective date); or,
 - iv. approve the proposals subject to a specific condition (eg. securing funding, obtaining planning permission).
- 6.38 Paragraphs 6.5 to 6.36 set out all the relevant matters to be taken into consideration in reaching a decision on the proposals for Bow School to be expanded and admit girls and boys. The consultation process and publication of statutory proposals have been carried out in accordance with the requirements.
- 6.39 After consideration of these matters, it is recommended that proposals should be approved as published and implemented at Bow School.

Admission Arrangements – Transitional Exemption Order

- 6.40 The report to Cabinet on 10 April set out the proposed transitional arrangements for admission to the school as it admits girls. The proposed arrangements are as follows:
- 6.41 For four years from September 2014, girls will only be admitted at Year 7 until the year groups have both girls and boys. The Year 7 places will be designated equally with 135 places for girls and 135 places for boys. The places will be filled in this priority order:
- Pupils who apply from each gender will be considered in accordance with banding arrangements and the admissions criteria for community schools up to a maximum of 135 places for boys and 135 places for girls. This may mean that some pupils may be initially refused a place because the target number for that gender has been filled.
 - Any places remaining after national offer day and applications received outside the normal point of entry will be filled in accordance with the admission criteria regardless of gender.
 - After September 2018, the school will operate the normal admission arrangements for community schools in Tower Hamlets.

6.42 Cabinet agreed these proposed arrangements. Subject to the recommendations of this report being agreed, this will also allow the Council to issue a Transitional Exemption Order because the existing boys' school is not now required to comply with the Sex Discrimination Act 1975 (as amended).

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

7.1 The report to Cabinet on 10 April confirmed that there is capital funding provision for implementing the proposals for Bow School (£31.740m) and that the revenue costs will be funded through the Dedicated Schools Grant. The move to a new school would also have implications for the Grouped Schools PFI contract which in 2013/14 financial year relies on Bow's contribution of £0.285m, but these had been factored into long-term planning for the PFI contract.

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

8.1 One of the Council's duties in respect of education is to secure that sufficient schools are available for primary and secondary education in Tower Hamlets. This obligation arises under section 14 of the Education Act 1996. The schools must be sufficient in number, character and equipment to provide all pupils with the opportunity of appropriate education.

8.2 In deciding what provision to make in respect of primary and secondary schools, the Council is required to consider the need to secure diversity in the provision of schools and increasing opportunities for parental choice. This sits alongside the Council's general equality duty, which requires it to 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. Equalities issues are addressed in the body of the report.

8.3 Section 19 of the Education and Inspections Act 2006 provides that where a local authority proposes to make prescribed alterations to a maintained school, it must publish its proposals. The School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2007 ("the Prescribed Alterations Regulations") specify what alterations made by local authorities are prescribed alterations and specify the procedure to be followed when publishing and determining such proposals. The enlargement of a school's premises so as to increase the school's capacity by: (a) more than 30 pupils; and (b) 25% or 200 pupils (whichever is the lesser) is a prescribed alteration. The proposals described in this report fall within that definition so the procedure in the Prescribed Alterations Regulations must be followed.

8.4 The Prescribed Alterations Regulations require the Council to follow a two stage process involving consultation prior to publication of a proposal, followed (assuming the Council wishes to proceed) by publication of the

proposal. The Council has just completed the second stage of consultation, which involves the publication of the Council's proposal. The Regulations specify requirements for the publication of proposals –

- The publicity must include prescribed information, details of how complete copies of the proposal may be obtained and a statement that any person may object or comment on the proposal (including an address to which these should be sent and the date by which they should be sent).
- The information must be posted in a conspicuous place in the school's area, at the main entrance to the school and in a local newspaper.
- The complete set of proposals must be sent to the governing body within one week of the date of publication and to anyone who requests a copy within one week of the request.
- A complete set of the proposals and a copy of the published information must be sent to the Secretary of State within one week of the date of publication.

8.5 A person who wishes to object or make comments must have 6 weeks within which to do so, from the date of publication of the proposal information.

8.6 The Council is required to have regard to the Secretary of State's guidance as to consultation on proposals. The guidance recommends that the consultation allows adequate time, provides sufficient information for those being consulted to form a considered view and makes clear how the views can be made known. Proposers must be able to demonstrate how they have taken into account the views expressed during the consultation in reaching any subsequent decision as to the publication of proposals.

8.7 The report states that consultation complies with the requirements of the Regulations and guidance.

8.8 It is for the Council to determine the proposals (and this is an executive function). In doing so, the Council has the options outlined in paragraph 6.35 above. The report correctly identifies that the council must determine the proposals within 2 months from the end of the consultation period.

9. ONE TOWER HAMLETS CONSIDERATIONS

9.1 The expansion of schools is necessary to ensure the Council meets its legal obligation to secure sufficient schools for Tower Hamlets, but will also promote equality of opportunity for children and young people (including within the meaning of the Equality Act 2010). There is a loss of single sex boys' secondary school places, but this has to be balanced against the improvement of opportunities for girls to be able to access the places at the new accommodation for Bow School.

9.2 The provision of school places and the LA's admission arrangements aim to promote fair access to schools particularly in terms of the distance from

home and to allow siblings to attend the same school. The proposed transitional admission arrangements for Bow School enable some support to the school to assist achieving a balanced roll as far as possible as the school undertakes the process of the change of character.

- 9.3 Parents will have a choice of schools, including mixed and single sex schools. A boys' community school (Stepney Green School) and boys' Roman Catholic School continue as part of the range of choice.
- 9.4 An Equality Analysis has been carried out and is included as Appendix 1.

10. **SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 10.1 The design of the building and materials proposed to be used for Bow School have taken account of sustainability and energy efficiency. Products to be chosen will offer significant energy saving values; insulation products that have an approved environmental profile; and timber from certified sustainable sources.
- 10.2 The design complies with Building Regulations, Part L which has strict guidelines in respect of carbon emission levels and energy efficiency. A significant reduction in carbon emissions will be achieved. Lighting and energy management controls will enable the most efficient use of energy for the building as a whole.

11. **RISK MANAGEMENT IMPLICATIONS**

- 11.1 The project at Bow School has a high capital value and close monitoring of the project through the preparatory stages was in place and continues through implementation stages with appropriate, experienced project management resources. If the proposals do not proceed, there will be a risk to be managed that some children will be without a school place local to their home

12. **CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 12.1 There are no specific implications arising.

13. **EFFICIENCY STATEMENT**

- 13.1 The Council undertook a detailed options analysis of its assets before deciding that the use of the new site for an expanded Bow School provided the best use of assets.

14. **APPENDICES**

Appendix 1 – Equality Analysis

**Local Authorities (Executive Arrangements) (Access to Information)
(England) Regulations 2012
List of “Background Papers” used in the preparation of this report**

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
None	N/A

Equality Analysis (EA)

Section 1 – General Information (Aims and Objectives)

Name of the proposal including aims, objectives and purpose:

(Please note – for the purpose of this doc, 'proposal' refers to a policy, function, strategy or project)

Proposal: Pupil Place Planning for the new Bow School.

Aims/objective: To transform Bow School from a single-sex boys school to a coeducational establishment when relocated to its new site.

Who is expected to benefit from the proposal?

The construction of the new Bow School is intended to benefit principally local pupils living in the North East of the borough where it is predicted that pupil numbers are set to grow, in part due to new housing developments. This would consequently increase the demand for more secondary school places, and a coeducational school would provide parents the option of local provision for girls who would otherwise have to travel further afield.

The new school will have state of the art modern facilities and be more accessible to a wider range of pupils with varying needs including those with a disability.

Service area:

Learning and Achievement

Team name:

Head of Pupil Admissions and Exclusions

Service manager:

Terry Bryan

Name and role of the officer completing the EA:

Sasta Miah, Schools Workforce Development Manager

Section 2 – Evidence (Consideration of Data and Information)

What initial evidence do we have which may help us think about the impacts or likely impacts on service users or staff?

Bow School is currently a single sex boys only school that is located in Paton Close. As part of the Building Schools for the Future programme, Tower Hamlets council and the school governing body have proposed major changes in the redevelopment of the school. These proposals include relocating the existing school to a new purpose built site at Twelvetrees Crescent, E3 from September 2014, expanding the number of school places from 125 places to 270 places in each year group, the offer of a new 6th form and the admission of girls to the school roll.

Tower Hamlets has been witnessing a steady increase in demand for primary school places, which the local authority has responded to by expanding provision in existing primary schools, building new schools and developing plans for more school places.

Marnier and Culloden Primary Schools, feeder schools for Bow School have both increased their forms of entry from 2FE to 3FE (60 to 90 places each year). There are longer term plans for new school sites as well as further school expansion options to be developed.

It is anticipated that with the growth in pupil numbers and the increased housing developments in the North East of the borough there is a need to offer more secondary school places. The forecast is that the borough will need an additional 13,000 new school places between the period 2012-2020 of which 5,500 of these will need to be secondary school places. Currently there are a total of 15 secondary schools in the borough, of which there are 3 boys, 3 girls and 9 mixed schools, plus a mixed secondary free school..

The new Bow School site would provide female pupils the opportunity to access a local secondary school within reasonable distance from their home. The secondary schools nearest to Bow School include, Central Foundation, Langdon Park and St Pauls Way.

In order to try and achieve a balanced gender intake for the new Bow School, the Council proposes a Transitional Exemption Order under the Equality Act 2010 from September 2014 to September 2018. The proposed admission arrangements for girls to the new school will be over the course of four years, with girls admitted at Year 7 until each year group has both girls and boys. The gradual build up over time of girls will allow the school to manage this transition and help the girls to integrate. The 270 Year 7 places will be equally split between girls and boys and will be filled in the following priority order:

- Pupils who apply from each gender up to a maximum of 135 for either boys or girls. Consequently some pupils may initially be refused a place due to the target number for each gender.
- Any places remaining after national offer day and applications received outside the normal point of entry will be filled regardless of gender.
- After September 2018 the normal admission arrangements for community schools in Tower Hamlets will apply.

In line with other secondary schools in the borough, it is anticipated that the new Bow School will have a slight imbalance in terms of the gender ratio for the school roll. This is due to the provision of single sex schools and pupils either moving out of the borough or to the non-state sector, in particular single sex faith schools. See appendix 2 for the current rolls of mixed schools at January 2013.

Whilst there is concern that a new mixed school may affect the ability other mixed schools to have a reasonably balanced roll in terms of gender, this needs to be considered alongside the current location and distribution of secondary schools and the impact that this has for families in the Bow area wanting a school within reasonable travel distance from home.

The issue of travel distance to a secondary school is particularly significant for girls in Bow who, on average have to travel the furthest distance by almost 2km. A girl living in Bow East would travel almost three times the distance compared to a girl living in another part of the borough. See appendix 3 for the average distance travelled by pupils who secured a place at their 1st choice secondary school in 2013.

A new school in the Bow area would provide pupils of all backgrounds particularly those with a disability, access to a school with state of the art facilities and designed and planned to cater for the needs of a wide range of pupils with differing needs, thereby helping to reduce social exclusion and improving community cohesion.

An initial consultation was undertaken between 7 January to 15 February 2013 with the proposed building design on display in the school for parents and pupils. A consultation paper was widely circulated to all relevant stakeholders concerning the proposals for the new Bow School including parents and carers, school staff and governors, other headteachers and chair of governors, trade unions, elected officials, neighbouring local authorities, the diocesan boards as well as being hosted on the council's website.

The response to the consultation paper has been limited. In total there were 18 responses returned either as a form or completed online. A total of 14 respondents agreed with the proposal to admit girls to the new school with three people disagreeing and one person unsure. See appendix 4 for the initial consultation results.

In addition, a parents' meeting was held at the school during the initial consultation period for both parents with children currently at the school as well as with prospective parents. Although the turn-out was low, the parents who did attend were able to have their concerns and questions addressed by the headteacher and representatives from the local authority.

Following a decision by Cabinet on 10 April 2013, statutory proposals were published for the changes to Bow School. In the 6 week period, one objection was received in the form of a petition. The petition gives the following points for objecting to the proposal for Bow School to admit boys and girls:

- *Firstly, the proposed transformation would be a denial of the choice of single sex school granted to us and our children without proper and effective consultations with us*
- *Secondly, if this initiative is implemented, the choice of single sex boys' school in the borough will be diminished*
- *Thirdly, the establishment of a mixed school will adversely impact the attainment of children and discipline in the school. It is confirmed by research that attending a single sex school contributes to children's performance and achievements*
- *Finally this significant change of the existing character of the school would have an adverse effect on our young children's life, education and welfare.*

As indicated above, limited comment on the proposals was made in earlier consultation. The background to the proposals has set out how the change of character and enlargement of Bow School will benefit local girls by ensuring they have access to a secondary school near their home.

Subject to a decision to implement the statutory proposals, there will be 2 boys' secondary schools in Tower Hamlets of which one is a community school and one is a Roman Catholic school.

Section 3 – Assessing the Impacts on the 9 Groups

How will what you're proposal impact upon the nine Protected Characteristics?

For the nine protected characteristics detailed in the table below please consider:-

- **What is the equality profile of service users or beneficiaries that will or are likely to be affected?**

-Use the Council's approved diversity monitoring categories and provide data by target group of users or beneficiaries to determine whether the service user profile reflects the local population or relevant target group or if there is over or under representation of these groups

- **What qualitative or quantitative data do we have?**

-List all examples of quantitative and qualitative data available

(include information where appropriate from other directorates, Census 2001 etc)

-Data trends – how does current practice ensure equality

- **Equalities profile of staff?**

-Indicate profile by target groups and assess relevance to policy aims and objectives e.g. Workforce to Reflect the Community. Identify staff responsible for delivering the service including where they are not directly employed by the council.

- **Barriers?**

-What are the potential or known barriers to participation for the different equality target groups? Eg, communication, access, locality etc

- **Recent consultation exercises carried out?**

-Detail consultation with relevant interest groups, other public bodies, voluntary organisations, community groups, trade unions, focus groups and other groups, surveys and questionnaires undertaken etc. Focus in particular on the findings of views expressed by the equality target groups. Such consultation exercises should be appropriate and proportionate and may range from assembling focus groups to a one to one meeting.

- **Additional factors which may influence disproportionate or adverse impact?**

-Management Arrangements - How is the Service managed, are there any management arrangements which may have a disproportionate impact on the equality target groups

- **The Process of Service Delivery?**

-In particular look at the arrangements for the service being provided including opening times, custom and practice, awareness of the service to local people, communication

Please also consider how the proposal will impact upon the 3 One Tower Hamlets objectives:-

- Reduce inequalities
- Ensure strong community cohesion
- Strengthen community leadership.

Please Note -

Reports/stats/data can be added as Appendix

Target Groups	Impact – Positive or Adverse	Reason(s)
Race	Positive	By admitting girls to the school roll of the proposed new Bow School, girls of all ethnic backgrounds will have access to a local secondary school in the Bow area and thereby improve race relations in the community.
Disability	Positive	A new purpose built school in the Bow area will be better able to meet the needs of a wide range of pupils, including those with a disability. This will help to promote greater community cohesion and reduce inequalities as pupils with diverse needs will be integrated in to the school community, reducing social exclusion and breaking down stereotypes. In addition, disabled pupils will have access to a local secondary school that is in closer proximity to home.
Gender	Positive	A mixed school will enable pupils to prepare for adulthood and develop their social interaction skills. Whilst it is acknowledged that changing the school to a coeducational one will reduce parental choice for those electing for a single sex school for boys, the benefits of a new mixed school in the locality may extend to a much wider group of pupils.
Gender Reassignment	Positive	Pupils beginning to explore their sexual identity may feel more comfortable in a mixed school setting where there may be less pressure to conform to gender stereotypes. This may also help to reduce instances of homophobic bullying.
Sexual Orientation	Positive	Pupils beginning to explore their sexual identity may feel more comfortable in a mixed school setting where there may be less pressure to conform to gender stereotypes. This may also help to reduce instances of homophobic bullying.
Religion or Belief	Positive	Pupils of different religious beliefs or no beliefs will be able to interact with each other and thereby discourage closed communities and increase community cohesion.
Age	Positive	The new school will offer younger pupils living in the catchment area, particularly those in year 7 a school place that is in closer proximity to home. The provision of a new sixth form will also widen the

Reason(s)

- Please add a narrative to justify your claims around impacts and,
- Please describe the analysis and interpretation of evidence to support your conclusion as this will inform decision making

Please also how the proposal will promote the three One Tower Hamlets objectives?

- Reducing inequalities
- Ensuring strong community cohesion
- Strengthening community leadership

What impact will the proposal have on specific groups of service users or staff?

		options for those wishing to pursue further education and will facilitate a smoother transition and continuity of education.
Marriage and Civil Partnerships.	N/A	
Pregnancy and Maternity	N/A	
Other Socio-economic Carers	Positive	Young carers will be able to access a local secondary school provision that is nearer to their home, thus making their caring responsibilities easier. This will also reduce the time it takes to travel from school to home, thus increasing safety for all pupils.

Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence of or view that suggests that different equality or other protected groups (inc' staff) could have a disproportionately high/low take up of the new proposal?

No

If yes, please detail below how evidence influenced and formed the proposal? For example, why parts of the proposal were added/removed?

(Please note – a key part of the EA process is to show that we have made reasonable and informed attempts to mitigate any negative impacts. AN EA is a service improvement tool and as such you may wish to consider a number of alternative options or mitigation in terms of the proposal.)

Section 5 – Quality Assurance and Monitoring

Have monitoring systems been put in place to check the implementation of the proposal and recommendations?

Yes

How will the monitoring systems further assess the impact on the equality target groups?

Each year the pupil intake will be monitored and determined on the basis of the admission criteria previously set out in order to try and create a balanced intake and to ensure that pupils from the linked primary schools are given priority admission. Monitoring will also include the impact on any increase in applications and appeals for boys only schools.

Does the policy/function comply with equalities legislation?
(Please consider the [OTH objectives](#) and [Public Sector Equality Duty](#) criteria)

Yes

If there are gaps in information or areas for further improvement, please list them below:

How will the results of this Equality Analysis feed into the performance planning process?

The equality analysis will be submitted as supporting evidence alongside the statutory consultation proposal for the new Bow School.

Section 6 - Action Plan

As a result of these conclusions and recommendations what actions (if any) **will** be included in your business planning and wider review processes (team plan)? Please consider any gaps or areas needing further attention in the table below the example.

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
Example				
1. Better collection of feedback, consultation and data sources	1. Create and use feedback forms. Consult other providers and experts	1. Forms ready for January 2010 Start consultations Jan 2010	1.NR & PB	
2. Non-discriminatory behaviour	2. Regular awareness at staff meetings. Train staff in specialist courses	2. Raise awareness at one staff meeting a month. At least 2 specialist courses to be run per year for staff.	2. NR	

Page 89

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
Conversion of Bow School from a single sex boys school to a mixed school	Cabinet receives a report on the initial consultation and decides on publishing formal statutory proposals Statutory proposals published with 6 weeks allowed for comments The decision will be taken to implement the proposals either by	10 April 2013 22 April – 31 May 2013 By 31 July 2013		

	<p>the Council's Cabinet if there are objections; or, if there are no objections, by the Corporate Director of Education, Social Care & Wellbeing</p> <p>Additional pupils and girls admitted to year 7</p>	September 2014		
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Section 7 – Sign Off and Publication

Page 90

<p>Name: (signed off by)</p>	
<p>Position:</p>	
<p>Date signed off: (approved)</p>	

Section 8 Appendix – FOR OFFICE USE ONLY

This section to be completed by the One Tower Hamlets team

Policy Hyperlink :

Equality Strand	Evidence
Race	
Disability	
Gender	
Gender Reassignment	
Sexual Orientation	
Religion or Belief	
Age	
Marriage and Civil Partnerships.	
Pregnancy and Maternity	
Other Socio-economic Carers	
Link to original EQIA	Link to original EQIA
EQIAID (Team/Service/Year)	

APPENDICES

Appendix 1	Total 1 st Choice Applications to single sex schools by Gender and Year
Appendix 2	School rolls of mixed schools at January 2013
Appendix 3	Average distance travelled by pupils who secured a school place at their 1st choice secondary school in 2013
Appendix 4	Appendix 4: Response to the initial consultation on the Bow School proposals
Map 1	Secondary school 1 st preferences for Bow School 2013 by Wards
Map 2	Secondary school 1 st preferences for CFGS 2013 by Wards
Map 3	Secondary school 1 st preferences for Stepney Green School 2013 by Wards
Map 4	Secondary school 1 st preferences for Mulberry School 2013 by Wards

Appendix 1: Total 1st Choice Applications to single sex schools by Gender and Year

Breakdown by Boys School and Years	Bishop Challoner Boys' School			Bow School of Maths and Computing			Stepney Green School			Total Boys		
	2013	2012	2011	2013	2012	2011	2013	2012	2011	2013	2012	2011
Grand Total	94	103	132	51	72	84	170	172	179	315	347	395

Breakdown by Girls School and Years	Bishop Challoner Girls School			Central Foundation Girls' School			Mulberry School for Girls			Total Girls		
	2013	2012	2011	2013	2012	2011	2013	2012	2011	2013	2012	2011
Grand Total	95	98	100	243	199	168	346	325	344	684	622	612

The above two tables show the number 1st choices for a single sex school over the last three years. For all three boys' schools, the data shows a decrease in the number of applicants. Applications declined by 20% from 395 in 2011 to 315 in 2013. In contrast, the second table shows the number of 1st choice applications to single sex girls' schools has increased, rising by 12% from 612 in 2011 to 684 in 2013.

Maps 1 and 2, show the distribution of 1st choice applications to Bow Boys School and the nearest single sex girls School, Central Foundation Girls. In Map 1 the geographical analysis of applications for Bow Boys shows a distribution that indicates applications are from those for whom it is the nearest secondary school. The majority are from Bow East, Bow West, Bromley-by-Bow and Mile End East wards.

Map 2, shows the distribution of applications to Central Foundation School. It also shows that the majority of applications are from Bow East, Bow West, Bromley-by-Bow and the Mile End East wards. By contrast, the distribution of 1st choice to other nearby single sex schools, Stepney Boys and Mulberry Girls, shows a more widespread distribution, albeit concentrated in certain areas around the schools.

This might indicate that a large number of applicants in the Bow area are choosing their nearest school as their 1st choice, and that their applications are not necessarily motivated by the fact that it is single sex school.

Appendix 2: School rolls of mixed schools at January 2013

Mixed Secondary Schools	No. of Female	No. of Male	Total	% Female	% Male
Bethnal Green Academy	324	491	815	39.8%	60.2%
George Green's School	511	601	1112	46.0%	54.0%
Langdon Park School	426	446	872	48.9%	51.1%
Morpeth School	630	817	1447	43.5%	56.5%
Oaklands School	375	377	752	49.9%	50.1%
Raine's Foundation School	352	410	762	46.2%	53.8%
Sir John Cass Foundation and Redcoat C of E Secondary School	711	964	1675	42.4%	57.6%
St Paul's Way Trust School	412	506	918	44.9%	55.1%
Swanlea School	360	866	1226	29.4%	70.6%
Grand Total	4101	5478	9579	42.8%	57.2%

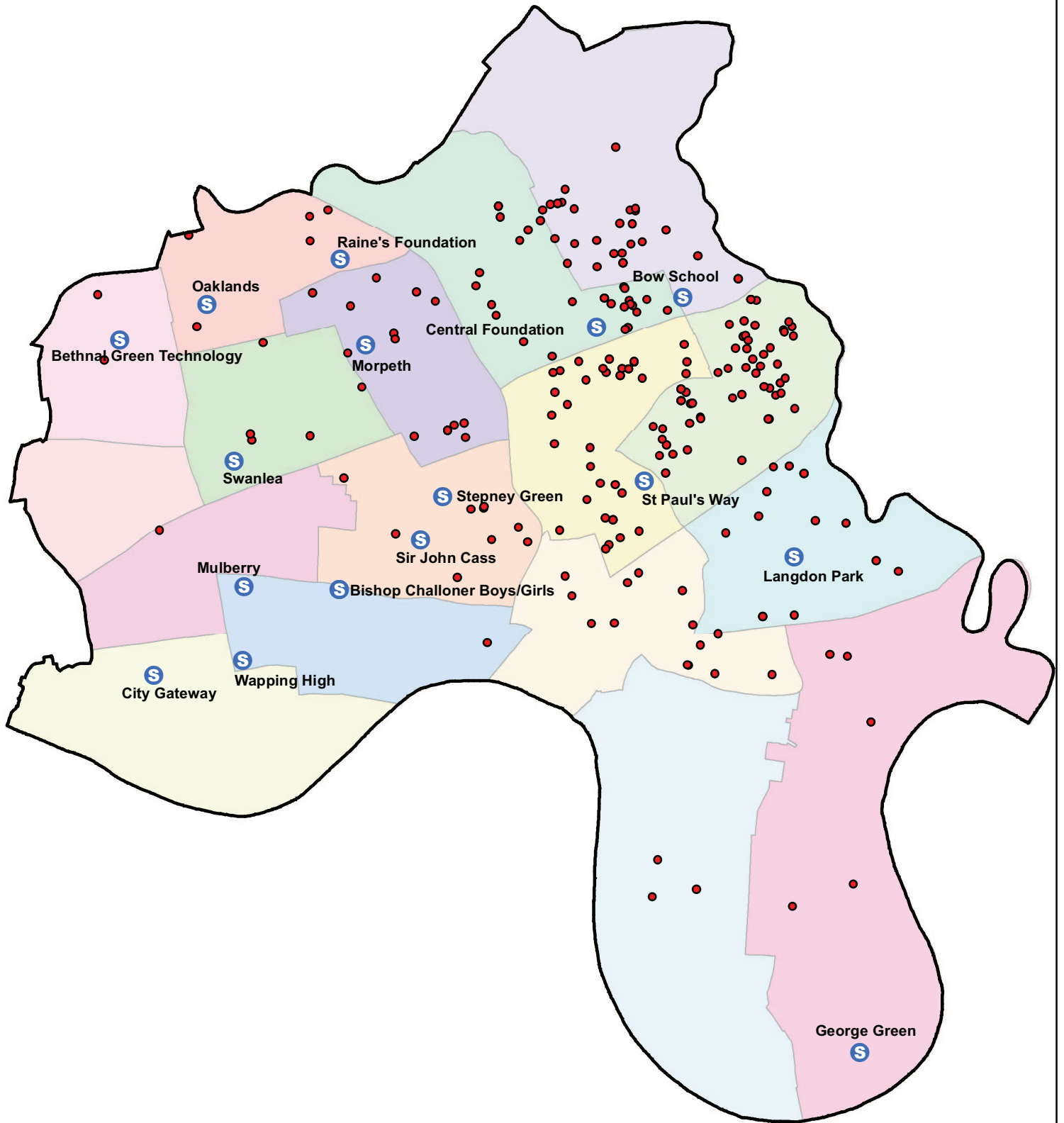
Appendix 3: Average distance travelled by pupils who secured a school place at their 1st choice secondary school in 2013

	Average Distance (m) travelled within Borough	Average Distance (m) travelled by Bow residents	Average Distance (m) travelled by Bow East residents	Average Distance (m) travelled by Bow West residents
Boys	1286.2	1759.1	2122.8	1395.4
Girls	1275.0	1716.0	2155.8	1276.1
Total average	1280.4	1746.5	2144.3	1348.7

Appendix 4: Response to the initial consultation on the Bow School proposals

	Agree	Disagree	Not sure
I agree with the proposal to expand the school to provide more places	17	1	
I agree with the proposal to admit both girls and boys to the school	14	3	1
I agree with the proposed transitional admissions arrangements	13	1	4
I agree with the proposal to transfer the school to a new site	16	1	1

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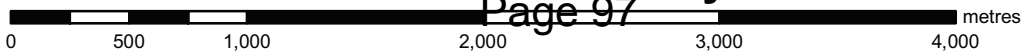


- S Secondary School
- 2013 1st preference to Central Foundation Points

Produced by Children's Information Systems: 19 June 2013



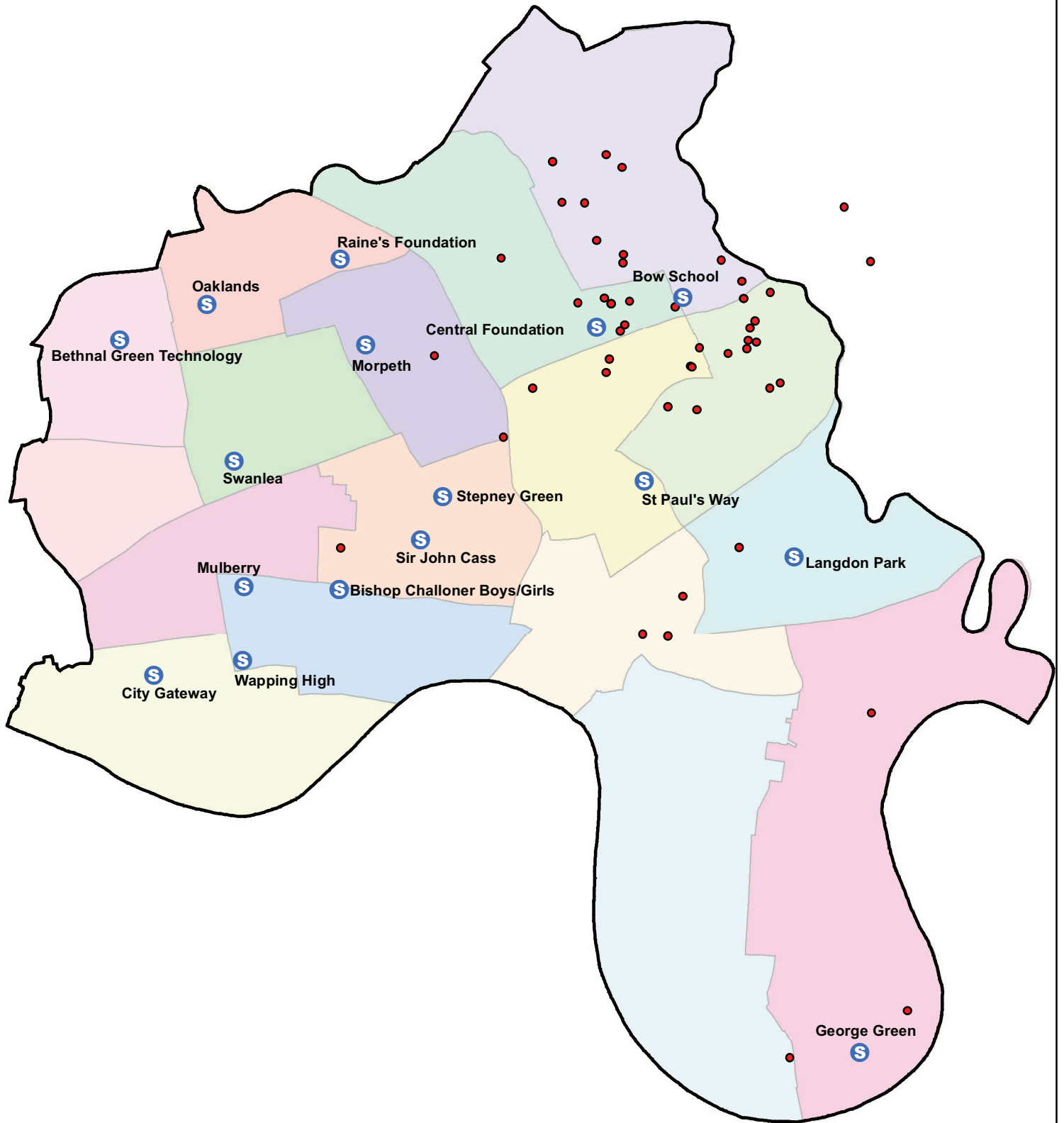
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Secondary school 1st preferences for Central Foundation 2013 by Wards



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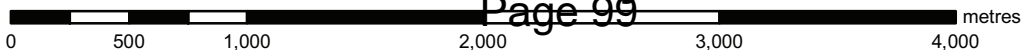
- S Secondary School
- 2013 1st preference to Bow Points

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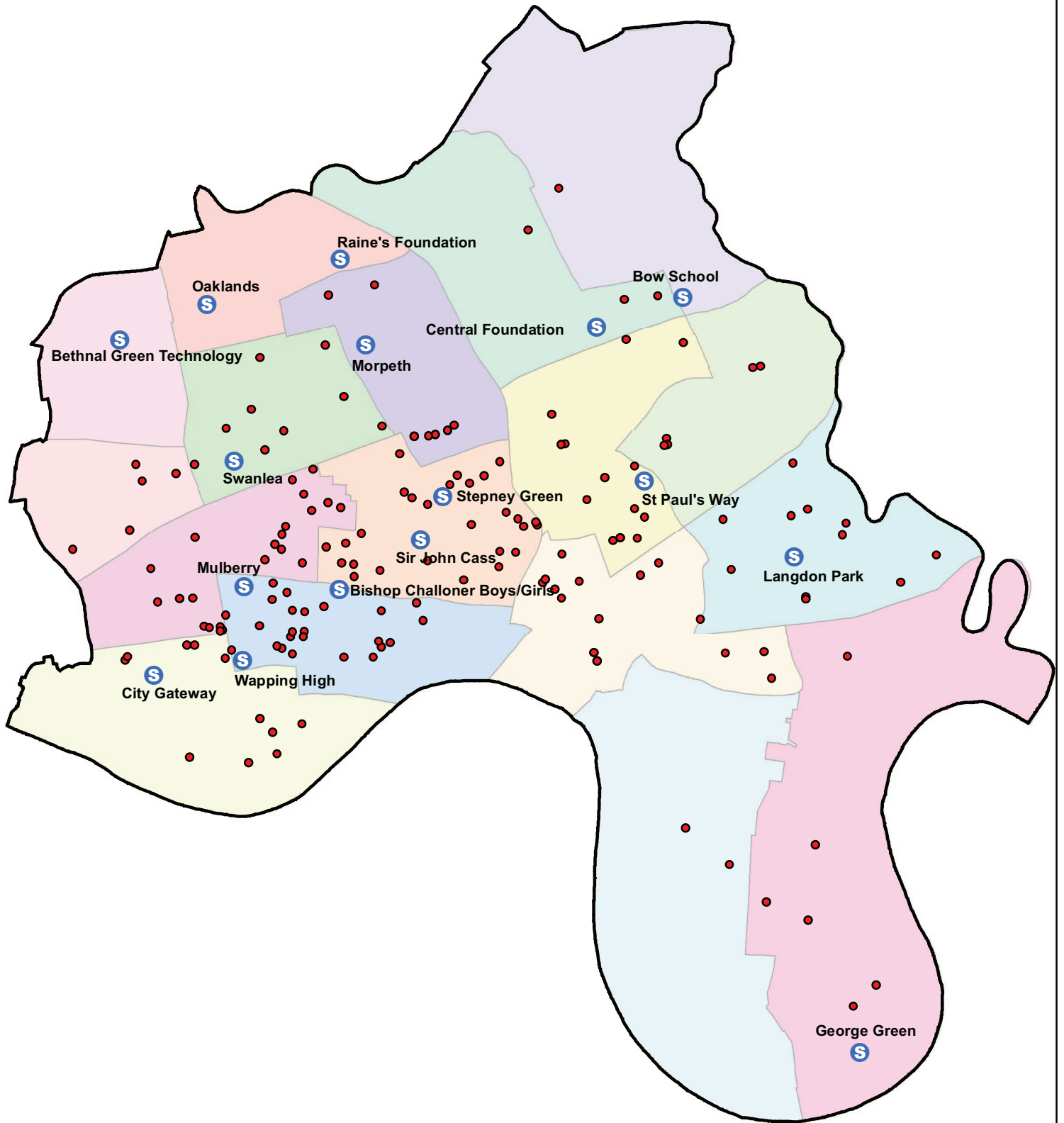
Secondary school 1st preferences for Bow School 2013 by Wards



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- S Secondary School
- 2013 1st Preference to Stepney Points

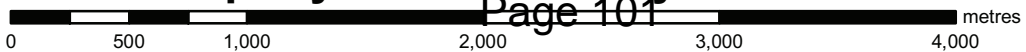
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Secondary school 1st preferences for Stepney Green 2013 by Wards

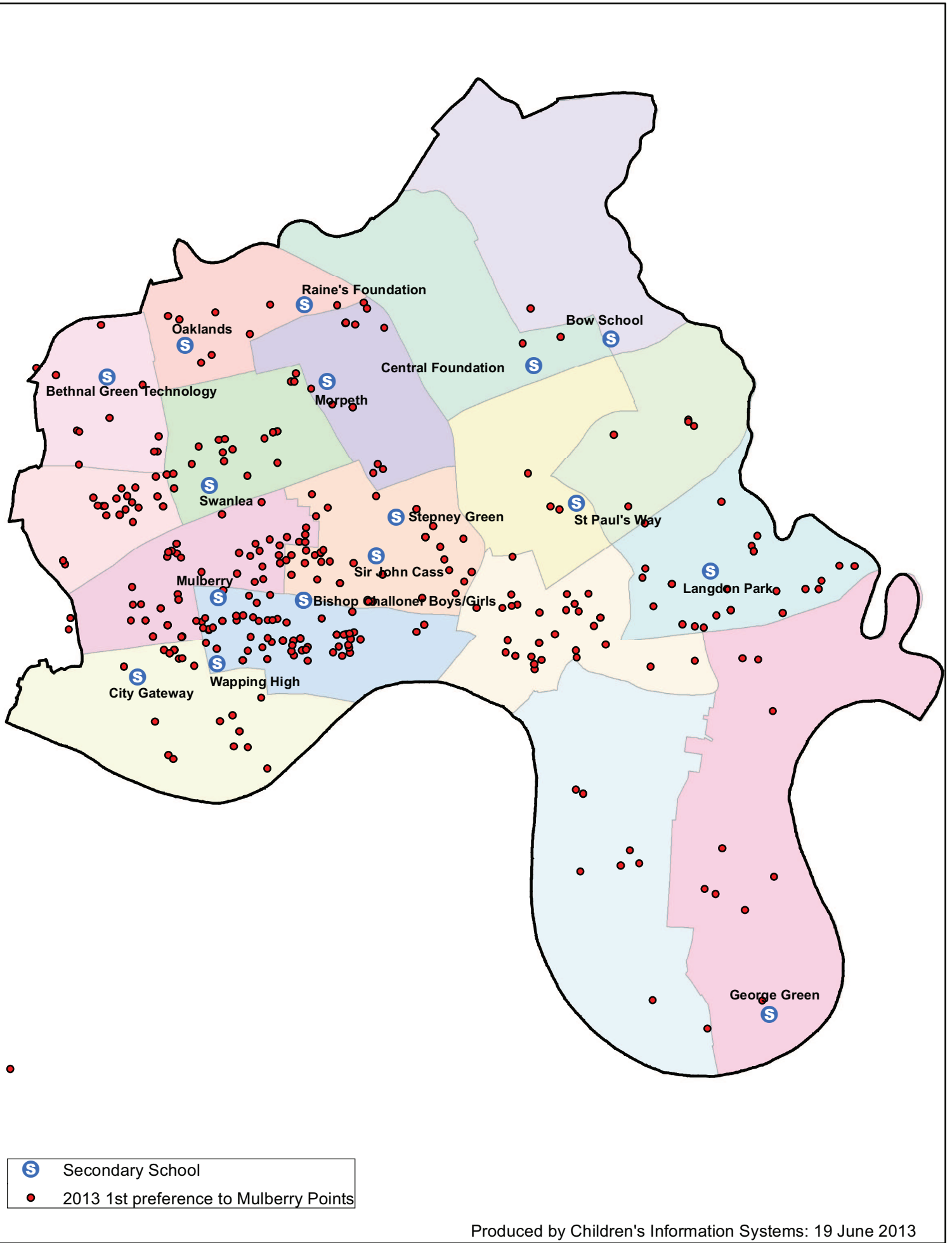
Page 101



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- S Secondary School
- 2013 1st preference to Mulberry Points

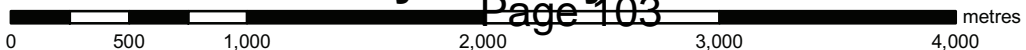
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Secondary school 1st preferences for Mulberry 2013 by Wards

Page 103



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Agenda Item 8.1

Committee/Meeting: Cabinet	Date: 31 July 2013	Classification: Unrestricted	Report No: CAB 014/134
Report of: Corporate Director: Stephen Halsey Originating officer(s) Name and title: David Tolley – Head of Consumer and Business Regulations		Title: Cumulative Impact Policy – Brick Lane Area Wards Affected: Weavers, Spitalfields and Banglatown, Whitechapel	

Lead Member	Councillor Ohid Ahmed
Community Plan Theme	A Safe and Cohesive Community
Strategic Priority	Focusing on Crime and ASB

1. **SUMMARY**

- 1.1 Under the Licensing Act 2003 the Council is required to determine its policy with respect to the exercise of its licensing functions and as part of that policy, the Council can have a special policy whereby it can designate an area within the Borough a “Saturation Zone” if it feels that the number of licensed premises is having an adverse impact on any of the Licensing Objectives (crime and disorder, noise / nuisance, public safety and harm to children).
- 1.2 The licenses that are potentially affected are alcohol ‘on’ sales (pubs and restaurants) and ‘off’ sales of alcohol (off licenses) and late night refreshment licenses, the sale of hot food or drink after 11.00pm (takeaways).
- 1.3. In partnership with the Police, it is proposed that the Council adopt a Cumulative Impact Policy (saturation zone) for the Brick Lane area on the basis of the high levels of crime, anti-social behaviour and alcohol related harm.
- 1.4. On the 5th December 2012 Cabinet agreed that the matter should progress to Public Consultation. This report presents the findings of this consultation, the context, evidence and justification for adoption and explains the process required for implementation.

2. **DECISIONS REQUIRED**

The Mayor in Cabinet is recommended to:-

- 2.1 Consider the proposed Cumulative Impact Policy and agree that it may go forward to Full Council for adoption.
- 2.2 Note that it is intended to present the Cumulative Impact Policy to Full Council on the 18th September 2013.
- 2.3 Agree that when the policy goes before full Council for adoption it will form part of the reviewed Statement of Licensing Policy.
- 2.4 Recommend that Full Council approve the Cumulative Impact Policy for the Brick Lane area.

3. REASONS FOR THE DECISIONS

- 3.1 The Council has the power to consider the cumulative impact of licensed premises in any part of the Borough and make special provision for this in its Statement of Licensing Policy.
- 3.2 The draft policy consultation results demonstrated very high levels community support for the introduction of such a policy.

4. ALTERNATIVE OPTIONS

- 4.1 Cabinet could choose not to progress the introduction of a Cumulative Impact Policy. This option would be inconsistent with the achievement of the licensing objectives .i.e. reducing crime and disorder and nuisance.
- 4.2 The adoption of the Cumulative Impact Policy will enable the current licence holders to carry on their business as they currently do. The creation of the zone will require any new licence applicants to demonstrate that they will not have an adverse impact on the area and to successfully address a rebuttal presumption against additional licenses established by the supporting policy.

5. BACKGROUND

- 5.1 The Mayor of Tower Hamlets has identified the fight against crime and anti-social behaviour as a mayoral priority. Tower Hamlets police in their role as a “Responsible Authority” under the Licensing Act 2003 for the Council have for a considerable time expressed their concern at the levels of alcohol related harm, crime, disorder and anti-social behaviour in and around the Brick Lane area.
- 5.2 Under the Licensing Act 2003 the Council in its role as a Licensing Authority may consider introducing saturation policies (known under the guidance to local authorities as “Cumulative Impact Policies”).
- 5.3 These policies can be introduced where there is a combined impact or cumulative effect of licensed premises on one or more of the four Licensing

Objectives, namely crime and disorder, the protection of children from harm, public safety or public nuisance. On the 5th December 2012 a report outlining the evidence to support such a policy in the West of the Borough was presented to Cabinet and the Mayor authorised a public consultation on the introduction of such a policy.

- 5.4 There is a requirement to specifically identify the area to be the subject of such a policy and to bring forward sufficient evidence to justify adoption of it. This work was completed and presented to Cabinet as part of the rationale to move to the public consultation stage.
- 5.5 This consultation has taken place and the results show that there is support for a Cumulative Impact Policy in the Brick Lane area. The Council could now introduce a policy that creates a presumptive rebuttal against any new and varied licences being granted.
- 5.6 The proposals do not stop applications being submitted and considered on their merits. Any applicant may be successful if it can be demonstrated to the satisfaction of the Responsible Authorities and Licensing Sub Committee that their business will not add to any of the problems that have been identified.

