

CABINET

MAYOR

Mayor John Biggs

CABINET MEMBERS

Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing Management & Performance)
Councillor Shiria Khatun	(Deputy Mayor and Cabinet Member for Community Safety)
Councillor Rachael Saunders	(Deputy Mayor and Cabinet Member for Education & Children's Services)
Councillor Rachel Blake	(Cabinet Member for Strategic Development)
Councillor Asma Begum	(Cabinet Member for Culture)
Councillor David Edgar	(Cabinet Member for Resources)
Councillor Ayas Miah	(Cabinet Member for Environment)
Councillor Joshua Peck	(Cabinet Member for Work & Economic Growth)
Cllr Amy Whitelock Gibbs	(Cabinet Member for Health & Adult Services)

[The quorum for Cabinet is 3 Members]

MEETING DETAILS

Tuesday, 28 July 2015 at 5.30 p.m.
**C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London,
E14 2BG**

The meeting is open to the public to attend.

Further Information

The public are welcome to attend meetings of the Cabinet. Procedures relating to Public Engagement are set out in the 'Guide to Cabinet' attached to this agenda.

Contact for further enquiries:

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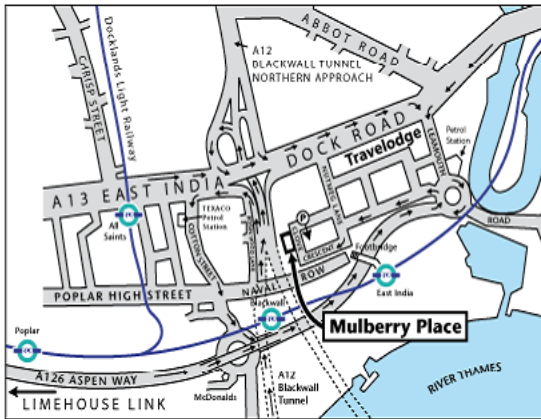
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A Guide to CABINET

Decision Making at Tower Hamlets

As Tower Hamlets operates the Directly Elected Mayor system, **Mayor John Biggs** holds Executive powers and takes decisions at Cabinet or through Individual Mayoral Decisions. The Mayor has appointed nine Councillors to advise and support him and they, with him, form the Cabinet. Their details are set out on the front of the agenda.

Which decisions are taken by Cabinet?

Executive decisions are all decisions that aren't specifically reserved for other bodies (such as Development or Licensing Committees). In particular, Executive Key Decisions are taken by the Mayor either at Cabinet or as Individual Mayoral Decisions.

The constitution describes Key Decisions as an executive decision which is likely

- a) to result in the local authority incurring expenditure which is, or the making of savings which are, significant having regard to the local authority's budget for the service or function to which the decision relates; or
- b) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the borough.

Upcoming Key Decisions are published on the website on the 'Forthcoming Decisions' page through www.towerhamlets.gov.uk/committee

Published Decisions and Call-Ins

Once the meeting decisions have been published, any 5 Councillors may submit a Call-In to the Service Head, Democratic Services requesting that a decision be reviewed. This halts the decision until it has been reconsidered.

- The decisions will be published on: **Thursday, 30 July 2015**
- The deadline for call-ins is: **Thursday, 6 August 2015**

Any Call-Ins will be considered at the next meeting of the Overview and Scrutiny Committee. The Committee can reject the call-in or they can agree it and refer the decision back to the Mayor, with their recommendations, for his final consideration.

Public Engagement at Cabinet

The main focus of Cabinet is as a decision-making body. However there is an opportunity for the public to contribute through making submissions that specifically relate to the reports set out on the agenda.

Members of the public may make written submissions in any form (for example; Petitions, letters, written questions) to the Clerk to Cabinet (details on the front page) by 5 pm the day before the meeting.

LONDON BOROUGH OF TOWER HAMLETS

CABINET

TUESDAY, 28 JULY 2015

5.30 p.m.

	Pages
1. APOLOGIES FOR ABSENCE	
To receive any apologies for absence.	
2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS	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.	
3. UNRESTRICTED MINUTES	5 - 10
The unrestricted minutes of the Cabinet meeting held on Wednesday 13 May 2015 are presented for information.	
4. OVERVIEW & SCRUTINY COMMITTEE	
4.1 Chair's Advice of Key Issues or Questions	
Chair of Overview and Scrutiny Committee (OSC) to report on any issues raised by the OSC in relation to unrestricted business to be considered.	
4.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee	11 - 56
Report of Cabinet 8 April 2015 called in and considered by the Overview and Scrutiny Committee:	
<ul style="list-style-type: none">• Delivery/procurement options for the new civic centre	

5. UNRESTRICTED REPORTS FOR CONSIDERATION

5 .1	Mental Health Recovery & Wellbeing Services	57 - 90
<p>Report Summary:</p> <ul style="list-style-type: none">• Approval to commence procurement of the Mental Health Recovery & Wellbeing Service;• Authority for Contract Award is delegated to Corporate Director; and• Approval to extend the 'Mental Health Inclusive Support' service and the 'Employment Project' until 31st March 2016. <p>Wards: All Wards Lead Member: Cabinet Member for Health and Adult Services Corporate Priority: A Healthy and Supportive Community</p>		
5 .2	Transfer of Commissioning Responsibility for Early Years (0-5 years) Public Health Services from NHS England to the Local Authority	91 - 104
<p>Report Summary: Agree the recommended approach to the transfer of commissioning responsibility for the 0-5 services to the Council on 1st October 2015.</p> <p>Wards: All Wards Lead Member: Deputy Mayor and Cabinet Member for Education and Children's Services, Cabinet Member for Health and Adult Services Corporate Priority: A Healthy and Supportive Community</p>		
5 .3	Ending Groups, Gangs and serious Violence (EGGSYV)	105 - 164
<p>Report Summary: Approval of the Ending Groups, Gangs and Serious Youth Violence 2015-2018 Strategy and Action Plan.</p> <p>Wards: All Wards Lead Member: Deputy Mayor and Cabinet Member for Community Safety Corporate Priority: A Safe and Cohesive Community</p>		
5 .4	Re-procurement of Waste Management Services Contracts	165 - 186
<p>Report Summary: As a Unitary Authority, Tower Hamlets is both a Waste Collection Authority and a Waste Disposal Authority. As such the Council has a statutory duty to collect and dispose of Municipal Waste within its area. The report sets out the proposed contracting approach for the re-procurement of the waste management services.</p> <p>Wards: All Wards Lead Member: Cabinet Member for Environment</p>		

5.5 Sovereign Court - Change of Use Consent and Lease Extension 187 - 196

Report Summary:

To consent, as the freeholder and landlord, to a change of use and a lease extension for Sovereign Court on receipt of the best consideration reasonably obtainable.

Wards: St Katharine's & Wapping

Lead Member: Corporate Director, Resources

Corporate Priority: A Great Place to Live; One Tower Hamlets

5.6 Strategy and Options for the Use of Right to Buy Receipts 197 - 230

Report Summary:

To consider a report concerning the expenditure of right to buy receipts to provide new council housing. The report will seek to agree the approach, adopt a capital estimate and authorise the corporate director to proceed with the procurement phase.

Wards: All Wards

Lead Member: Cabinet Member for Resources

Corporate Priority: A Great Place to Live

5.7 Strategic Performance, 14/15 General Fund Revenue Budget and Capital Programme Monitoring Q4/Year End 231 - 352

Report Summary:

Note the Council's financial performance compared to budget for 2014/15 as detailed in Sections 3 to 6 and Appendices 1-4 of this report. Approve the transfers to reserves as detailed in Appendix 5 of this report. Review and note 2014/15 year end performance for strategic measures and Strategic Plan activities in Appendices 6 to 7 (This report was previously entitled as the Strategic Performance, 14/15 General Fund Revenue Budget and Capital Programme Monitoring Q4/Year End).

Wards: All Wards

Lead Member: Cabinet Member for Resources

Corporate Priority: One Tower Hamlets

5.8 Contracts Forward Plan 2015/16 353 - 362

Report Summary:

Consider the contract summary and identify those contracts about which specific reports should be brought before Cabinet prior to contract award by the appropriate Corporate Director for the service area; Confirm which of the remaining contracts can proceed to contract award after tender; and Authorise the Head of legal Services to execute all necessary contract.

Wards: All Wards

Lead Member: Cabinet Member for Resources
Corporate Priority: One Tower Hamlets

5.9 Best Value Improvement Plan - Six Monthly Monitoring

363 - 446

Report Summary:

To consider the BV Improvement Plan prior to submission to the Secretary of State.

Wards: All Wards

Lead Member: Mayor

Corporate Priority: (All Corporate Priorities)

5.10 Strategic and Resource Planning 2016/17 to 2018/19 - TO FOLLOW

Report Summary:

To provide Cabinet with an update on the Councils MTFP following the Chancellors Emergency Budget Announcements and set the scene for the 2016/17 budget process. (This report was previously titled the as Medium Term Financial Plan 2016/17 to 2018/19).

Wards: All Wards

Lead Member: Cabinet Member for Resources

Corporate Priority: One Tower Hamlets

5.11 Exercise of Corporate Directors' Discretions

447 - 452

Report Summary:

To note the corporate director discretions report.

Wards: All Wards

Lead Member: Cabinet Member for Resources

Corporate Priority: One Tower Hamlets

6. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

7. 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.

8. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

9. OVERVIEW & SCRUTINY COMMITTEE

9.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business

Chair of Overview and Scrutiny Committee (OSC) to report on any issues raised by the OSC in relation to exempt/confidential business to be considered.

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

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

10. EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION

Nil items.

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

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:-

- Meic Sullivan-Gould, Interim Monitoring Officer, 020 7364 4800
- 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, 13 MAY 2015

C1, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT,
LONDON, E14 2BG

Members Present:

Councillor Ohid Ahmed	(Cabinet Member for Community Safety)
Councillor Shahed Ali	(Cabinet Member for Clean and Green)
Councillor Abdul Asad	(Cabinet Member for Health and Adult Services)
Councillor Shafiqul Haque	(Cabinet Member for Culture)
Councillor Gulam Robbani	(Cabinet Member for Education and Children's Services)

Apologies:

Councillor Oliur Rahman	(Deputy Mayor and Cabinet Member for Economic Development (Jobs, Skills and Enterprise)
Councillor Rabina Khan	(Cabinet Member for Housing and Development)
Councillor Aminur Khan	(Cabinet Member for Policy, Strategy and Performance)

Officers Present:

Aman Dalvi	(Corporate Director, Development & Renewal)
Stephen Halsey	(Head of Paid Service and Corporate Director Communities, Localities & Culture)
Robert McCulloch-Graham	(Corporate Director, Education Social Care and Wellbeing)
Barry Scarr	(Interim Service Head, Finance & Procurement)
Meic Sullivan-Gould	(Interim Monitoring Officer, Legal Services, LPG)
Kate Bingham	(Service Head, Resources, Education Social Care and Wellbeing)
Ellie Kuper-Thomas	(Strategy, Policy and Performance Officer - Executive Mayor's Office, One Tower Hamlets, DLPG)
Murziline Parchment	(Head of Executive Mayor's Office, Democratic Services, LPG)
Dean RiddickMcGregor	(Political Adviser to the Labour Group)
Matthew Mannion	(Committee Services Manager, Democratic Services, LPG)

1. ELECTION OF CHAIR OF THE MEETING

In the absence of the Deputy Mayor, the Clerk to Cabinet sought nominations for a Chair of the meeting. Councillor Gulam Robbani proposed, and Councillor Shahed Ali seconded, a motion that Councillor Ohid Ahmed be elected Chair of the meeting.

DECISION

1. That Councillor Ohid Ahmed be elected to serve as Chair for the duration of the meeting.

2. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Councillor Aminur Khan (Cabinet Member for Policy, Strategy and Performance)
- Councillor Rabina Khan (Cabinet Member for Housing and Development)
- Councillor Oliur Rahman (Deputy Mayor and Cabinet Member for Economic Development)
- Chris Holme (Acting Corporate Director, Resources)

3. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

None were declared.

4. UNRESTRICTED MINUTES

The unrestricted minutes of the Cabinet meeting held on 8 April 2015 were noted.

5. PETITIONS

Nil items.

6. OVERVIEW & SCRUTINY COMMITTEE**6.1 Chair's Advice of Key Issues or Questions in Relation to Unrestricted Business to be Considered**

Nil items.

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

Councillor Ohid Ahmed, noted that the Overview and Scrutiny Committee at their meeting held on Tuesday 12 May 2015 had considered two call-in reports in respect of the Procurement Options for the New Civic Centre and also on the Disposal of 296 Bethnal Green Road. He confirmed that the

reference reports from these Call-Ins would be considered by a future Cabinet meeting.

7. A GREAT PLACE TO LIVE

Nil items.

8. A PROSPEROUS COMMUNITY

8.1 Education, Social Care and Wellbeing Capital Programme 2015/16

Councillor Ohid Ahmed introduced the report. He explained that, in accordance with the Concordat signed by all three political groups on the Council, the reports had been reviewed by the Executive and by all political groups and there was agreement on the proposed recommendations. He therefore moved that the Cabinet agree the recommendations as set out.

The recommendations were **agreed** unanimously.

RESOLVED

1. To note the contents of this report and specifically the anticipated out-turn for the 2014/15 ESCW Capital Programme (detailed in Appendix A) and proposed allocation of the funding available in 2015/18 (as detailed in Appendix B);
2. To approve the adoption of capital estimates for the 2015/16 capital condition and improvement programme schemes in schools and service premises as shown in Appendix C (Schools and Children's Services) and Appendix D (Adult Services) and authorise expenditure;
3. To approve the adoption of a capital estimate of £350,000 for the additional dining accommodation at Oaklands School;
4. To note the completed projects within the Primary Capital Programme (PCP) schemes as shown in Appendix D;
5. To note the Primary School Expansion Programme as detailed in Appendix E;
6. To approve the adoption of a capital estimate of £750,000 to cover the costs of developing proposals to be considered for inclusion in the capital programme and authorise expenditure;
7. To approve the adoption of a capital estimate of £300,000 for the costs of providing additional short term accommodation if required for additional pupils until major works have been carried out to provide permanent additional school places and authorise expenditure;
8. To note progress with creating early education provision and further consultation with providers as shown in Appendix D;

9. To note the proposed procurement approach for the capital works to provide 6th form accommodation at Stepney Green School (paragraph 3.55);
10. To agree that Council-approved Frameworks be used, where appropriate, to deliver the various projects within the approved programmes;
11. To authorise the Corporate Director of ESCW, in respect of all proposed tenders referred to in this report, to agree tenders for projects within the approved programmes and capital estimate;
12. To authorise the Corporate Director of ESCW to prepare and carry out a Bill of Reductions for any scheme exceeding the approved budget, where relevant to ensure expenditure is contained within the agreed costs.

8.2 Primary School Places Programme

Councillor Ohid Ahmed introduced the report. He explained that, in accordance with the Concordat signed by all three political groups on the Council, the reports had been reviewed by the Executive and by all political groups and there was agreement on the proposed recommendations. He therefore moved that the Cabinet agree the recommendations as set out.

The recommendations were **agreed** unanimously.

DECISION

1. To approve the adoption of a capital estimate of £9.0m for the proposed works to the former Bromley Hall Special School;
2. To delegate to the Corporate Director, Development & Renewal, the power to appropriate land in Lochnagar Street shown in Appendix A from the HRA to the General Fund for Education purposes, subject to prior consultation with the Service Head – Legal Services, and agree that the land is incorporated into Bromley Hall School site;
3. To approve the proposed procurement of works to the Bromley Hall School by use of a suitable pre-tendered framework;
4. To approve the adoption of a capital estimate of £11m for the proposed works to the former site of Bow Boys' School;
5. To approve the proposed procurement approach for the former Bow Boys' School site of working with Tower Hamlets Schools Ltd ;
6. To authorise the Corporate Director of ESCW to agree tenders for projects referred to in this report within the approved programmes and capital estimate; and

7. To authorise the Corporate Director, Development and Renewal, following consultation with the Service Head – Legal Services, to agree and enter into the contracts required to give effect to the above recommendations.

9. A SAFE AND COHESIVE COMMUNITY

Nil items.

10. A HEALTHY AND SUPPORTIVE COMMUNITY

Nil items.

11. ONE TOWER HAMLETS

Nil items.

12. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil items.

13. UNRESTRICTED REPORTS FOR INFORMATION

13.1 Exercise of Corporate Directors' Discretions

Councillor Ohid Ahmed introduced the report. He proposed that Cabinet agree to note the information contained in the report.

The Cabinet **agreed** unanimously to note the report.

RESOLVED

1. To note the exercise of Corporate Directors' discretions as set out in Appendix 1 to the report.

14. EXCLUSION OF THE PRESS AND PUBLIC

Nil items.

15. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

16. OVERVIEW & SCRUTINY COMMITTEE

16.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business to be Considered.

Nil items.

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

Nil items.

17. A GREAT PLACE TO LIVE

Nil items.

18. A PROSPEROUS COMMUNITY

Nil items.

19. A SAFE AND COHESIVE COMMUNITY

Nil items.

20. A HEALTHY AND SUPPORTIVE COMMUNITY

Nil items.

21. ONE TOWER HAMLETS

Nil items.

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

Nil items.

23. EXEMPT / CONFIDENTIAL REPORTS FOR INFORMATION

Nil items.

The meeting ended at 5.34 p.m.

John S. Williams
SERVICE HEAD, DEMOCRATIC SERVICES

<p>Cabinet</p> <p>28 July 2015</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Corporate Director, Development & Renewal</p>	<p>Classification: Unrestricted</p>
<p>Cabinet Decision called-in: Delivery/procurement options for the new civic centre</p>	

Lead Member	Mayor John Biggs
Originating Officer(s)	Ann Sutcliffe, Service Head, Corporate Property & Capital Delivery
Wards affected	All wards
Key Decision?	Yes
Community Plan Theme	One Tower Hamlets

Executive Summary

The delivery/procurement options for the new civic centre report had been considered by the previous Mayor in Cabinet on 8th April 2015 and was called-in by Councillors Rachel Blake; Rachael Saunders; Amina Ali; Shiria Khatun and Councillor Clare Harrison. This is in accordance with the provisions of rule 16 of the Overview and Scrutiny Procedure Rules in Part 4 of the Council’s Constitution.

Recommendations:

The Mayor in Cabinet is recommended to:

- A. Reconsider the decision taken on 8th April 2015, in light of the comments and observations of the Overview & Scrutiny Committee and the DCLG Commissioners.
- B. If minded to amend the previous decision, it is recommended that the Mayor agree that a further report should be brought to the next convenient meeting of Cabinet that enables the review which the Overview & Scrutiny Committee has recommended to be carried out.

1. REASONS FOR THE DECISIONS

- 1.1 Following the publication of the decisions from the April 2015 Cabinet meeting, five members of the Council called-in the decision on the delivery/procurement options for the new civic centre.
- 1.2 That call-in requisition was considered by the Overview & Scrutiny Committee in May 2015, who determined that it should be referred back to the council's Executive for reconsideration.
- 1.3 In addition, the DCLG Commissioners have commented on the proposals set out in the report, specifically in relation to their role in providing consent before the council enters into any commitment to dispose of real property. The Commissioners have stated that their preference is to separate the disposals of surplus sites from the letting of the contract for the design and build of the new civic centre.
- 1.3 Having considered the comments of the Overview & Scrutiny Committee, and those of the DCLG Commissioners, officers have presented revised recommendations which are set out above.
- 1.4 Additionally, the acquisition of the former hospital site on Whitechapel Road has now been concluded, in line with the Cabinet resolution in February 2014. That resolution also asked officers to complete the further business case review. That review and assessment of the business case has informed the recommendations in this report.
- 1.5 The current lease on Mulberry Place will expire in June 2020, requiring the council to decant from the building by September 2019. The landlord of the current offices at Mulberry Place, a private investor, is currently working on a redevelopment of the East India Dock complex into a residential scheme in the near future and public consultation and formal pre application planning consultation is already taking place.
- 1.6 Notwithstanding the fact that a short term extension to the lease is being explored as part of the business continuity planning, given this probable change of use, it is likely that the council, regardless of whether there was a desire to remain post June 2020, would not be granted a further renewal of the lease. It is therefore essential to identify a viable exit route from Mulberry Place to ensure that staff are de-canted by no later than September 2019 to a new facility
- 1.7 The council must commit to a new civic centre, or face occupying a number of disparate and poorly sited buildings that will lead to inefficiencies and increased costs of operation.
- 1.8 The justification for the further consolidation of council administrative buildings into a purpose built mixed use civic hub is predicated on the disposal of some if not all current administrative sites and additional surplus sites for the capital

receipts to cross fund the new development. All these disposals would then deliver significant new housing to the borough.

2. ALTERNATIVE OPTIONS

- 2.1 It is also open to the Mayor in Cabinet to choose an alternative delivery model. This could include reaffirming the Cabinet decision of April 2015, a packaged development and disposals programme procured via OJEU. However, this is not recommended, primarily due to the comments of the DCLG Commissioners who may be unwilling to provide their consent on the disposals element of that proposal.
- 2.2 In addition the recommendation above includes design through to RIBA stage 2 Concept Design. This refers to the RIBA-specified plan of work, which organises the process of briefing, designing, constructing, maintaining, operating and using building projects into key stages. Stage 2 is concept design which includes structural design, building services systems, outline specifications and preliminary cost information along with relevant project strategies in accordance with the design programme. It involves agreeing alterations to brief and issuing of a final project brief. Officers believe that this is the minimum level of design that should be undertaken.
- 2.3 It is also open to the Mayor in Cabinet to agree to tender the scheme with no further design and due diligence undertaken by the council. However, this would place great risk and uncertainty on the Council. In soft market testing all the developers approached felt this would put a great deal of uncertainty on the developers that would be reflected in their pricing and programming assumptions.
- 2.4 An alternative option would be fully designing the scheme through to and obtain a planning consent. This option would provide increased delivery and cost certainty to the Council.

3. DECISION OF THE OVERVIEW AND SCRUTINY COMMITTEE

- 3.1 The Overview & Scrutiny Committee considered the contents of the April 2015 Cabinet report, the previous Mayor's decision (provisional, subject to call-in) in Cabinet and the information provided by officers and agreed that the decision be referred back to the Mayor and Cabinet for reconsideration with recommendations set out in this report.
- 3.2 Specifically, the Overview & Scrutiny Committee **RESOLVED**:

That, given the on-going concerns regarding site selection, cost and deliverability; the lack of cross party support for the project; and the significant change now proposed to the delivery mechanism, the report should be referred back to the Executive with a recommendation that the project should be paused to allow the new Mayor the opportunity of a

stop/go review and that in the meantime work should be progressed to find solutions to the concerns raised by members.

4. THE MAYOR IN CABINET'S PROVISIONAL DECISION

The Mayor in Cabinet's decision, published on 10 April 2015, was:

- 4.1 To agree option 2¹ as set out in paragraph 2.3 of the report, namely a packaged development and disposals procured via OJEU.
- 4.2 To adopt a capital estimate of £2.5 million to undertake investigations and complete the design to RIBA stage 2 and procure a delivery partner based on the chosen model of delivery;
- 4.3 To authorise the procurement of the required professional and technical services to undertake the work to RIBA stage 2 utilising, if available, suitable procurement frameworks available to the public sector;
- 4.4 To agree disposal of sites identified in paragraph 3.11 of this report in accordance with the Council's disposal procedure and with the requirements of section 123 of the Local Government Act 1972;
- 4.5 To note the requirement to obtain the prior approval of the Commissioners appointed by the Secretary of State prior to disposal of the sites identified in paragraph 3.11.
- 4.6 To authorise the Corporate Director, Development and Renewal, following consultation with the Service Head – Legal Services, to agree and enter into the terms and conditions of any agreements required to implement recommendations 1, 2, 3 and 4 in order to progress the civic centre project.
- 4.7 To authorise the Service Head – Legal Services to execute all documents necessary to give effect to these recommendations.

5. THE CALL-IN REQUISITION

The call-in requisition signed by the five councillors listed above gave the following reasons for the call-in:

- 5.1 We hereby call-in the Mayor's decision in Cabinet (Wednesday 8th April) with regard to the decision to agree Option 2 (as set out in paragraph 2.3 of the Cabinet report) – i.e. a packaged development and disposals procured via OJEU – raises serious concerns, particularly with regard to cost and timings.

¹ Option 2 was a packaged development and disposals programme procured via OJEU

- 5.2 The overall cost of the project raises concerns which merit full review and thorough scrutiny. The deliverability of this project is also under question, as the Mulberry Place lease ends in 2020, meaning staff have to decant by September 2019. This will leave no margin of error and require the project to be delivered precisely on schedule. There is also no clear detail on where council staff will be based in the interim period.
- 5.3 The change to the procurement route for the new Civic Centre was announced last-minute, at the Cabinet meeting itself. This decision was not fully explained and members were not given enough time to adequately consider the implications or address the downsides identified by officers.
- 5.4 The uncertainty over the loss of One Stop Shop and Idea Stores provision is of further concern. The list of disposal sites identified in the report, including the sale of Gladstone Place (the Bow ideas store) and the loss of Southern Grove as a Community Land Trust will have a negative effect on the borough and therefore merit reconsideration.
- 5.5 Members of the council have also expressed concerns over the sequence of events leading to this decision, whereby the Royal London Hospital building was acquired first – and the service delivery model considered afterwards.
- 5.6 The Civic Centre Whitechapel project also raises questions over the redevelopment of Roman Road.

6. ALTERNATIVE ACTION PROPOSED

The call-in councillors proposed the following alternative course of action:

- 6.1 That the project should be paused to allow the new Mayor the opportunity of a stop/go review; and
- 6.2 That in the meantime, work should be progressed to find solutions to the concerns raised by members.

7. DECISION OF THE OVERVIEW AND SCRUTINY COMMITTEE

- 7.1 Following consideration of the call-in, the Overview and Scrutiny Committee resolved as follows:

“That, given the on-going concerns regarding site selection, cost and deliverability; the lack of cross party support for the project; and the significant change now proposed to the delivery mechanism, the report should be referred back to the Executive with a recommendation that the project should be paused to allow the new Mayor the opportunity of a stop/go review and that in the meantime work should be progressed to find solutions to the concerns raised by members.”

8. RESPONSE TO THE CALL-IN

- 8.1 The project was not progressed while the office of the Mayor was vacant, pending the election which took place on 11 June 2015. This pause allowed the new Mayor an opportunity to be briefed on the project and determine a course of action.
- 8.2 While scrutiny of the costs of the project are welcomed, the Net Present Value calculations make it clear that of the three feasible civic centre options, while the Whitechapel option is not the cheapest, it brings forward the most housing units. In addition, it acts as a catalyst for the long-awaited regeneration of the Whitechapel area, helping make the Whitechapel Vision masterplan a reality.
- 8.3 In relation to the timetable, it should be noted that due to delays in the project the council is now faced with the prospect of a double decant – the need to move out of the current town hall before the new civic centre is ready for occupation – and/or an expensive extension to the lease. Officers have been taking regular reports to CMT, alerting them to the risks associated with the project, as well as the business continuity planning in progress. Once detailed business continuity options have been developed, these will be presented to the Mayor in order to indicate the preferred option.
- 8.4 It is noted that the Mayor in Cabinet agreed (provisionally, subject to call in) one of the procurement options that was set out as an alternative, rather than the one set out in the first officer recommendation. It should also be noted that the range of options, set out in paragraph 2.3 of the Cabinet report, were all available to the council as they complied with the council's procurement procedures as well as the relevant legislative requirements. Each option was set out with the advantages and disadvantages but they were all equally capable of delivering a new civic centre.
- 8.5 Pursuant to the Directions to the Council of the London Borough of Tower Hamlets, issued by the Secretary of State for Communities & Local Government on 19 December 2014, the prior written consent of the Commissioners has to be sought before the council enters into any commitment to dispose of any real property. Subsequent to the April Cabinet meeting, the Commissioners have indicated that their preference would be to not package the development of the civic centre with the disposal of the identified surplus sites (either option 3 or 4).
- 8.6 On the basis of the above, officers have recommended that, in considering this call-in, the Mayor in Cabinet should opt for one of the options that handles the disposals separately to the letting of a contract for the development of the new civic centre. This will possibly lead to increased cost as the developer will only make their profit on the construction cost and not on a longer term debt repayment; however it also brings with it the possibility that separate disposals will potentially deliver higher values though this will depend on the market conditions at the time.

- 8.7 While noting the Overview & Scrutiny Committee's concerns around the One Stop Shop and Idea Store, the proposals in the report do not intend to remove that provision. Notwithstanding any future changes in service provision, the current intention is to retain that provision. The redevelopment may also allow the provision to be enhanced by securing improvements in existing provision as part of any disposal and subsequent redevelopment.
- 8.8 The purchase of the Royal London Hospital has been driven by a number of factors. Firstly, the council has known that the lease on Mulberry Place expires in 2020, requiring the council to vacate the building by September 2019. This has been subject of discussion at the Corporate Management Team, the Mayor's Advisory Board and Cabinet on a number of occasions since 2012. This discussion was predicated on the consolidation of the council's administrative functions onto one site.
- 8.9 The site was purchased on the understanding that the council could develop it with a range of corporate structures in mind. The key principle of the delivery model was consolidation. A further piece of work is to identify a vision for how the organisation will look in 5-10 years' time is currently being carried out by the Corporate Management Team; this will allow a more detailed brief to be developed for the site. The nature of the site means the building can be increased or reduced in size, depending on the needs of the council and the output of the vision.
- 8.10 The site was also purchased as on the basis of there being very few sites in the borough that could satisfy the council's requirements. The only other potential site was the Commercial Road site (the former Renault showroom) which comes with a range of limitations. These include being in a predominantly residential area, the limited transport links in the immediate vicinity and the site abutting a conservation area.
- 8.11 In addition, the old Royal London Hospital building was only available for a limited period of time after being placed on the register of public assets. If the council had not acted within that window, the site may have been sold to another public sector organisation, or the council may have had to subsequently bid for it in the open market, placing the council at a significant financial disadvantage as the council would be competing for the site in the open market, against a range of uses. The council identified that the site could cost as much as £30m, depending on the use.
- 8.12 In relation to the final point, the development of the civic centre in Whitechapel does not prevent or otherwise obstruct the redevelopment of Roman Road and the surrounding areas. In fact, the redevelopment of the council's surplus sites in those areas could help act as a catalyst for regeneration – both by securing concessions as part of the sale of the sites but also via the planning process.

9. COMMENTS OF THE CHIEF FINANCE OFFICER

- 9.1 Following the consideration of the options for the delivery and procurement of the new Civic Centre by the Mayor in Cabinet on 8 April 2015, and the subsequent report call-in that was considered by the Overview and Scrutiny Committee on 12 May 2015, this report presents revised proposals for agreement.
- 9.2 The council pays approximately £5 million per annum in lease and service charges for the Mulberry Place building and in the longer term officers consider that the lease is unlikely to be extended beyond its June 2020 expiry date. It is therefore necessary that alternative arrangements for a civic centre are put in place now in order to generate long-term savings. The report outlines the reasons why the lease is unlikely to be extended in paragraphs 1.5 and 1.6.
- 9.3 As part of the budget process for 2014-15, funding of £12 million was set aside as an initial provision for the development of a new Civic Centre, with the former Royal London Hospital being formally acquired from the Bart's Health NHS Trust in January 2015. After allowing for associated fees and taxes, an uncommitted sum of just in excess of £2,500,000 remains. This report seeks approval to utilise this sum to complete the design to RIBA Stage 2 with a view to procuring a delivery partner. A corresponding capital estimate of £2,500,000 is therefore sought which will be fully financed from the earmarked resources remaining.
- 9.4 On completion of the design to RIBA Stage 2, the Council will be in a position of being able to invite developers to bid against a known baseline against which they can be measured, meaning that the Council will have an increased level of certainty over deliverability and cost. There will however still be scope for the developers to be innovative in relation to design and use of space within the civic centre.
- 9.5 Prior to the decision to relocate the civic centre to Whitechapel, the council appointed an external property management company advisor, GVA, to undertake financial modelling to inform the outline business case assessing the need for relocation. The financial assessment showed that significant savings are achievable compared to remaining in Mulberry Place, although the alternative options, including relocation to the Royal London Hospital site, all involved significant capital expenditure over the years from 2016 to 2019.
- 9.6 Over a 40 year period significant savings should be achieved compared to the existing arrangements. However, the relocation will take a number of years to complete, with savings only being realised from 2020 onwards. In the medium term revenue costs will increase while the rationalisation takes place.
- 9.7 Once the project has been to RIBA stage 2, further reports to Council will be presented to seek approval for the proposed funding arrangements for the full project and the necessary capital estimates to be adopted, with full budgetary

provision identified within the Council's capital programme. These will be based on a full assessment of the financial implications and identification of resources available, and will necessitate an evaluation of the impact on the Council's borrowing requirement as well as the medium term revenue implications.

- 9.8 Modelling suggests that these on-going additional revenue costs will rise significantly until the expiry of the Mulberry Place lease, with the costs being incurred at a time when the Medium Term Financial Plan of the council is already demonstrating the need for significant annual budget reductions. Additional revenue savings would need to be identified in addition to the ongoing savings targets that have been assumed within the MTFP, and in order to mitigate these costs it will be necessary to generate capital receipts from asset sales to 'cross subsidise' the scheme.
- 9.9 The realisation of capital receipts from the disposal of assets that are declared surplus to the council's operational requirements is essential if the relocation project is to be viable. Previous reports provided authorisation to proceed with the disposal of assets to finance the relocation, but the risk of not generating sufficient sale proceeds rests with the council. In line with the preference of the Commissioners, it is proposed that the disposal of surplus sites is treated completely separately to the letting of the design and build contract.
- 9.10 The council has a statutory duty to ensure that any decision is justified on a value for money basis, with the wider potential regeneration benefits being considered in addition to the business case. The 'Whitechapel Vision Economic and Employment Impacts Study' report previously considered by Cabinet set out the anticipated impact on the Whitechapel area of the proposals within the masterplan area. These are not easily financially quantifiable but should be considered in the context that relocation of the civic centre will support the regeneration of the area.
- 9.11 Any relocation to a new civic centre will necessitate consideration of various council working practices, including those relating to flexible working, as well as an assessment of the on-going IT requirements.
- 9.12 As stated above, it should be noted that at this stage sufficient funding has only been set aside for the site purchase and initial design work. Any decision in relation to construction and development will be subject to further Council decision based on a full assessment of the financial implications and the agreed procurement route.

10. LEGAL COMMENTS

- 10.1 The Overview and Scrutiny Procedure Rules specify the process to be followed where a decision is called-in. Paragraph 16.7 of those Rules provides that the Committee may refer the decision back to the Mayor or Executive for reconsideration in the event that it is still concerned after consideration at a call-in. Upon referral back, the Committee should set out

its concerns and the Mayor or Executive should reconsider the decision within 5 working days or as soon as is reasonably practicable. After reconsideration, the Mayor or Executive may adopt a final decision, either with or without amendment.

11. ONE TOWER HAMLETS CONSIDERATIONS

- 11.1 Consideration has been given to the potential impacts of the recommendations in this report on people with protected characteristics within the meaning of the Equality Act 2010. An analysis document that was prepared for the April 2015 report is appended.
- 11.2 One of the issues with buildings of a certain age, including many of the assets currently in the council's ownership, is that they are not fully accessible for those people with physical disabilities, and ensuring full accessibility and DDA compliance will be prohibitively expensive. The purpose-built civic centre development will allow the council to design the building so as to ensure it is fully accessible. This will be specified as part of the design process to ensure it is a central consideration in the design of the building.
- 11.3 When compared to Mulberry Place, the central location, transport links, and design of a purpose-built civic centre in Whitechapel Road will increase the openness and approachability of the civic centre, encouraging participation and engagement in the democratic process as well as facilitating easier access to services. In addition, a new purpose-built council chamber can design out many of the physical issues that exist with the Mulberry Place council chamber. This includes poor acoustics and limited sight lines, hampering involvement in the democratic process.
- 11.4 Any procurement exercise will ensure that 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.
- 11.5 In particular the delivery of the new civic centre will in line with all other major development projects ensure and require early consultation with the whole community and engagement to ensure that the maximum benefit can be drawn for the local community in terms of employment and training.

12. BEST VALUE (BV) IMPLICATIONS

- 12.1 The council is a best value authority under the Local Government Act 1999. This means the council is required 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” (LGA 1999, section 3[1]).

- 12.2 The proposal in this report supports the council's best value duty. The new civic centre, by consolidating all the council's administrative activities onto one site, will allow efficiencies to be achieved while also allowing the delivery of housing on the identified surplus sites. The letting of the design and build contract will be in line with the relevant legislation and the council's own procurement procedures, which both help deliver on the council's best value duty.

13. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 13.1 The delivery of any new building is an opportunity to better the green credentials of the occupier and seek to improve their environmental effect.
- 13.2 The current Council stock is old and in poor condition with inefficient services and building fabric. The current town hall at Mulberry Place is also particularly ineffective in environmental terms.
- 13.3 The new civic centre offers a number of opportunities to improve the green and environmental credentials of the Council.
- 13.4 The location of the civic centre is in the centre of a public transportation hub offering the opportunity for all staff and members to get to the centre without the use of private cars. The non-provision of car parking (other than disabled) will ensure that the travel carbon footprint of the staff is dramatically decreased.
- 13.5 The effective reuse of a substantial part of the original hospital building in recycling it will also reduce the level of new build whilst allowing the thermal and environmental services upgrade to take place. The new building will be designed to deliver an efficient and environmentally sustainable building replacing the existing dated and inefficient stock.
- 13.6 Finally the new civic centre provides the opportunity to change working practices, to reduce waste and paper

14. RISK MANAGEMENT IMPLICATIONS

- 14.1 There are a number of key risks that can be identified under the following headings.

Programme

- 14.2 With no flexibility on the lease end date at Mulberry Place the delivery of the new civic centre must happen on time. The best mitigation for this would be the use of a suitable and procurement compliant framework to allow an OJEU compliant procurement but in a shorter period of time. In the absence of a suitable framework, a full OJEU procurement exercise may be required. Officers are discussing the possibility of a lease extension with the landlord. This, if granted, would only be for 1-2 years.

- 14.3 There is sufficient time available to deliver the project but there is no float available in the critical path.
- 14.4 A timely decision is needed to enable the technical team to be appointed and the procurement and design to be started.
- 14.5 In order to mitigate some programme risk and additionally to enable greater certainty in design and therefore cost, it is proposed to let a separate enabling contract in the short term. This contract will soft strip the building of joinery, services, asbestos and redundant fabric and enable effective opening up and investigations. This will allow effective heritage asset assessment, structural investigations and design this contract will also allow the cleaning up of asbestos and weatherproofing the building to prevent degradation of the fabric in the interim period before works commence in earnest. It is estimated that this work will cost in the region of £2-3 million which is cost that will be incurred in any event.

Cost

- 14.6 The construction market is currently very active and there are shortages of both labour and materials. This combined with a pent up cost inflation from a long period of cost stagnation means that the coming years will see significant cost inflation, alongside developers being selective about schemes they will bid for.
- 14.7 The best mitigation is to buy early and fix costs. Minimising uncertainty for the contracting market will mean less risk pricing. To this end the market has confirmed that the fuller the design the better before going out to tender.
- 14.8 Throughout the course of the project the business continuity plan will be developed reviewed and evolved looking at alternative risk mitigations for programme delays including alternative short term accommodation and working practices.

Interdependencies

- 14.9 The current depot on the Commercial Road site will need to be vacated in order to dispose of this site. The delivery of a CLC service delivery plan is critical to support the development of the depot strategy in order to give certainty over the vacant possession of this site.
- 14.10 The new civic centre project has been progressing and has made a number of informed assumptions about the future look of the Council. The Council has now started looking at the business change and structure and size of the Council in the future. The proposed new civic centre can accommodate a flexible approach to the future shape and size but this must be firmed up before construction and preferably before the scheme is tendered. Failure to do so would be an opportunity lost to the Council to ensure that the new civic centre is a perfect fit for the long term and allow the delivery team to consider future flexibility within the building with regard complementary alternative use and income generation.

14.11 An indication therefore of the operational structure of the Council and directorate size would be a minimum requirement and would be needed by summer 2015. This piece of work has now been initiated by CMT.

14.12 The current 5 year asset strategy for the Council is due for updating and refreshing. This is currently proving difficult in the absence of information from some areas on their future needs. Without updating this strategy the Council runs the risk of not maximising its current stock and releasing further assets for disposal.

15. CRIME AND DISORDER IMPLICATIONS

15.1 There are no immediate crime and disorder implications arising from this report.

Linked Reports, Appendices and Background Documents

Linked Report

- As appended

Appendices

- Cabinet report and Appendix of April 2015


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

- None.

Officer contact details for documents:

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Cabinet 8 April 2015	 TOWER HAMLETS
Report of: Corporate Director, Development and Renewal.	Classification: Unrestricted
New Civic Centre Whitechapel – procurement proposal and programme	

Lead Member	Councillor Alibor Choudhury, Cabinet Member for Resources
Originating Officer(s)	Ann Sutcliffe, Service Head, Corporate Property & Capital Delivery
Wards affected	All wards
Community Plan Theme	One Tower Hamlets
Key Decision?	Yes

Executive Summary

This report contains recommendations that to relate to disposals and to entering into contracts. To the extent required by the directions, these will require input and sign off by the Commissioners. To this end we confirm that the recommendations and viable alternatives listed in section 2 of this report are compliant with the council's agreed policies and procedures and European procurement regulations.

In line with direction A7 it is confirmed that statutory officers have sought third party advice on the conformity of the proposed procurement routes with Council procedures and procurement regulations and are satisfied.

Further to Cabinet's decision in February 2014 which resolved to acquire the former hospital site on Whitechapel High Street for the purposes of delivering a new Civic Centre, this report brings forward the delivery and procurement proposals for the new Civic Centre Whitechapel (CCW).

This report also updates Cabinet on the status of the acquisition of the site and presents the business case as requested for the new CCW.

More specifically, as requested by Cabinet this report sets out the following parameters and seeks approval from Cabinet prior to proceeding with capital works.

- Confirmation of preferred procurement route.
- Resolution of the negotiations for the purchase of the Whitechapel site from Bart's Health NHS Trust.
- Financial analysis.
- Risk allocation and accounting treatment.
- Contract mechanisms and project delivery.
- Initial technical and design diligence.

- Stakeholder consultation.

Recommendations:

The Mayor in Cabinet is recommended:

1. To agree the following combination of disposals, funding, design procurement, and delivery model for the CCW:
 - a packaged development scheme utilising developer's cashflow and risk management;
 - use of prudential borrowing at practical completion of the scheme to fund the gap;
 - tendering of the development scheme via a suitable and procurement-compliant framework;
 - the tendering to take place after having developed the design and briefing through to stage 2 of the Royal Institute of British Architects (RIBA) plan of works for building projects (RIBA stage 2), enabling the developer to sufficiently bring forward innovative effective design proposals.
2. If the above recommendation is not adopted to identify the preferred procurement route from the alternative options set out in section 2 of this report;
3. To adopt a capital estimate of £2.5 million to undertake investigations and complete the design to RIBA stage 2 and procure a delivery partner based on the chosen model of delivery;
4. To authorise the procurement of the required professional and technical services to undertake the work to RIBA stage 2 utilising, if available, suitable procurement frameworks available to the public sector;
5. To agree disposal of sites identified in paragraph 3.11 of this report in accordance with the Council's disposal procedure and with the requirements of section 123 of the Local Government Act 1972;
6. To note the requirement to obtain the prior approval of the Commissioners appointed by the Secretary of State prior to disposal of the sites identified in paragraph 3.11.
7. To authorise the Corporate Director, Development and Renewal, following consultation with the Service Head – Legal Services, to agree and enter into the terms and conditions of any agreements required to implement recommendation 1 (or recommendation 2 if so required) and recommendations 3, 4 and 5 in order to progress the civic centre project.
8. To authorise the Service Head – Legal Services to executive all documents necessary to give effect to these recommendations.

1. REASONS FOR THE DECISIONS

- 1.1 Further to the February 2014 Cabinet decision, the acquisition of the former hospital site on Whitechapel High Street has been concluded.
- 1.2 In line with the Executive Mayor and Cabinet instructions at that meeting, officers together with the consultants GVA have completed the further business case review.
- 1.3 The business case has been reviewed and assessed by officers to inform the recommendations within this report.
- 1.4 The lease on Mulberry Place will expire in June 2020.
- 1.5 The landlord of the current offices at Mulberry Place, a private investor, is currently working on a redevelopment of the East India Dock complex into a residential scheme in the near future and public consultation and formal pre application planning consultation is already taking place. Given this likely change of use, it is probable that the council, regardless of whether there was a desire to remain post June 2020, would not be granted a renewal of the lease. It is therefore essential to identify a viable exit route from Mulberry Place to ensure that staff are de-canted by no later than September 2019 to a new facility.
- 1.6 The council must commit to a new civic centre, or face occupying a number of disparate and poorly sited buildings that will lead to inefficiencies and increased costs of operation.
- 1.7 The justification for the further consolidation of council administrative buildings into a purpose built mixed use civic hub is predicated on the disposal of some if not all current administrative sites and additional surplus sites for the capital receipts to cross fund the new development. All these disposals would then deliver significant new housing to the borough.
- 1.8 Officers together with their advisor GVA have undertaken soft market testing with three of the London Development Panel (LDP) members who have all validated the proposed approach as desirable to the market and for which they would all have an appetite to bid for even in the current overheated market.

2. ALTERNATIVE OPTIONS

- 2.1 A number of options have previously been considered and are further modelled and considered in the business case. Whilst officers have made a recommendation in part 1 of this report there are a number of options that can equally be adopted and comply both with Council procedures and procurement rules.
- 2.2 The following table sets out the alternatives and shows the risks and advantages of each. It should be noted however that these risks are by

definition somewhat empirical cannot be quantified at the moment. By way of example the decision to dispose of properties separately in the current market would give rise to a perceived benefit of increased capital receipts. This is based on a currently buoyant market, however over the 5-6 year window of the project it is not known how the market will perform so that trying now to forecast the benefit in sales receipts would be disingenuous.

2.3 It must be noted that each of the alternatives are currently capable of delivering the new CCW within the required timeframe provided that decisions are made in a timely manner.

Alternative Option	Pros	Cons
<p>Option 1 (recommended above)</p> <p>Packaged development and disposals delivery using a suitable and procurement compliant developer framework</p>	<p>Developer carries the debt to building occupation of the CCW.</p> <p>Ensures that the majority of relevant developers of significant size are approached.</p> <p>Buys early cost certainty including receipts.</p> <p>Developer carries the market risk of the disposals. Developers are best placed to measure and price market risks in general.</p> <p>Reduces total debt to the Council.</p> <p>Time efficient which reduces programme risk to the Council and potential additional cost of interim solution.</p> <p>Earlier procurement will reduce exposure to an overheated and volatile market.</p> <p>Ensures a high likelihood of housing delivery.</p> <p>Soft market testing has identified an appetite amongst developers on the London Developer Panel though this is not defined as the chosen framework..</p>	<p>This risk being carried by the developer will potentially lower land receipts to the Council</p> <p>Developers will price the risk that they carry.</p> <p>Limits the field to the number of developer consortia on the relevant framework.</p>
<p>Option 2 (as 1 but not utilizing a framework)</p> <p>Packaged development and disposals procured via OJEU.</p>	<p>Potentially open up wider competition for the procurement.</p> <p>Developer carries the debt to building occupation of the CCW.</p> <p>Buys earlier cost certainty including receipts than separate disposals but not as early as the preferred option above.</p> <p>Developer carries the market risk of the disposals.</p> <p>Developers are best placed to measure and price market risks in general.</p> <p>Reduces total debt to the Council.</p> <p>Ensures a high likelihood of housing</p>	<p>Longer procurement will expose the Council to an overheated and volatile market risking higher costs.</p> <p>Time hungry which increases programme risk to the Council and potential additional cost of an interim solution.</p>

	delivery.	
<p>Option 3</p> <p>Standalone delivery of the CCW via a developer led solution with disposals marketed separately.</p>	<p>Developer carries the debt to occupation of the CCW.</p> <p>Developer MAY carry debt for longer but this would prove expensive.</p> <p>Separate disposals will potentially deliver higher values though this will depend on the market conditions at the time.</p> <p>Opens procurement up to a potentially different set of developers with different funding models.</p>	<p>Likely to restrict/limit the field of developers willing to bid as no land deal involved for them.</p> <p>Will require OJEU procurement which place programme risks on delivery and potential for a costly interim solution.</p> <p>Increased cost as the developer will only make their profit on the construction cost and a longer term debt repayment without cross subsidy from land receipts.</p> <p>The Council will carry market risk on disposals.</p> <p>The Council will carry programme risk on disposals.</p> <p>The number of sites coming to the market may limit competition for each one reducing revenues.</p>
<p>Option 4</p> <p>Standalone delivery of the CCW via a Design and Build led solution with disposals marketed separately</p>	<p>Likely to appeal to a wider range of bidders as it doesn't limit the field to those with an interest in housing delivery</p> <p>Simplifies the tendering process to a straight forward B&B contractor without developer/funding complexities significantly reducing the programme.</p> <p>Simpler tender evaluation to a straightforward D&B contract, i.e. no developer/funding complexities.</p> <p>Better control over procurement delivery timeline/cost.</p> <p>Separate disposals will potentially deliver higher values (depend on the market conditions at the time).</p> <p>Could be procured via OJEU or construction framework (e.g. Southern Construction Framework).</p>	<p>If OJEU procurement - risks programme delivery and may result in a costly interim solution being put in place.</p> <p>Likely to restrict the field of developers willing to bid as no development returns on offer.</p> <p>The Council will carry market risk on disposals.</p> <p>The Council will carry programme risk on disposals.</p> <p>The number of sites coming to the market may limit competition for each one reducing revenues.</p>

2.4 Within these alternatives the following should be noted:

2.5 Option 3 - To sell the disposal sites separately from the delivery of the new CCW but to seek via the market a development partner to deliver the CCW and fund it, would Require the Council to enter into some form of a long term payback to a private developer once the CCW is complete.

2.6 This alternative:

- May prevent the use of a framework and therefore require the contract to be tendered via OJEU which will present a programme risk for the

delivery of the new CCW.

- Cost significantly more to fund as the private developer is making profit purely on the construction and cashflowing the scheme with no other source of profit from the disposal sites.

2.7 Option 4 - Procuring the CCW separately from the site disposals and a building contract and ring fencing the capital receipts for cross subsidy;

- May prevent the use of a framework and therefore may require the contract to be tendered via OJEU which will present a programme risk for the delivery of CCW. There are however other alternative frameworks that may be considered.
- In tendering the CCW as a design and build (or any other form of building contract) would require significantly more design to be concluded prior to tendering.
- Require the disposal sites to be sold either as a package or individually in the market and is suggested that this would be open market tendering.
- Require the Council to account for the full amount of the debt at the outset of the development.

2.8 In addition to the procurement alternatives above the recommended route utilises design through to RIBA stage 2 Concept Design. This refers to the RIBA-specified plan of work, which organises the process of briefing, designing, constructing, maintaining, operating and using building projects into key stages. Stage 2 is concept design which includes structural design, building services systems, outline specifications and preliminary cost information along with relevant project strategies in accordance with the design programme. It involves agreeing alterations to brief and issuing of a final project brief. Officers believe that this is the minimum level of design that should be undertaken. As discussed later in this report however there are two alternative approaches to the level of design that could be undertaken.

2.9 One option is tendering the scheme either in a packaged or non-packaged form but with no further design and due diligence undertaken by the council would place great risk and uncertainty on the Council. In soft market testing all the developers approached felt this would put a great deal of uncertainty on the developers that would be reflected in their pricing and programming assumptions.

2.10 This option:

- May prevent the use of a framework and therefore require the contract to be tendered via the OJEU which will present a programme risk for the delivery of the new CCW.
- Poses a very real difficulty in identifying the best value bidder without design parameters to measure.

2.11 An alternative option would be fully designing the scheme through to and

obtain a planning consent and procuring the scheme in any of the above alternatives should be considered. This option would provide increased delivery and cost certainty to the Council and could be done in conjunction with any of the above alternatives. It would however because of the programme constraints be ideally utilized with a packaged procurement through a suitable and procurement compliant framework as identified in the recommended alternative above.

- 2.12 It should be noted that while all the options are currently deliverable the programmes for OJEU procurement and packaged developer delivery are significantly tighter and therefore as noted above pose a programme risk beyond that of a simpler design and build contract.

3. DETAILS OF REPORT

Background

- 3.1 The council has previously consolidated its civic hub and administrative functions at East India Dock into one site, Mulberry Place, surrendering Anchorage House to realise significant savings of circa £7m per annum.
- 3.2 East India Dock is still widely considered to be a poor location to best serve the needs of the borough's residents. East India Dock Estate, whilst reasonably served by public transport is located in the extreme east of the borough in close proximity to Canary Wharf and has perceived problems of customer access and approachability.
- 3.3 The Mulberry Place lease expires in 2020. The building costs the Council approximately £5 million per annum of which £2.8 million is rent. The landlord, a private investor, has announced plans to redevelop the entire East India Dock into a residential scheme in the near future and public consultation is already taking place. Given this change of use, it would not be possible without a significant increase in rental for the Council could remain here post June 2020. In the business case we have modelled a simple market uplift in rent for a new lease but in reality due to the significant uplift in value delivered from a residential redevelopment the cost of a new or even interim extension to the lease is likely to be considerably higher.
- 3.4 It is therefore essential to identify a viable exit route from Mulberry Place to ensure that staff are de-canted by no later than September 2019 to a new facility.
- 3.5 Cabinet have previously approved the principle of a new Civic Centre (February 2013) and additionally the acquisition of the vacant Whitechapel building (February 2014) for this purpose.
- 3.6 Additionally in the long term the new CCW will contribute to the year on year revenue savings required of the Council whilst enabling improvements to service delivery to residents. It should also be noted that, unlike the current

lease arrangement of the Town Hall, in the longer term the CCW will have a long term asset value to the Council

- 3.7 Each of the options is associated with the disposal of a number of surplus assets and in the case of the move to Whitechapel the number of sites available is maximised. Regardless of the procurement option chosen (discussed later in this report) however it is recommended that the available sites are disposed of in order to deliver housing to the borough and to cross subsidise the civic centre.
- 3.8 In each case the assets will be required to deliver housing and officers with the design team will work with Planners to ensure that the agreed planning brief can be a required delivery under a disposal contract and a pre-requisite for a successful bid.
- 3.9 The project's objectives can be summarised as:
- To develop a sustainable, multipurpose, civic centre in the geographic heart of the Borough and with excellent transport connections,
 - As required by the Asset Strategy, to rationalise the Council's operations to provide more efficient internal communications and cross Council working and reduce the Council's revenue cost of holding empty redundant buildings,
 - To maximise opportunities to make financial savings from efficient use of accommodation,
 - To deliver year on year operational savings to the Council and deliver significant new housing to the borough.

The Options

- 3.10 The previous report to Cabinet (February 2014) was based on the outline business case provided at the time and this identified three alternative approaches to providing the new space having discounted finding alternative rented accommodation or remaining in Mulberry Place. These options are summarised below.
- 3.11 **Remain in Mulberry Place** - This option was modelled by the team to ensure our baseline assessments are robust and to monitor efficiency savings being generated. As set out above however, the landlord is currently seeking to redevelop the site as a residential scheme which will significantly increase the value of the site to him. As previously reported it is highly unlikely that a renewal of the lease will be granted without a significant increase in the rent. Additionally the current building would require significant investment for a long-term lease period as the building and its services are already beyond their useful design life. Cabinet have previously in line with recommendations ruled out this option.
- 3.12 **Develop existing Council sites** – The team reviewed all current assets owned by the Council to identify a location to deliver a new office. The current Commercial Road depot site, formerly the Renault garage is the only alternative site available to the Council of a sufficient size to deliver a purpose built consolidated civic hub. This option has been modelled. The site may be

able to accommodate a mixed use development including housing with the civic centre. However, in reality, the nature of the surrounding area means that the mass of development that could be delivered on the site is likely to be restricted, in particular by height and (in the case of the residential aspects) lack of amenity space. The scheme would, in any event, be a dense solution and it should be noted that it would result in a significant increase in users and office accommodation in an area which is primarily residential and not deemed a 'town centre'. This poses a significant risk to securing planning consent. This site will be utilised on the preferred option as a disposal site for residential development.

- 3.13 **Refurbish and or redevelop a number of existing assets** – Having reviewed the current asset the Council does not own any other buildings that are of sufficient size to accommodate the forecast service needs. At best the Council would need to decant into at least 5 or possibly six buildings. All these buildings would need substantial refurbishment works and would leave the Council dispersed around the Borough and operating in an inefficient and fragmented way which will detrimentally affect the performance of services and efficiency and flexibility to manage the size of the organisation going forward. Two of the office buildings, namely Cheviot House and the LEB building cannot be refurbished to modern office requirements as this would result in the floor to ceiling height being too low making them no longer suitable for office occupation and this option has to be discounted. Additionally this option will deliver no additional new homes.

Disposal funded new Civic Centre – This, the preferred option is to develop a new purpose built civic centre on the acquired Whitechapel site. Any new development will commit and require significant funds. In order to mitigate the effect of borrowing on the council's revenue commitments, there are a number of assets that are identified as sites for disposal for residential purposes in the asset strategy or which will become surplus to requirements as a result of the move into the new CCW. These are available to offset the medium term impact associated with the site procurement and subsequent construction. Officers consider it necessary to fund capital development from these receipts. However this option is better value for money than remaining in the current or other refurbished council offices and will drive significant year on year operational savings once occupied. Additionally unlike any leased alternatives such as the Mulberry Place the Council will benefit from the Asset at the end of the modelled period.

The disposal sites are the following sites held in the general fund:

- Jack Dash House
- Albert Jacobs House
- Commercial Road (former Renault garage)
- Gladstone Place
- LEB Building
- Southern Grove depot

Disposal funded new Civic Centre at Whitechapel

- 3.14 Cabinet have previously approved the principle of a new Civic Centre and additionally the acquisition of the vacant Whitechapel building for this purpose.
- 3.15 It is evident that the construction of a new civic hub in Whitechapel has a significant benefit to the borough. A new civic hub at Whitechapel enhances the project objectives across most of the Council's chosen indicators. The main points being:
- Making the Tower Hamlets Community Plan objective of a "a great place to live" a reality by providing impetus to the regeneration of Whitechapel and its surrounding areas and locating the council in a more accessible town centre.
 - Raising performance and maximising efficiencies through the optimisation of council office accommodation and compliance with latest building regulations through new build facilities.
 - Longer term revenue savings through occupation of council owned accommodation, whilst noting the short term cost associated with procurement and construction of the site.
- 3.16 The use of this site helps the council to achieve the objectives set out in the adopted Whitechapel Vision and will provide a significant boost to the Whitechapel redevelopment plans, whilst placing the new civic hub at the heart of the borough and protecting the retention of a locally listed building by giving it a civic presence.

Appraising the Options

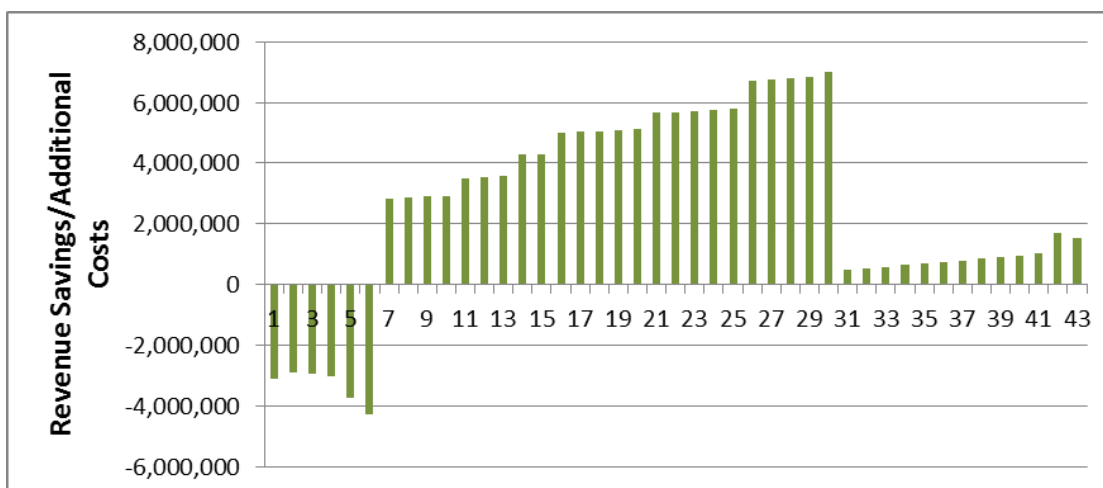
- 3.17 An underlying requirement of the relocation of the Civic centre is to assist the Council in achieving annual revenue savings targets for the medium term, including a reduction in the number of council offices. For the project to be deemed viable and affordable it has to achieve a reduction in the combined costs of providing the Civic centre with the release the value of the surplus sites which are all suitable for housing development. The financial analysis undertaken has compared the relative costs and benefits of various options.
- 3.18 The financial analysis uses Net Present Values which look at cash flows over a 40 year period for the Civic centre. We have made an assumption that the Council, where capital expenditure is incurred, will have to borrow all the sums required to facilitate this project and have allowed for the financing costs within the model. The financing costs are built up from interest charges and the minimum revenue requirement, based on the asset life of the capital expenditure.
- 3.19 This assumption requires that the Council prudently assess any additional borrowing and that sufficient headroom up to the Capital Financing Requirement (CFR) is available. In addition, any capital receipts derived from assets directly linked to this project have not been ring-fenced; with the

receipt being applied as per the strategic priorities of the Council. However, a corresponding revenue saving has been applied to the project to reflect this sales income and the benefits associated with proceeding with this project. Officers do however consider it prudent to ring fence the capital receipts to finance the project.

3.20 We have tested 7 potential civic centre options in the business case. Having previously identified the practical alternatives and the base case of staying in mulberry the results of these NPV's are shown in the table below. In each case the available disposal receipt and housing delivery from surplus stock has been modelled.

Civic centre Option	Description of Option	NPV	Number of Homes
Civic centre Option 1	Remain in 4 existing office buildings	£160.1m	170
Civic centre Option 3	New Civic centre at Commercial Road and remain in Gladstone Place and Albert Jacobs	£113.9m	481
Civic centre Option 5	Whitechapel only	£128.1m	778

3.21 There are additional revenue costs in the first 6 years which are attributed to the costs of constructing/leasing other buildings simultaneously with finishing the lease on Mulberry. These costs are unavoidable in modelling the schemes but in reality can be deferred to avoid there impact in this period. However, these upfront costs then provide significant revenue savings for the remainder of the 40 year period following the expiry of the Mulberry Lease. The annual revenue impact for Option 5 can be more definitively seen in the following chart:



- 3.22 In summary, the “Do Nothing” of Civic centre Option 1 has a total NPV of £160m and only produces 170 housing units, compared to the cheapest new build Civic centre Option 3 which has an NPV of £113.9m and 481 residential units. Doing nothing is therefore not an option.
- 3.23 Based on the financial analysis it is not financially viable to remain at Mulberry Place. The cheapest financial option of re-occupying 3 vacant office buildings has to be discounted as 2 of the buildings cannot be refurbished to meet modern office requirements.
- 3.24 Whilst the Commercial Road option is financially cheaper than Whitechapel, it won't deliver as many housing units and it won't enable the Council to have a key role in bringing forward its Whitechapel Vision, which will have a significant beneficial impact upon the local area.

Delivery and Procurement

- 3.25 The project cost for the new CCW is currently estimated at around £85 million depending on the extent of the development needed. This would be a significant debt burden for the council to carry without the capital receipts.
- 3.26 Even with the proposed capital receipts from disposals, there will be a significant shortfall in funding – the gap, which will need to be funded by the Council through debt. This debt has been modelled in the business case scenarios.
- 3.27 Essentially there are two distinct delivery models available and they are:
 - A** to borrow the full amount of the cost, build out the new facility, sell the surplus sites and use the capital receipts to pay off the majority of the debt (financial model Option 5) or,
 - B** to enter into a packaged disposal and delivery model with a private developer (financial model option 8).

- 3.28 Officers have reviewed the delivery models and procurement within these to allow an informed decision to be made on the best route forward. The best route will depend on the:
- the very tight programme for delivery, and;
 - the risk appetite of the council.

Separate disposal

- 3.29 The disposal sites are a mixture of those currently available and those that will become so as a result of the rationalisation of the civic functions into the new CCW. The sites are all discrete sites capable of separate disposal and not links by proximity to each other.
- 3.30 The council could simply set about disposing of their surplus stock now and programme this out over the course of the next few years. Sales receipts could then, once achieved, be set aside for the delivery of the scheme.
- 3.31 As buildings become available the council would seek to sell these on the open market and receive best consideration for them. It is likely that the future use of these sites would be restricted to housing (though not necessarily) with planning compliant tenure mix.
- 3.32 Clearly the cash flow of capital values and sales receipts is not ideal and the council would bear the sales risk and cashflow implications of delays in disposals and market volatility.
- 3.33 This route allows the council to retain greatest control over outcomes but bear significant development cost and cashflow risk.
- 3.34 Disposals would be undertaken in accordance with the Council's disposal procedure. It is likely that this would be on an open market tendered basis as is normal for such disposals and buildings. The sites would be brought to the market as and when they become available and in line with any protocol agreed with the Commissioners. As required by the Secretary of State's directions given on 17 December 2014, the prior consent of the Commissioners would be required to each disposal.
- 3.35 If this option were followed then a developer-funded model will not be viable as there will be no development profit or upside for the developer other than on costs to the cost of the building. This would be an inefficient way of raising capital leaving only a traditional contract form such as design and build contract procured via OJEU open market tendering.

Packaged delivery and disposals

- 3.36 As an alternative approach the council could package all or some of the disposal sites together with the new civic centre project and tender this to the

market either using the OJEU process or a framework, if required due to time critical needs.

- 3.37 The council would be seeking a development partner in this instance that would use their knowledge of the market and access to funding, bear development risk, and cashflow the delivery of the project.
- 3.38 The development partner would need to be a significant entity or consortium with a substantial turnover in the order of three times the project value, including the value of the disposal sites.
- 3.39 The partner would receive the surplus sites to develop at nil value though required to deliver within whatever constraints (such as planning compliant housing) the council determined were right. In return the partner would develop the new civic centre in line with the council's brief and needs.
- 3.40 On completion of the civic centre this would be handed over to the council in exchange for the gap or shortfall in funding in a form commensurate with the chosen funding proposal. This could be a one off payment raised from debt or by way of staged payments over time, though this will attract additional cost to the Council.
- 3.41 The benefits of this structure are that the development partner will bear both the sales value risk and cashflow risk for the development. This would also allow the council to defer debt until the gap funding was needed at handover of the new building.
- 3.42 Significantly however the council will have less control over the outcomes and this is likely to cost more due to the offload of risk to the developer. Though when cashflowed over the life of the modelling period there is no significant cost difference.
- 3.43 The development partner model can be procured either by OJEU or more practically using a framework, which would significantly reduce the programme implications of procurement. There are a small number of frameworks that are available to which the Council has access. Because of programme constraints officers believe that it is advantageous to use a suitable and procurement compliant framework, which provides access to a very good selection of developers and minimises programme risk and procurement cost to the council.
- 3.44 Consideration has been given to use of the GLA's London Developer Panel, which is set up for residential led schemes. The framework was procured through OJEU by the GLA in order to speed up the process of development and was intentionally set up to give access to local authorities. The Panel comprises some 20 consortia with whom the project would be tendered and all of who have demonstrated their ability, track record and experience. However, the scheme is for residential-led schemes and it is clear that any mixed use elements must be properly ancillary to and in support of housing. This will likely present a challenge to a scheme which includes the CCW.

- 3.45 The council has undertaken some soft market testing to ensure that there is an appetite in the market for such a developer led proposal.
- 3.46 Additionally we have modelled the NPV of procuring the new building on this basis (financial model Option 8) which compares favourably with that of separate disposals and borrowing (option 7). The NPV's of the options are £127M and £128M respectively. The key financial advantage of the packaged model however is that there is potentially no negative financial impact of borrowing money in the short term whilst paying the outgoing costs on Mulberry Place as this debt will be carried by the developer partner

Design

- 3.47 If the council wish to proceed with a design and build contract to deliver the new civic centre rather than a packaged up development then the council should develop the scheme through to, or near to Planning. This will be needed to ensure cost certainty in the tendering process as the greater the design certainty the better the market will price the work. Additionally there will be less opportunity for cost increases during the delivery period from design evolution and change.
- 3.48 If however the decision is made to progress the new civic centre with developer led model, packaging up the major housing sites, the council must decide on the extent to which they design the new buildings or allow the developers freedom to design their proposals. In each cost the total cost of design would be broadly the same.
- 3.49 To date the council has led a team working at RIBA stages 0-1 covering strategic definition and some briefing. This is not enough at the moment to take the project, which is complex in terms of scale, deliverability and complexity through to procurement.
- 3.50 Essentially whatever route is adopted, the full design costs for the civic centre would be in the order of 12% of the build cost or around £12 million. This is approximately the fee cost regardless who and how the project is taken forward.
- 3.51 Fees are normally split into design stages as determined by the RIBA plan of work. At whatever stage the design is passed from client to contractor or developer there is normally a level of redesign. In reality the duplication of design is limited though this will depend on the level of control that the client wishes to have. The greater the control the less duplication there is; more importantly, for the council, it offers greater control over cost and programme certainty.
- 3.52 In broad terms the fee costs over the life of a project with fees of £12 million would be:

Stage	Description	Cost	Proportion of the total fee	Aggregate fee
1	Preparation of Brief	£1.2M	10%	£1.2M
2	Concept Design	£1.8M	15%	£3.0M

3	Developed Design	£1.2M	10%	£4.2M
4 onwards	Technical Design	£7.8M	65%	£12.0M

3.53 With this in mind there are three options available to the council:

1. To design through to RIBA stage 3 and obtain planning consent
2. Complete a brief based on the work to date and allow the developers to bring forward their designs and to obtain planning consent around the completion of Stage 1.
3. Follow a halfway house in which the council undertake sufficient investigations and design to ensure that the new building will deliver but allow the developers to bring forward their own solutions to this – RIBA Stage 2.

Design to planning RIBA Stage 3

3.54 Essentially this is the model adopted for the majority of council projects in recent years including Blackwall Reach and the Ocean Estate. The model drives certainty of deliverability and cost as delivery partners will then know what they are required to deliver and are able to price this upfront in the knowledge that it can be delivered.

3.55 This will also give the council control over the end product and therefore, up to contract the cost of the scheme. This will however place a cost burden on the council to cashflow the process through to contract. Flexibility is also lost in terms of allowing the market to find cost effective solutions to the delivery of the building. These fees will however only be abortive or wasted if the scheme either does not go ahead or the design is significantly changed post contract. Due to a significant level of developer design still being required the overall cost to the council would be the highest and risk of deliverability the least.

Minimal further design RIBA Stage 1

3.56 This is not a model that the council has used before and essentially requires the bidders to undertake a substantial amount of work at bid stage, which for the unsuccessful bidders will be abortive. This may mean that the council has to underwrite some of these fees in order to ensure that there is sufficient appetite in the market to bid. The underwritten cost would be lost. The successful bidder would in any event seek to recover their bid costs in the overall project thus not saving the council money but simply cash flowing the design stage.

3.57 Significantly the council will lose control and choice, unable to necessarily take the best design options due to cost and potentially being forced to adopt “clever” developer design that ticks the scoring boxes and is cost effective but does not deliver the innovation that is sought from the market.

3.58 There is no certainty that the successful proposals will secure planning consent or be deliverable thus placing the delivery of the new building on programme at risk.

- 3.59 Despite the reduced level of investigation and design there would be significant pre-contract costs for the council and the saved costs being investigation and design would simply be paid for by the council post contract.
- 3.60 Of particular note and as a lesson learnt on a recent major capital project, where a limited amount of design development is undertaken funders will often seek to cover off their risk by prolonged post contract negotiations which delay the project, introduce increased risk of challenge to the final deal and seek to push risk back to the Council

Half-way house RIBA Stage 2

- 3.61 In essence this is the model adopted for the Poplar Baths and Dame Colet development. The council would undertake a significant amount of engineering investigation and design together with pre-planning work with English Heritage and LBTH Planning. The bidder would then bid against a known baseline that they could be measured against and the council could have an increased level of certainty over deliverability and cost.
- 3.62 This model also allows the developers to be innovative in response to the brief, enabling them to push the boundaries of design and space utilisation as well as offer additionally to the scheme such as alternative uses.
- 3.63 There is a cost impact pre-contract for the council but this would be less than the full design option and significantly the works would not be abortive as they would all be needed by the bidders but paid for only once.

Cost control and Risk comparison

- 3.64 Cost control and risk vary through the different models as the council retains or abdicates control. The following table sets out broadly the cost risk matrix of the three options.

Delivery Model	Upfront cost to LBTH	Overall cost	Control	Risk
Full LBTH design	High	High	High	Low
Min LBTH design	Low	High	Low	High
Halfway House	Medium	Most cost effective	Medium	Low

Governance

- 3.65 As previously discussed it is proposed that the council adopts the Government's Managing Successful Programmes governance model for the delivery of both the new civic centre and the council's business change programme. The proposed structure fits well with the current structure of the council's governance and will give both full and even input into the programme and organisational change.
- 3.66 A sponsoring group will comprise senior officers (CMT) and be chaired by the Mayor. A separate monitoring/overview group should also be set up, potentially including or consisting of members of the Overview and Scrutiny

Committee, which would meet twice yearly. This will allow direct and open oversight into the project as well as cross-party and cross-council support and input.

- 3.67 Within the group will be the Senior Responsible Officer (SRO) who it is proposed would be a corporate director (or specialist new post) of the council in order to ensure very senior representation and a high level leadership and focus across all aspects of the project delivery.
- 3.68 Because of the seniority of the SRO it is proposed that they are supported by a programme director (PD) in the form of the Service Head of Corporate Property and Capital Delivery, for the delivery of the new facility. The PD will not sit on the sponsoring group though may be called upon to report to and assist the SRO in their duties. The main responsibility of the PD will be the day-to-day leadership of the programme and driving it forward.
- 3.69 In order to address the programme imperatives it is suggested that a separate SRO and programme/project board be set for the building project. This would still report into the sponsoring group and have close links with the council's business change programme but would allow the project to move forward at a different pace.
- 3.70 The SRO and PD will co-chair their programme boards and it is currently envisaged that the SRO would be Corporate Director, Development & Renewal, supported by Service Head, Corporate Property & Capital Delivery.
- 3.71 The programme manager will be a new post as will be the main building project manager.
- 3.72 The programme support office will vary in size over the course of the project and many of the positions could be filled with existing staff though they will need to move full time into the support office.

Programme

- 3.73 As previously noted the programme is tight and mitigation is in place as noted in section 8.
- 3.74 Whichever procurement route is adopted there a number of key milestones that must be met to drive the project forward and these are tabulated below.

Milestone	Completion
Cabinet Decision to proceed	April 2015
Prepare briefs for Consultant team procurement	April 2015
Procure Consultant team	July 2015
Design and procure due diligence and briefing	October 2015
Issue OJEU notice	October 2015
Procurement	12 Months
Contract award	October 2016

Planning period	April 2017
Construction	Three Years
Completion	May 2020

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 This report brings forward the delivery and procurement proposals for the new Civic Centre following the decision of the Mayor in Cabinet (5 February 2014) that confirmed that the former Royal London Hospital site in Whitechapel was the preferred option for the location of the new civic centre. The Council has subsequently completed the purchase of the site from the Bart's Health NHS Trust.
- 4.2 Following the acquisition this report now seeks approval to develop the scheme design to RIBA Stage 2 level, and to determine the preferred procurement method to be adopted for the construction of the new civic centre.
- 4.3 The council pays approximately £5 million per annum in lease and service charges for the Mulberry Place building and in the longer term officers consider that the lease is unlikely to be extended beyond its June 2020 expiry date. It is therefore necessary that alternative arrangements for a civic centre are put in place now in order to generate long-term savings. The report outlines the reasons why the lease is unlikely to be extended in paragraph 1.5.

Financial Modelling and Outline Business Case

- 4.4 As outlined in previous reports, the council appointed an external property management company advisor, GVA, to undertake financial modelling to inform an outline business case assessing various options for the relocation of the civic centre. The assessment compared the capital and running costs of each option together with a high level net present value calculation, calculated over a 40 year period.
- 4.5 The assessment was based on historic information held by the council in relation to annual running costs of its existing premises, with the major construction and capital costs of the proposed new buildings being assessed by GVA.
- 4.6 All options were assessed against a base position, i.e. that the council remains at Mulberry Place and is able to extend the lease beyond 2020. Although this option is now considered to no longer be feasible, it remains the basis against which alternatives have been assessed. The report provides background to the main options previously considered in relation to the siting of the proposed Civic Centre in Whitechapel in paragraphs 3.10 to 3.24.

- 4.7 Financial assessment of all the options proposed showed that significant savings are achievable compared to the baseline position, both on a Net Present Value as well as a total cashflow basis. However, as highlighted in previous reports, it must be stressed that the alternative options all involved significant capital expenditure over the years from 2016 to 2019.
- 4.8 With both options, over a 40 year period significant savings could be achieved compared to the existing arrangements. However, the relocation will take a number of years to complete, with savings only being realised from 2020 onwards. In the medium term revenue costs will increase while the rationalisation takes place.

Adoption of Capital Estimate for Design to RIBA Stage 2

- 4.9 As part of the budget process for 2014-15, funding of £12 million was set aside as a provision for the development of the new Civic Centre. The site was formally acquired in January 2015. After allowing for associated fees and taxes, an uncommitted sum of just in excess of £2,500,000 remains. This report seeks approval to utilise this sum to complete the design to RIBA Stage 2 with a view to procuring a delivery partner. A corresponding capital estimate of £2,500,000 is therefore sought which will be fully financed from the earmarked resources remaining.
- 4.10 On completion of the design to RIBA Stage 2, as outlined in paragraphs 3.60 to 3.62, the Council will be in a position of being able to invite bidders to bid against a known baseline against which they can be measured, meaning that the Council will have an increased level of certainty over deliverability and cost. There will however still be scope for the developers to be innovative in relation to design and use of space.
- 4.11 At that stage further reports to Council will be presented to seek approval for the proposed funding arrangements for the full project and the necessary capital estimates to be adopted with full budgetary provision identified within the Council's capital programme. These will be based on a full assessment of the financial implications and identification of resources available, and will necessitate an evaluation of the impact on the Council's borrowing requirement as well as the medium term revenue implications. The funding requirement will depend upon the disposal process adopted.

Procurement Method

- 4.12 The report sets out various procurement methods that could be utilised in relation to the construction of the Civic Centre. These are shown, together with the relative advantages and disadvantages of each option, in the table in Section 2.
- 4.13 The relocation of the civic centre will require major capital investment which would have to be financed from within the limited resources available to the capital programme. The report indicates that depending on the scale of the development, the estimated costs of the Civic centre construction are approximately £85 million (paragraph 3.25). A full assessment of the funding

sources will be undertaken once these costs are finalised, however it is assumed that there will ultimately be a requirement for significant borrowing to be undertaken with the consequential impact on revenue budgets of the debt charges. Modelling suggests that these on-going additional revenue costs will rise significantly until the expiry of the Mulberry Place lease, with the costs being incurred at a time when the Medium Term Financial Plan of the council is already demonstrating the need for significant annual budget reductions. Additional revenue savings would need to be identified in addition to the on-going savings targets that have been assumed within the MTFP, and in order to mitigate these costs it will be necessary to generate capital receipts from asset sales to 'cross subsidise' these costs.

- 4.14 The financial modelling that has been undertaken assumes that surplus council owned assets are disposed of to part fund the significant capital expenditure requirement. The realisation of capital receipts from the disposal of assets that are declared surplus to the council's operational requirements is essential if the relocation project is to be viable. Previous reports provided authorisation to proceed with the disposal of assets to finance the relocation, but the risk of not generating sufficient sale proceeds rest with the Council.
- 4.15 The council has a statutory duty to ensure that any decision is justified on a value for money basis, with the wider potential regeneration benefits being considered in addition to the business case. The 'Whitechapel Vision Economic and Employment Impacts Study' report previously considered by Cabinet set out the anticipated impact on the Whitechapel area of the proposals within the masterplan area. These are not easily financially quantifiable but should be considered in the context that relocation of the civic centre will support the regeneration of the area.
- 4.16 Any relocation to a new civic centre will necessitate consideration of various council working practices, including those relating to flexible working, as well as an assessment of the on-going IT requirements.
- 4.17 As stated above, it should be noted that at this stage sufficient funding has only been set aside for the site purchase and initial design work. Any decision in relation to construction and development will be subject to further Council decision based on a full assessment of the financial implications and the agreed procurement route.

5. LEGAL COMMENTS

- 5.1. The Council has an obligation under section 3 of the Local Government Act 1999 to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (the best value duty). One way that the Council seeks to deliver this duty is by complying with its procurement procedures. The general principal is that the Council achieves best value by subjecting spend to competition and choosing the winning bidder by applying evaluation criteria showing the best and appropriate mix of price and quality.

- 5.2. The construction work is of a value in excess of the European threshold (currently approximately £4.3 million for works) as set down by the new Public Contracts Regulations 2015. Therefore, the competitive exercise must comply in all respects with the requirements of the Public Contracts Regulations and with European Law.
- 5.3. The report recommends an option involving procurement of a development scheme through the use of a suitable framework agreement. In order for the Council to be able to procure in reliance on a framework agreement with appropriate Developers, the framework itself must have been procured in compliance with the European law and additionally the following requirements must be satisfied:
- The Council is immediately identifiable in the relevant OJEU advert as a potential user of the framework;
 - The OJEU advert includes the types of works required by this development; and
 - The estimated value of the overall framework has sufficient capacity to include the full cost of the procured development.
- 5.4. The London Development Panel Framework has been considered, but this may well have to be rejected as the framework was set up for housing developments and the associated inclusion of commercial properties was intended to be in respect of commercial buildings that directly supported the housing that was developed or formed part of the infrastructure.
- 5.5. A number of the other options tabled in this report lead to a splitting down of the overall project or delivery in different forms. However, the value of the cost of the development of the Civic Centre alone is greater than the relevant European Threshold and therefore use of any framework for works that may or may not be developer led must also comply with the requirements outlined in paragraph 5.5
- 5.6. The report also proposes that consultants be engaged to provide the required professional and technical services to undertake investigations, complete the design to RIBA stage 2 and procure a delivery partner. The current European Threshold (the estimated contract value beyond which the European Regulations will apply) for services is approximately £172,000. Any of the associated professional services contracts with an estimated value in excess of this must be tendered in accordance with the Public Contracts Regulations 2015. A pre-procured framework may be used although this is dependent upon the terms of reference under which the framework was originally procured and the requirements stated in paragraph 5.3 must be observed.
- 5.7. It is proposed to only procure part of the professional and technical services required for the proposed development (i.e. to RIBA stage 2). It may be preferable, however, from a procurement perspective to anticipate using consultants through the whole period of the development. This is because

consultants will likely have ownership of intellectual property rights and an in-depth understanding of the project, having taken part in the design of the scheme. If, as proposed, the professional and technical services are not procured through to completion, then a further competition will be required for the next stage of services. Under a further competition there is no guarantee that the original professional service provider will win and therefore be able to be used throughout the remainder of the project.

- 5.8. The options in the report include disposal of properties identified in paragraph 3.11, either as part of a development agreement or by separate sale. Under section 123 of the Local Government Act 1972 the Council may dispose of its land in any manner that it may wish. However, except with the Secretary of State's consent or in the case of a short tenancy, the consideration for such disposal must be the best that can be reasonably be obtained. This obligation will need to be complied with, whichever of the options is adopted.
- 5.9. On 17 December 2014, the Secretary of State made directions in relation to the Council pursuant to powers under section 15(5) and (6) of the Local Government Act 1999. Those directions are in place until 31 March 2017. The Secretary of State appointed Commissioners whose prior written agreement is required to the disposal of property other than existing single dwellings for residential occupation. This requirement will apply to the disposal of the sites listed in paragraph 3.11 of the report.
- 5.10. The directions made by the Secretary of State also require that during the direction period the Council must adopt all recommendations of the statutory officers (relevantly the head of paid service, the monitoring officer and the chief finance officer) in relation to entry into contracts, unless the prior agreement of the Commissioners is obtained not to do so.
- 5.11. Before awarding the contracts, 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 (the public sector equality duty). The level of equality analysis required is that which is proportionate to the function in questions and its potential impacts and consultation may be necessary in order to fully understand the needs of the people who have protected characteristics (as defined under the act) affected by changes caused by this project.
- 5.12. Any consultation carried out for the purposes of assessing the impact of the development should comply with the following criteria: (1) it should be at a time when proposals are still at a formative stage; (2) the Council must give sufficient reasons for any proposal to permit intelligent consideration and response; (3) adequate time must be given for consideration and response; and (4) the product of consultation must be conscientiously taken into account. The duty to act fairly applies and this may require a greater deal of specificity when consulting people who are economically disadvantaged. It may require inviting and considering views about possible alternatives.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 Consideration has been given to the potential impacts of choosing one of the options set out in the report on people with protected characteristics within the meaning of the Equality Act 2010. An analysis document is in preparation which will be tabled at the Cabinet meeting.
- 6.2 One of the issues with buildings of a certain age, including many of the assets currently in the council's ownership, is that they are not fully accessible for those people with physical disabilities, and ensuring full accessibility and DDA compliance will be prohibitively expensive. The purpose-built civic centre development will allow the council to design the building so as to ensure it is fully accessible. This will be specified as part of the design process to ensure it is a central consideration in the design of the building.
- 6.3 When compared to Mulberry Place, the central location, transport links, and design of the purpose-built civic centre in Whitechapel Road will increase the openness and approachability of the civic centre, encouraging participation and engagement in the democratic process as well as facilitating easier access to services. In addition, a new purpose-built council chamber can design out many of the physical issues that exist with the Mulberry Place council chamber. This includes poor acoustics and limited sight lines, hampering involvement in the democratic process.
- 6.4 Any procurement exercise will ensure that 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.
- 6.5 In particular the delivery of the new CCW will in line with all other major development projects ensure and require early consultation with the whole community and engagement to ensure that the maximum benefit can be drawn for the local community in terms of employment and training.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 7.1 The delivery of any new building is an opportunity to better the green credentials of the occupier and seek to improve their environmental effect.
- 7.2 The current Council stock is old and in poor condition with inefficient services and building fabric. The current town hall at Mulberry Place is also particularly ineffective in environmental terms.
- 7.3 The new CCW offers a number of opportunities to improve the green and environmental credentials of the Council.
- 7.4 The location of the CCW is in the centre of a public transportation hub offering the opportunity for all staff and members to get to the centre without the use

of private cars. The non-provision of car parking (other than disabled) will ensure that the travel carbon footprint of the staff is dramatically decreased.

- 7.5 The effective reuse of a substantial part of the original hospital building in recycling it will also reduce the level of new build whilst allowing the thermal and environmental services upgrade to take place. The new building will be designed to deliver an efficient and environmentally sustainable building replacing the existing dated and inefficient stock.
- 7.6 Finally and in many ways most importantly the new CCW provides the opportunity to change working practices, to reduce waste and paper resources and increase home working with more efficient systems.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1. There are a number of key risks that can be identified under the following headings

Programme

- 8.2. With no flexibility on the lease end date at Mulberry Place the delivery of the new CCW must happen on time. The best mitigation for this would be the use of a suitable and procurement compliant framework to allow an OJEU compliant procurement but in a shorter period of time.
- 8.3. There is sufficient time available to deliver the project but there is no float available in the critical path.
- 8.4. A timely decision is needed to enable the technical team to be appointed and the procurement and design to be started.
- 8.5. In order to mitigate some programme risk and additionally to enable greater certainty in design and therefore cost, it is proposed to let a separate enabling contract in the short term. This contract will strip the building of joinery, services, asbestos and redundant fabric and enable effective opening up and investigations. This will allow effective heritage asset assessment, structural investigations and design this contract will also allow the cleaning up of asbestos and weatherproofing the building to prevent degradation of the fabric in the interim period before works commence in earnest. It is estimated that this work will cost in the region of £2-3 million which is cost that will be incurred in any event.

Cost

- 8.6. The construction market is currently very active and there are shortages of both labour and materials. This combined with a pent up cost inflation from a long period of cost stagnation means that the coming years will see significant cost inflation, alongside developers being selective about schemes they will bid for.

- 8.7. The best mitigation is to buy early and fix costs.
- 8.8. Minimising uncertainty for the contracting market will mean less risk pricing. To this end the market has confirmed that the fuller the design the better before going out to tender.
- 8.9. Throughout the course of the project the business continuity plan will be developed reviewed and evolved looking at alternative risk mitigations for programme delays including alternative short term accommodation and working practices.

Interdependencies

- 8.10. The current depot on the Commercial Road site will need to be vacated in order to dispose of this site. The delivery of a CLC service delivery plan is critical to support the development of the depot strategy in order to give certainty over the vacant possession of this site.
- 8.11. Whilst the new CCW project has been progressing and has made a number of informed assumptions about the future look of the Council the Council has yet to even start looking at the business change and structure and size of the Council in the future. The proposed new CCW can accommodate a flexible approach to the future shape and size but this must be firmed up before construction and preferably before the scheme is tendered. Failure to do so would be an opportunity lost to the Council to ensure that the new CCW is a perfect fit for the long term and allow the delivery team to consider future flexibility within the building with regard complementary alternative use and income generation.
- 8.12. An indication therefore of the operational structure of the Council and directorate size would be a minimum requirement and would be needed by summer 2015.
- 8.13. CMT must commence the strategic review and business change of the Council.
- 8.14. The current 5 year asset strategy for the Council is due for updating and refreshing. This is currently proving difficult in the absence of information from some areas on their future needs. Without updating this strategy the Council runs the risk of not maximising its current stock and releasing further assets for disposal.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 9.1 There are none specific arising from this report

10. EFFICIENCY STATEMENT

- 10.1 The review sets out to achieve service and financial efficiencies through the relocation of Town Hall facilities onto a purpose built site

Linked Reports, Appendices and Background Documents

Linked Report

- None.

Appendices

- Appendix 1 – Equality Analysis (to follow)

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

- None.

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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)	New Civic Centre Whitechapel – Procurement Proposal and Programme
Directorate / Service	Corporate Property and Capital Delivery
Lead Officer	Ann Sutcliffe
Signed Off By (inc date)	
Summary – to be completed at the end of completing the QA (using Appendix A) (Please provide a summary of the findings of the Quality Assurance checklist. What has happened as a result of the QA? For example, based on the QA a Full EA will be undertaken or, based on the QA a Full EA will not be undertaken as due regard to the nine protected groups is embedded in the proposal and the proposal has low relevance to equalities)	<p>Example</p> <p><input checked="" type="checkbox"/> Proceed with implementation</p> <p>Based on the findings of the QA checklist it is clear that the proposal does give regard, in line with the Public Sector Equality Duty (part of the Equality Act 2010). It is evident that although through packaging the development and disposals smaller more local and potentially BME developers may be disadvantaged in being procured, a larger developer is a key requirement to carry the larger financial risks associated with the project. Furthermore there is scope to involve smaller more local businesses through the wider procurement process throughout the supply chain.</p>


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?	Y	To proceed with packaged development and disposals delivery using a suitable and procurement compliant developer framework which delivers additional housing and is cost/time efficient while reducing programme risk to the Council
b	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?	Y	Due to the large scale of the packaged project, this approach is likely to ensure that the majority of developers suitable for selection are of significant size. While not impacting upon any equalities profile in particular, this is more likely to disfavour smaller developers, some of which may be more likely to be BME in composition. While there may be a disadvantage to smaller organisations successfully bidding, the procurement compliant developer framework used should provide opportunity for smaller organisations being considered and awarded contract further down the supply chain in addition to local employment and procurement opportunities, work experience placements, mentoring for businesses or entrepreneurs, apprenticeships. Additionally bids from consortia of smaller businesses could also be encouraged
2 Monitoring / Collecting Evidence / Data and Consultation			
a	Is there reliable qualitative and quantitative data to support claims made about impacts?	Y	Experience and soft market testing supported the view that larger developers are likely to bid and turnover limits will inevitably do this. However soft market testing also supported the view that consortia bids are likely to come forward which will enable smaller developers to bid.
b	Is there sufficient evidence of local/regional/national research that can inform the analysis? Has a reasonable attempt been made to ensure relevant knowledge and expertise (people, teams and partners) have been involved in the analysis?	Y	As above Yes equalities checklist has been completed in partnership with originating service as well as Directorate SPP Lead
c	Is there clear evidence of consultation with stakeholders and users from groups affected by the proposal?	Y	Yes soft market testing has been undertaken to better gauge those developers likely to come forward. The selected procurement compliant developer framework should provide opportunity for smaller, potentially BME organisations to be

			considered and awarded contract further down the supply chain in addition to local employment and procurement opportunities, work experience placements, mentoring for businesses or entrepreneurs, apprenticeships
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?	N	It is likely that smaller developers may not be favoured by the chosen approach which while not directly impacting upon any protected characteristic, may impact upon BME developers, many of whom may be smaller in size.
b	Is there a clear understanding of the way in which proposals applied in the same way can have unequal impact on different groups?	Y	Due to the scale and size of the programme, even if programme of delivery of broken down into discrete elements, larger organisations would be favoured to ensure successful bidders would be favoured to carry time and financial risks.
4	Mitigation and Improvement Action Plan		
a	Is there an agreed action plan?		Yes
b	Have alternative options been explored		Yes alternative options have been included within the cabinet report, due to the size and scale of the project, even if programme of delivery of broken down into discrete elements, larger organisations would be favoured to ensure successful bidders would be favoured to carry time and financial risks.
5	Quality Assurance and Monitoring		
a	Are there arrangements in place to review or audit the implementation of the proposal?		Yes - the procurement compliant developer framework should provide scope to monitor procurement opportunities for smaller organisations particularly those that are BME.
b	Is it clear how the progress will be monitored to track impact across the protected characteristics??		Yes through contract monitoring.
6	Reporting Outcomes and Action Plan		
a	Does the executive summary contain sufficient information on the key findings arising from the assessment?		Yes

Appendix A

(Sample) Equality Assessment Criteria

Decision	Action	Risk
As a result of performing the QA checklist, the policy, project or function does not appear to have any adverse effects on people who share <i>Protected Characteristics</i> and no further actions are recommended at this stage.	Proceed with implementation	Green: 

<p>Cabinet 28 July 15</p>	 TOWER HAMLETS
Report of: Luke Addams; Director of Adult Services.	Classification: Unrestricted
Mental Health Recovery & Wellbeing Services	

Lead Member	Cllr. Amy Whitelock Gibbs, Cabinet Member for Health and Adult Services
Originating Officer(s)	Carrie Kilpatrick/Glen Crosier
Wards affected	All
Community Plan Theme	A Healthy Community A Safe and Supportive Community
Key Decision?	Yes

Executive Summary

This paper details how the Borough, together with the CCG, will further develop and implement a long standing ambition to transform day services for people with mental health issues. The aim is to deliver a more effective and efficient service model to meet local needs by developing a fully coordinated recovery orientated system of local voluntary provision. This is a key priority of the **Tower Hamlets Health and Wellbeing Board Mental Health Strategy Delivery Plan (2014-19)**.

The proposal brings together seventeen services currently provided by the voluntary sector, within one contract, with a lead provider and sub-contracted organisations working in partnership around the core principles of recovery; so enabling better service user outcomes. The proposed model is known as **Mental Health Recovery & Wellbeing Service**.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Agree commencement of a procurement process to secure provision of the Mental Health Recovery & Wellbeing Service from April 2016
2. Authorise the Director of Adult Services to finalise the overall service design, after consultation with the Lead Member and Mayor.
3. Delegate authority for the award of contract to the Director of Adult Services.
4. Agree to extend the two existing contracts with Mind in Tower Hamlets and

Working Well Trust detailed in Table 2 in paragraph 3.9 of the report until 31st March 2016.

5. Note that funding is already approved within the existing mental health base budget for 2016/17 and no funding reductions are proposed.

1. REASONS FOR THE DECISIONS

- 1.1 There is now a pressing need to agree the broad principles of the recovery focused model, together with the contracting and procurement method. Current service arrangements have been maintained for the previous 3 years with 17 temporary contracts extended on a temporary year by year basis. This has resulted in uncertainty for service users and staff with reduced ability to plan support for the longer term, which can be detrimental to mental health. Key partners including the Clinical Commissioning Group and existing mental health voluntary sector providers have been involved in the development of this model since 2013 and are keen to see progress.

Rationale for Change

- 1.2 The lead provider/partnership model is well established in Tower Hamlets with the older persons Link Age Plus and the Information, Advice & Advocacy service adopting a similar model. Positive learning from recent procurement exercises involving groups of local organisations have informed the proposals for mental health recovery and wellbeing services.
- 1.3 Existing mental health day services are generally valued by the people that use them, however in the past there has not been an overarching strategy that has informed this commissioning activity. This fragmented approach has led to positive outcomes for some groups but this is largely dependent on individual schemes rather than a coherent service offer consistent across the Borough. The lack of coordination between services can also make it difficult for some people to access the right support for their needs.

No Change – Implications

- 1.4 The 'no change' option would mean procurement of the same service specifications that have been rolled over for the last three years. It carries significant risks and challenges and is not recommended for the following reasons:
 - Procurement of 17 separate services is unlikely to significantly increase the capacity of these services overall which would mean fewer people will be supported in the future than would be possible with a more efficient and effective delivery model.

- Separate contracts may not deliver a seamless service and would not align with local priorities in respect of closer joined up working with health and social care services.
- The proposal for a lead provider model encourages collaboration where smaller organisations can partner with larger organisations better equipped to lead on the bidding process, thus sharing risks and expertise.
- Procurement of several separate contracts and subsequent contract management will require a significant commissioning and procurement resource which is unlikely to result in an efficient use of public resources or better outcomes for local people.
- Consultation with the local voluntary sector has demonstrated that a collaborative lead provider model (via one contract) is the preferred way forward. There is positive expectation in the community that local partnerships will have the opportunity to come together to improve outcomes for an increased number of people with mental health needs in Tower Hamlets.
- 'No change' would ultimately undermine much of the positive work already carried out by local voluntary organisations to form a mental health provider consortium, in anticipation of this new model.

2. **ALTERNATIVE OPTIONS**

- 2.1 **Do Nothing** - this option is not viable, as the current contracts have been issued for a temporary period with a decision to commence procurement pending. Any further delay in tendering for new services would mean a possible breach of the Council's standing financial instructions, if a further decision to issue new contracts without a competitive process is required, or a risk to the continuity of services.
- 2.2 **Re-procure existing services with revised contract values/specifications**
This approach is not recommended because it is unlikely that a coherent service model would be delivered by letting up to 17 new contracts in line with existing provision. This option would carry a high risk of fragmented service provision, poor value for money, lower capacity than the proposed model and a lack of clarity or stability for service users.

3. **DETAILS OF REPORT**

Introduction/Summary

- 3.1 The Council and the CCG currently hold 17 contracts within the mental health day opportunities service area. 13 contracts are held by LBTH and the remaining 4 held by THCCG. Pritchard's Road Day Centre, an in house day service, is not included in the model and is unaffected by the proposed

change. The services are currently provided by 11 local voluntary sector organisations and focused on the following:

- Employment support;
 - Benefits and money advice;
 - Group activities and one to one recovery focused support;
 - Volunteer and peer support; and
 - Out of hours support.
- 3.2 The proposal brings together current services within one contract, with a lead provider and sub-contracted organisations working in partnership around the core principles of recovery; so enabling better service user outcomes. The proposed model is known as **Mental Health Recovery & Wellbeing Service**.
- 3.3 The proposal aligns with local ambition and feedback from the **Tower Hamlets Mental Health Voluntary Sector Network (VSN)** which is working towards a formal consortium/partnership arrangement with the aim of making greater impact for local people with mental health problems.
- 3.4 The approach has been informed throughout by gaining a clear understanding of local needs, aspirations and sensitivities through engagement with service users and local organisations from May to July 2014. This fed into initial service proposals which were part of **Your Borough, Your Voice** consultation in Sept/Oct 2014.
- 3.5 Full details are available in the draft **Mental Health Recovery & Wellbeing Commissioning Prospectus** which has been informed by the collaborative process with local stakeholders.
- 3.6 The total funding envelope for 2014/15 is c £1.5 mil, which includes a local NHS contribution of c£460k. Full details on the contracts can be found at Appendix One. The Cabinet decision in December 2014, determined the budget would be maintained at current levels, which has provided an opportunity to improve future services. The decision provides an opportunity to put community based mental health services on a firmer footing and provide services users with more stable support services, with increased capacity to plan ahead and support longer term mental health recovery goals.

Table 1: Financial Envelope

Detail	Amount
Adult Services	£904,375
CCG	£459,565
Better Care Fund (Recovery College)	£110,000
	£1,473,940

Contracting Context

- 3.7 There has been a long standing ambition within the community for the current group of services to be developed into a fully coordinated recovery focussed system of local voluntary provision. This has been identified as a priority in the **Tower Hamlets Health and Wellbeing Board (THHWBB) - Mental Health Strategy Delivery Plan (2014-19)**.
- 3.8 The Cabinet decision in December 2014, determined the budget would be maintained at current levels, which has provided an opportunity for work to progress in relation to improving future services.
- 3.9 In recent years, the current contracts have been extended on a temporary year by year basis while future options have been considered and to enable consultation with mental health service users and the voluntary sector. The current contracts are due to expire at the end of March 2016, with the exception of two contracts, which expire at the end of July and August 2015.

Table 2: Contracts to be considered for extension till March 2016.

Contract Holder	Service	Contracting Authority	Annual Contract Value	Current Expiry Date	Proposed Expiry Date
Mind in Tower Hamlets	Inclusive Mental Health Service	LBTH	£234,427	31 st Aug. 2015	31 st March 2016
Working Well Trust	Employment Project	LBTH	£299,875	31 st July 2015	31 st March 2016

Public, service user and stakeholder engagement

- 3.10 A review of mental health day opportunities took place in 2012/13, which was considered by the previous MAB in May 2013. This review included extensive consultation with 387 stakeholders, and recommended that a new model be commissioned, with a stronger focus on recovery and wellbeing, supporting service users to direct their own support, and use mainstream services.
- 3.11 The proposal, at that time, considered some fundamental changes to the use of Pritchard's Road Day Centre. The proposal did not progress any further, and an alternative efficiency savings option for Pritchards Road specifically has since been determined by Cabinet (4th Dec. 2014). This option has now been implemented through the Council's HR procedures. It has been evident throughout consultation over the previous two years that service users are strongly opposed to any perceived or actual closure of day centres or designated mental health community venues.
- 3.12 In light of this feedback, the refreshed proposals focus less on changes to 'buildings', and more on people and better individual outcomes achieved in the community. This will be enabled by:

- Stronger voluntary sector partnerships,
 - Retaining local assets and infrastructure,
 - Improved coordination, and
 - Joined up working between the statutory, voluntary sector and wider community services.
- 3.13 Since the initial consultation and MAB paper in July 2013, substantial further engagement has taken place which has now resulted in a completely refreshed approach to secure better mental health outcomes in Tower Hamlets. Service users and other local stakeholders have given us consistent feedback over time about things that could be improved, along with services that are valued and should be continued. The collaborative process undertaken to establish the refreshed service model is outlined below.
- 3.14 From the 2013 consultation, we know local people would like to see improvements to current day opportunities services. This includes:
- Better coordination
 - Better information and support to navigate through services
 - More recovery orientated support
 - A greater focus on wellbeing and tackling stigma
 - More people to retain and get into paid employment.
- 3.15 From May to July 2014, ten events took place at various venues in the borough to hear the views of service users and voluntary sector providers, including seven events at day centres and community venues with service users and three service design workshops with voluntary sector stakeholders. The discussions at the events explored aspirations, opportunities and challenges for the future of mental health day opportunities. The following key issues and areas for improvement were identified:
- Mental health specific venues in the Borough provide a vital role in helping people stay well with support from staff and peers with shared experience.
 - Better access to information and guidance is needed to help find resources and opportunities available to support mental health service users on a day to day basis.
 - Clearer pathways and stronger links between GP Practices, secondary care and local voluntary sector mental health services.
 - Investment should be made to support the voluntary sector to reach out to the most isolated and vulnerable in our communities.
 - More support available for people trying to find and/or retain employment.
 - More flexible and meaningful work opportunities could be created by supporting innovative and enterprising initiatives in the Borough.
 - New ways to provide social activities and more out of hours support are needed.
- 3.16 The **Your Borough, Your Voice** consultation process in late 2014, provided the opportunity to update stakeholders on the feedback from the engagement programme, outline the proposed future model and gather feedback on savings proposals.

- 3.17 The feedback from the public was generally opposed to cuts being made from the day opportunities budget, however, the overall service model and investment proposals were not contested which is reflective of the collaborative work undertaken to establish agreement on the future service model.
- 3.18 The decision by Cabinet (Dec 2014) which determined that savings proposals (relating to services currently commissioned from the local voluntary sector) should not proceed, has enabled further work to progress. The feedback from consultation and service design workshops has now been used to produce the draft **Mental Health Recovery & Wellbeing Commissioning Prospectus**.
- 3.19 A key element of the commissioning prospectus approach has seen the commitment to work closely with local residents and voluntary sector organisations to reshape services come to fruition, with broad consensus reached on the preferred service and contracting model for the future. The prospectus reflects a jointly agreed strategic vision and proposed service design which is summarised below. Full detail is available in the prospectus.
- 3.20 This commitment to engagement with mental health service users will continue throughout the commissioning process, with bidders required to demonstrate how they have involved existing and potential service users in the design of proposals, including how and where services are delivered, to meet the diverse range of needs in the community and ensure continuity of service provision.
- 3.21 Further consultation with the Lead Member for Health and Adult Services and the Mayor will take place to finalise the overall service design.

The Service Proposal

Strategic Context

- 3.22 The proposal is in line with and supports the delivery of a number priorities, which broadly align with the Health & Wellbeing Board Mental Health Strategy 2014-19, as detailed in the Table below.

Priorities	Action
Specialist support and advice for residents affected by welfare changes	Specialist mental health welfare benefits advice will be included within the proposed service.
Joined up working and clearer pathways	NHS/Council monies available in current budgets will be pooled to enable a local voluntary sector lead provider/consortium to deliver new services. Tower Hamlets CCG will contribute up to £670k to the Council contract.
Increasing support to those with mental health issues	The new service will be required to provide support across the Borough in ways which tackle stigma and encourage participation from people at risk of exclusion including people from BME communities.

Supporting people into employment	The proposed service aims to support more people into employment including those with severe and enduring mental health problems who require specialist support. The Mental Health Recovery & Wellbeing service will be a key partner within the planned employment hub
Supporting Local businesses	The development of the Mental Health Recovery and Wellbeing services has involved working closely with the local mental health voluntary sector network to determine the preferred future service model via a local consortium/partnership approach. There is on-going support for the local mental health Voluntary Sector Network.

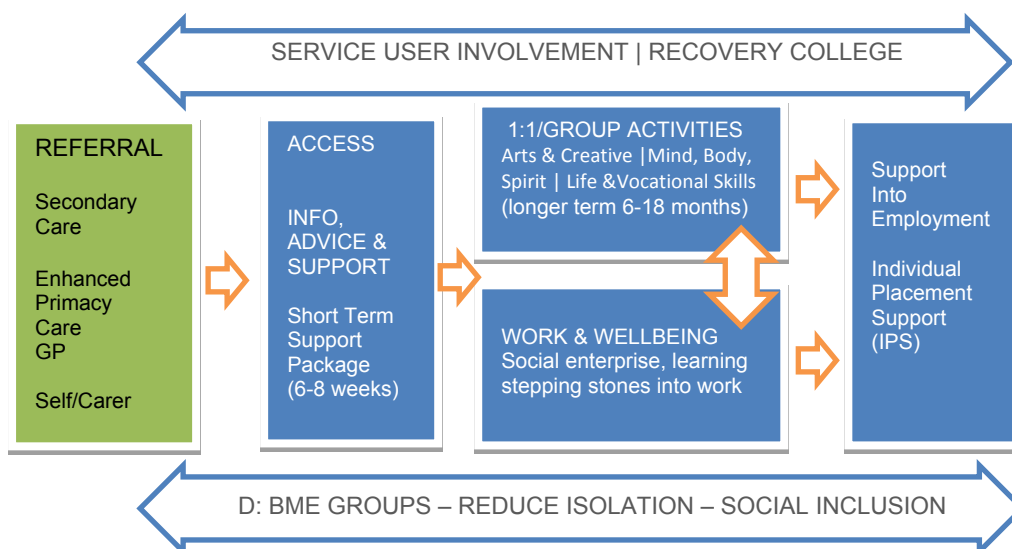
- 3.23 The proposal is in line with and supports the delivery of two of the four themes of the Tower Hamlets Community Plan, namely *A healthy community* and *A safe and supportive community*. More specifically, the *Community Plan* sets out a clear objective to “enable people to live independently, particularly those with mental health problems.” The plan aims to improve outcomes for local people by bringing services together locally and better involving local people in how services are run.
- 3.24 Mental health is one of the four key priorities of the Health and Well Being Board (HWBB), which approved the Tower Hamlets Mental Health Strategy in February 2014. The Mental Health Strategy includes a number of commitments to build resilience in the population through mental health and wellbeing for all and supporting people to live well with a mental health problem.
- 3.25 Developing recovery and wellbeing services for people with mental health problems is a fundamental commitment within the Strategy in order to:
- Reduce stigma and discrimination through moving away from traditional segregated services and stigma associated with statutory day care in line with the Time to Change pledge.
 - Support people to take control of their lives and access community services and support with services working together to promote recovery and wellbeing.
 - Ensure that people are able to access information and support easily, and promoting positive perceptions of mental health across the Borough.
 - Support the achievements, dynamism and the closeness to communities of the local voluntary sector.
 - Promote service user involvement in developing and improving services.
- 3.26 The proposed commissioning prospectus approach supports commitment to strengthen the community and voluntary sector and the services they provide. The *Voluntary & Community Sector Strategy* (published Jan 2014) aligns closely with the mental health strategy by prioritising co-production with the local voluntary sector.

The Mental Health Recovery & Wellbeing Model

- 3.27 The recovery & wellbeing model will provide coordinated Borough-wide support service (or a group of seamlessly linked services) with recovery

principles objectives embedded in all aspects of the delivery model. Table 3 illustrates how the different service elements will link together to provide a coordinated seamless service with the aim of supporting recovery at the earliest opportunity with clear pathways available depending on personal goals, aspirations and needs.

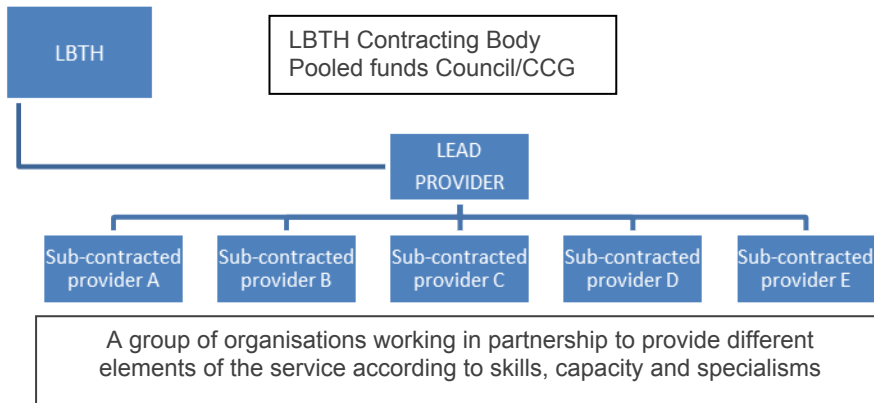
Table 3: Proposed Service Design



- 3.28 An outcomes based ('commissioning prospectus') approach has been previously agreed by senior officers in June 2014 and February 2015.
- 3.29 The procurement process will evaluate proposals based on the most economically advantageous tenders (MEAT) principle which enables the contracting authority to take account of criteria that reflect qualitative, technical and sustainable aspects of the tender submission as well as price when reaching an award decision.
- 3.30 In relation to MEAT principle, the qualitative, technical and sustainable aspects of the tender submissions will include evaluation of robust outcome measures, productivity and efficiency. Each service element within the service delivery model will require a viable budget proposal which indicates costs in relation to best value and innovative use of buildings and shared community spaces for service delivery.
- 3.31 The primary goals of the procurement process are to secure better outcomes for people with mental health needs in Tower Hamlets, in line with the Commissioning Prospectus. Alongside this, value for money, partnership with the voluntary sector, provision which meets the diverse needs within the local community and service user engagement will be crucial considerations. These principles will be built into the contracting and subcontracting arrangements.

Present 2015	From April 2016
<ul style="list-style-type: none"> • 17 Contracts for day opportunities . • 11 Organisations • Stand-alone schemes • Fragmented provision • Multiple referral routes • No coherent system-wide offer 	<ul style="list-style-type: none"> • Borough wide Recovery & Wellbeing Model • One single contract with lead provider • Number of sub-contractors to be determined through tender process • Single access point and clear recovery focussed pathways embedded within the design

Table 4: Lead Provider Contracting Model



4. **COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1. The total funding envelope for the contracts which are to be retendered is £1,473,940, this would represent the 2016/17 available budget without achieving any savings in this area and is inclusive of CCG and BCF monies of £569,565. The council's contribution is £904,375.
- 4.2. The proposal is to a commence procurement with the aim of bringing together current services within one contract with a lead provider and sub-contracted organisations working in partnership. One of the key financial aims of this procurement exercise should be to maximise the opportunity to secure economies of scale and better value for money.

5. LEGAL COMMENTS

- 5.1. The report proposes that the Council procures a number of mental health related services within the umbrella of a single procurement exercise which has been titled as the Mental Health Recovery & Wellbeing Service (the Services). The Council has various duties to meet the needs of people experiencing mental health issues principally under the Mental Health Act 1983, the National Health Service Act 2006, the Health and Social Care Act 2012 and the Care Act 2014.
- 5.2. The estimated value of the Services exceeds the relevant threshold contained in the Public Contracts Regulations 2015 (the Regulations) and they fall within the remit of “social and other specific services” in accordance with regulations 74 and Schedule 3 of the Regulations. In view of this the Council is required to fully comply with the Regulations and subject the Services to a level of competition to ensure compliance with the principles of transparency and equal treatment. The Council will be required to place an advert in the Official Journal of the European Union (OJEU) together with a further notice in the OJEU when a contract is awarded.
- 5.3. A ‘lead contractor and sub-contracting model’ is being sought for the Services which, it is hoped, would result in better co-ordination of the various contracts within one integrated agreement. In light of this and given the scale of the proposed delivery model, proper consideration should be given in the procurement process to mobilisation, resource and employment issues (particularly under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE)), in order to maximise efficiencies at the contract award stage and minimise the risk of material variations being sought to any awarded contract.
- 5.4. As drafted, the recommendations in the report require the Director of Adult Services to finalise the overall service design after consultation with the Lead Member and Mayor. This process may be followed, provided the head of paid service, chief financial officer and monitoring officer are satisfied with it. The directions made by the Secretary of State on 17 December 2014 under section 15 of the Local Government Act 1999 require the Council to adopt all recommendations of the statutory officers in relation to the processes and practices to be followed in relation to entering into contracts, unless the Commissioners’ prior written agreement is obtained not to do so.
- 5.5. It is proposed to extend two of the existing contracts for periods of seven and eight months, respectively, to enable the procurement to be completed. The values of these extensions are below the threshold specified in Schedule 3 to the Public Contracts Regulations (£625,050) and, accordingly, there should be no requirement for publication in the OJEU of either the contract opportunities or the awards. The Council’s obligation under the Regulations is to follow a fair and transparent process. The proposed awards do not meet these requirements and this may expose the Council to challenge. However, given the values are below the relevant threshold, the remedy of ineffectiveness should not be available to a potential challenger.

- 5.6. In addition to its obligations under the Public Contracts Regulations, the Council has a duty under the Local Government Act 1999 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. This is referred to as the Council's best value duty.
- 5.7. One of the ways in which the Council achieves best value is by subjecting its purchases to competition in accordance with its procurement procedures and the Public Contracts Regulations 2006. The proposed contract extensions do not involve competition and therefore, the Council would not be following its own Procurement Procedures. The proposed contract extensions would thus require a specific waiver of the Council's procurement procedures. Relevant grounds for consideration are set out in section 12.1 of the procurement procedures and include the following: "the nature of the market for the works to be carried out or the supplies or services to be provided has been investigated and has demonstrated that only a single source of supply is available, *or it is otherwise clearly in the Council's interest to do so*".
- 5.8. Reasons are provided in the report as to why it may be considered appropriate to deviate from the Council's procurement procedures, which may be summarised as follows:
- the Council has conducted preparatory work and intends to conduct public procurement as quickly as possible from the date of any Cabinet approval;
 - the two contracts will terminate in conjunction with the award of a contract under the procurement;
 - the remaining contracts have been extended under the Council's Scheme of Delegation in order for alignment with the procurement;
 - the Council is obligated to continue to provide services in accordance with its statutory functions and it would be undesirable for no services to be provided until the procurement process has been completed and may in certain circumstances lead to the Council breaching other statutory obligations; and
 - it is in the Council's interests to align the two services together with the others in conjunction with the award of a contract under the procurement exercise.
- 5.9. There is a risk of challenge to the proposed contract awards for alleged non-compliance with the duties outlined above. The risk is lessened as the Council clearly has a pragmatic reason for requiring these short term contracts and has some basis, by reason of the preparatory steps taken, for demonstrating that it is not the Council's long term intention to avoid competition.
- 5.10. The Council is required by the Public Services (Social Value) Act 2012 to consider how its procurement activities might secure the improvement of the economic, social and environmental well-being of Tower Hamlets. The Council may be satisfied that due regard has been given to these duties in light of the consultation that has been carried out in relation to the Services.

- 5.11. The continuation of a jointly commissioned service between the Council and the CCG meets with the Council's general duty to promote integration of care and support with health services under s.3 of the 2014 Act. NHS bodies, including the CCG, have similar obligations to promote integration of care and support services under the Health and Social Care Act 2012.
- 5.12. The Council is under a general duty by virtue of section 5 of the Care Act 2014 to promote diversity and quality of the provision of services within the Borough. This new duty placed on the Council requires it to facilitate and shape the local market for adult care and support as a whole, so that it meets the needs of all people in the area whether funded by the Council or in other ways. The Care and Support Statutory Guidance published to support the 2014 Act advises that the Council should review the way it commissions services as this is a prime way to achieve effective market shaping and directly affects services for those who have a need for care and support.
- 5.13. The Council is obliged to ensure that the procurement, contract management and monitoring systems provide a direct and effective link to care service managers and social workers to ensure that the outcomes of service delivery matches individual care and support needs and that, where the Council arranges services, people are given a reasonable choice of provider.
- 5.14. When commissioning services, the Council must pay particular attention to ensuring that providers have clear arrangements in place to prevent abuse or neglect. This includes ensuring any potential provider has robust processes in place to investigate the actions of members of staff.
- 5.15. Before deciding to proceed with the procurement of the Services, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010 (e.g. discrimination), the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). The level of equality analysis required is that which is proportionate to the function in question and its potential impacts.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1. There is a strong equalities strand to this proposal; with future services commissioned to ensure the needs of both BME and marginalised groups are adequately addressed. The overall aims of the new model are to both improve services for existing service users and reach a wider group of people who need support with their mental health.
- 6.2. As indicated in Table 3: Proposed Service Design, one of the service elements to be included in the new delivery model is targeted towards marginalised and harder to reach groups including BME groups. There are currently culturally specific services aimed at Bangladeshi, Somali, African Caribbean, Vietnamese and Chinese adults with mental health problems at risk of exclusion. Provider organisations within current contractual obligations are required to consult with service users on potential changes to services

and future improvements. This is reported to commissioners quarterly during 2015/16.

- 6.3. The proposed model explicitly aims to provide greater opportunity and better outcomes to people from all Tower Hamlets communities including BME groups. The current proposals aim to ensure all BME groups currently supported have improved access to a range of support activities. Requirements for prospective future providers will be to ensure cultural needs are met through employment of staff with appropriate skills and understanding of diverse Tower Hamlets communities.
- 6.4. The decision made by Cabinet (Dec 2014) to maintain existing funding means there are no plans for service reduction and a more effective and efficient delivery model will provide increased coverage and range of support available. The focus of the commissioning activity is to develop new services in addition to enhancing and increasing capacity in current provision where this is the most effective route to improved outcomes for service users.
- 6.5. During the Your Borough, Your Voice consultation in Sept. 2014 an Equality Impact Assessment was carried out to determine specific impact of a service change relating to employment services for Bangladeshi Men and Women. The conclusion was that in the event of any change to existing services there would be adequate provision in Tower Hamlets to support the needs of current service users.
- 6.6. The current arrangements include several 'stand-alone' BME projects which currently cater for small numbers. The proposed model will develop these schemes further and increase visibility and opportunity for BME groups.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 7.1 The design, development and running of any new services will follow best practice and the Council's Environmental Strategy.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1. Through the project initiation stage a full risk log will be maintained with significant risks reported through the Council and CCG Governance arrangements for the programme. The risks identified at this stage are outlined in the table below:

Risk	Mitigation
Approval to commence procurement is delayed resulting in reputational risks and non-competitive contract awards rolling over again into 2016/17.	To date the level of engagement and consultation has indicated support for the proposed programme which will assist and inform the decision making process
In addition, the proposed model	The proposed model includes an access, advice and

seeks to support Council obligations relating to the Care Act and additional duties which includes adults with mental health problems.	short term service element which aims to support Care Act obligations.
Resource issues and competing priorities impact delivery milestones	Dedicated PM resource in place provided by THCCG.
Issues not identified will emerge in the service specification process and will impact milestones	Maintain risk/issues log and ensure robust project governance structure is in place
Required approvals not forthcoming	Report within timescales within sufficient information for decisions to be made
Perceived adverse impact, resistance to change or fear of service discontinuity among service user groups	Continue with engagement and encourage collaborative design with service users/local providers and embed this commitment within the procurement process Ensure bidders include service continuity measures within their proposals
Capacity issues for voluntary sector organisations to be able to respond to this tender and the specific delivery model of a Lead Provider.	Consultation with current and potential future providers and by working with the TH Voluntary Sector umbrella organisation, THCVS, to address any issues around this. Further capacity building support for the lead provider partnership will be provided by the CCG during mobilisation period
Loss of diverse or niche voluntary service provision to meet the needs of different communities	The model is designed to enable smaller providers to partner with larger organisations. Embed diversity of service provision to meet a range of needs in the procurement process.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 9.1 By promoting and supporting recovery focussed activities, delivering quality support services including low and higher level interventions, the proposals seek to enable people to achieve their full potential encouraging participation in meaningful activities and reducing risk of criminal activity and antisocial behaviour.
- 9.2 This will be underpinned by the collaborative approach to partnership working which is core to the commissioning approach and supported by challenging outcomes targets to encourage people with mental health problems into employment, training and education.

10. EFFICIENCY STATEMENT

10.1 It is anticipated the proposed service will deliver best value and an efficient model by offering a coordinated access route enabling improved outcomes monitoring. This will be supported by clear pathways for reducing isolation, accessing mainstream opportunities, access to training, education and employment. Other benefits are:

- Better and reduced contract monitoring through a reduction of contracts. This will ultimately lead to a better use of commissioning resource through streamlined contracts
- More responsive and flexible service delivery model through outcome based contracts and better use of commissioning resource through streamlined contracts.
- More consistent service delivery across the Borough.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1: Mental Health Day Services Current Contract Values 2015/16
- Appendix 2: Draft Mental Health Recovery & Wellbeing Commissioning Prospectus

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

- None

Officer contact details for documents:

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Appendix 1: Mental Health Day Services Current Contract Values 2015/16

Provider	Service	Contract Holder	2014/15 annual contract value	NHS funding	LA funding
Beside	Beside	LBTH	£58,654		£58,654
Community Options	Voluntary Sector Network	LBTH	£8,318	£8,318	
Community Options	Service User Involvement Project	LBTH	£84,034	£38,438	£45,596
Mind in Tower Hamlets	Evening Service	LBTH	£68,201	£56,113	£12,088
Mind in Tower Hamlets	Inclusive Mental Health Service	LBTH	£234,427		£234,427
Mind in Tower Hamlets	Welfare Rights	LBTH	£69,962		£69,962
Mind in Tower Hamlets	Complementary therapies	LBTH	£28,815		£28,815
Praxis	Support Project	LBTH	£42,024		£42,024
St. Hilda's	Bondhon Project	LBTH	£42,819		£42,819
Mellow	African Caribbean Support Group	LBTH	£13,992		£13,992
Vietnamese Mental Health Organisation	Support Group	LBTH	£41,623		£41,623
Working Well Trust	Employment Project	LBTH	£299,875		£299,875
Bangladeshi Mental Health Forum	Forum	LBTH	£4,500	£4,000	£500
Bowhaven	Bowhaven	CCG	£116,500	£102,500	£14,000
Community Options	Support Advice & Recovery Service	CCG	£196,202	£196,202	
Working Well Trust	Rework*	CCG	£210,690	£210,690	
Hestia	Befriending Scheme	CCG	£53,994	£53,994	
Sub Totals			£1,574,630	£670,255	£904,375

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Mental Health Recovery & Wellbeing Commissioning Prospectus 2015

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A.4: Embedding recovery & wellbeing principles

A.5: Overview of recovery & wellbeing commissioning strands

B. COMMISSIONING STRANDS

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B2. Peer Support & Involvement

B3. Access, Advice & (Short Term) Support

B4. High Level Support (Longer Term)

B5: Group Activities Programme

B6. Community Engagement & Inclusion

B7: Vocational Training

B8. Employment - Individual Placement Support (IPS)

B9. Recovery College

B10. Mental Wellbeing (Public Health)

C. INVESTMENT – BUDGET

D. EXPRESSIONS OF INTEREST

D. FURTHER INFORMATION

FOREWORD

Welcome to the mental health commissioning prospectus published jointly by the NHS Tower Hamlets Clinical Commissioning Group (CCG) and London Borough of Tower Hamlets.