6. PROPOSAL, JUSTIFICATION & TIMETABLE

- 6.1 There has been an on-going dialogue between the Police and the Council concerning the creation of a Cumulative Impact Policy. Considerable evidence has been established and presented in the "Proposal for Cumulative Impact Policy for Brick Lane" document which is in Appendix One of this report.
- 6.2 The proposal explains in detail:-
- What a Cumulative Impact Zone (CIZ) is
 - The powers the Council has to introduce a CIZ
 - The limitations of a saturation policy
 - The area suggested in and around Brick Lane for the CIZ
 - The Brick Lane demographics
 - The detailed evidence that provides the justification for a CIZ.
 - Details of other saturation policies in the rest of London
 - Conclusions and recommendations
- 6.3 The justification for a saturation policy in Brick Lane can be summarised as:-
- a. There are already over 207 Licensed Premises within this small area.
 - b. The continuing high levels of violent / alcohol related in the Brick Lane Area (2011 Violent Crime 30% of all Alcohol Related Crime)
 - c. It is responsible for 8% of all crime within Tower Hamlets.
 - d. It is responsible for the highest level of complaints about street drinking
 - e. 22% of all police calls to licensed premises are in the Brick Lane Area
 - f. There are clear demonstrable links between violence against the person offences and alcohol related violence in the Brick Lane Area.
 - g. LBTH has the second highest level of ASB in London

- h. The highest rates of ASB in the Borough are in the Brick Lane Area
 - i. ASB is now decreasing in the Borough and Brick Lane Area but it still is at levels that continues to give rise to complaints from local residents
 - j. LBTH has significantly worse alcohol related harm indicators compared with regional and national averages
 - k. There is a steady increase in ambulance call outs in the Brick Lane Area
 - l. The Brick Lane Area has a vibrant and expanding night time economy which has led to a sizeable and steady increase in visitors to the area.
 - m. Considerable tensions have been built up because of the conflicting demands of the night time economy and the local residents.
- 6.4 It is therefore contended that the numbers of licensed premises have reached saturation point and there is a need to stop any further licences being issued or variations resulting in intensification being allowed in the identified area if they demonstrably add to the ASB and social problems being experienced.
- 6.5 The consultation took place between the 21st December 2012 and 22nd March 2013. Licence holders, residents groups, responsible authorities and interested networks/forum were consulted. A public event was held in Toynbee Hall to enable interested parties to discuss the proposed policy. The Council's Licensing Committee were also consulted as to the scope and effect of the proposed policy.
- 6.6 The consultation results summary is at Appendix Two and a map of the proposed zone is at Appendix Three. The total number of responses received was 165. However, not all responses answered all the questions. A total of 81.4% responses showed positive support for a Cumulative Impact Policy.
- 6.7 The key part of the Cumulative Impact Policy is the presumptive rebuttal for licences that involve on and off sales of alcohol and the sale of hot food after 11pm. The following positive responses were received to support the presumptive rebuttal of issuing licences for:
- a) The sale of alcohol for consumption within a premises e.g. restaurants, clubs – 69.9%
 - b) The sale of alcohol for consumption off the premises e.g. off licences and some pubs - 80%.
 - c) The sale of hot food after 11pm e.g. restaurants and take aways – 69.2%
- 6.8 During the consultation period a joint letter of support for the Cumulative Impact Policy was received from the Chief Officer of Tower Hamlets Clinical Commissioning Group, Public Health Director from Barts Health NHS Trust and the Interim Director of Public Health.
- 6.9 A 220 signed petition was also received from SPIRE, a local residents group, in favour of the Council adopting a Cumulative Impact Policy for the Brick Lane Area.

- 6.10 Cllr John Pierce and Cllr M Abdul Mukit provided a joint written response to the consultation supporting the Cumulative Impact Policy but having consulted the Weavers Safer Neighbourhood Team Panel would like to see the saturation zone to include the Boundary Estate and include Boundary Street, Virginia Road, Swanfield Street, Brick Lane and Shackwell Street.
- 6.11 The Licensing Committee were consulted and expressed concerns that the proposed zone might be too large by extending too far into the City fringe. It is important to note however that the licencing Committee would be entirely free to grant licences in the city fringe area if they considered the application would not result in additional problems (see 6.13 below).
- 6.12 The proposed special policy, if agreed, will amend the Statement of Licensing Policy and is outlined at Appendix Four.
- 6.13 The Cumulative Impact Policy would form part of the Council's statement of licensing policy. This would require the Council to revise its existing policy statement. Revisions to the statement of licensing policy are the responsibility of Full Council but the terms of reference of the Licensing Committee permit it to "consider the Council's statement of licensing policy." The role of the Licensing Committee is therefore to provide feedback for consideration having regard to the experience of Members in considering applications in the proposed "saturation area". If the policy is made then Members of the Licensing Committee when sitting on the Licensing Sub-committee will be the decision makers in respect of new or variation applications falling within the cumulative impact area. The effect of adopting a cumulative impact policy is to create a rebuttable presumption that applications for the grant or variation of premises licences or club premises certificates which are likely to add to the existing cumulative impact will normally be refused. The Licensing Sub-committee will consider whether the rebuttable presumption has been addressed sufficiently well by the applicant to allow a license to be granted.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 There are no specific financial implications emanating from this report. However, the service will need to ensure that the cumulative impact policy can be adopted within existing budgeted resources.

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

- 8.1 The Council is required by section 5 of the Licensing Act 2003 to determine its policy with respect to the exercise of its licensing functions, and to publish a statement of that policy. The statement of licensing policy operates for a period of three years (in future it will be five years following a change in the law), during which time the Council must keep it under review and make such revisions to the policy as are considered appropriate.

- 8.2 Cumulative impact is not mentioned specifically in the Licensing Act 2003. The Secretary of State has, however, issued guidance under section 182 of the Act, which deals with cumulative impact. The Council must have due regard to the statutory guidance in exercising its licensing functions (Licensing Act 2003, section 4(3)).
- 8.3 According to the statutory guidance, cumulative impact means “the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area”. The cumulative impact of licensed premises on the promotion of the licensing objectives is a proper matter for the Council to consider in developing its licensing policy statement. The statutory guidance gives an indication of types of cumulative impact, which focus on nuisance, disorder and crime in areas where the number, type or density of premises selling alcohol is high or exceptional, resulting in a concentration of large numbers of drinkers.
- 8.4 A saturation policy or cumulative impact policy would form part of the Council’s statement of licensing policy. This would require the Council to revise its existing policy statement. Before revising the policy, the Council is firstly required to consult with persons specified in section 5(3) of the Licensing Act. This report advises as to the consultation and Appendix 2 sets out the results summary.
- 8.5 Revisions to the statement of licensing policy are the responsibility of full council. The statement of licensing policy forms part of the budget and policy framework in Article 4 of the Council’s Constitution and revisions to it should be brought forward in accordance with the Budget and Policy Framework Procedure Rules. This will involve consultation with the Overview and Scrutiny Committee. For reasons described in the report, the Licensing Committee will also have an opportunity to comment on the proposed policy.
- 8.6 The statutory guidance provides that there should be an evidential basis for the decision to include a special policy within the statement of licensing policy. In that regard, local community safety partnerships and responsible authorities, such as the police and the local authority exercising environmental health functions, may hold relevant information which can be used to establish the evidence base for introducing a special policy relating to cumulative impact into their licensing policy statement. Evidence to show cumulative impact of licensed premises on the promotion of the licensing objectives may include:
- Local crime and disorder statistics, including statistics on specific types of crime and crime hotspots;
 - Statistics on local anti-social behaviour offences;
 - Health-related statistics such as alcohol-related emergency attendances and hospital admissions;
 - Environmental health complaints, particularly in relation to litter and noise;
 - Complaints recorded by the local authority, which may include complaints raised by local residents or residents’ associations;

- Residents' questionnaires;
- Evidence from local councillors; and
- Evidence obtained through local consultation.

8.7 Relevant evidence has been gathered and the material relied upon in preparation of the cumulative impact statement is set out in Appendix 1. Paragraph 4.3 of the report summarises the material considered to justify the making of the policy. The Council may conclude that this material justifies the making of a cumulative impact statement in the terms proposed.

8.8 When preparing revisions to its statement of licensing policy, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. An equality analysis has been conducted which may inform the Council's consideration of the proposed cumulative impact statement.

9. ONE TOWER HAMLETS CONSIDERATIONS

9.1 An equalities impact assessment has been undertaken and no adverse impacts have been identified. (Appendix Five)

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

10.1 There are no adverse impacts identified.

11. RISK MANAGEMENT IMPLICATIONS

11.1 There are no identified risks, current licence holders and their current terms of business are not affected. Any new application, if representations are made, will still be determined by the Licensing Sub – Committee and subjected to the procedures of that Sub-Committee.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

12.1 The Appendix to the report identifies the current crime and anti-social behaviour statistics. As discussed in the report the adoption of a cumulative impact zone should have a downward pressure on the number of crime and anti-social behaviour incidents and complaints.

13. EFFICIENCY STATEMENT

13.1 The costs of monitoring the cumulative impact zone will be contained within those delivering the current monitoring regime.

14. APPENDICES

Appendix One: Proposal for Cumulative Impact Policy for Brick Lane Area

Appendix Two: Consultation Results Summary

Appendix Three: Proposed Saturation Zone

Appendix Four: Statement of Licensing Policy amendment

Appendix Five: Equality Impact Assessment and Checklist

Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012
List of “Background Papers” used in the preparation of this report

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
None	N/A

Appendix One

Proposal for Cumulative Impact Policy for Brick Lane Area

1.0 What is a Cumulative Impact Policy and what powers does the Council have

- 1.1 Under the Licensing Act 2003 the Council has to have and review a “Statement of Licensing Policy” which details how it will administer and enforce the provisions of the Act.
- 1.2 The Council has the power to consider the “cumulative impact” of licensed premises in any part of the Borough and make special provision for this in its Statement of Licensing Policy. Cumulative impact means the potential impact on the promotion of the licensing objectives of a significant number of licensed premises concentrated in one area.
- 1.3 The Licensing objectives are:-
- The prevention of crime and disorder.
 - Public safety.
 - The prevention of public nuisance.
 - The protection of children from harm.
- 1.4 If the Council identifies a concern linked to a Licensing Objective it may choose to start the process towards adopting a special policy for a Cumulative Impact Zone. The process of adopting a policy is as follows:-
- a. Gather evidence and demonstrate issues are happening and are caused by customers of licensed premises or identify that the risk of cumulative impact is imminent
 - b. Define boundaries / area where problems are occurring
 - c. Consult with responsible authorities, affected businesses and residents
 - d. Determine and publish in statement of Licensing Policy
- 1.5 The effect of adopting a special policy for a Cumulative Impact Zone is to create a “rebuttable presumption” that applications for new premises licences or club premises certificates or variations that are likely to add to the existing cumulative impact will normally be refused, following relevant representations. If however the applicant can demonstrate in their operating schedule that there will be no negative cumulative impact on one or more of the licensing objectives, their application could be granted.
- 1.6 However, a special policy must stress that this presumption does not relieve responsible authorities or interested parties of the need to make a relevant representation, referring to information which had been before the licensing authority when it developed its statement of licensing policy, before a licensing authority may lawfully consider giving effect to its special policy.

- 1.7 If there are no representations to an application when a special policy is in force, the licensing authority must grant the application in terms that are consistent with the operating schedule submitted. It is also a requirement that special policies should be regularly reviewed to ensure they are still relevant and needed.
- 1.8 The guidance for Local Authorities which advises on the application of its powers under the Licensing Act 2003 is clear about the limitations about the extent of cumulative impact. It advises the following:-
- a. Cumulative impact as it relates to the Licensing does not relate to need. This is an issue that is dealt with through the Planning process.
 - b. Special Policies must not be used to revoke a licence. Revocation must take place after an individual licence review.
 - c. Special Policies must not impose quotas
 - d. Other mechanisms both within and outside the remit of the licensing regime should be recognised for controlling cumulative impact
 - e. Special Policies must not state a blanket terminal hour
 - f. Special Policies must never be absolute - individual circumstances must always be considered
- 1.9 The guidance also advises that other mechanisms both within and outside the remit of the licensing regime should be recognised for controlling cumulative impact. Examples of these are:-
- a. Planning controls.
 - b. Positive measures to create a safe and clean town centre environment in partnership with local businesses, transport operators and other departments of the local authority.
 - c. The provision of CCTV surveillance in town centres, ample taxi ranks, provision of public conveniences open late at night, street cleaning and litter patrols.
 - d. Powers of local authorities to designate parts of the local authority area as places where alcohol may not be consumed publicly.
 - e. Police enforcement of the general law concerning disorder and anti-social behaviour, including the issuing of fixed penalty notices.
 - f. The prosecution of any personal licence holder or member of staff at such premises who is selling alcohol to people who are drunk.
 - g. The power to confiscate alcohol in public places across the borough (Drinking Control Zone).
 - h. Police powers to close down instantly for up to 24 hours any licensed premises or temporary event on grounds of disorder, the likelihood of disorder or noise emanating from the premises causing a nuisance.
 - i. The power of the police, other responsible authorities or a local resident or business to seek a review of the licence or certificate in question.
 - j. Other local initiatives that similarly address these problems.
- 1.10 The Council have introduced many measures to deal with Crime and Disorder within the Borough namely:

- a) Investment with the police to create the Partnership Task Force, 21 Officers
- b) Second round of 18 Police Officers to commence in November 2012
- c) Creation of the Police Town Centre Team
- d) Introduction of a Drinking Control Zone
- e) Introduction of the Tower Hamlets Enforcement Officers who from September 2011 to August 2012 made 2146 alcohol seizures, an 89 per cent rise on the previous year. They also made 115 street urination prosecutions and served 20 Noise abatement notices over the last 12 months in Brick Lane and the surrounding area.
- f) Licensing reviews undertaken and extra conditions imposed on licences to reduce anti social behaviour.

2.0 Cumulative Impact Proposals for the Brick Lane Area

- 2.1 The Police in Tower Hamlets have expressed a desire to formulate a special policy on cumulative impact for Brick Lane and its immediate environs.
- 2.2 Over the last decade, Brick Lane has developed into one of London's major night time economies. Brick Lane attracts not only Londoners to the area but many tourists, especially young foreign students who have read about the vibrant night life in and around the Truman Brewery. Others are attracted by the many curry restaurants in the street.
- 2.3 Brick Lane and its environs have the highest concentration of licensed premises in Tower Hamlets. This continued development and increased number of restaurants, late night takeaways, off licences and bars, have now placed a considerable strain on police resources and also that of other responsible authorities.
- 2.4 This has lead to alcohol related violence, public disorder and anti-social behaviour (ASB). Some may be considered "low level" ASB but actions such as urinating in the street or groups of foreign students playing drums into the early hours of the morning has a debilitating effect on the local residents and blights their home lives.
- 2.5 A special policy on cumulative impact is an important strand in a range of policies to promote and support the delivery of three of the four licensing objectives, namely:-
 - a. The prevention of crime and disorder
 - b. The prevention of public nuisance
 - c. Public safety
- 2.6 The Police in Tower Hamlets advocate that the proposed policy would include all licensed premises. It is not usual to include off licences in a special policy but there is an association in Brick Lane that off licences are linked to some of the disorder in the area. There are nine off licences in the area. Some of

these are open after the nearby pubs and clubs have closed. As a result, people congregate outside the premises and the continued access to alcohol only increases ASB. It often leads to people sitting in surrounding streets disturbing the residents whether it is by continuing their partying or committing disorder. Although a special policy will not directly affect the current off licences in this area, it will play a very important role in any future applications including variations. This is similarly true of late night eateries, especially chicken shops.

- 2.7 The Borough's Police would like a special policy to be adopted for the Brick Lane area. It will maintain a balance between the importance of the night time economy and the concerns of the Metropolitan Police and local residents.
- 2.8 Whilst it is important to support a vibrant economy in Tower Hamlets the balance has to be struck between an uncontrolled expansion of licensed premises and what follows and the need to ensure public safety, quality of life for local people and prevention of crime and disorder.
- 2.9 It is clear that over recent years the development of Brick Lane into a tourist attraction has seen considerable investment to draw people into the night economy. With this comes large numbers of visitors, crowded places and a crime hotspot with issues related to alcohol. This needs to be managed at a strategic level and the special policy proposal would be an essential tool in focusing attention on getting the balance right.

3.0 Context, Scope and Evidence

- 3.1 The evidence provided to support this proposal has been produced by the Police and the Council's Safer Communities Services.
- 3.2 The evidence provided is as follows:-
- a. An overview of the premises licensed under the Licensing Act 2003 across the Borough
 - b. The proposed area where the special policy for cumulative impact will apply
 - c. Brick Lane demographics
 - d. Comparative crime statistics for the Brick Lane area to show trend and hot spots.
 - e. Links with violent crime in wards surrounding Brick Lane
 - f. Comparative Anti Social Behaviour statistics for the Brick Lane Area
 - g. Comparative Alcohol Related Harm statistics
 - h. Current CIZ's in London.

4.0 Licensing Overview for Tower Hamlets

- 4.1 Tower Hamlets has an area of just over 19 sq km. It is the 6th smallest Local Authority area in England and London. Located within Tower Hamlets are **909**

venues with premise licenses and these venue types can be broken down into the following categories;

Licensed Premises in Tower Hamlets	
Premises Category	Number of Premises
Church / Community Organisations	7
Members / Social / Sports Clubs	26
Pub / Night Club / Wine Bar	190
Restaurant / Café	312
Nightclub	9
Off Licences / Grocers / Shops	245
Hotel / Arts / Cinema / Conference	48
Office / Catering / Commerce	28
Takeaways	39
Educational	8
Other	22
Total	909

- 4.2 The two main geographical areas for licensed premises are concentrated are the Brick Lane and Canary Wharf Areas.
- 4.3 The map below (Figure 1) shows the location of the licensed premises within Tower Hamlets with the two key high concentration locations of **Brick Lane** (blue area) and **Canary Wharf** (green area) highlighted.

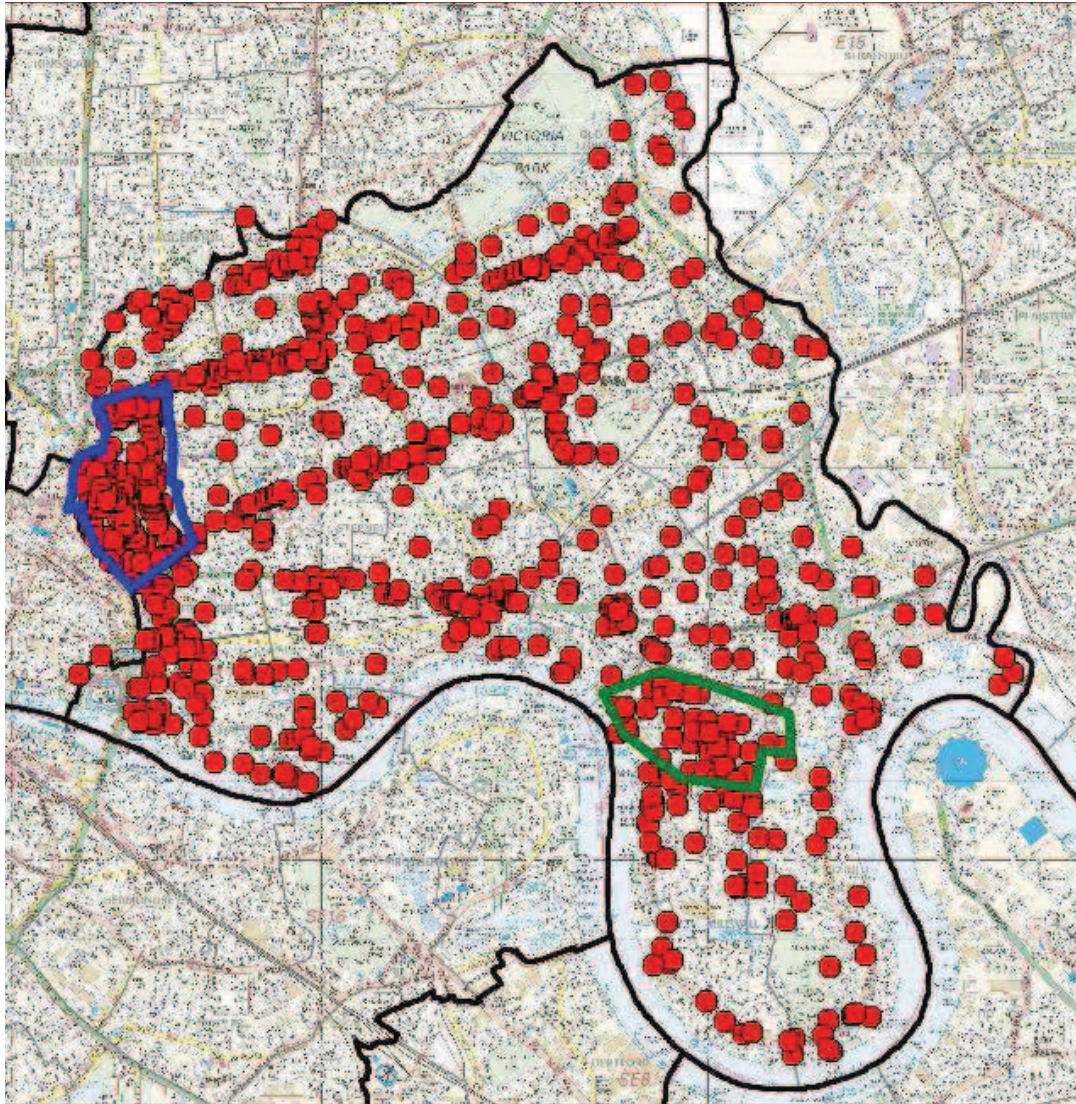
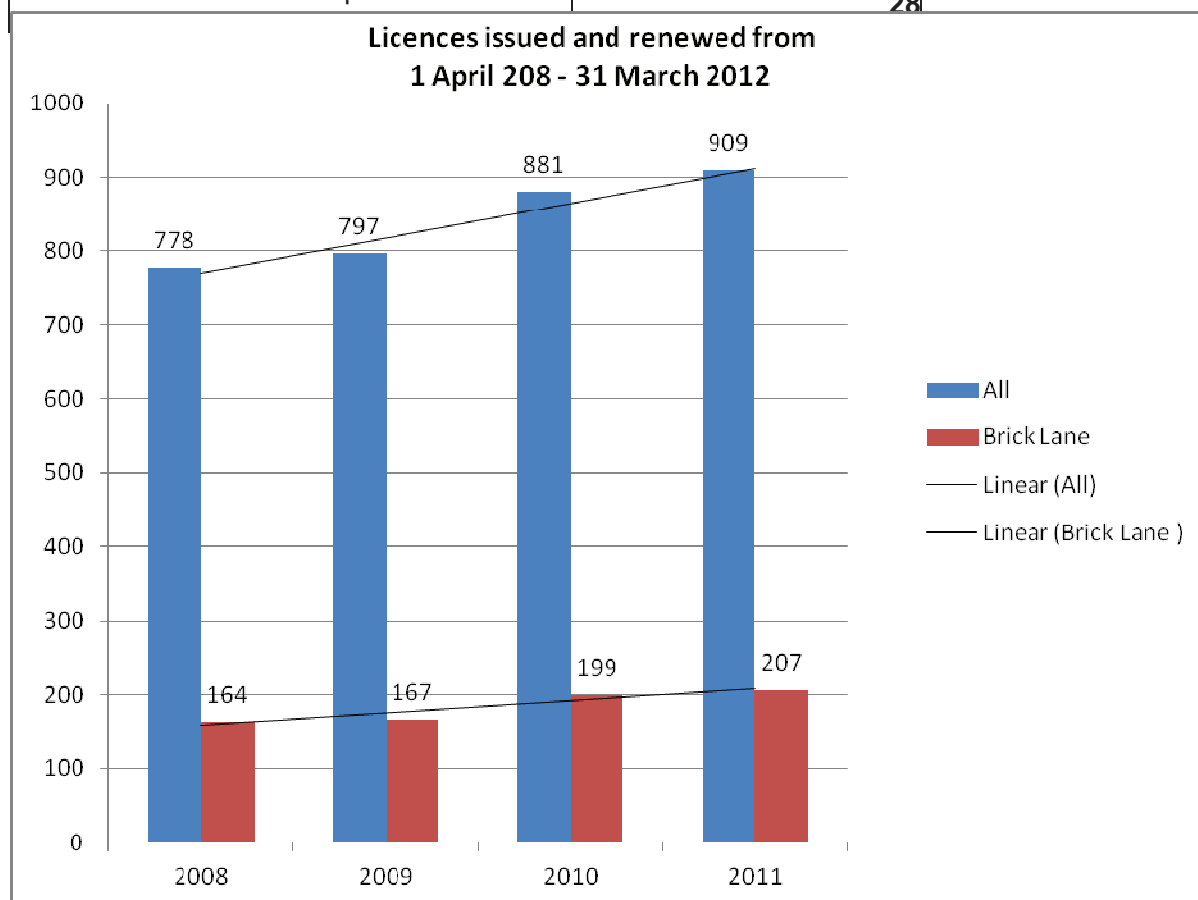


Figure 1

4.4 The **207** premises in the proposed Brick Lane Saturation Zone can be broken down into the following categories.

Licensed Premises in the Brick Lane Saturation Area	
Premises Category	Number of Premises
Church / Community Organisations	4
Members / Social / Sports Clubs	1
Pub / Night Club / Wine Bar	31
Restaurant / Café	117



Hotel / Arts / Cinema / Conference	14
Office / Catering / Commerce	0
Takeaways	4
Educational	3
Other	0
Total	207

4.5 The proposed saturation area accounts for 22.8% of all licensed premises in the Borough. The proposed saturation area is 2.85% of the total area of the Borough.

4.6 The chart below (Figure 2) shows that the number of annual premises licences that are operational for the Borough and in the Brick Lane area. The number of licences is shown to be steadily increasing both in the Borough as a whole and in the Brick Lane area

(Figure 2)

5.0 The Proposed Brick Lane Cumulative Impact Zone

- 5.1 The proposed Cumulative Impact Zone area is detailed in the map below (Figure 3). The map shows all of the premises (red dots) currently licensed under the Licensing Act 2003 in the Brick Lane Area. The proposed area is defined by the blue line.



Figure 3

6.0 Brick Lane Profile-

- 6.1 In the north west of Tower Hamlets are the busy commercial and residential wards of Weavers and Spitalfields & Banglatown. Brick Lane runs down the spine of these two wards. Brick Lane's thriving night time economy is its main attraction to visitors from within and outside the Borough.
- 6.2 Brick Lane houses a large number of licensed venues, clubs and restaurants, predominantly clustered around the Truman Brewery, drawing large crowds. Its proximity to the City's commercial centre means that the population of this

area can increase dramatically after offices close. In addition, large volumes of tourists visit the area during peak summer months.

- 6.3 There are several key transport hubs in the area making Brick Lane and its immediate environs readily accessible. The main access point is Liverpool Street train and underground stations which draw an increasingly high volume of people from across the UK with over 57 million using the train station alone during 2007/08 [Office of Rail Regulation statistics] linking to commuters and airports. In addition, there is a nearby underground station at Aldgate East. In May 2010, a new underground station opened at the northern end of Brick Lane (Shoreditch High Street – East London Line) which is linked to the London overground network.
- 6.4 This is likely to increase the number of visitors to the area.
- 6.5 The southern half of Brick Lane is populated with restaurants, many serving as licensed premises. Touting remains a problem in these areas with some of these venues employing ‘touts’ to persuade customers inside.
- 6.6 There is also evidence of links between this Touting activity, drug dealing and violent crime.
- 6.7 Brick Lane and Spitalfields has been a centre for prostitution in London for centuries and during 2009-2010, the area around Commercial Road accounted for the majority of prostitution related offences on the Borough.

7.0 **Overview of Alcohol Related and linked Crime in the Brick Lane Area**

- 7.1 There is a well established link between alcohol and violent crime. This manifests in higher levels of violent crime where there is a strong night time economy and higher levels of alcohol consumption.
- 7.2 The hotspot maps (Figure 4 and 5) below show Street Drinking complaints to the Police for the periods, April 2010– March 2011 and April 2011– March 2012 shows 3 main hotspots with the largest and most noticeable in the proposed Brick Lane Cumulative Impact Zone. The proportion of the Borough’s total calls for the Brick Lane area was for the two periods 13% and 12% of the complaints received.

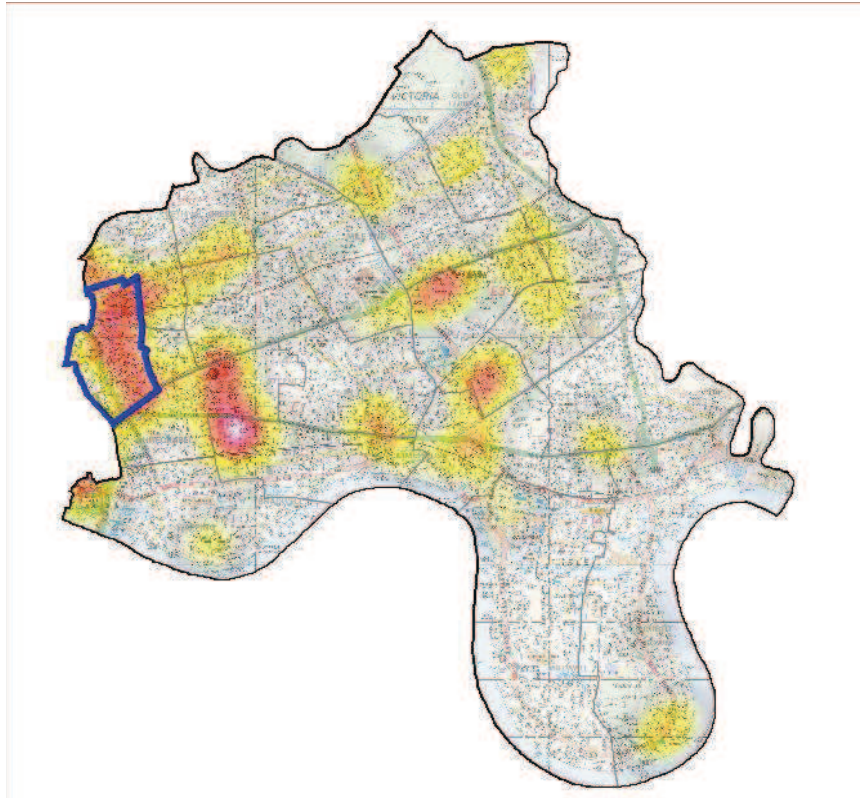


Figure 4

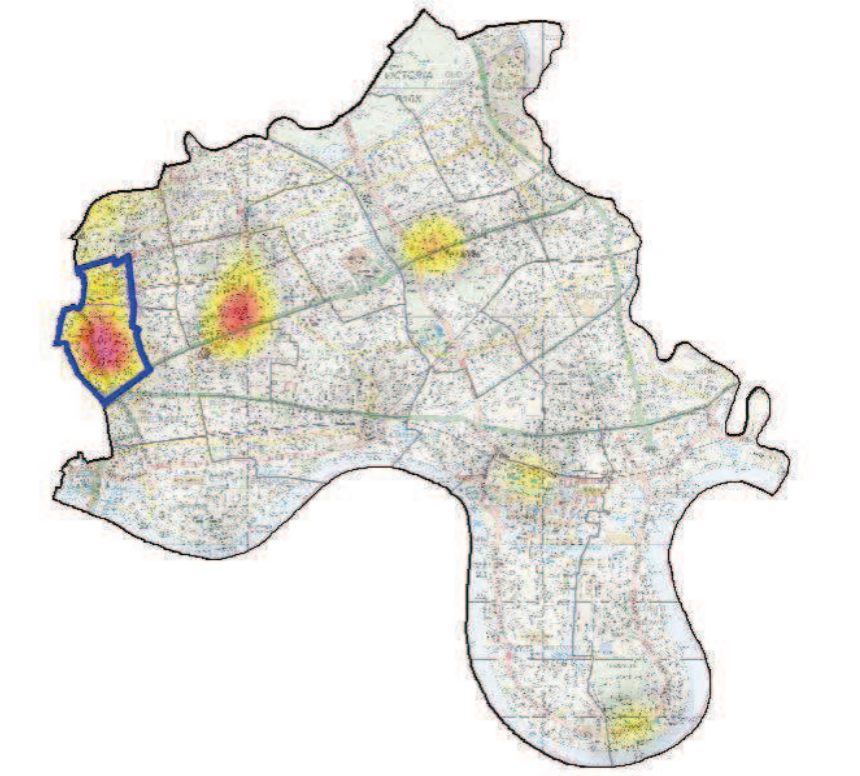


Figure 5

7.3 The next hotspot maps (Figures 6 and 7) for the Borough shows calls made to the Police about Licensed premises for the periods April 2010 – 2011 and April 2011 – March 2012. The proportion of total calls in the Borough calls

emanating from premises in the proposed Brick Lane Cumulative Impact Zone for these periods were 18 and 22% respectively.

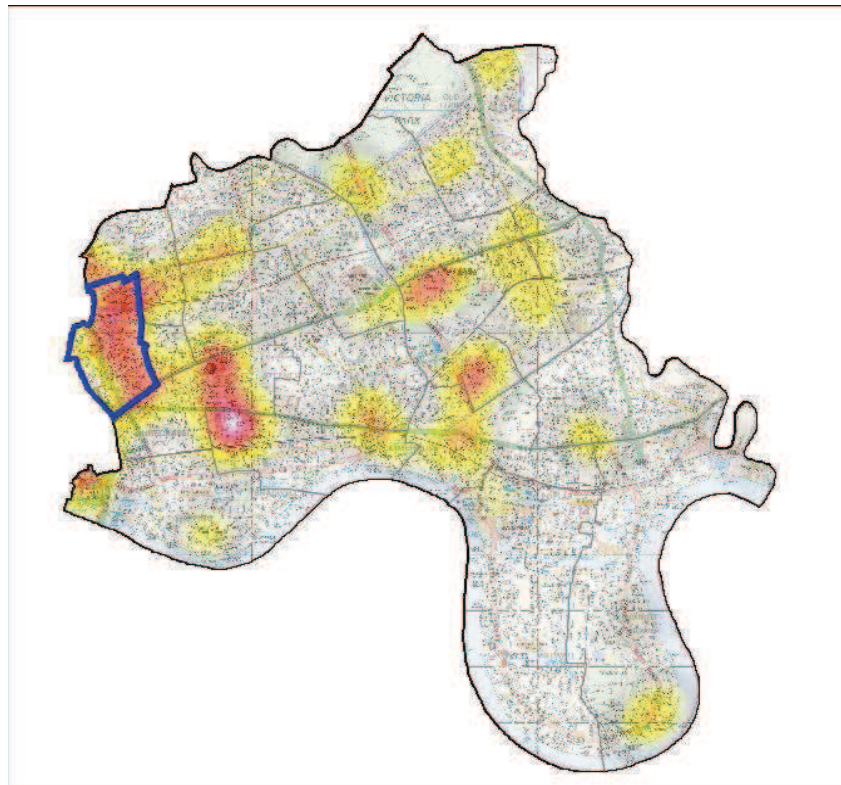


Figure 6

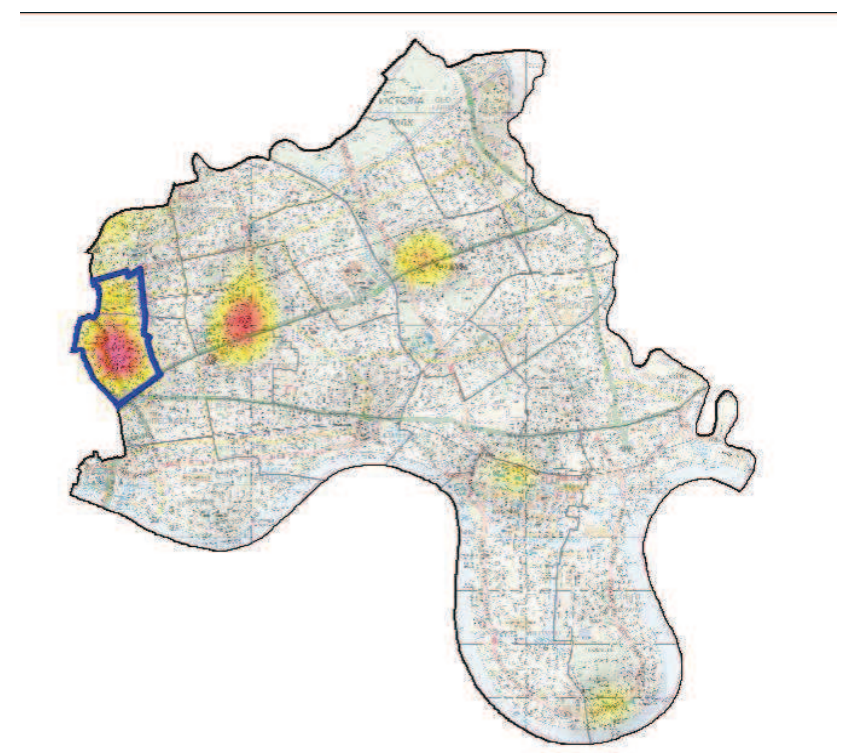


Figure 7

7.4 The map below (Figure 8), produced by the Police, shows the wards with the highest rates for Violence Against the Person (VAP) offences for the period April to March 2012. The busiest ward for VAP was Bethnal Green South. Other busy wards were Whitechapel, Spitalfields & Banglatown (circled) and East India & Lansbury, Millwall and Limehouse. This map is also reflective of the past five financial years with Bethnal Green South the busiest ward for these periods. It is apparent that the wards that contain and surround the Saturation Policy Area are the busiest wards for violence against the person offences. There are clear demonstrable links between violence against the person offences and alcohol related violence in the Brick Lane Area,

Figure 8

7.5 A study of the proposed Saturation Policy area was conducted to look at crimes within the area for the following time periods, calendar years 2007, 2008, 2009 2010 and 2011.

7.6 Six crime types were looked at for these periods to see if increases had been seen in the area during this five year period. The crime types looked at were:-

- a. Total Notifiable Offences (all offences)
- b. Criminal Damage
- c. Drug Offences
- d. Robbery
- e. Sexual Offences
- f. Violence Against the Person

7.8 The graph (Figure 9) below shows all Notifiable Offences. Apart from a peak in 2007 there has been a steady year on year increase from 2008

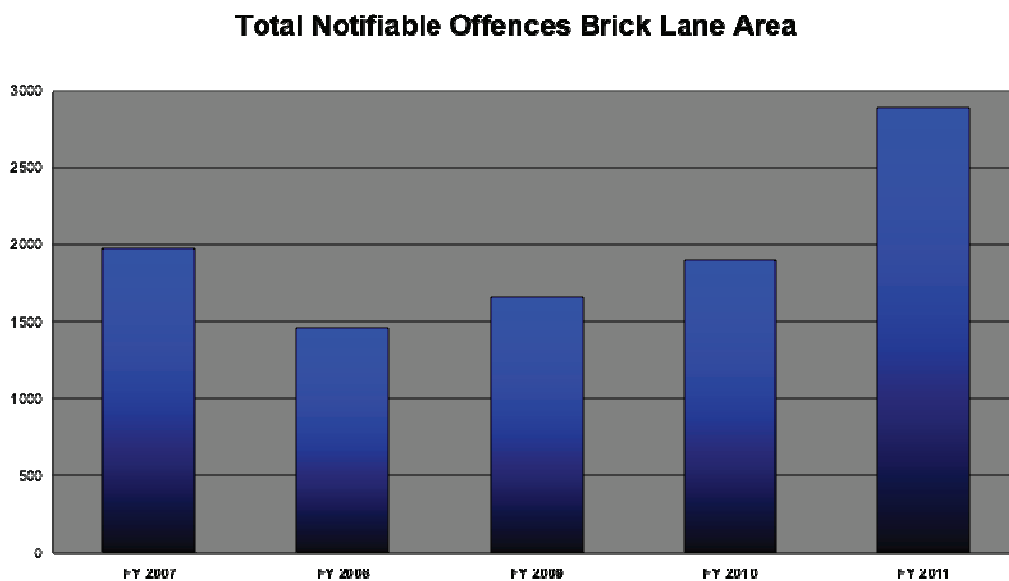


Figure 9

- 7.9 The graphs below (Figures 10,11,12, 13 and 14) show the criminal damage, drug, robbery sexual and violence against the person offences for the Brick Lane saturation area. The data shows that :-
- Since 2008 criminal damage offences have increased year on year.
 - Since 2007 drug related offences have dramatically increased
 - In 2011 there was a dramatic increase in robberies
 - Apart from a significant decrease in 2010 there has been a steady increase in sexual related offences
 - Since 2007 there has been a steady rise in violence against the person offences

Criminal Damage Offences Brick Lane Area

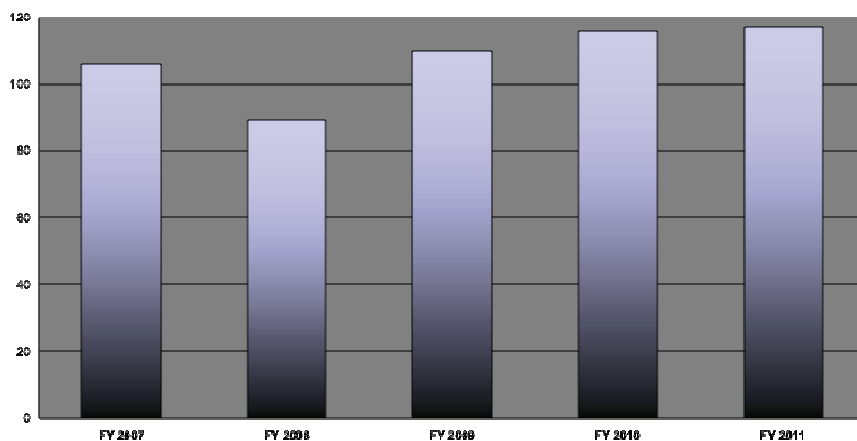


Figure 10

Drugs Offences Brick Lane Area

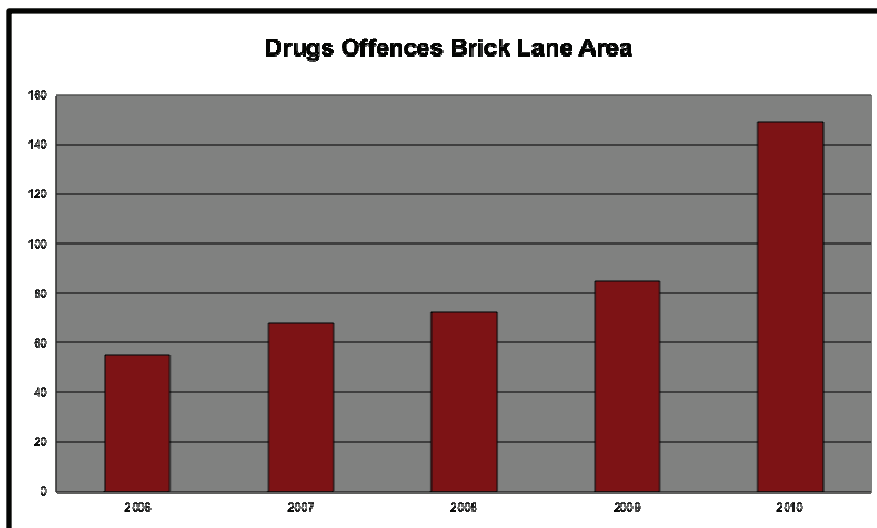


Figure 11

Robbery Offences Brick Lane Area

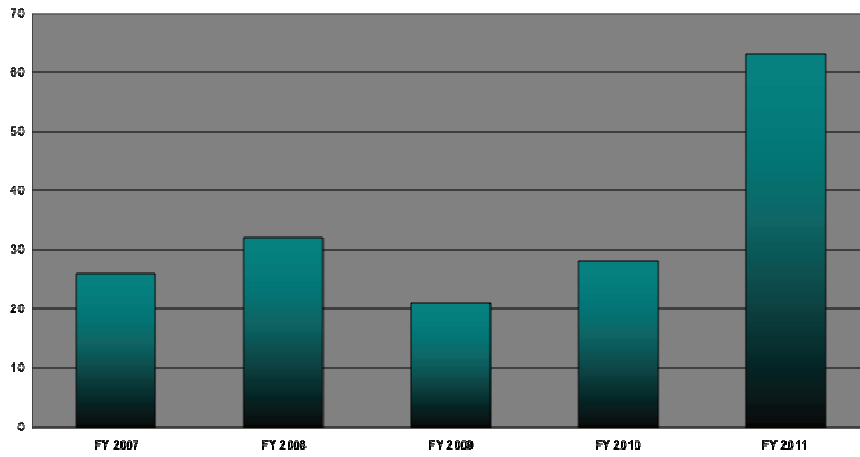


Figure 12

Sexual Offences Brick Lane Area

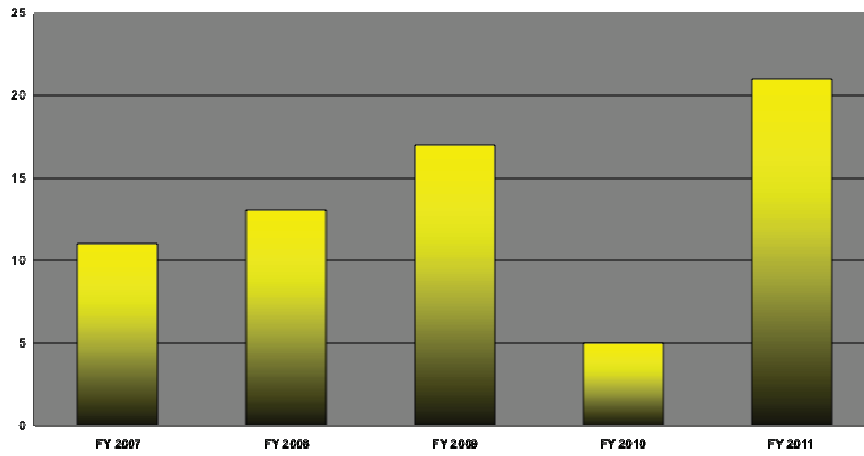


Figure 13

Violence Against the Person Offences Brick Lane Area

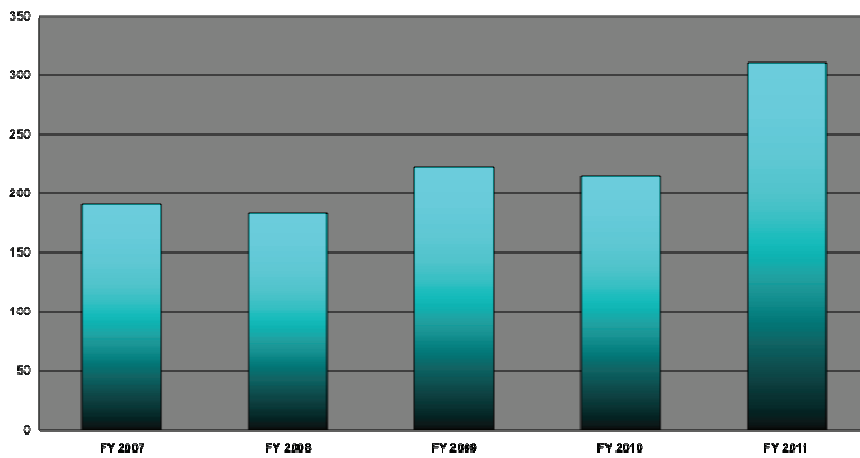


Figure 14

8.0 Overview of Anti Social Behaviour in the Brick Lane Area

8.1 The most recent data from the Police shows that Tower Hamlets has experienced decrease in complaints to the Police about Anti Social Behaviour. The chart below (figure 15) shows the different ASB categories and the respective changes (RED = increase, GREEN = decrease). In 2011/12 there was nearly a 12% reduction in complaints. However overall the level of ASB complaints remain quite high.

ASB Category	2010/2011	2011/12	% change
Abandoned vehicles	340	175	-49%
Animal Problems	614	238	-61%
Begging / Vagrancy	339	267	-21%
Fireworks	219	309	41%
Littering / Drugs Paraphernalia	64	41	-36%
Malicious Communications	1591	1592	0%
Noise	1199	1280	7%
Nuisance Neighbours	1737	1357	-22%
Prostitution Related Activity	266	231	-13%
Rowdy / Inconsiderate Behaviour	16690	14889	-11%
Street Drinking	276	75	-73%
Trespass	253	241	-5%
Vehicle Nuisance / Inappropriate Use	738	749	1%
	24326	21444	-11.85%

Figure 15

8.2 The two maps (Figure 16 /17) below from LBTH Safer Communities data shows a 24 month (April 2010 to March 2012) Anti Social Behaviour Hotspot Map with the location of Pubs/Bars shown. The maps demonstrate the link between the concentration of licensed premises in the Brick Lane area and the highest rates of Anti Social behaviour

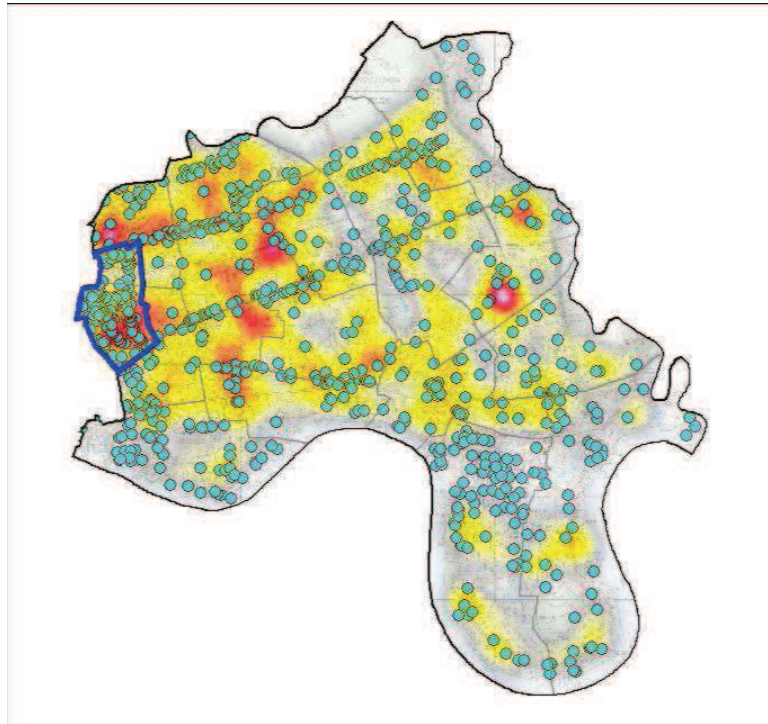


Figure 16

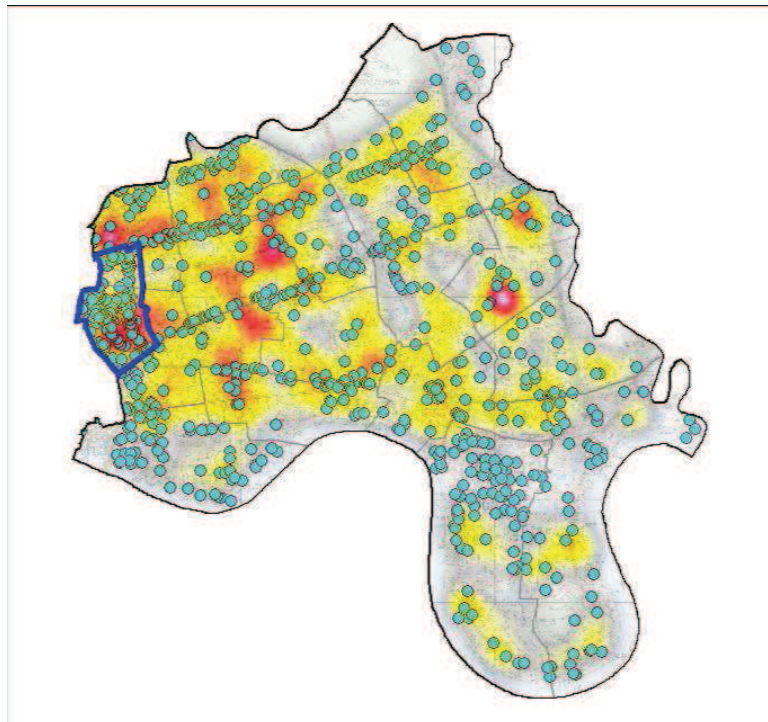


Figure 17

4. Data from the LBTH Anti-Social Behaviour Hotline also supports and correlates with the Police CAD. The graph below (Figure 18) demonstrates the steady and significant increase in Anti-Social Behaviour Calls from 2009 –March 2011. From April 2011 to March 2012 however there has been a decline in ASB complaints. This is in the main due to the implementation of the Borough’s Drinking Control Zone and the increased high visibility enforcement of the Police and the Tower Hamlets Enforcement Officers

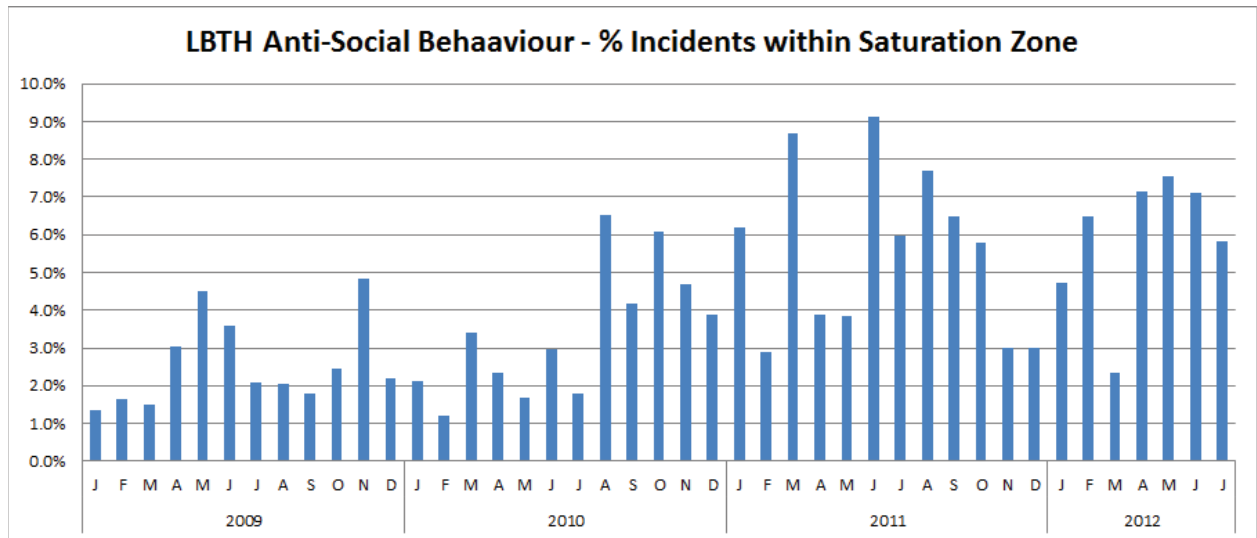


Figure 18

- 8.4 Due to the high concentration of licensed premises, the continued development and increasing number of restaurants, late night takeaways, off licences and bars there continues to be a significant levels of Anti-Social behaviour within the Brick Lane area.
- 8.5 Although a CIZ will not directly affect the current venues in this area, it will play a very important role in any future applications including variations and a key strand within the CIZ is the prevention of public nuisance.

9.0 Alcohol Related Harm in the Brick Lane Area

9.1 This chart below (Figure 19) shows Tower Hamlets' measure for each indicator for Alcohol Related Harm, compared with the regional and English averages. When looking at specific measures, Tower Hamlets shows a significantly worse prevalence in the following categories;

- Alcohol Specific Male Hospital Admissions
- Alcohol Attributed male Hospital Admissions
- Admission Episodes for Alcohol Attributed Conditions
- Alcohol Related Recorded Crimes
- Alcohol Related Violent Crimes
- Alcohol Related Sexual Offences

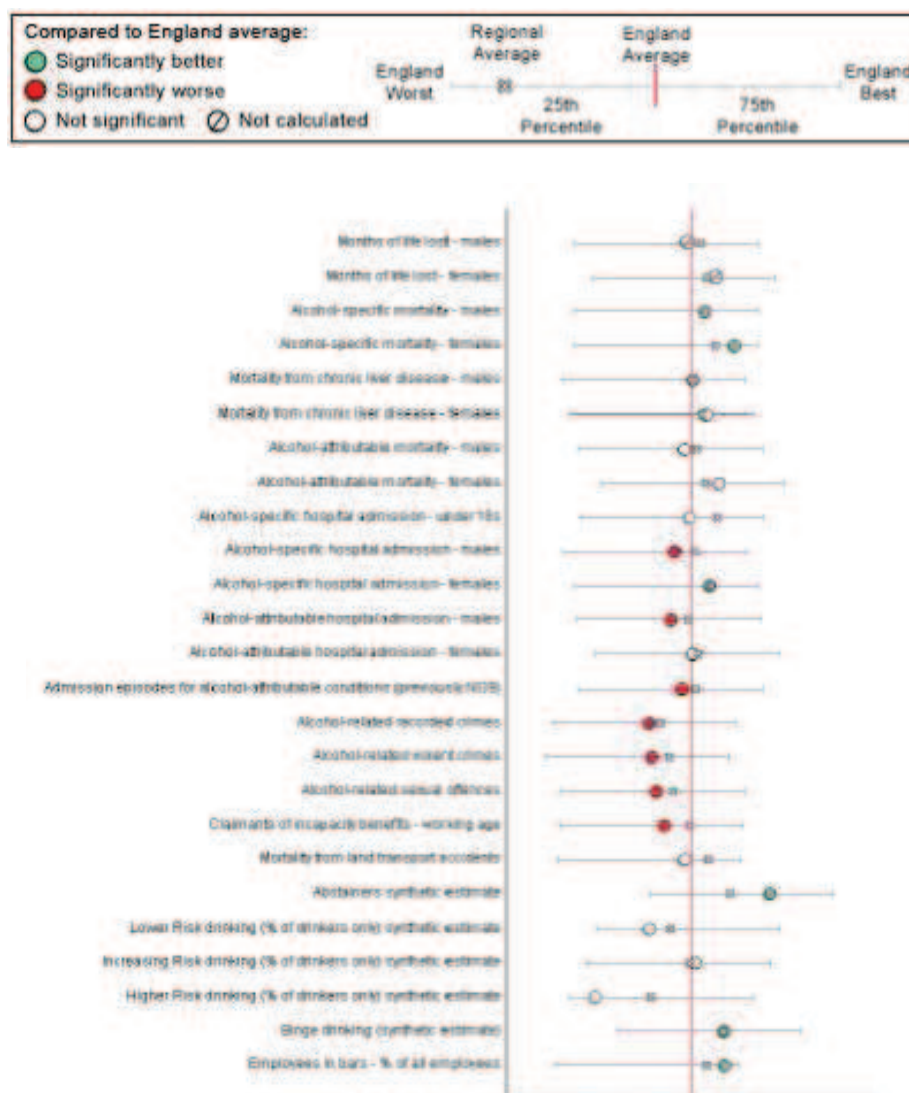


Figure 19

- 9.2 This next part of this section uses data produced by the London Ambulance Service to show the increase in alcohol related call outs in the Brick Lane area and the disproportionately high levels. Also demonstrated is the link between Alcohol Related Harm and the number of licensed premises
- 9.3 It is difficult for the Police to give exact numbers of Violent Incidents around Brick Lane area as under reporting of violence within all night time economy areas is generally accepted to be higher than available data suggests. Less serious incidents are unlikely to attract police attention or warrant A&E attendance, and so often go unrecorded. The 'hidden' figure of violence, especially violence occurring inside pubs and clubs, is substantial (Shepherd and Brickley, 1996). Other research suggests that in 2003 A&E Data boosted the number of violent incidents by police data by 16%. It may be that venue staff are reluctant to report violence occurring on their premises for fear of inviting negative police attention and license revocation.
- 9.4 The chart below (Figure 20) shows alcohol related ambulance callouts within the proposed Brick Lane Cumulative Impact zone. The data runs from January 2004 to Feb 2012. There is a clear correlation between the increasing number of licensed premises and the number of ambulance callouts.

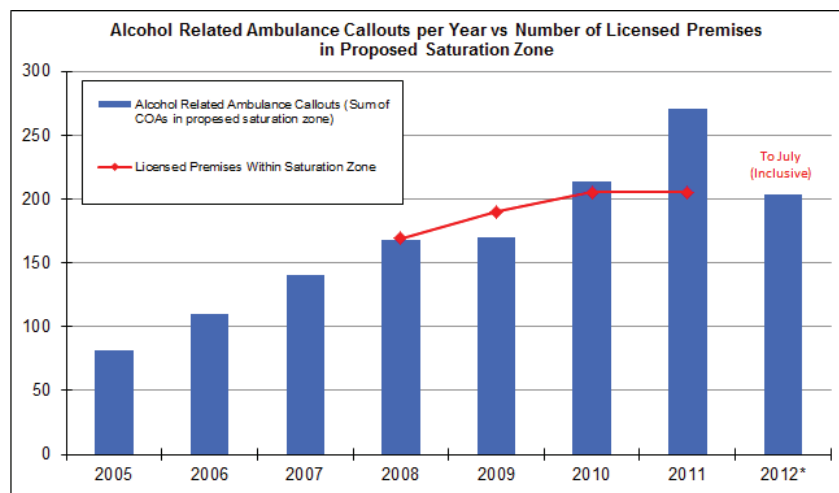


Figure 20

- 9.5 The charts below (Figures 21,22 and 23) shows the increasing number alcohol related calls year on year ambulance callouts in the Borough. It also demonstrates that whilst the overall call out rate has increased by 47.4% since 2005 it has increased by 333% in the Brick Lane area.

Alcohol Related Ambulance Callouts			
Year	In Proposed Saturation Zone	Borough Total	% in Proposed Saturation Zone
2005	81	1,315	6.2%
2006	110	1,387	7.9%
2007	140	1,698	8.2%
2008	168	1,670	10.1%
2009	170	1,703	10.0%
2010	214	1,834	11.7%
2011	270	1,939	13.9%
2012*	203	1,218	16.7%

**To July (inclusive)*

Figure 21

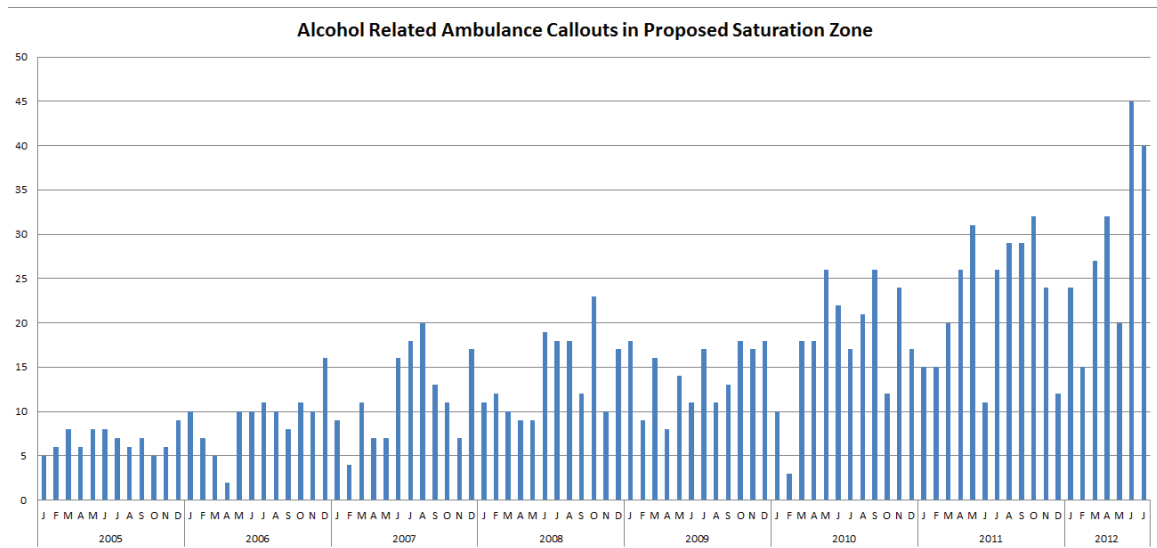


Figure 22

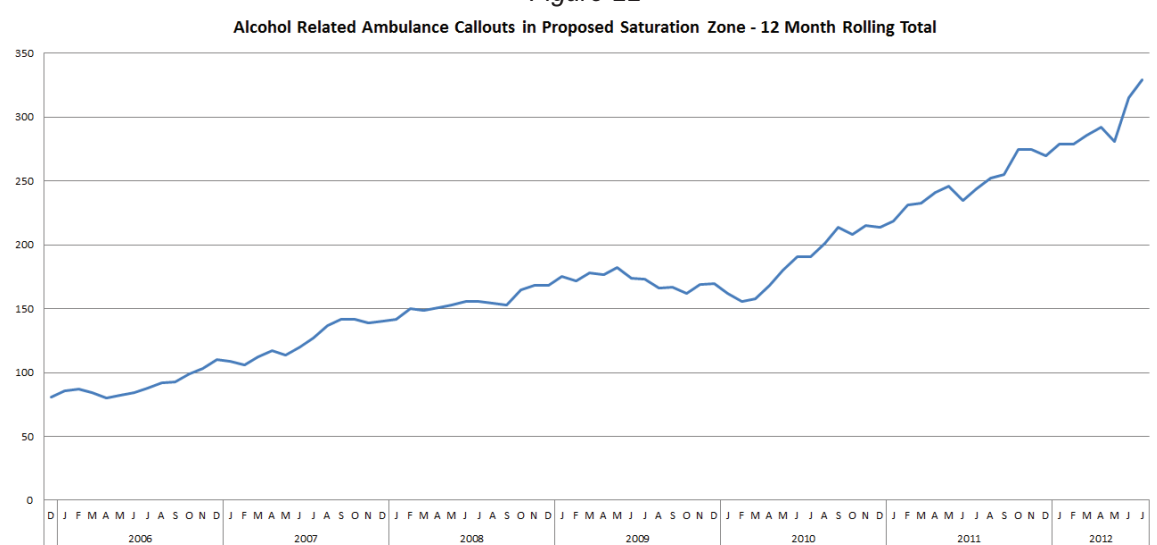


Figure 23

10.0 Other Cumulative Impact Areas in London

- 10.1 Cumulative Impact Areas are a widely used tool by many Local Authorities and more are applying for such Zones.
- 10.2 The latest figures available show that there are 134 Cumulative Impact Areas within England and Wales. 29 areas are in the London Boroughs. The indications are that the introduction of Cumulative Impact Areas effective in stabilising the stress and problems caused by high numbers of licensed premises in a confined area. The London Boroughs that have implemented special policies are as follows:-

London Boroughs	Number of Cumulative Impact Areas
Croydon, Redbridge and Hackney	1
Bromley, Camden, Lewisham, Ealing, Merton and Richmond	2
Bexley, Westminster and Southwark	3
Greenwich	5

- 10.3 The map below (Figure 24) also shows the location of Cumulative Impact Areas in London.



Figure 24

11.0 Conclusions

1. The proposed Cumulative Impact Area for Brick Lane is required because :-
 - a. There are already over 207 Licensed Premises within this small area (22.8% of all premises within Tower Hamlets).
 - b. The continuing high levels of violent / alcohol related in the Brick Lane Area (2011 Violent Crime 30% of all Alcohol Related Crime)
 - c. It is responsible for 8% of all crime within Tower Hamlets.
 - d. There has been a steady increase in Notifiable offences
 - e. There has been a steady increase in criminal damage and drug offences
 - f. It is responsible for the highest level of complaints about street drinking
 - g. 22% of all police calls to Licensed premises are in the Brick Lane Area
 - h. There are clear demonstrable links between violence against the person offences and alcohol related violence in the Brick Lane Area.
 - i. The highest rates of ASB in the Borough are in the Brick Lane Area
 - j. ASB is now decreasing in the Borough and Brick Lane Area but it still is at unacceptably high levels
 - k. LBTH has significantly worse alcohol related harm indicators compared with regional and national averages
 - l. There is a steady increase in ambulance call outs in the Brick Lane Area
2. The Brick Lane Area has a vibrant and expanding night time economy which has led to a sizeable and steady increase in visitors to the area.
3. The increasing levels of crime, disorder, and alcohol related harm has meant the need to deploy increasing levels of resourcing by the Police, Local Authority and other partners.
4. It is contended that the numbers of licensed premises have reached a saturation point and there is a need to stop any further licences being issued or variations being made.

12.0 Draft Policy Principles for Consultation

1. The Suggested Policy Principles for consultation are set out below:-

PP1. The adverse ASB, Crime and public safety implications resulting from the cumulative impact of Licensed premises are sufficiently acute to justify a special licensing policy (a Cumulative Impact Zone) in the area comprising Brick Lane and its environs as set out in Figure 3 of this report.

PP2. Within this area there will be presumption against additional licences being granted or varied in a way that would add to the adverse cumulative impact on the local community.

PP.3 This presumption should relate to all premises that require a licence to sell alcohol including off licences.

PP.4 This presumption should also relate to all premises that require a licence for late night refreshment

PP.5 Any company or persons seeking a licence for late night refreshment or a license to sell alcohol or a variance to an existing licence for the same must demonstrate to the satisfaction of the Licensing Authority that the proposal will not add to the cumulative adverse impact of in respect of :

- Crime and disorder
- Public safety
- Public nuisance.

PP.6 The above policy principles relate only to those matters outlined by PP.5. Arguments supporting applications specific to demand or need are not relevant to the licensing considerations. These are issues more properly dealt with through the Planning process.

PP.7 The Policies outlined here will not be used to revoke an existing licence.

PP.8 These proposals will not impose quotas as this would prevent applications being considered on their merits and deny prospective applicants the opportunity to demonstrate that their proposals would not add to adverse cumulative impacts specific to the areas identified in PP5. This is not the purpose of the CIZ and any such quota based policy approach would, in any event, be likely to successful challenge.

PP.9. The CIZ policies are not to be applied as the sole method of controlling cumulative impact. The Council will ensure that it will also apply other mechanisms both within and outside the remit of the licensing regime to do this.

PP.10. In accordance with licensing guidance individual circumstances of the application and of those making representations will always be considered.

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Appendix Two

Saturation Consultation Results Summary

Consultation period: 21st December 2012 – 22nd March 2013

Responses

A total of 165 responses were received

Respondent	Number of responses	% of respondents
Licence holder	10	6%
Potential licence applicant	2	1.2%
Resident	112	67.8%
Visitor	25	15.2%
Other	16	9.7%

Percentage support for a Saturation Policy

A total of 156 responses were received for this question

Question: Do you support the establishment of a saturation policy/zone in the Brick Lane area?	Number of responses	% of total responses
Positive	127	81.4%
Negative	29	18.6%

Type of licence usage that should fall within the Saturation Zone

Within the proposed saturation zone – do you agree that there should be a presumption for the Council to refuse permission for further licences or varying licences for:

Question	Number of responses	Number of 'Yes' / percentage	Number of 'No' / percentage
Refusing permission for: The sale of alcohol for consumption within a premises e.g. restaurants, clubs	156	109 (69.9%)	47 (30.1%)

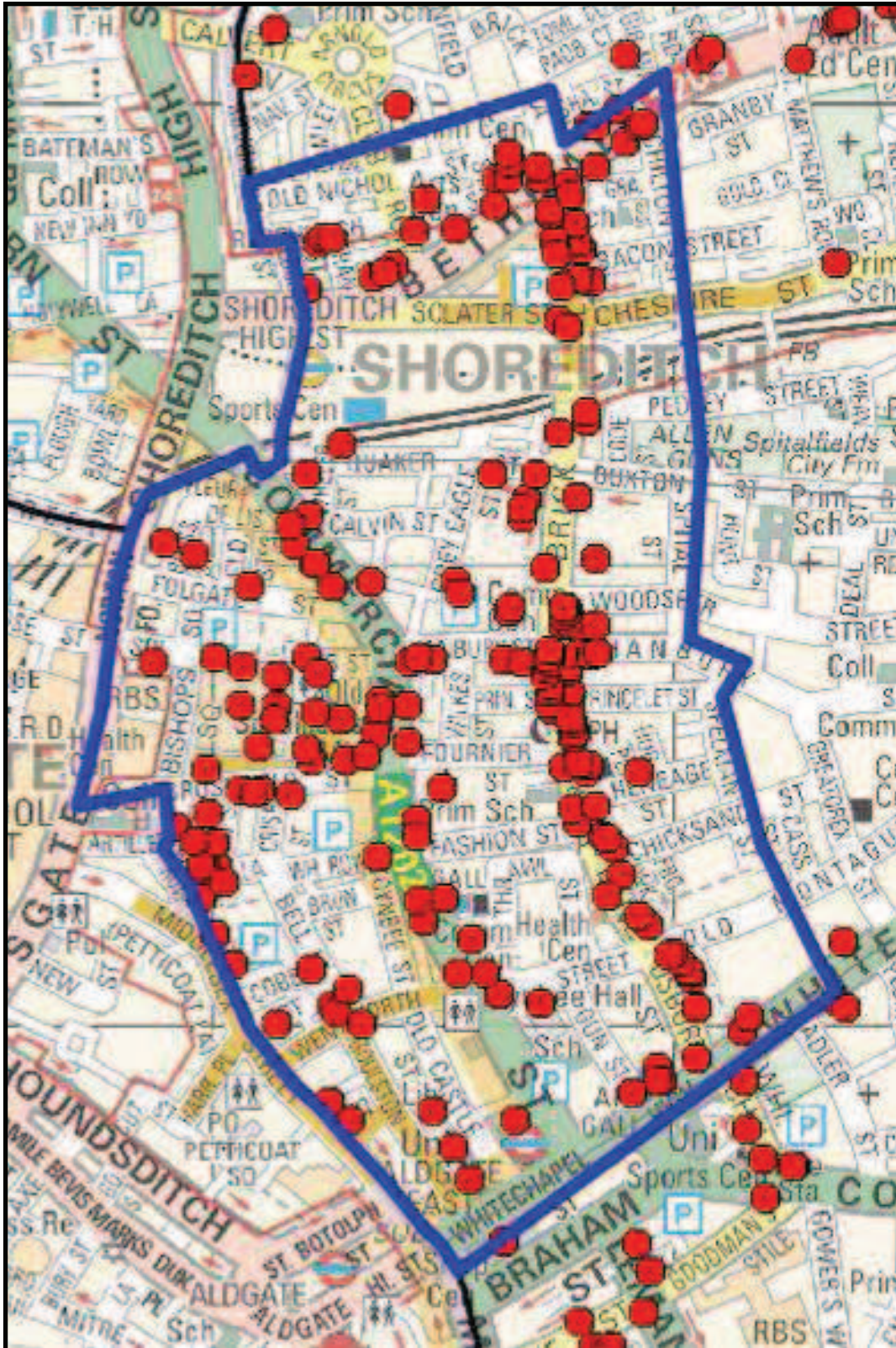
Refusing permission for: The sale of alcohol for consumption off the premises e.g. off licenses and some pubs	155	124 (80%)	31 (20%)
Refusing permission for: The sale of hot food after 11pm e.g. restaurants, takeaways	156	108 (69.2%)	48 (30.8%)

Summary of issues raised in the free text box

Issue raised	Resident	Other	Visitor	Licence holder
Want more enforcement in relation to noise nuisance, general anti-social behaviour and public urination	24	0	3	0
Responses that declared they did not want any further regulation	1	2	2	0
Responses that broadly supported the scheme	28	2	1	0
Responses that wanted the zone increased	2	0	0	0
Responses against the proposals	2	0	0	0
Responses that wanted the foot print of the zone reduced	0	1	0	1

The Proposed Saturation Zone in the Brick Lane area

The proposed Saturation Zone area is detailed in the map below. The map shows all of the premises (red dots) currently licensed under the Licensing Act 2003 in the Brick Lane Area. The proposed area is defined by the blue line.



Map courtesy of Metropolitan Police

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Appendix Four

Statement of Licensing Policy amendment

Special Cumulative Impact Policy

As with many other London Borough's the majority of late night licensed premises are concentrated within one area of the Borough. Following guidance issued under the Licensing Act 2003 a cumulative impact policy was adopted on XXXXXXX by the Council.

After consultation the Council recognises that because of the number and density of licensed premises selling alcohol, on and off the premises and the provision of late night refreshment (sale of hot food after 11pm) within the Brick Lane Area as defined in FigureXXX, there might be exceptional problems of nuisance, disturbance and/or disorder outside or away from those licensed premises as a result of their combined effect.

The Licensing Authority is now of the view that the number, type and density of premises selling alcohol for consumption on and off the premises and/or the provision of late night refreshment in the area highlighted in Figure XXX is having a cumulative impact on the licensing objectives and has therefore declared a cumulative impact zone.

The effect of this Special Cumulative Impact Policy is to create a rebuttable presumption for applications in respect of the sale or supply of alcohol on or off the premises and/or late Night Refreshment for new Premises Licences, Club Premises Certificates or Provisional Statements and applications for variations of existing Premises Licences, Club Premises Certificates (where the modifications are relevant to the issue of cumulative impact for example increases in hours or capacity). Where the premises are situated in the cumulative impact zone and a representation is received, the licence will be refused. To rebut this presumption the applicant would be expected to show through the operating schedule and where appropriate with supporting evidence that the operation of the premises will not add to the cumulative impact already being experienced. This policy does not act as an absolute prohibition on granting/varying new licences in the Cumulative Impact Zone.

The Special Cumulative Impact policy will not be used to revoke an existing licence or certificate and will not be applicable during the review of existing licences.

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Appendix Five

Equality Analysis (EA)

Section 1 – General Information (Aims and Objectives)

Name of the proposal including aims, objectives and purpose:

(Please note – for the purpose of this doc, 'proposal' refers to a policy, function, strategy or project)

Cumulative Impact Policy – Brick Lane

Under the Licensing Act 2003, the Council have the power to designate an area within the Borough a “Cumulative Impact Zone” if it feels that the number of licensed premises is having an adverse impact on any of the Licensing Objectives (crime and disorder, noise / nuisance, public safety and harm to children). In partnership with the Police and the Council it is proposed that the Council adopt a Cumulative Impact Policy (saturation zone) for the Brick Lane area on the basis of the high levels of crime, anti-social behaviour and alcohol related harm.

The effect of adopting a special policy for a Cumulative Impact Zone is to create a “rebuttable presumption” that applications for new premises licences or club premises certificates or variations that are likely to add to the existing cumulative impact will normally be refused, following relevant representations.

Through controlling the number of licensed premises in the area in combination with other services and activities by the Council and partners including the Police, it is expected to improve health, safety and quality of life of the residents and visitors in the area.

Who is expected to benefit from the proposal?

The power granted by the policy will enable the Police and the Council to further control and manage the problems, including crime and disorder, public safety and public nuisance, currently occurring in the area.

Residents and visitors in and around the Zone will be benefited by a safer environment facilitated by the policy and continuing community safety activities by partners including the Police and the Council. It is also expected that the safer environment will contribute to the health and quality of life of the residents and visitors.

Existing businesses in the Zone will continue to operate as normal even after the introduction of a Cumulative Impact Zone. They will also benefit from a safer environment facilitated by the policy and other community safety activities.

Service area:
Safer Communities

Team name:
Consumer and Business Regulations Service

Service manager:
David Tolley

Name and role of the officer completing the EA:
David Tolley

Section 2 – Evidence (Consideration of Data and Information)

What initial evidence do we have which may help us think about the impacts or likely impacts on service users or staff?

The following data and information have been consulted for the development of the policy:

- Licensed premises in the Borough and the proposed Cumulative Impact Zone around Brick Lane (April 2008 – 31 March 2012)
- Street Drinking complaints to the Police (2010/11; 2011/12) – the Borough wide and in the Zone
- Violence Against the Person offences in wards (2011/12)
- Incidents of notifiable offences, criminal damage, drug offences, robbery, sexual offences and violence against the person in the proposed Zone (2007-2011)
- Anti-Social Behaviour complaints in the proposed Zone to the Police (2010/11; 2011/12)
- Anti-Social Behaviour Hotline complaints in the proposed Zone to the LBTH ASB Hotline (Jan 2008-July 2012)
- Tower Hamlets' measure for each indicator for Alcohol Related Harm, compared with the regional and English averages
- Alcohol related ambulance callouts within the proposed Zone and the borough total (2005-2012)
- The number of Cumulative Impact Areas in London boroughs
- Brick Lane profile

The analysis of the data shows:

- There are over 207 Licensed Premises in the proposed Zone (17.6% of all premises within Tower Hamlets).
- The continuing high levels of violent / alcohol related in the Brick Lane Area (2011 Violent Crime 30% of all Alcohol Related Crime)
- It is responsible for 8% of all crime within Tower Hamlets.
- There has been a steady increase in notifiable offences
- There has been a steady increase in criminal damage and drug offences
- It is responsible for the highest level of complaints about street drinking
- 22% of all police calls to Licensed premises are in the Brick Lane Area
- There are clear demonstrable links between violence against the person offences and alcohol related violence in the Brick Lane Area.
- LBTH has the second highest level of ASB in London
- The highest rates of ASB in the Borough are in the Brick Lane Area
- ASB is now decreasing in the Borough and Brick Lane Area but it still is at levels that continues to give rise to complaints from local residents
- LBTH has significantly worse alcohol related harm indicators compared with regional and national averages
- There is a steady increase in ambulance call outs in the Brick Lane Area
- The Brick Lane Area has a vibrant and expanding night time economy which has led to a sizeable and steady increase in visitors to the area.
- Considerable tensions have been built up because of the conflicting demands of the night time economy and the local residents.

- The increasing levels of crime, disorder, and alcohol related harm has meant the need to deploy increasing levels of resourcing by the Police, Local Authority and other partners.

The consultation was undertaken between 21 December 2012 and 22 March 2013. Licence holders, residents groups, responsible authorities and interested networks/forum were consulted and 165 responses were received. The data collected in the consultation include the following data of the respondents:

- Gender (Male 81; Female 52; Total responses 133)
- Age (20-25: 7; 26-34: 31; 35-43: 31; 44-52: 36; 53-59: 15; 60-64: 4; 65+: 8; total responses 132)
- Ethnicity (British 90; Other white 15; Bangladeshi 9; Irish 7; Others 6; Mixed heritage 4; Pakistani 1; Black or Black British 1; Other black background 1; Total response 134)
- Disability (Yes 7; No 122; Total response 129)
- Sexual orientation (Heterosexual 84; Gay/lesbian 19; Bisexual 2; Total response 105)
- Religion (None 60; Christian 36; Muslim 9; Others 7; Buddhist 4; Jewish 2; Total response 118)

The analysis of the consultation responses and the respondents' equalities profile show that significantly more people support for the policy across groups. Below are gender and age groups' responses to a question 'Do you support the establishment of a saturation policy/zone in the Brick Lane area?'

- Total: Yes 127 (81%); No 29 (19%)

Gender

- Male: Yes 59 (73%); No 22 (27%)
- Female: Yes 48 (92%); No 4 (8%)

Age

- 25-25: Yes 5; No 2
- 26-34: Yes 20; No 7
- 35-43: Yes 27; No 3
- 44-52: Yes 28; No 4
- 53-59: Yes 12; No 3
- 60-64: Yes 3; No 1
- 65+: Yes 6; No 2.

Also, a 220 signed petition was received from SPIRE, a local residents group, in favour of the Council adopting a Cumulative Impact Policy for the Brick Lane area.

Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will normally be refused, hence affected by the proposal. Although the service has monitored and will continue monitoring the applicants' protected characteristics, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough.

The Development and Renewal (D&R) directorate have corporate lead responsibility for Business related data capture and are currently reviewing the technical implications in developing an equalities strand of their business data base.

Section 3 – Assessing the Impacts on the 9 Groups

How will what you're proposal impact upon the nine Protected Characteristics?

For the nine protected characteristics detailed in the table below please consider:-

- **What is the equality profile of service users or beneficiaries that will or are likely to be affected?**

-Use the Council's approved diversity monitoring categories and provide data by target group of users or beneficiaries to determine whether the service user profile reflects the local population or relevant target group or if there is over or under representation of these groups

- **What qualitative or quantitative data do we have?**

-List all examples of quantitative and qualitative data available

(include information where appropriate from other directorates, Census 2001 etc)

-Data trends – how does current practice ensure equality

- **Equalities profile of staff?**

-Indicate profile by target groups and assess relevance to policy aims and objectives e.g. Workforce to Reflect the Community. Identify staff responsible for delivering the service including where they are not directly employed by the council.

- **Barriers?**

-What are the potential or known barriers to participation for the different equality target groups? Eg, communication, access, locality etc

- **Recent consultation exercises carried out?**

-Detail consultation with relevant interest groups, other public bodies, voluntary organisations, community groups, trade unions, focus groups and other groups, surveys and questionnaires undertaken etc. Focus in particular on the findings of views expressed by the equality target groups. Such consultation exercises should be appropriate and proportionate and may range from assembling focus groups to a one to one meeting.

- **Additional factors which may influence disproportionate or adverse impact?**

-Management Arrangements - How is the Service managed, are there any management arrangements which may have a disproportionate impact on the equality target groups

- **The Process of Service Delivery?**

-In particular look at the arrangements for the service being provided including opening times, custom and practice, awareness of the service to local people, communication

Please also consider how the proposal will impact upon the 3 One Tower Hamlets objectives:-

- Reduce inequalities
- Ensure strong community cohesion
- Strengthen community leadership.

Please Note -

Reports/stats/data can be added as Appendix

Target Groups	Impact – Positive or Adverse What impact will the proposal have on specific groups of service users or staff?	Reason(s) <ul style="list-style-type: none"> • Please add a narrative to justify your claims around impacts and, • Please describe the analysis and interpretation of evidence to support your conclusion as this will inform decision making <p>Please also how the proposal will promote the three One Tower Hamlets objectives?</p> <ul style="list-style-type: none"> -Reducing inequalities -Ensuring strong community cohesion -Strengthening community leadership
Race	Positive Unknown	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.
Disability	Positive Unknown	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.
Gender	Positive Unknown	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.

<p>Gender Reassignment</p>	<p>Positive Unknown</p>	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.
<p>Sexual Orientation</p>	<p>Positive Unknown</p>	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.
<p>Religion or Belief</p>	<p>Positive Unknown</p>	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.
<p>Age</p>	<p>Positive Unknown</p>	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.

<p>Marriage and Civil Partnerships.</p>	<p>Positive Unknown</p>	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.
<p>Pregnancy and Maternity</p>	<p>Positive Unknown</p>	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.
<p>Other Socioeconomic Carers</p>	<p>Positive Unknown</p>	<ul style="list-style-type: none"> • As the section above shows, it is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of this group. • Future applicants for new premises licences or club premises certificates of variations that are likely to add to the existing cumulative impact will be affected by the proposal. However, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough. The technical implications in developing an equalities strand of the Council’s business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.

Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence of or view that suggests that different equality or other protected groups (inc' staff) could have a disproportionately high/low take up of the new proposal?

Yes? No? X

If yes, please detail below how evidence influenced and formed the proposal? For example, why parts of the proposal were added/removed?

(Please note – a key part of the EA process is to show that we have made reasonable and informed attempts to mitigate any negative impacts. AN EA is a service improvement tool and as such you may wish to consider a number of alternative options or mitigation in terms of the proposal.)

Section 5 – Quality Assurance and Monitoring

Have monitoring systems been put in place to check the implementation of the proposal and recommendations?

Yes? X No?

How will the monitoring systems further assess the impact on the equality target groups?

The policy implementation will be regularly reviewed.

Does the policy/function comply with equalities legislation?
(Please consider the [OTH objectives](#) and [Public Sector Equality Duty](#) criteria)

Yes? No?

If there are gaps in information or areas for further improvement, please list them below:

How will the results of this Equality Analysis feed into the performance planning process?

This Equality Analysis and the consultation analysis ensure that this policy will contribute to the residents' and visitors' well-being.

Section 6 - Action Plan

As a result of these conclusions and recommendations what actions (if any) **will** be included in your business planning and wider review processes (team plan)? Please consider any gaps or areas needing further attention in the table below the example.

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
Example 1. Better collection of feedback, consultation and data sources 2. Non-discriminatory behaviour	1. Create and use feedback forms. Consult other providers and experts 2. Regular awareness at staff meetings. Train staff in specialist courses	1. Forms ready for January 2010 Start consultations Jan 2010 2. Raise awareness at one staff meeting a month. At least 2 specialist courses to be run per year for staff.	1. NR & PB 2. NR	

Page 152

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress

Section 7 – Sign Off and Publication

Name: (signed off by)	
Position:	
Date signed off: (approved)	

Section 8 Appendix – FOR OFFICE USE ONLY

This section to be completed by the One Tower Hamlets team

Policy Hyperlink :

Equality Strand	Evidence
Race	
Disability	
Gender	
Gender Reassignment	
Sexual Orientation	
Religion or Belief	
Age	
Marriage and Civil Partnerships.	
Pregnancy and Maternity	
Other	
Socio-economic	
Carers	
Link to original EQIA	Link to original EQIA
EQAID (Team/Service/Year)	

010
011
012
013
014

EQUALITY ANALYSIS QUALITY ASSURANCE CHECKLIST

Name of 'proposal' and how has it been implemented (proposal can be a policy, service, function, strategy, project, procedure, restructure/savings proposal)	Cumulative Impact Policy – Brick Lane
Directorate / Service	CLC, Safer Communities, Consumer and Business Regulations Service
Lead Officer	David Tolley
Signed Off By	

Stage	Checklist Area / Question	Yes / No / Unsure	Comment (If the answer is no/unsure, please ask the question to the SPP Service Manager or nominated equality lead to clarify)
1	Overview of Proposal		
a	Are the outcomes of the proposals clear?	Yes	This report presents the findings of the recent consultation that has been conducted, the context, evidence and justification for adoption and explains the process required for implementation. Under the Licensing Act 2003, the Council have the power to designate an area within the Borough a "Cumulative Impact Zone" if it feels that the number of licensed premises is having an adverse impact on any of the Licensing Objectives (crime and disorder, noise / nuisance, public safety and harm to children). In partnership with the Police and the Council it is proposed that the Council adopt a Cumulative Impact Policy (saturation zone) for the Brick Lane area on the basis of the high levels of crime, anti-social behaviour and alcohol related harm.