This prospectus sets out our commitment to invest in services provided by the voluntary and community sector to improve mental health recovery and wellbeing outcomes in Tower Hamlets.

We recognise the contribution and dynamism of the voluntary sector and the prospectus sets out an ambitious programme bringing together investment from the local NHS and Council.

The prospectus approach sets out planned changes to the way existing services are organised along with fresh and exciting opportunities for innovation.

The process for determining priorities and consulting with local stakeholders has been on-going for several months and we would like to thank everyone who has participated in discussions about the future.

We look forward to entering into a new phase of collaborative partnership with the voluntary sector and local communities in Tower Hamlets.

A: OVERVIEW

A1: Introduction

This is the first year we have published a commissioning prospectus in Tower Hamlets. This sets out an ambitious programme which aims to transform voluntary sector provision of mental health day opportunities in the Borough.

It brings together funding available from LBTH and TH NHS CCG and includes investment available for voluntary sector provision of a coordinated Borough wide 'mental health recovery & wellbeing service' made up of the following components:

- Local organisation and infrastructure
- Peer Support & Service User Involvement
- Access, Advice & Short Term Support
- Community Engagement & BME Inclusion
- Longer Term Planning & Support (1:1)
- Group Support Programme (multi-venue)
- Work & Wellbeing Hub/Vocational training
- Support into Paid Employment
- Recovery College
- Mental Wellbeing and Loneliness (Public Health)

A.2: Local Context

Tower Hamlets has amongst the highest prevalence of mental health problems in the country. We have the fourth highest proportion of people with depression in London, the highest incidence of first episode psychosis according to first hand epidemiological studies (Coid et al, 2011), and the highest incidence of psychosis in east London according to GP registers.

In total there are approximately 30,000 adults estimated to have symptoms of a common mental health problem in the borough, with around 15,900 people known to their GP to have depression, and 3,300 known to have a serious mental illness, with a prevalence of c. 1200 people with dementia.

The impact of mental health problems on individuals, families and communities can be profound. For example:

- Mental illness has the same effect on life-expectancy as smoking, and more than obesity. People with a serious mental illness die on average 20 years earlier than the general population
- Mental illness has a profound impact on health, relationship, housing, educational and employment outcomes. In a recent study, the London School of Economics found that mental health accounts for more felt suffering than physical health problems, or income deprivation
- Amongst people in work, mental illness accounts for nearly half of all absenteeism. And amongst people out of work, almost half are on incapacity benefit on account of a mental health problem.

The need for a whole system approach for tackling these challenges is highlighted throughout the Tower Hamlets Health and Well Being Board (THHWBB) **Mental Health Strategy (2014)**.

The wider ambition is to build resilience in the population by supporting mental health and wellbeing for all and supporting people to live well with a mental health problem.

Vision

“Our vision is to deliver substantially improved outcomes for people with mental health problems in Tower Hamlets through integrated mental health services that are safe and effective, with friendly staff that inspire confidence in the people and families using them, and which help people to take control of their own lives and recovery”

The voluntary and community sector have a vital role to play in turning this vision into reality. Recovery oriented approaches to mental health care and support emphasises the fundamental importance of participation in mainstream community activities, social networks, work and employment.¹

Traditionally, this type of support has been the remit of day services with an emphasis in the past on providing a structured day in a safe and supportive environment.

Although local voluntary sector services have extended well beyond the confines of traditional day services, there has been a long standing ambition to move from a patchwork of services to a fully coordinated system of voluntary sector provision.

The proposed approach supports commitment to strengthen the community and voluntary sector and the services they provide. The Council's *Voluntary & Community Sector Strategy* (published Jan 2014) aligns closely with the mental health strategy by prioritising co-production with the local voluntary sector.

3: Purpose of this Document

This prospectus sets out the way we are seeking to work with partners to **support the recovery & wellbeing of adults of working age** with mental health problems. The context for this is the commissioning of new services to help people build and maintain social connections, develop new skills, access mainstream community activities, retain and gain employment.

The prospectus provides guidance and information in advance for the formal procurement stage of the commissioning process as indicated below.

¹ Repper & Perkins (2003) Social Inclusion and Recovery



In addition to complementing the competitive tendering process, the publication of the prospectus also seeks to inform a wider stakeholder group including service users, carers and professionals. The contents of this document have resulted from a collaborative process with the local community which started back in 2013.

Finally, we hope the aspirations outlined here will act to stimulate and challenge organisations to translate innovative ideas into compelling bids and exciting proposals. Bidders will have the opportunity to demonstrate

how they intend to make a positive impact which results in better outcomes for local people affected by mental health problems.

A.4: The Commissioning Approach

The Council and the CCG currently hold 17 contracts with voluntary sector organisations to provide a range of community based support services and activities. Services currently provided include traditional day service provision, employment support, benefits and money advice, group activities and one to one recovery focused support, befriending, and out of hours support.

Existing mental health day opportunities services are well regarded by the people that use them, but historically, there has not been a coordinated strategy that has informed the development of these services.

This approach has led to positive outcomes for some individuals and groups, however greater coordination and a joined up service infrastructure is sought to offer a wider range of support for more people enabled by more effective use of resources.

Currently, a diverse range of organisations and services are in place with an estimated 1000 service users each year. Feedback from consultation has consistently indicated that more ambitious outcomes could be achieved if the expertise and creativity of the voluntary sector is enabled effectively.

While this document provides guidance and certain requirements for new services, the commissioning process will not be overly prescriptive with emphasis on better outcomes and a new service delivery model.

The emphasis is on an 'outcomes based' commissioning approach which aims to ensure we are focussing on the tangible outcomes that matter most to people. This means, clearly understanding the impact of service led

interventions and the difference made in terms of improving the lives of individuals.

A focus on outcomes also relates to efficiency, value for money and making best use of limited resources by ensuring from the outset that agreed service outputs are linked to measureable outcomes. This will ensure better understanding of what is working well and what needs to change when outcomes are not being achieved as anticipated.

The remainder of this document offers guidance for prospective future providers. We aim to encourage fresh thinking and implement change in the following (non-exhaustive) broad areas:

- a) Flagship Service and Programmes - The design of a comprehensive programme of outcome focussed activities, opportunities, events across a diverse range of venues
- b) Organisation - lead provider, network, consortium or partnership arrangements
- c) Delegated Budget Control to Voluntary Sector - A lead provider will determine budget allocation/breakdown for different service components including any sub contractual arrangements proposed and selection of providers.
- d) Service Design - the design of pathways, customer journeys and configuration of service elements and partners involved
- e) Co-production - new proposals informed by local expertise of people with lived experience, professionals and carers.

A.5: Principles for Service Redesign

There are a number of key principles which apply across all strands of the recovery & wellbeing service model:

Promote Recovery: Support people to maintain and/or rebuild fulfilling lives, build resilience and live well with a mental health problem.

Improve Access: Ensure people can access information and support easily with an approach that tackles the stigma and anxiety which may prevent people from seeking support at an earlier stage.

Solution-Focussed: In addition to longer term opportunities, people should be able to access practical solutions to problems which impact on mental health and recovery including short term support packages including access to specialist advice and case work.

Focus on Community Participation: Support people to access existing opportunities in the local community as part of a planned support programme which reduces reliance on mental health segregated activities.

Reduce Social Isolation: People with opportunities to extend their social networks and to facilitate access to peer support and opportunities to build relationships outside of the mental health system. This relates to marginalised groups and individuals who face additional barriers including current active BME support groups.

Opportunities for people with lived experience to provide support to each other and run their own services: Increase opportunities for peer support and user led activities enabled by an on-going programme of support and recognition for people working (both informally and formally) in peer support and involvement roles.

Maximise Choice & Self-Determination: Enable people to influence decision making in relation to new service developments, and to be in control of planning their own personalised support packages.

Meet the Needs of Diverse Groups: Address the diverse needs of different groups with Tower Hamlets communities, being mindful of the need to further develop the network of support currently available for people in relation to gender, ethnicity, religion, disability.

Ensure that services are accessible to people more seriously disabled by a mental health problem: Meet the needs of people who may require a relatively high level of support on an on-going basis.

Involvement for service users and carers: Facilitate use of expertise of those with personal experience of using the mental health system in designing and developing services, including those who may not be engaged with existing day opportunities and community based support.

Improve Cross-Sector Working: Ensure collaborative and robust partnerships are built into service design. This not only includes within the voluntary sector but with local NHS Primary and Secondary Care services in addition to range of community providers outside the mental health system. This may include:

- Idea Stores/Libraries
- Faith Groups
- Employers and employment organisations
- Colleges
- Arts, digital and creative
- Sport and leisure

A.6: What we mean by 'Recovery'

Experience in Tower Hamlets suggests that there is a significant commitment and progress in terms of adopting recovery values. We are also clear that putting this commitment into practice to deliver tangible improvements and individual outcomes is complex and challenging.

The starting point is to develop a consistent approach shared by partners which is valued and positively embraced by service users and carers/supporters.

Although recovery can mean different things to different people, we understand recovery in mental health to be about helping people live meaningful and satisfying lives - as defined by themselves. This means understanding how people make sense of what has happened to them and what is important to them in the future.

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Principles of Recovery

Hope – Maintaining a belief that it is still possible to pursue one's chosen life goals: these are unique and 'hope' is therefore always personal. Relationships are central to - hope.

Control – The importance of achieving some sense of control over one's life and one's symptoms – meaning and choice

Opportunity – The need to build a life 'beyond illness'. Being a part of the community ('social inclusion') having access to the same opportunities that exist for every other citizen, e.g. housing, employment, addressing stigma

B: THE SERVICE MODEL

B1: Overall Requirements

The intention is to commission a comprehensive range of 'recovery & wellbeing' oriented service provision for adults of working age. This will effectively provide a seamless Borough-wide system of voluntary sector support with the following elements incorporated into future provision:

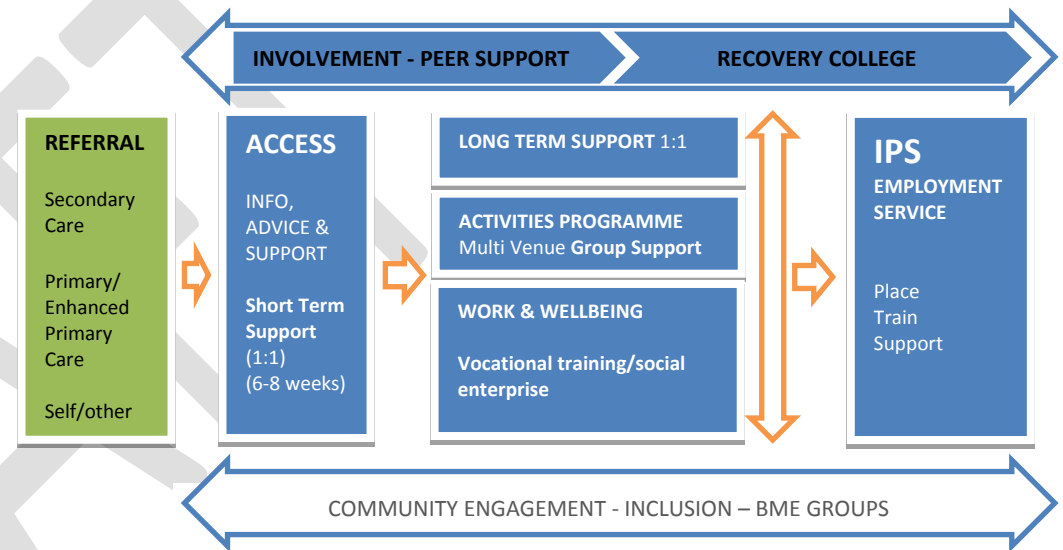
We invite prospective providers to consider the following challenges and the need for new ways of working:

- ✓ Clear single access point providing a reassuring 'gateway' into a range of community based opportunities for new social connection, learning, vocational skills, personal development, education and employment
- ✓ Clear and consistent non-stigmatising public facing brand name which captures the principles and values throughout the delivery model.
- ✓ More robust closer working at GP Practice level, Primary Care mental Health Service and Secondary Care teams resulting in clear referral pathways into voluntary sector provision and joint working protocols.
- ✓ A structured programme of week to week support must be provided for those with longer term complex needs while ensuring that people with the same needs are not routinely grouped together and inadvertently segregated/excluded from community participation.
- ✓ In addition we want to see an engaging offer for those who may be new to mental health services or who do not identify with the concept of 'day services' but would benefit from additional support.
- ✓ Furthermore, there is a need for voluntary sector support that provides early interventions before people lose their social and work connections.
- ✓ There is a real challenge to develop new services and systems of support that tackle stigma, and encourage participation which is integrated into everyday community opportunities and does not rely solely on traditional mental health venues.

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Table 1 illustrates the different service elements anticipated to deliver a seamless service with the key functions of the whole system outlined.

Service Model Outline



Key Functions of Service Model

- a) Provide access to recovery oriented support, specialist advice and opportunities for social contact and community participation
- b) Support people to retain existing social roles, relationships and maintain participation in current social/leisure/work activities
- c) Support people to access new roles, relationships and mainstream social/leisure/work opportunities as part of personal recovery
- d) Provide support and opportunities for service user involvement, supporting others with shared experience and running their own groups/activities.

B2: Core Service Elements

There are currently an estimated 1000 services users engaged with day opportunities services during the course of a year. We anticipate some of these services will change significantly in order to deliver the future model and desired outcomes.

From the outset, it is crucial to ensure those presently receiving services are able to continue accessing services according to their preferences and needs along with adequate support through any transition period. The core service elements are intended to ensure current service users will be able to access the support they need with an increased range of opportunities available for existing and future users.

The purpose of the next section is to set out the service framework as defined by a number of delivery strands.

B3. Infrastructure/Organisation

Aims: Provide a robust partnership, network or consortium to deliver a seamless service across the Borough with consistent quality standards and shared understanding of the recovery approach to be embedded throughout provision.

Service Outcomes

3.1: Implement a clear and accessible system of voluntary sector support towards recovery resulting in excellent user experience and feedback, increased awareness in the community about the benefits of recovery and wellbeing services.

3.2: Improve the coordination of voluntary sector services across the system resulting in increased throughput and reliable outcome measures to evaluate impact, future demand and capacity.

3.3: Embed recovery principles throughout all aspects of delivery which creates a positive, vibrant and empowering culture which provides opportunities for users to share and receive success stories.

3.4: A lead provider is single contract holder responsible for coordinating members of the partnership/consortium/network

B4. Peer Support & Involvement

Aim: Provide support and opportunities for service user involvement, supporting others with shared experience and running their own groups/activities.

Service Outcomes

4.1: Increase levels of involvement of service users in the design, delivery, management, review and development of services.

4.2: Increase numbers of people with mental health problems involved in delivering services and/or activities

4.3: Increase number of people in user group leader/involvement roles achieve personal goals and aspirations

4.4: Increase levels of peer support is available in community settings

4.5: Increase the number of experts by experience who complete training and receive on-going support

B5. Access, Advice & (Short Term) Support

Aims: To provide a seamless service providing initial assessment, signposting, short term solution focussed support and specialist advice with on-going access to longer term support if required.

Service Outcomes

5.1: Service users/professionals have day to day access to signposting/information service which provides a bridge into voluntary services and mainstream opportunities to support recovery and wellbeing.

5.2: Professionals, service users and carers know how and where to get local expertise, information and guidance in relation to support available in the community to improve wellbeing and support personal recovery goals.

5.3: Triage and access to short term support packages (6-8 weeks) with improved outcomes in relation to problem solving, self-management and confidence building to enable effective use of resources available within existing and new networks.

5.4: Triage and support to access mental health specialist advice in relation to welfare benefits, housing, debt which positively impacts wider determinants of mental health.

5.5: A seamless pathway into longer term community based support ensures that recovery oriented services are accessible for people more severely disabled who may need a higher level of support for longer periods of time.

5.6: Data collection ensures client journeys are tracked and outcomes are measured to provide evidence of effective interventions, service improvements required and monitoring user outcomes.

B6. High Level Support (Longer Term)

Aims: To provide a team of skilled community links/recovery support workers to manage a caseload of clients with longer term needs facilitating recovery/support planning, goal setting, review and support to access resources and activities in the community.

Service Outcomes

4.1: A link worker system with Borough wide coverage provides a long term (up to 2 years) recovery focussed support to meet the needs of people with more severe and enduring problems on an on-going basis.

4.2: To enable the support service to be provided effectively workers will build connections with a number of mainstream providers to support clients into a range of opportunities for community participation which reduces dependency on the mental health 'Group Activities Programme'.

4.3: A consistent recovery promoting competency based approach will ensure high quality service user experience across the Borough with improved outcomes relating to tackling stigma, improved self-esteem, sense of purpose and increased capacity to make positive choices in line with personal goals.

B7: Group Activities Programme

Aims: To provide a comprehensive programme of outcome focussed activities, opportunities, events across a diverse range of venues and settings in the Borough

Service Outcomes

7.1: People will have access to an increased range of opportunities to gain support in a group activities environment which support a diverse range of abilities, aspirations, interests and needs.

7.2: People will have access to support including facilitated social engagement and peer support opportunities during evenings and weekends according to demand for out of hours access to support.

7.3: Regular review will identify success of the activities included in the programme resulting in a refreshed rolling programme throughout the year.

7.4: Culturally specific peer support groups and activities ensure BME specific needs are supported which is reflective of active BME mental groups already running.

7.5: Categories – relating to recovery domains and functions (see outcomes framework)

Further Guidance

This service element relates to group support activities directly provided using staff members and/or peer and external facilitators to provide structured programmes of activity which are planned according to aims, objectives and outcomes specified.

The group activities programme should be fully reflective of the diversity of Tower Hamlets local communities, with a focus of specialist and generic all inclusive activities.

Although, the group activities programme will be a significant part of the overall recovery & wellbeing service, the overall aim should be to offer supportive pathways into more mainstream opportunities.

Equal importance should be placed on the ways in which group support and 1:1 interventions will enable increased independence and facilitate access to and/or progression into mainstream community participation.

This is fundamental to the success of the whole service model which must deliver a range of genuine and beneficial opportunities for people to (re)build their life in ways which do not revolve around mental health specific venues, activities and services.

B8. BME Inclusion & Community Engagement

Aims: To provide access to opportunities which promote recovery, wellbeing and community participation for people from BME backgrounds who are less likely to engage with support services; at risk of exclusion and deterioration in mental and physical health.

Service Outcomes

8.1: Culturally specific support for mental health recovery is tailored within context of beliefs, faith, language, skills, talents and personal aspirations.

8.2 An evidence based approach tailored to local communities is implemented to tackle social isolation and associated risks which supports an increased number of people accessing peer support networks, activities and participation in community life.

8.2: A comprehensive programme of improved support will include provision for South Asian Women and Men; African Caribbean; Somali; Chinese & Vietnamese communities.²

8.3: A planned programme of support which increases awareness/reduces stigma of mental health issues by enabling access to peer and professional support groups/networks which enable people to reach their potential and fulfil their desired roles and responsibilities within the communities in which they live.

8.4: An increased number of individuals are supported to develop skills, use their talents and build confidence through 'community facing' activities, events and enterprises which support recovery based principles and community participation.

B9: Work & Wellbeing Hub - Vocational Training

Aims: To provide a 'work & wellbeing hub' to offer specialist mental health recovery focussed support to develop skills, confidence and knowledge to support steps towards paid employment or a new career/vocation via access to a range of work based training opportunities.

Service Outcomes:

9.1: Access to support and advice to enable individuals to have a choice of vocational opportunities in line with aspirations and goals.

9.2: A number of social enterprise projects provide varied opportunities for people to access vocational training, experience and support for between

² This is based on current knowledge in relation to marginalised groups presently accessing day opportunities provision. While future services need to provide for support for those groups already supported, it should be recognised that other groups with existing and/or emerging needs in Tower Hamlets may need to be considered within development of the new service model.

6-12 months with on-going progression into further employment and/or training.

9.3: Current social enterprise schemes including print & design training; sewing/production of fabric goods will continue to support people with increased numbers of people progressing through the schemes according to personal goals.

9.4: Increased numbers of people with mental health problems will access a range of work based opportunities available in the community which may include enterprising ventures related to food, café, sports and leisure, horticulture.

B10. Employment Team

Aims

Support Into Employment: Provide an Individual Placement & Support IPS (high fidelity) supported employment service in Tower Hamlets to increase the number of people with severe mental health problems who gain competitive employment from 60 to 120 per year.

Job Retention: Support people with mental health problems in employment to retain jobs by supporting employers and employees.

Service Outcomes

10.1: A clear pathway into employment enabled through an offer intensive and individually tailored support to people with ongoing mental health conditions who want to work.

10.2: Increase the number of people accessing competitive paid employment training and support on the job through a 'place then train' approach.

10.3: Employment specialists are embedded within community mental health teams.

10.4: Employment specialists develop relationships with local employers based upon a person's work preferences

10.5: Provides ongoing time unlimited, individualised support for the person and their employer

10.6: Benefits Advice is provided throughout the service to support transition into paid employment.

B11. Recovery College

Aims: Provide an education based approach to recovery through delivery of a recovery college in Tower Hamlets running a curriculum over three terms per year, offering 20 courses for 600 students.

Service Outcomes

11.1: A local partnership approach delivers a planned programme of education and training covering a range of mental health related topics which provides education as a route to recovery.

11.2: Courses are co-produced and co-delivered by people with lived experience of mental health issues alongside those who work within relevant roles and professions.

11.3: Course will range in length from short half day sessions to longer 8 week programmes.

11.4: A new prospectus will be published each term outlining the courses available and how to join.

B12. Mental Wellbeing (Public Health)

C. BUDGET

Recovery & Wellbeing Service Model (c £1.5 mil)*	
Service Element	Indicative Investment (guidance only)
Service Infrastructure	To be determined dependent on lead provider/sub-contracting arrangements
Peer Support & Involvement	£100k
Access, Advice & (Short Term) Support	£300k
High Level 1:1 Support (Longer Term) + Group Activities Programme	£400k
BME Inclusion/Community Engagement	£150k
Work & Wellbeing Hub	£350k
Employment Team	£200k – actual budget/spend will be specified for this service element

*Recovery College – additional £150k per year with separate contract.

D. EXPRESSIONS OF INTEREST

The commissioning prospectus is offered pre-procurement to provide all stakeholders relevant information relating to the overall commissioning strategy and required model.

A formal procurement process managed by London Borough of Tower Hamlets will commence in X with a tender advert inviting expressions of interest by completion of a pre-qualification questionnaire (PQQ).


Bidders which meet requirements through the PQQ stage will be selected for the Invitation to Tender (ITT) stage during X.

We are seeking a partnership/consortium model of delivery with a lead provider as the main contract holder with sub-contract arrangements in place with a number of organisations.

It is anticipated this will provide opportunities for larger and smaller organisations to work collaboratively to improve outcomes for local people.

E. FURTHER INFORMATION

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<p>Cabinet</p> <p>28 July 2015</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Luke Adams, Interim Director, Adult Services</p>	<p>Classification: Unrestricted</p>
<p>Transfer of commissioning responsibility for early years (0-5 years) public health services from NHS England to the local authority</p>	

Lead Member	Councillor Whitelock-Gibbs, Cabinet Member for Health and Adult Services
Originating Officer(s)	Somen Banerjee, Director of Public Health Esther Trenchard-Mabere, Associate Director, Public Health
Wards affected	All wards
Key Decision?	Yes
Community Plan Theme	Healthy and Supportive Community

1. Executive Summary

- 1.1 The Government has stated its intention to transfer commissioning responsibility for the health visiting service (HVS) and family nurse partnership (FNP) to the local authority on 1st October 2015. These services are central to ensuring that children and families have access to health promotion, preventive and early intervention services to support healthy physical, emotional, social and cognitive development.
- 1.2 The transfer of commissioning responsibility to the local authority, along with a significant expansion of the health visiting service, provides important opportunities for closer integration with the wider early years workforce in children’s centres, voluntary sector and children’s social care and the development of a service that is more responsive to local priorities and needs. It will also be important to maintain and strengthen links with general practice, primary care and other NHS services.
- 1.3 On 26th March 2015 the Department of Health published the local authority budget allocations for 0-5 public health services for 1st October 2015 – 31st March 2016, These allocations will be added to the ring fenced local authority public health grant.
- 1.4 The six month allocation for Tower Hamlets is £3.855m, which equates to £7.710m for full year costs. This is £315k (£630k full year costs) higher than the proposed baseline allocation published on 11th December 2014. This is in recognition, following a challenge from Tower Hamlets Council, that the original allocation did not include an adequate amount for overheads and in particular for accommodation costs for the HVS. This additional funding will

come from Tower Hamlets CCG, who have agreed to remove this amount recurrently from the Community Health Services budget and pass the funding to the Department of Health who will add it to the public Health grant.

The full year costs break down as follows:

Core health visiting service allocation	4,582,000
Additional funding for overheads	630,000
Growth funding (to fund additional health visitors, payable on recruitment)	1,928,000
Family Nurse Partnership	540,000
Commissioning costs	30,000
Total	7,710,000

- 1.5 Future allocations for the public health grant are expected to move towards a distribution based on population needs, determined using a fair shares formula based on advice from ACRA. The 2015-16 allocations will be used as a starting point and Local Authorities will move incrementally towards their target share of the overall allocation over a number of years. ACRA is developing its proposals for the formula for 2016-17 Local Authority public health allocations, which will include the 0-5 children's services component.
- 1.6 Public Health has carried out a stakeholder engagement process which ran from January – April 2015, to inform the development of a new localised service model and specification for the health visiting service. This has included engagement with parents and carers, front line providers (the current health visiting service and FNP) and key stakeholders including children's centre and other early years staff, children's social care staff, GPs and other NHS staff and commissioners and was overseen by a multi-disciplinary steering group. Public Health also worked with the Institute of Health Visiting to identify innovative service models that have been developed in other areas to inform our local model. The new service model and specification will be finalised by the end of June 2015.
- 1.7 The next stage will be the actual transfer of commissioning responsibility to the Council on 1st October and (subject to Cabinet approval) the novation of the existing service contract with Barts Health NHS Trust that will continue for a further six months until 31st March 2016. From a risk management perspective this is considered the safest means to maintain services whilst a decision is made about the future delivery of the service and procurement process. Eighteen London boroughs have opted to novate their current contract. The risks inherent in the transfer of an existing contract will be managed through careful checking of the existing contract and due diligence on the current provider and service performance. In order to ensure that a new Council contract is in place on 1st April 2016 a procurement process will need to be commenced as soon as possible.
- 1.8 This report recommends (i) that Cabinet agree the novation of the current 0-5 Public Health services contract to the Council subject to officers completing due diligence checks and (ii) Cabinet grant delegated authority to the Director

of Public Health to accept the contract on the Council's behalf.

2. Recommendations:

2.1 The Mayor in Cabinet is recommended to:

(i) Agree, in principle, to accept a novation of the current 0-5 services contract from NHS England to the Council on 1st October 2015.

(ii) Authorise the Director of Public Health, after consultation with the Service Head – Legal Services, to agree the terms of the novation on behalf of the Council, subject to due diligence checks.

(iii) Authorise the Director of Public Health to agree the amount of funding which the Council will accept to discharge the 0-5 public health functions which will transfer to it from 1st October 2015.

(iv) Authorise the Service Head – Legal Services to execute all necessary documentation to give effect to these decisions.

3. REASONS FOR THE DECISIONS

3.1 The government has set out a national timescale for the transfer of commissioning responsibility for 0-5 public health services from NHS England, which has held this responsibility since April 2013, to local authorities. This will take place on 1st October 2015 and is the final stage in the transfer of public health services from the NHS to local government which commenced in 2013 under the Health and Social Care Act.

3.2 It is vital to maintain the quality of service delivery to children and families through this transition period and in order to maintain continuity whilst the specification is reviewed and future procurement decisions are made it is recommended to agree the novation. This will allow sufficient time for service specifications to be reviewed and an adequate procurement process to be followed.

4. ALTERNATIVE OPTIONS

4.1 The Mayor in Cabinet could direct that instead of novating the existing contract, the current contract should be terminated and the Council would immediately commission a new contract. However a contract of this value (in the region of £7.7 million per annum) requires a full Tollgate and EU procurement process and there is already insufficient time to complete this in time for 1st October. In addition, until 26th March 2015, there were significant uncertainties about the funding that will transfer to the Council. For these reasons the alternative option is not recommended.

DETAILS OF REPORT

5. Background

- 5.1 The transfer of public health commissioning responsibilities for 0-5 year olds from NHS England to local authorities on 1st October 2015 marks the final stage of the overall transfer of public health responsibilities to the local authority.
- 5.2 The Marmot Review (2010) highlighted the importance of early years as a critical period for virtually every aspect of human development with lifelong effects on health and wellbeing. The 0-5 Healthy Child Programme (HCP) is central to ensuring that children and families have access to health promotion, preventive and early intervention services to support healthy physical, emotional, social and cognitive development.
- 5.3 Commissioning responsibilities for the following services will transfer to local authorities on 1st October 2015:
The 0-5 Healthy Child Programme (universal/universal plus) which includes:
- Health visiting services (universal and targeted services);
 - Family Nurse Partnership (targeted service for teenage mothers).
- 5.4 It should be noted that under the new arrangements, the council will have responsibility for commissioning the health visiting service and family nurse partnership, but not for management and provision of these services. The expectation of the Department of Health and NHS England is that these services will continue to be managed by NHS organisations. However local authorities could make the decision to transfer these services into the local authority, providing clinical governance and other considerations, such as the possible impact on staff recruitment and retention, are taken into account. This will be considered alongside the procurement process to enable a best value decision to be made.

What is the Health Visiting Service?

- 5.5 Health visitors are qualified nurses with additional post graduate training to prepare them for a public health/preventative role focusing on improving child health and reducing inequalities. The HV visits the family in their home and undertakes a holistic assessment of the whole family's social, emotional and physical health and well-being at each visit that can identify a range of health and well-being issues including housing, relationships, emotional health, mental health, social inclusion, physical health or financial circumstances.
- 5.6 The HV service plays a key role in helping to ensure that families have a positive start, working in partnership with GPs, maternity and other health services, children's centres, other early years services and wider services such as social care, housing and education. However, across the country and particularly in London, numbers of health visitors have been in decline and in

many areas there are not enough health visitors to offer all families the support they need. This lack of capacity has meant that sometimes health visitors have been unable to fully perform the wider public health role that they have trained for.

- 5.7 In recognition of the importance of the HV service and the overall lack of capacity, the government made a commitment to expand the national workforce by an extra 4,200 health visitors by 2015. This has been translated into a 'Call to Action trajectory' for each local area. In Tower Hamlets the 'Call to Action trajectory' will take the workforce to 95 WTE qualified health visitors (not including clinical leads and support staff), subject to successful recruitment and retention.

What is the Family Nurse Partnership?

- 5.8 The FNP provides more intensive, targeted support for vulnerable teenage first time mothers and their families by a family nurse who is usually a health visitor or midwife. The family nurse receives additional specialist training to deliver the programme.
- 5.9 The FNP is an evidence-based, licensed programme that is still in pilot phase in this country. It has been estimated that the FNP could provide savings five times greater than the cost of the programme.
- 5.10 Tower Hamlets was in the first wave of FNPs and established a service in April 2007 with local funding that was expanded by two additional family nurses in 2009 as part of the DH funded randomised controlled trial 'Building Blocks'. Funding for the two additional nurses was picked up by NHS England in April 2013. The local funding for the core service was transferred from the PCT to NHS England on 1st April 2013 when in order to ensure the expansion of the HV service and roll out of FNP, commissioning responsibility for these services was temporarily transferred to NHS England whilst the responsibility for the majority of local public health services transferred to the local authority.

6. Opportunities arising from the transfer of these responsibilities to the local authority

- 6.1 The transfer of 0-5 public health commissioning will enable join-up with the public health services for children and young people 5-19, notably School Health, that are already commissioned by the local authority, improving continuity for children and their families.
- 6.2 The transfer of commissioning responsibility to the local authority also provides important opportunities for closer integration with the wider early years workforce in children's centres, voluntary sector and children's social care and the development of a service that is more responsive to local priorities and needs. It will also be important to maintain and strengthen links with general practice, primary care and other NHS services.

6.3 Findings from a stakeholder engagement process that ran from January to April 2015 are being used to inform the development of a new service model and specification for the health visiting service.

7. Proposed mandation of universal services

7.1 Subject to parliamentary approval, the Department of Health is proposing to “mandate” the following aspects of the 0-5 Healthy Child Programme:

- Antenatal health promoting visits
- New baby review
- 6-8 week assessment
- 1 year assessment
- 2-2½ review

7.2 This is to ensure that these services are provided in the context of a national, standard format, to ensure universal coverage, and hence that the nation’s health and wellbeing overall is improved and protected.

7.3 Mandation will ensure that the increase in HV services’ capacity continues as the basis for national provision of evidence-based universal services - supporting the best start for all our children and enabling impact to be measured. Local authorities will be able to demonstrate progress on the relevant public health outcome indicators through early years profiles. Local authorities will have flexibility to ensure that these universal services support local community development, early intervention and complex care packages.

7.4 The local authority has responsibility for ensuring provision of the mandated universal services to the resident population and so it will be important to make arrangements with the host Boroughs for any looked after children placed outside the Borough.

8. Proposed Funding for the Transferred Service

8.1 Funding for the 0-5 Healthy Child Programme will sit within the overall ‘ring-fenced’ public health grant. The proposed baseline budgets to transfer to local authorities on 1st October 2015 were announced by the Department of Health (DH) on 12th December 2014 with a consultation period running up to 16th January 2015.

8.2 The proposed budget for Tower Hamlets (half year effect) was £3,525,000, to cover the health visiting service and FNP, plus £15,000 to cover the additional commissioning responsibilities. This was based on a data submission on workforce and finance, submitted by the current provider Barts Health, via NHS England. Public Health assessed the likely costs of the service and confirmed that there was sufficient funding for the current staffing plus growth to meet the ‘call to action’ trajectory but identified a concern that there was insufficient funding to cover the full overhead costs (e.g. accommodation and IT costs).

- 8.3 The Council informed NHS England, London Councils and the Department of Health that it was unable to agree to the current proposed budget and there has been an ongoing dialogue and investigation to address these concerns. NHS England has now proposed an additional 15% on the Health Visitor contract value for 2014-15 which amounts to a recurrent sum of £629,300 per year to cover overheads (that has now been rounded up to £630,000). Barts Health has indicated that the true accommodation costs are higher than this but are currently unable to provide any robust data to validate this. It is likely that this additional funding will come from the CCG as part of a rebasing exercise on the assumption that the funding is in the local system but has been incorrectly allocated between commissioners. Public Health has reserved the right to conduct further local negotiations if Barts Health is able to provide robust data on the true costs of the overheads.
- 8.4 The Department of Health published the revised 2015-16 allocations for 0-5 public health services on 26th March 2015. The half year funding (October 2015 – March 2016) for Tower Hamlets is £3.855m (£3.540m plus an additional £315,000 for overheads) which equates to £7.710m (£7,080m plus £630,000) for the full year cost.
- 8.5 Future allocations for the public health grant are expected to move towards a distribution based on population needs, determined using a fair shares formula based on advice from ACRA. The 2015-16 allocations will be used as a starting point and Local Authorities will move incrementally towards their target share of the overall allocation over a number of years. ACRA is developing its proposals for the formula for 2016-17 Local Authority public health allocations, which will include the 0-5 children's services component.
- 8.6 The funding allocation announced on 26th March 2015 is sufficient to fully cover the current health visiting and family nurse partnership services and to continue to recruit to expand the numbers of qualified health visitors. However it should be noted, in light of the Government's recently announced reduction to the Local Authority public health grant and uncertainties regarding future allocations, there is a risk that we may not be able to expand the numbers of health visitors to fully meet the 'Call to Action' target of 95 WTE.

9. Contractual Matters and Future Procurement

- 9.1 The NHS England contract for both services continues to March 2016 and (subject to agreement to the recommendations in this report) will be novated to the local authority on 1st October 2015. There are always risks in a contract novation however, there are measures which can be taken to mitigate the risk before the contract novation is finally agreed. These would include:
- Checking the detail of the contract that is proposed to novate including the specification and supporting documents and ensuring these are fit for purpose;
 - Clarifying the position to mitigate the risk of any historic liabilities being transferred to the authority;

- Proposing any amendments to the contract that might be required to address any weaknesses;
- Carrying out due diligence checks on the current contract provider and its performance of the contract.

9.2 In order to procure a new local authority contract to commence on 1st April 2016 the procurement process will need to commence well before the novation date. In the interim a memorandum of understanding (MOU) has been signed between the Council, NHS England and Tower Hamlets CCG which allows for joint performance management of the Tower Hamlets health visiting service by NHS England, Tower Hamlets CCG and LBTH Public Health. This is enabling a stronger understanding of the current service and its strengths and weaknesses to be developed. Maintaining links with the NHS, particularly primary care, is important to the effectiveness of the service.

9.3 Recruitment to the new posts in Tower Hamlets has been slow due to a shortage of students and qualified staff and intense competition across London for the available staff. A major effort is being made to recruit and retain student health visitors. However, despite this, it is projected that we will not have fully achieved the target of 95 WTE by 1st October 2015.

9.4 In view of the difficulty in recruiting and retaining health visitors and the currently highly competitive recruitment situation across London, it is important to ensure that the service is seen as an attractive, innovative and secure place to work. It will be important to ensure that NHS terms and conditions are maintained to enable opportunities for career progression and that the process of reviewing the service model, commissioning and management arrangements is done in a way that involves staff.

9.5 A stakeholder engagement steering group was been set up to oversee the process of co-designing the service model and specification for the health visiting service and met monthly from December 2014 to April 2015.

10.0 **Summary of Key Issues**

10.1 The transfer of commissioning responsibility takes place on 1st October 2015 and the novation of the current contract is the safest way to ensure continuity of service whilst allowing time for decisions to be taken about the future service delivery. The novation of a contract carried with it potential risks for the authority that can be mitigated by careful examination of the contract before transfer, due diligence checks on the provider and measures to make any changes required to protect the Council.

10.2 A further decision will be required on how the service should be delivered from 1st April 2016 when the current contract will expire. If the service is to be reprocured from an external provider the procurement process will need to start as soon as possible.

10.3 The identified potential shortfall in the funding that is being offered is being followed up in discussions with NHS England and the CCG to ensure that the

service does not start off an unsustainable financial footing. An additional sum of £629k per year has so far been secured.

- 10.4 Further work will be required to strengthen the service delivery including recruiting more staff to bring the service up to complement.
- 10.5 Continued engagement of key stakeholders including parent and partners in the NHS will be vital to the long term success of the service.

11. COMMENTS OF THE CHIEF FINANCE OFFICER

- 11.1 The proposed 2015/16 budget to be transferred from October 1st 2015 is £3.855million to cover workforce related costs. It is expected that the funding for both the HV and FNP services will be recurrent each year, the full year allocation of funding from 2016/17 will be £7.710m on the basis of current figures.
- 11.2 Central government has recently indicated that the level of 2015/16 Public Health grant allocated to local authorities will be cut (an estimate based on a national reduction of £200m allocated proportionately would mean an in-year reduction of £2.3m for Tower Hamlets). A government consultation is due soon, it is as yet unclear whether there would be any impact specifically on the funding for the HV and FNP services.
- 11.3 Once the service and the requisite budget has been transferred, any budgetary pressures will need to be met from within the Public Health Grant allocation.

12. LEGAL COMMENTS

- 12.1 On 1 April 2013, the Council assumed responsibility for a number of public health functions, following amendment of the National Health Service Act 2006 by the Health and Social Care Act 2012. The Council became subject to a general duty to take such steps as it considers appropriate for improving the health of the people of Tower Hamlets. It also acquired specific public health functions, which included functions relating to children aged 5-19, particularly to provide for medical inspection of pupils and for the weighing and measuring of pupils.
- 12.2 The amended NHS Act provided that additional public health functions of the Secretary of State may be transferred to local authorities by regulations. The Local Authority (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) Regulations 2013 ("**the Public Health Functions Regulations**") gave local authorities a number of public health functions from April 2013, including in relation to children aged 5-19. The Government has announced that from 1 October 2015, the responsibility for commissioning public health services for children aged 0-5 will transfer from NHS England to local authorities.

- 12.3 The Local Authorities (Public Health Functions and Entry to Premises by Local Healthwatch Representatives) and Local Authority (Public Health, Health and Wellbeing Boards and Health Scrutiny) (Amendment) Regulations 2015 were made on 23 March 2015. The regulations require the Council, in the discharge of its general public health duty and so far as reasonably practicable, to provide or make arrangements to secure the provision of a universal health visitor review to be offered to specified persons at specified times, namely –
- A woman who is more than 28 weeks pregnant
 - A child who is aged between one day and two weeks
 - A child who is aged between six and eight weeks
 - A child who is aged between nine and 15 months
 - A child who is aged between 24 and 30 months.
- 12.4 The regulations specify that a health visitor must carry out the review, except in two sets of circumstances. First, a suitably qualified health professional or nursery nurse may carry out the review, with guidance from a health visitor, if the health visitor considers it appropriate and the professional or nurse agrees. Secondly, a family nurse may carry out the review if the eligible person is a beneficiary of the family nurse partnership programme who is regularly visited by a family nurse, or if the eligible person is a child aged 24-30 months or a pregnant woman formerly regularly visited by a family nurse under the FNP programme, or a child whose mother who was formerly regularly visited under the FNP programme.
- 12.5 The report deals with how the Council will discharge these new public health functions from 1 October 2015. The initial suggestion is that the Council should take over the existing contract between NHS England and Barts Health, under which Barts Health currently deliver this service. This is to be done by way of novation of the existing contract such that the Council becomes the contracting party instead of NHS England.
- 12.6 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 (the incidental power). Subject to achieving the appropriate approvals in accordance with the Council's constitution, the incidental power permits the Council to enter into a novation agreement to deliver the functions detailed in paragraphs 12.3 and 12.4 above.
- 12.7 If the Council accepts a novation of the contract, then staff engaged in providing the universal health visitor reviews would remain engaged by Barts Health. There would be no relevant transfer of staff for the purposes of the Transfer of Undertakings (Protection of Employment) Regulations 2006. Such a transfer may take place in the future, however, if Barts Health should cease to be the provider at the end of the existing contract.
- 12.8 The suggested draft of the novation agreement is currently lacking in detail and leaves the Council significantly at risk. It will need considerable

discussion and redrafting prior to being completed. There are also a number of other risks that need to be addressed.

- 12.9 A novation works by agreement between the relevant parties that a new party should replace an existing party to a contract. In this case the original services purchaser, NHS England, is to be replaced by the Council. An important question arises as to the time from which the Council should become responsible for the liabilities and obligations previously held by NHS England under the contract. There are two principal options –
- 12.9.1 The Council steps in as if it were the original purchaser right from the very beginning (*ab initio*). In this case, the main risk to the Council is that it becomes responsible for the previous performance of NHS England. If NHS England breached the contract previously and the breach remains unresolved, then the Council would become responsible for that breach.
- 12.9.2 The Council steps in from a specified date, often the date the agreement is signed. In this case, if the contract relies on the performance of something that should have taken place prior to the specified date, but hasn't been done, the Council would be reliant on NHS England to pursue the contractor as it would remain the contracting party for any performance issues that occurred prior to the transfer.
- 12.10 The risks to the Council may be material in respect of either of the options in 12.9.1 and 12.9.2. However, as identified in paragraph 12.9, the risks will be different in respect of each option and will require different treatment to protect the Council's position. Agreement as to the appropriate option will be required at the outset, as this will affect any further discussion on the placement of risk and the terms of the novation agreement.
- 12.11 Once the Council accepts a novation of the contract, it will have to deal with any weaknesses in the agreement and any issues as to the fitness for purpose of the services provided under the agreement. For this reason, the Council must consider the terms of the existing agreement and any issues of performance prior to the novation and seek to deal with any issues when agreeing the terms of the novation.
- 12.12 Before entering into the proposed novation agreement, the Council will need to carry out due diligence on the existing contract between NHS England and Barts Health. This will include obtaining a copy of the contract and any relevant specification of services, obtaining performance information from NHS England and Barts Health and carrying out appropriate financial checks on the contractor. The Council will need to ensure that relevant insurance is in place and appropriate indemnities will need to be obtained from both NHS England and the contractor.
- 12.13 The existing contract between NHS England and Barts Health is due to expire at the end of March 2016. The Council will need to procure a new contract

before then, so as to ensure that it continues to discharge the functions outlined in paragraphs 12.3 and 12.4 above. That procurement will be subject to the requirements of the Public Contracts Regulation 2015. The Council will also have to comply with its best value duty under section 3 of the Local Government Act 1999, which will require compliance with its own procurement procedures. In accordance with directions made by the Secretary of State in December 2014, the recommendations of the Council's statutory officers (monitoring officer, chief finance officer and head of paid service) must also be followed in relation to that procurement, unless prior written agreement is obtained from commissioners appointed by the Secretary of State. Taking these requirements into account and given the size of the contract it would be prudent to allow a year for the procurement procedure.

- 12.14 It is intended that the Council is given the budget to deliver the new 0-5 public health functions. It is critical that the funding the Council receives matches its obligations. This will need to be sufficient to meet the obligations which the Council will take responsibility for under the existing contract, but will also need to take account of the ongoing obligations which the Council will have.
- 12.15 In considering how it will discharge its new public health functions, 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 (the public sector equality duty). This will be a significant consideration in relation to contract management and in the procurement of any new contract. Some form of equality analysis will be required which is proportionate to the function in questions and its potential impacts.

13. ONE TOWER HAMLETS CONSIDERATIONS

- 13.1 It is well established that healthy early years are particularly critical to (and difficult to achieve for) children in families affected by low incomes and poorer socio-economic conditions generally. Through this transfer the Council will inherit a major new responsibility to support children and families through the early years of life potentially delivering significant lifetime benefits in terms of healthier lives and longer healthy life expectancy.

14. BEST VALUE (BV) IMPLICATIONS

- 14.1 In accordance with the Council's Best Value Action Plan the Council will ensure that efficiency and effectiveness in the delivery of the service is achieved through a competitive re-procurement of the service by April 2016.

15. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 15.1 No implications.

16. RISK MANAGEMENT IMPLICATIONS

- 16.1 There are a number of significant risks to the authority in this national transfer of commissioning responsibility. The risks are detailed below:
- 16.2 Financial Risks: the Council is concerned that the additional public health grant funding as proposed is still insufficient to fund the expanded Health Visitor service which the national Call to Action programme has recommended for Tower Hamlets to fully meet needs in the borough. NHS England has now provided an additional £629,300 to help meet overhead costs. The Council has stated that the funding transferred must fully cover the contract value to be novated. Should the funding envelope not increase sufficiently to meet all the contract costs it will be necessary to reduce staff numbers (or in practice recruit less new Health Visitors as proposed) to ensure that the budget is not exceeded. There is little if any scope to absorb additional costs in the rest of the Public Health budget.
- 16.3. Service Continuity Risks: it is vital to maintain the service whilst the transfer of commissioning responsibility takes place. The novation of the existing 0-5 public health service contract would reduce the Council's exposure to the risk of service disruption, allow for a managed transition process and create a breathing space for consideration of future commissioning/procurement of the services.
- 16.4 Legal Risks from Novation: the transfer of an existing contract brings with it certain risks that must be mitigated to protect the authority. Detailed examination of the existing contract, due diligence checks on the current provider and consideration of additional clauses in the contract to be novated will help to ensure that the risks are minimised.
- 16.5 Staff level risks: implementing the Call to Action programme requires an increase in the numbers of qualified Health Visitors. That is proving challenging to deliver across London. Numbers are increasing but there is some way to go to meet the objective of 95 fully qualified staff in place. As noted above if there is insufficient funding transferred to the authority that is likely to impact on the ability to fully meet the target numbers.

17. **CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 17.1 Department of Health research shows that investment in healthy early years pays dividends in improved educational outcomes and reduced criminal justice costs.

18. **SAFEGUARDING IMPLICATIONS**

- 18.1 Health Visitors have an important role in safeguarding children and this will be reflected in the specification. If the procurement results in a new provider we will need to ensure that the requirements are fully met.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices


- NONE

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

- None

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<p>Cabinet</p> <p>28 July 2015</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Debbie Jones, Interim Corporate Director – Children’s Services</p>	<p>Classification: Unrestricted</p>
<p>Ending Groups, Gangs and Serious Youth Violence Strategy</p>	

Lead Member	Councillor Rachael Saunders, Cabinet Member for Children’s Services
Originating Officer(s)	Jebin Syeda, Strategy, Policy and Performance Officer
Wards affected	All Wards
Key Decision?	Yes
Community Plan Theme	A safe and cohesive community

Executive Summary

This report proposes the borough’s first Ending Groups, Gangs and Serious Youth Violence Strategy. The strategy will consolidate the work undertaken by the Council and its partners and will put in place a joined-up approach and commitment to addressing and tackling the issue of groups, gangs and serious youth violence(GGSYV). The strategy recognises GGSYV as a safeguarding issue and as such the commitment to addressing GGSYV includes all forms of exploitation and abuse which can be associated with GGSYV.

The strategy will place a strong strategic, co-ordination and leadership role on the local authority with a focus on safeguarding children, young people and families. The delivery is through the recruitment of a Ending Groups, Gangs and Serious Youth Violence Co-ordinator to provide operational lead and the setting up of a Strategic Action Group which will be the base for multi-agency response to GGSVY providing operational response to group offending and complex cases and strategic direction.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Agree the Ending Groups, Gangs and Serious Youth Violence Strategy 2015/16 – 2017/18 and the supporting action plan.

1. REASONS FOR THE DECISIONS

- 1.1 This is the borough's first Ending Groups, Gangs and Serious Youth Violence Strategy and needs to be signed off by the Mayor and Executive for implementation. The strategy is needed to enhance the partnership focus and approach to how we respond to local issues of GGSYV. This is needed to ensure we support and safeguard young people and families from harm in relation to involvement in GGSYV.

2. ALTERNATIVE OPTIONS

- 2.1 There are two alternative options. One of these is the option to do nothing, and continue to operate services as is. The strategy presents an opportunity to improve our partnership focus and co-ordination of our response to GGSYV. The do nothing option does not enhance the service offer to those who are involved and does not enable the partnership to take a prevention approach to supporting those involved in GGSYV. The other alternative option would be to put in place an alternative strategy. The proposed strategy is the best fit strategy for our partnership and feedback from Home Office suggests that the way the strategy is framed in the context of identifying and supporting vulnerabilities is the best approach.

3. DETAILS OF REPORT

- 3.1 In 2012, the Home Office undertook a review which resulted in a report and some initial work was undertaken. That work has continued, however, the need for a comprehensive strategy was identified. This is the strategic document and brings together the work undertaken in the interim period and reflects the community needs and the political importance given to this piece of work.
- 3.2 Historically, GGSYV has not been a significant issue but over the years has grown as an issue of concern for the community and for politicians, particularly with the increased use of knives in violent assaults. Although the issue locally is not as significant as other boroughs, the nature of violence and its impact on the community and the family is, and calls for a co-ordinated response to prevent, support and provide enforcement with support to ensure the borough responds to, and manages the emerging issues.
- 3.3 The strategy has been widely consulted on with partner agencies and seeks to put in place, strong strategic leadership and an operational lead with the overall aim to improve co-ordination and partnership focus. The aim of the strategy is for Tower Hamlets Partnership to *reduce the harm caused by groups, gangs and serious youth violence and its associated forms of abuse*. This requires a strong partnership approach as the issues cannot be tackled by one agency alone. The work we do on GGSYV will be guided by the following key principles:

- 1) The partnership will not tolerate groups, gangs and serious youth violence and its associated abuse in Tower Hamlets;
- 2) Our work will be underpinned by a safeguarding approach;
- 3) Young people (and families) who are at risk of involvement in groups, gangs and serious youth violence and the associated forms of abuse will be offered targeted interventions at the earliest point to discourage involvement with support from the appropriate partners;
- 4) If young people (or families) continue to engage in GGSYV the partnership will use all enforcement options available and also continue to offer support with appropriate interventions;
- 5) The partnership will place a strong commitment to data and intelligence sharing to reduce the harm caused by groups, gangs, serious youth violence and the associated forms of abuse.

3.4 The strategy divides the delivery of the work into four key areas:

- 1) Intelligence and data sharing – Improving how we use data for early identification and intervention and to influence our commissioning intentions;
- 2) Early identification and prevention – Supporting professionals to respond to concerns, engaging the community, supporting parents and support in schools;
- 3) Intervention and support – interventions to address the key risks and impacts of being involved in GGSYV;
- 4) Enforcement with support – creative use of legal powers across the partnership, assessing gaps in current provision for those who reach the cut off point for local authority young people’s services and are young and vulnerable, gang exit strategy for those who want to exit an offending lifestyle.

3.5 The work on GGSYV will be developed and directed through the Strategic Action Group. Involvement in the work of the Strategic Action Group from partner agencies is key to influencing and delivering the work and will include Social Care, Police, Housing, Public Health, Voluntary Sector, Probation, Clinical Commissioning Group, Child and Adolescent Mental Health and other local agencies and services including schools.

3.6 The prevention focus of the strategy taking a whole family approach means it fits well with phase two of Troubled Families, the Strategic Action Group will therefore work as a sub-group of the Troubled Families Board reporting to it on operational matters. Additionally, operational leadership will be provided by the recruitment of an Ending Groups, Gangs and Serious Youth Violence Co-ordinator the funding for which has been agreed.

3.7 The EGGSYV Strategy is a three year strategy with an ambitious one year action plan which will be reviewed and reported to the Community Safety Partnership Board as part of the governance arrangements.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

4.1 Resources of £50k per annum have been identified from the Council’s reserves to fund the post of EGGSYV Co-ordinator for the duration of the 3

year strategy. Any additional costs over £50k will be met from Troubled Families grant.

5. LEGAL COMMENTS

- 5.1. The Council's functions in relation to children include a duty under section 11 of the Children Act 2004 to make arrangements to ensure that its functions are discharged having regard to the need to safeguard and promote the welfare of children. Section 10 of the Act also requires the Council to make arrangements to promote cooperation between its safeguarding partner agencies including schools, the police, probation services and the youth offending team.
- 5.2. The EGGSYV Strategy is consistent with this legislative framework and Government guidance; in particular *Safeguarding Children who may be affected by Gang activity*, a non-statutory practice guidance which is supplementary to, and should be used in conjunction with, the Government's statutory guidance *Working Together to Safeguard Children* (2010).
- 5.3. The practice guidance recommends that Local Safeguarding Children Boards should ensure that local procedures and multi-agency protocols are in place for children at risk of harm through gang activity in their area. Clear protocols should help to create a seamless, collective response to meet the needs of children and young people. The EGGSYV Strategy is consistent with this recommendation.
- 5.4. Additionally, pursuant to the statutory guidance *Safeguarding Children and Young People from Sexual Exploitation* issued under section 7 of the Local Authority Social Services Act 1970, the Council's responsibilities include ensuring there is a multi-agency CSE Strategy and action plan with standard procedures and protocols and this is referred to within the EGGSYV Strategy.
- 5.5. The activities set out in the action plan appear capable of being carried out within the Council's statutory functions and officers will need to ensure that the action plan is implemented to ensure this is the case. In this regard, the following may be noted –
 - The action plan proposes information sharing between partner agencies. This may be permissible but appropriate protocols must be put in place, which ensure that personal data is only processed in accordance with the data protection principles under the Data Protection Act 1998.
 - Appropriate use may be made of enforcement tools to combat gang and group crime which were introduced in Part 1 to Part 9 of the Anti-social Behaviour, Crime and Policing Act 2014 in the form of dispersal powers, injunctions, public spaces protection orders, criminal behaviour orders and offences relating to firearms and protection from sexual harm and violence.
- 5.6. When considering the EGGSYV strategy, it is relevant to take into account that the Council has a duty under section 17 of the Crime and Disorder Act

1998 to exercise its functions with due regard to the likely effect on, and the need to do all that it reasonably can to prevent the following in Tower Hamlets: (a) crime and disorder, including anti-social and other behaviour adversely affecting the local environment; and (b) the misuse of drugs, alcohol and other substances; and (c) re-offending. The Council has adopted the Community Safety Partnership plan under the Crime and Disorder Act and care should be taken that the EGGSYV strategy is consistent with that plan.

- 5.7. In carrying out its functions, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, such as discrimination, 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). Before adopting the EGGSYV strategy, some form of equality analysis will be required that is proportionate to the function in questions and its potential impacts.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 The delivery of the strategy sits at the heart of developing one Tower Hamlets, a place where people feel safe and where young people have a choice and freedom in using the local environment in the way they need to without being harmed or harming others. The strategy seeking to actively identify vulnerable individuals and provide support taking a whole family approach addresses inequality for those experiencing trauma in their life which left unresolved could manifest itself in more complex adversity.
- 6.2 This strategy is the borough's first Ending Groups, Gangs and Serious Youth Violence Strategy and as such will put in place arrangements to ensure gang and youth violence related monitoring arrangements are embedded to enable evidence based one Tower Hamlets considerations to be made. We will pursue and reinforce this further through the work we take forward on the strategy.
- 6.3 The strategy identifies that British Asian males are highest represented as both victims and perpetrators of serious youth violence. To further understand this, we have initiated a thematic review which also looks at the backgrounds of the young people's cases being considered to help us frame a local response. The findings of this review will be fed into the work we take forward on the strategy.
- 6.4 An Equality Impact Assessment has been undertaken which identifies the need to embed the monitoring of GGSYV, including monitoring as per the requirements of the Equality Act 2010; this is built into the recommendations of the strategy. A copy of this assessment is appended to the report.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 We are investing in the recruitment of an Ending Groups, Gangs and Serious Youth Violence Co-ordinator which will secure continuous improvement in our approach to supporting those who are involved or at risk of involvement in GGSYV. This will improve efficiency and effectiveness in the management of cases and emerging issues on GGSYV by improving the service offer and preventing the escalation of GGSYV in the borough.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 The proposals put forward in this report do not have any direct environmental implications

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 We do not currently have a significant gangs and serious youth violence issue in the borough as evident in other boroughs. Although the number of incidences are not alarming, the nature of violence is intense and too many of our young people are experiencing negative trauma which has wider implications for families, communities and service providers. If we do not enhance our strategic focus and delivery co-ordination, there is the risk of the borough not being at the forefront of emerging local issues with groups, gangs and serious youth violence. The implementation of the strategy will set up a strong partnership which can manage emerging issues before they manifest as a significant problem for the borough.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 This strategy provides the strategic and operational framework for reducing crime and disorder by taking a prevention and intervention approach to supporting young people and families.

11. SAFEGUARDING IMPLICATIONS

- 11.1 One of the principles of the strategy is that the work we do is framed around safeguarding. This means that in all cases, the safeguarding principle will be key to how we respond to cases of GGSYV as a partnership. The implementation of the strategy will strengthen the operational arrangements for identifying the risks and needs of vulnerable young people through our partnership conceptual model, the Family Wellbeing Model. It will also improve the co-ordination and service offer across the partnership. Additionally, the focus on improving how we use data and intelligence locally to identify and support individuals and families will enable a stronger safeguarding role for all agencies involved.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- Appendix 1 – Ending Groups, Gangs and Serious Youth Violence Strategy
- Appendix 2 – Equality Impact Assessment on the Ending Groups, Gangs and Serious Youth Violence Strategy

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

- NONE

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Ending Groups, Gangs and Serious Youth Violence Strategy

April 2015 - 2018

Responsible Officer: Nasima Patel, Service Head Children's Social Care
Author: Jebin Syeda, Strategy Policy and Performance Officer
Coverage: Partnership
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Executive summary

To be drafted by JS once strategy agreed

Introduction

London Borough of Tower Hamlets is a densely populated borough located to east of the City of London and north of the River Thames in east London. The London Borough of Hackney lies to the north of the borough while the River Lea forms the boundary with the London Borough of Newham in the east. The population here is characterised by diversity, mobility and high growth. Our residents live in the 20% most deprived area in England and levels of overcrowding are significantly higher than London (35% compared to 22% in London) with 40% of the population living in social rented accommodation compared to 24% in London. The number of households is projected to increase by 2.8% per year¹. Our borough has one of the highest levels of child poverty in the country and unemployment continues to be an issue despite bordering the city and having Canary Wharf in the borough. The complexities of these factors make Tower Hamlets at risk of facing problems associated with gangs and serious youth violence.

Background

We uphold the United Nations Convention on the Rights of the Child (UNCoRC) which reinforces our approach to recognising the rights of children. We recognise that children have the right to meet together and join groups and organisations, on the condition that it does not prevent others from enjoying their rights (Article 15), equally recognised is the right for children to be protected from all forms of abuse (Article 19). For a young and densely populated borough, Tower Hamlets has a history of delivering prevention and intervention balancing the need to enable children to exercise freedom and to be protected from harm. The effectiveness of our partnership arrangements in delivering this is well established and has evolved over time; however, what is lacking is a focused joined up approach to tackling groups, gangs and serious youth violence which is clearly articulated - this strategy is our commitment to articulating our partnership approach.

This is the borough's first Ending Groups, Gangs and Serious Youth Violence Strategy. This strategy will consolidate the work undertaken by the Council and its partners and will put in place a joined-up approach and commitment to addressing and tackling the issue of groups, gangs and serious youth violence (GGSYV). We recognise GGSYV as a safeguarding issue and as such our commitment to addressing GGSYV includes all forms of exploitation and abuse which can be associated with GGSYV.

Tackling GGSYV is already a priority for the borough reflected in both our Community Plan and the Community Safety Partnership Plan 2013-16 which sets out how we will tackle GGSYV. Early in the first year of the plan, the Early Intervention and Prevention service within the Youth Offending Service has successfully engaged with young people on the Police gangs matrix, using a peer outreach youth work model and we have deployed youth workers at the Royal London Hospital's paediatric A&E on weekend and evenings resulting in successful referrals being made. It is also a priority area for the Mayor. We have a number of local prevention and enforcement strategies which set out our approach to tackling different forms of abuse associated with GGSYV. These place us in a strong position to develop our work on GGSYV as they recognise and have in place arrangements for addressing the risk and abuse which can be associated with GGSYV. The local strategies are:

- Violence against Women and Girls Strategy
- Child Sexual Exploitation Strategy
- Prevent Delivery Plan
- Neglect Strategy
- Substance Misuse Strategy

Additionally, we operate the No Place for Hate Forum the remit of which is to create awareness and intolerance to all forms of hate crime for all community groups as per the Equality Act 2010.

¹http://www.towerhamlets.gov.uk/lgs/l/701-750/732_jsna

Aim and Principles

The aim of the Tower Hamlets Partnership is to *reduce the harm caused by groups, gangs and serious youth violence and its associated forms of abuse*. This requires a strong partnership approach as the issues cannot be tackled by one agency alone. The work we do on GGSYV will be guided by the following key principles:

1. The partnership will not tolerate groups, gangs and serious youth violence and its associated abuse in Tower Hamlets;
2. Our work will be underpinned by a safeguarding approach;
3. Young people (and families) who are at risk of involvement in groups, gangs and serious youth violence and the associated forms of abuse will be offered targeted interventions at the earliest point to discourage involvement with support from the appropriate partners;
4. If young people (or families) continue to engage in GGSYV the partnership will use all enforcement options available and also continue to offer support with appropriate interventions;
5. The partnership will place a strong commitment to data and intelligence sharing to reduce the harm caused by groups, gangs, serious youth violence and the associated forms of abuse.

This strategy will place a strong strategic, co-ordination and leadership role on the local authority which will work closely with the delivery plans for all safeguarding strategies with a focus on safeguarding children, young people and families by driving effective data and intelligence sharing and effective identification and support interventions – through a strong partnership commitment.

Our intention is that the GGSYV strategy should ensure that the support needs of young people and families affected by GGSYV or at risk of being afflicted by the GGSYV and its associated abuse are clearly identified and supported and that data is used proactively to address the issues affecting individuals and communities in the context of gangs operating:

- Gender based violence, including sexual exploitation of women,
- Child sexual exploitation – of boys and girls; this is also recognised as a form of violence against women and girls;
- Alcohol and Substance misuse;
- Challenges associated with the radicalisation and extremism of some young people;
- All forms of hate crime.

Objectives

1. To strengthen the partnership focus and delivery of the work to tackle GGSYV;
2. To create a shared understanding of the nature and impact of abuse associated with GGSYV and improve identification and monitoring of those at risk of harm from GGSYV by ensuring a consistent approach across agencies;
3. To create a shared understanding of how professionals working with vulnerable children and families affected by GGSYV respond;
4. To work collaboratively with information and data sharing to proactively disrupt or address the impact of GGSYV and its forms of associated abuse and offer better protection to those at risk taking whole family approach;
5. To establish information sharing arrangements to create a clear picture of the prevalence of GGSYV and its associated abuse in Tower Hamlets and use this to inform JSNA and influence commissioning intentions;
6. Using the above, to identify particular trends in group offending in Tower Hamlets including hate crime perpetrated because of a person's race or sexual orientation.

Our approach will focus on intelligence and data sharing, early identification and prevention, intervention and support and enforcement with support delivered through a strong leadership and Partnership approach.

National drivers

Following the disturbances of August 2011, there was concerted effort from the government to address the issue of gangs and youth violence. The Ending Gangs and Serious Youth Violence initiative led to local authority peer reviews across the country putting in place actions that tackle this problem which had hit nationally and locally. The cross-government report, published in November 2011, set out detailed plans to make this happen through:

- Preventing young people becoming involved in violence in the first place, with a new emphasis on early intervention and prevention;
- Pathways out of violence and the gang culture for young people wanting to make a break with the past;
- Punishment and enforcement to suppress the violence of those refusing to exit violent lifestyles;
- Partnership working to join up the way local areas respond to gang and other youth violence

In December 2012, the London Crime Reduction Board (LCRB) launched their Partnership Anti-Gangs Strategy. This was the first pan-London response to the harm caused by gangs in the capital and brought together key criminal justice agencies and London's 32 boroughs. This joined up response and prioritisation of gangs, alongside the Metropolitan Police Services (MPS) Trident Gang Crime Command has prioritised tackling the issue². Locally, this has improved the alignment of specialist risk assessments through the Youth Offending Team (YOT) -ROSH and Asset, which are now routinely shared resulting in better reflection of gang cohorts in the Gangs Matrix – leading to more effective identification and management of risks. The Police Gangs Team are now co-located with the YOT Team improving joint working. The pilot scheme initiated by Youth Services has resulted in 2 Children and Young People Improving Access to Psychological Therapies trained staff from Troubled Families attending the Clinical Trauma Ward meetings which will lead to improvements in the identification and support interventions for young people to divert away from GGSYV.

We will link into the forth coming MOPAC initiative which will place specialists at the Royal London Hospital working on CSE and with those involved in GGSYV. When MOPAC publish the findings of the pilot on the development of an effective framework for commissioning of prevention and diversionary activities, the youth crime outcomes framework may inform our arrangements.

More recently the London Mayor launched Strategic Ambitions for London: Gangs and Serious Youth Violence which outlined the London Crime Reduction Boards (LCRB) strategic ambitions to reduce the harm caused by gangs in London. The approach focuses on the themes of **Prevention, Intervention and Enforcement**. Our approach will take a rounded view of tackling GGSYV which includes understanding GGSYV through intelligence and data analysis through to early identification and prevention, intervention and enforcement. The co-ordinated approach it calls for is in line with the adoption of the Family Wellbeing Model and our focus on prevention and early intervention. Additionally, the London Mayor's Crime Manifesto highlights the need for creating clear exit pathways for gang members wanting to leave a GGSYV related lifestyle³.

What is a 'gang'?

The term 'gang' is controversial and inevitably most people have a view on what is meant by the term and as such it can be difficult to come to consensus about the correct terminology to use to recognise the differences of opinions and the different levels of involvement in the agenda. The diagram below⁴ illustrates that the journey leading towards involvement in an organised crime

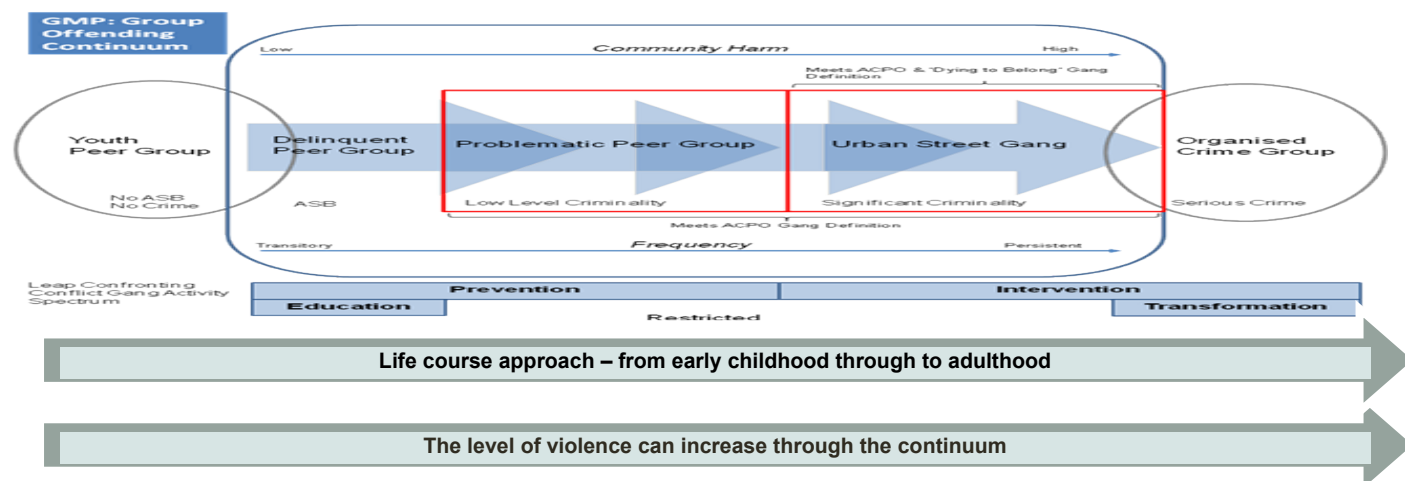
² <http://www.london.gov.uk/sites/default/files/LCRB%20gangs%20consultation%20-%20Summary.pdf>

³ <http://www.scribd.com/doc/87619798/Boris-Johnson-2012-Crime-Manifesto>

⁴ The Group Offending Continuum is used by the Home Office. Although we have adopted this Continuum, we do

group may begin with low-level anti-social behaviour, and gradually escalate in to more concerning behaviour leading to criminal activity. This continuum can be seen to fit loosely with the concept of a life course approach (this concept recognises age differentiated life-cycle stages and that the outcomes and interventions in a given part of the cycle can impact on the outcomes and life chances in another part of the life-cycle). It is underpinned with a scale that illustrates how prevention and intervention - before a young person becomes immersed in the criminal justice system can transform this journey. We know that not all people recognised in the continuum below will identify with a group or gang but we accept that being part of a group that is involved in criminality increases the risk of offending, as well as increasing the frequency and level of violence used in the offending⁵.

Diagram A – Group Offending Continuum



The Home Office definition as adopted by the local authority is that gangs are:

- A relatively durable, predominantly street-based group of young people who;
- (1) See themselves (and are seen by others) as a discernible group, and
 - (2) Engage in a range of criminal activity and violence.

They may also have any or all of the following features:

- (3) Identify with or lay claim over territory
- (4) Have some form of identifying structural feature
- (5) Are in conflict with other, similar, gangs.

(“Dying To Belong”, Centre for Social Justice, 2009 as amended by ACPO October 2012.)

The discourse on the definition of gangs has always been part of the work on tackling the issue. For some people the definition of ‘gangs’ in every day discourse is usually reference to the more visible ‘peer group’ description on the continuum but is also used interchangeably to describe those at the more serious end of GGSYV. It is not helpful to use a singular description of ‘gang’ as it gives credence to a status that would otherwise not be afforded and can in itself perpetuate the situation, it does not, in a helpful way justify who is and who isn’t in a ‘gang’.

We know from the work we do with young people at risk or involved in gangs and serious youth crime that the GGSYV continuum of involvement can be very broad, very fluid and behaviour can change over time. As such our approach to tackling the issue needs to vary in the range of interventions and be fluid enough to change with pace and time and to be able to work with those at the different ends of the continuum -from young children affected by GGYSV in the home to those involved in more serious crime. The continuum serves a useful purpose in recognising that there are different levels of involvement in GGSYV and we can shape our response accordingly.

Much of the research and the incidences that have taken place across the borough go to highlight that people, particularly young people can be perpetrators as well as victims in relation

not necessarily accept the use of the term ‘delinquents’ as a way of describing young people.

⁵ http://safe.met.police.uk/utilities/Gang_Group_Offenders_practitioners_handbook_v2.pdf

to GGSYV and as such we have not sought to define a specific age group which this strategy seeks to support but accept that it can impact on a broad age range from very young children through to adults.

Causal factors

'Ending Gang and Youth Violence', published in 2011⁶ set out causal factors that can lead to young people committing serious violence and joining gangs:

- Ill health in the family including ill mental health;
- Early childhood neglect and abuse;
- Social exclusion and early conduct disorders;
- Violent victimisation and repeated hospital visits;
- Early involvement in local gangs;
- Substance misuse;
- Early and repeat offending;
- Poverty and deprivation;
- Perceived lack of available opportunities for engagement;
- Parental abuse or neglect;
- Local attitudes to illegal economy;

These causal factors illustrate that Tower Hamlets has all the defining features that make it a borough most likely to have GGSYV as a key feature. It also illustrates that there will be multiple opportunities for services to engage with vulnerable individuals and families at risk. We will adopt an early identification and prevention approach to identifying and supporting children, and young people and those at risk or involved in gangs and serious youth violence, working with the family and the community to address the individuals, the families and the community needs. Our adoption of the Family Wellbeing Model⁷ means we are well placed to create a shared understanding of how we respond to vulnerable children and families as a partnership.

Current research - risk and impact

Current research (appendix A sets out a summary of the research) highlights the following key areas of concern in relation to GGSYV:

- Serious levels of **violence and substance misuse** as part of gang life, both of which perpetuate psychological problems – poor mental wellbeing is both an impact and risk factor;
- People with **learning disabilities** are at increased risk of experiencing gender based violence
- Significant levels of **sexual violence, victimisation and sexual exploitation of females** and the lack of appropriate services – violence against women is a high impact area
- **Child sexual exploitation (CSE)** in the context of gangs operating and significant failings in protecting children; it is also a form of violence against women and girls;
- **Looked After Children (LAC)** are at risk of re-offending and sexual exploitation;
- **Children who go missing** are at risk of CSE
- **Forced marriage** can be a stressor for young people going missing, it can be a family/community response to young people who go missing, it can be a family/community response to sexual exploitation - leading to children going missing.
- Vulnerable individuals are at risk of **radicalisation and extremism** and we recognise that often violent offenders may seek alternative lifestyles as an escape from criminality;
- **Poor mental health** and gang affiliation share common risk factors relating to young people's early life experiences and the environment in which they grew up and the more risk factors they are exposed to the greater the negative outcomes.

⁶ <https://www.gov.uk/government/publications/ending-gang-and-youth-violence-cross-government-report>

⁷ <http://www.childrenandfamiliestrust.co.uk/family-wellbeing-model/>

This recognises a range of associated abuse and risk factors in the context of gangs operating.

The research highlights the need for the following in addressing GGSYV:

- Assessments which identify health and mental health needs, substance misuse, the risk of sexual exploitation and of harm from GGSYV;
- Assessments which identify females, children who go missing and LAC and monitor their specific needs and track outcomes
- Effective information sharing, profiling, evidence based commissioning, whole-school approach to safeguarding and strong leadership and commitment;
- A life course approach focusing on preventing risk factors with negative outcomes and promoting mental wellbeing working with the family and building from the early stages of life;
- Policy and specialist services needed to identify and to support females affected by GGSYV;
- Exit Strategy for removing from GGSYV to include health and employment support and a whole family approach.

Local experience

Local agencies would like to see clearer referral pathways and better joining-up of service delivery. In-line with the strategic direction of the local authority, local agencies call for better early identification using all sources of intelligence to identify those who may otherwise become involved in GGSYV. The current arrangements are felt to be disparate with no operational or strategic lead and there is no clarity about the interventions professionals can access to support those vulnerable. Furthermore, there is recognition that investment has been made in the early intervention stages however there are two gaps in relation to working with GGSYV. Firstly, that something significant has to happen before a family will get support by which stage they are already involved in GGSYV and we need to get better at recognising the risk factors associated with GGSYV much more early on. Secondly, there is a cut off point for access to local authority early intervention support (17 year olds for Youth Offending Service, 19 year olds for Targeted Support although up to 25 year olds with Special Educational Needs) it is felt that in transition from children's services to adulthood there is a lack of interventions to support young vulnerable adults and adults generally as the issues become matters of public protection rather than safeguarding and taking a whole family approach would require us to re-think the focus on this.

Evidence of groups, gangs and serious violence in Tower Hamlets

The GGSYV impact on the community can vary depending on where on the group offending continuum the analysis points. We know that regardless of whether people are personally affected or not – it can influence the perception of crime in an area. In the Annual Residents Survey 2013/14 crime remains the top personal concern for local residents⁸.

Local discussions with practitioners working with the community highlight that young people can see gang membership as a form of support, a way of receiving respect and belonging and that whilst the above can be true, young men in particular can find themselves in adult authoritative role as a result of having no other male role models around. Respect and being able to provide for the family become the aspirations which can lead to focusing on short term gains and can perpetuate family violence including adolescent to parent abuse and sibling abuse and that we need to get better at identifying the risk factors of this. The defining feature of GGSYV locally is that serious youth violence has increased and practitioners are most worried about the intensity of the violence and the impact of this on the family.

The diagram below sets out the information available on the prevalence of GGSYV using the Group Offending Continuum.

Diagram B – Indicators of prevalence along the Group Offending Continuum

⁸ http://www.towerhamlets.gov.uk/lgsi/851-900/867/consultation/annual_residents_survey.aspx

<p>Youth Peer Group Almost one quarter (24.3%) of all LBTH residents are under 20 years of age</p> <p>Levels of child poverty are significant across the borough</p> <p>34.8% of all households in the borough, have fewer rooms than required</p>	<p>Delinquent Peer Group ASB crime rate is ranked as high December 2014 – 929 crimes - 3.66 rate* November 2014 1274 crimes - 5.01</p> <p>*a rate of that crime per 1,000 head of population</p>	<p>Problem atic Peer Group Youth Service A&E data: largely 16-19 year olds with knife wounds/facial injuries</p>	<p>Urban Street Gang There are currently two gangs which are most active, with increased activity from other gangs periodically</p> <p>Almost 50% of violence against the person with substantive outcomes offences are committed by Asian or Asian British (males) (2013/14) – this group make up 65.5% of the population of 10-17 year olds (2011 Census) A Thematic Review is underway (Autumn 2015) to better understand causal factors and to develop local responses to serious offences .</p> <p>Drugs offence and violence against the person are the top two reasons for substantive outcomes; nature of violence is intensifying and is a major concern for frontline workers.</p> <p>Violence against youths has increased by 16.5% (339 in 2013 and 395 in 2014)</p> <p>Pre/out of court referrals for females involving violence against the person shows increase in referrals: 2011/12-13, 2012/13-15, 2013/14-14, 2014/15-19</p>	<p>Organised Street Gang At January 2015 there were 158 individuals on the Police Gangs Matrix, only 1 is Female, 38 of these are 17 years or under.</p>
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Appendix B provides further information on the diagram above.

VOLT analysis

As part of the Home Office work undertaken in 2012 - a local victim/offenders/locations/times (VOLT) analysis was undertaken. The data sources that informed this are no longer available and the profile may have changed; however, it gives an indication of the prevalence at the time:

Victims

- The majority of victims of serious youth violence are Asian males.
- The main victim age-range concentration is between 15 and 19 years (74%)
- The peak victim age is 15, with most victims living on the borough
- 28% of victims of knife-enabled personal robbery are in the 10 –19 age group
- 89% of victims within the 10 – 19 age group are male

Offenders

- Serious youth violence on the borough is showing an overall increase since August 2010
- In 2011 there was a substantial increase in the proportion of violence against the person offences committed by Asian/Asian British young people in the borough
- The majority of those accused of serious youth violence are Asian males.
- The main age range is 15-17 (70%) Numerous youth groups have been identified in Tower Hamlets. Many are linked to postcode areas/schools and a higher proportion of these groups involve Asian youths than would be found elsewhere in London due to the demographics of the borough. Of those accused of serious youth violence aged 10 – 19 years, 67% offended in a group of two or more
- Gun related crime is very low and knife-related crime is relatively low compared with other London Boroughs though rising. Belts and improvised weapons are most common.

Locations

- There are three hotspots for reported serious youth violence in the borough: one in the west (Brick Lane) and two in the east (Poplar).
- Hotspots in the east (Poplar) are largely related to gang rivalry between two groups: the 'X' and the 'Z' and cross-border disputes with groups from other boroughs including Hackney – The hotspots can change with time and this was from data taken at the time
- Intelligence suggests that gang members are involved in drug dealing and that the younger members are becoming more active and trying to 'step up' which is causing tensions and associated violence. Gang members also commit other offences such as burglary and anti-social behaviour.

Times

- Temporal analysis suggests that after-school violence is one of the main contributors to serious youth violence.

Gender based violence

The Violence Against Women and Girls Action Plan produces a bleak picture of serious gender based violence in Tower Hamlets:

- We have one of the highest rates of reported domestic violence incidents across the 32 London boroughs;
- 97% are reported as crime against women;
- In the period 2011-2012, The Police received 6625 reports of domestic violence;
- High risk referrals to the Tower Hamlets Multi-Agency Risk Assessment Conference (MARAC) have increased year on year, such that 2011-12 will see around three times as many high risk cases being referred as in 2008-09;
- Domestic abuse and incidents of violence (against women) currently accounts for a high proportion of referrals to LBTH Children's Social Care and is a key child protection issue for the borough.

Child Sexual Exploitation

An independent review of child sexual exploitation is being undertaken in the spring of 2015 and this will provide further information in this area. Tower Hamlets has had a Multi-agency intelligence sharing group which has existed for about 10 years, this has tracked and brought to attention about 70 girls and/or young women that have been of concern in any one year as victims or at risk of CSE.

Locally, we are hearing more from boys who describe being victims of gang affiliated CSE, both as a victim of rape and forced sexual activity and as a 'victim' who is made to take part in gang initiation activity which can involve perpetrating sexual assault on others because deviating from gang expectations has dire repercussions. We have very little information locally about the prevalence of boys as victims of CSE but there is local and national recognition of this vulnerable group.

Radicalisation and extremism

The Counter Terrorism Local Profile (CTLP) places Tower Hamlets as a high risk area alongside its neighbouring boroughs. Locally, we have seen a small number of arrests under the Terrorism Act and extremism is becoming an increasing concern. Whilst involvement in radicalisation and extremism is different from the accepted definition of gangs, we recognise that offenders may seek alternative lifestyles as an escape from criminality. In this context, involvement in GGSYV and radicalisation has crossovers in the work we do across safeguarding and crime prevention. This strategy recognises this as both a safeguarding and crime prevention issue and as such will look to ensure all staff are well trained and recognise the risks and know the referral routes if they are concerned about radicalisation in the context of groups, gangs and serious youth violence.

Substance misuse

Tower Hamlets Substance Misuse Strategy 2011-2014 highlights the significant issue of substance misuse locally:⁹

⁹ <http://www.towerhamlets.gov.uk/pdf/Draft%20Substance%20Misuse%20Strategy%20Summary.pdf>

- Although the average rate of alcohol consumption across Tower Hamlets is relatively low, due to a large proportion of the population who do not drink, 43% of people who do drink have harmful or hazardous drinking patterns;
- Despite the large proportion of the population who do not drink, we have higher than the London average alcohol-related admissions to hospital (1,841 per 100,000 alcohol related hospital admissions in 2009/10 compared to a rate of 1,684 in London and 1,743 in England);
- Nationally, it is estimated that nearly half of all violent crime and antisocial behaviour is alcohol related;
- Between April 2009 and March 2010 drug related offences (dealing and possession) in Tower Hamlets accounted for 12.2% of all “notifiable” offences dealt with by the police. This is the second highest rate in London;
- Where mandatory drug tests in police custody suites have been undertaken, 30% of those tested have had a positive result for opiates or cocaine (mostly crack cocaine). There are well documented associations between dependent class A drug use and acquisitive crime;
- The most recent estimate suggests that there are around 3,795 people with problematic drug use in Tower Hamlets; Of this number, 1,775 (47%) are estimated to have not yet engaged with treatment;
- Alcohol misuse, in the form of ‘binge drinking’, remains prevalent among young people with no sign of abating;
- 128 young people with substance misuse related issues were treated in 2009/10, 38.2% of whom were receiving treatment for alcohol misuse. The average age of a young person in treatment was fifteen and 73% of those in treatment were male;
- There is a considerable body of international literature showing that treatment for alcohol problems is both effective and cost-effective.

Hate crime

Hate crime is crime committed against someone because of their disability, gender-identity, race, religion or belief, or sexual-orientation, it can take place and be the motivation for offending behavior in the context of groups and gangs operating.

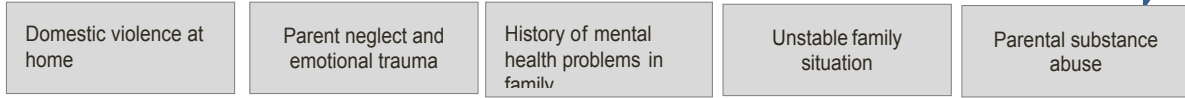
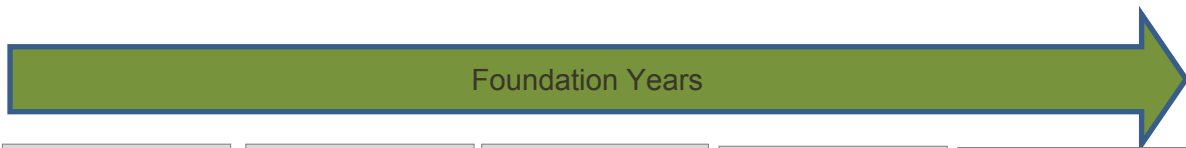
Local police data from July 2013 to July 2015 shows that incidences of hate crime have occurred in the context of the perpetrators being in a ‘group’ at the time of the offence.

Types of hate crime	Number of incidences	Number of incidences where the perpetrator(s) were in a group at the time of the offence
Anti-Semitic	29	2
Disability	19	0
Faith	146	2
Gender	15	0
Homophobic	138	7
Islamophobic	99	0
Race	913	19
Traveller	0	0

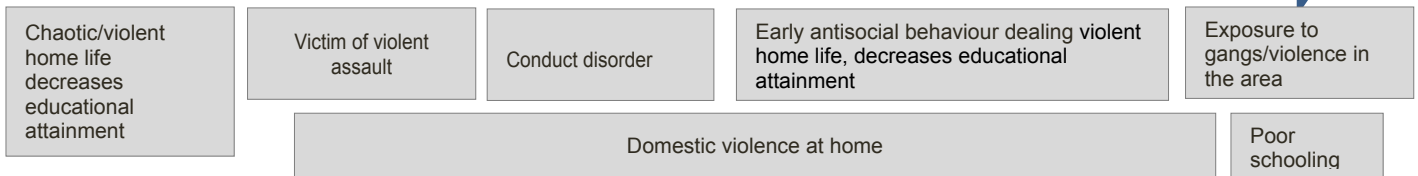
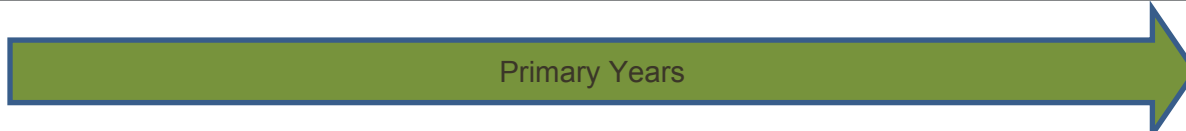
Improving our monitoring arrangements for data on group offending would be useful for identifying emerging issues and will enable us to respond to and better manage this. As part of the information sharing arrangements, this data set will also be considered.

Best practice

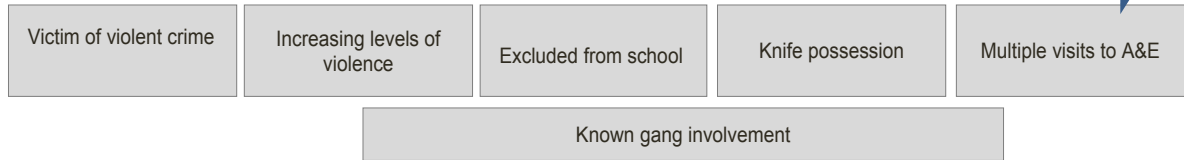
In developing recommendations for the way forward in tackling groups, gangs and serious youth violence, it is worth considering practice elsewhere. In 2011, a cross-government report¹⁰ took a life course approach to highlight good practice in ending gangs and serious youth violence.



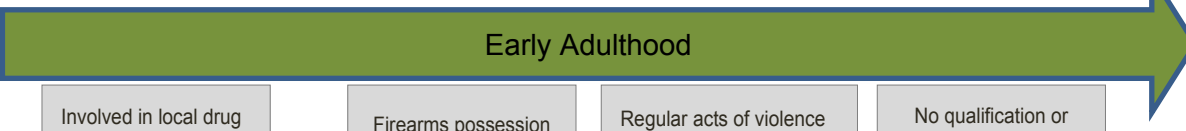
Good practice: Sure Start Children’s Centres, free nursery places, parenting programmes, Family Nurse Partnership, Health Visitors, MARAC, Domestic Violence Advisors, Troubled Families, Substance misuse services



Good practice: Mental Health Services, Schools to undertake targeted work with children at risk, help parents’ spot signs of gang involvement, school behaviour policies to set out multi-agency assessment for underlying causal factors, parenting skills for parents, substance misuse services, targeted work with those at risk.



Good practice: A&E and Social Care link, Substance misuse services, Multi-systemic therapy for major behavioural problems, psychological therapy, action plan for CSE, GGSYV materials at school, Munro recommendations, LSCB to address safeguarding GGSYV, services for girls suffering sexual abuse, Youth justice Liaison and diversion sites, identify vulnerabilities at arrest, target problem areas, YOT run gang reduction forums, gang injunctions for 14 to 17 year olds, improve health and education in secure estate and on release from custody to address SEN mental health disability etc, alternative provision for permanent exclusions with accountability for outcomes, parenting programmes, School multi-agency support plans to help children remain in school accessing education and improving behaviour. Schools promote conflict resolution and engagement in positive activities



Good practice: Offending behaviour programmes for violent offenders, prison leavers referred to work programmes, re-housing for former gang members, mediation using ex-gang members, firm arms offences, substance misuse services, deport dangerous gang members, reinforce criminal justice consequences (law on joint enterprise), community impact statements

¹⁰ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97862/gang-violence-detailreport.pdf

Current arrangements for tackling GGSYV serious youth violence

Set out below is the range of services/interventions available to support those involved in GGSYV set out across the three key themes for the delivery of the strategy. The data and intelligence column identifies the information which may be used to inform a preventative approach.

Data processing and Intelligence available	Current interventions		
	Early identification and Prevention	Intervention and Support	Enforcement and Support
Pupil Referral Unit Data	School Patrols	IAPT practitioners placed at A&E	Gangs Team/ Police
School children at risk of exclusion	Multi-Agency Risk Assessment Conference	Youth workers at CAMHS	Legal powers
YOT convictions and court orders	Multi-Agency Sexual Exploitation Panel	Youth & Community Service Case Worker based in Leaving Care Team	
Attendance and Welfare data	Multi-Agency Safeguarding Hub	Gangs Team/Police	
Social Inclusion Panel (including those below 18 on Prevent)	Youth Offending Team (incl. Early Intervention & Prevention)	Integrated Offender Management	
Leaving care team	Pupil Referral Unit	Restorative Justice	
Youth and Community Services	Victim Support	Substance Misuse Treatment Services	
Police Gangs Matrix Meetings	Social Workers	Targeted Youth Service	
A&E data	Attendance and Welfare Service	Rapid Response Team	
North East London Collaboration	Parenting Support Programme	Troubled Families	
MERLIN	Girl Talk (community and school settings)	NIA (Support service - VAWG)	
Prevent Safeguarding Adults Panel	Multi-Agency Public Protection Arrangements	NSPCC Protect and Respect	
NEETs	Targeted Youth Support	Mediation	
Housing ASB data	Schools	St Giles Project	
Third sector agencies data	Schools Highlights Panels	Ben Kinsella – Kickz	
School Patrols		Social Inclusion Panel (including those below 18 on Prevent)	
Rapid Response Team		Pupil Referral Unit	
Tower Hamlets Enforcement Officers		Multi-agency School Support Plan	
		CAMHS worker linked into YOT	
		Hate Crime reporting	
		CAMHS	
		Troubled Families	

Our approach to tackling groups, gangs and serious youth violence

Our approach will focus on intelligence and data analysis, early identification and prevention, intervention and support, and enforcement with support delivered through strong leadership and partnership. In developing our approach we have considered feedback from the recent Pan-London Gang Exit and Resettlement event which took place in December 2014. It is also informed by our local event with third sector involvement which looked at local challenges. This approach is in line with national and other local strategies.

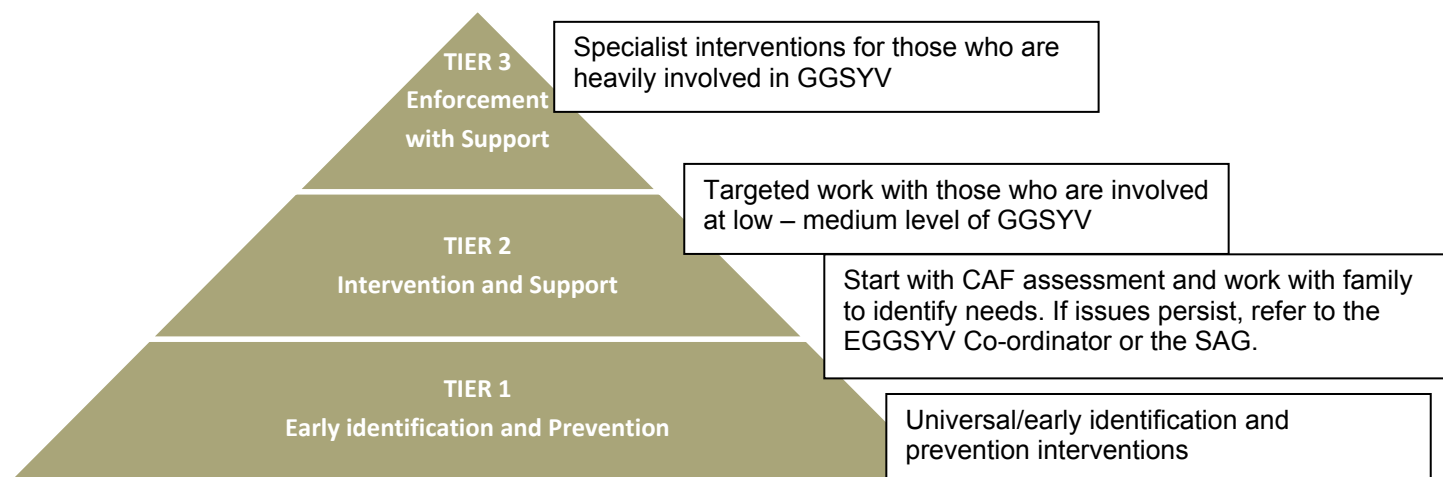
Intelligence and data sharing	Early identification and prevention	Intervention and Support	Enforcement with Support
<p>Join-up sharing and analysis of data to create profiles of GGSYV with data from Health, Police, community settings and the local authority with the intention of creating profiles of individuals, geographical areas or activities to identify symptoms and extent of GGSYV and use this to guide resource allocation and to support individuals and families affected by GGSYV</p>	<p>Targeting those at risk or vulnerable to GGSYV or any of the associated forms of abuse. This will focus largely on community settings, schools and frontline services working with children, young people and families. The aim of this will be to prevent the possibility of young people from becoming involved in any form of GGSYV or its associated abuse.</p>	<p>Targeting those involved in low-medium levels of GGSYV and any of the associated forms of abuse by identifying the needs of individuals and families affected by GGSYV with the aim to reduce or deter the escalation of involvement in more serious GGSYV</p>	<p>Targeting those heavily involved in GGSYV and effectively enforcing to deter, disrupt or incapacitate using the full force of the law and continuing to support as appropriate, including creative use of the legal powers available across the partnership</p>

Using the Family Wellbeing Model

The overall aim of Tower Hamlets' Family Wellbeing Model is to safeguard and promote the welfare of children, young people and families (Section 10 of the Children Act 2004), it is a partnership model which illustrates how we will respond to children and young people across three levels of need – universal, targeted and specialist – and the model describes services as falling into these three levels of support. The Family Wellbeing Model will ensure the risk factors and access to GGSYV related interventions are clearly identified. There are a number of referral forms, and therefore how we measure outcomes which are currently being used; these are being given further consideration as to which is best fit for the purposes of tackling GGSYV, this will be directed through the review of our existing Family Wellbeing Model.

The proposed Strategic Action Group (SAG) will report on:

- Evidence based deployment of resources using data on GGSYV activity in the borough;
- Number of cases which have been identified through the Strategic Action Group which has resulted in intervention and the outcome for the case



Ending GGSYV Co-ordinator

As part of our commitment to addressing GGSYV, we will recruit an Ending GGSYV Co-ordinator managed by Service Manager Family Intervention (Troubled Families Co-ordinator) whose primary role will be to:

- Lead the implementation of the GGSYV Strategy as directed by the Strategic Action Group;
- Ensure the contributions of all partners to tackling GGSYV is co-ordinated and works effectively;
- Ensure the collaborative use of data for the purposes of identification for intervention and prevention;
- Be the single point of contact for GGSYV, including managing social media contact;
- Work across agencies to develop new initiatives;
- Act as the Pan-London cross boarder local authority link;
- Work closely with all other safeguarding leads to ensure our approach to GGSYV is embedded in all works of the Council;
- Manage a multi-agency response to complex cases of GGSYV.

Additionally, the GGSYV Co-ordinator will have a dotted reporting line to Service Head for Children's Social Care.

Troubled Families Board and Strategic Action Group

To ensure strong leadership on the issue of GGSYV, we will identify a senior local authority lead responsible for reducing the harm caused by GGSYV and its associated abuse. The Strategic Action Group will operate as a sub-group of the Troubled Families Board, reporting to the Board every quarter on operational matters. The operation of the Strategic Action Group will have the following key purpose:

- Bring together and use data and intelligence collaboratively for the purposes of profiling GGSYV, including identifying hot-spots, victims and offenders, activity, group offending and drivers of GGSYV and use this to proactively address GGSYV for the purposes of commissioning and service design;
- Use sources of data and intelligence collaboratively to identify groups, individuals and families in need of support and intervention and ensure co-ordinated delivery and management of complex cases;
- Be the base for strong links to the Police, Community Safety, Health, Youth Offending, Registered Social Landlords, ESCW Social Care staff, CAMHS Staff;
- Drive the delivery of the GGSYV Strategy Action Plan;

Arrangements for delivery of the strategy

The implementation of the Ending GGSYV strategy will be placed with the local authority lead responsible for reducing the harm caused by Ending GGSYV and driven by the Strategic Action Group through Troubled Families. The action plan will be reviewed by the Strategic Action Group and reported to Troubled Families Board every quarter, identifying any operational issues. The implementation of the action plan and the work of the Strategic Action Group will be reported to the Community Safety Partnership Board annually.

Priorities going forward

The priorities identified below have developed into the action plan for implementing the strategy

What our priorities should be in tackling GGSYV and its associated abuse			
Data and intelligence	Early identification and Prevention	Intervention and Support	Enforcement and Support
Agree a senior local authority lead responsible for reducing the harm caused by GGSYV and its associated abuse	Apply a set of common risk factors for GGSYV and the associated abuse and use this to improve understanding of the identification of risks to safeguard and protect – this should be included in the review of the Family Wellbeing Model	Develop clear GGSYV Exit Strategy for those who want to exit an offending lifestyle- include employment options, health (including mental health and substance misuse) and housing needs underpinned by a whole family approach	There are a range of legal powers available to individual agencies which can be utilised to tackle GGSYV- draw together the full range of powers available and consider how it can be utilised creatively to end or disrupt offending behaviour.
Employ an Ending GGSYV Co-ordinator	Apply a consistent approach across agencies to improve identification, support planning and monitoring of those at risk of harm from GGSYV and its associated abuse through a common practice framework – include: <ul style="list-style-type: none"> • Identification of gender specific needs, health including substance misuse, mental wellbeing; • Monitoring of children who go missing and Looked After Children and track their outcomes • Take a whole family approach to identifying needs and support planning 	Consider Gang Call-Ins, including Trauma Surgeon resources and knowledge	Develop clear GGSYV Exit Strategy for those who want to exit an offending lifestyle - include employment, health (including mental health and substance misuse) and housing needs underpinned by a whole family approach
Set up GGSYV Strategic Action Group with responsibility for delivering the GGSYV agenda and manage complex cases	Map the different agencies that offer interventions for GGSYV and ensure clear referral pathways for those affected by GGSYV and its associated abuse ensuring CSE, radicalisation and gender based violence and hate crime pathways recognise GGSYV element	Provide gender specific support for women and girls experiencing GGSYV related abuse	Introduce Gang Injunctions - introducing conflict and reconciliation service
Develop GGSYV data and intelligence sharing from the local authority with the Police, Housing and Public Health with links established with DWP, Probation, MASH, Youth Offending, PRU and Youth Services and other relevant council services to consider the full range of data available and use for the purposes of identification and prevention	As part of whole schools approach to safeguarding, include the GGSYV agenda (include this information at the Pupil Referral Units) and ensure school behaviour policies set out multi-agency assessment for understanding underlying causal factor	Ensure support for ex-offenders who may otherwise be at risk of radicalisation when released in the community	Assess the current gaps in provision for those transitioning from children's interventions to adult interventions with a view to putting in place interventions needed where there is a gap
Agree data to be shared across boroughs through the North East London Forum	Develop an engagement process to gather feedback from local communities, faith groups, VCS, youth groups etc and to raise awareness of risk factors and reporting of GGSYV	Consider Gang Injunctions and conflict reconciliation service	
Agree a legally compliant information sharing protocol which clearly sets out the data required from partners, the purpose of the data and the frequency of data sharing	Deliver parenting programmes to support parents to identify risks and signs of engagement in GGSYV and how to access support needed	Monitor hate crime reporting which takes place in the context of groups and gangs	
Produce problem profile on GGSYV informed by all partner data to inform understanding of the drivers of gangs and youth violence e.g. school exclusion data	As part of the review of the Family Wellbeing Model review, ensure staff have an understanding of the risk factors of GGSYV and are aware of services that support those affected		

Appendix A – Current research on GGSYV

Gangs and serious youth violence – what does research tell us?

Research shows that there are a number of associated abuses which can take place in the context of gangs operating and serious youth violence taking place.

Gender based violence

All research tells us that violence is a part of gang affiliation for all members. Race on the Agenda's research on 'Female Voices in Violence' by Firmin¹¹ highlighted concerns about the lack of appropriate services available to females caught up in gangs, the use of rape, sexual violence, substance misuse and exploitation by gang members, and the impact of serious violence on their sexual and mental health and that policy and specialist services are needed to support women involved in gangs.

Firmin has highlighted the involvement of girls and young women in youth gangs and the potential risk of offending, domestic abuse, and sexual violence amongst other issues affecting these young people. We acknowledge that gang-associated girls and young women can be vulnerable to sexual violence and exploitation and our VAWG strategy places us in a position to address some of the issues and is strengthened by the approach taken by this strategy.

'It's wrong ...but you get used to it'¹² a study of gang associated sexual violence towards and exploitation of, young people in England by University of Bedfordshire found that there are significant levels of sexual victimisation within the gang-environment and young women are at particular risk, women associated with a gang member can be exposed to different forms of risk depending on their status within the environment highlighting how it can impact families; women are blamed, young people assume that sexual violence is inevitable or 'normal', incidences are not being reported or adequately identified and that this form of abuse and exploitation must be viewed within the wider patterns of harm and victimisation between young people.

A recent Probation Inspection¹³ found that fewer girls than boys offended with crimes being less serious and that due to the relatively low numbers, the needs of girls in the justice system can be overlooked and it needed a tailored response. It highlights Look After Children as having a pattern of reoffending. The best assessments and interventions recognised that girls had different needs to boys and that YOTs were able to track outcomes for girls. In essence, assessments should identify needs of girls, gender based risk of harm, possibility of sexual exploitation, substance misuse and health needs in assessment, intervention and information sharing. We should also evaluate the effectiveness of interventions with analysis and sharing of data in relation to safeguarding girls and that offending rates of LAC should be routinely evaluated. It asks that staff are trained to identify needs in relation to girls and gangs. It recommends exit strategies to ensure access to appropriate ongoing support when YOT support comes to an end for young girls.

Learning Disabilities and Gender Based Violence

Literature Review summary¹⁴ - People with learning disabilities are at increased risk of experiencing gender based violence. Below are the key points from the literature review:

- Disabled people are more likely to experience GBV than non-disabled people..
- People with learning disabilities are more likely than other disabled people to experience GBV.
- Disabled women are more likely to experience GBV than disabled men or non- disabled women.

¹¹ The Female Voice in Violence Project. Final report: This is it. This is my life... ROTA March 2011

¹² It's wrong ...but you get used to it, University of Bedfordshire, 2013

¹³ Girls in the Criminal Justice System, Criminal Justice Joint Inspection, December 2014

¹⁴ Clare McFeely, National GBV & Health Team, Chloe Trew, Scottish Consortium for Learning Disability, February 2011

- The perpetrators of abuse are most often known to the victim.
- People with learning disabilities are less likely to report abuse and less likely to receive a good service from agencies when they do.
- The consequences of abuse for people with learning disabilities are similar to those without learning disabilities but may be more severe.
- Health care workers have a responsibility to protect people from abuse, identify abuse and to respond to the needs of people who have been abused.
- There is little evidence of effective interventions to address this issue.

Child Sexual Exploitation

Our local Child Sexual Exploitation Strategy adopts the Department for Children, Schools and Families definition of Child Sexual Exploitation and as such recognises that it can impact on both boys and girls.

‘Sexual exploitation of children and young people under 18 involves exploitative situations, contexts and relationships where young people (or a third person or persons) receive something (e.g. food, accommodation, drugs, alcohol, cigarettes, affection, gifts, money) as a result of them performing and/or others performing on them sexual activities. Child sexual exploitation can occur through the use of technology without the child’s immediate recognition; for example being persuaded to post sexual images on the internet/mobile phones without immediate payment or gain. In all cases, those exploiting the child/young person have power over them by virtue of their age, gender, intellect, physical strength and/or economic or other resources. Violence, coercion and intimidation are common, involvement in exploitative relationships being characterised in the main by the child or young person’s limited availability of choice resulting from their social /economic and/or emotional vulnerability.’ (DCSF, 2009)

The Office of the Children’s Commissioners inquiry into child sexual exploitation¹⁵ CSE in gangs and groups in 2012 highlights the need to do much more to protect and support those experiencing or at risk of sexual exploitation. The inquiry identified nine significant failings in the current response to tackling and addressing child sexual exploitation and sets out a framework and a set of principles for effective practice. They recommend compliance, information sharing, problem profiling, evidence based commissioning, whole-school approach to child protection and also highlights the need for strong leadership and commitment as necessary for effective practice including a list of common risk factors. One of the key highlights of the report was the finding that young people could be victims and the perpetrators of abuse associated with GGSYV and sets out risk indicators of CSE.

Mental health, substance misuse and gang affiliation

The Centre for Public Health report¹⁶ highlights that whilst a minority of young people are involved in gangs, gang members account for disproportionate levels of crime and are at increased risk of violence both as a victim and a perpetrator and are also disproportionately affected by mental health difficulties – being involved in gangs can negatively impact on mental wellbeing and having poor mental wellbeing can draw young people to gangs. Additionally, violence and substance misuse are part of gang culture and perpetuate psychological problems. Girls involved in gangs are particularly vulnerable to poor mental health due to sexual violence. The report concludes that poor mental health and gang affiliation share common risk factors relating to young people’s early life experiences and the environment in which they grew up and the more risk factors they are exposed to the greater the negative outcomes. It calls for a life course approach focusing on preventing risk factors and promoting mental wellbeing working with the family; building from the early stages of life. Our local CAMH Service must have a strong role to play.

Children who go missing

¹⁵ <http://www.childrenscommissioner.gov.uk/info/csegg1>

¹⁶ The mental health needs of gang-affiliated young people, Centre for Public Health, January 2015

In 2012, the Joint All Party Parliamentary Group Inquiry on Children Who Go Missing from Care and the Children's Commissioner's inquiry into Child Sexual Exploitation in Gangs and Groups suggested that children who go missing are vulnerable to sexual exploitation and highlighted that the Local Safeguarding Children Boards have an important role to play in monitoring and interrogating data on children who go missing.

Young people who go missing are at risk of CSE is generally acknowledged in the CSE literature. Sharp¹⁷ found that young people seeking to escape a forced marriage by running away lack access to the economic resources required for independent living and are therefore at risk of child sexual exploitation. In her study of young people she found:

- Those that were homeless were sexually exploited or were at risk of sexual exploitation through seeking older boyfriends to go and live with.
- Forced marriage is a stressor for going missing in the context of CSE;
- Forced marriage is a family/community response to going missing;
- Forced marriage is a family/community response to sexual exploitation leading young people to run away.

She found risk assessments to be too narrow in enabling the identification of multiple risks and this was further compounded by services working only on particular issues.

Prevent and exploitation

'Prevent' is one of four strands of the Government's counter-terrorism strategy. This is part of its overall approach to countering terrorism with the aim of preventing people becoming terrorists or supporting violent extremism. A key element of the Prevent Strategy¹⁸ is supporting individuals who are being targeted and recruited to the cause of violent extremism and protecting vulnerable individuals who could be at the risk of radicalisation and extremism. We recognise that often violent offenders and gang members seek alternative lifestyles as an escape from criminality; however the route they take can include adopting extremist religious practices or becoming members of extremist organisations. Work therefore needs to be done with offenders to safeguard against radicalisation and extremism.

Appendix B – Prevalence of GGSYV in Tower Hamlets

¹⁷ www.beds.ac.uk/research/iasr

¹⁸ Prevent Plan, London Borough of Tower Hamlets 2015

Prevalence of GGSYV

Adopting the groups identified in the Home Office continuum, the prevalence of GGSYV in Tower Hamlets can be described as below:

Youth Peer Group – not involved in ASB or crime.

These are groups of young people who may congregate in public places. Given the boroughs young population, overcrowding and high poverty levels, this is likely to be a high feature of the borough.

An independent blog documenting London Street gangs lists 37 distinct groups in the borough which would appear “lower down” on the continuum. Many of these groups are linked to postcode areas or schools, and may not perpetuate serious anti-social behaviour.

Delinquent Peer Group – involved in anti-social behaviour

These are groups of young people who congregate and cause or is likely to cause harassment, alarm or distress to one or more persons not of the same household.

ASB reporting data from the Police shows Tower Hamlets as having considerably above average reporting of ASB with trends showing activity is higher than last year in that period.

Problematic Peer Group – Involved in low level criminality

A&E data – from youth workers

Between April 2014 and November 2014 Youth and Community Services based at the A&E on Fridays (6:30pm – 1am), Saturdays (6:30pm – 1am) engaged 44 young people between the ages of 13 and 28 with the largest representation being in the 16 and 19 year groups. Whilst there are data recording and completeness issues this snap shot reports:

- The vast majority of victims were from Tower Hamlets (73%) there were young people from Hackney, Newham, Haringey, Camden and Islington;
- Of the reasons recorded for visiting the A&E, stabbing was recorded 10 times (3 Black British, 7 Asian British) Bodily injury (mainly facial injuries) recorded 7 times; 3 were under the influence of drugs or alcohol. 6 received intervention because they were peers and others were unrecorded
- 93% were male, 7% were female – these each coming from Asian Bangladeshi, Arab and Black British background as peers, the reasons for their visit is unknown except the Black British female was a peer whose friend had been stabbed

This data set is collected over the peak periods on Fridays and Saturdays only. Similar data on serious injuries sustained by people through violence which would be collected by health colleagues is not routinely shared. Furthermore there is currently no consistent approach to working with neighbouring boroughs and we can strengthen this through better information and data sharing.

The Prevent Plan states that despite the widespread condemnation of extremism, groups that seek to radicalise (namely the proscribed Al – Muhajiroun) can be found in the borough. It is important that they are prevented from increasing their membership and do not act as a starting point for radicalisation and influencing individuals onto further extremist groups, self - radicalisation, and subsequently committing a terrorist offence.

Offences are grouped by date of substantive outcome

Ethnicity	2012/13			2013/14		
	No. of All Offences	No. of Violence against Person Offences	National Census 2011 % of 10-17 yr old population	No. of All Offences	No. of Violence against Person Offences	National Census 2011 % of 10-17 yr old population
Asian or Asian British	273	53	65.5%	298	54 (48%)	65.5%
Black or Black British	86	22	9.4%	128	29 (26%)	9.4%
Chinese or other ethnic group	4	1	1.8%	1	0	1.8%
Mixed	49	10	5.5%	49	7 (6%)	5.5%
White	198	48	17.8%	102	23 (20%)	17.8%
Total	610	134	100.0%	578	113	100.0%

Offensive Weapons Offences with Substantive Outcomes

Grouped by date of offence

Ethnicity	2012/13			2013/14		
	No. of Offensive Weapons Offences	% of Total Offensive Weapons Offences	National Census 2011 % of 10-17 yr old population	No. of Offensive Weapons Offences	% of Total Offensive Weapons Offences	National Census 2011 % of 10-17 yr old population
Asian or Asian British	10	37.0%	65.5%	16	61.5%	65.5%
Black or Black British	9	33.3%	9.4%	6	23.1%	9.4%
Chinese or other ethnic group	0	0.0%	1.8%	0	0.0%	1.8%
Mixed	1	3.7%	5.5%	3	11.5%	5.5%
White	7	25.9%	17.8%	1	3.8%	17.8%
Total	27	100.0%	100.0%	26	100.0%	100.0%

2013/14	Number
Asian or Asian British	16
Having an Article with Blade or Point in a Public Place (Offensive) 3	3
Possession Offensive Weapon Without Lawful Authorisation or Excuse 3	13
Black or Black British	6
Having an Article with Blade or Point in a Public Place (Offensive) 3	4
Possessing Firearm Without Certificate 2	1
Possession Offensive Weapon Without Lawful Authorisation or Excuse 3	1
Mixed	3
Having an Article with Blade or Point in a Public Place (Offensive) 3	2
Possession Offensive Weapon Without Lawful Authorisation or Excuse 3	1
White	1
Possession Offensive Weapon Without Lawful Authorisation or Excuse 3	1

Urban Street Gang – Involved in significant criminality

By adopting the Home Office definition of gangs locally, we identify two gangs involved in the more complex and criminal end of the gang's continuum. The two gangs are known locally as 'X' and 'Y' based on geographical boundaries, primarily based in geographical areas. Historically there have been high level incidences involving these gang members. Monitoring of gangs is made further complex because different agencies codify gang involvement and gang membership differently.

Substantive outcomes

Drugs offence and violence against the person are the top two reasons for young people receiving substantive outcomes. The act leading to the substantive outcome involving drugs offences or violence against the person is most likely to have taken place in the group context involving 2 or more persons. The numbers are reducing over the years; however there are concerns about the nature of violence intensifying.

Organised Crime Group – Involved in serious crime

Gangs Matrix data

The matrix is used to identify the most harmful gang members:

- individuals in a gang are scored - not the gangs
- individuals are identified by police and partners
- based on individuals previous violent history (last 3 years)
- based on the individuals recent intelligence (violence/weapons last 6 months)
- based on partners risk / harm score
- based on intelligence managers judgement
- individuals are also scored and ranked as victims of violence

Each gang member is scored according to how many crimes they have been involved in over the last three years. This scoring is weighted according to the crimes' seriousness and how recently it was committed. In addition intelligence from the last six months is also used to weight the score for each nominal. These weighted scores then add up to an overall harm score, which is used to rank each of the gang members within each borough. In addition to the harm score each nominal is also scored as a victim.

On 21/01/2015 Tower Hamlets Gangs Matrix has 158 people on it.

157 Males

1 female

131 Live Nominals (4 in Red, 33 Amber, 92 Green) -of these 37 are juveniles (17 years and under)

27 Custody Nominals (4 in Red, 3 Amber, 20 Green) - 1 Juvenile

Ethnicity

(White European appearance) - 33 and 3 in Custody

(Dark skinned European appearance) - 1

(African-Caribbean appearance)- 61 and 18 in Custody

(Asian appearance) - 34 and 6 in Custody

Glossary of acronyms used in this strategy is as below:

A & E	Accident and Emergency
ASB	Anti-social Behaviour
CAMHS	Child and Adolescent Mental Health Service
CMT	Corporate Management Team (Council)
CSE	Child Sexual Exploitation
DMT	Directorate Management Team
ESCW	Education Social Care and Wellbeing
GBV	Gender Based Violence
GGSYV	Groups, Gangs and Serious Youth Violence
LAC	Looked After Children
LCRB	London Crime Reduction Board
LSCB	Local Safeguarding Children's Board
MAB	Members Advisory Board
SAG	Strategic Action Group
YOT	Youth Offending Team
VAWG	Violence Against Women and Girls
VCS	Voluntary and Community Sector

Ending Groups, Gangs and Serious Youth Violence Strategy Action Plan 2015/16

Lead: Nasima Patel, Service Head Children’s Social Care

Delivered by: Tower Hamlets Council services, Police, Public Health, Housing, Probation, Schools and other relevant agencies.

This action plan outlines the recommendations as part of implementing the Ending Groups, Gangs and Serious Youth Violence Strategy. GGSYV cannot be addressed by one agency alone and must be delivered with strong partnership arrangements. This action plan is set to be delivered within the 2015/16 financial year and refreshed for 2016/17 onwards.

It is recommended that the action plan be reviewed and progress tracked every quarter by the Troubled Families Board and reported annually at the Community Safety Partnership Board.

The Ending GGSYV Co-ordinator will have a key role in implementing the GGSYV Strategy, driven by the Strategic Action Group with strategic leadership provided by Children’s Social Care and be closely aligned with Troubled Families.

Work stream 1: Data and intelligence				
Activity	Timescales for completing the action	Outcome	Deliverables/Product	Named lead and agency responsible for delivery
Partners to formally sign off the GGSYV Strategy	Quarter 4 2014/15	Members of the Community Safety, Health and Well Being, Children and Families, Local Safeguarding Children's, Learning Disability Partnership Boards, the Tower Hamlets Housing Anti-social Behaviour Forum and the Family Wellbeing Model Steering Group adopt the strategy	Strategy presentation at various Boards for sign off of the strategy	Strategy Policy and Performance and Service Head for Children's Social Care
Agree formal sign off of the GGSYV Strategy including through MAB	Quarter 4 2014/15	Formal adoption of the GGSYV Strategy with leadership and political support	Strategy taken through DMT, CMT, MAB and Cabinet and Partnership groups	Strategy Policy and Performance and Nasima Patel, Service Head Children's Social Care
Formal launch of the strategy	Quarter 1 2015/16	Wider awareness and adoption of the GGSYV Strategy	Launch of strategy through council & partner agencies, internet and intranet and include in Managers Briefings	Service Manager Family Intervention

Agree a senior local authority lead responsible for reducing the harm caused by GGSYV and its associated abuse	Quarter 1 2015/16	Leadership commitment and accountability established	Senior lead agreed	London Borough of Tower Hamlets
Employ an Ending GGSYV Co-ordinator	Quarter 2 2015/16	Co-ordinated delivery through a SPOC	Resource to deliver the GGSYV Strategy	London Borough of Tower Hamlets
Set up GGSYV Strategic Action Group with responsibility for delivering the GGSYV agenda	Quarter 2 2015/16	Strategic and operational lead for delivering the GGSYV agenda	Group set up and operational	Ending GGSYV Co-ordinator with council services and SPOC from partner agencies*
Agree a legally compliant information sharing protocol which clearly sets out the range of data required from across the agencies and services, the purpose and frequency of reporting and who is responsible for providing the data	Quarter 2 2015/16	Clear commitment to data and intelligence sharing with leadership endorsement	A formal data sharing agreement	Ending GGSYV Co-ordinator with council services and SPOCs from partner agencies with input from Redouane Serroukh, Information Governance Manager, ESCW
Agee the development of GGSYV data and intelligence sharing from the local authority with the Police, Housing and NHS with links established with DWP, MASH, Youth Offending, PRU and Youth Services, Schools and other relevant council services to consider the full range of data available	Quarter 2 2015/16	Improved identification and prevention	Number of effective interventions	Ending GGSYV Co-ordinator with council services and partner agencies

and use for the purposes of identification and prevention				
Periodically produce a problem profile on GGSYV informed by all partner data to inform understanding of the drivers of GGSYV and to influence commissioning intentions	Quarter 2 2015/16	Better understanding of GGSYV in Tower Hamlets leading to evidence based commissioning	Evidence base for where resources are deployed	Ending GGSYV Co-ordinator with the Strategic Action Group
Agree data to be shared across boroughs through the North East London Forum	Quarter 2 2015/16	Cross borough data and intelligence sharing to better identify and intervene in cases of GGSYV	Clear data sharing arrangements in place	Ending GGSYV Co-ordinator

Work stream 2: Early identification and Prevention				
Activity	Timescales for completing the action	Outcome	Deliverables/Product	Named lead and agencies responsible for delivery
Agree a set of common risk factors for GGSYV and the associated abuse and use this to improve understanding of the identification of risks to safeguard and protect – this should be included in the review of the Family Wellbeing Model	Quarter 2 2015/16	Improved understanding of risks associated with GGSYV leading to improved identification and consistency	Revised Family Wellbeing Model	Family Wellbeing Model Steering Group
Apply a consistent approach across agencies	Quarter 2	Co-ordinated response across	A common practice	Family Wellbeing Model

<p>to improve identification, support planning and monitoring of those at risk of harm from GGSYV and its associated abuse through a common practice framework – include:</p> <ul style="list-style-type: none"> • A clear referral mechanism; • Identification of gender specific needs, health including substance misuse, mental wellbeing and learning disabilities; • Monitoring of children who go missing and Looked After Children and track their outcomes; if the concern is GGSYV related; • Take a whole family approach to identifying needs and support planning • Reinforce the requirements of the Equalities Act 2010 to collect and review diversity data as part of monitoring arrangements 	2015/16	agencies with improved monitoring data and identification of needs	framework to support partnership wide approach to responding to GGSYV	Steering Group
As part of the review of the Family Wellbeing Model review, ensure staff have an understanding of the risk factors of GGSYV and are aware of services that support those affected	Quarter 2 2015/16	Staff are clear about our approach, thresholds clearly identify GGSYV risks and impact and staff know about services to support and intervene where GGSYV is an issue	Revised FWM, the launch of the FWM	Family Wellbeing Model Steering Group

Agree and put in place a referral form and process for GGSYV which allows outcomes to be measured	Quarter 2 2015/16	Clear referral pathways established	Agreed form and process for agencies to use when concerned about GGSYV	Family Wellbeing Model Steering Group
Map all of the different agencies that offer interventions for GGSYV and ensure clear referral pathways for those affected by GGSYV and its associated abuse ensuring CSE, radicalisation and gender based violence pathways recognise GGSYV element	Quarter 3 2015/16	Clarity of interventions and referral pathways for GGSYV	Document mapping interventions which can be drawn on to identify and tap into interventions	Ending GGSYV Co-ordinator with other safeguarding leads, with Young People and Preparing for Adulthood CDG partnership contribution from Jo Reed, (city Gateway) Alex Nelson, (Voluntary Sector)
Develop an engagement process to gather feedback from local communities, faith groups, VCS, youth groups etc and to raise awareness of risk factors and reporting of GGSYV	Quarter 3 2015/16	Community awareness of safeguarding and risk factors of GGSYV	Processes agreed and set up	Ending GGSYV Co-ordinator with council services and partner agencies
Deliver parenting programmes to support parents to identify risks and signs of engagement in GGSYV and how to access support needed	Quarter 2 2015/16	Strengthen parenting skills and build resilience	Parenting programmes delivered	Family Support Programme – Jill McGinley, Head of Family and Parent Support Services
As part of whole schools approach to safeguarding include the GGSYV agenda and	Quarter 2 2015/16	Young people are aware of risks and impact and are	Material used in schools and PRUs and behavioural	Safeguarding Leads in schools

materials in schools and ensure schools (and PRUs) behaviour policies set out multi-agency assessment for understanding underlying causal factors and have multi-agency strategies for supporting vulnerable young people to remain in education		better able to safeguard against GGSYV. Better early identification and prevention.	policy includes a multi-agency assessment for causal factors	Jill McGinley, Head of Family and Parent Support Services Liz Vickery, Head of Social Inclusion
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Work stream 3: Intervention and Support				
Activity	Timescales for completing the action	Outcome	Deliverables/Product	Named lead and agencies responsible for delivery
Consider how the monitoring of hate crime might be improved to inform our understanding of hate crime in the context of group offending	Quarter 3 2015/16	Information to allow the borough to respond to emerging issues of group offending in	Information to inform commissioning intentions	Mel Clare Met. Police and Sharmeen Narayan, Domestic Violence and Hate Crime Manager
Provide strategic and policy support for those experiencing GGSYV related gender based violence	Quarter 3 2015/16	Those experiencing gender based violence are offered better support	Interventions delivered with positive outcomes for those experiencing gender based violence	Violence Against Women and Girls Manager – Fiona Dwyer
Ensure support for ex-offenders who may otherwise be at risk of radicalisation when released into the community	Quarter 3 2015/16	Ex-offenders are prevented from radicalisation and extremism	Interventions delivered to ex-offenders	Prevent Team

Consider Gang Call-Ins	Quarter 3 2015/16	Gang exit option encouraged for those who are involved	Gang Call-In happens	Youth Offending Service
Consider introducing Gang Injunctions and conflict reconciliation service	Quarter 3 2015/16	Improved enforcement and reduction of GGSYV	Interventions delivered	Youth Offending Service including Trauma Surgeon resources and knowledge
Link into MOPAC work placing specialists at the Royal London Hospital working with victims of gang related violence	Quarter 2 2015/16	Better information share and identification of support	Specialist placed at the Royal London	Youth Offending Service
Request young people's substance misuse provider have clear referral and support pathways for gang members with substance misuse problems and report on numbers presenting in treatment and outcomes	Quarter 3 2015/16	Reduction in substance misuse amongst gang members	Increased successful treatment for substance misuse	Bola Akinfolarin- Young People's substance misuse Commissioner

Work stream 4: Enforcement and Support

Activity	Timescales for completing the action	Outcome	Deliverables/Product	Named lead and agencies responsible for delivery
Assess the current gaps in provision for those transitioning from children's interventions to adult interventions with a view to putting in place interventions	Quarter 4 2015/16	Better understanding of need for interventions	Assessment is completed	Ending GGSYV Co-ordinator and Strategic Action Group

needed where there is a gap				
Develop clear GGSYV Exit Strategy for those who want to exit an offending lifestyle - include employment, health (including mental health and substance misuse) and housing needs underpinned by a whole family approach	Quarter 4 2015/16	Clear pathway for those who want to exit GGSYV lifestyle	Agreed Plan for putting in place a GGSYV Exit Strategy	Ending GGSYV Co-ordinator with council services and partner agencies
There are a range of legal powers which can be utilised to tackle GGSYV across the partnership - draw together the full range of legal powers to tackle GGSYV to end or disrupt offending behaviour and consider how this is used creatively across the partnership to tackle GGSYV	Quarter 4 2015/16	Better understanding of the legal powers available to agencies in the partnership and creative utilisation of this to improve ending or disrupting GGSYV	Legal powers clearly set out in a document	Ending GGSYV Co-ordinator with council services and partner agencies through the Strategic Action Group

*Members on the Strategic Action Group

- Council Social Care services (Nasima Patel, Head of Children's Social Care)
- Police (DCI Mel Clare)
- Housing (Kevin Jones, Interim Director of Neighbourhood Service)
- Public Health (Chris Lovitt, Associate Director of Public Health)
- Voluntary Sector (Alex Nelson, Voluntary Sector Children and Youth Forum Youth Forum Co-ordinator)
- Probation (Emma Connor, Tower Hamlets lead for gangs)
- Child and Adolescent Mental Health, (Bill Williams, General Manager and IAPT Project Lead)
- Tower Hamlets Clinical Commissioning Group (John Wardell, Deputy Chief Officer)
- John Watkins, Head teacher, Tower Hamlets Pupil Referral Unit
- Emma Grove, Assistant Head teacher – Safeguarding and Inclusion, George Green's School

Equality Analysis (EA)


Financial Year
2015/16

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)

**See Appendix
A**

Current decision
rating



Ending Groups, Gangs and Serious Youth Violence Strategy

This equalities impact assessment is on the new Ending Groups, Gangs and Serious Youth Violence (EGGSYV) Strategy.