			<p>The effect of adopting a special policy for a Cumulative Impact Zone is to create a “rebuttable presumption” that applications for new premises licences or club premises certificates or variations that are likely to add to the existing cumulative impact will normally be refused, following relevant representations.</p>
<p>b</p>	<p>Is it clear who will be or is likely to be affected by what is being proposed (inc service users and staff)? Is there information about the equality profile of those affected?</p>	<p>Yes</p>	<p>If a saturation policy is introduced, the policy will allow the Council to reject certain licence applications that will otherwise increase the cumulative effect of licensed premises in the Cumulative Impact Zone. The area’s economy is dynamic and the extent to which future licence applicants will fall in to any particular protected group is unknown. Information is available on the residential demographics of the area which has a high level of Bangladeshi residents. There has been increasing levels of friction between residents and businesses specific to the impacts of the late night economy on quality of life and strong local support for introduction of the new policy across the residential community.</p> <p>Residents and visitors in and around the Zone will be benefited by a safer environment facilitated by the policy and continuing community safety activities by partners including the Police and the Council.</p> <p>Existing businesses in the Zone will continue to operate as normal even after the introduction of a Cumulative Impact Zone. They will also benefit from a safer environment facilitated by the policy and other community safety activities.</p> <p>Once this policy is introduced, licence applications that would increase the cumulative effect of licensed premises in the Zone (e.g. on and off alcohol sales and late night openings of</p>

			<p>takeaways/restaurants) would be normally refused. Although the service has monitored and will continue monitoring the applicants' protected characteristics, the majority of the applicants are companies, who may be owned by people in different equality strands from those who operate the business premises in the Borough.</p> <p>The Development and Renewal (D&R) directorate have corporate lead responsibility for Business related data capture and are currently reviewing the technical implications in developing an equalities strand of their business data base.</p>
c	<p>Is there a narrative in the proposal where NO impact has been identified? Please note – if a Full EA is not to be undertaken based on the screen or the fact that a proposal has not been 'significantly' amended, a narrative needs to be included in the proposal to explain the reasons why and to evidence due regard</p>	No	<p>It is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of all the protected groups.</p> <p>207 Licensed Premises (23% of the total premises in the borough) is concentrated in the small area (the proposed area is 2.85% of the total area of the borough). The reports states that it is contended that the numbers of licensed premises in the Brick Lane area have reached a saturation point and there is a need to stop any further licences being issued or variations being made. The data shows that there are clear demonstrable links between violence against the person offences and alcohol-related violence in the area.</p> <p>As above, this policy's impact on future applicants who are companies remains unknown. The technical implications in developing an equalities strand of the Council's business data base has been reviewed by D&R that have corporate lead responsibility for Business related data.</p>
2	Monitoring / Collecting Evidence / Data and Consultation		
a	Is there reliable qualitative and quantitative data to	Yes	The reports include detailed analysis of the data that illustrate

	support claims made about impacts?		<p>the current problems occurring in the area, including:</p> <ul style="list-style-type: none"> - The area is the largest Street Drinking complaints hotspots (12%, April 2011 – March 2012) - 22% of all police calls to Licensed Premises are in the area - The wards that contain and surround the Saturation policy area have the highest rates for Violence Against the Person. - There has been steady increase in notifiable offences, criminal damage and drug offences, - There has been steady increase in ambulance call outs in the area. - The borough has the second highest level of ASB in London and the highest rates of ASB in the borough occur in the Brick Lane area. <p>The service conducted an extensive consultation process between 21 December 2012 and 22 March 2013. Licence holders, residents groups, responsible authorities and interested networks/forum and 165 responses were received. 81.4% of the respondents (127 out of 156) responded that they support the establishment of a saturation policy/zone in the Brick Lane area. It was found that in different groups (i.e. gender, age, disability, sexual orientation), there were responses that both favour/ do not favour the proposal. Although the number of respondents identified as Asian (Bangladeshi and Pakistani) were small (10 out of 123), all identified respondents of this group favoured the proposal.</p>
	Is there sufficient evidence of local/regional/national research that can inform the analysis?	Yes	See above.
b	Has a reasonable attempt been made to ensure relevant knowledge and expertise (people, teams and partners) have been involved in the analysis?	Yes	<p>The Police and community safety support services and relevant partners have been engaged in the development of this policy proposal.</p> <p>The consultation process held between 21 December 2012</p>

			and 22 March 2013 was extensive. A public event was held to enable interested parties to discuss the proposed policy. The Council's Licensing Committee were also consulted as to the scope and effect of the proposed policy.
c	Is there clear evidence of consultation with stakeholders and users from groups affected by the proposal?	Yes	Licence holders, residents groups, responsible authorities and interested networks/forums were consulted.
3	Assessing Impact and Analysis		
a	Are there clear links between the sources of evidence (information, data etc) and the interpretation of impact amongst the nine protected characteristics?	Yes	See above. It is likely that the majority of impacts resulting from this policy will be positive on the health, safety and quality of life of all the protected groups.
	Is there a clear understanding of the way in which proposals applied in the same way can have unequal impact on different groups?	Yes	
b	Has the assessment sufficiently considered the three aims of the Public Sector Equality Duty (PSED) and OTH objectives?	Yes	This proposal will promote the health, safety and quality of life of the residents and visitors, regardless of their background and promote cohesion of the borough.
4	Mitigation and Improvement Action Plan		
a	Is there an agreed action plan?	NA	
b	Are all actions SMART (Specific, Measurable, Achievable, Relevant and Time Bounded)	NA	
c	Are the outcomes clear?	NA	
d	Have alternative options been explored	NA	
6	Quality Assurance and Monitoring		
a	Are there arrangements in place to review or audit the implementation of the proposal?	Yes	
b	Is it clear how the progress will be monitored to track impact across the protected characteristics??	Yes	The service and the partners including the police and NHS will continue collecting the data and monitor the impact of the policy.
7	Reporting Outcomes and Action Plan		

a	Does the executive summary contain sufficient information on the key findings arising from the assessment?	Yes	
8 Sign Off and Publication			
a	Has the Lead Officer signed off the EA? Please note – completed and signed off EA and Quality Assurance checklists to be sent to the One Tower Hamlets team	Yes	

Any other comments			
Signature		Date	

Please keep this document for your records and forward an electronic version to the One Tower Hamlets Team

Agenda Item 9.1

Committee/Meeting: Cabinet	Date: 31 July 2013	Classification: Unrestricted	Report No: CAB 015/134
Report of: Anne Canning, Corporate Director, Education, Social Care and Wellbeing		Title: Supporting Carers – Respite Care Breaks	
Originating officer: Deborah Cohen, Service Head of Commissioning and Strategy		Wards Affected: All	

Lead Member	Councillor Abdul Asad
Community Plan Theme	A Healthy and Supportive Community
Strategic Priority	Enable people to live independently

1. **SUMMARY**

- 1.1 Cabinet agreed Tower Hamlets' Carers Plan in June 2012. The Plan sets out the importance of supporting carers to stay healthy as a key objective which will both support carers' wellbeing and help them to sustain their caring roles. Effective respite care breaks are essential to achieving this as they provide short-term relief to those who are caring for family members who might otherwise require long-term residential care. Respite care breaks therefore assist the Council's objectives to transform social care and rebalance services towards prevention and early intervention.
- 1.2 Some of the Council's contractual arrangements for respite care breaks are coming to an end between January and March 2014. This provides an opportunity to recommission services to:
- achieve better outcomes, including improved user experience
 - deliver greater value for money
 - support the Mayor's broader procurement objectives e.g. local employment
- 1.3 The recommissioning will take place in the context of other changes to services as set out in the Carers Plan. The changes include the development of specialist carers' assessment, support planning and brokerage functions, as well as the creation of a new Shared Lives service which is outside the scope of this paper. There is also a focus on increasing the number and proportion of carers receiving personal budgets.
- 1.4 The permission to procure was considered by Cabinet on 7th July 2013 as part of the Contracts Forward Plan – Quarter 2.
- 1.5 Supporting Carers is a national as well as local priority. The Queen's Speech, in May 2013, announced a forthcoming Care Bill which will introduce a duty to meet carers' eligible needs for support. Effective respite support will support the Council to meet this duty.

2. **DECISIONS REQUIRED**

The Mayor in Cabinet is recommended to:-

- 2.1 Approve the approach set out to the recommissioning of respite care breaks.

REASONS FOR THE DECISION

- 3.1 The proposed approach supports:
- (1) Delivery of the agreed Council's Carers Plan
 - (2) Stated Council objectives, including the transformation of adult social care, prevention and early intervention, supporting carers to stay healthy
 - (3) Value for money whilst improving service quality

4. **ALTERNATIVE OPTIONS**

- 4.1 One option would be to maintain the status quo and extend the existing contractual arrangements for respite care breaks. This is not recommended as extending the contracts minimises the opportunity to:
- Secure better value for money
 - Change the service provision to meet current and future needs
 - Achieve better outcomes
- 4.2 Another option would be to not replace the contractual arrangements for respite care. This is not recommended as it would mean that many carers would not be able to sustain their caring roles and it would increase the need for more expensive residential care.

5. **BACKGROUND**

Carers and Respite Care Breaks in Tower Hamlets

- 5.1 Recently published results from the 2011 Census show that over 19,000 Tower Hamlets residents provide some level of unpaid care, which is 8% of the resident population. Significantly, over a quarter of local carers (nearly 5,000 residents) provide more than 50 hours of care a week. The Census also demonstrates a rise in the number of residents providing unpaid care: from 16,797 in 2001 to 19,356 in 2011. Over the same time period, the number of residents who reported having a limiting long term illness or disability increased by 1.7%.
- 5.2 The most recent Joint Strategic Needs Assessment (JSNA) for Carers (2010) highlighted the particular importance of ensuring respite care breaks are available at nights and weekends (when day centres are closed). Respite care can be home based, i.e. where additional support is provided to the service user in their home to enable the carer to temporarily take a break, or residential i.e. where the service user temporarily moves to other accommodation. The duration of respite breaks can vary from a number of hours during the day, overnight, to a period of multiple consecutive days and

nights. The provision is usually planned but in some cases may be accessed on an emergency basis.

- 5.3 The draft Care and Support Bill (published 11th July 2012), sets out legal rights for carers to assessments and to support to help them in their caring role. For the first time, carers will be recognised in the law in the same way as those they carer for. The draft Bill creates a single duty for local authorities to undertake a 'carers assessment' and then determine what their support needs are, and whether those needs are 'eligible' for support. This proposal will strengthen our response to the requirements of the Bill/Act.
- 5.4 The majority of carers live with the person that they care for although not all carers in the borough require or use Council-supported respite breaks. A local survey found that approximately a quarter (23%) of carers had received a respite break lasting over 24 hours, whilst 14% of residents had received a longer break. Whilst some carers do not wish to receive Council respite support - for example due to the assistance of friends and family – the Carers JSNA highlighted that some carers are not always aware of what respite services are available to them. In addition, there is some evidence that a more flexible respite service offer, including breaks at weekends, would encourage greater take-up.

Current Contractual Arrangements

- 5.5 This report is seeking approval for the recommissioning of respite care services with an annual value of approximately £1.6 million. This consists of eight separate block contracts via five providers for home-based respite care breaks (£0.5 million), one block contract for residential respite care (£0.6 million) and spot purchasing residential respite care with two other providers (£0.5 million). The home-based providers are:
- Age UK - formerly Age Concern and Help the Aged
 - Apasenth - focusing on carers of Asian residents with learning difficulties
 - Jewish Care
 - St Hilda's - focusing on carers of Bangladeshi and other Asian residents
 - TLC Care Services
- 5.6 The existing residential respite provider with a block contract is the Camden Society which operates Hotel in the Park - in Sewardstone Road (E2) - for people with learning disabilities. The Hotel in the Park building is a Council asset and is currently leased to the Camden Society at a peppercorn rent. The formal lease arrangement has expired and so this recommissioning process provides an opportunity to review this arrangement and secure best value for the Council. In addition, the Council spot purchases out of borough residential respite with Sahara Homes and Apasenth.
- 5.7 All of the respite break services detailed in paragraphs 5.5 and 5.6 are focused on carers of adults with a physical or learning disability. Respite breaks for those caring for people with mental health conditions or substance misuse needs, for example, are procured separately. It should also be noted that this proposed commissioning process does not cover the totality of respite support for carers of people with a physical or learning disability. It

excludes, for example, respite care which is paid for independently by local carers through their directly managed personal budgets (PBs); these carers can use any respite break provider. However, where a provider is used that is contracted by the Council; it cannot charge a rate to a Tower Hamlets PB user which exceeds that secured by the Council. This ensures that directly managing PB holders can also benefit from the efficiency advantages of the Council's procurement.

- 5.8 Council-funded day care and home care for people with a physical or learning disability may also provide respite support to carers. A key difference between this provision and the services provided through the arrangements highlighted in paragraphs 5.5 and 5.6 is that the former is focused on the needs of the service user (i.e. the person cared for) whilst the latter is provided primarily to support the carer. Whilst in some cases there are mutual benefits from both sorts of provision, the services being recommissioned, and subject to this report, can only be accessed following an assessment of the needs of the carer.

Future contractual arrangements

- 5.9 The contractual arrangements for this provision have not been reviewed for a number of years. Since then, the sub-regional market for respite care has developed. There are, for example, a number of additional providers of residential respite care breaks in East London available, with which the Council is now spot purchasing services. This increased competition in the market may mean that the Council can support better outcomes for users whilst incurring lower costs.
- 5.10 The Council is proposing to replace the existing nine block contracts with a two year framework agreement, with the option of a one year extension, with a range of providers. The current block contract arrangements mean that the Council purchases, in advance, an agreed amount and level of service with each provider. Under the proposed framework agreement, the Council will set out its terms, for example in relation to price and quality, but does not commit to purchasing a prescribed amount of support from each supplier over the period of the contract. This means that the Council - and carers - have greater flexibility to purchase respite care breaks, including both residential and care in the home, to best suit carers' individual needs. The Council will also include spot-purchased residential respite support (with a current value of £0.5 million) within the framework agreement. The Council will seek a wide range of providers. In setting up this framework, overlaps with the Domiciliary Care framework (which is being renewed in the Autumn 2013) will be considered to ensure best value for money is achieved where services can be brought together.
- 5.11 The Council is seeking to maintain and improve the amount and quality of respite care available through the commissioning process, whilst also seeking to secure a cashable saving. The total value of the existing respite care contracts and spot purchased services referred to in paragraphs 5.5 and 5.6 above is approximately £1.6 million per annum. The procurement will take place in accordance with the Council's guidance, including the tollgate

process. The Mayor in Cabinet is asked for approval for the recommissioning process to commence using the approach set out in this report. Both the Lead Member and Mayor will be kept informed and involved in the commissioning process prior to the decision about contract award being made, which is scheduled for Cabinet in December 2013.

5.12 Key deadlines for the recommissioning process are set out below.

Activity	Deadline
Cabinet approve respite plan	31 st July 2013
Advert placed	5 th August 2013
Tenders submitted	8 th November 2013
Contract award recommendations formulated	22 nd November 2013
Cabinet consider recommendations	4 th December 2013
Contract commencement	1 st January 2014

5.13 The recommissioning of respite care breaks is a part of a broader programme of work set out in the Carers Plan. This includes the development of specialist carers' assessment, support planning and brokerage functions. It is also proposed that a Respite Care Policy is developed. The Policy will provide a framework and principles to support the fair and equitable allocation of respite support across all carer groups.

6. COMMENTS OF THE CHIEF FINANCIAL OFFICER

6.1 The authority spends approximately £1.6 m per annum on respite care services for carers. Currently these services are provided through a number of block contracts and spot purchased support which provide both home based and residential respite care.

6.2 The current in-borough residential respite provider, the Camden Society is provided from a Council owned asset, see paragraph 5.6. It will need to be concluded whether this asset is continued to be offered as part of the retender exercise.

6.3 A number of these existing contracts are due to expire between December 2013 and March 2014. In addition to this, there are a number of other market factors and strategic service changes within the Council, detailed in this paper, that necessitate a review of current arrangement for respite care services.

6.4 This report seeks approval to commence the recommissioning process for this range of respite care services and recommends the authority set up a framework agreement for a two year period with the option of a one year extension, as opposed to current block and spot purchase arrangements, for the provision respite care services.

6.5 Following the commissioning process the suppliers that are recommended to go onto the framework will be subject to a separate approval process.

6.6 This approach will secure value for money for the authority by ensuring we only purchase service hours required and future spend is expected to be contained within existing budgets.

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

7.1 The Council is required to carry out carer's assessments in circumstances specified under the Carers (Recognition and Services) Act 1995 and, separately, under the Carers and Disabled Children Act 2000 ("the Carers Acts"). The circumstances giving rise to the duty are complicated but, broadly speaking, the obligation to assess arises in circumstances where a carer is providing a substantial amount of care to an adult in respect of whom the Council may provide community care services or to a relevant disabled child and where the carer requests an assessment. The duty may arise and be discharged either on a stand-alone basis or in the context of needs assessments carried out by the Council of the person cared-for, under section 47 of the National Health Service and Community Care Act 1990, Part 3 of the Children Act 1989 or section 2 of the Chronically Sick and Disabled Person's Act 1970.

7.2 The services the Council may provide to a carer depend on the avenue by which the carer's assessment is carried out. The range of services includes: community care services within the meaning of the NHS & Community Care Act 1990; services that it may provide under Part 3 of the Children Act 1989 or section 2 of the Chronically Sick and Disabled Person's Act 1970; or services under section 2 of the Carers and Disabled Children Act 2000, being services that the Council considers will help the carer to care for the person cared for. The power is broad enough to support the provision of respite care.

7.3 The Care Bill which is currently at the committee stage in the House of Lords proposes to create a single duty for local authorities to undertake a 'carer's assessment'. This duty would replace the existing law, and it removes the requirement that the carer must be providing "a substantial amount of care on a regular basis". This will mean more carers are able to access an assessment, and that the duty is comparable to that for the people they support. As the Bill started its passage in the House of Lords it will need to go through the House of Commons stages, prior to receiving Royal assent. Most of the provisions are expected to come into force in 2015.

7.4 Section 3 of the Local Government Act 1999 requires best value authorities, including 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". The Public Services (Social Values) Act 2013, which came into force on 31st January 2013, requires the Council to consider how the services it commissions and procures might improve the economic, social and environmental well-being of the area. The procurement procedure described above complies with these statutory duties and the Council's procurement procedures and it should be

open to conclude that the proposed contracts will result in best value having regard to the duty outlined above.

- 7.5 When awarding the contract, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. Information relevant to these considerations is set out in the report.
- 7.6 The Council has a duty to subject this expenditure to competition. However, the full European Regulations (Public Contracts Regulations 2006 as amended) do not apply. However, under case law the duty is that the Council must still subject this expenditure to "a reasonable level of advertising".
- 7.7 However, the Council must also recognise the Service User's ability to exert choice over the place where they stay. This is somewhat lessened by the fact that the stay is temporary in nature. However, any procured contract must take this into account and the likelihood that a service user may want to return to a particular establishment where they have stayed before.
- 7.8 This creates a clear clash in two legal duties of the Council. Therefore the final contractual arrangement must be flexible enough to allow choice whilst still operating in a fair and transparent manner where choice is not an issue.
- 7.9 Clear and current consultation must also be made with the lead member.
- 7.10 Where this tender results in a significant change to existing services the Council must also consider consultation with Service User's their families and other key stakeholders.
- 7.11 Where this tender leaves an organisation in the position to use a council owned property, a lease needs to be concluded and a fair market rent charged.

8. ONE TOWER HAMLETS CONSIDERATIONS

- 8.1 It is essential that respite break provision reflects the diverse needs of carers. Existing services includes dedicated support to carers of people from different backgrounds; the need for culturally sensitive provision remains. For example, the Council will consider provision of care to Asian elders who are traditionally looked after in the home by a family member. Equality implications will be considered as part of relevant equality analyses at key stages of the process.
- 8.2 A key requirement will be for the successful organisations to demonstrate appropriate equality considerations both in their provision and workforce. In addition, the development of a Respite Care Policy will provide a clear framework for the allocation of respite support ensuring fair access to the support available.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1. There are a number of risks in commissioning respite care breaks. This includes the risk that there is insufficient capacity available in the market to meet the Council's quality criteria. All risks are being managed through a project management approach that seeks to identify and manage risk effectively.

10. EFFICIENCY STATEMENT

- 10.1 The recommissioning of respite care provides an opportunity to secure both a cashable saving (i.e. reduced cost to the Council) and a non-cashable efficiency (i.e. improved provision). These aims will be central to the commissioning process.

**Local Authorities (Executive Arrangements) (Access to Information)
(England) Regulations 2012**

Brief description of "background papers"	Name and telephone number of holder and address where open to inspection.
None	

Agenda Item 10.1

Committee/Meeting: Cabinet	Date: 31 July 2013	Classification: Unrestricted	Report No: CAB 016/134
Report of: Corporate Director Resources: Chris Holme Originating officer(s) Louise Russell, Service Head, Corporate Strategy and Equality Colin Cormack, Service Head, Housing Options Claire Symonds, Service Head, Customer Access and ICT		Title: Welfare Reform and Discretionary Support Wards Affected: All	

Lead Member	Cllr Alibor Choudhury
Community Plan Theme	A Prosperous Community
Strategic Priority	Manage the impact of welfare reform on local residents

1. **SUMMARY**

- 1.1 This paper updates Cabinet about proposals for deploying discretionary financial support to residents affected by welfare reform changes. It seeks views on proposals, in particular for use of the additional £1million identified within the budget to protect vulnerable residents in temporary accommodation from the impact of welfare reform.

2. **DECISIONS REQUIRED**

The Mayor in Cabinet is recommended to:-

- 2.1 Note the likely impact of welfare reform and the limited funds available to provide support meaning we need to think carefully about how to support those most in need;
- 2.2 Review the two options for the deployment of the Mayor's Temporary Accommodation Support Fund and their respective part-year costs of £1M and £2.2M;
- 2.3 Subject to the decision relating to recommendation 2.2 above, transfer £950,000 from the earmarked reserve for Homelessness to the Housing Options Budget for 2013/14 to support the Mayor's Temporary Accommodation Support Fund.
- 2.4 Consider any additional or new considerations which should form the basis of determining eligibility for the Support Fund;
- 2.5 Review on the revised Discretionary Housing Payments policy;

- 2.6 Agree that the proposals, appropriately amended on the basis of today's discussion, be taken forward to Cabinet in July.

3. REASONS FOR THE DECISIONS

- 3.1 Central government legislative change to welfare has had a significant impact on local authorities. Many of the changes to welfare, from the localisation of the council tax and social fund, to the rollout of Local Housing Allowance and benefit caps has been left with local authorities to administer. The impacts on high rent areas, particularly in inner London continue to be significant, with thousands of residents facing reduced incomes.
- 3.2 Managing the impact of welfare reform on local residents is therefore a key strategic priority for the council and forms part of A Prosperous Community community plan theme. The rollout of the benefit cap in Tower Hamlets from 12 August 2013 - which will have the greatest financial impact on residents of all the reforms – requires the council to act decisively to the additional hardship that many residents face. This paper outlines the financial support which is required to do so, both support provided by central government (the Department for Work and Pensions) and locally, through the Mayor's Temporary Accommodation Fund.

4. ALTERNATIVE OPTIONS

- 4.1 To leave the Discretionary Housing Payments policy unchanged. This would not take into account the additional impact welfare reforms will have on residents and the relationship with the Mayor's Crisis and Support Grants and the Mayor's Temporary Accommodation Support Fund. Not amending the policy to reflect this new environment may result in Discretionary Housing Payments not being administered effectively over the year, potentially resulting in significant shortfalls or surpluses by the end of the year, resulting in uneven and inconsistent support.
- 4.2 To not provide a Mayor's Temporary Accommodation Support Fund. This would result in many hundreds of homeless temporary accommodation families (up to 450) being left with significant financial shortfalls. This will result in the financial burden of rent payments falling to the Council which would incur similar, if not greater costs than the Fund itself, certainly in the short and medium term. It would also result in significant distress for many families.

5. BACKGROUND

- 5.1 The Welfare Reform Act 2012 introduces a wide range of changes to welfare benefits which will have significant impact for local residents. In response to this the Council set up a cross-Partnership Welfare Reform Task Group involving representatives from across the Council as well as housing providers, local advice agencies, health and Job Centre Plus. Over the course of the last year the Group has undertaken a range of work to prepare for and mitigate the impact of welfare reform changes on local people.
- 5.2 The welfare reform changes are wide ranging and include changes to Housing Benefit, in particular the Local Housing Allowance limits in the private sector, the spare room subsidy, more commonly referred to as the 'bedroom tax' in the social rented sector and increase in non-dependent deductions. This is in addition to the introduction of Universal Credit, local administration of Council Tax Benefit and the Social Fund and replacement of Disability Living Allowance with Personal Independence Payments. Our most

significant concern has been about the benefit cap, limiting benefit payments to £500 per week, or £350 per week for single people. High private sector rents and the high cost of temporary accommodation for homeless households means this hits local people particularly hard, something that is further compounded for larger families. At the end of last year, we had a surprise announcement that the benefit cap implementation would be 'phased' rather than introduced for all from April 2013. We do not yet know the precise date for implementation in Tower Hamlets but DWP have indicated that national roll-out will start in mid-July and will be completed nationally by mid-September 2013.

5.3 The cumulative effect of the range of welfare benefit changes is likely to hit a high proportion of those in the borough, even if they are not affected by the draconian benefit cap. Of those changes coming in from April 2013 or shortly thereafter, we estimate that the shortfall for residents in the borough up to the end of the financial year, March 2014, will be:

Local Housing Allowance	£3.2 million
Bedroom tax	£3.5 million
Benefit Cap(phased in from July)	£5 million
Total	£11.7 million

5.4 This is likely to cause considerable hardship within the borough which will be compounded by the Government's recent decision to limit increases in benefits to 1%, which is below the current rate of inflation of 2.7%, and significantly below housing rent inflation in the borough. In addition, from October 2013, the 7000 residents receiving Disability Living Allowance will over the next 3 years have their entitlement reassessed and potentially cut as they are moved onto Personal Independence Payments.

5.5 This paper outlines proposals for the use of discretionary payments. The paper outlines how they will be managed to ensure that best use is made of the limited funds available.

6. **BODY OF REPORT**

6.1 **Discretionary Financial Support**

The impact of welfare reform is likely to mean more people struggling to support their families and pay food costs and bills; getting into debt, sometimes with 'legal loan sharks'; and falling into arrears with rent and utility bills. This will include those in low paid work as well as those out of work. For this reason the work to date around welfare reform has gone hand in hand with the development of our Financial Inclusion Strategy. The Strategy aims to build financial capacity and resilience of local people to do what they can to manage with reduced incomes and will be implemented side by side with our activity to support more people into work and promotion of the London Living Wage.

6.2 In addition to the range of preparatory and mitigating activity overseen by the Task Group (and reported to Cabinet earlier this year), the Council will have three main sources of providing specific financial support as a last resort to those in the most need. The support available to the Council to mitigate the impact of Government cuts will in no way meet the full £11.7 million shortfall identified above. These will need to be focused on supporting the most vulnerable for a temporary period. The three sources of funding are different in focus and aims and are summarised below:

- 6.2.1 **Discretionary Housing Payments (DHP)** – the Government has increased DHP funding to local authorities in recognition of the introduction of welfare reform changes and the recognition that these may cause hardship for some unable to pay their rent and housing costs. Our allocation for 2013/14 is provisionally £2.2 million – this needs to be considered in the context of the £14million annual shortfall in benefit identified above. The Council expects the further exemptions to the bedroom tax, recently announced by the Government to be deducted from the £2.2m fund.
- 6.2.2 **The Mayor’s Temporary Accommodation Support Fund** – in its Budget, the Council agreed an additional £1million spend to support the most vulnerable residents in homeless temporary accommodation affected by the benefit cap through rental bridging to households in the most exceptional cases. As the budget motion agreeing this support noted, this would only enable us to assist a proportion of those in temporary accommodation, where the annual shortfall is estimated at £3.6 million for all households. This report though reflects on the part-year application of the Cap in 2013/14 and, in appreciation of a 33 rather than 52 week impact, identifies two alternative practices for possible adoption.
- 6.2.3 **The Mayor’s Crisis and Support Grants** – there is a new local authority responsibility for certain aspects of the Social Fund. We have developed proposals for the Mayor’s Crisis and Support Grants which are aimed at supporting living costs on a one-off basis in very specific situations which include moving out of residential care, supported housing or prison emergency ‘stop-gap’ funding due to crisis, or households on low incomes requiring one off support to purchase major household items. The annual fund for Tower Hamlets in 2013/14 is £1.4 million. Although Government has not been prescriptive about how this support is provided, we have chosen in the first instance attempt to replicate the existing eligibility to ensure no one loses out through the transition. Because of their different focus at present, The Mayor’s Crisis and Support Grants are not considered in detail here. We will review the scheme with partners after 6 months and report back on the level and patterns of demand, and any changes needed to ensure it meets the goal of providing finance to the most financially vulnerable residents who would otherwise be unable to continue supporting themselves and their family independently and safely in the Borough.
- 6.3 There are additional emergency funds available to the Council to support cases of extreme and immediate hardship, for example section 17 funding to support families with children. However, these are one-off and limited in application and unlikely to have a significant role in supporting households coping with the ongoing impact of welfare reform changes. Education, Social Care and Wellbeing Directorate have indicated their preference for s17 funding to continue to be administered separately.
- 6.4 Officers within Housing Benefits, Customer Access, Housing Options, Housing and Corporate Strategy and Equality have been considering policy options for the three support funds outlined above, to ensure they are most effectively deployed to assist those in need. Some general conclusions are as follows:
- 6.5 **The Mayor’s Crisis and Support Grants** are focused on meeting very specific one-off crisis/emergency needs. Certainly in the initial stages of our administration of this pot, we think it appropriate to maintain this focus to ensure these emergency needs can be met within the funding available. It is believed that the pot may not sufficient to deal with the current expected demand, but this will only be borne out by experience. As such, it is not proposed to widen the criteria to support those struggling more generally with

housing costs as a result of housing benefit changes and so there is no immediate case for aligning this pot with either of the other funds – it will however be important to find a way of sharing information about who has been supported by these grants.

- 6.6 Council agreed a clear and specific purpose for the **Mayor's Temporary Accommodation Support Fund** – rental bridging for, at a minimum, those vulnerable households in exceptional need who occupy homelessness temporary accommodation. Two funding models are considered to support either a limited, or more expansive, number of households, this being dependent on the criteria ultimately adopted. This is further debated in Section 7 below.
- 6.7 **Discretionary Housing Payments** – Government guidance indicates that the increased allocation this year is particularly to reflect LHA reforms, the bedroom tax (social sector under-occupation charge), benefit cap, as well as the 'other circumstances' of hardship which would have had recourse to DHPs prior to the benefit changes. Given the very specific purposes of the funds outlined above, it is not at this time recommended that the funding pots are combined. Again, however, it will be appropriate to keep this under review through the first 6-12 months of welfare reform changes and to consider whether we need a more integrated approach in the future.
- 6.8 As a result of this initial overview of the three pots, the recommendation is that we continue with separate approaches for each funding source at present with the provisos that:
- 6.8.1 We seek where possible to align eligibility criteria for determining vulnerability/hardship so we have a common Council approach that does not fetter discretion; and
 - 6.8.2 We ensure careful monitoring and information sharing about which households are supported and the reasons for this whatever scheme they are supported by.
 - 6.8.3 We should review arrangements later in the year, based on experience to date, with a view to provide a simple, single route to assessing needs and allocating funding to those requiring support. It is proposed that because changes are being phased in at different times over the next 6 months, we undertake a review from the autumn by which time all changes will be in place and we can review their differential impact.
- 6.9 The remainder of this paper focuses on the two funds specifically targeting housing costs support (DHP and the TA support fund), with a view to aligning eligibility criteria where possible and appropriate. Because of its different focus at present, The Mayor's Crisis and Support Grants are not considered in detail here.

7 The Mayor's Temporary Accommodation Support Fund

- 7.1 The Housing Options team has undertaken considerable work to understand the needs and circumstances of those homeless families living in temporary accommodation likely to be affected by the benefit cap. This has included visiting every household and assessing their circumstances, providing advice and support to maximise their chances of finding employment to remove them from the benefit cap and to maximise their chances of being offered a social housing tenancy where lower rent levels mean the cap is less likely to impact.
- 7.2 Despite these mitigations, our analysis indicates that around 500 households in temporary accommodation will be impacted by the cap. It is difficult to give a precise

figure ahead of the actual implementation after July 2013 as we are dependent on information from the DWP which has a time lag. As an example, the number of affected households on the DWP scan for March has increased by 10% from the January scan.

7.3 However, we have made some informed estimates of likely costs relating to these families:

7.3.1 The overall potential shortfall to the end of the financial year (March 2014), given the cap will be phased in between July and September, is a shortfall of **£2.2 million**.

7.3.2 The Council has identified **£1million** of reserves to support the most vulnerable, or those with school age children.

7.4 In any exercise to disperse the £1million fund, it has been quickly appreciated that this sum will not be sufficient to support all those families impacted by the cap. In response, work has been undertaken to develop criteria designed to identify how to prioritise who will and will not, benefit from mechanisms to make up the shortfall between rent charged and an individual's ability to pay that rent.

7.5 This work has led to the development of the following suggested categories of those who have a particular need to stay in the borough and who therefore are likely to be considered for short to medium term assistance from the Fund:-

- Households where there is a child, or children, in school years 10-13 (i.e. the exam-critical years)
- Households with a specific medical reason for needing to live locally, typically associated with a long-term physical or mental health condition that merits treatment being delivered locally. Assessing this will see the Service engage existing health assessment mechanisms designed to inform Priority Need decisions and the suitability (or otherwise) of offers of accommodation.
- Households with a family member on the Child Protection Register or whose children are deemed at risk by Statutory Services or who are within the Council's Troubled Families programme
- Households where an adult member is deemed to be a Vulnerable Adult or otherwise at risk by Statutory Services
- Households where a family member is the sole provider of care to a borough resident who will otherwise have to receive services from a statutory service if that care cannot be provided by said family member. Assessing this will involve engagement with Social Care and Wellbeing services.
- Households where a family member receives care from a borough resident who will otherwise have to receive services from a statutory service if that care cannot be provided by said borough resident
- Other exceptional circumstances, including those who have already moved numerous times or who are shortly due a permanent move.

- 7.6 Officers believe that adopting the above criteria will see around 200 - 250 households becoming capable of being assisted, with then a similar number needing to be transferred.
- 7.7 As for those to be transferred, it should be possible to house those with a 2- bed need in neighbouring or nearby outer London boroughs at rents sufficiently low to allow the household to be immune from the worst impact of the Benefit Cap. For those with a need for 3 bedrooms or more however, we will need to look at temporary accommodation outside of London to find rents to protect these larger households from the effects of the Benefit Cap.
- 7.8 Members have though asked that consideration also be given to providing financial support to all affected tenants of temporary accommodation with school age children, especially those under 12 and, in particular, those cases where travel to their school will be particularly challenging. Any such consideration will mean many more families eligible for the Mayor's Temporary Fund than funds available if we maintain the £1million limit.
- 7.9 There is the capacity to fund this wider programme of assistance by the additional reliance on £1.2 million of Homelessness Grant reserves and Cabinet is therefore asked to agree to either:
- 7.9.1 fund £1 million of assistance, equivalent to helping half the households in temporary accommodation until 31st March 2014, prioritising those meeting the criteria in 7.5 above; or
- 7.9.2 funding £2.2 million which should, based on current estimate, enable all affected families in temporary accommodation to be supported until end March 2014.
- 7.10 There are though some very important points to note:-
- 7.10.1 Funding opportunities are influenced by the fact that the Cap is only being experienced for part of 2013/14.
- 7.10.2 For a full year, the shortfall against the current portfolio of temporary accommodation would be £3.6 million.
- 7.10.3 In 2014/15, there would only be limited capacity to continue this programme of support with, at best, £1 million being available for the full year.
- 7.10.4 This means that, in the 33 weeks between Cap implementation and the next financial year, officers will need to progressively reduce the portfolio of such dependent households to leave a likely 150 households assisted and 350 needing to be transferred by 31st March 2014.
- 7.10.5 All of the above relates solely to the application of the £500 Cap. There are other causes of households experiencing the loss of their current temporary accommodation and the prospect of an out of borough placement. These other causes are principally around the overall unwillingness of the private sector to continue to supply accommodation for use as temporary accommodation. In such circumstances, moves out of borough will be inevitable if supply locally is lost.
- 7.10.6 With homelessness increasing, adherence to the Homeless Statement's commitment to rely on affordable private sector tenancies to cease the

homeless duty for new applicants is essential to avoid significantly compounding the difficulties anticipated for existing temporary accommodation households.

7.11 Whatever criteria are ultimately adopted, their impacts will be subject to ongoing monitoring and the outcomes of this monitoring will be reported upon after Month Three of the programme of assistance.

8 Discretionary Housing Payments

8.1 All awards of DHP are made in accordance with the statutory guidance received. The statutory requirement is that DHP is used in respect of shortfalls between Housing Benefit entitlement and eligible rent and/or Council Tax Benefit entitlement and Council Tax liability.

8.2 DHP can only be awarded where there is entitlement to Housing or Council Tax Benefit and a person “needs further assistance to meet housing costs”. However, from April 2013 DHP’s can no longer be used in respect of the Council Tax and will therefore only apply to Housing Benefit.

8.3 Our existing policy recognises the main reasons for support as being:

- Those whose income is above the level at which they automatically get full Housing Benefit on low incomes but those just outside the means test, sometimes termed as the ‘benefit trap’. The policy identifies that these applicants would need to demonstrate some additional circumstances to receive an award.
- Non Dependant charges – deducted from benefit entitlement in respect of adults other than claimant/partner in the household, depending on income and circumstances of the non-dependant. Again, the policy identifies that these applicants would need to demonstrate some additional need or circumstances to receive an award.
- Local Housing Allowance caps based on maximum HB payable compared to LHA rates, including the shared accommodation LHA payable to single people under 35. Again, the fund is insufficient to make up the difference in all cases and identifies additional considerations which will be taken into account (For full detail of the current DHP policy, see Appendix A).

8.4 These requirements will continue and will be exacerbated by tougher LHA rules and higher non dependant charges from April 2013. In addition, the bedroom tax introduced from April and the benefit cap from later in the year, will create significant additional charges on the fund.

8.5 It is estimated that the shortfall in relation to the bedroom tax is £3.5 million although we are still awaiting the detail of exemptions announced recently by government in relation to foster carers, disabled children and families of those serving in the armed forces.

8.6 The estimate for those affected by the benefit cap (excluding those in temporary accommodation discussed above) is a further £5.3 million. Set against this shortfall, the Council has been allocated £2.237 million DHP to meet the needs outlined above plus all the new needs coming into force during 2013/14.

- 8.7 Government has indicated that nationally funding has been allocated on the following basis 26% for LHA reforms, 19% Bedroom Tax, 42% Benefit Cap and 13% other circumstances.
- 8.8 At present there is no requirement to allocate our fund according to these percentages and we would not recommend this given our understanding of the local situation which is that we are one of the boroughs with the highest number of households hit by the benefit cap and our average shortfalls are so significant, on average £100 per week.
- 8.9 However, it is this level of shortfall which means the DHP fund will be significantly over-subscribed. .
- 8.10 The introduction of the benefit cap, by far the biggest area of shortfall locally, will be delayed until at least July 2013. It is therefore our intention to retain the current DHP policy which covers all circumstances in which the HB award does not meet the eligible rent and therefore is fit for purpose in the interim. We will use the first three months of 2013/14 to monitor applications, criteria applied, and success rate to enable us to fully understand the impact of the changes locally.
- 8.11 The proposed Mayor's Temporary Accommodation Support Fund criteria is being aligned with the existing DHP criteria. The current DHP policy includes prioritising medical or social need to live in the area and children's educational circumstances It also incorporates other factors which are important in relation to the benefit cap –for example, cost and availability of suitable alternative accommodation, efforts to reduce the rent, access to other financial help to meet the shortfall. It will be important to make clear that, as with the temporary fund, given the level of shortfall predicted, the DHP pot will only be sufficient to fund those most vulnerable households who have the most pressing need to remain in the borough.
- 8.12 As with previous years, the limited size of the pot in relation to need, also means that it cannot be an indefinite top-up. The application of the policy will mean DHP will be in the form of 'transition support' – at a period to be determined by the Officer taking into account DHP Policy considerations including available funding and demand.. The aspirational expectation will be that during this period, claimants will seek to resolve their own situation, either through moving into employment or seeking more affordable housing options. It is therefore proposed that award of a DHP to support those impacted by the benefit cap should be combined with a referral to the Housing Options 'No wrong door' service to enable them to access money, employment and financial advice.
- 8.13 It is proposed that a key focus for use of the DHP should be in relation to preventing homelessness of households to whom we have a statutory duty. This is to avoid creating a revolving door of homelessness for families, and to limit additional calls on limited top-up resources. In particular, this requires consideration to be given as to how best to support larger families with a 4 bedroom plus need for whom there is very little chance of finding affordable private sector housing but only over a short period. An option might be to support these families for a time limited period - whilst helping them explore alternative housing options and preparing for the upheaval of moving some way out of London and also targeting support to enable them to secure sufficient hours of work per week to become exempt from the cap.
- 8.14 One way of maximising support to households at risk of homelessness, would be to more tightly limit the level of DHP support provided to those households affected by the bedroom tax. As overcrowding is such a significant issues we would want to provide top-up financial support to those who are under-occupying only in very specific

circumstances. The Government has recently identified two new categories of applicants exempt from the bedroom tax – families of armed services personnel posted away from, but usually resident at, the parental home and foster carers. In addition, guidance now states that parents of severely disabled children who are able to convince the local authority that the child is unable to share a bedroom because of his/her disability, should be allowed a room in respect of the child. At present this policy does not apply to disabled adult members of the household requiring their own room due to disability but this extension may follow and in any case, this circumstance could be covered through our DHP policy.

- 8.15 The bedroom tax also puts in potential hardship those families with two children of opposite sexes who have been rehoused in 3 bedroom accommodation in line with our lettings policy, but who will be assessed as under-occupying for HB entitlement until their older child reaches 10 years old. For such households, we might want to provide DHP support where children are approaching 10 years old where applicants are able to demonstrate this causes particular financial hardship.
- 8.16 In the majority of other cases, there would need to be an exceptionally strong case of need to prioritise supporting an under-occupying household rather than one affected by the benefit cap facing a forced move out of their home. Instead we would want to provide solutions which sought to assist households to solve their own situation by a structured approach to facilitating and brokering mutual exchanges between over-occupied households on the Housing Register and under-occupying households hit by the bedroom tax. We are in the process of exploring an approach, endorsed by members of the Welfare Reform Task Group, in which we will seek to engage all the main social housing providers locally to agree to engage in this process of brokering mutual exchange arrangements. Further detail will be worked up on this in coming weeks.

9. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 9.1 The proposed changes to the Welfare Benefits System have been identified in the Council's Medium Term Financial Plan as a significant financial risk to the Council. These risks are difficult to quantify but may run into millions of pounds. They arise primarily from three sources; the immediate impact on demand for homelessness services if families are unable meet their housing costs, the potential impact on services in the future if welfare reform leads to increasing social issues which would fall to the Council to deal with and the potential for increase in bad debts in relation to the Council's own income collection. In addition there is the potential for additional customer support costs to fall on those services which regularly interact with benefit claimants, such as the housing options, housing benefits and welfare advice services.
- 9.2 For 2013/14, the Government's contribution towards Discretionary Housing Payments has been increased from £0.469m to £2.237m in recognition that there will be a significant impact on a large number of local residents of welfare benefits reform. As the report sets out, however, this sum will not be sufficient to compensate every individual or family for their anticipated loss of benefit. The use of DHP is at the discretion of the authority subject to Government guidance.
- 9.3 In addition the authority has taken a number of financial steps to address the risk;
- The Mayor has funded the local Council Tax Support scheme to match the former Government scheme.

- The Mayor has set aside £1m as a one-off amount in the 2013/14 budget as a temporary accommodation support fund.
- An additional £1m has been earmarked within contingencies to help deal with any unforeseen welfare reform issues that may arise during the year.

- 9.4 The report sets out two options (Recommendation 2.2, detailed in paragraphs 7.3 to 7.9 of the report) for prioritising support. Option 2 could require up to £2.2m. £950,000 of this can be funded from the earmarked Homelessness Reserve, which was not drawn down to the level anticipated in 2012/13. This reserve was set up to deal with the risk of specific homelessness pressures, which includes those arising from welfare reform. If the balance is required it can be transferred from the specific welfare reform contingency outlined above. This option must however, if agreed, be taken in conjunction with a review of future eligibility and assessment of on-going implications for the Council's medium term financial strategy from 2014/15. Robust monitoring will also be required and reported through the Council's Corporate Budget Monitoring process.
- 9.5 The report also sets out, that the Council has recently taken over responsibility for the delivery of the Social Fund, now known as the Mayor's Crisis and Support Grants. Again careful monitoring will be required so that the Council is able to respond appropriately if eligible demand exceeds resources available.
- 9.6 Beyond the resources set out above, any costs of dealing with welfare reform will need to be absorbed within existing Directorate budgets or, in the short term, allocating funding from Council contingencies and reserves. In the longer run any costs would need to be met from additional savings or increased revenues.

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

- 10.1 The Council may make payments by way of financial assistance to persons who are entitled to housing benefit and appear to require further financial assistance to meet housing costs. The power to make such payments (called discretionary housing payments) is provided in the Discretionary Financial Assistance Regulations 2001. The Regulations have recently been amended in light of the introduction of universal credit and the abolition of council tax benefit.
- 10.2 For the purposes of the Child Support, Pensions and Social Security Act 2000, the Regulations prescribe circumstances in which discretionary payments may not be made. These relate to the manner in which the need for financial assistance arises. The limitations imposed by the Regulations still leave the Council with a broad discretion where the need for financial assistance arises in relation to "housing costs". The expression "housing costs" is not defined in the Regulations, but the Government has indicated that it considers this means rental liability and may extend to rent in advance, deposits and other lump sums associated with housing need such as removal costs.
- 10.3 The Government has published guidance in relation to the making of discretionary housing payments and a good practice guide. The Council should have regard to these in determining its approach. The guidance underlines the need for discretionary payments to be consistent with administrative law principles.
- 10.4 The guidance in Appendix 1 seeks to provide criteria to support fairness and consistency in decision-making about discretionary payments, whilst still ensuring that applications

are considered on a case by case basis. . The guidance in Appendix 1 is broadly consistent with the Government's guidance, save that it does not provide a list of the objectives to be met by discretionary housing payments.

- 10.5 The report refers to other payments which may be made by the Council, such as crisis and support grants. Those references appear to be for information purposes and, accordingly, detailed legal comments are not provided in relation to them. The Council will need to have a source of power for any payment made and must ensure that payments are made lawfully.
- 10.6 Before determining its approach to discretionary payments, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. Some form of equality analysis will be required and officers will have to decide how extensive this should be. Specific consideration will need to be given to whether proposed criteria are discriminatory, either positively or negatively, and if so whether they may be justified under the Equality Act.

ONE TOWER HAMLETS

11. ONE TOWER HAMLETS CONSIDERATIONS

- 11.1 Welfare reform changes will have a significant impact on the most vulnerable residents of the borough including those who are disabled and/or who rely on carers, those who have large families and those who are furthest away from the labour market and therefore will find it hardest to move off benefits and into employment.
- 11.2 Our analysis to date has particularly focussed on understanding the impact on single parent families, largely headed by women, BME families, carers and disabled people. Amongst homeless families in temporary accommodation, we know that 58% are lone parent families (55% headed by women) and 72% are BME families, of which 64% are Bangladeshi.
- 11.3 The Equalities Analysis for each of the three discretionary payments – Discretionary Housing Payment; The Mayor's Crisis and Support Grants; and the Mayor's Temporary Accommodation Support Fund - are provided in the appendices to this paper.

12. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 12.1 The proposals in this report have no direct environmental implications.

13. RISK MANAGEMENT IMPLICATIONS

- 13.1 The impact of welfare reform has a maximum corporate risk rating of '12' reflecting the significance of the reforms. This is because the Government's 'welfare reform' agenda leads to a reduction in both the supply of affordable private sector rented accommodation and the willingness of private sector landlords to rent to benefit dependant households. This raises the very real prospect of a significant rise in homelessness.

13.2 This paper directly addresses these risks in outlining the provision of discretionary payments to residents, in particular supporting those in homeless temporary accommodation, mitigating against some of these significant risks.

14. CRIME AND DISORDER REDUCTION IMPLICATIONS

14.1 The proposals in this report have no direct crime and disorder implications.

15. EFFICIENCY STATEMENT

15.1 Discretionary Housing Payments and the Mayor’s Temporary Accommodation fund will be used to maximise efficiency by seeking to support vulnerable families in their existing accommodation where possible, preventing homelessness and the costs associated with this, minimising moves and re-settlement costs, and seeking to limit potential knock-on costs in relation to education, social care and health as a result of the impact on families. Payments will be for a fixed period of time and encourage people to find their own long term solutions wherever possible.

16. APPENDICES

- Appendix 1 – Discretionary Housing Payments 2013/14 Decision Making Guidance
- Appendix 2 – Equalities Analysis – Discretionary Housing Payments
- Appendix 3 - Equalities Analysis – The Mayor’s Crisis and Support Grants
- Appendix 4 - Equalities Analysis: The Mayor’s Temporary Accommodation Support Fund

**Local Authorities (Executive Arrangements) (Meetings and Access to Information)
(England) Regulations 2012**

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
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None

Discretionary Housing Payments 2013/14

Decision Making Guidance for Benefits Appeals Officers

Contents

What are Discretionary Housing Payments?	page 2
Eligibility	page 3
Decision making process	page 4
Determining the DHP award and period of award	page 5
Notifying DHP decisions	page 6
Appeals	page 7
Monitoring	page 8
Appendix 1 - DHP allocation considerations	page 9
Appendix 2 – Welfare Reform and DHP	page 11
Appendix 3 – Monitoring of DHP awards by category	page 14

What are Discretionary Housing Payments?

Discretionary Housing Payments (DHP's) were introduced under the Child Support, Pensions and Social Security Act 2000.

The Act conferred discretion on Local Authorities to award a Discretionary Housing Payment in respect of any shortfalls between:

- Housing Benefit entitlement and the eligible rent charged and/or
- Council Tax Benefit entitlement and Council Tax liability

The Regulations covering DHPs are The Discretionary Financial Assistance Regulations 2001.

DHPs can only be awarded where there is entitlement to Housing or Council Tax Benefit and where the Local Authority considers that a person "needs further financial assistance in order to meet housing costs".

DHPs are intrinsically linked to Housing and Council Tax Benefit entitlement; however, they are not governed by the HB/CTB Regulations and as such, are independent of the HB/CTB schemes.

From 1st April 2013 Council Tax Benefit was abolished and replaced by Local Council Tax Support schemes devised by individual Local Authorities. From 1st April 2013 DHP's do not extend to the Council Tax Support schemes. Consequently, DHP awards for periods from 1st April 2013 are limited to shortfalls between Housing Benefit entitlement and the eligible rent liability only.

Awards are made at the discretion of the Local Authority and the Local Authority is expected to set up an independent review/appeal procedure to deal with disputes arising from DHP decisions.

DHP's are cash limited. Local Authorities are provided with a fixed pot of money each year from the Government to help people who qualify for Housing Benefit, but are having trouble paying their rent. When the money for the year runs out, no more payments can be made.

DHP's may be paid weekly, or can be a lump sum. They can also be backdated.

DHP's have always been administered within the Benefits Service due to the fact that underlying eligibility is based on entitlement to Housing Benefit. Consequently staff involved in the administration are experienced in working to a fixed budget and have thus ensured, in previous years that expenditure accords with the amount of available funding.

Eligibility

Before a DHP payment can be considered, in order to be eligible for a DHP, the claimant must be entitled to:

Housing Benefit (HB);

or

Universal Credit (UC) that includes a housing element towards rental liability;

and

must require further financial assistance with housing costs.

A claimant who is **only** entitled to Council Tax Reduction/Council Tax Support is not eligible for a DHP.

The application for DHP must be made in writing by the claimant and all supporting evidence must be provided in order for the claim to be considered.

The requirement for financial assistance must not arise by reason of the circumstances set out in Regulation 3 of the Discretionary Financial Assistance Regulations 2001.

Decision making process

To ensure fairness and consistency in decision making, the Appeals Officer will consider each claim on its own merits.

In making their decision, the Appeals Officer will consider and take into account the following;

- the written representations made within the DHP claim
- any supporting information and evidence including any supporting representations from Doctors, Social Workers, other Professionals etc.
- household circumstances
- financial circumstances (income and essential expenditure)
- exceptional need
- hardship
- Availability of funds at the time of the application
- availability of any other form of discretionary funding
- period of award and sustainability – short term, long term, whether there is a future event likely to negate or reduce the need for an on-going DHP e.g. job offer, moving to alternative accommodation, reaching Pensionable age etc. (Particular emphases will be placed on the period for which we are likely to be able to sustain an award and what is likely to happen when DHP is withdrawn.
- extensive experience of DHP administration by Benefits Service Appeals Officers

Appendix 1 provides more detailed DHP allocation considerations.

Determining the DHP award amount and period of award

Having considered the DHP request, if the Appeals Officer is satisfied that the claimant meets the criteria for an award to be made, the Appeals Officer must then determine how much to award and the period for which the award will be paid.

Appeals Officers will determine the DHP award amount and period of the award based on extent of hardship and will make a resource based decision, taking into account the DHP budget limitations at the time of the request.

The amount and length of awards - considerations

Consideration will need to be given as to whether the award is sustainable in terms of the limit of available funding. In considering this attention needs to be given to the desired objective and, in particular:

- (a) Whether the amount of award should cover the whole of the shortfall. This is particularly pertinent where the amount of shortfall is considerable and awarding the full amount could result in a significant drain on the available funding.
- (b) Whether the length of award should be predicated on:
 - the likelihood of the applicants circumstances changing in the foreseeable future
 - the amount of shortfall between the rent and the HB award
- (c) Whether there are applicants who should be protected indefinitely and the cost of doing so

On all awards consideration should be given to how often the awards be reviewed. This will vary depending on the applicant's individual circumstances and the requirement to regularly review of the available DHP funding.

Where the award is calculated as a weekly or monthly sum it will not exceed (respectively) the weekly or monthly eligible rent on the house.

Notifying DHP decisions

A written notification of the decision must be issued to all DHP applicants.

In all cases the notification must include:

- the date of the DHP application
- the date of the decision
- the reasons for the decision
- the applicants rights of appeal and details of how to appeal and the deadline by which any appeal must be submitted in writing

In addition, if a DHP is awarded the notification must also include:

- the amount awarded
- the period covered by the award
- advice regarding the applicant's options when the award expires

Appeals

An established two stage process is in place for considering appeals.

Appeals should be made in writing within one month of the date of the original DHP decision.

The first stage of the appeals process for DHP's is for the appeal to be reconsidered by a different Appeals Officer from the one who made the original decision.

The claimant will be notified in writing of the outcome of their appeal.

If the claimant remains dissatisfied they may request a second stage appeal in writing within one month of the date of their appeal decision.

The second stage of the appeals process is for consideration by the Service Head for Customer Access. Second stage appeals will be prepared by the Appeals Team and submitted to the Service Head for Customer Access.

The written submission will:

- Explain the reasons for the decision
- highlight the grounds for appeal
- include all relevant documentation

The Service Head for Customer Access will decide the appeal and inform the Appeals Team of the decision.

The Appeals Team will then, notify the appellant of the outcome.

Monitoring

The Benefits Service monitors the DHP fund and the quality of its decision making on DHP's.

There are established processes for ensuring DHP spend is maximised and that the budget does not overspend.

The DHP fund is available to Appeals Officers and Benefits Service Managers in real time, on a daily basis. This is available on the Benefits Service Northgate ICT system and enables the available funds to be closely monitored.

Benefits Service Management Team receive a monthly report of projected DHP budget spend against actual spend.

Where necessary, take up opportunities will be explored to ensure maximum spend.

A test checking process ensures that the quality of decision making is fair and consistent. Test checks are undertaken by Team Leaders and Managers.

From 1st April 2013 DHP awards will be monitored by category in accordance with DWP requirements. Details of the categories and monitoring arrangements can be found at Appendix 3.

Appendix 1 – DHP Allocation Considerations

It is necessary to devise a solution that encapsulates both fairness and consistency within the DHP decision making process.

In order to achieve this, decision makers need to consider the following. It should be noted that this list is not exhaustive:

Household Composition

- whether the applicant has children who are due to undertake GCSEs or A levels
- are there disabled children or non-dependants in the household
- is the accommodation specifically adapted for the needs of a disabled household member
- is the family vulnerable e.g. those who access the Council's Children or Adults Services
- is the applicant/partner a low paid worker who risks losing their job if they have to relocate
- Does the applicant incur non dependant charges where the non-dependant does not have any income

Other factors warrant consideration in addition to those listed above, include the following. Again, the list is not exhaustive and decision makers retain scope to include any additional factors relevant to a particular applicant:

Hardship

A correlation needs to be drawn between household income and, necessary and essential expenditure.

In order to establish the level of hardship it may be necessary to obtain an itemised list of household expenditure and examine the level of spending on items that would not normally be considered as being essential

Conversely it is also necessary to consider any additional essential expenses other than the normal day to day expenditure which may deplete an applicant's income.

Does the claimant need to live in the area?

Reasons as to why the applicant needs to reside in the area need to be fully explored. These are likely to include:

- Whether the current accommodation is close to a vulnerable relative for whom the claimant has some form of caring responsibility.
- Do the claimant's children attend a local school and if so are they approaching critical exams, GCSEs etc.
- Does the claimant or any member of the household have an illness or disability which requires regular medical treatment at a local hospital or clinic or support from a local resident if so, what are the prospects for the treatment to be provided elsewhere?

Is the claimant or any member of the Household known to Social Services?

The nature and extent of the claimant's social problems and those of the family need to be examined. The consequences of a change of address should be fully considered.

The cost and availability of suitable alternative accommodation

If the applicant cannot demonstrate any convincing reasons for having to reside in his/her current locality, he/she may be better advised to seek cheaper accommodation elsewhere. If there are valid reasons for residing in the locality, consideration needs to be given to whether there is a cheaper alternative accommodation available.

The level of shortfall between rent and Housing Benefit

If the applicant resides in privately rented accommodation and can demonstrate convincing reasons why he/she needs to reside in the area, if the shortfall is relatively low we need to consider whether there is any prospect of re-negotiating the rent charged with the landlord. Furthermore the size of the shortfall will influence the amount and length of any DHP award in terms of sustainability.

Experience of Welfare Benefits

In respect of the LHA caps consideration needs to be given to:

- whether the claimant has claimed HB before and had entitlement restricted
- efforts the claimant made to ascertain the level of HB payable before agreeing to the tenancy.

Non dependant deductions

Notwithstanding that the amount of deductions have increased considerably from April 2011, the charge is based on the level of the non-dependants income and therefore a general decision to award a DHP to mitigate the increased deduction should be avoided. Instead, we should look at each application individually to determine if there are any valid reasons why the non dep is unable to contribute towards the rent/council tax.

Could the Tenant afford the full rent when he/she first took up the tenancy?

If so the tenant may be entitled to Housing Benefit (HB) covering the full rent for the 13 weeks of the claim if he/she has not previously claimed HB during the past year. Notwithstanding this, in order to decide whether or not a DHP is appropriate from either the start of the tenancy or beyond the 13 week protection, we need to consider the length of the tenancy and the period of notice.

Equality Analysis (EA)

Section 1 – General Information (Aims and Objectives)

Name of the proposal including aims, objectives and purpose:

This Equalities Analysis examines the administration of Discretionary Housing Payments (DHP's) to residents.

DHP's have been in existence since 2001, they replaced the previous Discretionary Payments scheme.

The DHP fund is cash limited. Local Authorities are provided with a fixed allocation each year from the Government to help people who qualify for Housing Benefit, but are having trouble paying their rent. When the money for the year runs out, no more payments can be made.

DHP's may be paid weekly, or as a lump sum and they can also be backdated.

DHP's have always been administered within the Benefits Service due to the fact that underlying eligibility is based on entitlement to Housing Benefit. Consequently staff involved in the administration are experienced in working to a fixed DHP budget and have thus ensured, in previous years that expenditure accords with the amount of available funding.

The DHP administrative framework is outlined below.

In order to qualify for DHP, the claimant must first have entitlement to Housing Benefit.

The claimant must then complete a DHP application in writing.

The DHP policy aims to ensure that all claims are considered individually, based on:

- representations made within the DHP claim
- household circumstances
- financial circumstances (income and essential expenditure)
- exceptional need
- hardship
- Availability of funds at the time of the application
- availability of any other form of discretionary funding
- period of award and sustainability – short term, long term, whether there is a future event likely to negate or reduce the need for an on-going DHP e.g. job offer, moving to alternative accommodation, reaching Pensionable age etc. (Particular emphases will be placed on the period for which we are likely to be able to sustain an award and what is

likely to happen when DHP is withdrawn.

Deciding the Amount of an Award.

Having used the criteria set out above to determine that a DHP award would be appropriate, the next step is to decide:

- The weekly amount
- The award period

In reaching a decision, consideration will be given to any relevant factors including but not exclusively those set out in the main policy document. These can be summarised as:

- Availability of DHP funding (DHP budget)
- Financial circumstances (having regard to both available income and essential/necessary expenditure)
- Sustainability
- Any particular needs of the applicant, the applicant's family and any other person in the household

Notifying the outcome of a DHP application

After the DHP claim has been considered. A notification of the outcome will be provided in writing to the DHP applicant.

In all cases the notification must include:

- The date of application
- The date of the decision
- The reasons for the decision
- The applicants rights of appeal and details of how to appeal

In addition, if the DHP is awarded the written notification must also include:

- The amount awarded
- The period covered by the award
- Advice regarding the applicant's options when the award expires

Appeals

The first stage of the appeals process for DHP's is for the appeal to be reconsidered by a different Appeals Officer from the one who made the original decision.

The claimant will be notified in writing of the outcome of their appeal.

The second stage of the appeals process is for consideration by the Service Head for Customer Access. Second stage appeals will be prepared by the Appeals Team and submitted to the Service Head for Customer Access.

The written submission will:

- Explain the reasons for the decision
- highlight the grounds for appeal
- include all relevant documentation

The Service Head for Customer Access will decide the appeal and inform the Appeals Team of the decision.

The Appeals Team will then, notify the appellant of the outcome.

Service area:

Resources: Customer Access

Team name:

Benefits Services

Service Manager:

Steve Hill Head of Benefits Services

Name and role of the officer(s) completing the EA:

Lee Fearon Benefits Service Policy Manager

Section 2 – Evidence (Consideration of Data and Information)

What initial evidence do we have which may help us think about the impacts or likely impacts on service users or staff?

The speed, scope and complexity of welfare reform brings with it challenges. However, we can draw on several sources of evidence in order to help consider impacts.

- Equality analysis on the impact of the reforms themselves
- Analysis of financial loss as a result of 2013/14 welfare reforms
- Available monitoring data for Discretionary Housing Payments

Equality analysis on the impact of the reforms themselves

Additional DHP funding provided from April 2013 is designed to mitigate the unequal impact of welfare reform. It is therefore prudent to understand what, in equalities terms, this impact may be.

The Department for Work and Pensions, who are responsible both for welfare reform and the allocation of DHP, has undertaken equality analysis for the various measures introduced under the Welfare Reform Act 2012. This includes the benefit cap, social sector under occupation ('bedroom tax'), Disability Living Allowance reform and Social Fund Localisation, and is available as a series of publications¹.

In line with our own analysis the groups identified as being most affected by the reforms – in particular the benefits cap (due to come into force between July and September 2013) which will have the most significant impact on Tower Hamlets residents, will be:

- single female parents
- those aged 25 to 44 as they are more likely to have young children; and
- BME residents

¹ The Department for Work and Pensions *Welfare Reform Act 2012: equality impact assessments*
<https://www.gov.uk/government/organisations/department-for-work-pensions/series/welfare-reform-act-2012-equality-impact-assessments> Accessed 13/05/2013

Analysis of financial loss as a result of 2013/14 welfare reforms

The 2013/14 welfare reforms will have a significant impact on our residents.

The reforms and estimated reductions in Benefits entitlement are summarised below;

LHA Caps (including the extension of the Shared Accommodation Rate)

Estimated annual loss due to LHA caps is £ 3,200,000

Social Sector Under Occupation Charge - Bedroom Tax

Estimated annual loss due to the bedroom tax £3,500,000

Benefit Cap

Estimated loss due to Benefit Cap (from Sept) £4,000,000

The introduction of the Benefit Cap has been delayed. It was originally planned for April 2013 but will now be introduced by the end of September 2013. The delay and the fact that the number of families DWP expect to be affected by the cap constantly fluctuate, makes it difficult to estimate the annual reduction amount of Housing Benefit that will be incurred. Our original annual estimate based on the April introduction was £8 million. Therefore predicated on the assumption that introduction will be delayed until the end of September (a delay of 6 months), the revised annual estimate for 2013/2014, is £4m.

Estimates show the Benefit Cap average shortfall among those claims affected has been calculated at over £100 per week.

Estimates show the Social Sector Under Occupation Charge (otherwise known as the bedroom tax) will impact Social Housing tenants by £17 per week on average.

Available monitoring data for Discretionary Housing Payments

The Discretionary Housing Payment scheme has since its introduction been an enabler to provide financial assistance to the most vulnerable tenants.

The Housing Benefits Service holds data on all applicants and this continues to be subject to analysis and informs the level of support that can be provided to residents throughout the year.

Disability

DHP Awards – DHP applications from disabled claimants - current year 2013/14

Disabled claimants have made applications for 147 DHP periods in 2013/14.

This represents 17% of all DHP applications received this year, up to 24th May 2013.

The total DHP periods for which an award has been granted in respect of disabled claimants is 131 and the total DHP periods for which an award was unsuccessful in respect of disabled claimants is 12. There are 4 applications still awaiting determination.

This shows 89% of all applications for DHP's from disabled claimants have been awarded this year.

Only 8% have been unsuccessful and 3% are awaiting determination.

Ethnicity

The following data captures the ethnicity of DHP applicants in 2012/13 and those made in the current year to date 2013/14.

The analysis that follows is reported by DHP period (and not by DHP claim) in accordance with data requirements for the Department of Work and Pensions.

It should be noted that a large number of claims have either not supplied equalities data requested on their applications for DHP's or have asked that the information is not specified within their application.

2012/13

DHP Applications by ethnicity 2012/13

<u>Ethnicity</u>	Number of DHP periods	
Asian Bangladesh	459	24.76%
Black African	48	2.59%
Black Caribbean	63	3.40%
Black Somali	54	2.91%
White British	232	12.51%
Not known /unreported	734	39.59%
Other reported	264	14.24%
TOTAL DHP PERIODS	1854	100.00%

While the proportion of applicants whose ethnicity is not known or unknown is high, the analysis demonstrates that DHP applications are being made from all ethnicity backgrounds, which is encouraging in terms of take up.

2013/14

DHP Applications by ethnicity 2013/14

<u>Ethnicity</u>	Number of DHP periods	
Asian Bangladesh	192	21.97%
Black African	21	2.40%
Black Caribbean	18	2.06%

Black Somali	21	2.40%
White British	101	11.56%
Not known /unreported	314	35.93%
Other reported	207	23.68%
TOTAL DHP PERIODS	874	100.00%

Again for the current year, while the proportion of applicants whose ethnicity is not known or unknown is high, nevertheless the analysis demonstrates that DHP applications are being made from all ethnicity backgrounds.

The volumes of DHP applications has increased significantly by almost 50% per month (data for 2013/14 is provided from 1st April to 24th May 2013 – not quite two months). It should be noted that this increase has occurred before the introduction of the Benefits Cap.

DHP Awards and refusals 2012/13 and 2013/14

DHP Awards 2012/13

The total DHP periods for which an award was granted during 2012/13 is 1,341. This equates to 72% of all applications being successful. Further work is being undertaken to analyse these applications and the 513 or 23% that were not successful against equalities strands.

The total DHP periods for which an award has been granted for 2013/14 up to 24th May 2013 is 658. This equates to 75% of all applications being successful.

The total DHP periods for which an award was refused for 2013/14 up to 24th May 2013 is 208. This equates to 24% of all applications being unsuccessful.

A further 8 periods have been registered but are awaiting determination for 2013/14 (1%).

This analysis demonstrates that the successful/unsuccessful ratio remains similar despite the increase in DHP applications made in 2013/14 (72% last year, 75% for this year to date), equally the ratio for unsuccessful claims also remains similar (23% last year, 24% for this year to date).

Section 3 – Assessing the Impacts on the 9 Groups

How will what you're proposal impact upon the nine Protected Characteristics?

Discretionary Housing Payments provide claimants with further financial assistance, in addition to any welfare benefits, when the Council considers that help with housing costs is required.

DHPs can make an important contribution in preventing hardship by managing the transition for various customers or providing support where no other help is available.

DHPs are considered on a basis of need. The financial loss in Tower Hamlets could be as much as £14m per annum as a direct consequence of the reforms with further losses incurred through depressed wages and increasing costs, including rent costs.

The total available DHP funding of £2.2m falls significantly short of this loss and the financial need and vulnerability of Tower Hamlets residents.

DHPs will therefore

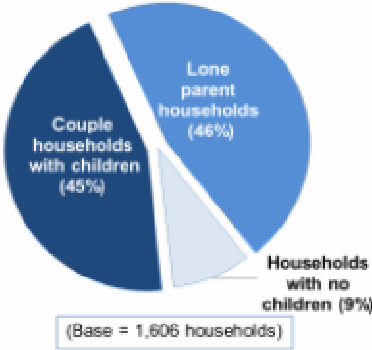
- be targeted to the most vulnerable households
- be limited to covering the essential costs of living
- assist in the transition over a limited period e.g. DHP's will not be used to support longer term shortfalls in rent – support may be offered to assist in finding employment and/or finding alternative accommodation etc.

DHPs should not be considered as a long term solution to the effects of the welfare reforms and can only be used to temporarily mitigate the financial impact for a limited period pending an alternative permanent solution.

It is likely, given our understanding of the way in which BME families and lone parents are particularly impacted by welfare reform changes, that these groups will be particularly dependent on DHPs and the policy has been drafted with an understanding of this in order to mitigate the impact of welfare changes on these already disadvantaged groups. Further analysis is given below.

Target Groups	Impact – Positive or Adverse What impact will the proposal have on specific groups of service users or staff?	Reason(s) <ul style="list-style-type: none"> • Please add a narrative to justify your claims around impacts and, • Please describe the analysis and interpretation of evidence to support your conclusion as this will inform decision making <p>Please also how the proposal with promote the three One Tower Hamlets objectives?</p> <ul style="list-style-type: none"> -Reducing inequalities -Ensuring strong community cohesion -Strengthening community leadership 																											
Race		<p>DHP's are more likely to be made to this group as BME residents are disproportionately impacted as a percentage of the overall Tower Hamlets population by the reforms.</p> <p>Breakdown of previous DHP applications by ethnicity:</p> <p><u>DHP Applications by ethnicity 2012/13</u></p> <table border="1" data-bbox="613 774 1518 1268"> <thead> <tr> <th><u>Ethnicity</u></th> <th colspan="2"><u>Number of DHP periods</u></th> </tr> </thead> <tbody> <tr> <td>Asian Bangladesh</td> <td>459</td> <td>24.76%</td> </tr> <tr> <td>Black African</td> <td>48</td> <td>2.59%</td> </tr> <tr> <td>Black Caribbean</td> <td>63</td> <td>3.40%</td> </tr> <tr> <td>Black Somali</td> <td>54</td> <td>2.91%</td> </tr> <tr> <td>White British</td> <td>232</td> <td>12.51%</td> </tr> <tr> <td>Not known /unreported</td> <td>734</td> <td>39.59%</td> </tr> <tr> <td>Other reported</td> <td>264</td> <td>14.24%</td> </tr> <tr> <td>TOTAL DHP PERIODS</td> <td>1854</td> <td>100.00%</td> </tr> </tbody> </table>	<u>Ethnicity</u>	<u>Number of DHP periods</u>		Asian Bangladesh	459	24.76%	Black African	48	2.59%	Black Caribbean	63	3.40%	Black Somali	54	2.91%	White British	232	12.51%	Not known /unreported	734	39.59%	Other reported	264	14.24%	TOTAL DHP PERIODS	1854	100.00%
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Disability		<p>DHPs will be used to assist disabled groups based on level of need. Even where disabled residents may be exempt from the reforms, those with a disability may be indirectly affected. The DWP expects approximately half of those households affected by the cap will contain somebody who is classed as disabled under the Equality Act², so, it is important that the discretionary support provided reflects this.</p> <p>Disabled claimants have made applications for 147 DHP periods in 2013/14. This represents 17% of all DHP applications received this year, up to 24th May 2013. The total DHP periods for which an award has been granted in respect of disabled claimants is 131. The total DHP periods for which an award was unsuccessful in respect of disabled claimants is 12. There are 4 applications still awaiting determination.</p> <p>This shows 89% of all applications for DHP's from disabled claimants have been awarded this year. Only 8% have been refused and 3% are awaiting determination.</p>
Gender		<p>We do not envisage differential impact of the change in policy by gender, though lone parents are particularly affected by the benefit and cap and thus in need of these payments. Data in respect of lone parents indicates:</p> <p>Lone Parents have made applications for 148 DHP periods in 2013/14. This represents 17% of all DHP applications received this year, up to 24th May 2013. The total DHP periods for which an award has been granted in respect of lone parents is 115. The total DHP periods for which an award was unsuccessful in respect of lone parents is 33.</p> <p>This shows 78% of all applications for DHP's from lone parents have been awarded this year.</p> <p>Additionally, lone parent households make up 10.6%, which is the same as the national figure and below that for London where lone parent households account for 12.7% of all households (Source: Tower Hamlets Census Second Release Headline Analysis).</p> <p>However, lone parent households make up 46% of all those affected by the benefits cap (source: Benefit Cap Analysis final report 26 11 12 – based on DWP September scan data – illustrated below). This implies that the number of lone parents who will claim DHP is likely to rise significantly once the cap comes in</p>

		<p>Figure 1 Benefit Cap households by type of household, Tower Hamlets</p>  <p>Source: DWP Benefit Cap scan (September 2012) for Tower Hamlets</p>
<p>Gender Reassignment</p>		<p>We do not envisage differential impact of the change in policy in relation to gender reassignment.</p>
<p>Sexual Orientation</p>		<p>We do not envisage differential impact of the change in policy in relation to gender reassignment.</p>
<p>Religion or Belief</p>		<p>We do not envisage differential impact of the change in policy in relation to religion or belief, except in so far as these interact with ethnicity which is covered above.</p>
<p>Age</p>		<p>The Government's welfare reforms will affect working age residents (including their children) disproportionately because the majority of the reforms do not affect those of pension age.</p> <p>The Council estimates that over 5,000 children will be impacted by the benefits cap alone. This is part because due to the means tested nature of welfare provision, larger families will disproportionately affected. Parents whose children who are most in need of support, such as those who have specialist needs disabled, or sitting exams, are more likely to be awarded a DHP.</p> <p>Consequently our DHP policy framework highlights the following groups as higher need:</p> <ul style="list-style-type: none"> • where the applicant has children who are due to undertake GCSE's or A levels • where there are disabled children or non-dependants in the household • where the family is vulnerable – do they access the Council's Children or Adult Services • if the child is sitting exams in the near future

Page 200

Marriage and Civil Partnerships.		We do not envisage differential impact of the change in policy in relation to marriage and civil partnership.
Pregnancy and Maternity		Pregnancy and maternity is a factor that would be taken into account in assessing the vulnerability of a claimant in regard to their need for DHPs
Other Socio-economic Carers		DHPs are particularly likely to be sought by those in poorer socio-economic groups due to their reliance on welfare benefits. The criteria are intended to support those most vulnerable within these groups. Caring responsibilities are another factor which is taken into account in assessing the vulnerability of the claimant.

Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence of or view that suggests that different equality or other protected groups (inc' staff) could have a disproportionately high/low take up of the new proposal?

Yes? No?

(Please note – a key part of the EA process is to show that we have made reasonable and informed attempts to mitigate any negative impacts. AN EA is a service improvement tool and as such you may wish to consider a number of alternative options or mitigation in terms of the proposal.)

All DHPs are considered on the merits of each individual case. Claims are considered individually, based on:

- representations made within the DHP claim
- household circumstances
- financial circumstances (income and essential expenditure)
- exceptional need
- hardship
- Availability of funds at the time of the application
- availability of any other form of discretionary funding
- period of award and sustainability – short term, long term, whether there is a future event likely to negate or reduce the need for an on-going DHP e.g. job offer, moving to alternative accommodation, reaching Pensionable age etc. (Particular emphases will be placed on the period for which we are likely to be able to sustain an award and what is likely to happen when DHP is withdrawn.
- extensive experience of DHP administration by Benefits Service Appeals Officers

[DWP DHP good practice guide April 2013](#)

This document, which is written by the Department of Work & Pensions, provides clarification and guidance on the administration of DHP applications.

The Benefits Service has put into place monitoring arrangements to ensure on-going monitoring of who qualifies for DHPs and who is refused, reasons for DHP awards and equality characteristics which we will monitor including disability, gender and race. This monitoring information will be reviewed at regular intervals to ensure that the change in policy has not had a detrimental impact on any particular equality group and to enable us to understand the differential impact of benefit changes on these groups.**Alternative Options**

- The Discretionary Housing Payment fund is provided by central government and there are certain expectations about how we use it to support those with a shortfall in housing benefit. This limits the options we have available to us. Within this framework, we have sought to develop a policy which targets those most in need in line with other Council priorities.

- Inevitably, the DPH fund will not be able to support all those whose income is reduced due to benefit reform. The Council has an option to subsidise loss of Housing Benefit in all cases affected by welfare reform. This is not financially viable for the Council, however the Council has identified a further £1million in addition to the funding provided by government to support those hit by the benefit cap who are homeless in temporary accommodation.
- In addition to providing top up funding, options to enable people to move into employment or to identify alternative accommodation, including smaller accommodation in the case of the bedroom tax, are being actively pursued alongside the provision of financial support to the most vulnerable to minimise the call on the DHP fund and work with people to find their own solutions.

Section 5 – Quality Assurance and Monitoring

Have monitoring systems been put in place to check the implementation of the proposal and recommendations?

Yes? No?

How will the monitoring systems further assess the impact on the equality target groups?

The DHP scheme will be subject to on-going analysis in order to ensure that the implementation of the proposals meet their outlined aims and to monitor any differential impact on equality groups and review the policy in this light.

Does the policy/function comply with equalities legislation?
(Please consider the [OTH objectives](#) and [Public Sector Equality Duty](#) criteria)

Yes? No?

If there are gaps in information or areas for further improvement, please list them below:

This policy actively supports both OTH objectives and the Public Sector Equality Duty, in mitigating against impacts which disproportionately affect certain communities and groups.

How will the results of this Equality Analysis feed into the performance planning process?

The results of this Equality Analysis have illustrated the need to fully imbed analysis of equalities impacts within our monitoring. This is reflected in the Action Plan below.



Section 6 - Action Plan

As a result of these conclusions and recommendations what actions (if any) **will** be included in your business planning and wider review processes (team plan)? Please consider any gaps or areas needing further attention in the table below the example.

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
<p>Example</p> <p>1. Better collection of feedback, consultation and data sources</p> <p>2. Non-discriminatory behaviour</p>	<p>1. Create and use feedback forms. Consult other providers and experts</p> <p>2. Regular awareness at staff meetings. Train staff in specialist courses</p>	<p>1. Forms ready for January 2010 Start consultations Jan 2010</p> <p>2. Raise awareness at one staff meeting a month. At least 2 specialist courses to be run per year for staff.</p>	<p>1.NR & PB</p> <p>2. NR</p>	

Section 7 – Sign Off and Publication

Name: (signed off by)	Claire Symonds
Position:	Service Head, Customer Access & ICT
Date signed off: (approved)	21 June 2013

Section 8 Appendix – FOR OFFICE USE ONLY

This section to be completed by the One Tower Hamlets team

Policy Hyperlink :

Equality Strand	Evidence
Race	
Disability	
Gender	
Gender Reassignment	
Sexual Orientation	
Religion or Belief	
Age	
Marriage and Civil Partnerships.	
Pregnancy and Maternity	
Other Socio-economic Carers	
None Link to original EQIA	Link to original EQIA
None EQIAID (Team/Service/Year)	

Section 9 Report appendices

Appendix I) Reporting Measures

Based on DWP Circular A11/2013, which sets out new measures introduced to monitor awards. Under these new provisions Local Authorities are expected to record DHP awards under the following categories:

- The Benefit Cap
- Removal of the spare room subsidy in social rented sector
- LHA reforms - including extension of the Shared Accommodation Rate
- A combination of reforms
- No impact - where an award is made to a recipient who is not affected by the reforms but is considered to be vulnerable

These categories are further broken down by the DWP into six separate classifications which set out the reasons for the award.

The classifications are:

- to help secure and move to alternative accommodation (e.g. a rent deposit)
- to help with short-term rental costs until the claimant is able to secure and move to alternative accommodation
- to help with short-term rental costs while the claimant seeks employment
- to help with on-going rental costs for disabled person in adapted accommodation
- to help with on-going rental costs for foster carer
 - to help with short term rental costs for any other reason.

In order to report these new award categories and classifications, the following codes have been set up for each of the five categories above and should be used when making awards.

1. If you award a DHP due to the benefit cap, you need to select one of the following new reason codes

BCAP_A – To help secure and move to alternative accommodation.
(e.g., rent deposit).

BCAP_B - To help with short term rental costs until claimant secures alternative accommodation

BCAP_C - To help with short term rental costs while the claimant seeks employment

BCAP_D - To help with on-going rental costs for disabled person in adapted accommodation

BCAP_E - To help with on-going rental costs for foster carer

BCAP_F - To help with short term rental costs for any other reason

2. If you award a DHP due to the claimant suffering hardship because they are affected by the bedroom tax, you need to select one of the following new reason codes –

SSSC_A – To help secure and move to alternative accommodation (e.g. rent deposit)

SSSC_B - To help with short term rental costs until claimant secures alternative accommodation
SSSC_C - To help with short term rental costs while the claimant seeks employment
SSSC_D - To help with on-going rental costs for disabled person in adapted accommodation
SSSC_E - To help with on-going rental costs for foster carer
SSSC_F - To help with short term rental costs for any other reason

3. If you award a DHP due to the LHA reforms (U35), you need to select one of the following new reason codes –

LHA_A – To help secure and move to alternative accommodation (e.g. rent deposit)
LHA_B - To help with short term rental costs until claimant secures alternative accommodation
LHA_C - To help with short term rental costs while the claimant seeks employment
LHA_D - To help with on-going rental costs for disabled person in adapted accommodation
LHA_E - To help with on-going rental costs for foster carer
LHA_F - To help with short term rental costs for any other reason

4. If you award a DHP due to a combination of these reforms, you need to select one of the following new reason codes –

CREF_A – To help secure and move to alternative accommodation (e.g. rent deposit)
CREF_B - To help with short term rental costs until claimant secures alternative accommodation
CREF_C - To help with short term rental costs while the claimant seeks employment
CREF_D - To help with on-going rental costs for disabled person in adapted accommodation
CREF_E - To help with on-going rental costs for foster carer
CREF_F - To help with short term rental costs for any other reason

5. No impact - where an award is made to a recipient who is not affected by the reforms but is considered to be vulnerable

The existing codes used prior to 2013/14 will remain on system and can be used where an award is made to residents who are not affected by the welfare reforms (i.e. the “no impact” cases).

As LBTH does not currently award one-off DHP payments, the code “A” reasons will not need to be used unless there is a change in policy.

The introduction of the new codes will not only enable us to comply with DWP reporting requirements but also allows us to report broadly on expenditure in respect of each of the four criteria used by DWP to apportion funding. This may also be helpful in that not only will the DHP payments be transparent but if it is decided that in future we should redesign our local DHP policy to attempt to replicate the national funding arrangements then this should be easily achieved.

Equality Analysis (EA)

Section 1 – General Information (Aims and Objectives)

Name of the proposal including aims, objectives and purpose:

(Please note – for the purpose of this doc, ‘proposal’ refers to a policy, function, strategy or project)

This Equalities Analysis examines the administration of the Crisis and Support Grants to residents, many of whom will be directly affected by welfare reform changes.

From April 2013, the council has been responsible for providing financial support to some of the most vulnerable residents of Tower Hamlets. The Mayor’s Crisis & Support Grants replace Community Care Grants and Crisis Loans, which used to be provided by Job Centres and the Department for Work & Pensions.

Funds for the Grants are very limited, and there are strict eligibility criteria to ensure we can support people in the greatest need. To apply, residents must be 16 or over, and must not be subject to any UK immigration control. Unless residents are applying through a council social worker or one of our partner agencies, they must live in Tower Hamlets and in a household that receives Housing Benefit and must not be subject to any DWP welfare sanctions.

Crisis Grants are designed to help people who have experienced a sudden crisis or who are at risk of one. They can help in the short term with living costs, such as food, heating and accommodation, or to support a resident that is a victim of crime or suffer another misfortune.

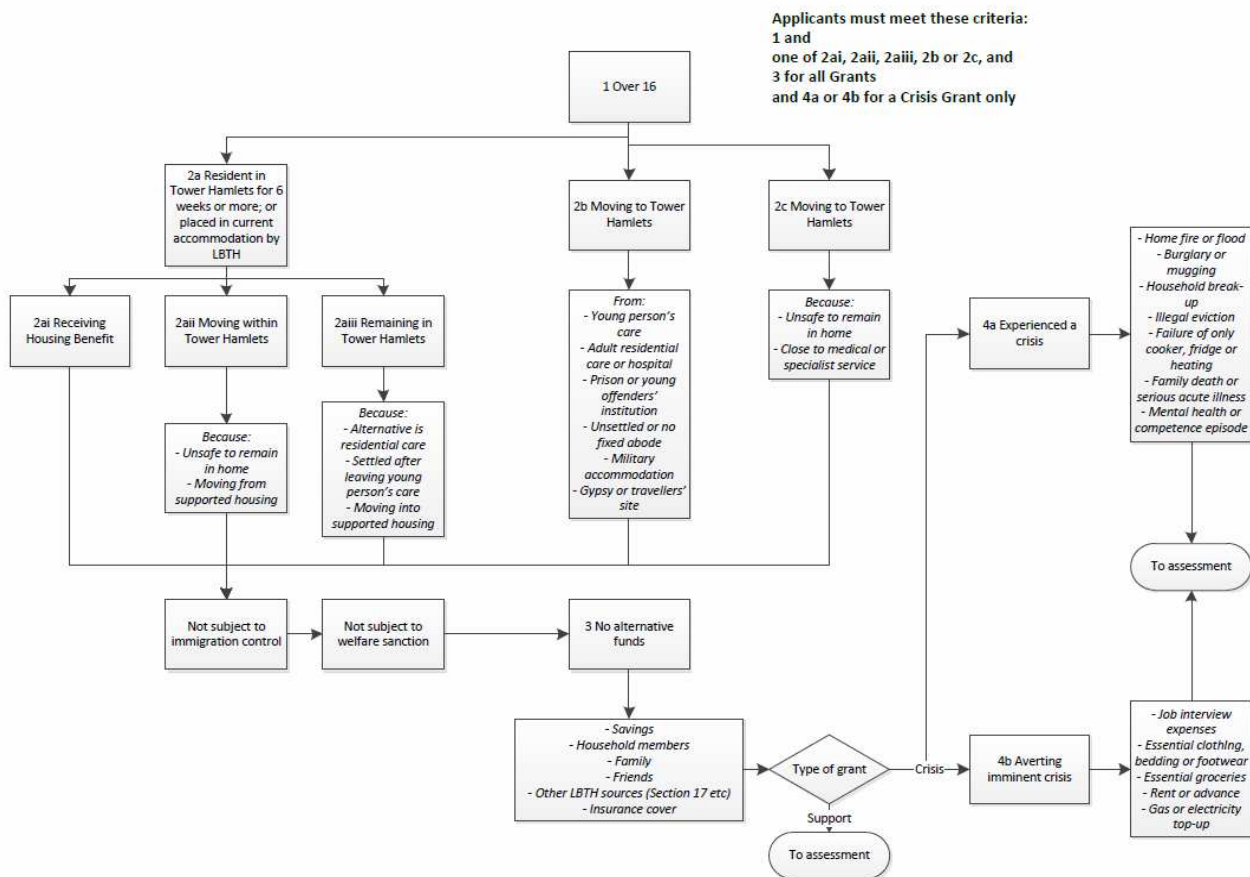
Support Grants provide help for the longer term, enabling people to live independently and safely in the community. They can be used to support care leavers, vulnerable residents moving to or from supported housing or if it is unsafe for a resident to remain in their current home.

The information below shows the types of application received during April 2013, the scheme’s first month of operation, the percentage of applications approved and the average grant amount.

Event	Applications				£ paid	
	Received	Approved	Refused	% approved	Total	Average
Daily living expenses	263	151	112	57.4	9,030	60
Essential journey	5	3	2	60.0	150	50
Moving home	39	23	16	59.0	3,585	156
New clothing	33	21	12	63.6	1,385	66
Replaced damaged items	147	56	91	38.1	11,750	210
Setting up home	50	23	27	46.0	24,905	1,083
Victim of crime	3	3	0	100.0	215	72
Other emergency	86	43	43	50.0	6,615	154
Total	626	323	303	51.6	57,635	178

Within this month Tower Hamlets received 626 applications for the Mayor’s Crisis & Support Grant. 51.6% of applications were approved and an average of £178 (total £57,635) was paid through the scheme.

The administrative framework for the Mayor's Crisis & Support Grant was set out in a paper presented to MAB in September 2012. The assessment criteria for the Grants have been agreed and are outlined below.



Service area:

Resources: Customer Access & ICT

Team name:

Customer Access & Revenues

Service manager:

Keith Paulin, Head of Customer Services

Name and role of the officer(s) completing the EA:

Wesley Hedger, Senior Strategy, Policy and Performance Officer

Section 2 – Evidence (Consideration of Data and Information)

What initial evidence do we have which may help us think about the impacts or likely impacts on service users or staff?

The Department for Work and Pensions (DWP), who previously delivered the scheme, completed an Equalities Impact Assessment in October 2011. This EA analysed data collected by the department in 2009/10 for both Community Care Grants and Crisis Loans nationally. The DWP was unable to collect data on Sexual orientation, Religion or belief, Marriage and Civil Partnership or Pregnancy and maternity. The Equality Impact Assessment provided the following national picture;

Gender

The EA suggested that 58% of final decisions for Crisis Loans were made in respect to single males, 34% made in respect to single females and 8% made in respect to couples. The success rates were the same for single males and females (76%) and 74% for a couple. 49% of Community Care Grant final decisions made in respect to single females, 36% made in respect to single males and 15% made in respect to couples. The success rates for single females were higher (49%) than single males (42%) but lower than couples (53%).

Age

In 2009/10 a small proportion of Crisis Loans final decisions were made in respect of customers under 18 (3%) and over 45 (13%). The largest proportions (37%) of final decisions, nationally, were made in respect of customers between 18 to 24 years old. Customers 65 and over also have lower success rates. The DWP suggest that younger people were advantaged by the previous system and older people are disadvantaged, although it was not clear why this would be. However, success rates in Community Care Grants are higher for those customers aged 45 and over. Older people are currently advantaged by the system in respect of higher success rates and this may improve through a locally-delivered service.

Disability

In 2009/2010 31% of Crisis Loan final decisions were made in respect of disabled people and this represents an increase of 11 percentage points on the previous year. Overall success rates are very similar for disabled customers (76%) compared to non disabled customers (77%). With Community Care Grants the overall success rates were higher for disabled customers (48%) than for non-disabled customers (43%). Disabled customers are currently well served by the Community Care Grant system and there is no evidence to suggest that this will change in a locally-delivered system.

Ethnicity

79% of Crisis Loan final decisions are made in respect of white customers with some ethnic groups receiving less than 1% of the final decisions and this remains consistent with previous years. Nationally, the overall success rates are slightly higher for white customers than other groups. The DWP report suggests that “a locally-delivered system would be able to identify the most vulnerable people in their area and intervene based on a risk to health and safety which could address this issue”. The success rates for Community Care Grants were slightly higher for all ethnic minority customers (average of 46%) than white customers (average of 44%)

Equality analysis on the impact of the reforms themselves

The DWP has provided limited performance information at a borough level. Data provided by the DWP illustrates the profile of Tower Hamlets claimants in 2009/10 and 2010/11;

- In 2009/10 and 2010/11, there were approximately 13,050 applications per year for Community Care Grants and Crisis Loans. 61% of all applications resulted in awards

and total expenditure was £1.74m per year.

- 70% of all applications were for Crisis Loans (over 9000 applications). The average award for a Crisis Loan was £54.50
- Although making up 30% of applications Community Care Grants make up over 70% of the total Social Fund budget (£1.24 million) allocated in Tower hamlets. The average award was for £316.
- 55.5% of the people who were awarded Crisis Loans were aged 18 - 34. 58% of loans awarded were to single male households. High proportions of households who were awarded Crisis Loans had no children under 16 (82%). This possibly reflects the fact that there are limited other sources of support available to single, childless people.
- 40.5% of people awarded Community Care Grants were aged 18 - 34. 66.5% of recipients of Community Care Grants were to single women households (52.5%) or couple (14%) households. 69.5% had no children under 16.
- Approximately 21% of funding awarded for living expenses in 2011/12 was for fourth or subsequent awards. The limiting of awards to 3 per rolling 12 month period is therefore would reduce expenditure. It is likely that these individuals / households receiving 4+ payments per year are the most vulnerable / people with chaotic lives, highly likely to be known to adults and/or children's social care and there may therefore be knock on implications for Council support and related services to these households.

The limited analysis provided by the DWP indicates that in Tower Hamlets many of the claimants are single individuals without children. This is possibly because people who are single, and particularly those under 25, have limited access to other types of welfare support. In contrast, Community Care Grants in Tower Hamlets have been more commonly sought by families with young children and by lone parents in receipt of Income Support. Single applicants over 50 suffering from health problems are the second largest group claiming Community Care Grants. Grants are often sought for vulnerable people that are in need of furniture/ appliances when secure accommodation is offered after a period of temporary or unsettled period of life or time in prison; families facing exceptional pressures and who have no money for replacement of white goods & furniture, and also to enable visits to a relative who is ill in hospital some distance away.

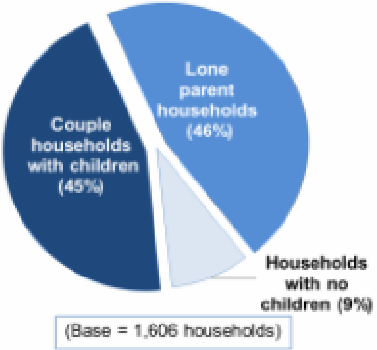
The local provision of the Mayor's Crisis & Support Grants has been administered by the local authority since April 2013. Unfortunately, due to the demands of establishing the Mayor's Crisis & Support Grants, equalities data is not currently being captured. There is a commitment to establish the appropriate mechanisms to collect the relevant data by September and it is suggested that a more complete Equality Assessment is completed once this data is available.

Based on the volume of applications in 2011/12, it has been projected that demand would be close to 9,000 within the current financial year, nearly two-thirds of which would be for Crisis Loans. It is also suggested that the average payment would be close to £54. Current management information data would suggest that we are broadly in line with this projection. However, data is only available for April 2013 and it is not possible to forecast using the limited level of data. We do not know if this was a typical month or how demand has/will change over time. We are, therefore, unable to confidently determine if the transition to the Mayor's Crisis and Support Grants has had a detrimental impact.