The (EGGSYV) Strategy is the borough's first strategy for tackling groups, gangs and serious youth violence (GGSYV). It places the local authority in a strategic, co-ordination and leadership role through a strong partnership focus with the aim of reducing the harm caused by GGSYV. The strategy calls for early identification and prevention; using the Family Wellbeing Model), and is underpinned by a safeguarding approach. It sets out a number of associated abuse in the context of gangs operating:

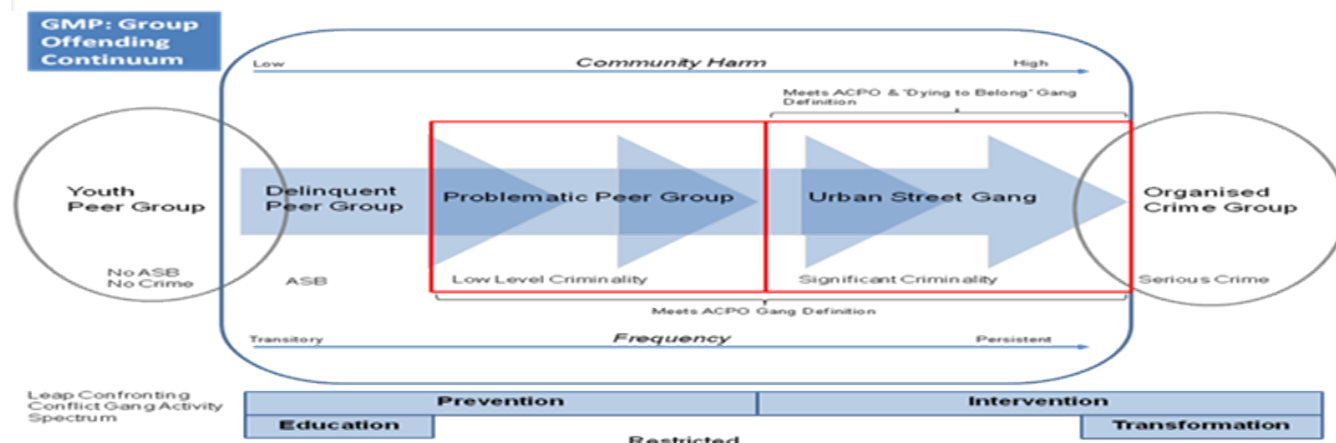
- Gender based violence, including sexual exploitation of women,
- Child sexual exploitation – of boys and girls; this is also recognised as a form of violence against women and girls;
- Alcohol and Substance misuse;
- Challenges associated with the radicalisation and extremism of some young people;

We also recognise that hate crime can happen in the context of group offending and as such will look to extend our monitoring arrangements to include the monitoring of hate crime in the context of group offending, this will enable us to respond to any emerging issues.

The associated abuse in addition to the definition of gangs as applied by the Home Office using the Group Offending Continuum () gives us a working definition which allows the recognition of the complexities of the risks and impacts of gangs operating. For some people the definition of 'gangs' in every day discourse is usually reference to the more visible 'peer group' description on the continuum but is also used interchangeably to describe those at the more serious end of GGSYV. It is not helpful to use a single description of gang as it gives credence to a status that would otherwise not be afforded and can in itself perpetuate the situation, it does not, in a helpful way justify who is and who isn't in a 'gang'.

We know from the work we do with young people at risk or involved in gangs and serious youth crime that the GGSYV continuum of involvement can be very broad, very fluid and behaviour can change over time. As such our approach to tackling the issue needs to vary in the range of interventions and be fluid enough to change with pace and time and to be able to work with those at the different ends of the continuum -from young children affected by GGYSV in the home to those involved in more serious crime. It also enables us recognise that victims can be perpetrators of offence and the perpetrator can also be a victim. The continuum serves a useful purpose in recognising that there are different levels of involvement in GGSYV and we can shape our response accordingly.

Diagram A – Group Offending Continuum



Historically, GGSYV has not been a significant issue but over the years has grown as an issue of concern for the community and for politicians, particularly with the increased use of knives in violent assaults.

The strategy has been widely consulted on with partner agencies and seeks to put in place, strong strategic leadership and an operational lead with the overall aim to improve co-ordination and partnership focus. It has been developed in consultation with the following Boards in addition to practitioners and teams and individual specialists:

- Community Safety Partnership Board
- Local Safeguarding Children’s Board
- Children and Families Partnership Board
- Tower Hamlets Housing Anti-social Behaviour Forum
- Health and Wellbeing Board
- Learning Disabilities Partnership Board
- Family Wellbeing Model Steering Group

The EGGSYV Strategy is a three year strategy with an ambitious one year action plan set to be delivered in 2015/16 and refreshed for 2016/17. The delivery of the strategy will be supported by an EGGSYV Co-ordinator and a Strategic Action Group.

Aim and Principles

The aim of the Tower Hamlets Partnership is to reduce the harm caused by groups, gangs and serious youth violence and its associated forms of abuse. This requires a strong partnership approach as the issues cannot be tackled by one agency alone.

This strategy will place a strong strategic, co-ordination and leadership role on the local authority which will work closely with the delivery plans for all safeguarding strategies with a focus on safeguarding children, young people and families by driving effective data and intelligence sharing and effective identification and support interventions – through a strong partnership commitment.

Our intention is that that the GGSYV strategy should ensure that the support needs of young people and families affected by GGSYV or at risk of being afflicted by the GGSYV and its associated abuse are clearly identified and supported and that data is used proactively to address the issues affecting individuals and communities in the context of gangs operating.

Objectives

1. To strengthen the partnership focus and delivery of the work to tackle GGSYV;
2. To create a shared understanding of the nature and impact of abuse associated with GGSYV and improve identification and monitoring of those at risk of harm from GGSYV by ensuring a consistent approach across agencies;
3. To create a shared understanding of how professionals working with vulnerable children and families affected by GGSYV;
4. To work collaboratively with information and data sharing to proactively disrupt or address the impact of GGSYV and its forms of associated abuse and offer better protection to those at risk taking whole family approach;
5. To establish information sharing arrangements to create a clear picture of the prevalence of GGSYV and its associated abuse in Tower Hamlets and use this to inform JSNA and influence commissioning intentions;

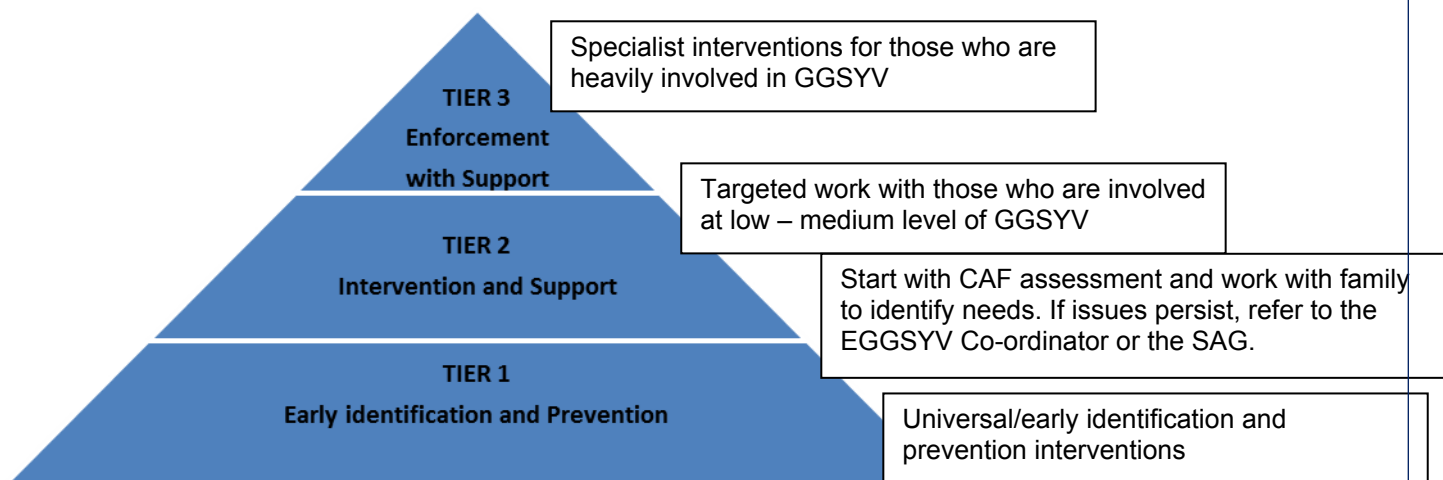
Our approach will focus on intelligence and data sharing, early identification and prevention, intervention and support and enforcement delivered through a strong leadership and Partnership approach.

The EGGSYV Strategy approach and delivery is set out across four key areas:

1. Intelligence and data sharing
2. Early identification and prevention
3. Interventions and support
4. Enforcement and support

Using the Family Wellbeing Model

The overall aim of Tower Hamlets' Family Wellbeing Model is to safeguard and promote the welfare of children, young people and families (Section 10 of the Children Act 2004), it is a partnership model which illustrates how we will respond to children and young people across three levels of need – universal, targeted and specialist – and the model describes services as falling into these three levels of support. The Family Wellbeing Model will ensure the risk factors and access to GGSYV related interventions are clearly identified. There are a number of referral routes and therefore measures for outcomes – these need to be given further consideration as to which is best fit for the purposes of tackling GGSYV, this will be directed through the review of our existing Family Wellbeing Model.



Other areas of work which will bring about positive impact on those involved or at risk of

involvement in GGSYV include the below:

- Improving data and intelligence sharing;
- Delivering specific interventions in schools and for parents to support young people and families;
- Establishing a common set of risk factors for GGSYV and its associated abuse to improve understanding and community and practitioners response to GGSYV;
- Applying a consistent approach across agencies to improve identification, support planning and monitoring of those at risk of harm;
- Mapping interventions to ensure clear referral pathways;
- Agreeing a single form to use across agencies for making referrals which allows outcomes to be measured;
- Using the legal powers across the agencies to take a creative approach to enforcing GGSYV

The impact of all these areas is to improve our approach across agencies to address GGSYV. Better professional understanding of risks and interventions, consistency across agencies, clearer pathways for accessing services will have a positive impact on all users. Once we have arrangements in place for collecting and reviewing data on GGSYV, we will be better placed to analyse the impact and to influence commissioning intentions of local services.

Ending GGSYV Co-ordinator

As part of our commitment to addressing GGSYV, we will recruit an Ending GGSYV Co-ordinator managed by Service Head for Children's Social Care whose primary role will be to:

- Implement the GGSYV Strategy as directed by the Strategic Action Group
- Ensure the contributions of all partners to tackling GGSYV is co-ordinated and works effectively;
- Ensure the collaborative use of data;
- Be the single point of contact for GGSYV;
- Work across existing forums such as MASE and develop new initiatives;
- Work closely with other safeguarding leads such as MASE ;
- Act as the Pan-London cross boarder local authority link

Additionally, the GGSYV Co-ordinator will have functional links to Service Managers for Troubled Families and Youth Offending Team.

Strategic Action Group

To ensure strong leadership on the issue of GGSYV, we will identify a senior local authority lead responsible for reducing the harm caused by GGSY and its associated abuse and set up a Strategic Action Group the key purpose of which will be to:

- Bring together and use data and intelligence collaboratively for the purposes of profiling GGSYV, including identifying hot-spots, victims and offenders, activity, group offending and drivers of GGSYV and use this to proactively address GGSYV for the purposes of commissioning and service design;
- Use sources of data and intelligence collaboratively to identify groups, individuals and families in need of support and intervention and ensure co-ordinated delivery and management of complex cases;
- Be the base for strong links to the Police, Community Safety, Health, Youth Offending, Registered Social Landlords, ESCW Social Care staff, CAMHS Staff, Clinical Commissioning Group and Public Health;
- Drive the delivery of the GGSYV Strategy Action plan ;

Arrangements for delivery of the strategy

The implementation of the EGGSYV strategy will be placed with the local authority lead responsible for reducing the harm caused by GGSYV and driven by the Strategic Action Group. The work of this strategy is well aligned with Troubled Families and the Strategic Action Group will operate as a sub-group of the Troubled Families Board reporting quarterly on operational matters. The implementation of the action plan and the work of the Strategic Action Group will be reported to the Community Safety Partnership Board as part of the governance arrangements.. The action plan itself will be reviewed every quarter by the Strategic Action Group.

Conclusion - To be completed at the end of the Equality Analysis process

(the exec summary will provide an update on the findings of the EA and what outcome there has been as a result. For example, based on the findings of the EA, the proposal was rejected as the impact on a particular group was unreasonable and did not give due regard. Or, based on the EA, the proposal was amended and alternative steps taken)

Based on the findings of this Equalities Impact Assessment, the EGGSYV Strategy has been assessed to have a positive impact on community groups. The Strategy will strengthen our approach to co-ordination and delivery, the changes it seeks to put in place will help to improve the identification, monitoring and support for those vulnerable to GGSYV or already involved.

Name: Nasima Patel
(signed off by)

Date signed off: July 2015
(approved)

Service area:
Children’s Social Care

Team name:Head of Children’s Social Care
Service manager: Nasima Patel

Name and role of the officer completing the EA:
Jebin Syeda, 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?

Indicators of prevalence along the Group Offending Continuum¹

<p>Youth Peer Group Almost one quarter (24.3%) of all LBTH residents are under 20 years of age</p> <p>Levels of child poverty are significant across the borough</p> <p>34.8% of all households in the borough, have fewer rooms than required</p>	<p>Delinquent Peer Group ASB crime rate is ranked as high December 2014 – 929 crimes - 3.66 rate* November 2014 1274 crimes - 5.01</p> <p>*a rate of that crime per 1,000 head of population</p>	<p>Problematic Peer Group Youth Service A&E data: largely 16-19 year olds with knife wounds/facial injuries, predominantly male</p>	<p>Urban Street Gang There are currently two gangs which are most active, with increased activity from other gangs periodically</p> <p>Almost 50% of violence against the person with substantive outcomes offences are committed by Asian or Asian British (2013/14) – this group make up 65.5% of the population of 10-17 year olds (2011 Census) A Thematic Review is underway to better understand causal factors and to develop local responses to serious offences.</p> <p>Drugs offence and violence against the person are the top two reasons for substantive outcomes, nature of violence is intensifying and is a major concern for frontline workers.</p> <p>Violence against youths has increased by 16.5% (339 in 2013 and 395 in 2014)</p> <p>Pre/out of court referrals for females involving violence against the person shows increase in referrals: 2011/12-13, 2012/13, 2013/14, 2014/15-19</p>	<p>Organised Street Gang At January 2015 there were 158 individuals on the Police Gangs Matrix, only 1 is Female, 38 of these are 17 years or under.</p>
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- We have one of the highest rates of reported domestic violence incidents across the 32 London boroughs;
- 97% are reported as crimes against women;
- In the period 2011-2012, the Police received 6625 reports of domestic violence;
- High risk referrals to the Tower Hamlets Multi-Agency Risk Assessment Conference (MARAC) have increased year on year, such that 2011-12 will see around three times as many high risk cases being referred as in 2008-09;
- Domestic abuse and incidents of violence (against women) currently accounts for a high proportion of referrals to LBTH Children's Social Care and is a key child protection issue for the borough.

Child Sexual Exploitation

An independent review of child sexual exploitation is being undertaken in Quarter one of 2015/16 and this will provide further information on this area. Tower Hamlets has had a Multi-agency intelligence sharing group which has existed for about 10 years, this has tracked and brought to attention about 70 girls and/or young women that have been of concern in any one year as victims of CSE, and there are also a small number of boys and young men who are known to us.

Of the cases that are known to us, family problems and substance misuse appears to be a key feature of these cases. Recent local data set shows 5 of the 7 cases where a Child Sexual Exploitation strategy was discussed were also discussed as gone missing or absent. Of these 5, four were also Looked After Children. We want to ensure we are capturing Looked After Children and children going missing status within our data sets to ensure better information on these vulnerable groups to improve identification and co-ordination of service delivery in meeting their needs. The Strategy seeks to ensure Looked After Children and children going missing are identified in the context of GGSYV through the monitoring arrangements to allow for better and proactive interventions to reduce the risk of harm associated with GGSYV for this particularly vulnerable group.

We have very little information locally about the prevalence of boys as victims of CSE but there is local and national recognition of this vulnerable group. We are hearing more from boys who describe being victims of gang affiliated CSE, both as a victim of rape and forced sexual activity and as a 'victim' who is made to take part in gang initiation activity which can involve perpetrating sexual assault on others because deviating from gang expectations has dire repercussions for them. The common practice framework the strategy seeks to put in place will ensure that gender specific needs are identified to enable better identification and support planning.

We are in the early stages of developing a data base through the CSE Steering Group which will enable us to collect and report on CSE case and look at a range of issues including GGSYV and this will include reporting by the equalities categories as per the Equality Act 2010.

Radicalisation and extremism

The Counter Terrorism Local Profile (CTLP) places Tower Hamlets as a high risk area alongside its neighbouring boroughs. Locally, we have seen a small number of arrests under the Terrorism Act and extremism is becoming an increasing concern. Whilst involvement in radicalisation and extremism is different from the accepted definition of gangs, we recognise that offenders may seek alternative lifestyles as an escape from criminality. In this context, involvement in GGSYV and radicalisation has crossovers in the work we do across safeguarding and crime prevention. This strategy recognises this as both a safeguarding and crime prevention issue and as such will look to ensure all staff are well trained and recognise the risks and know the referral routes if they are concerned about radicalisation.

Whilst we collect diversity data, we need to improve our arrangements for storing and using it. We are currently looking at systems to support the storing and analysis of diversity data in relation to cases which are raised as concerns at the Social Inclusion Panel. We are unable to share the data on these cases as it is contained in restricted documents.

Substance misuse

Tower Hamlets Substance Misuse Strategy 2011-2014 highlights the significant issue of substance misuse locally:²

- Although the average rate of alcohol consumption across tower Hamlets is relatively low, due to a large proportion of the population who do not drink, 43% of people who do drink have harmful or hazardous drinking patterns;
- Despite the large proportion of the population who do not drink, we have higher than the London average alcohol-related admissions to hospital (1,841 per 100,000 alcohol related hospital admissions in 2009/10 compared to a rate of 1,684 in London and 1,743 in England);
- Nationally, it is estimated that nearly half of all violent crime and antisocial behaviour is alcohol related;
- Between April 2009 and March 2010 drug related offences (dealing and possession) in Tower Hamlets accounted for 12.2% of all “notifiable” offences dealt with by the police. This is the second highest rate in London;
- Where mandatory drug tests in police custody suites have been undertaken, 30% of those tested have had a positive result for opiates or cocaine (mostly crack cocaine). There are well documented associations between dependent class A drug use and acquisitive crime;
- The most recent estimate suggests that there are around 3,795 people with problematic drug use in Tower Hamlets; Of this number, 1,775 (47%) are estimated to have not yet engaged with treatment;
- Alcohol misuse, in the form of ‘binge drinking’, remains prevalent among young people with no sign of abating;
- 128 young people with substance misuse related issues were treated in 2009/10, 38.2% of whom were receiving treatment for alcohol misuse. The average age of a young person in treatment was fifteen and 73% of those in treatment were male;
- There is a considerable body of international literature showing that treatment for alcohol problems is both effective and cost-effective.

Our local Alcohol and Substance Misuse: Children and Young People Joint Strategic Needs Assessment 2010/2011³ highlights that the number of young people in treatment has also fallen since 2007. It concluded that the evidence continues to show, overall, that drug and alcohol use among young people is falling and that the increased availability of services in recent years ensures young people who need help are getting it. However, the numbers currently in treatment are 114 cases in quarter one of 2014/15 and 143 the following quarter, a significant increase in comparison to the less than 100 figures quoted in the 2010/11 JSNA.

There is a correlation between those involved in serious youth violence and the use of substance misuse services; the Youth Offending Team is one of the main referral routes in for service users.

We continue to look at ways of increasing the number of referrals into substance misuse services. In 2015/16 work will be undertaken requiring all young people’s substance misuse providers to have clear referral and support pathways for those involved in GGSYV with substance misuse problems and report on numbers presenting in treatment and outcomes.

² <http://www.towerhamlets.gov.uk/pdf/Draft%20Substance%20Misuse%20Strategy%20Summary.pdf>

³ http://www.towerhamlets.gov.uk/lgsi/701-750/732_jsna/children_and_young_people.aspx

Hate crime

Below is data on reported incidences of hate crime from July 2013 to July 2015 with a breakdown of the number of incidences and the number of incidences where the perpetrator(s) were in a group at the time of the offence.

Types of hate crime	Number of incidences	Number of incidences where the perpetrator(s) were in a group at the time of the offence
Anti-Semitic	29	2
Disability	19	0
Faith	146	2
Gender	15	0
Homophobic	138	7
Islamophobic	99	0
Race	913	19
Traveller	0	0

This demonstrates that hate crime can happen in the context of group, for the purposes of managing emerging issues we will strengthen our monitoring arrangements and improve how we share information on hate crime incidences.

Section 3 – Assessing the Impacts on the 9 Groups

This is our first Ending Groups, Gangs and Serious Youth Violence (GGSYV) Strategy, as such we have not introduced specific monitoring of GGSYV to date, therefore there are gaps in the information we hold. In considering the associated abuse of GGSYV as set out in the strategy there is some data available, this Equalities Impact Assessment is informed by that data as set out above. The strategy recommends an agency wide common practice framework which aims to improve consistency in practice, approach and monitoring. Although services will be monitoring as per the requirements of the Equality Act 2010, the recommendations from the strategy also reinforce this to improve agencies involvement in monitoring and reviewing data as per the requirements in relation to GGSYV.

The recommendations of this strategy to apply a consistent approach across agencies through a common practice framework of our approach to risk identification support planning and monitoring and taking a family approach will improve the support for vulnerable young people from all communities. It may be difficult for some individuals to engage in the family context and we will always be sensitive to this within the common practice framework. Additionally, once the review of the Family Wellbeing Model is completed, there will be work undertaken to support professionals understanding of the risk factors and interventions available for those who are at risk or involved in GGSYV.

The recruitment of an EGGSYV Co-ordinator will ensure additional resources to embed our approach to supporting those at risk or already involved in GGSYV. The Co-ordinator will act as a key point of contact where GGSYV is a concern and will work with the family and the community to address local issues; this will be a valuable resource to drive our work on the GGSYV agenda.

The Strategic Action Group will drive intelligence and data sharing for the purposes of identification and early intervention and prevention. We are currently applying the concept of a multi-agency group coming together to share intelligence and data on a group of local young people that have recently come to the attention of the local authority to consider what can be

done operationally and strategically to address the needs of the individuals and the group collectively. This work has engaged the parents of the young people involved and support needs for parents have emerged. The work also involved community leaders to engage the family. As this work progresses, we will have built a strong foundation for the SAG to operate from and to ensure the needs of the different community is considered in finding a local solution.

The Strategy recommends developing data and intelligence sharing from the local authority with links into key services and agencies. Given the number of agencies involved and the lack of a single system for all agencies involved to use for the purposes of data and intelligence sharing, getting meaningful intelligence and information sharing in place will be a key challenge. As challenging as it is, we cannot under estimate the value data and intelligence sharing will add to the work we do to identify and support vulnerable groups to reduce harm. We anticipate that the use of Single View of a Child, an IT system which will go in some way to improve the holding and sharing of information. The discussions to enable Single View of a Child to report on a GGYSV dashboard is underway and further developments will be about the possibilities of using the system across the partnership. Our use of the Common Assessment Framework (CAF) which is used by partners will be key to sharing data and intelligence.

There are existing legislative powers that allow the partnership to share data where there may be safeguarding or public protection concerns and we can get better at sharing this information routinely. This strategy seeks to put in place an information sharing protocol which will begin to put some structure and framework on the issue of data and intelligence sharing across agencies.

The holding and sharing of data across the partnership in relation to safeguarding and public protection is recognised as a national challenge, this Strategy will begin to address the issue locally.

Target Groups	Impact – Positive or Adverse	Reason(s)
Race	Positive	<p>The approach this Strategy puts forward will have a positive impact on all groups across this strand.</p> <p>The use of substance misuse services shows the majority of users as young males of 17 years of age from the British Asian community (69% at quarter 2 of 2014/15) this correlates with the high level of involvement of this group in serious youth violence. There is work being undertaken to identify groups who are not presenting and this has led to targeted work to increase British white and female representation. For substance misuse services we have already started monitoring young people's involvement in GGSYV. The information on this will come together over quarter two and three of 2015/16 as the users build trusting relationships with practitioners and can disclose this information.</p> <p>From the data we currently hold on serious youth violence, there is a significant number of a young people from the Asian British community where serious youth violence is an issue. Whilst the numbers do not indicate an over-representation comparative to the borough, they are high and they do indicate serious levels of violence. We have initiated a Thematic Review which will consider the causal factors including a look at the family circumstances and the backgrounds of the young people involved to make recommendations for local solutions and will inform the work we do with these vulnerable groups.</p> <p>When we undertake work with the family, we already have an established approach where the delivery will address the need for translation and interpretation services. We do not under estimate the importance of the role the community plays in addressing GGSYV. When the Strategic Action Group works with groups of young people, it will engage parents and community leaders to ensure the specific needs of the individual, the group, the family and the community are met. The operation of the Strategic Action Group will enable better support planning for individuals identified looking at their specific needs as part of a whole family approach and better risk management and support planning of groups of young people so that needs can be better met for individuals and groups.</p>

		<p>A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group.</p> <p>As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime because of a persons race. This will enable us to better support those involved and to keep abreast of any emerging issues of hate crime in the context of group offending.</p>
Disability	positive	<p>The approach this Strategy puts forward will have a positive impact on all groups across this strand.</p> <p>We will use the common practice framework to ensure the monitoring arrangements will identify whether someone has a learning disability where there are concerns about GGSYV, this will lead to better identification of this at risk group and lead to better support planning.</p> <p>A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group.</p> <p>As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime because of a persons disability. This will enable us to better support those involved and to keep abreast of any emerging issues of hate crime in the context of group offending.</p>
Gender	Positive	<p>The approach this Strategy puts forward will have a positive impact on all groups across this strand.</p> <p>It is recognised nationally and locally that GGSYV can impact on both males and females, although the data shows that gender based violence (primarily in the form of domestic violence) and sexual exploitation, can predominantly impact females. Young men are significantly impact by violence and substance misuse.</p> <p>From the data we currently hold on serious youth violence, there is a significant number of young males from the Asian British community, where serious youth violence is an issue. Similarly, those receiving interventions through presentation at the Accident and Emergency Unit at the Royal London Hospital are predominantly young males. Whilst the numbers do not indicate an over-representation comparative to the borough, they are high and they do indicate serious levels of violence. We have initiated a Thematic Review which will consider the causal factors including a look at the family circumstances and the</p>

backgrounds of the young people involved to make recommendations for local solutions.

Gender based violence is reported (primarily as domestic violence) as a disproportionate crime against women (97% locally) This is historically and nationally the trend. This raises the question whether male victims are able to access the support for domestic violence. Locally, the victim support Independent Domestic Violence Advocate service, the council's domestic violence line and the one-stop shop are all open to male survivors of domestic violence. Advertising for these services makes clear they are open to anyone experiencing domestic violence, not just women. The Children's Society is able to support young men who are experiencing sexual exploitation. All our youth settings and schools are being given information on services available to young people, including young men to allow these settings to access the training, support and interventions needed to both prevent gender-based violence and support those who are victims/survivors.

The use of substance misuse services shows the majority of users are young males, this correlates with those involved in serious youth violence. There is work being undertaken to identify groups who are not presenting and this has led to targeted work to increase British white and female representation. We have already started monitoring of young people's involvement in GGSYV where they are using substance misuse services. The information on this will come together over quarter 2 and 3 of 2015/16 as the users build trusting relationships with practitioners and can disclose this information. This will help us to evidence

Data on Pre/out of court referrals for females involving violence against the person shows increase in referrals, whilst the numbers are small comparative to the borough population, the increase in referrals indicates an increasing trend and we need to improve early identification, monitoring and consistency of agencies approach to supporting females in serious youth violence. The common practice framework will ensure we identify gender specific needs which have been highlighted as a gap in the strategy.

A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group.

As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime against a person due to their gender. This will enable us to better support those involved and to keep abreast of any emerging issues of hate crime in the context of group offending.

Gender Reassignment	Positive	<p>The approach this Strategy puts forward will have a positive impact on all groups across this strand.</p> <p>A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group.</p> <p>As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime against a person due to their gender reassignment status. This will enable us to better support those involved and to keep abreast of any emerging issues of hate crime in the context of group offending.</p>
Sexual Orientation	Positive	<p>The approach this Strategy puts forward will have a positive impact on all groups across this strand.</p> <p>A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group.</p> <p>As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime against a person because of their sexual orientation. This will enable us to better support those involved and to keep abreast of any emerging issues of hate crime in the context of group offending.</p>
Religion or Belief	Positive	<p>The approach this Strategy puts forward will have a positive impact on all groups across this strand.</p> <p>A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group.</p> <p>As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime against a person because of their religion or belief. This will enable us to better support those involved and to keep abreast of any emerging issues of hate crime in the context of group offending.</p>
Age	Positive	<p>The approach this Strategy puts forward will have a positive impact on all groups across this strand.</p>

		<p>The use of substance misuse services shows the majority of users as young males of 17 years of age this correlates with the high level of involvement of this group in serious youth violence. There is work being undertaken to identify groups who are not presenting and this has led to targeted work. Part of this is to target female representation which is low until after 19/20 years of age, indicating that we need to identify females earlier on. For substance misuse services we have already started monitoring young people's involvement in GGSYV. The information on this will come together over quarter two and three of 2015/16 as the users build trusting relationships with practitioners and can disclose this information.</p> <p>From the data we currently hold on serious youth violence, there is a significant number of a young people aged from 16 years of age where serious youth violence is an issue. Whilst the numbers do not indicate an over-representation comparative to the borough, they are high and they do indicate serious levels of violence. We have initiated a Thematic Review which will consider the causal factors including a look at the family circumstances and the backgrounds of the young people involved to make recommendations for local solutions.</p> <p>A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group.</p> <p>As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime against a person because of their age. This will enable us to better support those involved and to keep abreast of any emerging issues of hate crime in the context of group offending.</p>
Marriage and Civil Partnerships.	Positive	<p>The approach this Strategy puts forward will have a positive impact on all groups across this strand.</p> <p>A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group. Taking a whole family approach will enable us to better understand the context and influences under which incidences occur.</p> <p>As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime against a person due to their marriage or civil partnership status. This will enable us to better support those</p>

		involved and to keep abreast of any emerging issues of hate crime in the context of group offending.
Pregnancy and Maternity	Positive	<p>The arrangements this Strategy puts forward will have a positive impact on all groups across this strand.</p> <p>A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group.</p> <p>As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime against a person due to their pregnancy and maternity status. This will enable us to better support those involved and to keep abreast of any emerging issues of hate crime in the context of group offending.</p>
Other Socio-economic Carers	Positive	<p>The approach this Strategy puts forward will have a positive impact on all groups across this strand.</p> <p>A consistent approach across agencies, agreed risk factors, a single referral route/form, awareness raising and the role of the Strategic Action Group to review data and intelligence will improve the information and impact we have on this group.</p> <p>Research set out in the strategy suggests that the borough has all the defining features of being a borough where GGSYV is likely to be an issue including poverty, deprivation and social exclusion. The Strategy sets out an early intervention and prevention approach to reducing the harm caused by GGSYV. As such we will work with the community, parents and schools to ensure the risks of involvement in GGSYV is understood and referral pathways are clear for the community, for parents, schools or practitioners where there is concern with GGSYV.</p> <p>As part of the work on developing data and intelligence sharing, we will include the monitoring of reported incidences of hate crime in the context of group offending, including hate crime against a person because they are a traveller. This will enable us to better support those involved and to keep abreast of any emerging issues of hate crime in the context of group offending.</p>

Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence or view that suggests that different equality or other protected groups (inc' staff) could be adversely and/or disproportionately impacted by the proposal?

No. However, the data we currently hold on serious youth violence shows there is a significant number of a young people from the Asian British community involved in serious youth violence. Whilst the numbers do not indicate an over-representation comparative to the borough, they are high and they do indicate serious levels of violence. We have initiated a Thematic Review which will consider the causal factors including a look at the family circumstances and the backgrounds of the young people involved to make recommendations for local solutions and will inform the work we do with these vulnerable groups. The recommendation of this Strategy would therefore be to consider and implement the recommendations of the outcomes of the thematic review of older children who have seriously harmed or have come to harm.

Section 5 – Quality Assurance and Monitoring

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

The Strategy has an ambitious Action plan attached, the Action plan will be reviewed a year into the implementation. It will be reported to the Community Safety Partnership Board annually and reviewed quarterly by the Strategic Action Group.

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

The strategy puts forward recommendations to put in place a common practice framework to improve the monitoring of GGSYV, including reporting by the equalities strands.

Does the policy/function comply with equalities legislation? Yes

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

Yes. As this is a new EGGSYV Strategy, we do not have existing arrangements for monitoring GGSYV in relation to equalities impact. This will be developed by a common practice framework which will reinforce the need to produce monitoring information as per the requirements of the Equalities Act 2010 in relation to GGSYV.

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

The need to have equalities monitoring arrangements in relation to GGSYV is a recommendation of the strategy and is reflected in the action plan as part of the work on developing a common practice framework. The action plan will be driven by and reviewed quarterly by the SAG and annually reported to the Community Safety Partnership Board.

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
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Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
Page 16 16 Implement the recommendations of the Thematic review of older children who harm or have come to harm	LSCB to consider the draft report and recommendations	June 2015	Nasima Patel	
	LSCB to implement the final recommendations of the thematic review	August 2015	Nasima Patel	

Appendix A

(Sample) Equality Assessment Criteria

Decision	Action	Risk
As a result of performing the analysis, it is evident that a risk of discrimination exists (direct, indirect, unintentional or otherwise) to one or more of the nine groups of people who share <i>Protected Characteristics</i> . It is recommended that the use of the policy be suspended until further work or analysis is performed.	Suspend – Further Work Required	Red 
As a result of performing the analysis, it is evident that a risk of discrimination exists (direct, indirect, unintentional or otherwise) to one or more of the nine groups of people who share <i>Protected Characteristics</i> . However, a genuine determining reason may exist that could legitimise or justify the use of this policy.	Further (specialist) advice should be taken	Red Amber 
As a result of performing the analysis, it is evident that a risk of discrimination (as described above) exists and this risk may be removed or reduced by implementing the actions detailed within the <i>Action planning</i> section of this document.	Proceed pending agreement of mitigating action	Amber 
As a result of performing the analysis, the policy, project or function does not appear to have any adverse effects on people who share <i>Protected Characteristics</i> and no further actions are recommended at this stage.	Proceed with implementation	Green: 

<p>Cabinet</p> <p>28th July 2015</p>	
<p>Report of: Stephen Halsey, Head of Paid Service and Corporate Director CLC</p>	<p>Classification: Unrestricted</p>
<p>Re-procurement of Waste Management Services Contracts</p>	

Lead Member	Cllr Ayas Miah, Cabinet Member for Environment
Originating Officer(s)	Simon Baxter, Interim Service Head Public Realm
Wards affected	All wards
Key Decision?	Yes
Community Plan Theme	A Great Place to Live

Executive Summary

This report sets out the proposed contracting approach for the re-procurement of the waste management services contracts to serve the Borough. These arrangements take into consideration the many complex factors impacting on this process and present a series of recommendations that seek to optimise the outcomes and minimise the risks for the Council as contractor and service users.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Agree that Blackwall Depot is designated as the Council's operational depot for the delivery of refuse, recycling and street cleansing services, within the Council's Asset Management Strategy
2. Approve a 16 month extension of the Municipal Waste (Cleansing) Contract to extend the contract term through until 30th September 2018
3. Approve the transfer of the existing Underground Refuse and Recycling Service to the Municipal Waste (Cleansing) Contract and authorise the Head of Legal Services to enter into all necessary supplemental agreements and documentation necessary to complete the transfer.
4. Approve the procurement of a short term Integrated Recycling Contract to run from 1st June 2017 to 30th September 2018 and authorise the Corporate Director CLC to award the contract and the Head of Legal Services to execute the contract documents.
5. Agree that a review of the Council's policies and service standards in relation to recycling, residual waste services and street cleansing be undertaken and be reported back to Cabinet.

6. Approve the procurement of a waste disposal contract for a contract term of 9 years 6 months initial term plus option to extend for 8 years and authorise the Corporate Director CLC to award the contract and the Head of Legal Services to execute the contract documents.
7. Agree that Northumberland Wharf Waste Transfer Station is offered to the contractor, through a commercial lease that will be co-terminus with the term of the contract, to support the delivery of waste treatment and disposal services
8. Note that the lease of Northumberland Wharf Waste Transfer Station will require the prior approval of the appointed commissioners being disposal of real property as required by the Directions made on 17 December 2014 by the Secretary of State for Communities and Local Government.
9. Approve the procurement of Materials Sorting (MRF) Services on a rolling basis of 2+1 years and authorise the Corporate Director CLC to determine the procurement strategy and specification after consultation with the Mayor and Lead Member.
10. Authorise the Corporate Director CLC to award the MRF contract and the Head of Legal Services to execute the contract documents.
11. Agree that a review of the opportunity for shared service provision with other local authorities for refuse and recycling collections and street cleansing or the opportunity to bring some of the services in-house be undertaken and reported back to Cabinet prior to the procurement of a long term Refuse, Recycling and Street Cleansing Contract.
12. Agree that the waste treatment and disposal contract will include a price change mechanism to avoid inflation driven cuts to services over the lifetime of the contract.
13. Approve the commencement of the procurement of these services in line with the recommendations included in this report.
14. Agree the conduct of consultation regarding delivery of environmental services.

1. REASONS FOR THE DECISIONS

- 1.1 As a Unitary Authority, Tower Hamlets is both a Waste Collection Authority and a Waste Disposal Authority. As such the Council has a statutory duty to collect and dispose of Municipal Waste within its area.
- 1.2 The Council has historically chosen to discharge these statutory duties through a number of externalised service contracts.
- 1.3 There are currently 4 waste management contracts in place that will be expiring in April and May 2017. Therefore the Council must agree the contracting approach to ensure continued service provision through the extension of one of the waste services contracts and the re-procurement of other contracts for commencement when the current contracts expire.

2. ALTERNATIVE OPTIONS

2.1 The alternative options for the contracting approach are as follows:

2.1.1 Whilst the Council has historically provided waste management services through externalised contracts there are alternative service delivery options such as shared services with other Local Authorities or in-house services that the Council is proposing to explore. The review of alternative options would need to demonstrate that shared services or in-house delivery of services would deliver better value for money than the current model of externally provided services.

2.1.2 The alternative option of not offering Northumberland Wharf Waste Transfer Station to support the delivery of waste treatment and disposal services would be likely to result in reduced competition and limited solutions for these services and therefore may increase service costs and reduce value for money.

2.1.3 The alternative option of requiring economic benefits to be delivered for the waste treatment and disposal services would immediately add additional cost to the services as there is a minimum labour element to the service, unsuitable environments for young people, have little or no supply chain opportunities and the facilities are often in remote locations.

2.1.4 The alternative option to require fixed prices for the full term of the waste treatment and disposal contract and have no mechanism to allow for growth as a result of additional housing stock and population would place a significant cost risk on the contractor. Transferring this risk would result in the additional cost to the Council as early years of the contract would have inflated costs to take account of the anticipated capacity necessary for the latter years of the contract.

3. DETAILS OF REPORT

Part 1 - Background to the Proposed Contracting Approach

3.1 As a Unitary Authority, Tower Hamlets is both a Waste Collection Authority and a Waste Disposal Authority. As such the Council has a statutory duty to collect and dispose of Municipal Waste within its area. The Council has historically chosen to discharge these duties through a number of externalised service contracts

3.2 The Council currently has 4 waste management contracts in place that will expire in 2017. Given the scope and value of these contracts the Council needs to be in a position to commence the re-procurement process in October 2015 in order to safeguard a suitable mobilisation period for the new services.

3.3 The 4 contracts requiring re-procurement are listed below:

- **The Waste Disposal Contract** – approx. annual value £9.15m. This contract includes the treatment and disposal of the Council’s Municipal Waste and the management of the Household Waste and Recycling Centre.
- **The Municipal Waste Management (Cleansing) Contract** – approx. annual value £13.2m. This contract includes the refuse collection and commercial waste services, the collection of bulky waste, the collection of clinical waste, the street and parks cleansing service, market cleansing and the removal of graffiti and flyposting.
- **The Integrated Recycling Contract** – approx. annual value £3.56m. This contract includes the collection of co-mingled dry recycling, the collection of food and garden waste and the processing of food and garden waste for compost.
- **The Materials Sorting (MRF) Services Contract** – approx. annual value £800,000. This contract includes the sorting of co-mingled recyclable materials and subsequent onward delivery for reprocessing.

3.4 In setting the scope of the services to be included in the new contracts, the Council must take account of the legislative framework surrounding waste management services whilst being cognisant of a need to drive efficiency. European waste legislation has been subject to recent changes which have specific implications for waste services and recycling targets in the UK.

3.5 The waste hierarchy has been enshrined in UK law as a “priority order” for waste management activities and so the Council is now under an obligation to take all reasonable measures available to apply the waste hierarchy to the waste that it collects. As such the Council should place a greater emphasis on ensuring more of the Municipal Waste is diverted for re-use and recycling. The European Commission is also seeking to impose higher recycling targets, 70% of all Municipal Waste (as opposed to Household waste which is a subset of Municipal Waste) to be recycled by 2030 is the anticipated new target. The impact of a 70% recycling target, in terms of participation, put out rates and capture rates for recyclable materials would mean that just under 90% of people would need to recycle 90% of the available material 90% of the time. Historically, the emphasis of waste containment provision has been focused on dealing with the residual waste stream. This continues at present with a greater volume of bin space for rubbish rather than recyclable material. This ease of access to residual waste bins in all types of housing stock is one of the barriers to speedy and effective behaviour change. Policy changes are therefore required in order to drive behaviour change in the community so that a greater quantity of waste is captured for recycling and composting rather than being disposed of as residual waste.

3.7 The efficiency and effectiveness of the new contracts will also be determined by a number of key structural aspects of the contracts that are offered for procurement such as the scope of the services and standards of performance required, what assets the Council will provide to support delivery of the

services, such as depot and waste transfer facilities, the length of the contracts. To aid the Council's understanding of the risk implications of these contract structure options, officers have undertaken a Soft Market Testing exercise with twelve key suppliers within the waste management service market sector. The responses from the market testing have helped to inform the development of the contracting options being proposed, which are set out in Part 2 below.

Part 2 – Proposed Contracting Approach

- 3.8 The proposed contracting approach has been grouped under service headings and addresses a number of key aspects in relation to the process for continuity of service provision, re-procurement of contracts and operational outcomes. The proposed approach is set out below:

Part 2 A – Arrangements for Refuse and Recycling Collections and Street Cleansing Services for the Short Term

- 3.9 Depot facilities to support the delivery of refuse recycling and street cleansing services

- 3.9.1 The cost efficiency and effectiveness of the waste and recycling collections and street cleansing services will be significantly influenced by the provision and use of depot facilities in the borough. The Council's operational depot for delivering waste management services has recently re-located from Watts Grove to Blackwall Depot. Blackwall Depot provides a suitable location for the delivery of waste management services due to the ease of access to all major routes within Tower Hamlets and major routes out of the borough for the delivery of waste to waste treatment facilities. As such it is recommended that Blackwall Depot is designated as the Council's operational depot for waste services within the Council's Asset Management Strategy.

- 3.10 Extend the Municipal Waste (Cleansing) Contract

- 3.10.1 Currently the refuse collection and street cleansing contract is due to expire at the end of May 2017. However, this contract does include the provision for the contract to be extended. Whilst the Council has for some time delivered the waste management services through external contracts, there are alternative service delivery options, such as shared services with other local authorities or in-house service delivery that may provide better value for money.

- 3.10.2 Extending the current contract with Veolia for a period of 16 months, so that the contract expires at the end of September 2018 would allow sufficient time for a review of alternative service delivery options to be undertaken and the review findings reported back to Cabinet prior to the commencement of any procurement process for refuse, recycling and street cleansing services for the longer term. .

3.11 Transfer the Underground Refuse and Recycling into the Municipal Waste Cleansing Contract

3.11.1 The underground refuse collection service (URS) was set up in 2000 as an internal pilot project to test the viability and acceptability of the collection system for collecting residual waste from flats and estate properties.

3.11.2 The service, which is operated by the Council's Transport Services Unit (TSU), commenced with only one of the specially adapted underground collection vehicles. However, the pilot service proved popular with landlords and developers and has grown significantly since implementation to the extent that the service collects both residual waste and some recycling from 371 bin chambers, using 3 of the specialist vehicles.

3.11.3 Because of the growth of the service, TSU are now heavily reliant on agency staff to undertake service delivery and because the service is delivered in isolation from the main refuse collection and recycling contract TSU have no back up resources if the collection system breaks down.

3.11.4 Going forward, the underground service will need investment to maintain the current level of service and to provide additional capacity in the future, as the borough's population and housing stock will see sustained growth over the next 5 to 10 year period.

3.11.5 Transferring the service into the main refuse contract at this time will provide better contingency arrangements for day to day service delivery but will also allow the service to be embedded into the mainstream services in advance of a longer term refuse and recycling collection contract being procured.

3.12 Procure a short term interim Integrated Recycling Contract

3.12.1 The Integrated Recycling Contract will expire on 31st May 2017 but unlike the refuse collection and street cleansing contract, cannot be extended beyond this date. As the cost and efficiency of these services is also heavily predicted on the location from which they are delivered, procuring a new long term contract is best undertaken after the review of service delivery options.. There is also likely to be cost efficiency to be gained in the longer term by packaging the recycling collection services with the refuse collection service.

3.12.2 As the current contract cannot be extended, it would be necessary to procure a short term, 16 month contract, following which the recycling services would be packaged with refuse collection and street cleansing services for the longer term. The procurement process would need to commence by October 2015.

3.13 Policy Commitments and Service Standards to Increase Recycling

3.13.1 The level to which the Council can encourage the borough's residents and businesses to become committed to recycling as much of their waste as possible can be influenced by a number of policy and service delivery factors.

The volume or quantity that householders are allowed to place out for each collection and how residents are engaged to take part in the recycling services can have a significant influence over residents' recycling behaviour. The Council does provide dry recycling and food waste collection services to all houses in the borough, but the extent to which residents actively take part in these services varies, as does the proportion of recyclable material that residents choose to place out for recycling (known as the capture rate). Persuading more residents to recycle and those residents who are already engaged in the service to recycle a greater proportion of their waste will help drive up recycling performance and mitigate against increased waste disposal costs that are anticipated as the boroughs population continues to rise.

- 13.3.2 For multi-occupancy properties, making the recycling services more visible and increasing the storage capacity for recycling would help to influence residents' behaviour. However, it may also be necessary to review the bin capacity provided for residual waste in order to drive greater levels of recycling in blocks of flats and on estates.
- 3.13.3 In order to achieve behaviour change and improve the Council's recycling performance it is recommended that a review of current policies and service standards be undertaken and a more detailed report be presented to Cabinet outlining examples of best practice and possible policy changes that could deliver significant improvement.

Part 2 B - Re-procurement of Waste Treatment and Disposal Services and Materials Sorting (MRF) Services

3.14 Waste Treatment and Disposal

- 3.14.1 The waste disposal contract is due to expire on 31st March 2017 and has no provision for further extension and so a procurement process must commence by October 2015 in order that a new contract is in place for when the current contract comes to an end.
- 3.14.2 Maximising competition for this contract will be fundamental to ensuring that the Council achieves a cost effective solution through the re-procurement process. As such, offering suppliers the opportunity to utilise the Council's Waste Transfer Station at Northumberland Wharf, through a commercial lease that would be co-terminus with the expiry of the contract, could influence the number of options available for the Councils waste treatment and disposal services and would allow the Council to determine the most economically advantageous solution(s) through the procurement process. The management of the Re-use and Recycling Centre would also be incorporated as part of the waste treatment and disposal services.
- 3.14.3 The waste disposal contract would be procured for an initial term of 9 years and 6 months plus an option to extend for a period of 8 years, to be co-terminus with a potential integrated refuse, recycling and street cleansing contract either at the end of September 2026 or the end of September 2034.

3.14.4 The anticipated growth in population over this period will have an impact on the amount of Municipal Waste that will need to be managed year on year which will influence the annual cost of the service. To ensure that the tendered prices are not over inflated for early years of the contract it will be necessary to include price change mechanisms within the contract terms.

3.14.5 Whilst it is accepted that there will be opportunities to secure economic benefits from the re-procurement of the waste services, the extent and scope of the potential varies across the different waste management services. As there is a minimum labour element within the provision of waste treatment and disposal services and the working environment is not suitable for young people due to health and safety issues and the fact that the facilities are located in remote locations, a requirement to deliver economic benefits from the waste treatment and disposal services will add additional cost. The expectation for the delivery of economic benefits would therefore need to build on those aspects of the contract that can add value for the community whilst not unduly adding to contract costs-

3.15 Materials Sorting (MRF) Services

3.15.1 The materials sorting service is a service that is provided through a Contractor owned MRF facility and is not reliant on the use of any other operational depot. As this contract cannot be extended beyond 31st March 2017, a procurement process will need to be commenced by March 2016 to ensure that a new contract is in place from 1st April 2017.

3.15.2 Materials sorting services are undertaken by a discreet sector of the waste management market and as such this contract can be procured as a standalone service. Materials sorting contracts are generally procured on a short to medium term basis and so it is recommended that the Council procures this service on a rolling 2+1 years contract term basis for the foreseeable future.

Part 2 C – Delivery of Long Term Refuse, Recycling and Street Cleansing Contract

3.16 Review of alternative delivery options

3.16.1 Whilst the Council has for some time chosen to deliver the refuse and recycling collection and street cleansing services through external contracts, there are alternative service delivery options that may provide more efficient and effective services.

3.16.2 Prior to procuring a contract for the delivery of these services beyond October 2018, the Council has the opportunity to undertake a review of the alternative delivery options referred to in paragraph 3.16.1 to determine which service option or combination of options would provide best value. It is therefore recommended that a review be undertaken and the findings of the review be presented to a subsequent Cabinet meeting.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The report seeks the approval of the Mayor in Cabinet to the proposed contracting approach to be undertaken for the waste management contracts due to expire in 2017. 4.2 Designating the Blackwall Depot as the Council operational depot for the delivery of refuse, recycling and street cleansing services, will provide certainty regarding the availability of depot facilities as part of the contract package. This should ensure that potentially significant variations to the cost of the procurement are considered alongside a cost benefit analysis and a full understanding of the procurement risks.
- 4.3 The proposal recommends the extension of the Municipal Waste Cleansing contract which has a current annual value of approx. £13.2m for a 16 month period to the 30th September 2018. This period allows for the completion of the depot plan and Corporate Asset Management Strategy that enables re-procurement of a contract to commence 1st October 2018. Any extension to the contract must be on the basis of securing value for money for the Council in terms of service delivery and cost implications.
- 4.4 The Underground Refuse and Recycling Service is currently provided by the Council Transport Service Unit at an annual cost of approx. £230,000. The proposal will transfer the existing service to the current contractor for the Municipal Cleansing. The decision to transfer the service to the Cleansing contract is proposed on the basis that it will provide better contingency arrangements going forward. Two of the vehicles are at the end of their useful life and will need to be replaced by the Council as part of the proposed transfer. Due to the specialist nature of the vehicles capital investment will be required to fund the replacement. Therefore the decision made must be on the basis of securing value for money for the Council.
- 4.5 The report further recommends approval of a short term Integrated Recycling contract which has an approx. current value of £3.57m. The period proposed is for 16 months to the 30th September 2018. This will provide sufficient time to enable the procurement of a long term contract to commence from the 1st October 2018 through a Competitive Negotiated Procedure with the proposed contract period term of 8 years with the option to extend for a further 8 years.
- 4.6 The proposed procurement of the Waste Disposal contract which has a current approx. value £9.5m is to commence from 1st April 2017 for a term of 9 years 6 months with the option to extend for 8 years. This will enable the contract to be extended to be co-terminus with the refuse and streets contract if required. Also the inclusion of the Waste Transfer Station at Northumberland Wharf through a Commercial Lease will enable the Council to pursue the most economical solution for the Waste Disposal service.
- 4.7 The Materials Sorting (MRF) Service interim contract arrangement which commenced from February 2015 has seen a substantial shift in the market for materials sorting. The previous contract value generated income of approx.

£780,000. The new contract is estimated to cost the Council approx. £1.6m. This is due to changes in the materials market and legislative changes which have made the checks undertaken to the materials more stringent. Due to the volatility in the current market for MRF services, it is therefore proposed that a rolling 2+1 year contract is recommended. This is in keeping with this type of contract under current market conditions.

- 4.8 The Medium Term Financial Plan already provides a process for reviewing committed growth of specific services demand pressures and inflation impacts. Provision has been included in the MTFP to deal with the unavoidable increases due to growth in the quantity of Municipal Waste and contractual indexation which will be reviewed and kept up to date. Because of the per tonne cost differential in sending waste for recycling as opposed to sending waste for disposal, the actions proposed to support a drive for residents behaviour change to increase recycling performance would help to mitigate the increasing cost of waste services thus reducing the pressure on the disposal budget.
- 4.9 There is no budget provision to support the external resources required for the large scale procurement process. Furthermore, consideration will also need to be given to potential implications that may arise following the undertaking of a review of the opportunity for shared service provision and to bring some of the services in-house prior to reporting back to Cabinet. Any costs should be met within existing budgets in the first instance, but given the scale of the procurement approval for use of contingencies may be required in the future if this cannot be achieved.

5. LEGAL COMMENTS

- 5.1 The Council is a waste disposal authority and a waste collection authority for Tower Hamlets by virtue of section 30(2) and section 30(3) of the Environmental Protection Act 1990. The Council's functions as a waste collection authority include an obligation to arrange for the collection of household waste in Tower Hamlets and to collect commercial waste, dry recyclable waste or food waste from premises if requested to do so. The Council's functions as a waste disposal authority include an obligation to arrange for the disposal of controlled waste collected in Tower Hamlets and to arrange for places to be provided at which persons resident in Tower Hamlets may deposit their household waste. The Council has power to make arrangements for recycling waste for which it is the disposal authority.
- 5.2 The Council has the following duties under section 89 of the Environmental Protection Act 1990 relating to street cleaning and cleansing –
- To keep any relevant highway for which it is responsible clear of litter and refuse.
 - To keep any relevant land for which it is the principal litter authority clear of litter and refuse. This will include land open to the air that is controlled by the Council and to which the public are entitled or

permitted to have access, but which is not highway land or the relevant land of a designated educational institution.

- To keep clean any relevant road or highway or highway for which it is responsible.

5.3 It is proposed that the Council procure waste management services as outlined in the report to support delivery of the statutory functions outlined above. The proposed procurement includes –

- Integrated recycling contract from 1 June 2017 to 30 September 2018
- Waste disposal contract for 9 years and 6 months with an option to extend for 8 years
- Materials sorting services contract for 2 + 1 years
- Transfer of the underground waste service to the Waste Cleansing and collection operator
- Extension of the waste cleansing and collection contract by 16 months.

5.4 As drafted, the recommendations in the report require the Director to finalise the procurement strategy and specification after consultation with the Lead Member and Mayor. This process may be followed, provided the head of paid service, chief financial officer and monitoring officer are satisfied with it. The directions made by the Secretary of State on 17 December 2014 under section 15 of the Local Government Act 1999 require the Council to adopt all recommendations of the statutory officers in relation to the processes and practices to be followed in relation to entering into contracts, unless the Commissioners' prior written agreement is obtained not to do so.

5.5 The values of the proposed contracts are above the relevant European threshold and the Public Contracts Regulations 2015 will apply to any procurement of these services. The services fall outside the remit of Schedule 3 of the Regulations and therefore the Public Contracts Regulations 2015 must be followed entirely. In particular the Regulations prescribe the exact nature of the procurement and the rules that the procurement must follow. A failure to follow the regulations could leave the Council in the position of being challenged and potentially fined.

5.6 The requirements of the Public Contracts Regulations are that the contract opportunity must be publicised in the Official Journal of the European Union (OJEU) but also strict timescales are set for receipt of tenders and other aspects of the tender process. This applies regardless of whether the Council opts to use the Open Procedure or the Restricted procedure as defined under the Regulations.

5.7 The Council is a best value authority under section 3 of the Local Government Act 1999 and required 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". In order to comply with this obligation, the Council has adopted procurement procedures, with which it should comply when procuring the contracts. The Council needs to tender the services referred to in the report in order to obtain a solution with

regard to the restructuring of the existing contracts which leaves the Council in the most economically advantageous position.

- 5.8 By virtue of section 3(2) of the Local Government Act 1999, the Council is required to consult for the purposes of deciding how to fulfil its best value duty. In a number of areas (notably the transfer of the underground waste collection and disposal service) the Council is altering the way in which the service is to be delivered. These changes may require the Council to consult with affected people. Logically these changes need to be consulted upon prior to commencement of any tender (or transfer to a new contract) otherwise the Council will not be able to show that it has considered the results of such consultation. The Council should consider all the areas which would change following the implementation of the new structure and consult on them all at once.
- 5.9 Regulation 13 of the Waste (England and Wales) Regulations 2011 requires that every waste collection authority must, when making arrangements for the collection of waste paper, metal, plastic or glass, ensure that those arrangements are by way of separate collection, and an establishment or undertaking which collects waste paper, metal, plastic or glass must do so by way of separate collection. This requirement will apply from January 2015 when the following two criteria are satisfied:
- (a) Separate collection is necessary to ensure that waste undergoes recovery operations in accordance with Articles 4 and 13 of the Waste Framework Directive and to facilitate or improve recovery; and
 - (b) Separate collection is technically, environmentally and economically practicable.
- 5.10 The contracts requiring re-procurement will need to be designed to meet this statutory duty.
- 5.11 In addition to the procurement of the contracts outlined in the report it is proposed to extend the existing municipal waste cleansing contract for 16 months. This is lawful as the original OJEU advert allowed for a maximum contract period (including extensions) of 15 years and the existing contract period with the additional 16 month extension is still within this 15 year period.
- 5.12 It is also proposed to transfer the existing underground refuse and recycling service to the municipal waste cleansing contract. This is possible without a further competitive exercise as the service was included as an option in the original tender but was not taken up at the start of the contract. This option may now be exercised as it has been subjected to competition under this contract subject to the appropriate consultation as referred to above.
- 5.13 Before deciding to proceed with the project, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010 (e.g. discrimination), 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 Council needs to take appropriate steps to identify the needs of the persons affected by any changes to the contracts so in any event should undertake an Equalities Impact Assessment in respect of both the current delivery and any changes thereto to ensure that there is no discrimination between people with protected characteristics and others in the community.