Section 3 – Assessing the Impacts on the 9 Groups

How will the scheme impact upon the nine Protected Characteristics?

Target Groups	Impact – Positive or Adverse What impact will the proposal have on specific groups of service users or staff?	Reason(s) <ul style="list-style-type: none"> • Please add a narrative to justify your claims around impacts and, • Please describe the analysis and interpretation of evidence to support your conclusion as this will inform decision making <p>Please also how the proposal with promote the three One Tower Hamlets objectives?</p> <ul style="list-style-type: none"> -Reducing inequalities -Ensuring strong community cohesion -Strengthening community leadership
Race	Unknown	DHP's are more likely to be made to this group as BME residents are disproportionately impacted as a percentage of the overall Tower Hamlets population by the reforms. As outlined above, equalities data is not available as the responsibility for Crisis and Support Grants transferred from the DWP to Local Authorities in April 201. The DWP have not provided a breakdown of previous demands on this service by Target Groups.
Disability	Unknown	DHP's are more likely to be made to this group as disabled residents and their carers are disproportionately impacted as a percentage of the overall Tower Hamlets population by the reforms. As outlined above, equalities data is not available as the responsibility for Crisis and Support Grants transferred from the DWP to Local Authorities in April 201. The DWP have not provided a breakdown of previous demands on this service by Target Groups.
Gender	Unknown	Women are disproportionately affected by the reforms and the economic downturn. For example lone parent households make up 46% of all those affected by the benefits cap (source: Benefit Cap Analysis final report 26 11 12 – based on DWP September scan data – illustrated below). This implies that the number of lone parents who will claim Crisis and Support Grants is likely to rise significantly once the cap comes in

		<p>Figure 1 Benefit Cap households by type of household, Tower Hamlets</p>  <p>(Base = 1,606 households)</p> <p>Source: DWP Benefit Cap scan (September 2012) for Tower Hamlets</p>
Gender Reassignment	Unknown	We do not envisage differential impact of the change in policy in relation to gender reassignment.
Sexual Orientation	Unknown	We do not envisage differential impact of the change in policy in relation to sexual orientation.
Religion or Belief	Unknown	We do not envisage differential impact of the change in policy in relation to age.
Age	Unknown	<p>The Government's welfare reforms will affect working age residents (including their children) disproportionately because the majority of the reforms do not affect those of pension age.</p> <p>The Council estimates that over 5,000 children will be impacted by the benefits cap alone. This is part because due to the means tested nature of welfare provision, larger families will disproportionately affected. Parents whose children who are most in need of support, such as those who have specialist needs, are more likely to seek help and therefore receive Crisis and Support Grants.</p>
Marriage and Civil Partnerships.	Unknown	We do not envisage differential impact of the change in policy in relation to marriage and civil partnership.
Pregnancy and Maternity	Unknown	Pregnancy and maternity is a factor that would be taken into account in assessing the vulnerability of a claimant in regard to their need for Crisis and Support Grants

Other Socio-economic Carers	Unknown	Crisis and Support Grants are particularly likely to be sought by those in poorer socio-economic groups due to their reliance on welfare benefits. The criteria are intended to support those most vulnerable within these groups. Caring responsibilities are another factor which is taken into account in assessing the vulnerability of the claimant.
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Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence of or view that suggests that different equality or other protected groups (inc' staff) could have a disproportionately high/low take up of the new proposal?

Yes? No?

If yes, please detail below how evidence influenced and formed the proposal? For example, why parts of the proposals were added/removed?

(Please note – a key part of the EA process is to show that we have made reasonable and informed attempts to mitigate any negative impacts. AN EA is a service improvement tool and as such you may wish to consider a number of alternative options or mitigation in terms of the proposal.)

The Discretionary Social Fund has been a core part of the welfare system for over 25 years. It was designed to meet the needs of the most vulnerable and people experiencing hardship and emergencies and is made up of regulated and discretionary schemes. It was the place of last resort within the previous social security system. In moving the administration of the scheme to local authorities the Government argued that the decision to make an award is usually in relation to very specific needs and requires a high level of discretion. This administration of this service is one of many operational challenges that the welfare reform programme has placed at the Council's door.

In developing the scheme Members made a number of decisions that provided the framework in which the scheme would work (MAB OCT 2012), these included that 1. That the conditions of accessing the Fund will include: An simple application process that will include strict eligibility criteria for local residents that will also restrict awards to a maximum of three awards in any one year and that scheme will run a Phone / online application. These were in line with how the DWP had run the scheme.

As this is the first year of the scheme's operation work in ongoing to ensure that all appropriate management information as well as equalities data is collected. The purpose of this is that all can reviewed at the end of the year in order that we can gain a greater understanding of who is benefiting from the fund and if there is any need to amend eligibility criteria.

Section 5 – Quality Assurance and Monitoring

Have monitoring systems been put in place to check the implementation of the proposal and recommendations?

Yes? No?

How will the monitoring systems further assess the impact on the equality target groups?

The local provision of then Mayor's Crisis & Support Grants has been administered by the local authority since April 2013. Unfortunately, due to the demands of establishing the Mayor's Crisis & Support Grants, equalities data has not captured. There is a commitment to establish the appropriate mechanisms to collect the relevant data by August and it is suggested that a more complete Equality Assessment is completed once this data is available.

Does the policy/function comply with equalities legislation?
(Please consider the [OTH objectives](#) and [Public Sector Equality Duty](#) criteria)

Yes? No?

If there are gaps in information or areas for further improvement, please list them below:

This policy actively supports both OTH objectives and the Public Sector Equality Duty, in mitigating against impacts which disproportionately affect certain communities and groups.

How will the results of this Equality Analysis feed into the performance planning process?

The results of this Equality Analysis have illustrated the need to fully imbed analysis of equalities impacts within our monitoring. This is reflected in the Action Plan below.

Section 6 - Action Plan

As a result of these conclusions and recommendations what actions (if any) **will** be included in your business planning and wider review processes (team plan)? Please consider any gaps or areas needing further attention in the table below the example.

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
Incorporate equalities data into the Mayor's Crisis & Support Grants performance management system	<p>Include equalities questionnaire as part of the Mayor's Crisis and Support Grant application process by adding to on line form and at end of Contract Centre call via customer satisfaction survey</p> <p>Support practitioners, where applicable, to assist residents in completing the equalities questionnaire.</p> <p>Incorporate equalities data into the monthly performance management report.</p>	<p>Forms ready by the end of July for roll out in September 2013 – where possible include the nine Protected Characteristics</p> <p>Work with stakeholders such as support groups and the Welfare Reform Task Group</p> <p>Develop and produce a new performance monitoring report to include the nine Protected Characteristics, where applicable.</p>	<p>Customer Access</p> <p>Customer Access</p> <p>Customer Access</p>	
Analyse equalities data and complete an Equalities Assessment	Analyse first available quarter data (July-September quarter)	Updated EA October 2013	Customer Access/Resources SPP	
Review assessment criteria of the Mayor's Crisis & Support Grants	Assess management information for first two quarters (April-September)	Review criteria October 2013	Customer Access	

Section 7 – Sign Off and Publication

Name: (signed off by)	Claire Symonds
Position:	Service Head, Customer Access & ICT
Date signed off: (approved)	21 June 2013

Section 8 Appendix – FOR OFFICE USE ONLY

This section to be completed by the One Tower Hamlets team

Policy Hyperlink :

Equality Strand	Evidence
Race	
Disability	
Gender	
Gender Reassignment	
Sexual Orientation	
Religion or Belief	
Age	
Marriage and Civil Partnerships.	
Pregnancy and Maternity	
Other	
Socio-economic	
Carers	
Link to original EQIA	Link to original EQIA
EQIAID (Team/Service/Year)	

Page 22

Equality Analysis (EA)

Section 1 – General Information (Aims and Objectives)

Name of the proposal including aims, objectives and purpose:

This Equalities Analysis considers the proposals for deploying discretionary support to some of those residents of homeless temporary accommodation who will be directly affected by welfare reform changes.

Further detail on the mechanisms and overall level of support can be found in the body of the report.

A separate EA will be available for Crisis & Support Grants and Discretionary Housing Payments (DHP)

The aims and objectives of this discretionary support are to:

- Reduce arrears and avoid deprivation
- Help claimants through difficult personal events
- Safeguard accommodation

The people affected by these support proposals are:

- Non-working benefit claimants living in homeless temporary accommodation
- Landlords of existing temporary accommodation
- Working households (benefit dependent or not) in homeless temporary accommodation

The primary beneficiaries though will be those non-working benefit dependent households identified by the policy as being likely most vulnerable residents experiencing significant financial difficulty, many of whom will be impacted directly by welfare reform. They will either receive DHP or the Temporary Accommodation Support Fund to cover their rent over the shorter term.

Our analysis shows that the primary recipients of discretionary payments will be:

- single female parents;
- those aged 25 to 44 as they are more likely to have young children; and
- BME residents.

The outcomes of this policy are to:

- Safeguard residents in their accommodation
- To alleviate poverty
- To avoid adverse rent collection performance

Directorate: Development and Renewal

Service: Housing Options

Service manager: Colin Cormack

Name and role of the officer(s) completing the EA: Lorraine Douglas/Colin Cormack

Section 2 – Evidence (Consideration of Data and Information)

What initial evidence do we have which may help us think about the impacts or likely impacts on service users or staff?

The speed, scope and complexity of welfare reform pale by comparison to its impact and, whilst mitigations are worthy of exploration and application, said speed, scope and complexity limits the extent to which we are able to estimate the impact of the proposed mitigations. However, we can draw on several sources of evidence in order to help consider impacts.

- Equality analysis on the impact of the reforms themselves
- Analysis of financial loss as a result of welfare reform
- Available monitoring data for Local Housing Allowance Caps

Equality analysis on the impact of the reforms themselves

The proposed discretionary support is designed to mitigate the unequal impact of welfare reform. It is therefore prudent to understand what, in equalities terms, this impact may be.

The Department for Work and Pensions, who is responsible for welfare reform, has undertaken equality analysis for the various measures introduced under the Welfare Reform Act 2012³. In line with our own analysis, the groups identified as being most affected by the reforms will be :-

- single female parents;
- those aged 25 to 44 as they are more likely to have young children; and
- BME residents.

As the impact of the welfare reform changes impacts the same groups in Tower Hamlets it follows that these are more likely to form the primary recipients of the discretionary support.

Analysis of financial loss as a result of welfare reform

The cap on housing benefits will have the most significant impact on occupiers of homeless temporary accommodation – an average of £143 per week.

Available monitoring data for Local Housing Allowance Caps and Discretionary Housing Payments

Relying on the DWP data, Housing Options estimate around 500 households (of the 1,900) in homeless temporary accommodation will be in a position where the cap will limit, in part or in full, their ability to pay their rent.

The amount being removed from the temporary accommodation benefit-funded economy is over £5M. The discretionary support proposals recognise the opportunity to draw down upwards of £1m in 2013/14 in support resources. Put plainly, the full year equivalent of assisting 1 in 5 households on average.

The primary aim of the Temporary Accommodation Fund is a net reduction in the cost of the

³ The Department for Work and Pensions *Welfare Reform Act 2012: equality impact assessments*
<https://www.gov.uk/government/organisations/departments-for-work-and-pensions/series/welfare-reform-act-2012-equality-impact-assessments> Accessed 13/05/2013

homeless temporary accommodation rent. There will be two distinct mechanisms through which this will be administered.

The first mechanism relies on exploiting the rent reduction opportunity of Non Secure Tenancies (NSTs), it being within the council's gift to do so as they are in council-owned stock. The second mechanism relies on not passing on all or part of the rent due to the occupying household. The extent of how much to pass on (or not) being dependent to each individual's circumstances.

Section 3 – Assessing the Impacts on the 9 Groups

How will what you're proposal impact upon the nine Protected Characteristics?

By adopting the mechanism of reducing rents - leading to a net loss of income - or opting not to pass on all/part of the rent due - increasing net expenditure, - the outcome of each option is a near equivalent of making a discretionary payment. This is therefore how these proposals will be described below.

As referred to above, £5M is to be removed from the homeless temporary accommodation benefit economy annually. That is not a sustainable loss and, in the absence of other opportunities, the Service would need to move all of the 500+ households to cheaper accommodation. Doing so would put into tension the political and operational desires to house homeless households within the borough. Moving affected households though does satisfy that part of the statutory obligation that such accommodation needs to be *suitable and reasonable*, affordability being an essential factor in these obligations. That said, the location of any alternative accommodation requires similar *suitable and reasonable* considerations.

The discretionary payments then will prioritise those:-

- whose children are in the critical school years of 10 & 11 and 12 & 14
- need to remain in-borough for extenuating medical or social reasons
- cannot afford to live anywhere, the cap's impact on larger families in particular refers

In considering the "1 in 5" principle, it needs to be appreciated that around 400 households in homeless temporary will not receive discretionary payments. The groups most likely not to receive assistance are estimated to be the following:

- Families of older children who are not taking exams.
- Households that lack extenuating social and/or medical imperatives
- Those already living in lower cost areas

Target Groups	Impact – Positive or Adverse	Reason(s)
Race	Positive	Discretionary support is more likely to be made to this group as BME residents are disproportionately represented in the homeless temporary accommodation population and, in addition, are likewise disproportionately impacted as a percentage of the overall Tower Hamlets population by the reforms. However, support will not be provided on the basis of race.
Disability	Positive	The DWP suggests that roughly half of the households affected by the cap will contain somebody who is classed as disabled under the Equality Act ⁴ . Conscious that disability is disproportionately higher in homeless temporary accommodation households and many of these will have specific medical needs for in-borough accommodation, this group is likely to feature highly within those persons receiving the proposed support mechanisms. However, support will not be provided solely on the basis of disability.
Gender	Positive	Appreciating that a) the majority affected are lone parents and b) most lone parents are women, it is anticipated that the majority of those to receive assistance will be women also.
Gender Reassignment	Not known	The impact of discretionary payments is not known
Sexual Orientation	Not known	The impact of discretionary payments is not known
Religion or Belief	Not known	The impact of discretionary payments is not known
Age	Positive	The reforms will impact children and those of working age who are not though working and it is this group who are most likely to have school age children. It should also be appreciated that larger families i.e. those with more children will be disproportionately affected, there being no sliding cap to accommodate larger families. Our proposals then will consider the following groups to be a priority :- <ul style="list-style-type: none"> • Where the applicant has children who are due to undertake GCSE's or A levels • Where the family is vulnerable – do they access the Council's Children or Adult Services
Marriage/ Civil Partnerships.	Not known	The impact of discretionary payments is not known
Pregnancy and Maternity	Positive	This group may be prioritised for support - in the short term to mitigate against undue stress (if SHP is not payable) or if the mother anyway falls into one of the key groups for assistance.

Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence of or view that suggests that different equality or other protected groups (inc' staff) could have a disproportionately high/low take up of the new proposal?

Yes? No?

If yes, please detail below how evidence influenced and formed the proposal? For example, why parts of the proposals were added/removed?

In reference to sections 2 and 3, the temporary accommodation fund is more likely to be taken up by certain target groups including:

- Race
- Disability
- Gender
- Age

This is because they are more likely to be in need of this support as they are more impacted by the reforms. The proposal is based on financial need and not on certain groups.

Alternative Options

- The proposal is fundamentally about helping some of the 500+ households who are to be impacted by the benefit cap – around 100 of these possibly. Two realistic alternatives present, appreciating that the council would not be able to support, £ for £, all those in its temporary accommodation portfolio that are hit by the cap:-
 1. not offering assistance to any residents, which could be deemed as irresponsible if some groups can be helped.
 2. offering assistance to others than those suggested, or full assistance to all groups – which could increase the costs to the council substantially

Section 5 – Quality Assurance and Monitoring

Have monitoring systems been put in place to check the implementation of the proposal and recommendations?

Yes? No?

How will the monitoring systems further assess the impact on the equality target groups?

All three discretionary payment schemes will be subject to ongoing analysis and audit in order to ensure that the implementation of the proposals meet their outlined aims. They will also need to be monitored to ensure that funding remains available throughout the financial year.

Discretionary Housing Payments and the Temporary Accommodation Fund will undergo an audit once the impact of the benefit cap can be assessed. This is likely to take place towards the end of 2013 as the cap will not be fully rolled out until the end of September 2013.

The audit will address the impact on the protected characteristics where relevant and useful.

Does the policy/function comply with equalities legislation?

Yes? No?

If there are gaps in information or areas for further improvement, please list them below:

Full profile of those to be assisted, and those not so benefitting by having regard to the 9 Target Groups

How will the results of this Equality Analysis feed into the performance planning process?

The Action plan captures the intentions to analyse who is being assisted and, equally, who is not, in order to inform the extent or otherwise of any adjustments to the application of this discretionary support.

Section 6 - Action Plan

*As a result of these conclusions and recommendations what actions (if any) **will** be included in your business planning and wider review processes (team plan)? Please consider any gaps or areas needing further attention in the table below the example.*

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
Better analysis	Consider latest DWP scan and analyse against 9 Target Groups	June 2013 – analyse scan	LorraineDouglas	
Non-discriminatory behaviour	Apply adopted criteria to the capped households Cease once level equivalent to £1M of support achieved Analyse who is to benefit, and who isn't against 9 Target Groups	July 2013 – confirm who – total By September 2013 Understand who is to benefit and action – transfer or rent-bridging By December 2013 - complete analysis of the 100 helped and the 400 not helped	LorraineDouglas	
Responding to analysis	Consider that analysis and re-work mechanisms as appropriate	February 2014 - using analysis -inform recommendations to amend/abandon/continue support mechanism for 2014/15	LorraineDouglas	

Section 7 – Sign Off and Publication

Name: (signed off by)	Colin Cormack
Position:	Service Head, Housing Options
Date signed off: (approved)	21 st June 2013

Section 8 Appendix – FOR OFFICE USE ONLY

This section to be completed by the One Tower Hamlets team

Policy Hyperlink :

Equality Strand	Evidence
Race	
Disability	
Gender	
Gender Reassignment	
Sexual Orientation	
Religion or Belief	
Age	
Marriage and Civil Partnerships.	
Pregnancy and Maternity	
Other Socio-economic Carers	

Link to original EQIA	Link to original EQIA
EQIAID (Team/Service/Year)	

Agenda Item 10.2

Committee/Meeting: Cabinet	Date: 31 July 2013	Classification: Unrestricted	Report No: CAB 017/134
Report of: Corporate Director Development and Renewal, Aman Dalvi Originating officer(s) Andy Scott, Interim Service Head, Economic Development Maura Farrelly , Community Resources Coordinator		Title: Financial Inclusion Strategy 2013 - 2017 Wards Affected: All	

Lead Member	Councillor Alibor Choudhury, Cabinet Member for Resources
Community Plan Theme	<ul style="list-style-type: none"> • A Prosperous Community • A Healthy and Supportive Community • One Tower Hamlets
Strategic Priority	<ul style="list-style-type: none"> • Manage the impact of welfare reform on local residents • Support more people into work • Enable people to live independently • Reduce inequalities

1. **SUMMARY**

- 1.1 The Tower Hamlets Financial Inclusion Strategy sets out a partnership approach to promoting financial inclusion by ensuring that everyone has access to appropriate services, enabling them to manage their money, plan for the future, cope with financial pressure and deal effectively with financial distress.
- 1.2 It will provide a shared framework for partnership work on financial inclusion and will support the delivery of the borough's Community Plan, particularly in relation to the priorities of supporting residents through welfare reform.

2. **DECISIONS REQUIRED**

The Mayor in Cabinet is recommended to:-

- 2.1 Agree the Financial Inclusion Strategy and Action Plan 2013 – 17 set out in Appendix 1.

3. REASONS FOR THE DECISIONS

- 3.1 The changes to welfare support introduced in the Welfare Reform Act 2012 including the proposed introduction of universal credit, alongside the protracted economic downturn, has considerable implications for low income households in the borough. It is therefore necessary to review financial inclusion and money management support services in the borough and identify how best local partners can respond to supporting residents through these challenging times.
- 3.2 Developing the strategy has provided an opportunity for the Council and its partners to assess levels and drivers of financial exclusion in the borough and develop a framework for improving financial capability and improving access to financial and money management support services.

4. ALTERNATIVE OPTIONS

- 4.1 The Mayor in Cabinet may choose not to agree the strategy. This course of action is not recommended as the need for a more co-ordinated and targeted partnership approach to tackling financial exclusion has been identified, particularly as demand for financial inclusion support services is increasing in response to the challenges of the current economic climate and welfare reform changes.
- 4.2 The Mayor in Cabinet may choose to amend the strategy prior to approval. Should he wish to do so, any amendments should reflect local needs. The resource and equality implications of any changes will also need to be considered.

5. BACKGROUND

- 5.1 Financial inclusion is ensuring that everyone has access to appropriate financial services, enabling them to manage their money, plan for the future, cope with financial pressure and deal effectively with financial distress.
- 5.2 Financial exclusion, the inability to access mainstream financial products and services, exacerbates poverty, undermines health and reduces the amount of income available for food and other essentials. When individuals get into unmanageable debt it can also impact on their ability to sustain their housing and employment. It is therefore a cross-cutting and wide ranging issue which can only be tackled through actively engaging key partners across a range of sectors.

- 5.3 Promoting financial inclusion is not new. There are a range of effective initiatives aimed at promoting financial inclusion in the borough. However, the recession and reductions to welfare support have led to a renewed focus on the issues of debt and financial exclusion in the borough. Consequently, a more co-ordinated and targeted approach to service provision is needed, particularly as demand for financial inclusion services is expected to increase in response to welfare reform changes and in particular the changes to benefit payment methods ,proposed with introduction of universal credit.

6. BODY OF REPORT

- 6.1 The development of the strategy and action plan has been overseen by a multi-agency project group of statutory and voluntary services. The project group includes representatives from all council directorates, NHS Tower Hamlets, Tower Hamlets Homes, Jobcentre Plus and leading third sector agencies providing financial inclusion services. Many of these representatives are also members of the Financially Inclusive Tower Hamlets (FITH), a cross-sector partnership formed in 2010 and jointly co-ordinated by Toynbee Hall and the Council, with the goal of working towards a financially inclusive borough.
- 6.2 The strategy and action plan are informed by an evidence base report produced by the project group, which is summarised in the strategy. The report contains data and information from a number of national, regional and local sources, as well detailed analysis and discussion with a wide range of partners and stakeholders on gaps in provision and priority areas to be addressed.
- 6.3. An equality analysis of the draft strategy has also been completed and has fed into the consultation draft. The equality analysis has shown that, based on available data, no target group will be adversely impacted by the strategy. However further information is needed to assess the impact on some equality characteristics such as gender reassignment, sexual orientation and marriage and civil partnerships.
- 6.4 Following the workshops, further discussions have been had with partner agencies and council services to refine the objectives and actions of the statement. This includes presentations and further feedback: from social care, mental health, employment and enterprise and safer communities' services.

Structure and Content

- 6.5 The overall aim of the strategy is to ensure that residents have access to a comprehensive range of appropriate financial services; the knowledge, skills, confidence and motivation required to maximise their own financial well-being; and awareness of how to get help with debt problems and access to free quality debt advice.
- 6.6 In order to achieve this strategic aim, the strategy contains three key themes and a cross-cutting theme, each with its own objectives and actions:
- Theme 1: Financial literacy and capability;
 - Theme 2: Access to financial products and services;
 - Theme 3: Access to debt and money advice; and
 - Cross-cutting Theme: Communication and awareness raising.

Public Consultation Process

- 6.7 The consultation process was extensive and included a range of methods. Consultation was undertaken via an accessible online survey to capture the views of residents, service users and practitioners. The survey was publicised through notices on the Council's website, East End Life newspaper, Members' Bulletin, the website of partner agencies including the CVS website, and through email circulation to front line practitioners and partnership agencies. In addition a number of focus groups and consultation meetings with key stakeholder agencies and service users were held.
- 6.8 Statutory partner agencies consulted on the strategy include: Barts Health NHS Trust, East London Foundation Trust, Tower Hamlets Clinical Commissioning Group, Job Centre Plus and schools. A number of voluntary sector organisations, local businesses and equality groups were also consulted, including local advice agencies, disability advocacy groups, Older Peoples Reference Group, Rainbow Hamlets and the Interfaith Forum.
- 6.9 A total of 69 people took part in the consultation survey. In addition, written responses were received from organisations and discussions were also held at a number of partnership meetings. These include: the Children and Families Partnership Board, Young People Preparing for Adulthood Subgroup, Link Age Plus Partnership Board, Tower Hamlets Housing Forum and Third Sector Advisory Board.

- 6.10 A workshop session was also held with partner organisations as part of the development of the action plan. Over 30 practitioners from a range of services including: housing, health, social care, community advocacy and advice services, attended and contributed to the identification of the key targets and activities identified in the action plan.

Consultation Outcomes

- 6.11 The vast majority of respondents, roughly 80 per cent, agreed with the objectives and actions of the strategy. Of the remaining respondents, most felt indifferent (neither agree nor disagree). Most of the areas highlighted by respondents as being crucial to achieving the aims of the strategy had already been included in the action plan.
- 6.12 There were some amendments to the strategy as a result of the consultation. These include specific references to the different barriers those with physical, sensory or cognitive impairment have in accessing and using payment services. There have also been some minor changes to the narrative to emphasise points raised during the consultation. For example, the impact of welfare reform has been made more explicit and the proposals for the introduction of money management in the school curriculum have been reflected. The importance of supporting people most vulnerable to financial exclusion, including vulnerable adults, has also been strengthened.
- 6.13. Some activities in the action plan have also been expanded to reflect the feedback received, particularly those in relation to supporting frontline practitioners to identify early warning signs and refer their clients to appropriate financial inclusion services. Likewise, joint working with community and faith organisations to promote financial inclusion has been made clearer.
- 6.14. The draft equality analysis was also part of the consultation process. The majority of respondents agreed that the equality analysis had sufficiently assessed the impact of the strategy on the protected characteristics, based on the available data. The equality analysis is included as appendix 3.
- 6.15 The strategy and action plan were also considered and endorsed by the Partnership Executive Group on 25th June 2013.

Action Plan and Monitoring

- 6.16 The action plan includes key activities and milestones for achieving the objectives of the strategy, and identifies lead officers from the Council and

voluntary sector partner agencies to take the work forward. In addition to the existing targets in the action plan, the Financial Inclusive Tower Hamlets Network will also consider other suitable targets for the action plan.

- 6.17 It is envisaged that the resources needed to deliver the strategy and action plan will be available from existing staff resources and the FITH Big Lottery funded initiatives.
- 6.18 The strategy and action plan, once adopted, will be monitored on a quarterly basis by the Steering Group of the Financially Inclusive Tower Hamlets Network (FITH) which has representatives from all the key stakeholders including housing, health and employment providers, as well as representation from the Council.
- 6.19 A six monthly monitoring report of the strategy will also be presented to Development and Renewal DMT for consideration. There will also be a midterm review report of the strategy in 2014.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 This report asks Members to agree the Financial Inclusion Strategy following the completion of the public consultation process.
- 7.2 There are no specific financial implications arising directly from the report, however the strategy will guide the future method of delivery of advice and support on financial issues offered to residents by the Council and partner organisations, and any additional costs that arise from these initiatives must either identify specific resources to finance delivery or be contained within existing revenue budgets.
- 7.2 The costs of producing the strategy and undertaking the consultation process have been met from within existing resources.

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

- 8.1 The proposed financial inclusion strategy indicates that it is directly linked to the Council's sustainable community strategy under section 4 of the Local Government Act 2000, which is in turn set out in the Tower Hamlets Community Plan. The financial inclusion strategy describes the ways in which financial inclusion may improve the well-being of people in Tower Hamlets.

- 8.2 Viewed in this way, the promotion of financial inclusion is supportive of a number of the Council's statutory functions. For example, the Council is required by section 10 of the Children Act 2004 to make arrangements with its relevant partners to promote the well-being of children in the borough. A joint strategy on promoting financial inclusion contributes directly to the discharge of this duty, by helping to combat child poverty. Other examples can be given, particularly in relation to the Council's housing, homelessness, education and community care functions.
- 8.3. The promotion of financial inclusion may have a preventative effect relevant to discharge of some of the Council's functions. For example, promoting good financial management may help to avoid rent arrears and, in turn, homelessness. This may be viewed, in respect of some of the Council's functions, as making an indirect contribution to discharge of those functions. If so, this would be supportable by reference to the Council's incidental power. By virtue of section 111 of the Local Government Act 1972, the Council has power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. This may involve expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights.
- 8.4. The Council may also rely on its general power of competence to support the strategy. The Council has power under section 1 of the Localism Act 2011 to do anything that individuals generally may do, subject to specified restrictions and limitations imposed by other statutes. Supporting financial inclusion is certainly something that individuals may do if they choose.
- 8.5. In deciding upon a financial inclusion strategy, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't. An equality analysis has been prepared, which is provided with the report. The need to advance equality of opportunity may itself provide a reason for the Council to pursue the strategy.

9. ONE TOWER HAMLETS CONSIDERATIONS

- 9.1 An equality analysis of the statement has been completed, see appendix 3. This has shown that, based on available data, no target group will be adversely impacted by the strategy.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 10.1 None identified.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 The Financial Inclusion Strategy will help mitigate against some of the risks posed by welfare reform changes by supporting access to relevant money management support services for residents.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 12.1 The statement contains objectives for supporting domestic violence victims, ex-offenders and substance misusers and other residents who are vulnerable to financial exclusion, to enable them to live as independently as possible.

13. EFFICIENCY STATEMENT

- 13.1 The implementation of the statement, including changes to services, will be achieved with existing resources.

14. APPENDICES

- Appendix 1: Draft Financial Inclusion Strategy
- Appendix 2: Draft Action Plan
- Appendix 3 Equality Analysis

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

Brief description of “background papers”
None

TOWER HAMLETS

FINANCIAL INCLUSION STRATEGY

2013-2016

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The Tower Hamlets Partnership



Foreword	3
Executive Summary	4
National and Local Context	6
National Policy Context	
Tower Hamlets Context	
Strategic Framework	8
Strategic Aim	
Themes	
Objectives	
Theme 1: Financial Literacy and Capability	9
Overview	
Financial literacy and capability in Tower Hamlets	
Current levels of need and provision	
Financial Inclusion Practitioners' Survey	
Objectives and actions	
Theme 2: Access to Financial Products and Services	14
Overview	
Access to banking	
Access to affordable credit	
Access to savings	
Objectives and actions	
Theme 3: Access to Debt and Money Advice Services	19
Overview	
Profile of debt in Tower Hamlets	
Debt and money advice services	
Objectives and actions	
Delivery and Monitoring	23
Resources	
Implementation and Monitoring	

MAYOR OF TOWER HAMLETS



MAYOR'S FOREWORD

Tackling exclusion, in all its forms, is one of my top priorities as Mayor of Tower Hamlets. Financial exclusion is one of the most pernicious forms of exclusion, as it prevents residents from accessing even the most basic of services. It also makes residents vulnerable to the activities of illegal loan sharks and expensive loans companies.

Financial exclusion removes choices and opportunities from families and communities. It is well known that financial exclusion exacerbates poverty, forces people into unmanageable debt, and undermines health through causing stress and depression.

Tower Hamlets has a successful record of promoting financial inclusion: there are a number of organisations that have an established history in providing excellent financial inclusion activities and projects in the borough, some of whom are nationally recognised as leaders in the field. Over the years a number of initiatives have been developed by organisations across the borough, including face-to-face debt advice; access to basic banking and affordable credit; and financial literacy and capability workshops run in local community centres.

However I am deeply concerned that the impact of the global financial crisis and central Government cuts may deepen financial exclusion in the borough. Now is the time for the Council and its partner organisations to ensure that advice and support reaches the maximum number of residents.

This Financial Inclusion Strategy has been developed in partnership with key organisations in the borough including the Council, housing associations, the local NHS, community and voluntary groups. This partnership strategy will support groups in working together towards a shared vision, facilitate improved co-operation between organisations, and enable the sharing of best practice and information to further improve services.

For this to be achieved the following thematic priorities have been identified.

- § **Improving financial literacy and capability;**
- § **Improving access to financial products;**
- § **Improving access to debt and money; and**
- § **Raising awareness of financial inclusion services.**

By achieving these priorities, the Tower Hamlets Financial Inclusion Strategy will help deliver our One Tower Hamlets priority of tackling poverty and inequality, as outlined in the borough's Community Plan.

Mayor Lutfur Rahman

EXECUTIVE SUMMARY

The economic downturn and changes to the benefit system, alongside historically high levels of deprivation, have encouraged a renewed focus on debt, poverty and promoting financial inclusion in Tower Hamlets.

A range of initiatives aimed at promoting financial inclusion are already being delivered by agencies in the borough, including those in the voluntary and social housing sectors, but there is a need for a more co-ordinated approach to address increasing needs. The purpose of the strategy is to provide a shared framework for financial inclusion in Tower Hamlets over the next three years. As a partnership strategy, it will contribute to achieving the overall vision of the Tower Hamlets Partnership, as outlined in the borough's Community Plan.

The strategy aims to achieve a financially inclusive Tower Hamlets where residents have access to a comprehensive range of appropriate financial and money advice services, as well as the knowledge, skills and confidence to maximise their own financial well-being. It has been informed by a detailed evidence base report containing information from a wide range of national, regional and local sources.

In order to achieve the overall strategic aim we will focus on three key themes and one cross-cutting theme, each with its own objectives.

§ **Theme 1: Financial literacy and capability**

Objective 1.1: Target money management support at those most at risk of financial vulnerability.

Objective 1.2: Improve access to financial education and money management resources.

§ **Theme 2: Access to appropriate financial products and services**

Objective 2.1: Work in partnership with the financial services industry to increase access to suitable financial products and services for low income households.

Objective 2.2: Widen access to, and availability, of affordable credit for people on low incomes.

§ **Theme 3: Access to debt and money advice services**

Objective 3.1: Ensure that residents, particularly vulnerable residents, are aware of free debt advice services and understand options available to them.

Objective 3.2: Work with creditors to promote early identification and intervention for residents with debt or money management problems.

§ **Cross-cutting theme: Communication and awareness raising**

Objective: Raise awareness of financial inclusion services.

As a partnership document, the delivery of the strategy will be the responsibility of organisations within the Tower Hamlets Partnership. A detailed action plan is being developed which outlines lead organisations for each action. The steering group of the Financial Inclusive Tower Hamlets Network will monitor progress against the action plan, on behalf of the Tower Hamlets Partnership.

What is Financial Inclusion?

Financial inclusion is ensuring that everyone has access to appropriate financial services, enabling them to manage their money, plan for the future, cope with financial pressures and deal effectively with financial distress. It can be broken down into three elements:

- § **effective financial decision-making;**
- § **access to suitable products and services; and**
- § **access when needed to appropriate debt advice.**

Effective financial decision-making requires *financial literacy* – understanding of financial concepts, and *financial capability* – the ability and motivation to manage your finances, seek out information and advice, and apply these to personal circumstances. *Access to suitable services and products* is about being able to obtain bank and savings accounts, affordable credit, insurance products and free money advice. Many people struggle to manage their finances and are unable to access mainstream financial products, putting them at risk of acquiring unmanaged debts. In such cases people need to be able to access free, reliable and timely *debt advice*.

The term *financial exclusion* is the inability, or difficulty, to access and use financial products such as a bank account, savings account, credit and insurance. Those most likely to experience financial exclusion include: households on low incomes; single parents; the over 60s; people aged 18 to 24; people with disabilities; households in social housing and homeless households.

Why is promoting financial inclusion important in Tower Hamlets?

The cost of financial exclusion is high, both to households affected and society as a whole. It impacts on general well-being and is closely related to poverty and social exclusion, all of which affect many people in Tower Hamlets. Research shows that those who are financially excluded face multiple disadvantages, and can be locked in a cycle of poverty, including¹:

- § reliance on doorstep or illegal lenders with high interests rates;
- § difficulties in securing employment, as many employers pay wages into a bank account;
- § paying more for utilities due to lack of access to discounts available for Direct Debit and other automated payment methods;
- § paying a 'poverty premium' (estimated £1,300 a year)² to access financial services and utilities;
- § lacking financial safety nets such as insurance to deal with unexpected financial difficulties;
- § being unable to access appropriate financial advice resulting in unmanageable debt; and
- § poor health caused by money worries and indebtedness.

Over the past decade a number of initiatives aimed at promoting financial inclusion have been developed by organisations across Tower Hamlets. However these services have often been developed in a piece-meal fashion, with limited co-ordination between the various initiatives. The need to improve the linkages between financial inclusion services resulted in the formation of the Financially Inclusive Tower Hamlets (FITH) Network in 2010, with key stakeholders including Job Centre Plus, social housing providers, voluntary sector agencies and Council services.

A financial inclusion strategy for Tower Hamlets is a key priority for the Tower Hamlets Partnership, outlined in the borough's Community Plan. The Community Plan sets out the long-term vision of the Partnership to improve the lives of all those living and working in the borough, and is centred on tackling poverty and inequality. The Financial Inclusion Strategy has a cross-cutting impact on all the themes and priorities within the Plan. It is therefore closely related to other partnership strategies and projects including the Employment and Enterprise strategies; Homelessness Strategy; Health and Wellbeing Strategy, Welfare Reform Project and developing Anti-Poverty Framework.

¹ Resolution Foundation, *Financial Inclusion and Financial Capability Explained*, 2009

² Ibid

The Financial Inclusion Strategy is based on a detailed evidence base drawing on national and local research on financial inclusion, its impacts and good practice examples in policy making and service design.

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National Policy Context

Promoting financial inclusion has been a focus for governments over the past decade. A range of national policies and products have been introduced to this end, and have led to some successes. For example, as a result of a number of nationally-led initiatives, there has been a notable reduction in the number of people without a basic bank account.

In 2006 the Financial Services Authority (FSA) launched a National Strategy for Financial Capability. In 2008 this was supplemented with a Joint Action Plan for Financial Capability with HM Treasury. As part of this, a range of measures were introduced to improve financial capability. These included initiatives to improve financial education in schools, support for the development of credit unions and work with the financial services industry to provide funding for free independent debt advice provision.

In 2011 the National Money Advice Service was established to provide clear, unbiased and free advice to help people make informed choices about their finances. In 2012 they were given the additional remit of overseeing the co-ordination of debt advice services in the UK. The Money Advice Service has introduced a range of initiatives including online health-check tools to help people understand their financial situation and take appropriate action. They are currently developing a model for the delivery of debt advice services nationally.

Despite these government initiatives there still remain areas with high levels of financial exclusion in the UK, including Tower Hamlets. Gaps remain on the supply of financially inclusive services, particularly in relation to savings, access to affordable credit and free face-to-face debt advice. Changes in the macro-economic environment have influenced the availability of affordable credit, and rising housing and utility costs have caused an increase in demand for debt and money advice; consequently demand often outstrips supply. This is further exacerbated by the low levels of financial literacy and financial capability in many local communities.

Welfare Reform

The Welfare Reform Act of 2012 will have a significant impact on financial inclusion. The introduction of household benefit caps will present major challenges to benefit-dependent households. The cap will reduce the income of many households and put them at risk of being unable to manage their finances effectively, leading to, and further increasing financial exclusion. The £500 a week benefit cap for a working age family will particularly affect larger families and families in the private rented sector, many of whom are already likely to be financially vulnerable.

The Act also changes the way claimants will receive their benefit payments by having all their benefits combined into one Universal Credit and moving from weekly to monthly lump sum payments. This will put additional pressure on individuals to be able to manage their income effectively at a time of rising costs. A report by Policis, commissioned by the National Housing Federation³, indicates that the change to Universal Credit could pose very real risks to the financial wellbeing of social tenants, with knock-on implications for housing associations and the implementation of welfare reform.

Tower Hamlets is one of the areas most affected in the country by the working age household benefit cap, as it has a high proportion of unemployed, larger households and high rental prices. The Council has formed a Welfare Reform Task Group to look at how local organisations can minimise the impact of welfare reform on residents; and promoting financial inclusion is a key aspect of this work.

Tower Hamlets Context

Tower Hamlets remains a place of contrast: immense wealth sitting alongside stark poverty. The average annual earnings of those working in the borough is £64,000, yet the Indices of Multiple

³ Policis, Optimising welfare reform outcomes for social tenants, 2012

Deprivation score shows Tower Hamlets as the 7th most deprived borough in the country. The high levels of poverty and deprivation in the borough mean that many residents experience, or are at risk of experiencing, financial exclusion.

Income poverty⁴

In Tower Hamlets, it is estimated that 44 per cent of households are in income poverty – defined as those living below 60 per cent of the median (or ‘middle’) UK household income, after housing costs. This is the highest rate of income poverty across all local authorities in England and Wales and double the national average (22 per cent).

Child poverty⁵

The latest HM Revenue & Customs (HMRC) data (for August 2010) show that 27,900 children in Tower Hamlets live in poverty; this represents 48.6 per cent of all children in the borough and is the highest child poverty rate in the UK. All wards in Tower Hamlets have child poverty rates well above the national average; the rate ranges from 38 per cent in St Katharine’s & Wapping ward up to 59 per cent in East India & Lansbury ward.

Pensioner poverty⁶

Tower Hamlets has a relatively small pensioner population compared with other areas: nine per cent of the borough’s population are aged 60 and over compared with 22 per cent across England. Despite the fact that proportionately fewer pensioners live in the borough, those that do, are likely to face high levels of income poverty.

Disability Poverty⁷

Based on the ‘relative poverty line’ in the UK, which equates to living in a household with income of less than 60% of median national income, estimates suggest that around 30% of disabled people live below this income line, compared to around 16% of non-disabled people

Fuel poverty⁸

Fuel poverty is also an important issue in Tower Hamlets, with over 7,500 households estimated to be fuel poor, spending more than 10% of their income on energy to maintain an adequate level of warmth⁹. The Council has adopted an affordable warmth policy in an attempt to assist fuel poor residents and a number of initiatives have been developed with the voluntary sector to support residents with fuel debts.

⁴⁴ Information taken from the Tower Hamlets Council Corporate Research Unit Poverty Key Facts 2011-12

⁵ Ibid

⁶ Ibid

⁷ Monitoring poverty and social exclusion, Joseph Rowntree Foundation and New Policy Institute, 2006

⁸ Department of Energy and Climate change (DECC), Sub-regional fuel poverty levels, England, 2010.

⁹ Tower Hamlets Fuel Poverty Data, 2012

Figure 1: Children living in poverty, Indices of Deprivation

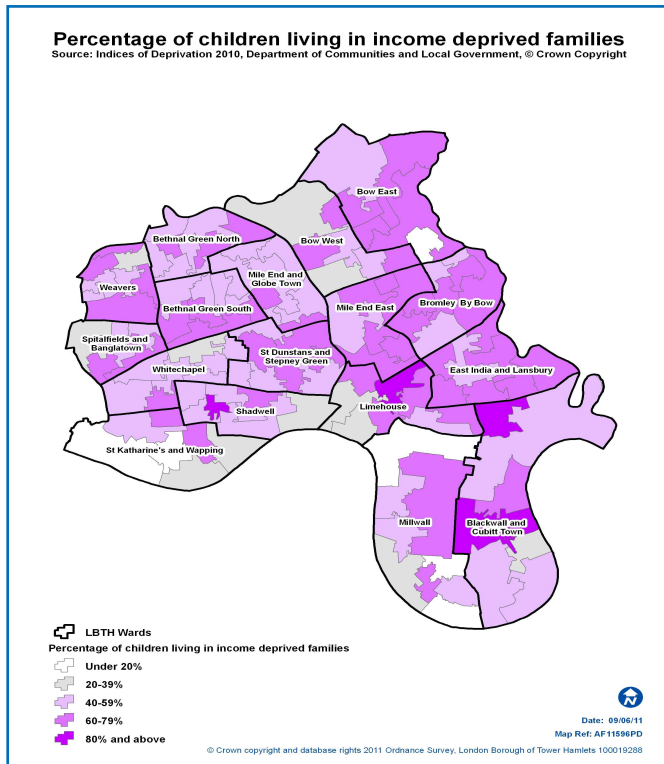
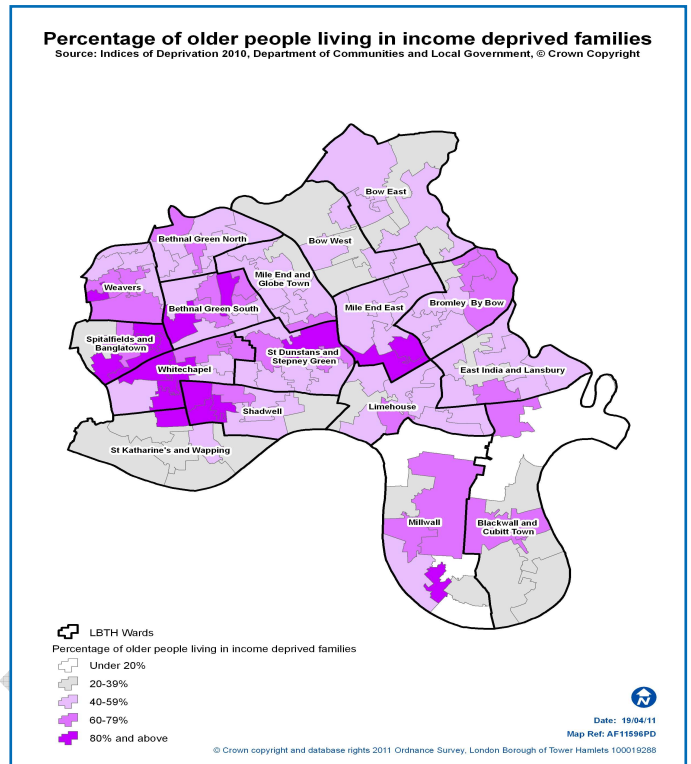


Figure 2: Older people in poverty, Indices of Deprivation



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STRATEGIC FRAMEWORK

Strategic aim, themes and objectives

The aim of the strategy is:

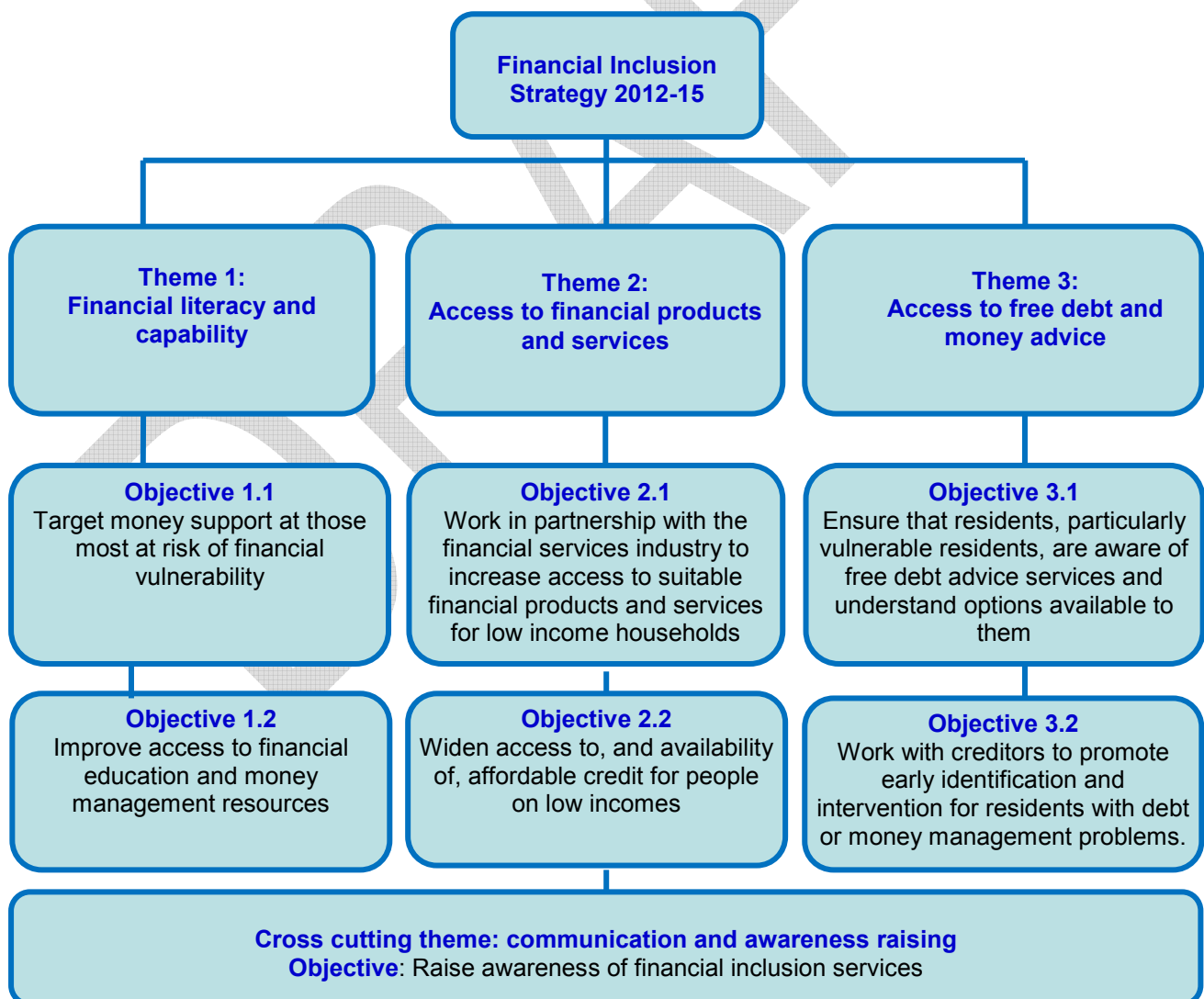
To achieve a financially inclusive Tower Hamlets where residents have access to a comprehensive range of appropriate financial and money advice services, as well as the knowledge, skills and confidence to maximise their own financial well-being.