- 5.14 An equalities analysis has been prepared, which is appended to the report. However, there appear to be some structural changes to the way these services will be delivered. The Council must fully understand the impact of such changes on those people who have the benefit of the Equalities Act and it is likely in this area that consultation on the new proposals for the purposes of the Equality Act will also need to be undertaken. The Council needs to ensure that the changes do not cause a person who has a protected characteristic to be disadvantaged by the changes when compared with someone who does not have such a characteristic. Consideration should also be given to suitable alternatives for such people if an imbalance is discovered.
- 5.15 In attempting to understand equality impacts, consideration should be given to whether consultation is required with affected persons in order to fully understand the nature of needs of those people and the impact any changes would have on such persons prior to awarding a new contract. Any consultation carried out for the purposes of assessing the impact of the proposed procurement should comply with the following criteria: (1) it should be at a time when proposals are still at a formative stage; (2) the Council must give sufficient reasons for any proposal to permit intelligent consideration and response; (3) adequate time must be given for consideration and response; and (4) the product of consultation must be conscientiously taken into account. The duty to act fairly applies and this may require a greater deal of specificity when consulting people who are economically disadvantaged. The mayor will need to be satisfied that the level of analysis is adequate for the purposes of the procurement decisions proposed in the report.
- 5.16 The report identifies that a lease of the Northumberland Wharf waste transfer station is to be offered in connection with the waste disposal contract. Under section 123 of the Local Government Act 1972 the Council may dispose of its land in any manner that it may wish. However, the consideration for a disposal of land must be the best that can reasonably be obtained, unless either: (a) the Secretary of State's consent is obtained; or (b) the disposal is by way of a short tenancy, i.e. a term not exceeding 7 years, which would not seem to fit the duration of the proposed contract. Accordingly, the procurement procedure must be conducted in a way that enables the Council to determine the price paid for a lease of the waste transfer station.
- 5.17 If the disposal of the waste transfer station is proposed at less than best consideration, then the Secretary of State's consent would likely be required. The Secretary of State has given a general consent to dispose of land for less than best consideration provided that: (a) the disposal would contribute to promoting improvement of the economic, social or environmental wellbeing of

Tower Hamlets, part of Tower Hamlets or some or all of persons resident or present in Tower Hamlets; and (b) the difference between the unrestricted value of the land and the consideration for disposal does not exceed £2million pounds. If this were to be relied upon, then the relevant case would need to be made prior to disposal.

- 5.18 On 17 December 2014, the Secretary of State appointed Commissioners pursuant to powers under section 15(5) and (6) of the Local Government Act 1999 whose prior written agreement will be required to the disposal of property other than existing single dwellings for residential occupation. Therefore, consent will be required prior to the award of the contract and in reality this is therefore necessary prior to going to tender. This is because should the Wharf be unavailable it would fundamentally change the nature of the required bids.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 The services included within the scope of the contracts are universally provided across all wards. Within the current contracts for the provision of waste and recycling collection services it is recognised that some residents with disabilities need to be provided with an enhanced service level in the form of “assisted collections”. The service specifications for the new contracts will continue to include the requirement for such assisted collections to be provided to residents on a needs basis.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 The current contracts for waste and recycling services have a combined annual value of approx. £26.71m. The ability to deliver efficiency savings through the re-procurement process will be determined by the decisions made regarding the scope and volume of the services to be provided and the specific performance targets that are set for the contractor to achieve. The principles of continuous improvement inform the development of the contracts and integral performance management and review processes.
- 7.2 It is proposed in the Recommendations that a review of service delivery options be undertaken to determine whether externally provided services would continue to provide best value or whether shared services or in-house service provision would prove better value for money in the long term.
- 7.3 It is also recommended that consultation is undertaken regarding the services, to support the development of the specification of longer term waste services to help ensure the services are designed effectively to meet the needs of the community.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 The Council's waste management services contribute to the protection of the environment and protecting human health through the effective management of waste arising in the borough.
- 8.2 By moving waste up the waste hierarchy i.e. by ensuring a greater quantity of waste is re-used or recycled as opposed to being disposed of as residual waste contributes to the Council's efforts to mitigate the impacts of climate change by reducing the carbon footprint of the Council's waste management services.
- 8.3 Through the re-procurement of the waste management contracts the Council will ensure the appointed contractor contributes to the Council's sustainability agenda by ensuring the contractor's vehicle fleet meets the latest emissions limits specifications and their own environmental policies mirror those of the Council.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 It has been identified in section 3 of the report that individual aspects of the scope and nature of the new contract(s) carry varying degrees of risk for the Council and the new contractor. The following are the key areas of risk the above arrangements are seeking to mitigate
 - The changing legislative framework for waste management services and the potential that high recycling targets will be imposed by the EU could impact on the cost of the services in the longer term
 - The anticipated growth in population will result in increasing total annual tonnages of Municipal Waste being generated, increasing pressure on the contracted services. Extensive modelling has been undertaken to understand these pressures and inform the contract structure and negotiations.
 - The provision and location of depot facilities could have significant cost implications for the refuse, recycling and street cleansing targets. By designating Blackwall Depot as the Council's operational depot for waste management services will help mitigate the cost of the waste services in the long term.
 - The market for recyclable materials remains volatile and so the re-procurement of the Materials Sorting (MRF) Contract may impact on the future costs of the services. However, should the materials market recover sufficiently prior to the time the next contract is procured, the impact may be positive rather than negative.
- 9.2 Ensuring that the level of risk being transferred to the contractor is balanced and proportional to the Council's overall objectives for the procurement process will help to mitigate the risk of the new contracts becoming unaffordable.

- 9.3 In addition to the individual risks associated with the structural aspects of the contracts, there are a number of more general risks associated with the delivery of a procurement project, such as timetable slippage, a lack of competition through the procurement process and then during the transition period between the mobilisation of the incoming contractor and expiry of the current contracts. These risks will be recorded and managed through the Council's Risk and Project Management procedures.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 The Council's activities for the removal of graffiti and flyposting that are incorporated into the Street Cleansing service contribute to the Council's efforts in managing anti-social behaviour within the borough. The new waste management contract will continue to incorporate the current policy requirement for the immediate removal of racist or offensive graffiti from Council owned property.

11. SAFEGUARDING IMPLICATIONS

- 11.1 There are no safeguarding risks or benefits from the proposals detailed in the report

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Equalities analysis

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

- None.

Officer contact details for documents:

N/A

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)	Re-procurement of Waste Management Services Contracts
Directorate / Service	CLC
Lead Officer	Simon Baxter, Interim Service Head, Public Realm
Signed Off By (inc date)	Stephen Halsey, Head of Paid Service and Corporate Director CLC
Summary – to be completed at the end of completing the QA (using Appendix A) (Please provide a summary of the findings of the Quality Assurance checklist. What has happened as a result of the QA? For example, based on the QA a Full EA will be undertaken or, based on the QA a Full EA will not be undertaken as due regard to the nine protected groups is embedded in the proposal and the proposal has low relevance to equalities)	<div style="display: flex; align-items: center; margin-bottom: 10px;"> <div style="width: 20px; height: 20px; background-color: #00b050; margin-right: 10px;"></div> <p>Proceed with implementation</p> </div> <p>As a result of performing the QA checklist, the policy, project or function does not appear to have any adverse effects on people who share <i>Protected Characteristics</i> and no further actions are recommended at this stage.</p>

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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 sets out the proposed contracting approach for the re-procurement of the waste management services contracts to serve the Borough. This report presents a series

of recommendations to the Mayor in Cabinet that seek to optimise the outcomes and minimise the risks for the Council as contractor and service users. The recommendations include:


- Agree that Blackwall Depot is designated as the Council's operational depot for the delivery of refuse, recycling and street cleansing services, within the Council's Asset Management Strategy.
- Approve a 16 month extension of the Municipal Waste (Cleansing) Contract to extend the contract term through until 30th September 2018.
- Approve the procurement of a short term Integrated Recycling Contract to run from 1st June 2017 to 30th September 2018.
- Agree that a review of the Council's policies and services standards in relation to recycling and residual waste services be undertaken and be reported back to Cabinet.
- Approve the procurement of a waste disposal contract for a contract term of 9 years 6 months initial term plus option to extend for 8 years.
- Agree that Northumberland Wharf Waste Transfer Station is offered to the contractor, through a commercial lease that will be co-terminus with the term of the contract to support the delivery of waste treatment and disposal services.
- Approve the procurement of Materials Sorting (MRF) Services on a rolling basis of 2+1 years.
- Agree that a review of the opportunity for shared service provision with other local authorities for refuse and recycling collections and street cleansing or the opportunity to bring some of the services in-house be undertaken and reported back to Cabinet prior to the procurement of a long term Refuse, Recycling and

			<p>Street Cleansing Contract.</p> <ul style="list-style-type: none"> • Approve the commencement of the procurement of these services in line with the recommendations included in this report.
b	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?	Yes	<p>The report sets out the proposed contracting approach for the future delivery of waste management services. Key proposals of this report are to ensure continued waste management service provision to the residents and businesses of the Borough. All who live, work and study in the Borough will be positively affected.</p> <p>The recommendations include undertaking reviews on:</p> <ul style="list-style-type: none"> • Alternative service delivery options that may provide more efficient and effective services • The Council's waste management in relation to recycling and residual waste services. <p>These reviews will be presented to the Cabinet. There is no equalities implication from these recommendations at this stage.</p>
2	Monitoring / Collecting Evidence / Data and Consultation		
a	Is there reliable qualitative and quantitative data to support claims made about impacts?	Yes	The service have extensive waste data. The Council also access data on the residents and businesses in the Borough, including the 2011 Census data.
	Is there sufficient evidence of local/regional/national research that can inform the analysis?	Yes	<p>To aid the Council's understanding of the risk implications of the contract structure options, the service have undertaken a Soft Market Testing exercise with 12 key suppliers within the waste management service market sector. The responses from the market testing have helped to inform the development of the contracting options being proposed, which are set out in the report.</p> <p>The service monitor and analyse the waste data, which</p>

			<p>inform them about the amount and type of the waste and cost implications.</p> <p>It is recommended that reviews on alternative service delivery options and the Council's policies and services standards in relation to recycling and residual waste services will be undertaken and presented to Cabinet.</p>
b	Has a reasonable attempt been made to ensure relevant knowledge and expertise (people, teams and partners) have been involved in the analysis?	Yes	See above.
c	Is there clear evidence of consultation with stakeholders and users from groups affected by the proposal?	Yes	<p>Key aim of this report is to ensure continuity of the waste management service provision.</p> <p>If the recommended reviews find adverse impact on any groups, the service will conduct consultation and explore ways to mitigate the impact.</p>
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	The service continuity, which will be ensured by the outcome of this report, will positively affect all residents and businesses that have waste management contracts with the Council. This also has wider environmental health and protection of the environment implications for the Borough.
b	Is there a clear understanding of the way in which proposals applied in the same way can have unequal impact on different groups?	Yes	See above.
4	Mitigation and Improvement Action Plan		
a	Is there an agreed action plan?	Yes	The report sets out next steps of each contract and recommends undertaking reviews of alternative delivery options and the Council's policies and service standards in relation to recycling and residual waste services.
b	Have alternative options been explored	Yes	The report includes alternative options for the contracting approach.
5	Quality Assurance and Monitoring		
a	Are there arrangements in place to review or audit the	Yes	It is recommended that reviews on alternative service delivery

	implementation of the proposal?		options and the Council's policies and service standards in relation to recycling and residual waste services will be undertaken.
b	Is it clear how the progress will be monitored to track impact across the protected characteristics??	N/A	
6	Reporting Outcomes and Action Plan		
a	Does the executive summary contain sufficient information on the key findings arising from the assessment?	Yes	

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<p>Cabinet</p> <p>28 July 2015</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Corporate Director, Development & Renewal</p>	<p>Classification: Unrestricted</p>
<p>Sovereign Court, The Highway, Wapping – Change of Use Consent</p>	

Lead Member	Councillor David Edgar, Cabinet Member for Resources
Originating Officer(s)	Service Head, Corporate Property & Capital Delivery
Wards affected	St Katharine’s & Wapping
Key Decision?	Yes
Community Plan Theme	One Tower Hamlets; Great Place to Live

Executive Summary

The Council owns the freehold of Sovereign Court, Wapping Lane, Wapping, London E1. On 26th August 1987, it granted a lease of those premises to Lionnid Limited for a term of 152 years from 24th June 1987, and approximately 124 years of the term remain unexpired.

The unexpired residue of that lease is vested in White Coral Investments S.A. who trade as Al Mubarakia Limited (“AML”). AML’s title is registered at the Land Registry under title number EGL 203625.

AML wish to convert Sovereign Court from its existing 24 commercial office units to 124 residential units and have approached the Council for formal landlord’s consent to change of use, which is a requirement of the lease.

The Council acting in its freehold landlord capacity wants to charge a premium for the grant of its consent for change of user under the lease, as a result of the significant uplift in value to AML which the Council believes will be a consequence of the grant of the consent referred to.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Agree to the change of use under the terms of the lease from office (Use Class B1) to residential (Use Class C3) upon such terms as the Council is advised by its advisers to accept and subject to payment of a premium of £7.35m on the payment terms described in this report.
2. Authorise the Corporate Director, Development & Renewal, after consultation with the Service Head – Legal Services, to agree the final terms and

conditions of any agreement or deed including a deed of variation of lease to implement the above decision.

3. Authorise the Service Head – Legal Services to execute all necessary documents to implement this decision.

1. REASONS FOR THE DECISIONS

- 1.1 Granting landlord's consent to a change of use from Offices (Use Class B1(a)) to Residential (Use Class C3) would create 124 residential units and deliver to the Council a premium, the details of which are set out in paragraphs 3.24-3.29 of the report, in return for the grant of its consent, whilst still retaining the freehold for the benefit of future generations of residents.
- 1.2 This would bring a currently under-used and vacant building in to full use and occupation and add to the housing stock in Wapping. This is entirely complimentary to surrounding uses.
- 1.3 This is a wholly sensible and commercial approach for the Council to take as a diligent landlord.

2. ALTERNATIVE OPTIONS

- 2.1 The Mayor in Cabinet could determine not to agree to the change of use as landlord, maintain the status quo and continue to collect the annual £10 ground rent for the residue of the term.
- 2.2 However, this is not recommended as it would require foregoing a significant premium and would be perceived as unnecessarily punitive when the tenant is offering to equally share the uplift in value.

3. DETAILS OF REPORT

LOCATION

- 3.1 Sovereign Court is located in Wapping on the north bank of the river Thames. Wapping is situated immediately to the east of the City of London, circa 3.8 miles east of London's West End and 1.8 miles west of Canary Wharf.
- 3.2 Wapping was traditionally associated with freight transportation, where there is still a high presence of warehouse premises to date. Many industrial warehouses were later converted to alternative uses, predominantly office and residential, following the establishment of the London Docklands Development Corporation in the early 1980s.

- 3.3 In terms of road links, the A10 and A13 along with other major roads can be easily accessed, providing connections to the M25 and M11.
- 3.4 The property is situated in a mixed use area, predominantly residential and industrial located to the south of The Highway. Neighbouring properties include a DHL Express Depot to the south, a hotel development site to the west and Tobacco Dock to the south west, which is formerly a warehouse converted to a conference centre.
- 3.5 Shadwell Station is 0.3 miles north of the subject premises and is served by the Docklands Light Rail (DLR) and the London Overground. Wapping station is 0.4 miles to the south and is also served by the London Overground.

DESCRIPTION

- 3.6 Sovereign Court comprises a neo-Georgian building arranged as four terraces. The terraces are linked, surrounding a central courtyard and are set over grounds and three upper floors, altogether providing 35 self-contained office suites. It is of traditional masonry construction beneath a flat roof, incorporating sash windows.
- 3.7 Car parking is provided in a separate building to the south of the property, whilst entrances to the office suites are via the centre courtyard.
- 3.8 The property is served by mains electricity, gas, water and drainage services.
- 3.9 The building is in reasonable condition and no major structural defects or wants of repair have been noted.
- 3.10 In its existing arrangement the building provides approximately 5,690 sq m of floor space arranged over the four terraces.

PLANNING

- 3.11 The Council's functions as planning authority are separate from its function as landlord under the existing lease of Sovereign Court.
- 3.12 On the 16th December 2014 the Council's planning department issued prior approval consent for application number PA/14/02898 "Application for Prior Approval for change of use from offices (Use Class B1(a) to 124 residential units (Use Class C3)". The proposed development would see the creation of 27 x studio flats, 53 x one bed units and 44 x two bed units.
- 3.13 This consent is entirely separate to the landlord's consent that this report is concerned with. The prior approval consent **was** in accordance with the Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2013, which was laid before Parliament on 9 May 2013 by the Secretary of State for Communities and Local Government under the 2010-2015 Coalition Government and came into force on 30 May 2013.

- 3.14 The Order allows the change of use of buildings from B1 (offices) to C3 (homes) in order to provide new homes in existing buildings without requiring the applicant to go submit a full planning application. This process does not allow the Council as the Planning Authority to require, as a reason for issuing the prior approval, any Section 106 or affordable housing contributions from the applicant.
- 3.15 The proposed change of use is development and therefore attracts CIL. Normally, it would be calculated from the date the developer submits a prior Notice of Chargeable Development specifying when the change of use will be implemented. However, no additional floor space is being provided as part of the proposed development. Further, as part of the property is currently occupied and has been for a continuous period of six months during the previous 3 years, the entire floorspace of the property would be deducted and the CIL liability would be zero. In which case, a Notice of Chargeable Development would not need to be issued. On that basis the Council cannot seek any financial or in-kind planning obligations from the developer.
- 3.16 The site is not listed as a building of special architectural or historic interest nor is it situated within a conservation area.
- 3.17 The permitted development rights, under which the leaseholder submitted the prior approval consent, are time limited and due to expire in 30 May 2016. Before that date, the applicant must fulfil certain conditions in order to qualify for those permitted development rights and make the change of use.

TENURE

- 3.18 The property is held freehold by the Council and is subject to a lease dated 26th August 1987 for a term of 152 years from 24th July 1987 to Lionnid Ltd (now vested in White Coral Investments S.A, who trade as Al Mubarakia Limited).
- 3.19 The pertinent terms of the lease and the key tenant's covenants include;
- The lessee covenants, inter alia, to 'well and sufficiently repair, rebuild... and keep the demised premises and the tunnel' in good condition.
 - In relation to the land coloured brown on the headlease plan to keep landscaped all lawns laid out and any trees and shrubs planted thereon and from time to time to renew the turf of the lawns and the trees and shrubs and to keep the same property landscaped, cut and pruned.
 - To paint the exterior of all buildings on the demised premises in every five years with two coats of good quality and suitable exterior quality paint and the internal parts every seven years.
 - Not to make any structural alteration or addition to the demised premises and not to carry out any development or change of use within the meaning of the Town and Country Planning Act without the previous consent in writing of the lessor such consent and approval not to be unreasonably withheld or delayed.
 - Not to use the area shown hatched green on the headlease plan other than for light industrial purposes and offices and/or ancillary purposes

connected therewith and car parking. Not to use the land coloured brown on the same plan other than for landscaping and not to erect or place any building or structure whatsoever thereon.

- To pay the ground rent of £10 per annum by yearly payments in advance on the first day in April each year.

3.20 The discussions to date have primarily been in relation to the uplift in value and how this should be split between the Council as freeholder and AML as leaseholder.

LEASEHOLDER'S PROPOSAL

3.21 The Council has appointed Gerald Eve as its specialist valuers in respect of the approach from AML for a change of use. In considering the approach, Gerald Eve were asked to appraise the proposed redevelopment and advise on the potential uplift in capital value that would likely be achieved if the Council agreed to change the terms of the existing lease.

3.22 Gerald Eve paid regard to the existing use of the building in accordance with the lease, the local office market in terms of existing use value, the costs of conversion and the localised residential housing market.

3.23 AML are similarly being advised by DTZ. The Council has had sight of their detailed valuation report and both advisors are in agreement on the uplift in value generated by a conversion of the building to 126 residential units. This uplift in value has been determined to be £14.7m by the Council's valuers, Gerald Eve. It is standard market practice in these situations for landlords and tenants to share uplifts in value in the region of 30% to 50%, depending on the complexity of the scheme and risk. Given that this development holds little risk, other than timing, the parties have agreed to a 50% split in the uplift in value, representing a significant windfall for the Council in actually doing very little whilst still retaining the freehold.

PROPOSAL

3.24 The change of use consent will be granted subject to the payment of a premium, on the terms set out below. This premium has been calculated based on 50% of the uplift in value.

3.25 The uplift in value has been determined by Gerald Eve to be £14,700,000 on the basis of their calculation of the existing use value and the residual valuation based on an unrestricted residential scheme. Unrestricted in this context refers to a scheme in which the residential units are intended to be sold in the open market, therefore reflecting the values which could be achieved on that basis.

3.26 Based on the above, the Council will receive a premium of £7,350,000 in total, which will be paid in tranches as set out below.

- 3.27 The first payment would be for 25% of the premium (£1,837,500) would be paid on signing the variation and providing the change of use consent.
- 3.28 The second payment would be for a further 25% of the premium (£1,837,500) would be one year after signing the variation and providing the change of use consent.
- 3.29 The remaining 50% of the premium would be paid over a term of 20 years, uplifted at 3.5% per annum and smoothed to a fixed annual sum of £258,577. The first of these payments would be due one year after the second payment.
- 3.30 The lease will also be varied to incorporate an overage clause, to secure the Council's interest in the event that the values achieved are above that determined by the Council's valuers.
- 3.31 The agreement with the tenant will also incorporate protections for the Council in the event of non-completion and/or onward sale.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 This report seeks Mayoral approval for the change of use of Sovereign Court from office (Use Class B1) to residential (Use Class C3). The Council is the freeholder of the property, on which it has granted a lease for a 152 year term to Al Mubarakia Limited (AML).
- 4.2 If consent to the change in use is given, the value of the asset to AML will increase significantly - by an estimated £14,700,000. As a result, it is proposed that the Council will be entitled to a payment of 50% of the value of this increase (paragraph 3.23).
- 4.3 The premium received by the Council will therefore be £7,350,000 at current prices, although a staged payment process is proposed. The income stream will be a capital resource, fully useable by the Council for any purpose, either within the General Fund or Housing Revenue Account capital programmes.
- 4.4 It is proposed that the premium will be payable in stages as outlined in paragraphs 3.26 to 3.29. An initial 25% of the £7,350,000 premium will be payable on the date of signing of the variation, with a further 25% due on the first anniversary.
- 4.5 The remaining 50% (£3,675,000) will be payable in even instalments over the next twenty years, after a 3.5% uplift has been applied to the balance outstanding each year. This equates to an annual charge of £258,577 over the twenty year period i.e. total uplifted payments of £5,171,540.

- 4.6 In summary, the expected capital receipts by financial year are:
- | | | |
|----------|---|--------------------|
| 2015/16: | Signing of Variation | £1,837,500 |
| 2016/17: | First Anniversary of Signing of Variation | £1,837,500 |
| 2017/18 | | |
| to | Annual Instalments for Twenty Years | £258,577 per annum |
| 2036/37: | | |

- 4.7 In addition to the guaranteed level of receipts above, the agreement will be subject to an overage clause to protect the Council's interests if values increase by more than are currently anticipated in drawing up the lease.
- 4.8 Arrangements should be put in place to ensure that all appropriate sums - both the annual premium instalments and any overage payments that may materialise - are recovered when they fall due over the course of the twenty year repayment period.
- 4.9 As stated in the report (paragraphs 3.14 and 3.15) the change of use does not result in any Section 106 or Community Infrastructure Levy obligations, or any affordable housing liabilities.
- 4.10 Following the change in use, as residential units there will be a possibility that leaseholders could exercise their right to collective enfranchisement. The Council's advisors consider this to be unlikely (paragraph 9.5), however if this were to happen the leaseholders would be required to purchase the long lease held by AML Ltd as well as the freehold held by the Council. As such, the Council would be fully recompensed for the value of the freehold and any costs incurred

5. LEGAL COMMENTS

- 5.1 The tenant requires the Council's consent to the proposed residential use and the Council, as landlord, is entitled to refuse such consent. It is this which enables the Council to require that it shares in the uplift in value to the tenant which will result if the Council does grant its consent.
- 5.2 The proposal that the Council should grant its consent to a change of use under the lease is not a disposal of real property and nor is it an acquisition of a chargeable interest giving rise to a charge to Stamp Duty Land Tax.
- 5.3 The Council will also be asked to consent to the necessary internal alterations to the buildings consequent upon the change of use, if the Council consents to the change of use. Such consent for alterations would be given by deed.
- 5.4 The Council is obliged under section 3 of the Local Government Act 1999 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 granting of the consent and any associated

transactions as mentioned above which may be required to give effect to this proposal satisfy the best value duty for the reasons set out in section 7 below.

- 5.5 When exercising its functions the Council has a duty under section 149 of the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination and advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not (the public sector equality duty). In this instance the Council is exercising its function as freeholder where a lease has already been granted. It is proposed that the consent to change of use be given for a premium which will be available to the Council for the exercise of other functions.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 Securing the premium will raise a significant capital receipt which will be available to support the council's overall capital programme which supports all service areas to deliver on the Community Plan objectives, as reflected in the Strategic Plan.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 The proposal presented in this report satisfies the Council's Best Value duty.
- 7.2 The proposed transaction represents an effective use of the Council's estate and will secure a significant capital receipt for little outlay on the Council's part.
- 7.3 The Council has appointed Gerald Eve as its specialist valuer in respect of this transaction and they have confirmed that the proposed premium is the best consideration reasonably obtainable.
- 7.4 Gerald Eve's professional advice accords with the advice from DTZ, who were the valuers commissioned by the tenant.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 There are no immediate environmental implications arising from this report.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 Delay in finalising the agreement could leave the leaseholder choosing not to proceed with the proposal as they may feel they have insufficient time to carry out the necessary works under the permitted development rights they have. This will be mitigated by ensuring the decision is implemented as soon as possible.
- 9.2 The variation of the lease will incorporate an overage clause, to secure the Council's interest in the event that the values achieved are above that determined by the Council's valuers.

- 9.3 The agreement with the tenant will also incorporate protections for the Council in the event of non-completion and/or onward sale.
- 9.4 Officers have considered the possibility of the individual leaseholders of the flats, once sold, being able to exercise their right to collective enfranchisement. As their immediate landlord will not be the Council, but the head lessee, this would require them to buy out the long lease held by AML Ltd, in addition to the freehold held by the Council.
- 9.5 The Council's advisors on this matter, Gerald Eve, have stated that the likelihood of collective enfranchisement being exercised is minimal, given the number of flats in question. This is because the minimum number of participating tenants must equal half the total number of flats in the building; as there will be 124 flats in the building, at least 62 of the flats of qualifying tenants must participate in the action.
- 9.6 In any case, even if collective enfranchisement action was successful, the Council would receive the value of the freehold and any costs incurred throughout the process. In addition to compensating the council for its freehold interest, the collective leaseholders would also be required to compensate the head lessee for the value of their relative interest.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 There are no immediate crime and disorder implications arising from this report.

11. SAFEGUARDING IMPLICATIONS

- 11.1 There are no immediate safeguarding implications arising from this report.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- NONE


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

- NONE

Officer contact details for documents:

N/A

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<p>Cabinet Decision</p> <p>28 July 2015</p>	
Report of: Corporate Director, Development & Renewal	Classification: Unrestricted
Strategy And Options For The Use Of Right To Buy Receipts	

Lead Member	Councillor Rachel Blake, Cabinet Member for Strategic Development
Originating Officer(s)	Jackie Odunoye, Service Head, Strategy Regeneration and Sustainability
Wards affected	All
Key Decision?	Yes
Community Plan Theme	A Great Place to Live

1. EXECUTIVE SUMMARY

- 1.1 There is significant need for additional housing in Tower Hamlets; this manifests itself in an extensive housing 'waiting list' with 19,650 residents registered at present, 10,966 of which are families. There is also a rising problem of homelessness with 1,684 registered as priority homeless.
- 1.2 The borough also has very high targets for the provision of new homes – the Further Alteration to the London Plan sets a target of 3,931 new homes per year, the borough is negotiating a target of 1,375 Affordable Homes per annum, whilst the current London Plan targets are 2,885 with an Affordable Target of up to 1,231.
- 1.3 These new homes will come from a number of sources including a new build programme for Council homes, new build programmes initiated by registered providers and affordable homes provided under S106 planning agreements with private developers.
- 1.4 This paper deals with the funding of council homes sourced via new build, a programme of buying back ex right to buy properties and further initiatives such as a proposed 'cash incentive' scheme for tenants who wish to buy a home outside the borough, and targeted purchases of other new build properties.
- 1.5 Receipts from the sale of Council housing can be used for the provision of new affordable housing. The Council entered into a Retention Agreement with the Secretary of State in November 2012 to allow for usage of those receipts. DCLG rules stipulate that these Right to Buy (RTB) 1-4-1 receipts must be spent on the re-provision of council homes. The receipts must contribute to no more than 30% of the

overall cost of the housing. If the receipts are not spent within a 3 year time frame (details are set out in this report) then the money must be returned to DCLG with interest. Details of the scheme including the key conditions are noted below.

- 1.6 A sum of right to buy receipts has been allocated to the existing house building programme, with capital estimates having been adopted for Dame Colet House, Poplar Baths and 4 micro sites. These schemes will utilise £5.2m of the RTB receipts.
- 1.7 This report seeks to secure consent to develop a programme that will utilise the next tranche of eligible receipts totalling £20.5m, so that they are spent within the allowed timescale ending in 2017/18.
- 1.8 The Mayor in Cabinet will need to consider a number of options in order to minimise risk and utilise the receipts in a timely fashion. As a result a programme of Council leasehold buy backs is proposed (referred to in previous programmes as RTB buy backs).
- 1.9 The report recommends that General Fund sites, including those at Tent Street and William Brinson Centre, 3-5 Arnold Road, E3, should be worked up for inclusion into the RTB Receipts programme as they can deliver the required volume and speed of delivery to utilise the RTB receipts appropriately.
- 1.10 Assessing and progressing the feasibility of alternative sites will be important both to provide risk cover should 'primary' options fall away or become delayed, and because right to buy receipts will continue to accrue and therefore additional HRA sites will also be identified and developed subject to their viability for potential inclusion into the RTB programme. It will also provide a range of consented sites for delivery in subsequent RTB receipts deadline quarters and/or for other funding programmes.
- 1.11 Other options are being explored to ensure the delivery of new homes in this programme within the statutory timescales - these will include exploring Section 106 opportunities, providing new housing options, and developing a grant funded programme for registered providers.
- 1.12 In order to use some of the 1-4-1 receipts, the report also discusses the option of changing the funding arrangements for the currently approved schemes to the application of 1-4-1 receipts.

2. RECOMMENDATIONS

The Mayor in Cabinet is recommended:

- 2.1 To note the issues in this report and the proposal that a more detailed report will be brought in September.

- 2.2 To agree that a strategy to utilise receipts using the measures outlined in this report be developed, in order to secure additional Council Housing, and affordable housing provided by Registered Providers, and to avoid the risk of losing valuable resources.
- 2.3 To authorise the Corporate Director, Development and Renewal, after consultation with the Mayor, to identify and progress development feasibilities for a number of HRA sites for inclusion in the RTB Receipts programme for presentation to Cabinet.
- 2.4 To develop further ideas for the development of new homes at Tent Street and William Brinson, to be presented to Cabinet in September.
- 2.5 To authorise the Corporate Director to procure the professional and technical services required to identify the feasibility for development of these sites to RIBA stage 3.
- 2.6 To agree that a longer term strategy be developed for the use of right to buy receipts as they accrue and presented to Cabinet. This should include investigating the setting up of a RTB Receipts Grant programme for Registered Providers, utilising s106 schemes and exploring the use of RTB receipts to enhance Housing Options.
- 2.7 To agree to development of a strategy for a programme of Council RTB buy backs, which will be presented to the Executive at the earliest opportunity, and which may be extended to Registered Providers which satisfy conditions of affordability and good quality management.
- 2.8 Authorise the Corporate Director, Development & Renewal, after consultation with the Service Head – Legal Services, to agree the final terms and conditions of any agreements to implement the above decision.

3. REASONS FOR THE DECISION

- 3.1 This report outlines the issues currently facing the Council's Housing Revenue Account, and as a result is primarily concerned with the use of right to buy receipts as a funding source. The use of these needs to be explored against the wider financial context of resources within the HRA. This is particularly the case because of the restriction placed on the use of right to buy receipts as a funding source for the supply of new homes.
- 3.2 LBTH entered into a retention agreement with DCLG in November 2012 for the use of '1-4-1' Right to Buy Receipts to part fund new housing for affordable or social rent. The main terms of the Agreement are as follows:
 - RTB receipts not used within three years from the quarter of their generation will need to be repaid with interest.
 - The retained Right to Buy receipt is not permitted to be more than 30% of the total amount spent on eligible development costs for the provision of social housing.

- The balance (70%) must come from the Council's own resources with no other grant or receipts permitted to be used in addition to the RTB receipts (other than for certain projects started before April 2013).

These terms were not negotiable.

- 3.3 The primary intended purpose for the RTB receipts is for new build housing, although acquisition of market housing for use as social housing is permitted but it is also subject to the 30% rule. This can be within or outside the Borough so long as the Council owns or has nomination rights over the properties.
- 3.4 There are no conditions on the number, type, size, rent or location of new homes to be built or acquired. Social rent and Affordable rented homes are permitted subject to financial viability testing.
- 3.5 The Council can use the receipts for its own direct development projects or it can allocate them to Registered Providers (RP) so long as the RTB receipt is no more than 30% of the eligible costs incurred by the RP.
- 3.6 The number of right to buy sales has increased substantially; approximately £24.2 million of additional and unallocated net LBTH RtB receipts have been generated as at the end of June 2015. This will be due to be used/spent in five tranches by the end of June 2017, September 2017, December 2017, March 2018 and June 2018. This will require £56.5 million of LBTH HRA resources to be spent in addition ie approximately £80.7m of capital spend in total. Table 2 in (paragraph 6.12) sets out when the RTB receipts need to be used or returned.

4. ALTERNATIVE OPTIONS

- 4.1 There is an acute need for affordable housing in the borough and there are limited alternatives that will provide an adequate solution to the use of receipts in a timely fashion and in Tower Hamlets.
- 4.2 DCLG has recently indicated that any returned receipts will be re-allocated to provide new housing, however there is no guarantee that the new provision will be in the originating borough, or even which tenure will be provided.
- 4.3 This report recommends that officers investigate options to spend the receipts and does not focus solely on a new build approach. A further report will be presented to Cabinet later in 2015.

5. BACKGROUND

Housing Revenue Account

- 5.1 The Housing Revenue Account (HRA) relates to the activities of the Council as landlord of its dwelling stock, and the items to be credited to the HRA are prescribed

by statute. Income is primarily derived from tenants' rents and service charges, and expenditure includes repairs and maintenance and the provision of services to manage the Council's housing stock.

- 5.2 Since 1990 the HRA has been "ring-fenced"; this was introduced as part IV of the Local Government & Housing Act 1989 and was designed to ensure that rents paid by local authority tenants reflect the associated cost of services. This means that the HRA cannot subsidise nor be subsidised by Council Tax i.e. any deficits or surpluses that arise on the HRA cannot be met from or transferred to the General Fund. In addition, the HRA must remain in balance.

Housing Revenue Account Self-Financing

- 5.3 The Localism Act 2011 abolished the previous Housing Subsidy system and introduced HRA Self-Financing from April 2012. Under HRA Self-Financing local authorities retain all their housing income (mainly rents), but must use this income to finance the day-to-day management and maintenance of their properties, as well as funding all required future capital investment in their stock.

Debt Settlement

- 5.4 Under the self-financing arrangements, the Department for Communities & Local Government (DCLG) calculated a one-off debt settlement based on their valuation of each Authority's housing business. This valuation was based on cash flow forecasts, and assumptions about each Authority's HRA income and expenditure over the next 30 years.
- 5.5 For Tower Hamlets this meant that £236 million of housing debt was repaid, so that at the start of Self-Financing the remaining housing debt totalled £70 million.

HRA Debt/ Borrowing Cap

- 5.6 The HRA Debt/ Borrowing Cap is the upper limit on the amount of housing debt that each Authority can hold. The level of the cap is based on the government's valuation of each Authority's housing business, and therefore their assessment of how much housing debt each Authority can afford to hold.
- 5.7 LBTH's HRA Debt cap was originally £184 million, although this has been increased by £8.225 million following the Council's bid for additional borrowing capacity under the Local Growth Fund scheme (see paragraph 9.5).
- 5.8 Each Authority will be able to undertake HRA borrowing up to the level of their debt cap, however, careful assessment will still be needed to ensure that any future borrowing undertaken is affordable within the HRA, as interest on the outstanding debt is an annual cost that must be paid for from housing revenue resources.
- 5.9 The rationale for imposing debt caps on Authorities was so that extra income and flexibilities arising from self-financing did not lead to an increase in public borrowing,

as local authority housing debt counts against the government's public borrowing figures.

HRA 30 Year Model

- 5.10 Under HRA Self-Financing, each Authority is required to develop and maintain a 30 Year HRA Business Plan.
- 5.11 Modelling indicates that the HRA will generate annual revenue surpluses over the first 10-15 years, but the anticipated level of capital works required for the housing stock means that these surpluses will be needed to fund the capital programme over the remainder of the 30 year plan, as it is likely that the Authority will, by that point, have reached its debt cap and therefore will be unable to undertake further borrowing. It is currently anticipated that the capital needs over 30 years will be over £1 billion, although this is based on outdated information. A comprehensive stock condition survey has been commissioned and is currently in progress in order that the financial model can be updated.
- 5.12 Although the HRA Reforms have increased the council's flexibility and ability to undertake long-term planning, in the early years, a high level of resources are committed to support the needs of the existing stock, including the delivery of the Decent Homes capital programme.

6. MAJOR ISSUES ARISING SINCE THE INTRODUCTION OF SELF-FINANCING

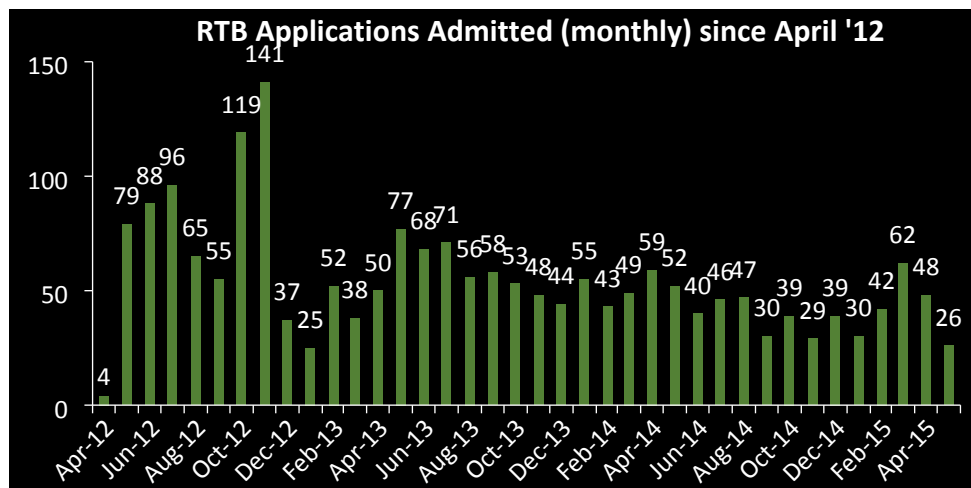
- 6.1 Since the introduction of self-financing in 2012, there have been a number of changes to Government policies that affect the viability of councils' Housing Revenue Accounts. These include:
- the various Welfare Reforms, both proposed and enacted, including the recently announced proposal to reduce the benefits cap in London to £23,000;
 - the reinvigoration of the Right to Buy system;
 - changes to rent policy, including the ending of rent convergence in 2014-15 rather than in 2015-16 as previously intended;
 - uncertainties arising from the announcements concerning future social rent policy contained within the July 2015 budget statement;
 - uncertainties concerning future stock numbers as a result of the Government's extension of the Right to Buy scheme to Housing Association tenants, and the proposal that councils will have to sell their high value void properties to compensate RPs.
- 6.2 This report is specifically concerned with the effects of changes to the Right to Buy system due to the strict timetable that is in place to provide additional social housing, and forms the remainder of this report. The Government's Summer budget, announced on 8 July 2015, will however have a substantial impact on the resources available within the HRA - the initial effects of the budget are outlined in Section 12 of this report.

Changes to the Right to Buy System

- 6.3 In April 2012, the reinvigorated Right to Buy regime was introduced by the Government. Key elements of this were the increase of the maximum discount available to tenants and a change to the previous Right to Buy capital receipt pooling arrangements whereby now local authorities can retain receipts for replacement housing – provided they can sign up to an agreement with Government that they will limit the use of the net Right to Buy receipts to 30% of the cost of the replacement homes.
- 6.4 Prior to 2012/13 the maximum Right to Buy discount in London was £16,000. The new legislation increased this to £75,000 in 2012/13, and then to £100,000 from March 2013. The current maximum discount in London has now been increased to £103,900 with effect from April 2015, and this will continue to increase annually in line with the Consumer Price Index (CPI).

Right to Buy Applications

- 6.5 Since the new Right to Buy regulations came into effect, the Council has seen a substantial increase in the number of right to buy applications received, and therefore the number of properties sold.
- 6.6 The following information has previously been reported to Cabinet, most recently in the 'Housing Revenue Account – Budget Report 2015/16', considered by Cabinet on 8 February 2015. This has been updated to include information up to 30 June 2015. As shown in graph 1 below, as at the end of May 2015, 2,060 Right to Buy applications had been admitted to proceed (i.e. excluding those applications rejected for not meeting qualifying criteria) since April 2012.

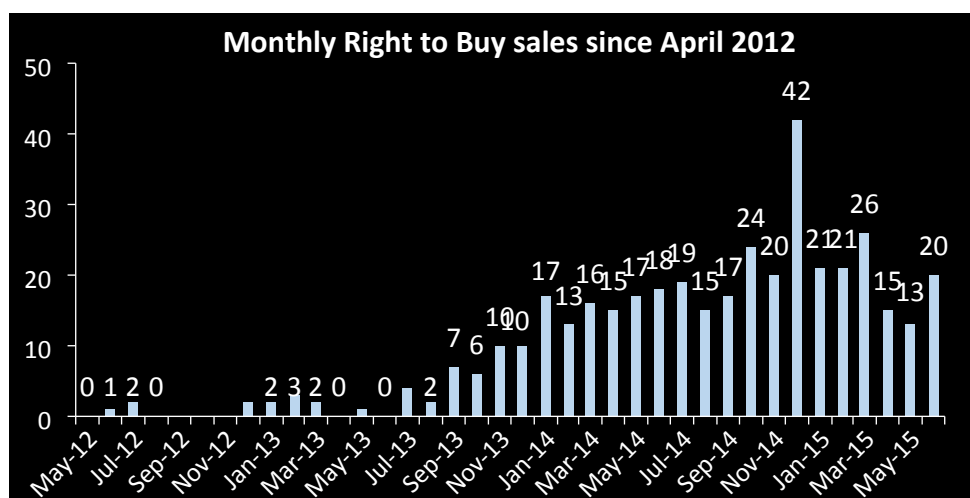


Graph 1: 2,060 Right to Buy applications were admitted between April 2012 and June 2015

- 6.7 As at the end of March 2015, over 970 live RTB applications were in progress.

Right to Buy Sales to Date

6.8 Between April 2012 and the end of June 2015 there were 401 RTB sales; Graph 2 shows the number of sales each month since April 2012, with further detail in Table 1.



Graph 2 – 401 Right to Buy sales have taken place since April 2012

	2012/13	2013/14	2014/15	2015/16	TOTAL
Q1	1	1	50	48*	
Q2	2	13	51	-	
Q3	2	26	86	-	
Q4	7	46	68	-	
	12	86	255	48	401

Table 1 – Right to Buy sales since April 2012

Future Right to Buy Sales

- 6.9 Although the HRA financial model assumes a certain level of stock reduction, the disposal of significant additional numbers of properties will cause major financial pressures, as the reduction in rental income will outweigh the marginal savings that will be made in management and maintenance costs.
- 6.10 The 2015/16 budget assumes 200 sales in 2015/16, with projections of a further 100 sales in 2016/17 and 50 in 2017/18.
- 6.11 There is a risk that there may be a further surge in the number of applications over the coming months, following the increase to the maximum discount (which now rises annually in line with inflation) and the change to the current eligibility criteria requiring applicants to have been a Council tenant for five years, which is to be reduced to three years.

Right to Buy Receipts

6.12 As at the end of the first quarter of 2015/16, the Authority has £29.4m* of 1-4-1 retained receipts, the breakdown of which is show in Table 2 below, together with the required spend on Social Housing required.

(*Note: A provisional figure has been entered for the first quarter of 2015/16).

RTB Sales	Quarter Received	Retained 1-4-1 Receipts (30%) £	Spend needed on social housing £	Spend Deadline	Council resources needed (70%) £
1	2012/13 – Q1	-	-	-	-
2	Q2	-	-	-	-
2	Q3	-	-	-	-
7	Q4	-	-	-	-
1	2013/14 – Q1	-	-	-	-
13	Q2	-	-	-	-
26	Q3	1,503,000	5,010,000	31/12/16	3,507,000
46	Q4	3,508,000	11,693,000	31/03/17	8,185,000
50	2014/15 – Q1	3,480,000	11,600,000	30/06/17	8,120,000
51	Q2	4,246,000	14,153,000	30/09/17	9,907,000
86	Q3	7,065,000	23,550,000	31/12/17	16,485,000
68	Q4	6,115,000	20,383,000	31/03/18	14,268,000
353		25,917,000	86,389,000		60,472,000
<i>PLUS PROJECTED 1-4-1 RECEIPTS FROM Q1 OF 2015/16</i>					
48	2014/15 – Q1	3,500,000	11,666,000	30/06/18	8,166,000
401		29,417,000	98,055,000		68,638,000

Table 2 – Current level of RTB 1-4-1 receipts and Council contribution needed

6.13 Any receipts unspent within 3 years must be returned to the government with compound interest; the interest rate chargeable is 4% above the base rate, and is charged on a daily basis.

6.14 The Council has schemes in place to spend £5.2 million of the 1-4-1 receipts, as detailed in section 9. In order to allocate the remaining £14.5 million total spend of £48.3 million on replacement social housing is required, with the Authority needing to fund the balance of £33.8 million (70%) from other resources.

6.15 Assuming that the current pace of RTB sales continues the Authority may have close to £20 million of unallocated 1-4-1 receipts by the end of 2014/15. This would mean the need to plan total further spend of £66 million on replacement social housing by the end of 2017/18, with the Authority having to find £46 million to fund 70% of the cost.

6.16 The Authority, in conjunction with Tower Hamlets Homes (THH), is currently assessing the potential for the Authority to spend the 1-4-1 receipts, both in terms of the land availability within the HRA, the HRA resources available, and the feasibility of delivering within the timescales set out by the government.

- 6.17 Given the need to spend the time-limited 1-4-1 receipts, as well as the possibility of the Authority being involved in further government grant bidding rounds, the HRA Capital Programme includes a notional sum of £33m to reflect the 70% council contribution needed to deliver new social housing supply in order to allocate the currently unallocated 1-4-1 receipts of £14.5 million. However, it must be stressed that any future new build schemes will require Cabinet approval on a scheme by scheme basis, and will contain a detailed assessment of the financial viability of the project and its affordability within the HRA.
- 6.18 In terms of resources, as part of the ongoing update of the HRA Financial model an assessment is being made of the capacity within the HRA to fund the 70% contribution necessary to spend 1-4-1 receipts. In relation to borrowing to fund the 70% contribution, there are already a number of possible commitments against the HRA debt cap, such as the various new-build schemes already agreed, as referred to in section 9, and the Decent Homes Backlog Programme.
- 6.19 Therefore it is possible that we may be close to the point of not having sufficient HRA resources to contribute towards the use of an ever-increasing amount of 1-4-1 receipts. In this case, the Authority would need to agree to either
- return newly arising 1-4-1 receipts immediately (to avoid any interest charges);
 - pass newly arising 1-4-1 receipts to a third party (i.e. an RP)
- 6.20 In addition we need to be able to fund the revenue costs of borrowing; savings will be necessary within the HRA in future years in order to provide additional resources to support the delivery of new housing provision.

7. DETAILS OF THE REPORT

- 7.1 The Department for Communities and Local Government (DCLG) has placed a number of conditions in the RTB Retention Agreement for the use of '1-4-1' Right to Buy Receipts, The Agreement is to part fund new housing for affordable or social rent and the main terms of the Agreement are as follows:
- RTB receipts not used within three years from the quarter of their generation will need to be repaid with interest.
 - The retained Right to Buy receipt is not permitted to be more than 30% of the total amount spent on eligible development costs for the provision of social housing.
 - The balance (70%) must come from the Council's own resources with no other grant or receipts permitted to be used in addition to the RTB receipts (other than for certain projects started before April 2013).
 - The primary intended purpose for the RTB receipts is for new build housing, although acquisition of market housing for use as social housing is permitted but it is also subject to the 30% rule.
 - This can be within or outside of the Borough so long as the Council owns or has nomination rights over the properties.

- There are no conditions on the number, type, size, rent or location of new homes to be built or acquired.
- Social rent and Affordable rented homes are permitted - subject to financial viability testing.
- The Council can use the receipts for its own direct development projects or it can allocate them to Registered Providers (RP) so long as the RTB receipt is no more than 30% of the eligible costs incurred by the RP.
- Improvements or conversions of existing social housing are not allowable uses.
- Right to buy receipts cannot be used by a company over which the Council has a controlling interest.
- Land already owned by the Council cannot be used as an eligible development cost.

7.2 Taking account of design, town planning, local consultation, Governance, procurement and construction processes it is clear that any potential development solutions for the use of RTB receipts will be challenging to meet full scheme spend in line with the quarterly tranche deadlines particularly in June, September and December 2017, especially those schemes which do not have planning consent. Accordingly, it will be important to progress potential schemes as quickly as possible through these processes. Modern methods of construction will be considered where viable and appropriate by officers and respective consultants to establish whether the speed of delivery can be improved, without compromising quality and financial viability.

7.3 The council has successfully adopted estimates utilising some of the RTB receipts to schemes at Poplar Baths, Dame Colet House and 4 small sites that will yield ten units (see Table 3 below).

Scheme Name	Units	Planned use of receipts £'000	Planned date of use (latest)
Dame Colet House (housing)	40	1,797	August 2015
Poplar Baths (housing)	60	2,757	April 2016
Brick Lane, Christian St, Spelman St, Mile End Rd	10	648	November 2016
TOTAL	110	5,202	

Table 3 – Current agreed use of RTB 1-4-1 receipts

7.4 The Full Council budget meeting on 5th March 2015 noted that, as at the end of the third quarter of 2014-15 (December 2015), £14.5 million of 1-4-1 receipts were uncommitted, meaning that £33.8 million of other HRA resources would be required to finance the remaining 70% of the scheme costs.

7.5 Approval was given at the meeting for the inclusion of resources to fund these schemes within the HRA, subject to assessment of affordability. Any schemes would require Cabinet approval.

- 7.6 In the fourth quarter of 2014-15 a further 68 properties were sold, resulting in further 1-4-1 receipts of approximately £6.1m requiring a further £14.3 million of additional Council HRA investment and gross expenditure of a further £20.4 million (see Table 2). It will be important to undertake some detailed cash flow and programme analysis of all the potential options against the RTB receipt spend milestones to help assess risks and establish potential mitigation measures.
- 7.7 The report noted that modelling of new build schemes within the HRA business plan has been based on the assumption that borrowing will be required to finance the majority of the scheme costs. If the reliance on borrowing can be reduced, the Council will incur lower loan charges, reducing the revenue impact on the Housing Revenue Account.
- 7.8 Given the very specific nature of the DCLG conditions, prudent cashflow management will be required to ensure strict compliance with the quarterly tranche drawdown dates.

8. RIGHT TO BUY 'BUY BACKS'

- 8.1 Officers have also been undertaking work to establish the potential advantages and scope to undertake a selective programme of Right to Buy 'buy backs' of properties located on Council Estates managed by Tower Hamlets Homes. Under the Local Homes Initiative in 2010, the council completed a successful buy-back programme, purchasing up to 80 properties.
- 8.2 The advantages of such a programme would be:
- Speed of delivery
 - Ability to match purchasing programme to current housing need
 - Limits need to build on scarce development sites
- 8.3 There are a number of ways the programme could be structured:
- Open advertisement to attract potential sellers
 - Open advertisement but restrict purchases to 2+ bedrooms
 - Purchases matched to current planning policy for bedroom mix
 - Purchases matched to current housing need of those at the top of the housing register
 - Purchases targeting properties presenting estate management challenges

Cabinet is asked to comment on the most appropriate purchasing strategy.

- 8.4 The total costs of the programme would include:
- Purchase price
 - Legal and valuation fees
 - Refurbishment costs to bring units to agreed lettable standard

- 8.5 There would also be a potential but initially unquantifiable impact on the Decent Homes Programme. Units purchased might need internal works such as new kitchens and bathrooms to bring them to standard, costs which are not factored into the current DH programme. In addition if units are in the remaining externals programme, purchasing them ahead of the works would increase the net cost of the DH programme to the council. Such increases in cost may not be reflected in the purchase price for the units.
- 8.6 A further report will be submitted to September Cabinet, setting out a longer term strategy for a programme of RTB buy backs. It is anticipated that at that meeting, Cabinet will be asked to adopt a capital estimate of £23.5 million in order to utilise 1-4-1 receipts of £7.050 million, for the purchase of RTB properties.'

9. EXISTING HOUSING DEVELOPMENT PROGRAMME

- 9.1 In November 2014, Cabinet approved capital estimates and the funding sources for various new developments.
- 9.2 Approval was given for a scheme with a value of £2.16 million, to provide ten units across four small sites in Brick Lane, Christian Street, Spelman Street and Mile End Road, with the projects being part funded by retained 1-4-1 receipts of £648,000 to represent 30% of the costs.
- 9.3 However, four larger schemes were also approved, two under the Mayor of London's Housing Covenant – 2015-18 programme, and two under the DCLG's Local Growth Fund. Although these schemes total £38.157 million in total, the Council is unable to apply 1-4-1 receipts towards their funding because the projects are part funded through Government initiatives – either grant or increased borrowing approvals. A summary of the current funding for these schemes is shown in Table 4 below, with further details of the projects outlined below.

	<u>Costs</u>	<u>Funding</u>			
		Government Grant £'000	Revenue Contribution £'000	HRA Borrowing	
Scheme Costs £'000	Existing Headroom £'000			Local Growth Fund £'000	
<u>Mayor of London's Covenant</u>					
Locksley Street	15,071	2,340	-	12,731	-
Hereford Street	11,797	1,620	-	10,177	-
Total	26,868	3,960	-	22,908	-
<u>Local Growth Fund</u>					
Jubilee Street	6,582	-	1,987	-	4,595
Baroness Road	4,707	-	1,077	-	3,630
Total	11,289	-	3,064	-	8,225

Grand Total	38,157	3,960	3,064	22,908	8,225
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Table 4 – Current Funding of Locksley/ Hereford and Jubilee/ Baroness new-build schemes

9.4 Funding Programme: Mayor of London’s Housing Covenant – 2015-18

Locksley & Hereford Street sites - £26.868 million, 132 units
(Current Funding: GLA Grant: £3.960 million; LBTH Capital: £22.908 million)

9.4.1 Under the ‘Mayor of London’s Housing Covenant – 2015-18 programme’, the Council was successful in securing grant funding of £3.960 million towards the costs of two new build schemes on the Locksley St and Hereford St sites comprising 132 units. These are both infill sites on existing housing estates, with specific details being:

- Hereford Estate. The Hereford Estate is located on Vallance Road and adjacent to the western edge of Weavers Fields, in Bethnal Green. The site identified for infill has good orientation west-east. Weavers Fields offers long views across a public park. The development site will provide housing for 54 households.
- Locksley Estate. The proposed scheme comprises 3 vacant sites within the Locksley Estate. The Locksley Estate is located between Commercial Road and Mile End Stadium, just to the north of the Limehouse Basin. The Regents Canal forms the western boundary to the estate whilst the Limehouse Cut forms a boundary to the south east. The proposal will deliver 78 new homes including 8 wheelchair accessible dwellings. All design proposals are subject to planning permission.

9.4.2 Capital estimates totalling £26.868 million were adopted for these two schemes by the Mayor in Cabinet. The Council was allocated £3.960 million of grant under the Mayor’s Housing Covenant, with the residual cost of £22.908 million being funded from HRA borrowing from within its HRA headroom. Under the terms of the grant award, the use of 1-4-1 receipts was specifically excluded from the funding sources that were permitted to finance these projects.

9.5 Funding Programme: Local Growth Fund

Jubilee Street & Baroness Road sites - £11.290 million, 48 units
(Current Funding: HRA Borrowing: £8.225 million; LBTH Capital: £3.065 million)

9.5.1 The Council has been developing potential HRA sites to provide 26 units at 6 Jubilee Street - a disused hard standing area previously used as a car park, and 22 new units in Baroness Road - an infill site on Newling Estate. These sites were intended for the Government’s 2014 Local Growth Fund programme, which sought to increase HRA borrowing capacity and stimulate Local Authority house building. Specific details of the developments are:

- 6 Jubilee Street: The existing site is an underused car park, currently presenting a gap in the street frontage - a proposal in this location would provide an enclosure to the road. To the west of the proposed block of flats are the communal Jubilee Gardens, which will serve as amenity space for the new residents. The block will accommodate 3 wheelchair accessible dwellings. The development will deliver 26 new homes.
- Baroness Road: The existing site is a car park currently used by the Council's Decent Homes contractors. The proposal is for a new access road to run along the north end of the existing resident's gardens as a continuation of Baroness Road, which will be fronted by a new four storey residential block to its north. Two wheelchair accessible flats are provided at the ground floor with parking in close proximity. The development delivers 22 new homes for affordable rent.

9.5.2 Capital estimates totalling £11.290 million were adopted for the schemes by the Mayor in Cabinet on 5 November 2014. The Council was allocated £8.225 million of additional borrowing capacity within its Housing Revenue Account (HRA) as part of the Local Growth Fund. The residual cost of £3.065 million was to be funded by a direct revenue contribution from the Council's own resources. Under the terms of the borrowing approval, the use of 1-4-1 receipts was specifically excluded from the funding sources that were permitted to finance these schemes.

9.5.3 As stated in the original report, it should be noted that the approval under the Local Growth Fund enables the Council to borrow funds for the construction of the specific projects, however all capital financing costs will be the responsibility of the Council. In this case, the annual capital financing charge would be approximately £0.7 million which reflects both the payment of interest and repayment of the principal sum outstanding. This will be a charge to the Housing Revenue Account.

9.5.4 As outlined in this report, since the Cabinet decision was made in November 2014, substantial sums of 1-4-1 receipts have been retained by the Council which require significant spend on replacement social housing. Alternative funding arrangements for some or all of the sites above would be to use 1-4-1 receipts to fund 30% of the scheme costs, with other HRA resources funding the remaining 70%.

9.5.5 The table below shows an alternative option for funding the schemes, using 1-4-1 receipts rather than the grant or borrowing capacity that has been awarded. For comparative purposes it assumes that the level of the revenue contribution will be the same as approved by Cabinet, although the Council will ultimately finance the capital programme to ensure that resources are used in the most effective way.

	<u>Costs</u>	<u>Funding</u>		<u>Borrowing - Existing Headroom</u>
	Scheme Costs £'000	1-4-1 Retained RTB Receipts £'000	Revenue Contribution £'000	£'000
<u>Mayor of London's Covenant</u>				
Locksley Street	15,071	4,521	-	10,550
Hereford Street	11,797	3,539	-	8,258
Total	26,868	8,060	-	18,808
<u>Local Growth Fund</u>				
Jubilee Street	6,582	1,975	1,987	2,620
Baroness Road	4,707	1,412	1,077	2,218
Total	11,289	3,387	3,064	4,838
Grand Total	38,157	11,447	3,064	23,646

Table 5 – Current Funding of Locksley/ Hereford & Jubilee/ Baroness schemes

- 9.5.6 As can be seen when comparing Table 4 and Table 5, utilising 1-4-1 receipts instead of grant or the additional borrowing capacity will mean that the necessary borrowing will be reduced by £7,487 million.

10. FURTHER DEVELOPMENTS

- 10.1 Residents' appetite for home ownership through the Right to Buy is high in the borough, and so significant 1-4-1 receipts will continue to accrue quarterly. As a result it is vital that the council has an ongoing viable strategy for the future use of 1-4-1 receipts and develops a planned programme going forward, which will also allow for better management of the programme risks outlined in section 14. However this programme will need to be developed within the constraints of the ability to fund such a programme; both in terms of the available capital to cover the remaining 70% of costs and the revenue capacity to pay additional debt charges.

- 10.2 To this end further work is ongoing as follows -

10.3 Development of Land at Tent Street and William Brinson House

- 10.3.1 Tent Street and William Brinson House were initially appraised against a planning compliant delivery in studies undertaken by Architects PTeA. The feasibility studies identified that Tent Street could deliver between 85 and 114 homes and that William Brinson House could deliver 65 homes. These sites will still need to be appraised in more detail to identify the number of homes that they can accommodate.

- 10.3.2 The ground floor of the William Brinson Centre has been occupied for some years by a service provider who currently provides services under a spot purchase contract effective from July 2013. The building is not fit for its current purpose, having had no

significant investment in many years. It is not fully accessible and its facilities are not up to date. Officers will need to agree with the organisation, if required, a relocation plan. Tent Street is also currently occupied under a tenancy-at-will.

- 10.3.3 In order to achieve the tranche drawdown dates, a very tight delivery programmes will be required. Due to the size of the projects, both the design team and construction contracts will exceed the European procurement thresholds requiring OJEU procurement. This time consuming process will place significant risk on the project timeframes. It is therefore proposed that a GLA framework is utilised to procure and appoint the design team.
- 10.3.4 The GLA and other bodies have frameworks for the construction of housing. If time allows then the best option would be to tender the contract via OJEU to access the widest possible market and ensure good competition. However if during the design and planning period this looks unlikely to achieve the necessary completion dates a suitable compliant framework will be used.
- 10.3.5 These sites are currently held in the General Fund and will require appropriation into the HRA for the purposes of delivering Council homes.
- 10.3.6 Cabinet is recommended to authorise the Corporate Director D&R to proceed with procuring the required professional and technical services to undertake the work to RIBA stage 3 from a suitable framework or OJEU tender.
- 10.3.7 Set out below is the proposed milestone programme for the delivery of the proposed schemes.

Milestone	Date
Site Appraisal (Tent St / WB)	June 2015
Cabinet Approval (Tent St / WB)	July 2015
Procure Design Team (Tent St / WB)	August 2015
Planning (Tent St / WB)	December 2015
Tender Contractors	June 2016
Practical completion (Tent St / WB)	December 2017

Table 6 – Proposed Milestones

10.4 Development of HRA and General Fund Sites

- 10.4.1 The Council is currently reviewing other appropriate sites to allow a suitable programme for delivery. Assessing and progressing the feasibility of alternative sites is important in order to provide risk cover should any ‘primary’ options fall away or become delayed. It will also provide a range of consented sites for delivery in subsequent RtB receipts deadline quarters and/or for other funding programmes.
- 10.4.2 Five initial sites are currently being assessed, it is currently forecast that these sites could yield a minimum of 125 units across the borough. The early assessments highlight a Total Scheme Cost of £36m, of which £10.6m may be utilised from the 1-4-1 programme. It is proposed that the package of such sites is progressed for

viability and potential inclusion into the RTB programme. At the appropriate stage proposals will be made Cabinet to agree specific sites and adopt capital estimates.

10.5 Enhanced Housing Options

- 10.5.1 RTB receipts could be used to enhance the housing option offer to existing residents, particularly those that wish to purchase property outside the borough, or wish to transfer to another rented property outside the borough. Out of Borough purchases appear to provide good value for money, and the recent Right to Buy Mobility bid to DCLG indicates that there is an appetite for such a transfer amongst tenants. Such a programme would free up additional housing in borough.
- 10.5.2 The advantage is that such purchases are relatively quick to deliver compared to new build construction.
- 10.5.3 Officers are researching and assessing the viability, value for money and potential of alternative purchase options of market homes both inside and outside the Borough.

10.6 Purchase of Developer-led 'Section 106' Affordable Housing

- 10.6.1 The purchase of developer-led 'Section 106' affordable homes is also a potential option. There are a number of small development schemes known to the borough that have no appointed Registered Provider (RP) to fulfil the S106 obligation for Affordable Housing. Purchasing such sites could provide a quick win to the programme.
- 10.6.2 Officers are researching and assessing the viability, value for money and potential of this proposal and have identified 40 potential units across the borough.

10.7 Registered Provider Grants

- 10.7.1 A further alternative could be to establish a "grant" pot against which the council could fund RPs for their own schemes. In this scenario, it would be down to the RPs to provide the land asset and to finance the 70% cost outlay. RPs would need to demonstrate that they have the capacity and sites to deliver within the required timescales. The significant advantage of this approach is that it will provide new homes for council nominees without the burden of funding the 70% balance. There are a number of sites known to the Council which could be investigated further.
- 10.7.2 A number of London boroughs are progressing such a scheme, Wandsworth and Greenwich are about to implement a programme, and Waltham Forest have a Cabinet report scheduled for September 2015. Other boroughs such as Hackney and Barking and Dagenham are actively considering proposals.
- 10.7.3 The Authority could also consider funding RPs to carry out buy-backs of former RP stock, which would also provide the advantage of providing additional homes for council nominees without the Authority undertaking the financial burden of funding the 70% balance.

11. IMPLICATIONS OF NON USE OF RETAINED 1-4-1 RECEIPTS

- 11.1 As outlined in paragraph 5.1, very tight regulations apply to the use of retained 1-4-1 capital receipts. If receipts are not utilised within three years of the quarter in which they are received, they must be paid to the Government, with interest compounded quarterly. The interest rate to be applied is 4% above the base rate, which, as base rates have been 0.5% since the date that the RTB Agreement came into effect, this means that interest will be compounded at 4.5%.
- 11.2 As shown in Table 2, as at 31 March 2015 the Council was holding £20.7 million of unallocated 1-4-1 receipts. If these ultimately were not utilised after being held for three years, they will be payable to the Government, with the £20.7 million attracting an interest charge of £2.98 million.
- 11.3 In the event that the Authority is unable to identify eligible schemes in order to use the 1-4-1 receipts it will be in the best financial interests of the Authority to return the receipts to the government at the earliest possible opportunity in order to avoid financial penalty.

12. SUMMER BUDGET 2015

- 12.1 The Chancellor of the Exchequer made his Summer 2015 Budget announcement to the House of Commons on 8 July 2015.
- 12.2 The 'Strategic and Resource Planning 2016-17 to 2018-19' report that is considered elsewhere on this agenda, outlines the major implications arising from the budget. Specific issues that affect the Council are included in paragraph 3.4.12 of that report which is reproduced below.

Extract from Strategic and Resource Planning 2016-17 to 2018-19 report Cabinet – 28 July 2015 – Paragraph 3.4.12

There were a number of other specific changes announced in the summer budget which will have direct and indirect implications for Council resources and these are listed below with an analysis of potential impact on Tower Hamlets:

- *A range of welfare cuts announced, including a reduction in the welfare cap from £26k to £23k and changes to tax credits – Details and potential impact on residents is being analysed but this will no doubt have a significant negative impact on our residents.*
- *Discretionary Housing Payments funding will continue for the next five years – but the risk is that current levels of funding will be insufficient to meet demand that could increase further as a result of new welfare cuts announced.*
- *National Living Wage introduced – should have minimal impact on council budgets as we currently pay London Living Wage which is significantly higher.*
- *Social Housing Rents to be reduced by 1% - HRA income will be affected.*
- *Social tenants with household income £40k will have to pay a market rent - local authorities will be required to recover and repay the rent subsidy collected to the*

exchequer who plans to use the income as a contribution to deficit reduction plans. The complexity of such a scheme requires further consideration.

- *Public Sector Pay increases will be limited to 1% for four years from 2016/17*

12.3 Further detail and clarification is awaited from the Government following the legislative process, however there will be a major impact on the Housing Revenue Account as a result of the implementation of the measures announced, particularly the substantial reduction in HRA resources that will result from the proposed rent reduction of 1% per annum for each of the four years from 2016-17 to 2019-20. This proposal replaces the Government's previous policy of an annual increase of CPI +1%, meaning that rather than an assumed rental increase of 3% per annum for four years, there will actually be a rental reduction for this period, resulting in a rental base that will be in the region of at least 12% lower in 2019-20 than anticipated. This will have a significant impact on the resources available to finance the Housing Revenue Account's capital programme and further detail will be included in the September report if available.

13. COMMENTS OF THE CHIEF FINANCE OFFICER

13.1 This report outlines issues facing the Council's Housing Revenue Account and specifically the need to utilise the receipts that it has retained for the provision of new housing supply which have accumulated significantly following the Government's reinvigoration of the Right to Buy system. The report sets out the latest position in relation to the level of RTB 1-4-1 receipts currently retained by the Authority, the amount of these receipts that have already been committed to replacement social housing, and the various schemes that are being proposed in order to utilise the remaining unallocated 1-4-1 receipts.

13.2 As at 31 March 2015, the Council had generated £25.917 of retained 1-4-1 receipts, of which £5.202 million have been committed for new supply, as detailed in Table 13. Therefore there are currently unallocated 1-4-1 receipts totalling £20.6 million, meaning that total spend of £68.6 million is needed on replacement social housing before the end of Q4 2017/18, with a Council contribution of £48.06 million needed to finance 70% of the £68.6 million spend.

Resources

13.3 All expenditure must be funded from HRA resources, with borrowing being the final option. At its meeting in February 2015, Council agreed the 2015/16 HRA Capital Programme which included an initial sum of £33.716 million of Council resources to be spent in order to finance the 70% Council contribution needed to spend the (then) 1-4-1 unallocated receipts of £14.5 million. It should be noted that the Council decision was an approval to utilise resources to finance schemes if they are available, and subject to viability assessments of each project. The resources are those that are the subject of this report.

13.4 Potential non-borrowing resources that are currently held are shown in Table 7 below.

Table 7

Potential Non-Borrowing Resources Available to Support HRA New Build Schemes

	£m	
New Homes Bonus	7.50	(Subject to Approval – see paragraph 13.5)
Affordable Housing Receipts - Unallocated	1.58	(Section 106 Register)
Preserved RTB Receipts	1.48	(Relating to stock transfer agreements)
RTB Usable Receipts (non 1-4-1)	<u>7.00</u>	
Total	17.56	

- 13.5 The ‘Strategic and Resource Planning 2016-17 to 2018-19’ report considered on this agenda includes options for the possible allocation of resources to support the use of 1-4-1 retained receipts in the provision of new housing supply. An element of this is the proposal that £7.5 million of unallocated New Homes Bonus be earmarked as a contribution towards the financing of new supply.
- 13.6 Any residual balance will need to be funded through borrowing, subject to affordability. Although the Council’s current borrowing headroom is approximately £114 million, notional commitments of £58 million result in uncommitted funding of £56 million. Details of the borrowing commitments are shown in Appendix 1. Although borrowing headroom is available, subject to ability to repay the ensuing loan charges, it should be noted that if there is any shortfall in resources needed to fund the capital needs of the existing stock or the on-going Decent Homes programme, borrowing will be required to finance these costs.
- 13.7 As outlined in Section 12 however, the proposals announced in the Government’s recent Summer budget are likely to have a substantial impact on the Authority’s Housing Revenue Account, particularly the loss of rental income arising from the 1% per annum rent reduction for each of the next four years. More details will become available as legislation is passed, and hopefully further information in respect of the likely impact on the Council can be included in the further Cabinet report that is scheduled for September.
- 13.8 A review of the Council’s 30 year HRA finance model is being undertaken, particularly in relation to the future capital investment needs of the existing stock in light of the ending of the Decent Homes Programme in the next financial year. A stock condition survey is currently being carried out to provide the basis for the assessment and while it should assist in identifying any budgetary pressures that may exist, it will also highlight whether resources that are currently earmarked to fund the capital maintenance programme may be available to supplement the funding of new housing supply instead. The model will also be updated to reflect the impact of the Government’s budget proposals.

New Developments

- 13.9 The report outlines possible new developments which are currently being assessed and will form the subject of a further report to Cabinet in September 2015. These include Tent St & William Brinson House (paragraph 10.3), and five other potential sites (paragraph 10.4). The Tent Street and William Brinson House sites are currently being evaluated, but it is forecast that the other five sites could provide a minimum of 125 units, at an indicative cost of £36 million, of which £10.8m may be utilised from the 1-4-1 programme. These schemes will need to be considered in the context of alternative projects available, but at this stage it is proposed that the schemes are progressed for viability assessment.
- 13.10 If schemes ultimately proceed on sites that are held for General Fund purposes it will be necessary to appropriate the sites into the HRA for the purpose of delivering council homes. The implications of this will be included in the assessment of potential projects in future Cabinet reports.
- 13.11 The costs of the further work needed to develop schemes to viability stage will be met from within the approved HRA capital feasibility budget.

Right to Buy 'Buy Backs'

- 13.12 This report requests that the Mayor in Cabinet agrees to the development of a strategy for a programme of Council RTB buy backs. An indicative figure of £23.5 million has been proposed in order to utilise 1-4-1 receipts of £7.050 million for the purchase of former social housing leasehold stock in the borough. As detailed in section 7, given the tight timescales in which the 1-4-1 receipts need to be spent, it may be necessary to acquire properties on the open market in order to meet the spend deadlines and avoid having to return 1-4-1 receipts to the government with interest.
- 13.13 Due to the buoyant property market, the costs of all properties within the borough are high. Initial modelling on this is included in Appendix 2. Based on an assumed purchase price of £350,000 for a two bedroom property, the Council would be able to utilise £105,000 of retained 1-4-1 receipts, resulting in a requirement to finance the residual £245,000 from other sources. If this sum is financed through borrowing, assuming that the loan is repaid over 30 years, the initial weekly loan repayment would equate to £270 at an interest rate of 4% or £238 at a rate of 3%.
- 13.14 This does not include the costs of management and maintenance which could add another £2,000 per annum, i.e. £38 per week, bringing the total weekly costs to the council to £308 at a 4% interest rate, or £277 at 3%. In order to cover its costs the Council would therefore need to charge rents of this level in year 1, although over time rental levels should increase at a higher level than the expenditure items, so there is scope to even the rental levels over a longer period of time in order to recover full term costs.
- 13.15 It should be noted however that the costs above do not include any provision for on-going capital need, nor any additional costs associated with the repurchase of the

property, such as the need to bring the property to Decent Homes standard if it is not already at that level.

- 13.16 Based on the assumed cost of £350,000 per property, 66 properties could be purchased for a budget of £23.5 million. If the average acquisition cost was £300,000 each, then approximately 78 properties could be bought.
- 13.17 Appendix 3 shows the potential schemes and assumed spend profile in order to use the 1-4-1 receipts.
- 13.18 If the Council does not utilise its retained 1-4-1 receipts in accordance with the Government conditions, it must repay them with compound interest. Based on the currently uncommitted balance of £20.7 million, an interest charge of £2.98 million would accrue if none of these resources were utilised within the three year period.

14. LEGAL COMMENTS

- 14.1 The report sets out proposals for using right to buy receipts to build new homes and to buy back leasehold properties previously purchased under the right to buy scheme under Part 5 of the Housing Act 1985.
- 14.2 The Council is a local housing authority within the meaning of the Housing Act 1985 and is specifically empowered to provide housing accommodation, either by erecting houses, or converting buildings into houses on land acquired by it for the purposes of Part 2 of the Housing Act, or by acquiring houses.
- 14.3 Right to buy receipts are capital receipts within the meaning of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 and those Regulations generally require the Council to pay the amounts received to the Secretary of State on a quarterly basis. However, pursuant to section 11(6) of the Local Government Act 2003, the Council may enter into an agreement with the Secretary of State to retain the whole or part of a capital receipt. As set out in the report, such an agreement was entered into in 2012 which specifies circumstances in which the Council is not required to pay specified capital receipts to the Secretary of State. This primarily covers a percentage of right to buy receipts received on or after 1 July 2012, subject to conditions.
- 14.4 It is a risk for the Council that if a proposed scheme does not materialise (which could be due to difficulties in funding the balance, but which could also be due to a lack of suitable development opportunities) then the “unspent” funds would have to be paid over to central government with interest (at 4%) calculated from when such funds first became available. To mitigate the potential burden of interest it might be desirable to pay over any funds as soon as it is apparent that it will not be possible to find a suitable project in which to invest.
- 14.5 It is proposed to investigate the feasibility of development sites for a programme of building new homes. This seems reasonable, given that there will be matters

affecting feasibility of any development proposal, including the need to explore details regarding title.

- 14.6 Permission is sought to procure advisers to assist with both programmes. At the time of writing, the value of the proposed services was unspecified. The nature and value of each proposed contract will need to be understood before proceeding with procurement. Should the value exceed the European threshold, as set down by the Public Contracts Regulations 2015, then the competitive exercise must comply in all respects with the requirements of the Public Contracts Regulations and with European Law. Approval will need to be obtained for any contract award in accordance with the Council's constitutional arrangements.
- 14.7 The Council has an obligation under section 3 of the Local Government Act 1999 to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (the best value duty). One way that the Council seeks to deliver this duty is by complying with its procurement procedures. The general principal is that the Council achieves best value by subjecting spend to competition and choosing the winning bidder by applying evaluation criteria showing the best and appropriate mix of price and quality. The Council will need to comply with its procurement procedures when purchasing services from the necessary advisers.
- 14.8 The report refers to grant funding from the GLA pursuant to "The Mayor of London's Housing Covenant – 2015-18 programme" for the receipt of grant funding of £3.96 million for use on the Locksley & Hereford Street sites. No agreement has been entered into for this funding as it is understood that the Council was unable to comply with the conditions of the grant funding.
- 14.9 It is understood that the Council's HRA Debt cap has increased by £8,224,794 as a result of the Council's bid for additional borrowing capacity under the 'Local Growth Fund Scheme – Housing Revenue Account Borrowing Programme'. The Secretary of State made a formal determination of the Council's bid in March 2015 through the London Borough of Tower Hamlets (Limits on Indebtedness) Determination 2015 using its powers under sections 171 and 173 of the Localism Act 2011. The determination, which amends an earlier 2012 determination, imposes strict conditions on the use of the additional borrowing for capital expenditure under the Jubilee Street and Baroness Road schemes. The Council must therefore ensure that it is in a position to, and that it does, comply with the conditions set out in the determination.
- 14.10 The report refers briefly to three additional options for spending right to buy receipts, namely: enhanced housing options; purchase of developer-led "section 106" affordable housing; and registered provider grants. It is difficult to supply legal implications in the absence of the details of these possible options. It is recommended that legal advice be sought during the preparation of these options and prior to their submission to Cabinet.
- 14.11 On 17 December 2014, the Secretary of State made directions in relation to the Council pursuant to powers under section 15(5) and (6) of the Local Government Act 1999. Those directions are in place until 31 March 2017. The directions require that

during the direction period the Council must adopt all recommendations of the statutory officers (relevantly the head of paid service, the monitoring officer and the chief finance officer) in relation to entry into contracts, unless the prior agreement of the Commissioners is obtained not to do so.

- 14.12 Before awarding the contracts, 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 (the public sector equality duty). The level of equality analysis required is that which is proportionate to the function in questions. This will need to be addressed in the One Tower Hamlets section of the report prior to it being presented to Cabinet.

15 **ONE TOWER HAMLETS CONSIDERATIONS**

- 15.1 On reducing inequalities, this proposal will help deliver real and lasting change. The delivery of more affordable homes will help give households, particularly those from black, Asian, or other minority ethnic backgrounds) on low incomes (many of whom are benefit dependent) a secure home. This has the potential to create an environment for household members – particularly children – to improve their educational attainment which will in turn help them access sustainable employment in the future. The delivery of more housing that is wheelchair accessible and meets lifetime homes standards is a proven method to help reduce inequalities.
- 15.2 The provision of additional rented schemes can potentially impact on community cohesion. The amount of private housing developed for sale and private rent has been particularly high in Tower Hamlets. However, the large majority of this housing is inaccessible to residents due to high house prices. Therefore, maximising the amount of affordable housing for rent wherever possible can contribute to community cohesion. This can be achieved by reducing the number of households on the Common Housing Register waiting for a home, whilst also giving an opportunity for local applicants to access low cost home ownership opportunities.
- 15.3 Delivery of these commitments set out in this report has the potential to make a significant contribution to the 'Great Place to Live' strand of the Community Plan. This directly makes a significant contribution to the core Local plan target of new affordable homes delivery. The programme also makes a wider contribution to Community Plan objectives, such as on increasing household recycling; reducing crime (through Secure By Design standards); and increasing skills and training opportunities. The proposal is a good 'strategic fit' with the Community Plan and will help Tower Hamlets deliver both the housing and sustainable communities priorities identified.

16 **BEST VALUE (BV) IMPLICATIONS**

- 16.1 The Council is required to consider the value for money implications of its decisions and to secure best value in the provision of all its services. It is important that, in considering the application of funding, Members satisfy themselves that resources are allocated in accordance with priorities and that full value is achieved.
- 16.2 This report is not seeking approval for specific initiatives or the approval of capital estimates at this stage, but these will come forward to Cabinet in September. The specific Best Value implications will be contained within this and future reports as the schemes and initiatives are developed.
- 16.3 The report does however seek consideration of the funding mechanisms used for existing schemes (section 9). In relation to the existing Housing Development Programme that has already been approved, the report considers alternative methods of funding i.e. maximising the use of the retained 1-4-1 receipts which can fund 30% of the scheme costs, and therefore reduce the reliance on the Council's own resources to 70%, rather than, in the case of the Mayor of London's Housing Covenant, receiving grant of 14.7%, and therefore relying on 85.3% of Council funding. This will reduce the risk that the unused 1-4-1 receipts will have to be paid to the Government, with a significant interest charge. It should also be noted that the grant is fixed, so any risk of costs increasing is borne by the Council.

17 **SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 17.1 The schemes will comply with the Council's requirements on the reduction of carbon emissions, energy consumption along with green and sustainable construction delivery.

18 **RISK MANAGEMENT IMPLICATIONS**

- 18.1 There are a number of key risks that can be identified under the following headings.
- Programme**
- 18.2 The programme for delivery of the schemes is very tight and failure to spend the monies on time will require them to be paid to DCLG.
- 18.3 With limited due diligence on the site, surveys will need to be undertaken in order to de-risk the programme and the costing of the work.
- 18.4 There is sufficient time available to deliver the project but there is no float available in the critical path and alternative mitigation of spend must be considered, The mitigation is being reviewed currently by D&R strategic housing a further report is to be brought forward.
- 18.5 A timely decision is needed to enable the technical team to be appointed and the procurement and design to be started.

Planning

- 18.6 The proposed schemes are all for 100% affordable housing rather than the normal policy position of mixed tenure. Moving forward, sites could be considered for mixed tenure. In this instance however there is a risk that planning will be delayed or rejected on the basis of the mono-tenure position although there is good precedent in the Borough for mono-tenure affordable rent models to be provided on Council owned delivery sites.
- 18.7 In particular, the introduction of mixed tenure would a) support Planning Policy b) create mixed neighbourhoods c) assist the viability assessments of individual schemes by bringing in an element of cash injection through either market sale units (reducing the capital costs) or intermediate rent products (improving the payback period and revenue implications).

Cost

- 18.8 The construction market is currently very active and there are shortages of both labour and materials. This, combined with a pent up cost inflation from a long period of cost stagnation, means that the coming years will see significant cost inflation, alongside developers being selective about schemes they will bid for.
- 18.9 Minimising uncertainty for the contracting market will mean less risk pricing. To this end the market has confirmed that the fuller the design the better before going out to tender.

The Balance of Competing Priorities

- 18.10 The level of HRA borrowing considered in this report will have an impact on the long term strategy for the Council owned stock. Due to the 30/70 proportion in which schemes are capable of being funded, the HRA will have fewer funds to allocate to maintenance needs and to upgrade existing stock. The Tower Hamlets Homes Board agreed a report in December 2014 on a proposed asset management and investment strategy. The asset management needs will need to be reviewed in the light of the asset survey; the report is currently expected for Quarter 2.

19 CRIME AND DISORDER REDUCTION IMPLICATIONS

- 19.1 The project will provide homes that are of a better design in terms of orientation to maximise passive supervision of common and external areas, with safe pedestrian routes to and from the homes.

20 EFFICIENCY STATEMENT

- 20.1 Provision of additional new homes will contribute to the Councils Overcrowding Strategy, through rehousing those tenants most in need. The homes will be built to sustainable design standards, therefore reducing the financial impact for residents

and users. The procurement process will identify the most efficient means of delivering this key Mayoral priority.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- Appendix 1 - Indicative HRA Borrowing Headroom Available
- Appendix 2 – Implications of Purchasing RTB Buybacks
- Appendix 3 – Current Agreed Use of 1-4-1 Receipts

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

- NONE

Indicative Available HRA Borrowing Headroom

	£	£
Initial Debt Cap	184,381,000	
Add: Local Growth Fund	<u>8,224,794</u>	192,605,794
Total		
Less: Actual debt	(70,000,000)	(70,000,000)

Current Headroom	122,605,794
-------------------------	--------------------

Committed:

Local Growth Fund

Jubilee Street	4,594,980	
Baroness Road	<u>3,629,814</u>	8,224,794

Affordable Housing Programme 2015-18

Locksley Street	22,908,000	
Hereford Street	<u>-</u>	22,908,000

Mayor's Housing Covenant:**Building the Pipeline Supply Programme**

Ashington East	5,796,000	5,796,000
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Watts Grove

Watts Grove	19,433,000	19,433,000
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Poplar Baths / Dame Colet

Poplar Baths - Residential	15,180,000	
Dame Colet House		15,180,000

Ocean Estate Retail Units Fit-Out

	1,000,000	1,000,000
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Total Commitments	72,541,794
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Uncommitted Headroom	50,064,000
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But:

Position on Decent Homes and capital need of existing stock needs to be determined

Implication of Repurchasing RTB Properties

Effect of Individual Repurchase:

Assumed Purchase Price - Two Bedroom Flat:			350,000	
Financing:	1-4-1 receipts		105,000	
Balance to Fund:			245,000	
At Assumed Interest Rate of 4%				
	Annual Principal & Interest		14,036	(Repaid over 30 years)
	Weekly Principal & Interest		270	(Repaid over 30 years)
	Annual Interest		9,800	
	Weekly Interest		188	
At Assumed Interest Rate of 3%				
	Annual Principal & Interest		12,395	(Repaid over 30 years)
	Weekly Principal & Interest		238	(Repaid over 30 years)
	Annual Interest		7,350	
	Weekly Interest		141	
	Interest Only	Principal & Interest	Interest Only	Principal & Interest
	4%	4%	3%	3%
Maintenance	1,000	1,000	1,000	1,000
Management	1,000	1,000	1,000	1,000
Interest	9,800	14,036	7,350	12,395
Total Cost*	11,800	16,036	9,350	14,395
Weekly Cost*	226.92	308.39	179.81	276.83

* Does not include any on-going capital requirement

Effect of Total Programme:

Based on a programme of £23,000,000 and above average cost of:		350,000	
Number of Properties Purchased:		66	
Assumed Purchase Price - Two Bedroom Flat:		23,100,000	
Financing:	1-4-1 receipts	6,930,000	
Balance to Fund:		16,170,000	
At Assumed Interest Rate of 4%			
	Annual Principal & Interest	926,377	(Repaid over 30 years)
	Weekly Principal & Interest	17,815	(Repaid over 30 years)
	Annual Interest	646,800	
	Weekly Interest	12,438	
At Assumed Interest Rate of 3%			
	Annual Principal & Interest	818,080	(Repaid over 30 years)
	Weekly Principal & Interest	15,732	(Repaid over 30 years)
	Annual Interest	485,100	
	Weekly Interest	9,329	


APPENDIX 3

	2015/16			2016/17				2017/18				2018/19			
	Q2 £'000	Q3 £'000	Q4 £'000	Q1 £'000	Q2 £'000	Q3 £'000	Q4 £'000	Q1 £'000	Q2 £'000	Q3 £'000	Q4 £'000	Q1 £'000	Q2 £'000	Q3 £'000	Q4 £'000
(a) TOTAL RETAINED AMOUNTS FOR THE RECKONABLE QUARTER (Cum.)						1,503	5,011	8,491	12,738	19,802	25,917	25,917	25,917	25,917	25,917
(b) LESS: RECEIPTS RETURNED (Cum.)															
(c) SUBTOTAL (a-b)						1,503	5,011	8,491	12,738	19,802	25,917	25,917	25,917	25,917	25,917
(d) SPEND NEEDED ON SOCIAL HOUSING (c divided by 0.3)						5,010	16,703	28,305	42,459	66,007	86,389	86,389	86,389	86,389	86,389
(e) FORECAST SPEND ON SOCIAL HOUSING IN PREVIOUS QS (Cum.)	5,991	5,991	5,991	15,180	15,180	15,180	17,341	17,341	17,341	17,341	17,341	17,341	17,341	17,341	17,341
(f) CUMULATIVE RECEIPTS AS % OF CUMULATIVE FORECAST SPEND ON SOCIAL HOUSING (e divided by (d) must be less than 30%	0%	0%	0%	0%	0%	10%	29%	49%	73%	114%	149%	149%	149%	149%	149%
* Dame Colet/ Poplar Baths	5,991			9,189											
* Brick Lane, Christian St etc							2,161								
* Additional spend needed by that Quarter to keep within 30%								11,000	14,200	23,500	20,320				

The table above shows the total spend on schemes where it has been agreed that 1-4-1 receipts will be applied, the assumed timing, and whether the Authority will remain within the 30% rule each Quarter. It is currently projected that the Authority will be in breach of the 30% rule each Quarter from Q1 of 2017/18.

The last Row above shows the additional total spend on social housing needed – and when – in order to remain within the 30% rule; the **total additional spend on replacement social housing needed by Q4 of 2017/18 is £69m.**

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<p>Cabinet</p> <p>28 July 2015</p>	 <p>TOWER HAMLETS</p>
<p>Report of: Corporate Director of Finance</p>	<p>Classification: Unrestricted</p>
<p>Corporate Revenue, Capital Outturn and Performance Monitoring Report 2014/15 Quarter 4 (Month 12)</p>	

Lead Member	Councillor David Edgar, Cabinet Member for Resources
Originating Officer(s)	Kevin Miles, Chief Accountant & Louise Russell, Service Head Corporate Strategy and Equality
Wards affected	All Wards
Key Decision?	No

Executive Summary

This report details the draft financial outturn position of the Council at the end of the financial year 2014/15 compared to budget, and service performance against targets. Further adjustments may be required as the statement of accounts are finalised and the final position is reviewed by KPMG as part of the year end audit. The report includes details of;

- General Fund Revenue and Housing Revenue Account;
- Capital Programme;
- Collection Fund;
- Pension Fund;
- Performance for strategic measures; and
- Progress against Strategic Plan activities
- The Findings of the Council’s Annual Residents Survey

Recommendations:

The Mayor in Cabinet is recommended to:

- Note the Council’s financial performance compared to budget for 2014/15 as detailed in sections 3 to 8 and appendices 1-5 of this report.
- Note the transfers to reserves as detailed in Appendix 5 of this report.

- Review and note 2014/15 year end performance for strategic measures and Strategic Plan activities in sections 9 -10 and appendices 6 to 7.
- Review and note the findings of the Council's Annual Residents Survey 2014/15 in section 11 and appendix 8

1. REASONS FOR THE DECISIONS

- 1.1. Good financial practice requires that regular reports be submitted to Council/Committee setting out the financial position of the Council against budget, and its service performance against targets.
- 1.2. The regular reporting of the Strategic Performance and Corporate Revenue and Capital Budget Monitoring should assist in ensuring that Members are able to scrutinise officer decisions.

2. ALTERNATIVE OPTIONS

- 2.1. The Council reports its annual outturn position against budget for both revenue and capital net spend. It also reports its strategic performance.
- 2.2. Significant variations, trends and corrective action are reported in the body and appendices of the report. No alternative action is considered necessary beyond that included below and this report is produced to ensure that Members are kept informed about decisions made under the delegated authority.

3. DETAILS OF REPORT

Finance Overview

3.1.1 General Fund

The outturn for 2014/15 before Corporate contributions shows that the Directorates had a very minor overspend of £14k compared to a budget of £293.933m, this is broadly in line with in year forecasts.

After Corporate contributions to reserves of £6.5m the General Fund balance at the end of 2014/15 stands at £71.5m, in line with the Medium Term Financial Plan (MTFP).

The outturn position includes transfers to reserves (as detailed in Appendix 5). New transfers to reserves require formal approval by Members.

Housing Revenue Account

There is a £2.82 million surplus on the ringfenced HRA; the surplus is due to the reasons outlined during the year.

Further information is provided in paragraph 5 and Appendix 3.

3.1.2 Capital Programme

Directorates have spent 70% of their capital budgets for the year (£133.0m against budgets of £190.8m). Any unspent budgets will be carried forward and spent in future years. All capital expenditure in 2014/15 was fully funded from available resources. Further information is provided in section 6 of the report and Appendix 4

3.1.3 Collection Fund

The Council will draw down £66.4m of Council Tax income from the Collection Fund. The in-year collection rate was 96.7% (2014 – 95.4%) which compares very favourably with neighbouring Boroughs and the projected collection rate. £369.8m was collectable for NNDR (Business Rates) with a collection rate of 99.9% (99.7% in 2014) again in line with the original forecast for the year and among the top performers nationwide.

3.1.4 Pension Fund

The cumulative deficit on the Pension Fund (forecast pension liabilities compared to scheme assets) at the year-end was £650 million (£496 million in 2014), which shows a large increase despite investments funds performing well (an increase on value of £125m in the year), (see Section 8). This is a snapshot valuation for accounting purposes. The council's actuary has estimated that the pension fund funding level has increased to 73.8% as at March 2015 (71.8% March 2013).

3.2 Performance Overview

The strategic measures enable the Council to monitor progress against key performance targets. Of the 58 measures used by the Council 51 are reportable, with further data awaited for the remaining 7. Of the 51 reportable measures one has no RAG as no target was set and one has no direction of

travel as no outturn data was available last year: 19 (38%) have met or exceeded their target (Green), 17 (34%) are within target range (Amber) and 14 (28%) are below minimum expectation (Red). 23 (51%) of all measures have improved compared to this time last year, 20 (40%) are stable and 7 (14%) have deteriorated. Section 9 provides a summary of performance against our agreed targets.

The Council's Strategic Plan also sets out our strategic activities, which are monitored bi-annually. Progress in delivering the Strategic Plan has also been strong. Section 10 provides a progress report on implementation of our strategic activities.

The key findings of the Council's Annual Residents Survey are detailed in section 10. The survey explores residents' views about the Council, services and the local area. The survey comprises of face to face interviews with more than 1,000 residents chosen to be representative of the Tower Hamlets population.

4. REVENUE

4.1 General Fund Summary

The following table summarises the General Fund revenue outturn compared to budget for 2014/15. The revised budgets for each service area reflect the adjustments and virements made during the year which are detailed in Appendix 1.

SUMMARY	Final Budget	Actual	Transfer to Reserves	Transfer from Reserves	Outturn	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Law, Probity and Governance	9,652	9,560	164	(90)	9,634	(18)
Communities, Localities and Culture	80,657	71,475	9,217	(35)	80,657	0
Development and Renewal	16,313	16,234	1,537	(1,504)	16,267	(46)
Education, Social Care and Wellbeing	225,019	223,344	1,888	(240)	224,992	(27)
Resources	7,811	7,091	2,163	(1,338)	7,916	105
Corporate Costs / Capital Financing	(45,519)	(52,001)	0	0	(52,001)	(6,482)
Directorate Total	293,933	275,703	14,969	(3,207)	287,465	(6,468)

Movement on the General Fund

Contribution to General Fund from Earmarked Reserves	6,468
General Fund Opening Balance (1st April 2014)	64,989
General fund Closing Balance (31st March 2015)	71,457

4.2 Year-to-date variances are explained in the detailed budget analysis in Appendix 2. A summary position for each service directorate is set out below.

4.3 Law, Probity and Governance **£18k Underspend**

LP&G is showing a small underspend due to vacant posts. This underspend will be taken to the general fund reserve.

4.4 Communities, Localities & Culture **Nil**

After the reported transfers of £8.4million parking income to the General Fund and £1million to the parking reserve, CLCs net spend agrees to their approved budget.

4.5 Development and Renewal **£ 46k Underspend**

The directorate was slightly underspent for the financial year.

4.6 Education, Social Care and Wellbeing **£ 27k Underspend**

During the course of the year from CMBM02 through to CMBM011 ESCW DMT has taken a prudent approach to the corporate budget monitoring return. The forecast overspend during the course of the year started at a predicted £2.1m overspend, this continued up to the second quarter, this was based on various assumptions and forecast information but did not include potential mitigating actions as the certainty of their fruition was not clear at that stage. During the third and fourth quarters the overspend was revised a number of times and took into account more robust forecast data based on detailed data validation on 'Framework 1' and Agresso, this produced much clearer and cleaner management information to base predictions on.

In addition to this some of the mitigating factors previously not included were factored in, such as the substantiation of inflationary pressures on contracts which allowed the successful drawdown of £0.970m from the 2014/15 budget allocation which was held centrally. As a result of this and other factors, the reported position for CMBM11 was a small predicted overspend of £55k. The draft outturn on the ESCW General Fund position is an underspend of £27k, which is after proposed adjustments to and from various reserves.

During the course of 2014/15, the ESCW Financial Recovery Group (FRG) was established to work through the policy, process, systems, service and financial issues associated with restoring management and financial control for Adults Social Care. Part of the FRG process was to implement panels to challenge the VFM and make up of packages, the Service Head for Adults Social care, budget holders and finance were involved in a detailed budget scrutiny and

budget control process which has resulted in the containment of considerable demand pressures and increased collection of income.

4.7 Resources **£ 105k Overspend**

Resources shows a small overspend, this represents the balance of the Housing Benefit overspend reported earlier in the year.

4.8 Corporate Costs & Capital Financing **£6.5m Contribution**

This figure represents the net contribution to reserves including the contribution to the general fund from parking control.

5. Housing Revenue Account (HRA) **£ 2.82m Underspend**

5.1 There is a £2.82 million surplus on the HRA. This underspend is the net result of a number of variances, the main ones being that rental income was lower than budgeted due to the high number of Right to Buy sales; there were 255 sales in 2014/15, compared to 86 in 2013/14. In addition, energy costs were lower than budgeted due to energy prices being lower than anticipated when the budget was set. The 2014/15 budget also includes £1.3m in respect of additional costs due to an increase in employer pension contributions but this whole sum was not needed, however this underspend is offset by a projected reduction in capital fee income to the HRA due to underspends in the HRA capital programme.

5.2 A number of one-off payments totalling approximately £0.6m were received in 2014/15 in respect of the recovery of costs incurred as part of various stock transfers carried out a few years ago. As previously forecast, the required contribution to the Bad Debt Provision was lower than anticipated due to delays in the implementation of some of the government's Welfare Reforms.

5.3 The outturn incorporates an RCCO (Revenue Contribution to Capital Outlay) of £8.8 million towards the non-grant-funded element of the Decent Homes backlog programme as agreed initially by Cabinet in September 2011 and updated in May 2013.

5.4 The 2014/15 surplus will increase HRA balances which will also be used as a contribution towards the non-grant-funded element of the Decent Homes backlog programme.

5.5 Members will be aware that HRA funding is available only for social housing and cannot be applied for general fund purposes.

6. CAPITAL

6.1 The capital budget now totals £190.8m, decreased from the £192.5m reported at the end of third quarter.

6.2 Details of all the changes to the capital budget are set out in Appendix 1.

6.3 Total capital expenditure to the end of Quarter 4 was £133.0m against an annual budget of £190.8m, resulting in slippage of £57.7m as set out below:

	Annual Budget 31-Mar-15	Spent to 31-Mar-15	Slippage 31-Mar-15	Slippage
	£m	£m	£m	%
TOTALS BY DIRECTORATE:				
Education, Social Care and Wellbeing	21.790	15.454	6.336	29%
Communities, Localities and Culture	7.431	7.113	0.318	4%
Development and Renewal	21.171	12.502	8.669	41%
Building Schools for the Future (BSF)	12.463	11.672	0.791	6%
Housing Revenue Account (HRA)	116.006	76.852	39.154	34%
Corporate	12.000	9.496	2.504	21%
GRAND TOTAL	190.861	133.089	57.772	30%

6.4 The £57.7m slippage against the 2014/15 capital budget is not an underspend against the total programme, any resources not used in the current year will be used in future years of the programme. The main reasons for the slippage are as follows:

- **Housing Capital programme (£17.6m)**

This budget is managed by Tower Hamlets Homes and covers work outside of the ongoing Decent Homes programme such as heating, lifts and door entry systems, roofing, windows etc. with investment need assessed by stock condition surveys. Due to the Authority focus on the Decent Homes programme there has been significant slippage on this budget in 2014/15. A comprehensive assessment of the future needs of the housing stock is being undertaken by THH and this will inform the revised programme in 2015/16.

- **Decent Homes Backlog (£13.4m)**

The five year Decent Homes programme totals £184m, which includes £107.7m of Decent Homes backlog grant funding. The scheme is being managed in accordance with GLA grant conditions with the 2014/15 grant

amount being £46m. The GLA's grant contribution has been maximised this year with the Authority's own resource contribution slipping into 2015/16.

- **Blackwall Reach (£3.8m)**

The Blackwall Reach represents a £13 million capital commitment over number of financial years. Expenditure of £0.86m has been incurred in 2014/15, and it is anticipated that the remaining leasehold properties will be acquired during 2015/16. Due to delays in acquiring all the leasehold interests it is forecast that this scheme will slip into 2015/16.

- **Basic Needs Expansion (£3.4m)**

Retentions and some slippage on new works in development stages

- **Fuel poverty and insulation works on HRA properties (£3.2m)**

This budget represents the Council's contribution towards energy saving schemes being developed in conjunction with an energy supplier under the government's Energy Companies Obligation (ECO) programme. Due to delays in the energy supplier finalising the contract with the council, this scheme will slip into 2015/16.

- **D&R S106 schemes (£3.2m)**

It is anticipated that the £3.1m allocated to Wellington Way health centre will be spent in 2015/16.

- **High Street 2012 (£1.8m)**

This project needs to be looked at in conjunction with the Ocean Regeneration scheme (HRA) - elements of the project overlap and the financing needs re-aligning. Currently there are excess resources in the High St 2012 programme with a similar pressure on the Ocean scheme. This exercise will be completed prior to the Cabinet report being finalised.

- **Community Buildings Support Fund (£1.5m)**

Resources have been set aside to support a grant programme to offer financial assistance to communities to repair, adapt and improve buildings in Tower Hamlets in which community based activities occur. Round 1 of this project has now completed and Round 2 is currently under review.

- **Provision for 2 year olds (£1.0m)**

Grants/expenditure subject to new Commissioner arrangements.

- **Refurbishment of Phase 3 of the Council's Short Life Properties (£0.9m)**

This scheme is to refurbish 12 short life properties and bring them back into use as rented stock. Preliminary works have been undertaken with the renovations taking place in 2014/15. The resources will be carried forward into 2015/16 when the scheme is forecast to complete.

6.5 The capital spend of £133.090 million has been funded from the following capital financing sources:

Source of Financing	£m
Government Grants	77.252
Capital Receipts	8.548
External Borrowing	12.939
Developers' Contributions (section 106)	7.839
Revenue Contributions	16.572
Major Repairs Reserve	9.940
Total	133.090

6.6 The total approved budget, taking into account the whole life of all capital schemes, is currently £921.6m against which spend of £921.6m is forecast resulting in a total nil variance.

	All year budget as at 31-Mar-15	Projection 31-Mar-15	Variance
	£m	£m	£m
Education, Social Care and Wellbeing	95.172	95.172	0.000
Communities, Localities and Culture	73.233	73.233	0.000
Development and Renewal	35.794	35.794	0.000
Building Schools for the Future (BSF)	332.145	332.145	0.000
Housing Revenue Account (HRA)	373.323	373.323	0.000
Corporate GF provision for schemes under development	12.000	12.000	0.000
GRAND TOTAL	921.667	921.667	0.000

6.7 Capital receipts received in 2014/15 from the sale of Housing and General Fund assets as at 31 March 2015 are as follows:

Capital Receipts		
	£m	£m
Receipts from Right to Buy (255 properties)	30.869	
less poolable amount to DCLG	-1.571	
		29.298
Sale of Housing assets		
Ocean Estate Block E (overage)	1.302	
Ocean Estate Block H	5.421	
		6.723
Sale of General Fund assets		
Wapping Lane overage receipts	0.524	
Other receipts (8 Menotti street & LAMAC mortgage receipts)	0.192	
		0.716
Total		36.737

Retained Right to Buy receipts must be set aside to meet targets on housing provision as set out in regulations governing the pooling of housing capital receipts, so they must be ring fenced for this purpose and are not available for general allocation.

7. COLLECTION FUND

- 7.1 The Collection Fund is a statutory account for the collection and distribution of amounts due in respect of council tax and National Non-domestic Rates (NNDR or Business Rates). The Council collects council tax both on its own behalf and for the pre-cepting authority, the Greater London Authority (GLA). NNDR is collected by the Council on behalf of the government and this is paid over to the Department of Communities and Local Government in accordance with a monthly schedule issued by the CLG at the beginning of each financial year. A Business Rate Supplement payable to the GLA is also collected to contribute towards the cost of Cross-Rail. £12.16m was collected in year for the Business rate Supplement (BRS)
- 7.1 The Council's share of Council Tax income as at 31st March 2015 was £69.1m. The in-year collection rate was 96.7% (95.4% 2014) with a final projected collection rate of 95.6% (actual 2014/15 - 96.1%). £66.4m was transferred from the Collection Fund to the General Fund, in line with budget. After making appropriate provisions for bad debts, the Council has a £2.1m share of a surplus on the fund that will be carried forward.

7.2 The Council collected £369.7m in NNDR and achieved an in year collection rate of 99.9% (99.7% in 2014) – this exceeded the 99.5% collection target and contributes greatly to mitigating the risk of outstanding appeals.

7.3 Details of income collection during 2014/15 are shown below:

Income Stream	Collected in 2013/14 %	2014/15 Target to 31.03.15 %	2014/15 Collected to 31.03.15 %	Direction of Travel
Business Rates	99.70	99.50	99.90	↑
Council Tax	95.40	95.60	96.70	↑
Housing Rent	100.11	99.00	99.43	↓

8. PENSION FUND

8.1 All non-teaching staff employed by the Council are entitled to join the Local Government Pension Scheme (LGPS). Each local authority is required to operate a Pension Fund as part of the scheme although the employee contributions into the fund and the associated pension benefits are determined by the government as part of a national scheme.

8.2 The employer contributions into the fund are determined by the funds Actuaries, appointed by the Council, and reflect the actuarial valuation carried-out every three years. The valuation assesses both the assets and liabilities of the fund and the extent to which the fund is either in net surplus or deficit. Any deficit will need to be made good over a rolling 20 year period through increases in employer contributions.

8.3 The employee contribution level was between 5.5% - 12.5% during 2014/15 and staff contributions into the fund totalled £11.0m. The employer's contribution rate is currently 15.8% with the Council paying a total of £ 27.6m in contributions, plus an additional payment of £18.5m in deficit funding, into the fund in 2014/15 which is reflected in the total employee costs for the Council in that year of £46.1m. There were 6,860, active members (includes LBTH, admitted and scheduled bodies) in the scheme from a total establishment of 8,654 employees.

8.4 As at 31st March 2015 there was a deficit on the fund of £650 million (£496m 2014) under the IAS19 (formerly FRS17 calculation). This shows a large increase in the deficit despite investment values increasing by over £125m in

the year. Lower bond rates at March 2015 led to a higher NPV of estimated future pension benefits is the main factor behind the increase in the deficit. This is a snapshot valuation for accounting purposes. The revaluation for contributory purposes took place during 2013 and has left the Council's % contribution rates unchanged from April 2014, though lump-sum contributions will increase by £2 million a year (up to £20.5m in 2015/16).

9. PERFORMANCE

- 9.1 The Council strives to make continuous improvements to its services, year on year, and this is reflected in its ambitious target setting. It has robust performance management arrangements in place, including a Performance Review Group which focuses on those areas identified as needing improvement.
- 9.2 The following sections of the report provide year-end performance information for the Council's strategic measures (appendix 6) and Strategic Plan activities (appendix 7).

STRATEGIC MEASURES

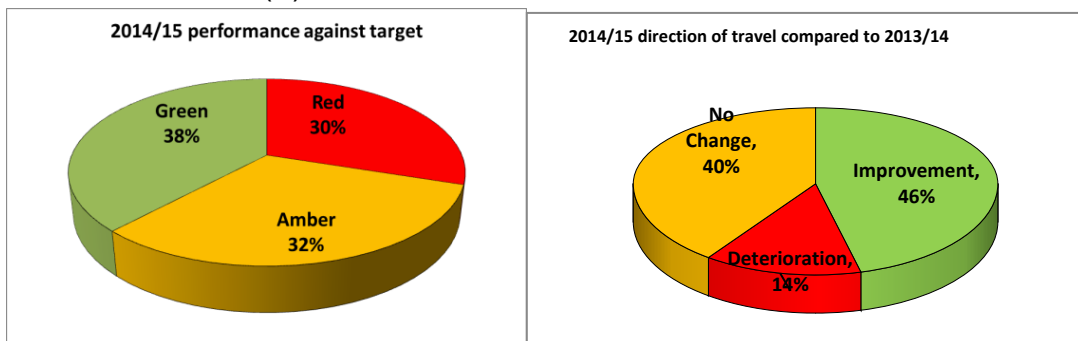
There are 58 strategic measures in the 2014/15 Strategic Plan, including subset of measures, to monitor progress in delivering against the Council's priorities. 51 of the 58 measures are currently reportable.

- 9.3 Outlined below (and detailed in appendix 6) is year-end information, or latest available, performance at year end. Performance against the end of year target is measured as either 'Red', 'Amber' or 'Green' (RAG). Should the performance be worse than the minimum expectation (standard target) – indicated as the dotted red line, it is marked as 'Red'. Should it be better the minimum expectation, but worse than the stretch target – indicated as the solid green line, it is 'Amber' (within target range). Should it be performing at or better than the stretch target, it is 'Green'. Indicators are also measured against the previous year's performance, as 'direction of travel'. If performance is deteriorating, it is indicated as a downward arrow ↓, if there is no change (or less than 5% change) it is neutral ↔, and should it be improving compared to last year, it is indicated as an upward arrow ↑.

Performance Measures Summary

- 9.4 Of the 51 reportable measures, one has no RAG as no target was set and one has no direction of travel as no outturn data was available last year:

- 19 (38%) are meeting or exceeding their stretch target (Green), with 14 of these an improvement from last year (↑); and 5 remain stable (↔).
- 16 (32%) are above the standard target (minimum expectation) but below the stretch target (Amber), with 6 of these improving (↑) and 9 are stable (↔);
- 15 (30%) are below the standard target (Red), with 2 indicators improving (↑), 7 deteriorating (↓), and 6 remaining stable (↔);
- Overall 23 out of the 51 indicators (46%) show improved performance compared to last year (↑), 20 (40%) are stable (↔), and 7 (14%) have deteriorated (↓).



9.4 *Areas of strong performance, where the stretch target has been exceeded, include:*

Percentage of LP07 or above Local Authority staff who have a disability (excluding those in maintained schools)

9.29% of LP07+ staff have a disability. The stretch target of 6.9% has been exceeded by 2.39 percentage points and performance has improved since last year by 2.95 percentage points.

Percentage of Council Tax Collected

96.63% of Council Tax was collected this financial year. The stretch target of 95.5% was exceeded by 1.13 percentage points.

Percentage of Non-Domestic Rates Collected

99.86% of rates have been collected this year; the target of 99.5% was exceeded by 0.36 percentage points.

Percentage of residents agreeing that the Council involves residents when making decisions

53% of residents agreed with this statement. The stretch target of 52% was exceeded and performance has improved since last year's outturn by 5 percentage points.

Level of street and environmental cleanliness –detritus and fly-posting

Of the land surveyed for this measure, 1.8% was found to have an unacceptable level of detritus and 0.9% was found to have an unacceptable level of fly-posting. The stretch targets for both measures have been exceeded (by 0.2% and 0.1% respectively) and both measures have improved on last year's performance.

Early Years Foundation Profile – achievement of a good level of development

55% of pupils achieved this standard; the stretch target of 47.4% was exceeded by 7.5 percentage points and there has been improvement on last year's outturn of 45.9%.

Key Stage 2 pupil attainment in reading, writing and maths

82% of pupils achieved level 4 or above. The stretch target of 79% (also the national average) has been exceeded by 3 percentage points and there has been an improvement on last year's outturn of 78%

16-19 year olds who are not in education, employment or training (NEET)

3.43% of young people in this age group are NEET. The stretch target of 4.33% has been exceeded and there has been an improvement on last year's outturn of 4.56%.

Overall employment rate (gap between the borough and London average)

The latest employment figures show the borough's employment rate continues to improve with the gap closing compared to the London average. The gap between Tower Hamlets and London average is now 2.5 percentage points; the stretch target of a 6.3 percentage point gap has been exceeded. The gap has closed by 4.2 percentage points since last year.

JSA Claimant Rate (gap between the borough and London average)

2.6 percent of working age residents in the borough are on JSA. The gap between the borough and the London average has reduced to 0.5 percentage points. The stretch target of a 0.6 percentage point gap has been exceeded and there has been a 0.4 percentage point improvement since last year.

MOPAC 7 crimes: Number of thefts from a Motor Vehicle incidents and Number of thefts from the person

Performance is better than the stretch target for two measures:

- *Number of Thefts from a Motor Vehicle incidents* – at 1,532 offences, performance is better than the stretch target of 1,670. In addition, 226 fewer offences of this crime type were committed this year compared to last.
- *Number of Theft from the Person incidents* – there were 1,317 offences of this crime type in the 2014/15 financial year, which is better than the stretch target of 1,372. There were 225 fewer crimes this year compared to last year.

Local concern about ASB and Crime: Drunk & rowdy behaviour in public spaces and Drug use or drug dealing as a problem

- *Drunk or rowdy behaviour in public spaces* – 45.1 percent of local residents were concerned about this issue, the stretch target was exceeded. In addition, the outturn represents an improvement on public perception last year by 4.9 percentage points.
- *Drug use or drug dealing as a problem* – 54.4 percent of local residents were concerned about this issue, the stretch target has been exceeded, and the outturn represents an improvement compared to last year of 4.6 percentage points.

Percentage of people who believe people from different backgrounds get along well together

81 percent of residents agreed with this statement, the stretch target was met.

Life expectancy at birth: male & female

- *Male* – For Tower Hamlets, the estimated number of years a new-born baby can expect to live is 77.5 years. The stretch target has been met, and this outturn represents an improvement compared to last year's 77.1 years.
- *Female* – The estimated number of years a new-born baby can expect to live in Tower Hamlets is 82.6 years. The outturn is an improvement compared to last year's outturn of 82 years.

Under 18 conception rate

The conception rate for 2013 (most recent data) was 18.7 per 1,000 in this age group. The stretch target has been exceeded, and there has been an improvement since this time last year.

9.6 *Areas where performance fell short of the minimum target and deteriorated compared to last year are:*

Sickness Absence - The number of working days lost to sickness absence per employee was 8.11 days. The standard target of 6.47 days (last year's outturn) has been missed. Sickness absence levels across the Council have been rising over the past year and the corporate target of 6.1 days per employee (which was revised from the 6.5 days at the beginning of the year) has not been achieved. People Board Operations Sub Group have agreed a Sickness management action plan, which includes improving the management of sickness cases, supporting managers in managing sickness and focusing on the reasons for sickness absence in areas of high sickness.

Homelessness preventions - The minimum target of 5.94 homeless preventions per 1,000 households in the borough has not been achieved and there has been a decrease since the last financial year. There was a total of 672 households who considered themselves homeless, who approached the local authority's housing advice service and for whom housing advice casework intervention resolve their situation.

The borough continues to face a severe shortage of affordable private sector properties available to homeless households as an alternative to pursuing a statutory homeless application and the problem continues to increase. Consequently, our ability to prevent homelessness by securing an alternative tenancy has diminished immensely. We have improved the incentive provided to landlords so they will let their small number of properties available at, or close to, Local Housing Allowance levels via the council to one of our customers rather than let them to a member of the general public. We have also seen a rise in the number of preventions through negotiations with friends and relatives, persuading families that the best option for all is for the threatened homeless client should remain in their current accommodation. Nevertheless, proportionately, this is not sufficient to temper the increase in landlords evicting their benefit-dependent tenants as they can pitch their rents at higher rents from high earners. Where possible, though, we continue to negotiate with Housing Benefit to resolve arrears problems and to negotiate with landlords to ensure tenants can remain in their properties and thus prevent homelessness.

Level of environmental cleanliness: litter - 2.9 percent of the space surveyed had an unacceptable level of litter. The standard target of 1.9 percent has not been met and there has been a deterioration of 0.9 percentage points since this time last year. The borough's resident population

and the population of those employed in the borough and tourists to the borough have all increased which is likely to have contributed to this upward trend.

Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths – The final year end outturn of 59.7 percent is 1.7 percentage points higher than what was provisionally reported at Q2. However performance is below the standard target of 64.7 percent and 6.7 percentage points lower than last year's outturn. Changes to the methodology at KS4 have led to widespread drops in performance this year, with a national fall of 5.8 percentage points to 53.4%. In Tower Hamlets, this fall was 5.0 percentage points, meaning that we remain well above the national average but slightly below the London average of 61.5%.

Number of Violence with Injury Offences – 2,731 crimes of violence with injury were committed in 2014/15, the standard target of 2,341 was missed, and there were 390 more crimes than the previous year. Comments from the police have been requested.

Number of Vandalism (criminal damage) crimes – there were 2,383 vandalism (criminal damage) crimes in the borough in 2014/15, the standard target of 2,126 was missed. There were 257 more crimes this year compared to last year. Comments from the police have been requested.

Average time to adopt - The average number of days for the period April 2012 –March 2015 is 645, outside the target range for this measure. A report on performance for this measure (and the indicator below) was considered by PRG on 16th October which proposed a number of improvement actions and an update report was considered by PRG on 16th April. Improvement actions include PRG tracking the progress of some of the children. In addition, the way in which this measure is calculated excludes any long term stable arrangements children may be in, for example, special guardianships or long term fostering arrangements. When all these are factored in, the number of children for whom the LA is actively seeking a family is small.

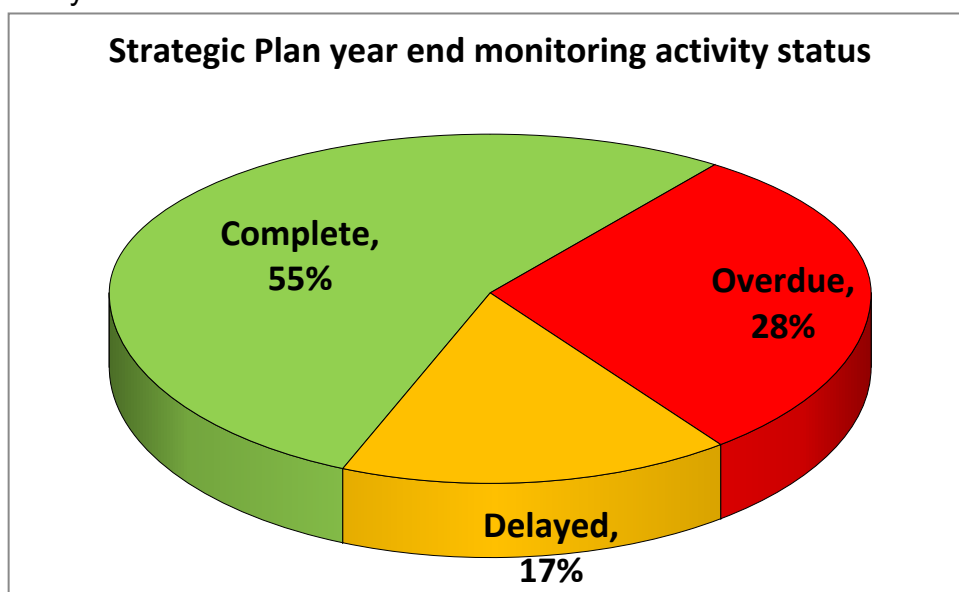
10 STRATEGIC PLAN ACTIVITIES

- 10.1 The Council's performance management and accountability framework requires Members to consider progress against the Strategic Plan activities every 6 months. This section provides a monitoring update at year-end for the 2014/15 Plan.

10.2 All activities within the Strategic Plan have been monitored and are included in Appendix 7. The following criteria are used to report on the status of activities at year-end:

- Completed (Green) - where an activity has been completed.
- Delayed (Orange) – where an activity is substantially complete (i.e. 90% or more) and there is one milestone which is overdue but does not have a significant impact on the achievement of the overall activity, or where a milestone is overdue but the commentary indicates that the milestone will be completed by the Quarter 1 (June 2015) period.
- Overdue (Red) - where an activity has not completed in the 2014/15 financial year, or at the time of reporting. Managers have provided comments for all overdue activities to explain why the deadline was missed; what is being done to rectify the situation; and when the activity will be completed.

10.3 There are 78 activities in the 2014/15 Strategic Plan. At year-end, 43 activities (55%) have been fully completed; and 35 (45%) are overdue or delayed.



10.4 The Council is continuing to deliver its partnership-wide programme to manage the impact of welfare reform on local residents. The Housing Options Team has disbursed payments from the Temporary Accommodation Support Fund to affected residents, and more specialist welfare benefits advice provision has been commissioned for residents.

10.5 The Council continues to work with its key partners to secure employment opportunities for local residents. The employment rate at 68.7 percent is the highest it has been for the borough since recording began in 2004. The

Council's job brokerage service has supported over 1,000 residents into jobs this year.

- 10.6 Good progress continues to be made in providing affordable homes for local people. This financial year the Council has delivered 635 affordable homes, 185 of which are family sized (29%). An additional 554 are on track to be delivered in the next couple of months. In addition to providing additional homes, 3,186 Council homes have been brought up to the Decent Homes standard.
- 10.7 Community Safety remains a key priority for the borough. The recruitment programme for Tower Hamlets Enforcement Officers has been completed, with all posts being filled. The Council, working with its community safety partners, is delivering a Violence Against Women & Girls action plan and training programme. A new mobile Police centre has been launched so that residents can report crimes and raise concerns face to face with police officers. Successes in the borough has supported improved residents perceptions about ASB in relation to drunken behaviour and drug usage.
- 10.8 The Council and its partners are seeking to tackle health inequalities. All Tower Hamlets schools are now registered with the Healthy Schools London Award Scheme and healthy eating and physical activity training has been delivered to 150 school staff. An ongoing programme of screening for cardiovascular disease and type 2 Diabetes has been implemented, and almost 1,000 people have been supported to quit smoking. In addition, the Council has also invested in the parks, playgrounds and open spaces in the borough.
- 10.9 22 activities have been assessed as being overdue with a further two, relating to educational attainment, and one relating to sickness absence marked as red. This is because although the activities have been completed, the numerical targets have not been met. Of the 22 overdue activities, only 4 of these activities are less than 75 per cent complete. Details of these overdue activities, including remedial action, are outlined below. In addition, the Performance Review Group will also be reviewing these activities.

Lead regeneration in Poplar (58% complete)

The Planning and Building Control Service supported the successful application for the Housing Zone designation. This will unlock the development potential of the area over the next 2-3 years. The timetable for consultation and subsequent adoption of the SPD for the Ailsa Street Masterplan has been delayed to align with work on the Housing Zone. This

will now go for consultation in September 2015 and will be adopted by March 2016.

Maintain investment in youth services and provision for young people (66% complete)

The redesign and implementation of a new grant allocation process has been completed as has the review of the Youth Service provision. However the review of administrative support functions has not been started as progression is interdependent with any future re-shaping of services.

Work with people with drug and alcohol dependencies to break the cycle of substance misuse (65% complete)

A review of the commissioned services has been undertaken between the Community Safety Service and Public Health services. The review took account of any significant variation in treatment outcomes for equality groups. However, the drug and alcohol re-provisioning has not been completed although authorisation to proceed has now been granted via Cabinet. It is now expected to be advertised imminently. Procurement will be completed by the end of August and recommendations will then progress through committees for agreement.

Make better use of our public assets (70%)

Implementation of the Corporate Landlord Model has been delayed following the transfer of resources allocations. A report went to Cabinet in May 2015 seeking endorsement to a revised asset strategy, Cabinet also approved a range of disposals which the service is taking to market in Summer 2015.

11. ANNUAL RESIDENTS SURVEY FINDINGS

- 11.1 The Tower Hamlets Annual Residents' Survey explores residents' views about the Council, services and the local area. The 2014/15 survey comprised face to face interviews with 1,227 residents chosen to be representative of the Tower Hamlets population. The survey is undertaken by TNS-BMRB on the Council's behalf. TNS-BMRB also carries out the Survey of Londoners, which provides some comparative data for benchmarking purposes.
- 11.2 Overall, perceptions about the Council, services and the area, have held up well, with most ratings similar or better than last year's.
- 11.3 Performance has been maintained in relation to service satisfaction, with no declines in performance and some improvements. Across most services,

ratings are similar to last year, and three areas have seen improvement in ratings: public transport, council tax collection and secondary education.