In order to achieve the overall strategic aim we will focus on three key themes and one cross-cutting, each with its own objectives:

- § **Theme 1: Financial literacy and capability.**
- § **Theme 2: Access to appropriate financial products and services.**
- § **Theme 3: Access to debt and money advice.**
- § **Cross-cutting Theme: Communication and raising awareness.**

The figure 3 below illustrates this strategic framework.

Figure 3: Financial Inclusion Strategy Framework



THEME 1: FINANCIAL LITERACY AND CAPABILITY

Overview

Financial capability is the ability to understand and manage personal finances. More specifically, it refers to the set of skills and knowledge that allows an individual to make sense of the range of products and services available and to be able to select the most appropriate products to suit their circumstances.

The Financial Services Authority (FSA) has highlighted five components to financial capability:

- § Making ends meet – ensuring that your spending does not exceed your income.
- § Keeping track of finances – particularly for those on a tight budget.
- § Planning ahead – making provisions for the future.
- § Choosing financial products – making informed choices about financial products.
- § Staying informed about financial matters – some knowledge of financial matters.

A national financial capability survey carried out in 2006, prior to the recession, showed that almost one in ten people found keeping up with their financial commitments a constant struggle, with many falling behind. Almost one in ten surveyed had no provision for planned expenditures such as quarterly or annual bills. Seven per cent of those with a current account could not correctly read the final balance from a bank statement¹⁰.

A DWP insight study on personal budgeting in 2012 highlighted that:

- 33% of those interviewed budgeted on a weekly or daily scale and a further 34% did not budget their money at all.
- 33% admitted to running out of money by the end of their budgeting period always or most of the time. 40% thought that moving to a monthly payment would make budgeting harder.
- 81% of those who thought that monthly budgeting would be harder were worried about running out of money before the end of the month.
- Respondents were fearful of running out of funds and failing to pay for essentials such as rent.

Financial literacy and capability in Tower Hamlets

The skills and confidence required to be financially capable vary across households and are influenced by a range of factors including: literacy and numeracy levels, household composition, housing tenure, income and expenditure patterns. Regardless of how much money people have, they require financial management skills; these skills are even more important for people on low incomes when additional pressures are placed on household finances. Digital Inclusion and access to online services are also a key element in supporting households to become more financially included

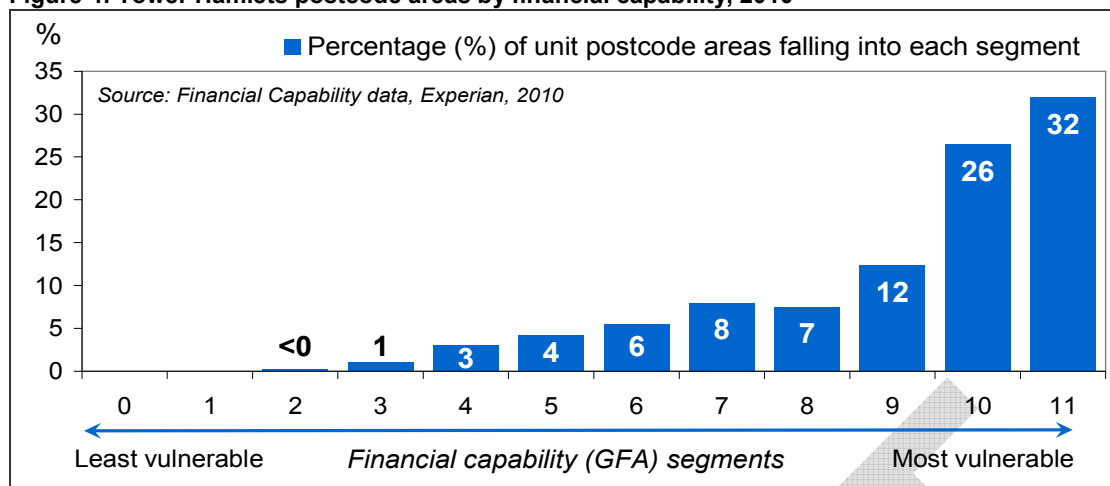
Experian financial capability data for 2010 classify the majority of postcode areas (71 per cent) in Tower Hamlets as having high levels of financial vulnerability; almost three times higher than the London-wide percentage (26 per cent)¹¹. People who live in these areas typically share multiple drivers of financial vulnerability and are most at risk of adverse consequences from poor financial decision making. They are likely to lack confidence in financial matters and be in debt, and unlikely to have financial safety nets such as savings or insurance. The Experian model suggests that people in these groups would benefit most from financial advice. At ward level, the percentage of 'postcode areas' in the most vulnerable group ranges from 95 per cent in Bromley-by-Bow down to 29 per cent in St Katherine's & Wapping¹².

¹⁰ FSA, Financial capability in the UK: establishing a baseline, 2006

¹¹ Tower Hamlets Financial Inclusion Evidence Base Report, April 2012

¹² Ibid

Figure 4: Tower Hamlets postcode areas by financial capability, 2010



Current levels of need and provision

Some national studies, including the British Household Panel Survey carried out by the FSA in 2009, show that there is a relationship between financial capability and household profile; certain household types are more likely to have lower levels of financial capability than others¹³. The analysis below identifies individual household types with typically low levels of financial capability, services currently in place to address their needs and recommends areas for development going forward. It is worth noting that many residents will fall within multiple groups of households, and that these types of households are more likely to have low levels of financial capability.

Young People

Young people, particularly those on low incomes; those living independently or in supported housing; those with children; and those with poor levels of education, literacy and numeracy, typically have lower levels of financial capability compared with other age groups. Tower Hamlets has a young population with 14% of people aged 16 to 24. This is higher than the London average of 11%. The Jobseekers Allowance claimant rate for this age group was 20.6% in 2011/12, more than double the borough average for the same period (9.8%), suggesting that many residents within this age group are on low incomes.

A number of schools in the borough have worked with the Credit Union and 'Mybank' to open school bank accounts and involve young people in discussions about managing money and it is hoped this programme will expand. Through the strategy, we will build on and expand this early intervention approach, including working with children and youth organisations in the borough to develop innovative approaches to supporting young people at risk of financial exclusion.

Older people

Studies into the financial capability needs of older people have shown that this age group tend to be able to better manage their finances. However, the rapid change in financial services and products mean that older people can find it difficult to understand and access financial products, particularly those available online. Whilst Tower Hamlets has a relatively small proportion of older residents, the over 60 population is over 21,000 people and is set to rise over the coming years. In addition, the high levels of pensioner poverty in the borough place many older people at risk of financial vulnerability.

Some initial work with Age Concern and LinkAge Plus has taken place, including outreach provision and one-to-one support with money advice services. This will need to be expanded upon to ensure that there is sufficient targeted provision to meet the needs of older people.

¹³ FSA, *Financial capability and wellbeing: evidence from the British Household Panel Survey, 2009*

Disabled People

The Leonard Cheshire Trust (2007) reports on disability and poverty in the UK, highlights that although disabled people's access to services is steadily improving, there is still widespread inaccessibility, which can actively restrict disabled people's opportunities and is a critical factor in disabled people's social exclusion and poverty. More recent research conducted by Policis and Toynbee Hall for the Payments Council in 2012, highlights the challenges and obstacles that people with sensory, physical or cognitive impairments can experience when using payment services and acquiring cash.¹⁴

Families

Lone parents tend to have lower levels of financial capability, and face significantly more financial problems than couples with no children, single households and single elderly households. Locally, child poverty is more common in couple households. There is also a clear correlation between the number of children in a household and the levels of financial capability. Those with four or more children have the highest levels of financial vulnerability. In addition, children in larger families are also more likely to experience poverty.

The 2011 Mayhew population data for Tower Hamlets estimates that 21,200 residents (8.7 per cent of the population) are lone parents, accounting for just over 7 per cent of households in the borough. The borough also has a higher than average family size. Child Benefit data shows that the average number of children per family is 2.05, above both the London and national average. Similarly there are higher than average numbers of large households (households with 4 or more children) in Tower Hamlets. 12 per cent of families fall within this category, more than double the London average and three times more than the national average; contributing to the borough having the highest child poverty rate in the country.

There are a range of financial capability services for families in the borough. These include learning provisions for parents and families, offered in children's centres and schools by Quaker Social Action. In addition there are a number of generic services available to all residents including the 'Made of Money' project and other voluntary sector financial capability support projects involved in FITH. Through the strategy we will look at how we can further integrate financial inclusion provision into services targeted at families.

Households in social housing and the private rented sector

Those renting a property, both in the social and private rented sectors, generally have lower levels of financial capability than home owners. This is also the case for homeless households and those in temporary accommodation. The latest Housing Survey showed that private rented properties account for 23 per cent of the borough's housing stock and social housing accounts for 42 per cent. Mayhew Data estimates that 120,000 residents are currently living in social housing, almost 50 per cent of the borough's population.

Many of the borough's housing associations already have financial inclusion initiatives in place and work closely with third sector organisations to provide workshops to improve residents' financial capability levels. Welfare reform changes will impact on residents in both the social and private rented sector on low incomes. The strategy will help housing and financial inclusion providers in the borough to share and build on good practice to ensure that all tenants are able to access appropriate and timely financial literacy and capability support.

The unemployed and economically inactive

The unemployed and economically inactive have significantly lower levels of financial capability than those in employment (both full-time and part-time) and those who are retired¹⁵. Worklessness is a key issue for Tower Hamlets. Unemployment levels are high with 13.2 per cent of the working age

¹⁴ Consumer research with those living with cognitive, physical and sensory disabilities /www.paymentscouncil.org.uk

¹⁵ <http://www.fsa.gov.uk/pubs/consumer-research/crpr79.pdf>

population (17,000 people) unemployed compared to 9.5 per cent in London¹⁶. Almost a third of the working age population (56,100) are economically inactive. Economic inactivity is particularly high among women at 45 per cent, and especially among BME women.

At present, financial capability assessments and money management training is provided in a small number of employment support projects. Going forward, improving financial capability will need to be further embedded into approaches to tackling worklessness and supporting people into sustainable employment.

The low levels of financial capability among low income households (those in work as well as workless households) highlight the direct relationship between income levels and financial capability. Income maximisation checks are currently undertaken by local advice agencies as part of the benefits and debt advice provision, and also by some employment support projects as part of the 'better off' calculations for clients moving into employment. Support with budgeting and money management, including exploring options for maximising income and minimising outgoings, is becoming even more important for low income households in light of continuing economic difficulties and welfare changes that will result in reduced income for many households. Links between digital inclusion and financial exclusion are also an important element that needs to be addressed with the advent of universal credit and on line claiming of benefits

People with a disability and poor health

The links between financial capability and health have been highlighted by a number of reports¹⁷. Those who consider themselves to be in 'fair' or 'poor' health have a lower financial capability score than those who deem themselves to be in 'good' or 'excellent' health. In 2010 the Marmot Review on health inequalities recognised financial security as a social determinant of health – highlighting that poor financial management has an impact on health and wellbeing¹⁸.

Locally, dealing with finances and paper work was identified as the highest area of need for adult social care users, with 58% of respondents to the 2010/11 Adult Social Care Service User Experience Survey stating that they are unable to deal with these themselves. Similarly, recent reports demonstrate that 96% of people accessing Supporting People Services floating support provision required support in managing their finances and accessing benefits.

Some work has been done with health and social care professional on financial inclusion, including through the Health Trainers project. The expansion of direct payments and personalised budgets makes it even more important that the financial capability needs of adult social care users are fully addressed to ensure that service users can live as independently as possible. Through the strategy we will look to integrate financial capability provision as part of health and social care services and the promoting independence agenda.

Black and ethnic minority households

Some national studies have found a significant difference between ethnic groups in relation to financial capability and access to financial products and institutions¹⁹. Low levels of financial capability among BME groups are linked with comparatively lower educational attainment and aspirations, higher levels of unemployment and lower income levels.

Tower Hamlets, as an inner city borough, is characterised by its diversity, with BME groups accounting for almost 50% of the population. Ensuring that the local approach to financial inclusion takes account of the needs of local communities is particularly important Tower Hamlets. This includes, for example, using community groups and community leaders, who are often best placed to breakdown the barriers in reaching residents, to deliver financial education training in communities.

Other vulnerable groups

¹⁶ ONS Annual Population Survey, March 2012

¹⁷ Royal College of Psychiatry, *On Demand*, 2009

¹⁸ Marmot Review, *Fair Society, Healthy Lives*, February 2010

¹⁹ <http://www.runnymedetrust.org/uploads/publications/pdfs/SavingBeyondTheHighStreet-2010.pdf>

National studies have also highlighted that victims of domestic violence, ex-offenders and families of prisoners, and migrants are among other groups of people particularly vulnerable to financial exclusion²⁰. Through the strategy work will be undertaken with the relevant services providers to integrate support around accessing appropriate financial services and support with money management into service provision for these groups.

Key transition points

In addition to some groups of people being more likely to have lower levels of financial capability, there are key transition points in people's lives when they are more likely to be financially vulnerable. These include: becoming a parent; moving home; moving to independent living; periods of illness; and upon loss of, and start of, employment. The strategy will help ensure that financial health checks are undertaken with service users, and support provided, at these key transition stages.

Financial inclusion practitioners' survey

A survey of frontline practitioners was conducted in the borough on the financial capability of their service users as well as what they considered to be their role in identifying and tackling financial exclusion. The findings of the survey were used to form part of the evidence base for the strategy. A total of 178 practitioners took part in the survey. The key findings from the survey are:

- § A high proportion of service users that practitioners have contact with stated that they have money worries. The most common challenges service users experience are:
 - § 'Knowing whether they are receiving the right benefit income'.
 - § 'Getting into unmanageable debt due to inadequate income'.
- § A high proportion of practitioners would like to refer service users to appropriate money management services but do not know what services exist or the best place to refer to. The same was said for debt advice and employment support.
- § Practitioners were asked to rate what three changes would have the greatest impact in reducing their service user's money worries. The results were:
 - § 1st Choice 'Support with budgeting improving money management skills'.
 - § 2nd Choice 'Access to other support service'.
 - § 3rd Choice 'Faster access to high quality free debt advice'.

²⁰ <http://www.jrf.org.uk/sites/files/jrf/2234.pdf>

Improving financial literacy and capability: Objectives and Actions

In order to improve financial literacy and capability of residents in Tower Hamlets, we will:

Objective 1: Target money management support to those most at risk of financial vulnerability by:

- § Integrating financial literacy and capability into frontline services.
- § Identifying and undertaking health checks on service users at key transition stages in their lives, and ensuring that appropriate support is provided.

Key actions include:

- § Support frontline service providers to review their policies and practices for embedding financial inclusion into service provision.
- § Deliver a programme of financial inclusion training targeted at practitioners in services such as housing, youth & community learning, social care and domestic violence and develop an accessible toolkit that can be used by all frontline staff to enable them to confidently raise money matter issues with their clients and refer clients to appropriate services.
- § Incorporate financial inclusion training into Parenting Support, ESOL and other adult literacy and lifelong courses / provisions.
- § Train frontline GP staff such health care assistants to incorporate financial health and welfare benefits awareness into all autumn flu vaccination clinics.
- § Work with Registered Providers (RPs) to provide information on financial inclusion, benefits and tax credits for social housing tenants, particularly for new tenants and those in arrears.
- § Work with Skillsmatch, Job Centre Plus and other employment support services to provide information on financial inclusion, in work benefits and tax credits for residents starting work.
- § Work with health trainers and the Family Nurse Partnership to provide information and advice on money management issues, financial inclusion, benefits and tax credits for new parents.
- § Work with frontline staff to improve the screening of financial capability and money management issues of vulnerable residents as part of their assessment processes.

Objective 2: Improve access to financial education and money management resources by:

- § Reviewing existing financial education provision.
- § Supporting residents to be trained as money mentors and financial inclusion champions
- § Continuing to support children and young people's education providers to embed financial education into their services.
- § Improving the data management, monitoring and evaluation of financial capability support services to help inform our understanding of gaps and areas for service improvement.

Key actions include:

- § Map the take up of existing training courses and identify gaps in provision and deliver a range of financial education courses to help meet demand.
- § Recruit and train up to 50 residents a year to be 'Financial Inclusion Community Champions' through the FITH 'Money Mentors Pilot Project'.
- § Review the extent to which Financial Education has been incorporated into the local schools through the Personal, Social, Health and Economic (PSHE) curriculum.
- § Encourage and support schools and colleges to utilise online financial education resources, and to participate in initiatives such as 'My Money Week'.
- § Identify and promote appropriate monitoring and evaluation tools to assess the impact of support services such as the new Money, Access and Participation (MAP) Toynbee tool.
- § Identify appropriate quality standards for providers of financial capability training and money management support provision to ensure that quality standards are achieved and maintained.

Overview

Nationally there has been significant progress over the last ten years in reducing the number of people who are 'unbanked'. The Financial Inclusion Taskforce estimates that between 2002/3, the number of adults living in households without access to a bank account fell from 2 million to 0.89 million.²¹ These improvements in access to basic bank accounts have also occurred locally.

Despite the progress made, there are still many people (both nationally and locally) who are unable to, or find it difficult to, access and use mainstream financial products, including transactional bank accounts. The Treasury estimates that more than 1 million people in the UK are still without a bank account and that this 'unbanked' group is drawn from the poorest and most deprived households²². Those on the lowest income (less than £100 per week); households living in social housing; and those of Pakistani or Bangladeshi origin, were far more likely to be unbanked.

The Financial Inclusion Taskforce in 2010 argued that every household should be in a position to access, and to benefit from, basic banking services, as well as be included in mainstream networks for deposits and payments. It stated that the key banking needs of poorer households remain:

- § An easy way to receive money, particularly non cash payments.
- § A way to keep money safely.
- § An easy way of making payments that is efficient for the receiver.

2012 data from DWP highlight that up to 1.3 million claimants currently do not use a transactional bank account to manage their benefit payments. Most of these individuals currently use a Post Office Card account which does not offer transactional facilities. 70% have access to a bank account but are unlikely to reengage with their banking provider. The DWP estimate that up to 3 million people may require support with utilising banking products.

This may range from light support with setting up automated payments to more intensive support and targeting banking products. The DWP intends to implement a scheme in 2013 to initially subsidise access to bank accounts or alternative financial products with specific budgeting functionalities for Universal Credit claimants. The accounts products will offer additional budgeting functionalities, beyond the functionalities of a basic or current account. DWP key requirement is to ensure claimants have access to a range of transaction accounts that will enable them to manage rent and bill payments more effectively on a monthly basis through automated transactions such as direct debits/standing orders. The other requirement is that the product is pro-active - must provide outbound notification to support good money management behaviours e.g. text message reminders and balance updates.

Access to banking: identifying and addressing barriers

Access to a bank account is often a pre-requisite to securing employment and starting up a business, as well as providing a convenient method of paying for services and utilities. However, many people do not have access to a transactional bank account putting them at a disadvantage.

Barriers to accessing a bank account

There are a number of barriers experienced by residents in accessing suitable bank accounts, including:

- § **Difficulties in proving identity, address and income status** – difficulties proving identity and address can be a significant barrier to opening a bank account, particularly for new residents and homeless people who can struggle to provide acceptable identification, if they do not have a passport or driving licence. Similarly, the levels of insecure and informal employment in the borough mean that a significant number of local residents are not able to provide employer references to support applications for banking services including overdrafts and loans.

²¹ Financial Inclusion Task Force, *Mainstreaming financial inclusion: managing money and access to banking*, March 2010.

²² *Ibid*, *Banking services and poorer households*, December 2010.

- § **Lack of confidence in using mainstream transactional accounts and services** – low levels of literacy and language issues can pose practical difficulties and challenges for local residents given the complexity of financial products and services. This can also contribute to levels of digital exclusion.
- § **Disability** – Disability organisations in the borough have also highlighted the barriers and challenges that people with sensory, physical or cognitive impairments can experience when using a range of financial products and services including accessing ATM machines, utilising on line and telephone banking or security issues when needing support from others to use banking arrangements. At a national level the Payments Council have stated they are committed to using the research undertaken on barriers for older people and disabled people to enhance payment services. Work will also need to be undertaken with financial institutions and other key stakeholders locally to identify any specific actions that can be taken to improve access to financial services
- § **Banking costs and concerns over charges** – research by the Financial Inclusion Taskforce suggests that the ‘newly banked’ accrue an average loss of £140 per annum in penalty charges – a burden mainly borne by the poorest households²³. In addition, accessing money in current accounts can be costly with more fee charging ATMs (160) in the borough than free ATMs (145). Furthermore those residents who hold basic bank accounts are likely to be affected by charges brought in by a number of basic bank account providers for using ATMs operated by other companies. The impact of having to use a fee-charging cash machine is most acute for people on low income as charges can represent a large part of their weekly income.
- § **Religious and ethical considerations** – Some BME communities are less likely to engage with formal financial products – particularly savings and credit products, often because they lack trust in banks and are reluctant to get into debt or deal with interest due to religious and ethical concerns.

Development of alternative accounts to help people better manage their money

According to the Social Finance Report for the Financial Inclusion Task Force, one of the key solutions to addressing the banking barriers and needs of people is to develop and make available appropriate transactional accounts, including ‘Jam Jar’ accounts, to support people on low income to manage their money²⁴.

Jam Jar accounts are bank accounts which allow people to subdivide their balance into different ‘jars’ for spending, saving and paying bills, and set up automatic processes like low balance warnings. They provide a structure built into the account to help people plan their monthly outgoings, clearly separating ‘disposable income’ from what is needed to meet regular bills. They also provide a prompt to automatically save a little each month. The Tower Hamlets Credit Union is currently exploring potentials for ‘Jam Jar’ accounts in the borough, which will be explored in more detail as part of the strategy.

Access to affordable credit

Access to suitable credit can be an important means of managing household budgets. People living on low incomes, or whose income fluctuates, are more likely to require personal credit to enable them to meet unexpected costs of essential household items. Changes to the Social Fund, government grants and loans for low income people, particularly the reduction in expenditure on crisis loans to benefit-claimants, will have a major impact on low income households. Meeting the replacements cost of expensive essential items such as a broken cooker is extremely difficult on a benefit level income. This group is also more likely to experience difficulties accessing affordable credit from mainstream providers.

Rising prices have put further pressure on low income families, and national research suggests that a significant number have turned to ‘sub prime’, expensive, and in some cases illegal, sources of credit to manage. The rise in pawnbrokers, money-lending shops, payday loans and home credit lenders demonstrates the demand for an alternative form of credit²⁵. These forms of credit are costly

²³ Ibid, *Realising banking inclusion: Key achievements and challenges*, August 2010.

²⁴ <http://www.socialfinance.org.uk/resources/social-finance/new-approach-banking-extending-use-jam-jar-accounts-uk>

²⁵ <http://www.guardian.co.uk/money/2012/feb/26/pawnbrokers-payday-loans-oft-inquiry>

and can trap people in cycles of debt. Interest rates charged on what are designed to be short-term loans are as much as 4,000% annual percentage rate (APR), and low-income borrowers often end up rolling over their borrowings and accruing large debts.

Barriers to affordable credit

People who have no credit history because they have never used regulated credit (either because they have used other forms of credit, or not been in the UK), and those who have been in debt, are very likely to be turned down because of poor credit scores, even if their income and circumstances mean they are able to afford borrowing costs.

Low levels of home ownership (75% of residents in Tower Hamlets live in social or privately rented accommodation) mean that many people are unable to access secured credit. Also high levels of unemployment, employment in the informal economy and self-employment, make it difficult to prove a regular income or provide employer references to credit providers.

BME communities and access to credit

A report by the Runnymede Trust in 2008 brought together a number of pieces of research on the use of informal credit in black and minority ethnic communities²⁶. It found extensive use of informal credit for both personal and commercial purposes in some communities. These arrangements provide access to credit for people who may be unable to obtain commercial credit, but can also mean that those involved have no formal credit history and may experience problems accessing mainstream credit in the future.

Some BME communities are also financially vulnerable as a result of the lack of proper financial regulations and protection of some remittance organisations. This was particularly evident in Tower Hamlets with some high profile cases of remittance companies and travel agencies 'going bust' resulting in some local residents losing money with little or no compensation.

Illegal money lending

Many people resort to borrowing money from illegal money lenders and loan sharks to access credit. 'Unlicensed' money lenders and loan sharks can have a detrimental impact on communities by trapping vulnerable people in a spiral of debt and through extreme methods to claim back illegal loans.

The National Illegal Money Lending Team has had some success in prosecuting loan sharks and supporting victims. Ongoing publicity highlighting the problem with loan sharks is undertaken across all London boroughs and there are strong links with the trading standards service in Tower Hamlets.

A report on illegal money found that:

- § Although initiatives such as the Illegal Money Lending Team has been successful in some areas, alternative supply is the most effective strategy in combating illegal lending.
- § There is a clear need to create an alternative source of social lending to combat both existing illegal lending and the supply vacuum
- § Advice and financial education are important as a component of a long-term strategy to create awareness of the dangers of illegal lending but are unlikely to have an immediate impact. There is however a clear need for advice for victims whose finances have frequently been emptied out over an extended period²⁷.

Access to affordable credit: Credit Unions and Community Development Finance Institutions

One of the ways of addressing the banking needs of low income households is to provide more access to credit unions and community development finance institutions (CDFIs), which are sustainable, independent, not for profit financial institutions²⁸. Credit unions and CDFIs have a strong role to play in financial inclusion and they have been supported and promoted by government at all levels. The DWP invested in a growth fund to encourage the expansion of credit unions between

²⁶ <http://www.runnymedetrust.org/uploads/publications/pdfs/FinancialInclusion-2008.pdf>

²⁷ <http://www.bis.gov.uk/files/file35171.pdf>

²⁸ <http://www.runnymedetrust.org/uploads/publications/pdfs/FinancialInclusion-2008.pdf>

2007 and 2010, and is currently deciding how best to invest a further £73 million in order to provide access to affordable banking and savings accounts for financially excluded people. A DWP feasibility study in 2011 to examine the scope and options for the modernisation and expansion of credit unions established that credit unions are ideally placed, serving their local communities, to help meet the market and demand from low income consumers for modern banking products and services²⁹.

The credit union in Tower Hamlets (which re-branded as London Community Credit Union in 2011) now has 11,000 members, including significant numbers of residents from Bangladeshi community. However take up from BME communities could be improved by exploring opportunities to expand remittances via credit unions. Initially established with the support of the Council, it offers a range of banking, savings and loan facilities to its members. Whilst the credit union is limited in its ability to extend its services due to a small staff base, it is developing a number of initiatives including training local people to become credit union champions in the community and in the workplace.

Fair Finance is currently the only CDFI currently operating in the borough and differs from the credit union in that it offers a loan service to both individuals and businesses, but not wider savings and banking type services.

Access to savings

There are generally two reasons for saving: saving for a specific, typically short-term, purpose or anticipated expense; and saving to provide a financial safety net. Although many people with low incomes aspire to saving towards the longer-term, such as for their children's future needs, more immediate priorities mean that few do so in practice.

According to an ING report produced in 2010, the level of cash saving in Tower Hamlets is the fifth lowest in the country, with the median savings per household equalling £776³⁰. Those who have savings tend to be locked into one form of savings account, less diverse than is prevalent in other areas. This is largely attributable to poverty but there are communities in the borough where there is high prevalence of assets being held in non-cash forms including property and jewellery, or where people are required because of poverty to liquidate goods to meet cash shortfalls, as well as remitting money abroad. Lacking a current account is also independently linked with increased likelihood of lacking a saving account among lower-income families although the effect was not strong³¹.

The lack of access to savings often results in people having to turn to credit in emergencies and reduces opportunities such as school trips for children and family holidays. It also makes it hard to acquire assets or investments, or to become a homeowner.

Barriers to saving formally

A report by the Financial Inclusion Taskforce has identified three 'major barriers' to saving formally:³²

Access:

§ The report identified physical (geographic location) and psychological (trust) barriers to saving. It also showed that trusted providers, with a local presence, can help overcome the access barriers to saving for low income and BME households.

Knowledge and understanding:

§ Financial products are often complicated, and people's limited experience and understanding of such products can make them inaccessible for many. The research shows that accessible information is the key factor in enabling those on low incomes to access financial products. Low income groups also benefit from having trusted intermediaries, such as community champions, to assist them in better understanding and accessing products.

Attractiveness of formal products:

²⁹ <http://www.dwp.gov.uk/docs/credit-union-feasibility-study-report.pdf>

³⁰ <http://www.consumersavingsmonitor.co.uk/savings-comparison.htm>

³¹ Financial Inclusion Taskforce, *Saving in lower-income households: An evidence review for the Financial Inclusion Task Force*, June 2009

³² Ibid

- § The rate of return is the paramount attraction to opening an account for those on lower incomes. However the interest rates on standard saving accounts are not as attractive to low income people compared with other informal and alternative methods of saving.

The report makes it clear that encouraging saving at a very young age through financial education initiatives that help young people learn the importance of saving and other money management issues, is fundamental to addressing all the barriers highlighted above.

DRAFT

Improving access to affordable financial products: Objectives and actions

In order to improve *access to appropriate banking, savings, affordable credit and other financial services*, we will:

Objective 1: Work in partnership with the financial services industry to increase access to suitable financial products and services for low income households by:

- § promoting Credit Unions and other basic banking and transactional accounts;
- § improving availability of free ATMs in the borough; and
- § ensuring that residents have the knowledge and confidence to use financial products effectively.

Key actions include:

- § Work with local banks, building societies and credit unions to promote basic bank accounts, 'Jam Jar' accounts and saving accounts for residents.
- § Provide information for frontline staff to signpost residents who are having difficulty opening bank accounts to relevant support services, including Toynbee Hall and the Credit Union.
- § Explore with financial institutions and other key stakeholders locally any specific actions that can be taken to remove barriers and improve access to financial services for disabled people
- § Deliver the Credit Union 'Champions Project' that promotes Credit Union membership in the community and work place.
- § Identify geographical hotspots where there are no free ATMs and explore the potential to address this gap.
- § Explore the potential of encouraging convenience stores to consider the business case for hosting free ATM machines in their shops.
- § Promote basic information on banking, savings and credit products to raise residents' levels of awareness, skills and confidence so that they can choose and use appropriate financial products to meet their needs.

Objective 2: Widen access to and availability of affordable credit for people on low incomes by:

- § improving awareness of high costs of different types of credit and promoting access to affordable credit; and
- § raising awareness of illegal money lending including support available for victims.

Key actions include:

- § Work with key stakeholders, including the Credit Union, to develop appropriate referral routes for access to affordable credit for low income households, including to the localised social fund crisis loan.
- § Work with the illegal money lending team to identify loan shark activity, take appropriate legal action, support for victims and inform residents of the consequences of illegal money lending.

THEME 3: ACCESS TO DEBT AND MONEY ADVICE SERVICES

Overview

Total UK personal debt stood at over £1.4 trillion at the end of 2010. The Office for Budget Responsibility (OBR) predicts that debt, as a proportion of household incomes, is set to rise from 160% of household incomes to 175% of household incomes by 2015³³.

Research conducted for debt charity Consumer Credit Counselling Service (CCCS) by the Financial Inclusion Centre, at the beginning of 2012, identified London as the most over-indebted region in Great Britain. The Debt and the Regions report found that while Londoners have higher than average earnings, relatively high savings, and low levels of mortgage difficulty; a large number of households in the capital are financially vulnerable³⁴.

The causes of over-indebtedness are most commonly an unforeseen change in circumstances (such as illness, loss of employment, relationship breakdown, loss of other income). Poor financial management and unrealistic repayment expectations on the part of creditors also contribute to indebtedness. Over-indebtedness is closely linked to poverty and social exclusion; with low income households more likely to experience it. Research from the Citizens Advice Bureau has shown that low-income groups are three times more likely than the general population to be in arrears with rent, council tax, utility bills or mortgage arrears³⁵.

Profile of debt in Tower Hamlets

Debt problems range widely by both level and type of debt. Feedback from advice providers in the borough indicate growing numbers of people with complex multiple debt issues, and with debts ranging from £500 to £25,000.

The main reasons people initially seek help from advice agencies in the borough is for assistance with priority debts such as rent and mortgage arrears, council tax arrears and fuel debts, where residents are facing legal action. Tower Hamlets has also been identified as one of the capital's rent arrears hotspots, with both an above-average proportion of residents in arrears and above-average amounts owed in missed rent payments³⁶. This would suggest that both demand and need for debt advice in the borough are likely to be at a higher level than the regional and national averages. Assistance is also sought with credit card debts, bank loans and overdrafts. There has also been an increase in demand for support with debt relief orders and personal insolvencies.

Data from local face to face advice agencies highlight that there has been a gradual increase in the number of residents seeking debt advice in the borough over the past 3 years. In 2010/11 over 9,000 Tower Hamlets residents requested assistance with debt problems, including:

- § 6,738 residents who sought debt advice from Council funded advice projects.
- § 800 residents who sought specialist debt advice from legal aid funded advice projects.
- § 288 residents who sought debt advice from Toynbee Hall Capitalise Debt project.
- § 300 residents who sought debt advice from Fair Money project.
- § 170 residents who sought debt advice from LBTH Housing Options Money Advice team.
- § 100 residents who sought debt advice from leasehold advice staff in THH.

It is estimated that a further 500 residents sought advice on debt matters from pro bono advice surgeries run by various advice agencies and faith groups in the borough³⁷.

³³ Office for Budget Responsibility, *Household debt economic and fiscal outlook*, April 2011

³⁴ http://www.cccs.co.uk/Portals/0/Documents/media/reports/additionalreports/London_in_the_red_2012.pdf

³⁵ http://www.citizensadvice.org.uk/would_you_credit_it

³⁶ http://www.cccs.co.uk/Portals/0/Documents/media/reports/additionalreports/London_in_the_red_2012.pdf

³⁷ There may be some level of overlap in that data, for example, the same person may have sought advice from a number of organisation / service providers. Each time they do so, this will be recorded as a new incident

National research has shown that many people are relatively unaware of the different debt advice support services available and there is evidence of a stigma attached to debt that hinders some people from seeking advice. Research from the Money Advice Service indicates that at any time, approximately 6 million people display indicators of problem debt, but less than a third of these seek advice from any source. Mind's report on debt and mental health highlights that when participants were asked whether they had sought any advice or support for any issues relating to their financial difficulties in the last 12 months a third of respondents had not³⁸. The most common reasons were embarrassment (62%), not knowing who to ask (45%), or thinking that no one would be able to help (47%). The above indicates that there is an issue of taboo around financial difficulties and a lack of understanding of where to go to access help.

A local survey on financial inclusion also highlighted a lack of understanding of the debt advice and local money management services available among residents experiencing financial distress. Similarly, local frontline practitioners, including those working with social care users and social housing tenants, also commented on being uncertain of where to refer residents for appropriate debt advice. Therefore a key focus of this strategy is to promote financial inclusion by increasing the awareness and usage of free debt and money advice services for local people.

Debt and money advice services

There are a number of reports on the positive outcomes of seeking timely debt advice, including in relation to health and wellbeing (data shows that individuals who avoid unmanageable debts have a 33% reduced risk of developing mental health problems); maximising income, reducing poverty and the cost to the public purse of dealing with the social and financial consequences of debt. The average cost per debt problem to the public (including lost economic output) is estimated to be over £1,000, with more serious problems costing many times this amount³⁹. In 2010, work undertaken by the London Debt Strategy Group's Health subgroup showed significant cost savings from early debt advice intervention.

Early intervention to provide targeted support for people facing financial distress is pivotal to preventing over-indebtedness. Recent research undertaken by The Financial Inclusion Centre on debt advice provision commissioned by social housing providers demonstrated that tenants who received debt advice either via independent advice agencies or in-house provision saw their average level of arrears fall by 37%, while the average of those who did not get advice rose by 8%. Local pilot projects delivered by Toynbee Hall, Island Advice and East Thames Potential show that the model of holistic face-to-face advice that focuses on supporting clients with budgeting and money management (rather than just dealing with crisis debt problems) is effective in creating long term sustainability in tenants' debt management.

Debt advice in Tower Hamlets is currently provided through a range of channels including:

§ **National helpline enquiries**

The number of clients receiving advice by telephone has increased considerably in the last decade or so, with the growth of services such as Consumer Credit Counselling Service (CCCS), National Debt Line (NDL) and PayPlan, and the introduction of telephone advice by providers to complement face-to-face provision. The CCCS telephone helpline figures for Tower Hamlets show that the number of local residents contacting the service grew from 233 in 2005 to 437 in 2010.

§ **Online advice services**

Online debt advice has also been an area of rapid growth in recent years. This includes the introduction of dedicated debt advice counselling tools, such as the CCCS Debt Remedy which emulates the process of a full debt advice. There is evidence that many people access debt advice online, although it seems that this is often provided as follow-up to a previous face-to-face consultation, rather than as a stand-alone advice tool.

§ **Face to face advice services**

The majority of advice agencies in the borough operate a combination of drop in and appointment services, though increasingly agencies are also looking at offering telephone

³⁸ http://www.mind.org.uk/assets/0000/9121/in_the_red.pdf

³⁹ http://www.justice.gov.uk/downloads/publications/research-and-analysis/lsrc/2010/FactSheetDebtOutreach_August2010.pdf

advice at the initial pre-appointment assessment stage. There is at least one generalist voluntary sector advice agency delivering in each of the eight locality areas in the borough, and three specialist voluntary sector debt advice providers who deliver a borough-wide service. The Council's Housing Options Service also has a specialist money advice team who provide support to private tenants. Social housing providers provide funding of approximately £60,000 to third sector organisations (Limehouse Project, Account 3, Fair Money and Ocean Somali Community Association) to provide independent debt advice to targeted households with rent arrears. Money Advice Service provide funding of approximately £120,000 per annum to cover the two Tower Hamlets posts in the Toynbee Hall 'Capitalise' project using the funding from the national level on financial services.

Demand for face to face debt advice services in the borough and welfare benefits advice currently outstrips provision. The gap between demand and supply is likely to increase due to the continuing financial crisis and impacts of welfare reform. Although the majority of advice agencies in the borough provide some debt advice, as part of a range of other social welfare advice provision, debt advice equates to about 20% of enquiries to generalist agencies compared to over 60% on benefits enquiries. There are three main agencies in the borough providing specialist debt advice but due to a reduction in Legal Aid Agency (formerly Legal Service Commission) and Money Advice service funding for face to face provision, there is often a waiting time of up to two weeks for an appointment.

There is therefore a real need for all advice and non-advice service providers to work together: pool resources, improve cooperation, share best practice and information regarding the various initiatives in order to ensure that access to debt and money advice in the borough is fully maximised. This includes effective signposting to the free, quality assured, national telephone and online helplines for residents who can use these services, thereby freeing up face to face advice services for those most in need. Whilst this work has already commenced through the Tower Hamlets Debt and Money Advice forum, a sub-group of the Tower Hamlets Community Agencies Network (THCAN), there is scope to improve on this.

The Council's Debt Collection Policy

The Council has a duty to collect monies from residents and businesses and is therefore one of the main debt collectors in the borough. A corporate debt collection policy is in place to help provide a coordinated approach to the collection of outstanding debts and debts from multiple debtors, including: council tax, housing benefits overpayments, rent arrears, business rates, parking and fees and charges for other Council services. The debt policy is reviewed annually and includes initiatives such as 'debtors' surgeries and a collection forum to share information and good practice on debt collection.

The impact of the recession and welfare reform changes makes having a well-coordinated debt collection approach, which takes into consideration individual needs and vulnerability, of greater importance. The Council's debt collection policy includes the provision of information for debtors to help them manage their debts and maximise their income, including information on the range of independent advice agencies that offer assistance. Further work is needed to consider how we can better identify vulnerable debtors, particularly those with multiple debts, and intervene early to prevent debts becoming unmanageable.

Improving access to debt and money advice services: Objectives and actions

In order to offer holistic and coordinated support for residents showing signs of financial stress, we will:

Objective 1: Ensure that residents, particularly vulnerable residents, understand and are supported to access money management and debt advice services by:

- § providing holistic and proactive approaches to money and debt advice and information for vulnerable households.

Key Actions:

- § Develop an effective triage system for debt and money management.
- § Develop a robust referral process, supported by training and guidance, to enable front line staff to know what services specialist agencies offer and to appropriately refer clients to services.
- § Ensure all new applicants for social housing complete financial health checks.

Objective 2: Work with creditors to promote early identification and intervention for residents with debt or money management problems by:

- § better co-ordinating and sharing information on debt and money advice services in the borough; and
- § reviewing the Council's corporate debt policy.

Key Actions:

- § Regular co-ordination meetings between LBTH, NHS, housing providers and advice agencies to review current strategies, policies & actions through the Tower Hamlets Community Agencies Network (THCAN).
- § Identify what is working in relation to debt and money advice provision, gaps in provision and areas for improvement.
- § Housing providers to share best practice on early intervention for customers showing signs of financial stress.
- § Review LBTH and other local authority practices in debt recovery and identify any areas for improvement, to ensure the Council's policy is as co-ordinated and sustainable as possible.

Delivery and Monitoring

Resources

It is envisaged that the resources needed to deliver this strategy will be met primarily from existing sources within the various partner agencies. Financial Inclusion leads have been identified from relevant council directorates, registered housing providers and voluntary sector agencies, who will be responsible for ensuring the specific areas identified in the action plan are taken forward. The voluntary sector agencies in the FITH partnership have managed to obtain Big Lottery Funding of £300K to support the implementation of a community money mentors programme over the next three years. The programme which will train and support 150 community money mentors is being delivered by Toynbee Hall in conjunction with Bromley by Bow Centre, Limehouse Project and Quaker Social Action.

Implementation and monitoring

Delivering the strategy will be the responsibility of partner organisations in the borough, including the Council, housing associations, third sector organisations, health services and local businesses.

A detailed action plan will be developed to achieve the priorities and objectives of the strategy. The Financially Inclusive Tower Hamlets Network steering group will be responsible for monitoring the progress against the action plan on behalf of the Tower Hamlets Partnership.

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Tower Hamlets Financial Inclusion Strategy – Action Plan (Draft)

Financial literacy and capability			
Objective 1.1: Target money management support at those most at risk of financial vulnerability by:			
Theme 1	Key Action	Activities	Resources
Objective 1.1: Target money management support at those most at risk of financial vulnerability by:	Key Action	Milestones / Target Date	Lead (s)
1.1.1 Integrating money management support and financial capability into frontline services.	§ Support frontline service providers to review their policies and practices for embedding financial inclusion into service provision.	§ Identify key housing, social care, and employment service providers by July 2013.	Maura Farrelly (Tower Hamlets Council – Economic Development)
		§ Utilise existing tools such as the financial inclusion health check for organisations (FIHCO) toolkit developed by Toynbee Hall with 6 housing organisations by October 2013.	Sian Williams (Toynbee Hall)
1.1.2 Developing resource banks and training for frontline practitioners	§ Develop an accessible toolkit that can be used by all frontline staff to enable them to confidently raise money matter issues with their clients, detect early warning signs and refer or signpost clients to appropriate	§ Financial inclusion health check toolkit used with 2 front line social care service providers by January 2014.	With support from Beverley Greenidge (Tower Hamlets Homes (THH)) Sian Williams (Toynbee Hall)
		§ FIHCO toolkit used with 5 further organisations, including employment agencies by April 2014.	With support from Charlotte Saini (Tower Hamlets Council – Education, Social Care and Wellbeing (ESCW)) Dan Hopewell (Bromley-by-Bow Centre) Maura Farrelly (Tower Hamlets Council – Economic Development)
		§ Review existing materials including MIND and other resources by Sept 2013	Sian Williams (Toynbee Hall) Dan Hopewell (Bromley-by-Bow Centre)
		§ Draft toolkit produced for consultation by Oct 2013 § Finalise toolkit and launch by Dec 2013	Dan Hopewell (Bromley-by-Bow Centre)

	<p>financial literacy and capability support services.</p>	<p>§ Review the effectiveness of toolkit by March 2014</p>	<p>Dan Hopewell (Bromley-by-Bow Centre)</p>	
<p>§ Maintain an online resource bank of financial inclusion and money management tools and information on local support service on the Council's website.</p>	<p>§ Ensure that the information on line is comprehensive and up to date, with links to the relevant services by Nov 2013</p> <p>§ Widely communicate the resource bank to the relevant services by Mar 2014</p>	<p>§ Disseminate information via parents' newsletters and resources for practitioners three times a year</p> <p>§ Awareness raising network meeting for practitioners to be held three times a year</p> <p>§ Training delivered to practitioners by April 2014</p>	<p>Maura Farrelly (Tower Hamlets Council – Economic Development)</p>	<p>Existing Resources</p>
<p>§ Provide information on money management and financial inclusion for practitioners supporting parents.</p>	<p>§ Develop information and training for frontline GP services such health care assistants to incorporate financial health and welfare benefits awareness into all autumn flu vaccination clinics.</p>	<p>§ Initial health checks with 2 organisations by Oct 2013.</p> <p>§ Further health checks with 3 organisations by July 2014.</p> <p>§ Incorporate financial inclusion information into all autumn flu vaccination clinics.</p> <p>§ Work with 5 front-line GP services by July 2014 to develop information and training on financial inclusion.</p>	<p>Jill McGinley (Tower Hamlets Council, Parent and Family Support)</p>	<p>Existing Resources</p>
<p>§ Review and expand the programme of financial inclusion training for practitioners in frontline youth and community services, social care services and children centres</p>	<p>§ Develop and maintain a database of practitioners trained – on going</p> <p>§ Review the outcomes of the Year 1 training programme by Oct 2013</p> <p>§ Plan the rollout of the Year 2 training based on the learning from year 1 by Dec 2013</p>	<p>§ Identify and share good practice examples with RPs through the borough's housing management group – ongoing.</p>	<p>Dan Hopewell (Bromley By Bow Centre) With support from Tim Madelin (Council - Public Health)</p>	<p>Existing Resources</p>
<p>§ Work with Social Housing Providers and housing options service to develop information and advice on money management issues,</p>	<p>§ Review and expand the programme of financial inclusion training for practitioners in frontline youth and community services, social care services and children centres</p>	<p>§ Develop and maintain a database of practitioners trained – on going</p> <p>§ Review the outcomes of the Year 1 training programme by Oct 2013</p> <p>§ Plan the rollout of the Year 2 training based on the learning from year 1 by Dec 2013</p>	<p>Gary Wells (FITH co-ordinator Toynbee Hall) With support from Charlotte Saini (Tower Hamlets Council, Education, Social Care and Wellbeing)</p>	<p>Existing Resources Big Lottery Fund</p>
<p>1.1.2 Targeting financial inclusion and money management support at key</p>			<p>Maura Farrelly (Tower Hamlets Council – Economic Development)</p>	<p>Big Lottery Funding</p>

<p>transition points in people lives.</p>	<p>particularly for new tenants and those who may be potentially vulnerable to falling into arrears.</p>	<p>§ Explore options and good practice on assisting under-occupying households affected by the bedroom tax – Sept 2013</p> <p>§ Produce an information pack for all new social housing tenants that includes information on financial inclusion services and advice on managing your money, debts, credits and insurance by April 2014</p> <p>§ Produce information materials for private rented tenants, particularly those affected by welfare reform changes</p>	<p>Tracey St Hill ((Tower Hamlets Council –Strategic Development)</p> <p>Dan Hopwell (Bromley By Bow Centre)</p> <p>With support from Beverley Greenidge (THH)</p> <p>Debbie Davis ((East End Homes)</p> <p>David Gingell (Tower Hamlets Council – Housing Options Service)</p> <p>Sian Williams (Toynbee Hall)</p>	
	<p>§ Develop a co-ordinated support services framework for residents who may experience barriers /challenges with managing their finances when universal credit is introduced</p>	<p>§ Establish a multi-agency project steering group with representatives from LBTH directorates ,JCP , housing providers and voluntary sector agencies – August 2013</p> <p>§ Develop procedures for identifying customers support needs in claiming and managing universal credit payments and referring them to appropriate services</p>	<p>Louise Russell (Tower Hamlets Council)</p> <p>Maura Farrelly (Tower Hamlets Council</p> <p>Jashooda Pindora (JCP)</p>	
	<p>§ Work with Skillsmatch, JCP and other employment support services to provide information and advice on money management issues, and in work benefits and tax credits for residents starting work.</p>	<p>§ Work with JCP to ensure those starting work for the first time, or returning to work, receive information on managing their money – Sept 2013</p> <p>§ Incorporate financial inclusion health checks and money management support into employability services offered by Skillsmatch –Oct 2013</p>	<p>Maura Farrelly (Tower Hamlets Council – Economic Development)</p> <p>Dan Hopewell (Bromley By Bow Centre)</p> <p>Sian Williams (Toynbee Hall)</p>	<p>Existing Resources / Big Lottery Funding</p>
	<p>§ Work with frontline staff to improve the screening of financial capability and money management issues of vulnerable residents as part of their assessment processes, and ensure that money management is part of overall support packages.</p>	<p>§ Work with education, schools and social care services to review current Common Assessment Framework (CAF) and explore ways of improving the screening of financial capability of vulnerable residents by December 2013.</p> <p>§ Work with health trainers and the Family Nurse Partnership to provide information on money management issues for new parents</p> <p>§ Explore ways of improving financial capability issues and financial management support needs of domestic violence victims</p> <p>§ Strengthen the financial capability assessment and identification of support needs of people presenting as homeless</p>	<p>Charlotte Saini (Tower Hamlets Council - ESCW)</p> <p>Clare Skidmore (Tower Hamlets Council -</p> <p>Tim Madelin (Tower Hamlets Council, Public Health)</p> <p>Sian Williams (Toynbee Hall)</p> <p>Sharmen Narayan (Council – Domestic Violence and Hate Crime)</p> <p>David Gingell (Council – Housing Options Service)</p> <p>Sian Williams (FITH / Toynbee Hall)</p>	<p>Existing Resources</p>

	<ul style="list-style-type: none"> § Ensure that money management advice and support is provided for the service users of Supporting People service § Develop a range of 'Let's Talk About Money' activities and initiatives for older people. 	<p>Carrie Kilpatrick (Tower Hamlets Council, Supporting People)</p> <p>Linkage Plus, with support from Jamie Bird (Tower Hamlets Council, ESCW) and Gary Wells (Toynbee)</p>	Existing Resources	
Objective 1.2: Improve access to financial education and money management resources by:				
1.2.1 Reviewing existing financial education provision.	<ul style="list-style-type: none"> § Conduct a review of the demand for financial education provision and implement action plan to address the findings of the review § Recruit and train residents as 'Money Mentors' through the FITH 'Money Mentors Pilot Project'. § Explore the potential for expanding the money mentors programme to other community volunteers 	<ul style="list-style-type: none"> § Map the take up of existing training courses and identify gaps in provision by Oct 2013 § Publicise existing Programmes and timetable by Nov 2013. § Develop a range of financial capability courses and programmes to help meet demand by December 2013 § Recruit and train up to 50 residents as 'Money Mentors' by July 2013. § Conduct a review of the first phase of the scheme by December 2014. § Work with voluntary and community organisations, in the borough including disability and faith organisations to train their members as 'Money Mentors'. § Embed money management training into all stages of ESOL, adult literacy and lifelong learning courses by Sept 2013 § Using the Healthy Schools Review process, undertake an audit of local schools to be carried out by Dec 2014. § Report produced by March 2015. § Disseminate information via Heads bulletin and newsletter. § Awareness raising network meeting / resources sharing with school practitioners to be held 3 times a year. § Healthy Lives Team to take a lead in organising 'My Money Week' in TH schools every year. 	<p>Kristina Leonnet (Quaker Social Action)</p> <p>Sian Williams (Toynbee Hall) Dan Hopewell (BBBC) Kristina Leonnet (QSA)</p> <p>Gary Wells (Toynbee Hall)</p> <p>Gary Wells (Toynbee Hall)</p> <p>Lucia Lachnitova (Tower Hamlets Council, Lifelong Learning)</p> <p>Charlotte Saini, (Council - ESCW)</p> <p>Kate Smith, Healthy Lives Team (Council - ESCW)</p>	<p>Big Lottery funding</p> <p>Big Lottery Funding</p> <p>Existing Resources</p> <p>Existing Resources</p>
1.2.2 Supporting residents to be trained as in money management.	<ul style="list-style-type: none"> § Incorporate money management training into ESOL, and other adult literacy and lifelong learning courses. § Review the extent to which Financial Education has been incorporated into the local schools through the PSHE curriculum which will be a statutory curriculum requirement from 2014. § Encourage and support schools and colleges to utilise PFEg and other online financial education resources, and to participate in initiatives such as 'My Money Week'. 			
1.2.3 Continuing to support children and young people's education providers to embed financial education into their services.				

<p>§ Identify and promote appropriate monitoring and evaluation tools, and good practice.</p>	<p>§ Monitoring and evaluation toolkit to be produced and shared by December 2013</p> <p>§ Promote good practice standards in financial capability services</p>	<p>Sian Williams (Toynbee Hall)</p>	<p>Existing Resources</p>
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Theme 2			
Access to appropriate financial products and services			
Objective 2.1: Work in partnership with the financial services industry to increase access to suitable financial products and services for low income households by:			
Key Action Points	Activities	Milestones Target Date	Resources
<p>2.1.1 Promoting Credit Unions and other basic banking and transactional accounts.</p>	<p>§ Work with local banks, building societies and credit unions to promote accessible basic bank accounts, transactional accounts, ‘Jam Jar’ accounts and saving accounts for residents.</p> <p>§ Provide information for frontline staff to signpost residents who are having difficulty opening bank accounts to relevant support services including Toynbee Hall and the Credit Union.</p>	<p>§ Information leaflet for local consumers by March 2014.</p> <p>§ Work with stakeholders to explore ways of addressing the accessibility needs for disabled people by December 2014</p> <p>§ Incorporate information on access to bank accounts and access to affordable credit in financial inclusion training for frontline practitioners (June 2013)</p>	<p>Existing Resources Big Lottery Funding</p> <p>Sian Williams (Toynbee Hall) Danielle Paffard (London Community Credit Union)</p> <p>Gary Wells (Toynbee Hall)</p> <p>Existing Resources Big Lottery Funding</p>
<p>§ Promote Credit Union membership in the community and work place.</p>	<p>§ Deliver the Credit Union ‘Champions Project’ by March 2014.</p> <p>§ Increase membership of the Credit Union in TH by 10% every year from March 2013.</p> <p>§ Joint marketing campaign / communication strategy to be developed to promote the benefits Credit Union December 2013.</p> <p>§ Work with community and faith organisations in disseminating information about the Credit Union – December 2013</p>	<p>Colin Eddy (London Community Credit Union)</p> <p>Ian Moseley (LBTH Trading Standards)</p>	<p>Existing Resources</p>

<p>2.1.2 Improving availability of free ATMs in the borough.</p>	<p>§ Identify geographical hotspots where there are no free ATMs and explore the potential to address this gap.</p>	<p>§ Produce geographical hotspot report with recommendations for all key financial services / LBTH business and other stakeholders by December 2013. § Explore the potential of encouraging convenience stores to consider the business case for hosting free ATM machines in their shop.</p>	<p>Sian Williams (Toynbee Hall) John McCrohan (LBTH Trading Standards)</p>	<p>Existing resources</p>
<p>2.1.3 Ensuring that residents have the knowledge and confidence to use financial products effectively.</p>	<p>§ Promote basic information on banking, savings and credit products to raise residents' levels of awareness, skills and confidence so that they can choose and use appropriate financial products to meet their needs.</p>	<p>§ Three money management workshops for residents delivered by December 2013 § Understanding financial products part of the Money Mentors project and 50 Money Mentors trained annually</p>	<p>Gary Wells (Toynbee Hall) Dan Hopewell (Bromley-by-Bow Centre)</p>	<p>Existing resources Big Lottery Funding</p>
<p>Objective 2.2: Widen access to and availability of affordable credit for people on low incomes by:</p>				
<p>2.2.1 Promoting access to affordable credit.</p>	<p>§ Work with key stakeholders, including the Credit Union, to develop appropriate referral routes for access to affordable credit for low income households.</p>	<p>§ Information leaflets produced by Dec 2013</p>	<p>Dan Hopewell (Bromley-by-Bow Centre) Maura Farrelly (Tower Hamlets Council, Economic Development)</p>	<p>Existing resources</p>
<p>2.2.3 Raising awareness of illegal money lending including support available for victims.</p>	<p>§ Analyse and review take up of the localised social fund grant including number of people referred to the credit union. § Work with the illegal money lending team to identify loan shark activity, take appropriate legal action, support for victims and inform residents of the consequences of illegal money lending.</p>	<p>§ Maintain up-to-date database of localised social fund grant applicants and beneficiaries § Work with the illegal money lending team to identify hotspots of loan shark activity and prioritise areas for credit union publicity identified by December 2013. § Ensure all victims of loan sharks identified by Trading Standard Team are referred to the illegal money lending team and recommended to join a credit union.</p>	<p>Jon Graham (Tower Hamlets Council, Resources) John McCrohan (LBTH Trading Standards)</p>	<p>Existing Resources</p>

Theme 3 Access to debt and money advice			
Objective 3.1 : Ensure that residents, particularly vulnerable residents, are aware of and understand debt advice services and options available to them by:			
Key Action Points	Activities	Milestones / Target Date	Lead (s)
<p>3.1.1 Providing holistic and proactive approaches to money and debt advice for vulnerable households.</p>	<p>§ Review existing triage system used by advice agencies for both generalist and specialist debt advice and money management support.</p> <p>§ Develop a robust referral process, supported by training and guidance, to enable front line staff to know what services specialist agencies offer and to appropriately refer clients to</p>	<p>§ Provide guidance on best practice</p> <p>§ Re- establish Money Advice Forum to review existing provision and share good practice</p> <p>§ Identify gaps in provision and areas for improvement by March 2014</p> <p>§ Ensure that referral processes for debt management part of financial inclusion training for frontline practitioners</p> <p>§ Include information on all forms of debt advice service on the online resource tool for practitioners</p>	<p>Dolly Galvis (Toynbee Hall) Steph Dickinson (THCAN)</p> <p>Maura Farrelly (Tower Hamlets Council, Economic Development)</p>
<p>Objective 3.2 : Work with creditors to promote early identification and intervention for residents with debt or money management problems by:</p>			
<p>3.2.1 Better co-ordinating and sharing information on debt and money advice services in the borough.</p>	<p>§ Regular co-ordination meetings between advice agencies, LBTH benefit and recovery officer, social landlords to review current strategies, policies & actions</p>	<p>§ Organise liaison meetings 3 times a year to ensure on going information sharing and coordination between council departments, social landlords and advice agencies in TH.</p> <p>§ Social landlords to share best practice on early intervention for customers showing signs of financial stress – on going</p>	<p>Maura Farrelly(D&R) Steve Hill (Housing Benefit) Alan Fayer (Council Tax Support)</p> <p>Beverley Greenidge (Tower Hamlets Homes)</p>
<p>3.2.2 Reviewing the Council's corporate debt policy</p>	<p>§ Review LBTH and other local authority practices in debt recovery and identify any areas for improvements to ensure the Council's policy is as co-ordinated and sustainable as possible</p>	<p>§ Proactive systems for identifying clients with multiple debts by October 2013</p> <p>§ Information sharing protocols and processes for dealing with vulnerable debtors by December 2013</p>	<p>Roger Jones (LBTH Revenue Services)</p>

Existing Resources

Existing Resources

Existing Resources

Existing Resources

Cross-cutting theme - communications and awareness raising	Milestones / Target Date		Resources	Lead
<p>Objective: Raise awareness of financial inclusion services</p> <p>Develop a co-ordinated approach to communicating financial inclusion messages and services in the borough</p>	<p>§ Develop a comprehensive partnership communication plan for promoting financial inclusion.</p>		<p>Sian Williams (Toynbee Hall)</p>	<p>Existing Resources</p>
	<p>§ Encourage statutory and housing partner agencies to embed the objectives of the strategy into their business and delivery plans</p> <p>§ Maintain up-to-date on line information for practitioners and links to key stakeholders websites</p> <p>§ Develop a programme of awareness raising and preparation for Universal Credit in conjunction with the Welfare Reform Task Group</p>	<p>Maura Farrelly (Tower Hamlets Council, Economic Development) Sian Williams (Toynbee Hall)</p>		
	<p>§ Maintain an up to date FITH 'Directory of Providers' with information, support and training on financial capability and money management, and provide links to the directory on the websites of all the key local organisations.</p> <p>§ Review communications strategy and effectiveness of targeted messages</p>	<p>§ To be reviewed by FITH Network on a quarterly basis.</p>	<p>Kristina Leonnet (Quaker Social Action)</p>	<p>Existing Resources</p>
		<p>To be reviewed by FITH Network on an annual basis</p>	<p>Sian Williams (Toynbee Hall)</p>	<p>Existing Resources</p>

Equality Analysis (EA)

Section 1 – General Information (Aims and Objectives)

Name of the proposal including aims, objectives and purpose:

Financial Inclusion Strategy

The purpose of the strategy is to provide a shared framework for financial inclusion in Tower Hamlets. The strategy aims to achieve a financially inclusive Tower Hamlets where residents have access to a comprehensive range of appropriate financial and money advice services, as well as the knowledge, skills and confidence to maximise their own financial well-being.

The strategy sits within the Prosperous theme of the Community Plan but it has a much broader cross-cutting impact. It is therefore closely related to other partnership strategies and projects including the Employment and Enterprise Strategy; Homelessness Strategy and Health and Wellbeing Strategy.

This is a draft strategy which has been informed by public consultation including with local equality groups.

Who is expected to benefit from the proposal?

- § *Local people, particularly from vulnerable groups that are more likely to be financially excluded.* This includes younger adults, older people, disabled people, BME residents, homeless households, lone parent families and social housing tenants. The strategy aims to improve financial literacy and capability, support access to appropriate financial products and services and improve access to debt and money advice services.
- § *Statutory and third sector organisations.* A more joined-up and strategic approach to financial inclusion will benefit those organisations working in the sector including statutory and third sector groups.
- § In addition, the costs of financial exclusion are significant, such as debt recovery and dealing with stress-related illnesses. Studies have shown that effective financial inclusion provision can save money in the long-term.

Service area:

Corporate Strategy & Equality

Team name:

Strategy, Policy & Performance

Service manager:

Kevin Kewin

Name and role of the officer completing the EA:

Shibbir Ahmed

Section 2 – Evidence (Consideration of Data and Information)

What initial evidence do we have which may help us think about the impacts or likely impacts on service users or staff?

The strategy has been informed by a detailed evidence base report which contains information on the prevalence and impact of financial inclusion and exclusion from a wide range of national, regional and local sources. These include:

- A survey of local front-line practitioners in the borough on the financial capability of their service users
- An analysis of poverty in the borough informed by a number of sources including the Indices of Multiple Deprivation
- Local data on the profile of users accessing debt advice
- Equality analysis of tenants in arrears by Tower Hamlets Homes
- Experian data on financial capability and vulnerability in Tower Hamlets
- Financial Inclusion Services studies on financial capability and financial exclusion and its impact on different groups
- Reports on financial inclusion and health and social care, including the Tower Hamlets Adult Social Care Survey 2010/11; Mind Report on financial inclusion and mental health, and the Tower Hamlets Joint Strategic Needs Assessment
- Runnymede Trust reports on ethnicity and financial inclusion
- Financial Inclusion Taskforce research on lower income and BME households and savings

Section 3 – Assessing the Impacts on the 9 Groups

How will what you're proposing impact upon the nine Protected Characteristics?

For the nine protected characteristics detailed in the table below please consider:-

- **What is the equality profile of service users or beneficiaries that will or are likely to be affected?**

-Use the Council's approved diversity monitoring categories and provide data by target group of users or beneficiaries to determine whether the service user profile reflects the local population or relevant target group or if there is over or under representation of these groups

- **What qualitative or quantitative data do we have?**

-List all examples of quantitative and qualitative data available

(include information where appropriate from other directorates, Census 2001 etc)

-Data trends – how does current practice ensure equality

- **Equalities profile of staff?**

-Indicate profile by target groups and assess relevance to policy aims and objectives e.g. Workforce to Reflect the Community. Identify staff responsible for delivering the service including where they are not directly employed by the council.

- **Barriers?**

-What are the potential or known barriers to participation for the different equality target groups? Eg, communication, access, locality etc

- **Recent consultation exercises carried out?**

-Detail consultation with relevant interest groups, other public bodies, voluntary organisations, community groups, trade unions, focus groups and other groups, surveys and questionnaires undertaken etc. Focus in particular on the findings of views expressed by the equality target groups. Such consultation exercises should be appropriate and proportionate and may range from assembling focus groups to a one to one meeting.

- **Additional factors which may influence disproportionate or adverse impact?**

-Management Arrangements - How is the Service managed, are there any management arrangements which may have a disproportionate impact on the equality target groups

- **The Process of Service Delivery?**

-In particular look at the arrangements for the service being provided including opening times, custom and practice, awareness of the service to local people, communication

Please also consider how the proposal will impact upon the 3 One Tower Hamlets objectives:-

- Reduce inequalities
- Ensure strong community cohesion
- Strengthen community leadership.

Please Note -

Reports/stats/data can be added as Appendix

Target Groups	Impact – Positive or Adverse	Reason(s)
Race	Positive	<p>Please add a narrative to justify your claims around impacts and,</p> <ul style="list-style-type: none"> Please describe the analysis and interpretation of evidence to support your conclusion as this will inform decision making <p>Please also how the proposal with promote the three One Tower Hamlets objectives?</p> <ul style="list-style-type: none"> -Reducing inequalities -Ensuring strong community cohesion -Strengthening community leadership <p>The evidence base report highlighted that the majority of the clients accessing financial inclusion services are from BME backgrounds, though BME groups only account for around 50 per cent of the population. National studies show that there is a significant difference between White and BME groups in relation to financial capability, as well as access to financial products and institutions. Low levels of financial capability among BME groups has been linked with comparatively lower educational attainment, higher levels of unemployment and lower income levels. Language and literacy issues also pose potential barriers for some people from BME communities in accessing financial products and services.</p> <p>In order to address these issues the FIS strategy will:</p> <ul style="list-style-type: none"> § Incorporate financial inclusion training into Parenting Support, ESOL and other adult literacy and lifelong courses / provisions that will support BME communities in improving financial literacy and capability. § Promote services that work with BME communities to further increase take up of provision. § Promote services to diverse communities via partner organisations as well as through the use of community champions. § Promote basic information on banking, savings and credit products to raise BME residents’ levels of awareness, skills and confidence so that they can choose and use appropriate financial products to meet their needs.
Disability and carers	Positive	<p>National studies show that disabled people, those with poor health, and carers, are among the groups most likely to experience financial exclusion and struggle to deal with their finances. In 2010 the Marmot Review on health inequalities recognised financial security as a social determinant of health – highlighting that poor financial management has an impact on health and wellbeing. Locally, dealing with finances and paper-work was identified as the highest area of need for adult social care users, with 58% of respondents to the 2010/11 Adult Social Care Service User Experience Survey stating that they are unable to deal with these themselves.</p> <p>There are many reasons why disabled people find it difficult to deal with money. For some this may be caused by a visual impairment, whilst for others it may be that their disability makes it hard for them to read and understand words and numbers. For some disabled people, it may be that they have simply not had the experience or opportunity to manage money before.</p> <p>The strategy seeks to work with stakeholders such as ‘Real’ to explore ways of addressing the accessibility</p>

		<p>needs for disabled people.</p> <p>Some work has been done locally with health and social care professionals on financial inclusion, including through the Health Trainers project.</p> <p>The expansion of direct payments and personalised budgets makes it even more important that the financial capability needs of adult social care users are fully addressed to ensure that service users can live as independently as possible.</p> <p>Through the strategy we will look to integrate financial capability provision as part of health and social care services and the promoting independence agenda. This includes improving the screening of financial capability and money management issues of vulnerable residents and / or service users as part of their assessments.</p>
Gender	Positive	<p>National studies have highlighted that single parents and victims of domestic violence, who are most likely to be women, are among the groups of people who are particularly vulnerable to financial exclusion.</p> <p>The strategy will help ensure that financial provision is available to people irrespective of their gender. In addition to this, targeted work will also take place to support specific groups vulnerable to financial exclusion. For example the needs of Domestic Violence victims will be picked up through improving the screening of financial capability and money management issues of vulnerable residents as part of their assessment and training of frontline practitioners.</p>
Gender Reassignment	Positive	<p>The FIS aims to ensure that financial provision is available to people irrespective of their gender reassignment. However, there is no available evidence to assess the impact of the financial exclusion on groups based on gender reassignment.</p> <p>Any information related to this protected characteristic that comes back from the consultation exercise will be fed into the EIA and Strategy.</p>
Sexual Orientation	Positive	<p>The FIS aims to ensure that financial provision is available to people irrespective of their sexual orientation. However, there is no available evidence to assess the prevalence or impact of financial exclusion based on sexual orientation.</p> <p>Any information related to this protected characteristic that comes back from the consultation exercise will be fed into the EIA and Strategy.</p>

Religion or Belief	Positive	<p>The evidence base report found that some BME communities are less likely to engage with formal financial services – particularly savings and credit products, often because they lack trust in banks, are reluctant to get into debt or deal with interest due to religious and ethical concerns.</p> <p>In addition to providing inclusive services for people of all religions and beliefs, the strategy will work in partnership with the financial services industry and faith communities to increase access to suitable financial products and services.</p>
Age	Positive	<p>Tower Hamlets has the highest level of child poverty in the country and research shows that young people, particularly those on low incomes; those living independently or in supported housing; those with children; and those with poor levels of education, literacy and numeracy, typically have lower levels of financial capability. Tower Hamlets has a young population with 14% of people aged 16 to 24.</p> <p>Through the strategy, local partners will continue to build on and expand early intervention and life-skill approaches, including working with education providers and other children and youth organisations in the borough to develop effective approaches to supporting young people at risk of financial exclusion.</p> <p>The borough also has a high level of pensioner poverty, which puts many older people at risk of financial exclusion. Some initial work with Age Concern and Linkage Plus has taken place, including outreach provision and one-to-one support with money advice services. This will be expanded upon to help ensure that there is sufficient targeted provision to meet the needs of older people.</p>
Marriage and Civil Partnerships	Positive	<p>The strategy aims to provide inclusive and accessible services for all residents, including married people and those in civil partnerships, and those that are not. However, there is no available evidence to assess the prevalence and impact of financial exclusion based on marriage or civil partnership status.</p> <p>Any information related to this protected characteristic that comes back from the consultation exercise will be fed into the EIA and Strategy.</p>
Pregnancy and Maternity	Positive	<p>Studies show that people are more likely to experience financial vulnerability at key transition stages in their lives, including when starting a family. There also appears to be a correlation between the number of children in a household and the level of financial capability. Those with no children have the lowest levels of poor financial capability, whilst those with four or more children have the highest levels of financial vulnerability.</p> <p>The Strategy will enable local partners to target provision at new and teenage parents, including</p> <ul style="list-style-type: none"> § working with health trainers and the Family Nurse Partnership to provide information and advice on money management issues, financial inclusion, benefits and tax credits for new parents § integrating money management support and financial capability into frontline services such as maternity, parenting and family support services. § working with frontline staff to improve the screening of financial capability and money management issues of vulnerable residents as part of their assessment processes, and ensure that money management is part of overall support packages.

Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence of or view that suggests that different equality or other protected groups (inc' staff) could have a disproportionately high/low take up of the new proposal?

Yes? No? No

If yes, please detail below how evidence influenced and formed the proposal? For example, why parts of the proposal were added / removed?

(Please note – a key part of the EA process is to show that we have made reasonable and informed attempts to mitigate any negative impacts. An EA is a service improvement tool and as such you may wish to consider a number of alternative options or mitigation in terms of the proposal.)

N/A

Section 5 – Quality Assurance and Monitoring

Have monitoring systems been put in place to check the implementation of the proposal and recommendations?

Yes? Yes No?

How will the monitoring systems further assess the impact on the equality target groups?

The delivery of the strategy will be the responsibility of organisations within the Tower Hamlets Partnership. A detailed action plan will be developed which outlines the lead organisation for each action. The steering group of the Financial Inclusive Tower Hamlets Network will monitor progress against the action plan and the impact on equality target groups.

Does the policy/function comply with equalities legislation?
(Please consider the OTH objectives and Public Sector Equality Duty criteria)

Yes? Yes No?

If there are gaps in information or areas for further improvement, please list them below:

As highlighted above, the consultation exercise will seek to fill gaps in information and identify areas for improvement, including by protected characteristic.

How will the results of this Equality Analysis feed into the performance planning process?

The results of this Equality Analysis have informed the consultation draft and consultation process which fed into the final Strategy.

Section 6 - Action Plan

As a result of these conclusions and recommendations what actions (if any) **will** be included in your business planning and wider review processes (team plan)? Please consider any gaps or areas needing further attention in the table below the example.

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
Example 1. Better collection of feedback, consultation and data sources 2. Non-discriminatory behaviour	1. Create and use feedback forms. Consult other providers and experts 2. Regular awareness at staff meetings. Train staff in specialist courses	1. Forms ready for January 2010 Start consultations Jan 2010 2. Raise awareness at one staff meeting a month. At least 2 specialist courses to be run per year for staff.	1.NR & PB 2. NR	

Page 282

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress:
Revise the draft Strategy based on the equalities feedback from the consultation	Draft Strategy to go out for public consultation, including a specific focus on gaining feedback from equalities stakeholder forums.	December 2012	Shibbir Ahmed	Completed

Section 7 – Sign Off and Publication

Name: (signed off by)	
Position:	
Date signed off: (approved)	

Section 8 Appendix – FOR OFFICE USE ONLY

This section to be completed by the One Tower Hamlets team

Policy Hyperlink :

Equality Strand	Evidence
Race	
Disability	
Gender	
Gender Reassignment	
Sexual Orientation	
Religion or Belief	
Age	

Marriage and Civil Partnerships.	
Pregnancy and Maternity	
Other Socio-economic Carers	

Link to original EQIA	Link to original EQIA
EQIAID (Team/Service/Year)	

Agenda Item 10.3

Committee/Meeting: CABINET	Date: 31 JULY 2013	Classification: Unrestricted	Report No: CAB 018/134
Report of: Corporate Director: Chris Holme Originating officer(s) Zamil Ahmed – Senior Procurement Manager Resources Ext 4385		Title: Quarter 2a - Contracts Forward Plan Wards Affected: All	

Lead Member	Cllr Alibor Choudhury
Community Plan Theme	One Tower Hamlets
Strategic Priority	All

1. **SUMMARY**

- 1.1 The Council's Procurement Procedures require a quarterly report to be submitted to Cabinet, laying down a forward plan of supply and service contracts over £250,000 in value, or capital works contracts over £5 million. This provides Cabinet with the visibility of all high value contracting activity, and the opportunity to request further information regarding any of the contracts identified. This report provides the information in period Q2 of the Financial Year.
- 1.2 Only contracts which have not previously been reported are included in this report.

2. **DECISION REQUIRED:**

Cabinet is recommended to:-

1. Consider the contract summary at Appendix 1, and identify those contracts about which specific reports – relating to contract award – should be brought before Cabinet prior to contract award by the appropriate Corporate Director for the service area and
2. Confirm which of the remaining contracts set out in Appendix1 can proceed to contract award after tender subject to the relevant Corporate Director who

holds the budget for the service area consulting with the Mayor and the relevant lead member prior to contract award

3. Authorise the Assistant Chief Executive (Legal Services) to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 2 above.

3. REASONS FOR THE DECISIONS

- 3.1 The Council's Procurement Procedures require submission of a quarterly forward plan of contracts for Cabinet consideration, and it is a requirement of the Constitution that "The contracting strategy and/or award of any contract for goods or services with an estimated value exceeding £250,000, and any contract for capital works with an estimated value exceeding £5,000,000, shall be approved by the Cabinet in accordance with the Procurement Procedures". This report fulfils these requirements for contracts to be let during and after the period Q2 of the Financial Year.

4. ALTERNATIVE OPTIONS

- 4.1 Bringing a consolidated report on contracting activity is considered the most efficient way of meeting the requirement in the Constitution, whilst providing full visibility of contracting activity; therefore no alternative proposals are being made.

5. BACKGROUND

- 5.1 This report provides the forward plan for the period Q2 of the Financial Year in Appendix 1, and gives Cabinet Members the opportunity to select contracts about which they would wish to receive further information, through subsequent specific reports.

6. FORWARD PLAN OF CONTRACTS

- 6.1 Appendix 1 details the new contracts which are planned during the period Q2 of the Financial Year. This plan lists all of the new contracts which have been registered with the Procurement Service, and which are scheduled for action during the reporting period.

Contracts which have previously been reported are not included in this report. Whilst every effort has been made to include all contracts which are likely to arise, it is possible that other, urgent requirements may emerge. Such cases will need to be reported separately to Cabinet as individual contract reports.

- 6.2 Cabinet is asked to review the forward plan of contracts, confirm its agreement to the proposed programme and identify any individual contracts about which separate reports – relating either to contracting strategy or to contract award – will be required before proceeding.

- 6.3 Equalities and diversity implications – and other One Tower Hamlets issues – are addressed through the Council’s Tollgate process which provides an independent assessment of all high value contracts, and ensures that contracting proposals adequately and proportionately address both social considerations and financial ones (such as savings targets). The work of the Competition Board and Corporate Procurement Service ensures a joined-up approach to procurement.
- 6.4 The Tollgate process is a procurement project assurance methodology, which is designed to assist in achieving successful outcomes from the Council’s high value contracting activities (over £250,000 for revenue contracts, and £5,000,000 for capital works contracts which have not gone through the Asset Management Board approval system). All Tollgate reviews are reported to Competition Board, and when appropriate contract owners are interviewed by the Board; contracts require approval of the Board before proceeding.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 This report describes the quarterly procurement report of the forward plan for Q2 of the Financial Year and beyond, to be presented to Cabinet for revenue contracts over £250,000 in value and capital contracts over £5 million.
- 7.2 Approximately £57.9m of goods, services and works will be procured from external suppliers. There is one Capital project reported. Procured services comprise around 40% of the Council’s annual expenditure and control of procurement processes is thus crucial to delivering value for money for local residents as well as managing the risks that may arise if procurement procedures go wrong. Consideration of the plan by Cabinet operates as an internal control and also provides the opportunity for the Mayor to comment on specific procurements at an early stage.

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

- 8.1 The Council has adopted financial procedures for the proper administration of its financial affairs pursuant to section 151 of the Local Government Act 1972. These generally require Cabinet approval for expenditure over £250,000. In November 2009, Cabinet approved the procurement procedures, which are designed to help the Council discharge its duty as a best value authority under the Local Government Act 1999 and comply with the requirements of the Public Contract Regulations 2006. The procurement procedures contain the arrangements specified in the report under which Cabinet is presented with forward plans of proposed contracts that exceed the thresholds in paragraph 3.1 of this report. The arrangements are consistent with the proper administration of the Council’s financial affairs.
- 8.2 In accordance with the powers in the Public Services (Social Values) Act 2012, where appropriate, as part of the tender process bidders will be invited to state what community benefits which enhance the economic social

or environmental well-being of the borough are available through the contract in line with the Procurement Policy Imperatives adopted by Cabinet on 9th January 2013. The exact nature of those benefits will vary with each contract and will be reported at the contract award stage. All contracts which require staff based in London will require contractors to pay their staff the London Living Wage. Where the staff are based outside London an assessment will be carried out to determine if that is appropriate.

- 8.3 Contracts are recommended for a maximum period of three years except where there are particular circumstances relating to the procurement which warrant a longer period e.g. where equipment or premises needs to be provided by the contractor. Due to the requirement for the contractor to recover their investment in that equipment the cost of a shorter contract would not represent best value to the Council

9. ONE TOWER HAMLETS CONSIDERATIONS

- 9.1 Equalities and diversity implications – and other One Tower Hamlets issues – are addressed through the tollgate process, and all contracting proposals are required to demonstrate that both financial and social considerations are adequately and proportionately addressed. The work of the Competition Board and the Procurement & Corporate Programmes' Service ensures a joined-up approach to procurement.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 10.1 Contracts are required to address sustainability issues in their planning, letting and management. Again, this is assured through the Tollgate process, and supported through the Procurement & Corporate Programmes' Corporate Social Responsibility work stream.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 Risk management is addressed in each individual contracting project, and assessed through the tollgate process.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 12.1 There are no specific crime and disorder reduction implications.

13. EFFICIENCY STATEMENT

- 13.1 Contract owners are required to demonstrate how they will achieve cashable savings and other efficiencies through individual contracting proposals. These are then monitored throughout implementation.

14. APPENDICES

Appendix 1 – new contracts planned: Q2 of the Financial Year and beyond.

Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Brief description of "background papers"

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

None

N/A

Appendix one – new contracts planned: Q2 of the Financial Year

Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Planned Date for Invitation to Tender or * Contract signature.	Category
<p>Partnership ESCW (AHWB) 4266</p>	<p>£738,880 per annum £2,216,649 total</p>	<p><u>GP Public Health Services</u> Range of additional public health focused services that are commissioned from GPs including smoking cessation, contraception and sexual health and health checks for the 40+ age group.</p> <p>Additional public health focused services that are commissioned from GPs for</p> <ul style="list-style-type: none"> • smoking cessation, • contraception and sexual health and • health checks for the 40+ age group (mandatory service). <p>Currently three contracts but may be re-procured differently.</p>	<p>36 months</p>	<p>Ring Fenced Public Health Grant*</p>	<p>Contract to commence 1st April 2014</p>	<p>Care and Commissioning</p>
<p>ESCW (AHWB) 4471</p>	<p>£3,182,000 per annum £9,546,000 total</p>	<p><u>Carers Respite Breaks Framework Agreement</u> The project is to procure a range of residential services in order to provide carers with respite support through emergency, short and longer breaks. Respite services also provide non-residential break services for emergency provision for a few hours when necessary in the home.</p> <p>These range of services are currently provided under the existing contractual arrangements which expire in March 2014. The project is essential to the delivery of the Council's Carers Strategy agreed by the Mayor in Cabinet in 2012.</p>	<p>36 months</p>	<p>Revenue funded</p>	<p>1st April 2014</p>	<p>Care and Commissioning</p>

Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Planned Date for Invitation to Tender or * Contract signature.	Category
<p>D&R (H4451)</p> <p>Page 291</p>	<p>£5,100,000 - £7,100,000 total.</p>	<p><u>Bancroft & Avebury Estates Energy Efficiency Improvement Project</u> Tower Hamlets Homes, in consultation with residents and stakeholders, developed proposals for a retrofit project to improve the energy performance of 637 homes on the Avebury and Bancroft estates.</p> <p>This project involves the installation of multiple energy efficiency measures to 637 households located in 42 residential blocks. The energy efficiency measures comprise: external wall insulation (599 dwellings), cavity wall insulation (24 dwellings), loft insulation (108 dwellings) and replacement of G-rated boilers with condensing boilers and installation of TRVs.</p> <p>Procurement is to be conducted through the GLA RE:NEW Framework. An EU compliant, energy efficiency improvement specific framework contract.</p>	<p>Call off from GLA Framework</p> <p>Sept 2013- Feb 2014</p>	<p>Mixture of Grant Funding from DECC and LBTH Capital funding</p>	<p>September 2013</p>	<p>Construction & FM</p>
<p>DR4441</p>	<p>12,000,000 per annum</p> <p>£39,000,000 total *</p> <p>* Includes a projected increase of 10% per annum</p>	<p><u>Energy Supply Contract</u> This contract is for the re-procurement of gas and electricity across the council estate, including Tower Hamlets Homes; the majority of schools and colleges, plus some housing providers. Currently external clients make up 38% of the total gas and electricity consumption. These clients generate income fees of approximately £160,000 per annum.</p> <p>Energy is a specialist and sometimes volatile market, hence the inclusion of a projected 10% increase in prices over the three years of the new contract. Following the conclusion of an option appraisal conducted via and London Wide Energy Consortia (23 London boroughs), GPS Framework was identified as the best VFM option.</p>	<p>36 months</p>	<p>Revenue funded</p>	<p>Contract to commence on 1st April 2014</p>	<p>Corporate Services</p>

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Agenda Item 12.1

Committee: Cabinet	Date: 31 st July 2013	Classification: Unrestricted	Report No: CAB 019/134	Agenda Item: 12.1
Report of: Corporate Director Resources Originating officer(s) Oladapo Shonola Chief Financial Strategy Officer; Lisa Stone Finance Officer		Title: Exercise of Corporate Directors' Discretions Wards Affected: All		

1. SUMMARY

- 1.1. This report sets out the exercise of Corporate Directors' discretions under Financial Regulation B8 which stipulates that such actions be the subject of a noting report to Cabinet if they involve expenditure between £0.100 million and £0.250 million.

2. DECISIONS REQUIRED

The Mayor in Cabinet is recommended to:-

- 2.1 Note the exercise of Corporate Directors' discretions as set out in Appendix 1.

3. REASONS FOR DECISIONS

- 3.1 Financial Regulations requires that regular reports be submitted to Council/Committee setting out financial decisions taken under Financial Regulation B8.
- 3.2 The regular reporting of Corporate Director's Discretions should assist in ensuring that Members are able to scrutinise officer decisions.

4. ALTERNATIVE OPTIONS

- 4.1 The Council is bound by its Financial Regulations (which have been approved by Council) to report to Council/Committee setting out financial decisions taken under Financial Regulation B8.

4.2 If the Council were to deviate from those requirements, there would need to be a good reason for doing so. It is not considered that there is any such reason, having regard to the need to ensure that Members are kept informed about decisions made under the delegated authority threshold and to ensure that these activities are in accordance with Financial Regulations.

5. BACKGROUND

5.1 Regulation B8 sets out the Cabinet Reporting Thresholds for specific financial transactions.

6. FINANCIAL REGULATION B8

6.1 Financial Regulation B8 sets out the reporting thresholds for the following financial transactions: -

Virements

Capital Estimates

Waiving Competition Requirements for Contracts and Orders (Subject to EU threshold)

Capital Overspends

Settlement Of Uninsured Claims

6.2 Under Financial Regulation B8, if the transaction involves a sum between £0.100 million and £0.250 million it can be authorised by the Corporate Director under the scheme of delegation but must also be the subject of a noting report to the next available Cabinet.

6.3 Appendix 1 sets out the exercises of Corporate Directors' discretions, under the stipulations in 4.2 above, that have taken place since the previous Cabinet

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

7.1 The comments of the Chief Financial Officer have been incorporated into the report and Appendix.

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

8.1. The report sets out the individual exercises of Directors' Discretions as required by Financial Regulations.

8.2 The legal implications of each of the individual decisions would have been provided as part of the decision making process. These will be recorded on the "Record of Corporate Directors' Actions" maintained by Directorates

8.3 The procedure for recording and reporting Corporate Director's Actions has recently been revised and strengthened. All proposed actions where the value exceeds £100,000 are now required to be agreed with the Mayor prior to officer's sign off and approval. The revised procedure came into effect in December 2011.

9. ONE TOWER HAMLETS CONSIDERATIONS

9.1 This report is concerned with the notification of officers' discretions under Standing Orders and has no direct One Tower Hamlets implications. To the extent that there are One Tower Hamlets Considerations arising from the individual actions, these would have been addressed in the records of each action.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

10.1 There are no Sustainable Action for A Greener Environment implications arising from this report.

11. RISK MANAGEMENT IMPLICATIONS

11.1 The risks associated with each of the Corporate Directors' discretions as set out in Appendix 1 would have been identified and evaluated as an integral part of the process, which lead to the decision.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

12.1 There are no Crime and Disorder Reduction Implications arising from this report.

13. EFFICIENCY STATEMENT

13.1 The works referred to in the report will be procured in line with established practices, taking account of best value.

14. APPENDICES

Appendix 1 – Exercise of Corporate Directors’ Discretions under Financial Regulation B8

Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000

List of “Background Papers” used in the preparation of this report

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
Record of Corporate Directors actions	Stephen Adams, Finance and Resources Manager, Communities, Localities and Culture Ext 5212

Appendix 1: Exercise of Corporate Directors Discretions under Financial Regulation B8

Corporate Director	Amount	Description of Exercise of Discretion	Justification for Action	Contractor's Name and Address (including postcode)	Contact
CLC (Ref: 12 42)	£235,000	Adoption of capital estimate for Landscaping works to Watney Market and the appointment of the contractor to deliver these works. This approval is in excess of the noting report threshold of £100k.	Allocation of Section 106 resources in accordance with the Planning agreement.	Geoffrey Osborne Ltd 51 Fishbourne Road Chichester PO19 3HZ	Judith St John (X5630)
CLC (Ref: 12 46)	£110,000	Urgent works to 552 Mile End Road. To investigate severe water ingress	Works were urgently required to prevent property damage	S&D Contracting Services Limited 4-8 Vyner St, London E2 9DG	Stephen Murray (X7910)

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