- 11.4 Views about the image of the Council have remained similar to last year's with some improvements. Residents were asked about 12 different aspects of the Council's image, and views remained similar to last year's for 10 out of the 12, and improved for two aspects: the extent to which the Council involves residents in decision making; and the extent to which the Council keeps residents informed. No areas have seen a decline in performance. Views about the Council's image were on a par with London ratings across all 12 areas.
- 11.5 Around two thirds of residents said they were satisfied with the way the Council runs things, similar to last year's rating.
- 11.6 Views about cohesion and the local area remain positive: 81 per cent of residents agree that the local area is a place where people from different backgrounds get on well together, and a similar proportion (82 per cent) said they are satisfied with their local area as a place to live. On both indicators, views have remained around these levels for the last three years. Just over half of all respondents felt they could influence decisions affecting their area. This measure has risen for two years taking it back to its 2009-10 level, after recent falls.
- 11.7 The survey monitors perceptions of anti-social behaviour (ASB) across four areas. Views on two areas have improved over the year with fewer residents reporting problems with drug use/dealing or drunken and rowdy behaviour, in their local area. Views on problems with rubbish/litter and vandalism remained similar to last year.
- 11.8 Crime, litter/dirt in the street, and a lack of affordable housing, are the most pressing resident concerns – these were each cited by one third of residents as one of their top three personal concerns. Concerns over litter/dirt and a lack of affordable housing have been rising in recent years, while concern over crime remains at historically low levels when viewed over the long term.

12. COMMENTS OF THE CHIEF FINANCE OFFICER

- 12.1 Under Financial Regulations it is the responsibility of senior managers to spend within budgets and, where necessary, management actions will need to be taken over the remainder of the financial year to avoid overspend.

- 12.2 If there had been a revenue overspend during 2014/15, this would have had a negative impact on the Medium Term Budget Plan and would have required more savings in future. With a roughly break-even position for Directorates in 2014/15, there has not been an adverse impact on savings targets, however there were budget pressures within ESCW services that required funding from reserves during the year.

13. LEGAL COMMENTS

- 13.1 The report provides performance information, including by reference to key performance indicators and the budget. It is consistent with good administration for the Council to consider monitoring information in relation to plans and budgets that it has adopted. For the same reason, it is reasonable for the Council to consider the views of residents about the borough and how the Council is discharging its functions.
- 13.2 The conduct of the annual residents survey may be supported by the Council's power in section 111 of the Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. Other sources of power may also be found.
- 13.3 Section 3 of the Local Government Act 1999 requires the Council as a best value authority 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". Monitoring of performance information is an important way in which that obligation can be fulfilled.
- 13.4 The Council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The Council's chief finance officer has established financial procedures to ensure the Council's proper financial administration. These include procedures for budgetary control. It is consistent with these arrangements for Members to receive information about the revenue and capital budgets as set out in the report.
- 13.5 When considering its performance and any procurement, 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 do not (the public sector equality duty). Relevant information is set out in the body of the report.

14. ONE TOWER HAMLETS CONSIDERATIONS

The Council's Strategic Plan and Strategic Indicators are focused upon meeting the needs of the diverse communities living in Tower Hamlets and supporting delivery of One Tower Hamlets. In particular, strategic priorities include the reduction of inequalities and the fostering of strong community cohesion and are measured by a variety of strategic indicators.

15. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

An element of the monitoring report deals with environmental milestones within the Great Place to Live theme.

16. RISK MANAGEMENT IMPLICATIONS

In line with the Council's risk management strategy, the information contained within the Strategic Indicator Monitoring will assist the Cabinet, Corporate Directors and relevant service managers in delivering the ambitious targets set out in the Strategic Plan. Regular monitoring reports will enable Members and Corporate Directors to keep progress under regular review.

There is a risk to the integrity of the authority's finances if an imbalance occurs between resources and needs. This is mitigated by regular monitoring and, where appropriate, corrective action. This report provides a corporate overview to supplement more frequent monitoring that takes place at detailed level.

The explanations provided by the Directorates for the budget variances also contain analyses of risk factors.

17. CRIME AND DISORDER REDUCTION IMPLICATIONS

The Strategic Indicator set contain a number of crime and disorder items under the Safe & Cohesive theme, however there are no specific crime and disorder reduction implications.

18. BEST VALUE / EFFICIENCY STATEMENT

Efficiencies for 2014/15 are incorporated within the reported outturn.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1 - lists budget/target adjustments (including virements) for the General Fund and capital budget movements
- Appendix 2 - provides the budget outturn forecast by Directorate and explanations of any major variances.
- Appendix 3 - provides the budget outturn forecast and explanations of major variances for the HRA.
- Appendix 4 – provides details of the capital programme and explanations of any major variances
- Appendix 5 – provides details of the contribution to Reserves
- Appendix 6 – provides a summary of the year end performance measures
- Appendix 7 – provides an overview of performance for all of the Strategic Plan activities
- Appendix 8 – provides a summary of findings from the Council's Annual Residents Survey

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

- NONE .

Officer contact details for documents:

N/A

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CONTROL BUDGET 2014/15

	Total General Fund	Education, Social Care and Wellbeing	Communities, Localities and Culture	Development and Renewal	Law, Probity and Governance	Resources	Corporate Costs	Central Items
2014/15 Original Budget at Cash Prices	293,933,495	218,270,376	77,869,763	15,035,000	9,471,532	7,535,755	19,755,703	(54,004,634)
Corporate Landlord Model (Vote A58 Technical Resources)	0	(665,959)		665,959				
14/15 Budget re-alignment to reflect impact of previous Council decision (Nov 2012)	0	190,549	106,524	21,000				(318,073)
Council Tax Benefit - Growth Allocation 2013/14 Budget	0					486,000	(41,000)	(445,000)
14/15 Budget re-alignment to reflect impact of previous Council decision (July 2014) - Boishakhi Mela	0		100,000					(100,000)
14/15 Budget re-alignment to reflect impact of previous Council decision (June 2014) - New Lunchclub Development	0	152,000						(152,000)
14/15 Budget re-alignment to reflect impact of previous Council decision (June 2014) - Mayor's Priority Lunch Clubs	0	76,000						(76,000)
Concessionary Fares Growth - Approved 6th March 2014 Full Council	0		558,000					(558,000)
Support Services 2014/15 - Technical Adjustment	0	1,232,080	647,470	191,849	(179,791)	(1,891,608)		
Employee Budget Transfer to HR Strategy	0	(56,400)				56,400		
Housing Benefit - Growth Allocation 2013/14 Budget	0					1,000,000		(1,000,000)
Reversal of Depot MTFP Savings undelivered	0		200,000					(200,000)
Additional Funding for Free School Meals proposal - 26th March (Mayoral Executive Decision)	0	510,000					(510,000)	
Prudential Borrowing Charges	0	(76,168)	(374,952)				451,120	
Technical Adjustment - Depreciation Charges	0	2,676,920	(39,597)	(231,963)		(550,857)	(1,854,503)	
Local Ward Forum to Cover Costs of Implementing and Administering the Local Partnership Forums	0		53,514					(53,514)
Service Growth - To address the shortfall in Customer Access budget	0					245,000		(245,000)
Inflation - Agilisys ICT Contract - Increase in Contract for costs on Provision of Goods/Services	0					505,000		(505,000)
Inflation - Local Govt Services Pay award 2.2% (2014-16)	0	315,144	193,000	124,000	47,000	120,000		(799,144)
Inflation - Local Govt Services Pay award (Non consolidated Lump sum - Dec 2014)	0	162,393	84,686	42,154	13,000	43,000		(345,233)
Service Growth - To address the Shortfall in Support Services Budget	0					206,000		(206,000)
Inflation - Agilisys ICT Contract - Increase in Contract for costs on Provision of Goods/Services 2013/14	0						280,000	(280,000)
CSE Review - Approved funding for The LSCB to undertake an independent review of child sexual exploitation services in Tower Hamlets	0	100,000					(100,000)	
Service Growth - Demographic Pressures in Adult Social Care - Full Council Approved 6th March 2014	0	1,413,000						(1,413,000)
Inflation - Increase in Contract for costs on Provision of Goods/Services	0		1,314,000					(1,314,000)
Service Growth - Transportation, treatment and disposal of waste (including recycle materials) - Full Council Approved 6th March 2014	0		465,000					(465,000)
Inflation - Increase in Contract for costs on Provision of Goods/Services	0	670,000						(670,000)
Transfer of Training Budget to support Foster Carers & Adopters	0	37,000				(37,000)		
Inflation - Increase in Contract for costs on Provision of Goods/Services - Excel Care	0	300,000						(300,000)
Funding costs of Mayoral and Local Elections	0				458,000			(458,000)
Software Licenses	0	245,000	94,000	68,000	42,100	220,900	(670,000)	
Financing of Carbon Reduction Charges 13-14	0			266,000				(266,000)

CONTROL BUDGET 2014/15

	Total General Fund	Education, Social Care and Wellbeing	Communities, Localities and Culture	Development and Renewal	Law, Probity and Governance	Resources	Corporate Costs	Central Items
Financing of Carbon Reduction Charges 14-15	0			195,000				(195,000)
Support Services	0	210,245	103,118	14,284	(200,086)	(127,561)		
Technical Adjustment - Depreciation Charges	0	(743,590)	(717,070)	(77,790)			1,538,450	
Total Adjustments	0	6,748,214	2,787,693	1,278,493	180,223	275,274	(905,933)	(10,363,964)
Revised Current Budget 2014/15	293,933,495	225,018,590	80,657,456	16,313,493	9,651,755	7,811,029	18,849,770	(64,368,598)

Law Probity and Governance - Summary by Service Area

This directorate has shown a small underspend of 18K at year end, although there are variances within the separate votes lines, a contribution is being made to reserves in legal services and Corporate Strategy, partially offset by drawdown from a corporate reserve in C19.

	Approved Budget	Actuals	Contribution to Reserves	Drawdown From Reserves	Outturn	Year End Variance	% Variance Forecast v. Budget	Service Area Explanation
Service Area: C11 Corporate Management								
Expenditure	2,374	2,253	0	0	2,253	(121)	94.9%	This underspend is due to vacancy held within LPG (former Chief Executive post)
Income	0	0	0	0	0	0	0.0%	
Net Expenditure	2,374	2,253	0	0	2,253	(121)	94.9%	
Service Area: C13 Legal Services								
Expenditure	5,535	6,012	64		6,076	541	109.8%	Expenditure due to election activities and is funded from drawdown of earmarked reserves.
Income	(4,240)	(4,530)			(4,530)	(290)	106.8%	
Net Expenditure	1,295	1,482	64	0	1,546	251	119.4%	
Service Area: C18 Communications								
Expenditure	2,562	2,822			2,822	260	110.1%	Additional expenditure incurred managing and responding to high profile media activity and public relations - will be funded within overall LPG budget.
Income	(2,817)	(3,031)			(3,031)	(214)	107.6%	
Net Expenditure	(255)	(209)	0	0	(209)	46	82.0%	
Service Area: C19 Registrars & Democratic Services								
Expenditure	4,654	4,921		(90)	4,831	177	103.8%	Higher take up than expected on services, reflected in expenditure and fees
Income	(517)	(765)			(765)	(248)	148.0%	
Net Expenditure	4,137	4,156	0	(90)	4,066	(71)	98.3%	
Service Area: C20 Business Support								
Expenditure	838	809			809	(29)	96.5%	
Income	(809)	(809)			(809)	0	100.0%	
Net Expenditure	29	0	0	0	0	(29)	0.0%	
Service Area: C54 Corporate Strategy & Equalities								
Expenditure	2,229	2,089	100		2,189	(40)	98.2%	Underspend due to vacant posts.
Income	(157)	(211)			(211)	(54)	134.4%	
Net Expenditure	2,072	1,878	100	0	1,978	(94)	95.5%	
Directorate Summary								
Net Expenditure	18,192	18,906	164	(90)	18,980	788	104.3%	
Net Income	(8,540)	(9,346)	0	0	(9,346)	(806)	109.4%	
Net Variance	9,652	9,560	164	(90)	9,634	(18)	99.8%	

Communities & Localities - Summary by Service Area

Overall this directorate is projected to be on budget at year end., transfers to the Directorate and General fund are made from the Parking Control Account. Full details of increased / new reserves can be found in Appendix 5. The Drawdown represents a contribution from earmarked reserves for new Bus Shelters.

	Approved Budget	Actuals	Contribution to Reserves	Drawdown From Reserves	Outturn	Year end Variance	% Variance Forecast v. Budget	Service Area Explanation
Service Area: CPR Public Realm (Parking Control)								
Expenditure	8,030	8,518			8,518	488		The Parking Control account. This account made an £8.3m transfer to the General Fund at year end.
Income	(8,030)	(17,976)	8,363		(9,613)	(1,583)	19.7%	
Net Expenditure	0	(9,458)	8,363	0	(1,095)	(1,095)	0.0%	
Service Area: CAL Cultural Services								
Expenditure	24,547	25,095			25,095	548	2.2%	
Income	(8,859)	(8,756)			(8,756)	103	-1.2%	
Net Expenditure	15,688	16,339	0	0	16,339	651	4.1%	
Service Area: CMS CLC Management & Support								
Expenditure	3,254	3,258			3,258	4	0.1%	
Income	(3,254)	(3,258)			(3,258)	(4)	0.1%	
Net Expenditure	0	0	0	0	0	0	0.0%	
Service Area: CPR Public Realm								
Expenditure	65,113	65,753			65,753	640	1.0%	Inflationary and contractual increases
Income	(21,189)	(20,284)			(20,284)	905	-4.3%	
Net Expenditure	43,924	45,469	0	0	45,469	1,545	3.5%	
Service Area: CSC Safer Communities								
Expenditure	36,666	35,129	750	(35)	35,844	(822)	-2.2%	
Income	(16,202)	(16,366)			(16,366)	(164)	1.0%	
Net Expenditure	20,464	18,763	750	(35)	19,478	(986)	-4.8%	
Service Area: CSI Service Integration								
Expenditure	581	361	105		466	(115)	-19.8%	
Income	0	0			0	0	0.0%	
Net Expenditure	581	361	105	0	466	(115)	-19.8%	
Directorate Summary								
Expenditure	138,191	138,114	855	(35)	138,934	743	0.5%	
Income	(57,534)	(66,640)	8,363	0	(58,277)	(743)	1.3%	
Net Variance	80,657	71,474	9,218	(35)	80,657	(0)	0.0%	

Corporate Cost and Central Items - Summary by Service Area

This service represents the corporate centre.

	Approved Budget	Actual	Taken to GF	Outturn	Variance	% Variance Forecast v. Budget	Service Area Explanation
Corporate Costs & Central Items							
Expenditure	20,550	20,550		20,550	0	0%	This figure represents the net contribution to reserves including the contribution to the general fund from parking control.
Income	(1,700)	(1,700)		(1,700)	0	0%	
Central Items	(64,369)	(70,851)	6,482	(64,369)	0	0%	
Net Expenditure	(45,519)	(52,001)	6,482	(45,519)	0	0%	

Development & Renewal - Summary by Service Area

This directorate is showing a small overspend, details of reserves movements can be found in appendix 5

	Approved Budget	Actual	Contribution to Reserves	Drawdown From Reserves	Outturn	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: JAM Corporate Property & Capital Delivery								
Expenditure	17,723	23,435	250		23,685	5,963	33.6%	Administrative Buildings : Will be fully recharged at year end
Income	(16,135)	(21,665)			(21,665)	(5,530)	34.3%	
Net Expenditure	1,588	250	250	0	2,020	433	27.2%	
Service Area: JEE Economic Development								
Expenditure	3,540	4,215	53		4,268	728	20.6%	staffing arrangements and one off project staff costs
Income	(1,494)	(1,612)		(444)	(2,056)	(562)	37.6%	
Net Expenditure	2,046	53	53	(444)	2,212	166	8.1%	
Service Area: JES Resources								
Expenditure	5,846	6,988			6,988	1,142	19.5%	A Resources overspend of 180K will be fully recovered by recharges. The balance relates to Payments made under and EU funded projects which will be recovered from the grant making body at year end.
Income	(709)	(1,096)		(169)	(1,265)	(556)	78.4%	
Net Expenditure	5,137	0	0	(169)	5,723	586	11.4%	
Service Area: JHO Housing Options								
Expenditure	35,064	38,674	94		38,768	3,704	10.6%	Recharges - processed at year end
Income	(31,090)	(34,410)		(891)	(35,301)	(4,211)	13.5%	
Net Expenditure	3,974	94	94	(891)	3,467	(507)	-12.8%	
Service Area: JPB Planning & Building Control								
Expenditure	6,674	8,290	1,047		9,337	2,663	39.9%	Variance relates to viability study – within the Planning Development area – which will be recovered from the developer
Income	(4,728)	(8,358)			(8,358)	(3,630)	76.8%	
Net Expenditure	1,946	1,047	1,047	0	979	(967)	-49.7%	
Service Area: JRS Regen Strategy and Sustainability								
Expenditure	3,900	4,282	93		4,375	475	12.2%	Due to inability to capitalised support services costs
Income	(2,278)	(2,509)			(2,509)	(231)	10.1%	
Net Expenditure	1,622	1,773	93	0	1,866	244	15.0%	
Directorate Summary								
Net Expenditure	72,747	85,884	1,537	0	87,421	14,675	20.2%	
Net Income	(56,434)	(69,650)	0	(1,504)	(71,154)	(14,720)	26.1%	
Net Variance	16,313	16,234	1,537	(1,504)	16,267	(46)	-0.3%	

Education, Social Care & Wellbeing - Summary by Service Area

As reported previously the directorate is facing acute funding difficulties, particularly affecting Adults Social Care Packages of Care. In previous years, many pressures which appeared were able to be absorbed by reserves and unspent grants, however this may not be the case for 2014/15. Pressures have materialised in different parts of the Directorate and are being reported by budget managers. A forecast of a £0.027m underspend is the final adjusted position.

	Approved Budget	Actuals	Contribution to Reserves	Drawdown From Reserves	Outturn	Variance Actual v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: GLA Learning & Achievement								
Expenditure	74,099	68,472			68,472	(5,627)	-7.6%	DSG Allocation
Income	(2,513)	(3,122)			(3,122)	(609)	24.2%	
Net Expenditure	71,586	65,350	0	0	65,350	(6,236)	16.6%	
Service Area: GRE ESCW Resources								
Expenditure	3,192	3,825			3,825	633	19.8%	DSG Allocation
Income	(324,518)	(303,677)			(303,677)	20,841	-6.4%	
Net Expenditure	(321,326)	(299,852)	0	0	(299,852)	21,474	-6.7%	
Service Area: GSC Childrens Social Care								
Expenditure	786	698			698	(88)	-11.2%	DSG Allocation
Income	(363)	(460)			(460)	(97)	26.7%	
Net Expenditure	423	238	0	0	238	(185)	-43.7%	
Service Area: GSH Schools								
Expenditure	356,655	336,790			336,790	(19,865)	-5.6%	DSG Allocation
Income	(107,340)	(102,526)			(102,526)	4,814	-4.5%	
Net Expenditure	249,315	234,264	0	0	234,264	(15,051)	-6.0%	
Service Area: ACS Commissioning & Health								
Expenditure	23,333	22,325			22,325	(1,008)	-4.3%	Savings achieved through supporting people block contracts and other commissioned services. Overspends showing on Access to Resources (259K) and Corporate Services (250K) due to staff previously funded by S256.
Income	(1,950)	(1,780)			(1,780)	170	-8.7%	
Net Expenditure	21,383	20,545	0	0	20,545	(838)	-3.9%	
Service Area: APH Public Health								
Expenditure	31,590	31,375	438		31,813	223	0.7%	Any overspend is covered by the PH grant which is a ring-fenced grant. There is a PH reserve with a value of £2.8m which will be used to cover any overspend.
Income	0	(223)			(223)	(223)	0.0%	
Net Expenditure	31,590	31,152	438	0	31,590	0	0.0%	

	Budget Current	Actuals	Contribution to Reserves	Drawdown From Reserves	Outturn	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: ASC Adults Social Care								
Expenditure	83,428	86,695			86,695	3,268	3.9%	Additional costs on 'Fides' contract, staffing overspend where previously covered by s256 agreements, more accurate costs for complex needs packages. Additional income from increased client contributions and charge to Health.
Income	(6,368)	(9,463)			(9,463)	(3,095)	48.6%	
Net Expenditure	77,060	77,232	0	0	77,232	173	0.2%	
Service Area: GDS ESCW Directors Services								
Expenditure	437	352			352	(85)	-19.5%	This primarily relates to a revision of staffing costs in the Equalities Development cost centre.
Income	0	0			0	0	0.0%	
Net Expenditure	437	352	0	0	352	(85)	-19.5%	
Service Area: GLA Learning & Achievement								
Expenditure	27,790	27,497	310		27,807	17	0.1%	Payment lag staffing and services in Educational Psychology vote. Delays with commissioners in approving Mayors Educational Awards and additional income received from Newly Qualified Teachers Scheme.
Income	(7,461)	(7,608)			(7,608)	(147)	2.0%	
Net Expenditure	20,329	19,889	310	0	20,199	(130)	-0.6%	
Service Area: GRE ESCW Resources								
Expenditure	48,656	52,289	1,065		53,354	4,698	9.7%	Majority of variance relates to increased trading activity on contract services and claims for maternity pay which receive matched funding
Income	(35,799)	(40,202)		(240)	(40,442)	(4,643)	13.0%	
Net Expenditure	12,857	12,087	1,065	(240)	12,912	55	0.4%	

	Budget Current	Actuals	Contribution to Reserves	Drawdown From Reserves	Outturn	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: GSC Childrens Social Care								
Expenditure	50,859	53,245	75		53,320	2,461	4.8%	Areas of overspend include additional Leaving Care costs from greater take up of service, repayment of grant to the home office for YOT service and additional costs associated with 'Tackling Troubled Families' initiative.
Income	(5,458)	(7,183)			(7,183)	(1,725)	31.6%	Increased Unaccompanied Asylum Seeking Children grant and high receipts as part of 'Tackling Troubled Families' initiative.
Net Expenditure	45,401	46,062	75	0	46,137	736	1.6%	
Service Area: GSH Schools								
Expenditure	15,964	16,022			16,022	58	0.4%	
Income	0	0			0	0	0.0%	
Net Expenditure	15,964	16,022	0	0	16,022	58	0.4%	
GF Directorate Summary								
Expenditure	716,789	699,588	1,888	0	701,476	(15,313)	-2.1%	
Income	(491,770)	(476,244)	0	(240)	(476,484)	15,286	-3.1%	
Net Expenditure	225,019	223,344	1,888	(240)	224,992	(27)	0.0%	

Resources - Summary by Service Area

This is mainly attributable to the shortfall on Housing Benefit reported in full below.

	Budget Current	Actuals	Contribution to Reserves	Drawdown From Reserves	Outturn	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: R10 Director of Resources								
Expenditure	711	753			753	42	5.9%	
Income	(755)	(753)			(753)	2	-0.3%	
Net Expenditure	(44)	0	0	0	0	44	5.6%	
Service Area: R11 Customer Access								
Expenditure	4,558	4,058	110		4,168	(390)	-8.6%	Variance attributable to vacant posts
Income	(2,119)	(1,735)			(1,735)	384	-18.1%	reduction in services to CLC
Net Expenditure	2,439	2,323	110	0	2,433	(6)	-0.2%	
Service Area: R12 Corporate Finance								
Expenditure	4,664	4,156	360		4,516	(148)	-3.2%	
Income	(3,891)	(3,895)			(3,895)	(4)	0.1%	
Net Expenditure	773	261	360	0	621	(152)	-19.7%	
Service Area: R13 Human Resources								
Expenditure	8,736	9,132			9,132	396	4.5%	Net variance due to delay in the recruitment of trainees
Income	(8,576)	(9,163)			(9,163)	(587)	6.8%	
Net Expenditure	160	(31)	0	0	(31)	(191)	-119.4%	
Service Area: R14 ICT								
Expenditure	11,629	12,917	420	(676)	12,661	1,032	8.9%	Projected spend above base budget relates to Window's XP and PSN project costs which will be funded from Earmarked Reserves.
Income	(12,048)	(13,112)			(13,112)	(1,064)	8.8%	
Net Expenditure	(419)	(195)	420	(676)	(451)	(32)	7.6%	
Service Area: R15 Revenue Services								
Expenditure	8,810	9,097	398		9,495	685	7.8%	Expenditure relates to upgrade to AIMS software which processes income. This will be recouped from services through recharges
Income	(6,072)	(6,893)			(6,893)	(821)	13.5%	
Net Expenditure	2,738	2,204	398	0	2,602	(136)	-5.0%	
Service Area: R16 Procurement								
Expenditure	749	883			883	134	17.9%	Increased expenditure due to one off cost related to procurement public health contract. This is recharged to Public Health budget
Income	(744)	(883)			(883)	(139)	18.7%	
Net Expenditure	5	0	0	0	0	(5)	-100.0%	

	Budget Current	Actuals	Contribution to Reserves	Drawdown From Reserves	Outturn	Variance Forecast v. Budget	% Variance Forecast v. Budget	Service Area Explanation
Service Area: R17 Risk Assessment								
Expenditure	1,312	1,566			1,566	254	19.4%	Additional spend on the Tenancy Fraud Activities will be funded from grant income.
Income	(1,403)	(1,646)			(1,646)	(243)	17.3%	Grant income for Tenancy Fraud Work.
Net Expenditure	(91)	(80)	0	0	(80)	11	-12.1%	
Service Area: R19 Benefits								
Expenditure	256,404	271,184			271,184	14,780	5.8%	The Council procures accommodation on behalf of Homeless families, mainly from private sector landlords. The Council will award benefits (Non HRA Rent Rebates) to those families that are housed in this way, however the amount that the government funds is limited by the Local Housing Allowance set at 2011 levels, less 10%. Rental levels for private sector temporary accommodation is significantly above these levels. The Council is facing pressure from increasing numbers of families attempting to procure accommodation within London, and continuous increases in private sector rents levels. In 2014/15 the position has been reviewed with the Housing Options Service, and a cost pressure of £2.6m has been identified. The 2014/15 budget contained £1m to allow for growth in this area, and funding of the majority of this 572k overspend was made possible from underspends elsewhere in the directorate. It is likely that private sector rent within the borough will continue to increase and further growth in excess of £1m will be required in 2015/16 onwards. Provision for this is being incorporated into the 2015/16 budget proposals.
Income	(254,646)	(268,854)			(268,854)	(14,208)	5.6%	
Net Expenditure	1,758	2,330	0	0	2,330	572	32.5%	
Service Area: R62 Transformation Projects								
Expenditure	491	1,199	875	(662)	1,412	920	187.4%	Additional 'Invest to save' expenditure on the Councils savings programme - will be funded from earmarked reserves (efficiency reserve).
Income	0	(920)			(920)	(920)	0.0%	Drawdown from Efficiency Reserve to be processed
Net Expenditure	491	279	875	(662)	492	0	0.0%	
Service Area: R99 Rechargeable Works								
Expenditure	466	524			524	58	12.4%	
Income	(466)	(524)			(524)	(58)	12.4%	
Net Expenditure	0	0	0	0	0	0	0.0%	
Directorate Summary								
Net Expenditure	298,531	315,469	2,163	(1,338)	316,294	17,763	6.0%	
Net Income	(290,720)	(308,378)	0	0	(308,378)	(17,658)	6.1%	
Net Variance	7,811	7,091	2,163	(1,338)	7,916	105	1.3%	

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Corporate Monitoring – 2014/15 Outturn

Original Budget	Current Budget	Actuals	Variance to Date	Previous Forecast	% Variance Current Forecast v. Current Budget	Per Directorates Return	Other Appropriations / Transfers	Outturn	Variance	Description / Explanation for Variance
£'000	£'000	£'000	£'000	£'000	%					

Service Area: HRA Housing Revenue Account

INCOME

DIRECTLY CONTROLLED INCOME BUDGETS

Dwelling & Non Dwelling Rents

Income	-72,438	-72,438	-71,843	595	-71,543	-0.82%				When setting this budget it was assumed that 100 Right to Buy sales would take place in 2014/15; in actual fact there were 255 sales and as a result rental income is lower than budgeted.
Net Expenditure	-72,438	-72,438	-71,843	595	-71,543	-0.82%	-71,843	-71,843	595	

Tenant & Leaseholder Service Charges

Income	-17,901	-17,901	-17,168	733	-18,440	-4.09%				A higher than budgeted level of write-offs of £1.5m was offset to some extent by additional income received as a result of the high number of Right to Buy sales.
Net Expenditure	-17,901	-17,901	-17,168	733	-18,440	-4.09%	-17,168	-17,168	733	

INDIRECTLY CONTROLLED INCOME BUDGETS

Investment Income Received

Income	-168	-168	-301	-133	-164	79.17%				Due to a change in the methodology in the Interest on Balances calculation the HRA has benefitted from additional income.
Net Expenditure	-168	-168	-301	-133	-164	79.17%	-301	-301	-133	

Contributions Towards Expenditure

Income	-115	-115	-115	0	-115	0.00%				
Net Expenditure	-115	-115	-115	0	-115	0.00%	-115	-115	0	

TOTAL INCOME	-90,622	-90,622	-89,427	1,195	-90,262	-1.32%	-89,427	-89,427	-89,312	
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	Original Budget	Current Budget	Actuals	Variance to Date	Previous Forecast	% Variance Current Forecast v. Current Budget	Per Directorates Return	Other Appropriations / Transfers	Outturn	Variance	Description / Explanation for Variance
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EXPENDITURE

DIRECTLY CONTROLLED EXPENDITURE BUDGETS

Repair & Maintenance

											The small underspend is mainly due to the fact that works on stairwells programmed for the second half of the year will now be undertaken in 2015/16. In addition, high number of Right to Buy sales taking place this year means that the number of tenanted properties is reducing, leading to a lower number of repairs needed with a corresponding impact on the expenditure.
Expenditure	22,388	22,388	21,758	-630	21,554	-2.81%					
Net Expenditure	22,388	22,388	21,758	-630	21,554	-2.81%	21,758		21,758	-630	

Supervision & Management

											As forecast, capital fee income to the HRA was lower than budgeted, due to slippage on the HRA capital programme.
Expenditure	22,004	22,004	22,719	715	23,284	3.25%					
Net Expenditure	22,004	22,004	22,719	715	23,284	3.25%	22,719		22,719	715	

Special Services, Rents, Rates & Taxes

											As has been forecast throughout the year, there was a substantial underspend on the energy budget due to energy prices being lower than budgeted.
Expenditure	15,746	15,746	13,908	-1,838	14,449	-11.67%					
Net Expenditure	15,746	15,746	13,908	-1,838	14,449	-11.67%	13,908		13,908	-1,838	

INDIRECTLY CONTROLLED EXPENDITURE BUDGETS

Provision for Bad Debts

											As highlighted in budget monitoring reports during 2014/15, this budget was increased in order to mitigate against the risk that bad debt would increase due to welfare reform, but due to delays in implementing some of the reforms the full level of provision was not needed in 2014/15.
Expenditure	1,400	1,400	239	-1,161	1,400	-82.93%					
Net Expenditure	1,400	1,400	239	-1,161	1,400	-82.93%	239		239	-1,161	

Capital Financing Charges

											This budget assumed a Revenue Contribution to Capital (RCCO) of just under £10m; whereas the RCCO figure was actually £8.8m. As referred to in previous monitoring reports this resulting underspend will carry forward in HRA balances and be earmarked to be used to fund capital in future years.
Expenditure	29,084	29,084	19,129	-9,955	28,849	-34.23%		8,855			
Net Expenditure	29,084	29,084	19,129	-9,955	28,849	-34.23%	19,129	8,855	27,984	-1,100	

TOTAL EXPENDITURE	90,622	90,622	77,753	-12,869	89,536	-14.20%	77,753	8,855	86,608	86,608	
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Contribution from Reserves	0	0	0		0	0.00%					
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TOTAL HRA	0	0	-11,674	-11,674	-726	0.00%	-11,674	8,855	-2,819	-2,819	
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Capital Monitoring Outturn

	All Years		In Year - 14/15				FY Total	All Years	
	Approved Budget	Spend to 31st March 2014	Revised Budget 14/15	Spent to Q4	Slippage	Slippage (%)	Budget	Projected Spend	Variance
	£m	£m	£m	£m	£m	%	£m	£m	£m
Education, Social Care and Wellbeing	95.172	51.410	21.790	15.454	-6.335	-29%	21.973	95.172	0.000
Communities, Localities and Culture	73.231	53.707	7.431	7.113	-0.318	-4%	12.092	73.231	0.000
Development & Renewal	35.794	12.540	21.171	12.501	-8.670	-41%	2.083	35.794	0.000
Building Schools for the Future	332.145	319.459	12.463	11.672	-0.791	-6%	0.223	332.145	0.000
HA	373.323	121.417	116.006	76.852	-39.154	-34%	135.900	373.323	0.000
Corporate	12.000	0.000	12.000	9.496	-2.504	-21%	0.000	12.000	0.000
Grand Total	921.665	558.533	190.861	133.088	-57.772	-30%	172.271	921.665	0.000

Capital Monitoring 2014-15 - Outturn

	All Years			In Year - 14/15				REASONS FOR CURRENT YEAR VARIANCES	Future Years (FY)		FY Total	All Years		
	Total Approved Budget	Prior year Budget	Spend to 31st March 2014	Revised Budget 14/15	Spend to Q4	Slippage	2014/15 Slippage (%)		15/16	16/17 Onwards	Budget	Projected Spend	Variance	Variance %
	A		B	C	D	D-C	D/C		F	G	H = F+G	I	I-A	
	£m		£m	£m	£m	£m	%		£m	£m	£m	£m	£m	%
Education, Social Care and Wellbeing (ESCW)														
Mental health services	0.222	0.197	0.107	0.115	0.106	- 0.009	-8%	Project completed under budget.	-	-	-	0.222	-	0%
E-Marketplace purchase and delivery	0.074	0.074	-	0.074	0.059	- 0.015	-20%	Underspend, project complete	-	-	-	0.074	-	0%
Tele Care/Telehealth Equipment	0.300	0.200	0.088	0.212	0.116	- 0.096	-45%	Prescription rates for equipment rose, but not as high as expected. 3 pilot projects due to start but will now commence 2015-16.	-	-	-	0.300	-	0%
Ronald Street Roof Replacement	0.051	0.065	0.051	-	-	-						0.051	-	0%
Development of Learning Disability Hubs	0.508	0.584	-	0.508	0.504	- 0.004	-1%		-	-	-	0.508	-	0%
ADULTS TOTAL	1.156	1.120	0.246	0.909	0.786	- 0.124	-14%		-	-	-	1.156	-	0%
Condition & Improvement	3.717	2.779	2.210	1.507	0.571	- 0.935	-62%	Works need to be planned for school holidays but delayed cabinet report affected summer holiday programme.	-	-	-	3.717	-	0%
Bishop Challoner - Community Facilities	0.600	0.600	-	0.600	-	- 0.600	-100%	Proposals under review.	-	-	-	0.600	-	0%
Universal Free School Meals - Kitchen Upgrade	0.383	-	-	0.383	0.316	- 0.067	-17%	Programme continuing into 15/16	-	-	-	0.383	-	0%
Basic Need/Expansion	80.846	43.187	42.513	16.768	13.292	- 3.476	-21%	Retentions and some slippage on new works in development stages.	14.235	7.330	21.565	80.846	-	0%
Sure Start	0.848	0.848	0.842	0.006	0.010	0.004	63%	Final account settled.	-	-	-	0.848	-	0%
Primary Capital Programme	4.747	4.732	4.650	0.097	0.055	- 0.042	-44%	Final account in dispute.	-	-	-	4.747	-	0%
Swanley School (Crossrail funded)	0.350	-	-	0.350	0.350	-	0%		-	-	-	0.350	-	0%
RCCO	0.193	-	-	0.050	-	- 0.050	-100%	Contractor in administration	0.143	-	0.143	0.193	-	0%
Youth Service (BMX Mile End)	0.042	0.042	0.036	0.006	-	- 0.006	-100%	Underspend on original project.	-	-	-	0.042	-	0%
Provision for 2yr Olds	1.472	0.500	0.094	1.113	0.075	- 1.038	-93%	Grants/expenditure subject to new Commissioner arrangements.	0.265	-	0.265	1.472	-	0%
ESCW TOTAL	95.173	54.596	51.410	21.790	15.455	- 6.335	-29%		14.643	7.330	21.973	95.172	-	0%

	All Years			In Year - 14/15				REASONS FOR CURRENT YEAR VARIANCES	Future Years (FY)		FY Total	All Years		
	Total Approved Budget	Prior year Budget	Spend to 31st March 2014	Revised Budget 14/15	Spend to Q4	Slippage	2014/15 Slippage (%)		15/16	16/17 Onwards	Budget	Projected Spend	Variance	Variance %
	A		B	C	D	D-C	D/C		F	G	H = F+G	I	I-A	%
	£m		£m	£m	£m	£m	%	£m	£m	£m	£m	£m	£m	%
Communities, Localities & Culture														
Transport														
TfL schemes including safety, cycling and walking	16.545	10.574	10.400	2.624	2.626	0.003	0%		3.521	-	3.521	16.545	-	0%
Public Realm improvements	1.465	0.560	0.465	1.000	0.946	- 0.054	-5%		-	-	-	1.465	-	0%
Bartlett Park Masterplan - Highways	1.732	0.033	0.032	0.285	0.281	- 0.004	-2%		1.415	-	1.415	1.732	-	0%
Highway improvement programme	3.078	2.027	2.078	1.000	1.005	0.005	1%		-	-	-	3.078	-	0%
Developers Contribution	5.601	2.627	2.421	0.903	0.774	- 0.130	-14%		2.277	-	2.277	5.601	-	0%
OPTEMS	0.937	0.369	0.306	0.462	0.460	- 0.002	0%		0.169	-	0.169	0.937	-	0%
Transport Total	29.550	16.337	15.893	6.274	6.092	- 0.183	-3%		7.382	-	7.382	29.550	-	0%
Parks														
Millwall Park/Island Gardens	0.206	0.206	0.203	0.003	-	- 0.003	-100%	Awaiting retention payment.	-	-	-	0.206	-	0%
Poplar Park	0.200	0.160	0.161	0.005	0.004	- 0.000	-7%		0.035	-	0.035	0.200	-	0%
Schoolhouse Lane Multi Use Ball Games Area	0.100	0.100	0.093	0.007	-	- 0.007	-100%	Awaiting retention payment.	-	-	-	0.100	-	0%
Victoria Park Masterplan	10.072	9.929	9.997	0.075	0.073	- 0.002	-2%		-	-	-	10.072	-	0%
Victoria Park sports hub	2.486	0.416	0.330	0.030	0.038	0.008	28%		2.126	-	2.126	2.486	-	0%
Christ Church Gardens	0.350	-	-	-	-	-	N/A		0.350	-	0.350	0.350	-	0%
Mile End Hedge	0.165	0.165	0.031	0.084	0.082	- 0.002	-2%		0.050	-	0.050	0.165	-	0%
Trees - Boroughwide	0.018	0.016	0.018	-	0.002	0.002	N/A		-	-	-	0.018	-	0%
Conversion of Lawn area to York stone paving	0.055	-	-	0.036	0.036	- 0.000	0%		0.019	-	0.019	0.055	-	0%
Bartlett Park	0.057	0.056	0.054	0.002	0.003	0.001	33%	Project now merged with Bartlett Masterplan project	-	-	-	0.057	-	0%
Cemetery Lodge	0.071	0.014	-	-	0.002	0.002	N/A		0.071	-	0.071	0.071	-	0%
Albert Gardens	0.025	-	0.000	0.010	0.010	0.000	1%		0.015	-	0.015	0.025	-	0%
Parks Total	14.204	11.420	11.286	0.252	0.251	- 0.000	0%		2.666	-	2.666	14.204	-	0%

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A		B	C	D	D-C	D/C		F	G	H = F+G	I	I-A		
£m		£m	£m	£m	£m	%		£m	£m	£m	£m	£m	%	
Culture and major projects														
Brady Centre	0.245	0.245	0.244	0.001	-	- 0.001	-100%	Project complete.	-	-	-	0.245	-	0%
Tennis courts	0.116	0.116	0.104	0.002	-	- 0.002	-100%	Retention payment outstanding.	0.010	-	0.010	0.116	-	0%
Mile End Leisure Centre - Security Enhancements	0.200	0.199	0.198	0.002	-	- 0.002	-100%	Project complete.	-	-	-	0.200	-	0%
Mile End Stadium Track resurfacing	0.376	0.244	0.245	0.004	-	- 0.004	-100%	Retention payment outstanding.	0.127	-	0.127	0.376	-	0%
Public Art Projects	0.250	0.011	0.011	-	-	-	N/A		0.239	-	0.239	0.250	-	0%
Mile End Park Capital	0.219	0.218	0.145	0.074	0.067	- 0.007	-9%		-	-	-	0.219	-	0%
Bancroft Library Phase 2b	0.645	0.500	0.449	0.052	0.044	- 0.008	-15%		0.145	-	0.145	0.645	-	0%
Watney Market Ideas Store	4.401	4.401	4.344	0.057	0.004	- 0.053	-93%		-	-	-	4.401	-	0%
Watney Market Landscaping	0.235	0.235	0.228	0.007	0.006	- 0.001	-14%	Retention payment outstanding.	-	-	-	0.235	-	0%
Culture - LPP	0.254	0.255	0.246	0.008	-	- 0.008	-100%	Project merged with Bancroft Phase 2b	-	-	-	0.254	-	0%
Major Projects - LPP	18.067	18.050	18.058	0.009	0.009	0.000	2%		-	-	-	18.067	-	0%
St Georges Pool	0.106	0.106	-	0.040	0.030	- 0.010	-25%		0.066	-	0.066	0.106	-	0%
Brick Lane Mural	0.045	-	-	-	-	-	N/A		0.045	-	0.045	0.045	-	0%
Banglatown Art Trail & Arches	2.021	1.465	1.485	-	0.015	0.015	N/A	Fee payment outstanding.	0.536	-	0.536	2.021	-	0%
Provision of an outdoor gym	0.025	0.025	-	0.025	0.025	0.000	2%		-	-	-	0.025	-	0%
Stepney Green Astro Turf	0.451	-	0.009	0.442	0.422	- 0.020	-4%		-	-	-	0.451	-	0%
John Orwell Sports Centre	0.296	-	-	0.121	0.096	- 0.025	-21%		0.175	-	0.175	0.296	-	0%

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	A		B	C	D	D-C	D/C		F	G	H = F+G	I	I-A	
	£m		£m	£m	£m	£m	%		£m	£m	£m	£m	£m	%
St. John's Gardens Tennis Courts	0.070	-	-	0.033	0.033	- 0.000	0%		0.037	-	0.037	0.070	-	0%
Culture and Major projects total	28.022	26.071	25.765	0.876	0.752	- 0.125	-14%		1.380	-	1.380	28.022	-	0%
Other														
CCTV Improvement and Enhancement	0.601	0.487	0.422	0.020	0.018	- 0.002	-9%		0.159	-	0.159	0.601	-	0%
Generators @ Mulberry Place & Anchorage House	0.250	0.250	0.241	0.009	-	- 0.009	-100%	Payment outstanding.	-	-	-	0.250	-	0%
Contaminated land survey and works	0.604	0.112	0.099	- 0.000	-	0.000	-100%		0.505	-	0.505	0.604	-	0%
Other Total	1.455	0.849	0.762	0.029	0.018	- 0.010	-34%		0.664	-	0.664	1.455	-	0%
CLC TOTAL	73.231	54.677	53.707	7.431	7.113	- 0.318	-4%		12.092	-	12.092	73.231	-	0%
Development & Renewal														
Millennium Quarter	0.387	0.387	0.061	0.326	-	- 0.326	-100%	This scheme is to provide an enhanced bus service on the Isle of Dogs as part of the Millennium Quarter s106 agreement. Costs and resources have been accounted for in revenue during the financial year.	-	-	-	0.387	-	0%
Bishop's Square /Bethnal Green Terrace	0.641	0.615	0.495	0.146	0.082	- 0.064	-44%	The Bethnal Green Terrace project is funded through s106 receipts in respect of the Bishop Square scheme, and English Heritage funding. It is anticipated that the scheme will finish in 2015/16.	-	-	-	0.641	-	0%
Town Centre & High Street Regeneration	0.208	0.208	0.068	0.140	-	- 0.140	-100%	This scheme is now complete. The scheme will be reviewed to see whether there is potential to re-direct the unused resources to other capital priorities.	-	-	-	0.208	-	0%
Whitechapel Centre	0.067	0.067	0.064	0.003	-	- 0.003	-100%		-	-	-	0.067	-	0%
Regional Housing Pot	7.080	7.080	1.012	6.068	5.387	- 0.681	-11%	Resources that relate to the DCLG funding of St Clements Hospital site have now been transferred to the GLA. It is anticipated that the remaining resources will be utilised in 2015/16.	-	-	-	7.080	-	0%
High Street 2012	9.133	9.132	6.619	2.514	0.689	- 1.825	-73%	THESE COMMENTS WILL BE REVISED BEFORE CABINET. This project needs to be looked at in conjunction with the Ocean Regeneration scheme (HRA) - elements of the project overlap and the financing needs re-aligning. Currently there are excess resources in the High St 2012 programme with a similar pressure on the Ocean scheme. This exercise will be completed prior to the Cabinet report being finalised.	-	-	-	9.133	-	0%
Disabled Facilities Grant	4.429	1.969	1.982	0.967	1.063	0.096	10%	Commitments entered into in 2014/15 will be a first call on 2015/16 resources.	0.750	0.730	1.480	4.429	-	0%

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	A		B	C	D	D-C	D/C		F	G	H = F+G	I	I-A	%
	£m		£m	£m	£m	£m	%	£m	£m	£m	£m	£m	%	
Private Sector Improvement Grant	2.650	1.551	1.244	0.856	0.149	- 0.707	-83%	Resources are ring-fenced and will be carried forward into 2015/16 to fund both ongoing commitments and newly-arising projects.	0.550	-	0.550	2.650	-	0%
Genesis Housing	0.363	0.363	-	0.363	0.363	-	0%		-	-	-	0.363	-	0%
Installation of Automatic Energy Meters	0.092	0.092	0.095	- 0.003	0.011	0.014	-440%	These are residual costs incurred to finalise the automatic energy meter project.	-	-	-	0.092	-	0%
Facilities Management (DDA)	0.074	0.074	0.022	0.052	-	- 0.052	-100%	The scheme will be reviewed to see whether there is potential to re-direct the unused resources to other capital priorities.	-	-	-	0.074	-	0%
Community Facility	0.811	-	-	0.811	0.588	- 0.223	-27%	It is anticipated that these schemes will finalise in 2015/16.	-	-	-	0.811	-	0%
Multi Faith Burial Grounds	3.120	3.000	-	3.120	3.120	-	0%		-	-	-	3.120	-	0%
Community Buildings Support Fund	2.000	2.000	0.292	1.708	0.207	- 1.501	-88%	Round 1 of this project has now completed and Round 2 will be launched in the summer of 2015.	-	-	-	2.000	-	0%
Empty Property Initiative -CPO	0.315	0.203	0.315	0.000	-	-	0%		-	-	-	0.315	-	0%
Mile End Hospital - Fit out cost primary care facilities	0.100	0.095	0.100	-	-	-	N/A		-	-	-	0.100	-	0%
S106 Schemes	4.324	3.439	0.170	4.101	0.842	- 3.259	-79%	It is anticipated that the £3.1m allocated to Wellington Way health centre will be spent in 2015/16.	0.053	-	0.053	4.324	-	0%
D&R TOTAL	35.794	30.275	12.540	21.171	12.501	- 8.670	-41%		1.353	0.730	2.083	35.794	-	0%
Buildings Schools for the Future														
BSF Design and Build Schemes	311.380	295.060	300.390	10.990	9.734	- 1.257	-11%	The ten year Building Schools for the Future programme is scheduled to complete in 2015/16. £2.018m of the expenditure has been identified as being related to revenue and has therefore been moved out of the capital programme.	-	-	-	311.380	-	0%
ICT infrastructure schemes	20.765	17.681	19.070	1.473	1.938	0.465	32%		0.223	-	0.223	20.765	-	0%
Tower hamlets LEP												-		
BSF Total	332.145	312.741	319.459	12.463	11.672	- 0.791	-6%		0.223	-	0.223	332.145	-	0%
Housing Revenue Account														
Decent Homes Backlog	184.986	87.977	62.836	73.550	60.138	- 13.412	-18%	The five year Decent Homes programme totals £184m, which includes £107.7m of Decent Homes backlog grant funding. The scheme is being managed in accordance with GLA grant conditions with the 2014/15 grant amount being £46m. The GLA's grant contribution has been maximised this year with the Authority's own resource contribution slipping into 2015/16.	48.601	-	48.601	184.986	-	0%

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	A		B	C	D	D-C	D/C		F	G	H = F+G	I	I-A	
£m		£m	£m	£m	£m	£m	%	£m	£m	£m	£m	£m	%	
Housing Capital Programme	76.158	28.712	26.460	19.688	2.043	- 17.644	-90%	This budget is managed by Tower Hamlets Homes and covers work outside of the ongoing Decent Homes programme such as heating, lifts and door entry systems, roofing, windows etc with investment need assessed by stock condition surveys. Due to the Authority focus on the Decent Homes programme there has been significant slippage on this budget in 2014/15. A comprehensive assessment of the future needs of the housing stock is being undertaken by THH and this will inform the revised programme in 2015/16.	15.010	15.000	30.010	76.158	-	0%
Ocean Estate Regeneration	26.036	24.056	17.337	7.838	9.676	1.834	23%	This project needs to be looked at in conjunction with the High St 2012 scheme - elements of the project overlap and the financing needs re-aligning. Currently there are excess resources in the High St 2012 programme with a similar pressure on the Ocean scheme. This exercise will be completed prior to the Cabinet report being finalised.	0.860	-	0.860	26.036	-	0%
Blackwall Reach	14.419	14.420	9.754	4.665	0.861	- 3.805	-82%	The Blackwall Reach represents a £13m capital commitment over a number of financial years. Due to delays in acquiring all the leasehold interests it is forecast that this scheme will slip into 2015/16.	-	-	-	14.419	-	0%
Poplar Baths and Dame Colet House	15.180	-	-	-	-	-	N/A		5.991	9.189	15.180	15.180	-	0%
Fuel Poverty and Insulation Works on HRA Properties	4.307	4.063	0.700	3.607	0.325	- 3.282	-91%	Due to delays in the energy supplier finalising the contract with the council, this scheme will slip into 2015/16.	-	-	-	4.307	-	0%
New Affordable Housing at Bradwell St Garages	3.058	0.245	0.133	2.050	1.835	- 0.215	-10%	These new-build schemes are fully funded and will be managed in line with the GLA's grant conditions.	0.875	-	0.875	3.058	-	0%
New Affordable Housing -Ashington Estate East	11.470		0.036	0.500	0.356	- 0.144	-29%	These new-build schemes are fully funded and will be managed in line with the GLA's grant conditions.	3.530	7.404	10.934	11.470	-	0%
New Affordable Housing -Extensions	3.610		0.008	0.592	0.301	- 0.291	-49%	These new-build schemes are fully funded and will be managed in line with the GLA's grant conditions.	3.010	-	3.010	3.610	-	0%
New Affordable Housing - GLA pipeline Extensions	-		-	-	-	-	N/A							
Short Life Properties	1.700		0.084	1.616	0.669	- 0.947	-59%	This scheme is to refurbish 12 short-life properties and bring them back into use as rented stock. The resources will be carried forward into 2015/16 when the scheme is forecast to complete.	-	-	-	1.700	-	0%
D&R - Indicative Schemes as agreed at Budget Council	2.000		-	1.900	-	- 1.900	-100%		0.100	-	0.100	2.000	-	0%
Watts Grove	26.330		-	-	0.591	0.591	N/A	These new-build schemes are fully funded and will be managed in line with the GLA's grant conditions.	10.550	15.780	26.330	26.330	-	0%
New Supply - Local Growth Fund	-		-	-	0.016	0.016	N/A							
New Supply - 1-4-1 receipt	-		-	-	0.021	0.021	N/A							
New Supply - Housing Covenant	-		-	-	0.020	0.020	N/A							
HRA Total	373.323	170.084	121.417	116.006	76.852	- 39.154	-34%		88.527	47.373	135.900	373.323	-	0%


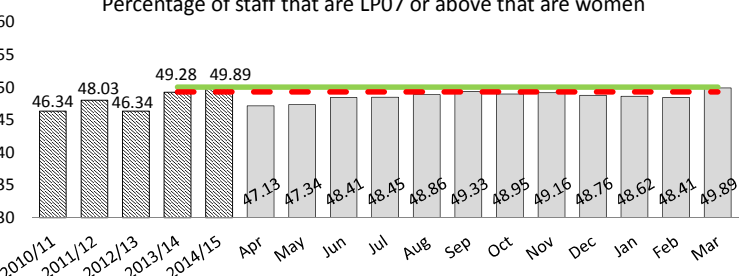
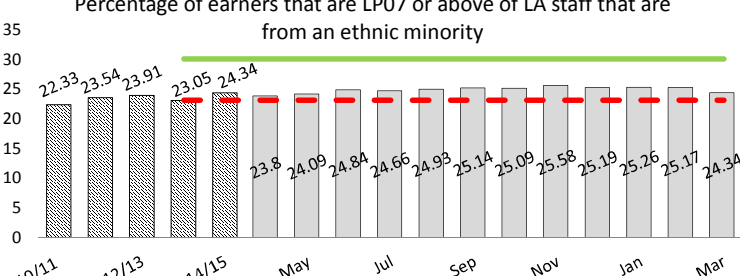
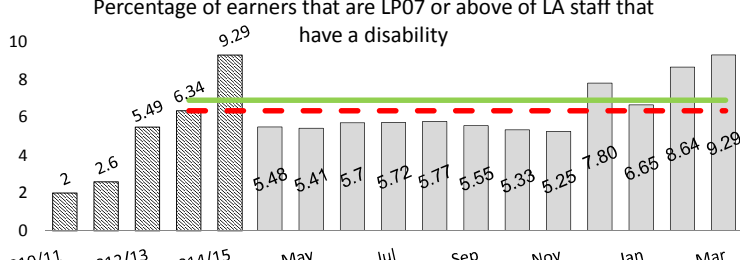
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A		B	C	D	D-C	D/C		F	G	H = F+G	I	I-A	%
£m		£m	£m	£m	£m	%	£m	£m	£m	£m	£m	£m	%
Corporate Total	12.000	0	-	12.000	9.496	- 2.504	-21%	-	-	-	12.000	-	0%
Total	921.665	622.373	558.533	190.861	133.088	- 57.772	-30%	116.838	55.433	172.271	921.665	-	0.0%


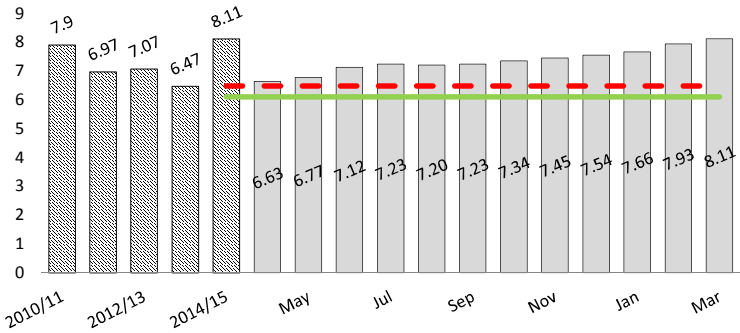
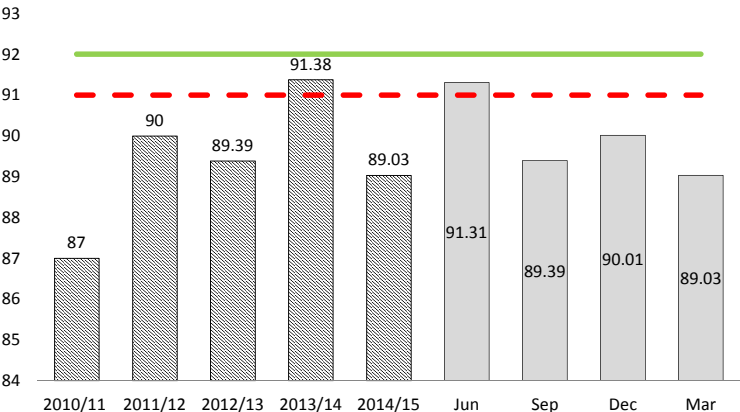
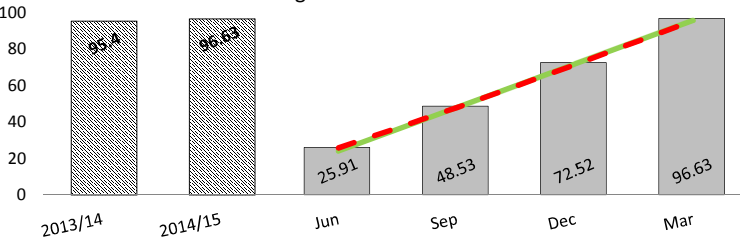
REQUESTS FOR NEW / INCREASED RESERVES

Appendix 5

Description	Contribution	Application	Detail
Education, Social Care and Wellbeing			
Public Health Contingency	- 438		To carry forward unspent Public Health Grant funding, so that it may be applied to Public Health initiatives. Expenditure is incurred in accordance with the expectations of the Public Health Grant.
Childrens Centres (G13)	- 310		Develop Children Centres
Child Protection (G50)	- 75		One off Carry forward to 2015/16
Contract Services Overspend		240	Drawdown to cover overspend on contract services
Care Act Integrated transformation Fund	- 1,013		This fund is created to carry forward and earmark funding which is specifically for the implementation of the Care Act, it is to be used for specific purposes. This will be used during the course of 2015/16 in order to implement project work streams which relate to the phased introduction in 2015/16 and 2016/17 of the Care Act
Schools Maternity Scheme	- 52		Schools ring-fenced scheme
Total	- 1,888	240	
LPG			
Communication C14	-100		Beacon Council Scheme
Legal Services C16	-64		To cover licence costs of new case management and time recording system for Legal Services
Mayor's Priority		90	To Fund Political Advisors to the Mayor
Total	-164	90	
Development and Renewal			
Planning Reserve	- 550		Meet the future downfall /reduction in fee income, use as to mitigate the risk of loss of income due to reduction in planning activities - and protect general fund post
Bulding Control Reserves	- 347		Trading Surplus for 2014/15
Corporate Property	- 250		Finance expenditure relating to FM, corporate landlord model and depot costs
Homelessness	- 94		Insufficient time to get the project running such that costs have been incurred.
Economic Development	- 53		In Burdett Road and Roman Road have been delayed, and consequently there is an underspend of £53,580. Procurement is now underway and work is expected to resume before the end of April 2015, with full expenditure of the revenue balance expected by the end of September 2015.
Land Charges	- 150		Surplus on land charges fee income - surplus transferred to the ring fenced earmarked reserves
HPDG		81	Finance expenditure relating capital schemes (Mayor's priority scheme) - £488k and £95k relating to SPLASH revenue spend - as per RCDA and £67k relating planning development service
Third Sector		100	Finance expenditure relating to grant payments made to third sector groups and charities - re: community chest and MSG grants
Faith Buildings - Corporate		69	Faith Buildings admin costs - as per cabinet decisions and community events - Corporate Reserve?
Housing Options		810	Welfare Reform - Support and manage adverse impact on the General Funded posts - in the event of reduction in planning income (449K). Homelessness -To deal with anticipated budget deficit (361K).
Public Health		55	Support and manage adverse impact on the General Funded posts - in the event of reduction in planning income - Women's in Health Corporate Reserve?
Economic Development		389	Relating to skills match - work programme activities
Ocean NDC (Harford St Community Centre)	- 93		For the on going management of Harford St Community Facility until Ocean Regeneration take over management responsibilities
Total	- 1,537	1,504	
Communities, Localities & Culture			
Mayor's Accelerated Delivery - Enforcement & Markets	- 70	35	To recruit additional enforcement staff for a period of 2 years
Community Safety	- 247		Police Task Force partnership 3 Agreed Feb 2013. Additional 20 Police Officers to tackle crime and antisocial behaviour.
Markets	- 6		
Local Forums	- 30		
Environmental Comm	- 43		Tobacco Control Enforcement. Targeted enforcement, support and advice
Youth Connexions	- 416		Youth Equalities, Compliance, Haileybury Youth Centre
ICT Localisation Hubs			ICT work programme solution through Agilisys that supports the localisation hubs front and back office
Contribution to General Fund *	- 8,406		Parking Contribution to Council Service
Total	- 9,218	35	
Resources			
Transformation Project	- 565		To fund the cost of specific projects designed to identify savings for 2016/17 and beyond.
ICT Inflation	- 420		To fund actual cost of inflation on the ICT contract following the true-up exercise in 2015/16.
Crises Support	- 398		Carry forward of unutilised grant to be used to fund the crisis support service in 2015/16.
Finance Improvement	- 670		To fund the next phase of finance transformation programme.
Efficiency Reserve		662	Funded costs in relation to the Councils Transformation Programme. Includes the cost of the corporate transformation team and other project support resources.
PC Refresh		676	Funded expenditure in relation to XP replacement and other ICT related works
Customer Access	- 110		To fund improvements in the Customer Access Service including the cost of customer satisfaction survey, mystery shopping and other service improvement projects designed to deliver a better service to residents.
Total	- 2,163	1,338	
Grand Total	- 14,970	3,207	

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Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
One Tower Hamlets							
Percentage of LP07 or above Local Authority staff that are women (%) Measured in: % Good Performance: Higher	<p>Percentage of staff that are LP07 or above that are women</p> 	49.28	50.00	49.28	49.89	AMBER	↔
The percentage for the year is 49.89% against a stretch target of 50%. This represents 128.26 FTE (full time equivalent staff) that are women out of a total of 257.06 FTE at LP07 and above. This is an increase since last quarter (48.41%) and an improvement compared to last year (49.28%).							
Percentage of LP07 or above Local Authority staff that are from an ethnic minority (%) Measured in: % Good Performance: Higher	<p>Percentage of earners that are LP07 or above of LA staff that are from an ethnic minority</p> 	23.05	30.00	23.05	24.34	AMBER	↑
The percentage for the year is 24.34% against a stretch target of 30%. This represents 62.56 FTE that are BME out of a total of 257.06 FTE at LP07 and above. Whilst this is a decrease since the last quarter (25.19%), performance has improved compared to last year. (23.05%).							
Percentage of LP07 or above Local Authority staff who have a disability (excluding those in maintained schools) (%) Measured in: % Good Performance: Higher	<p>Percentage of earners that are LP07 or above of LA staff that have a disability</p> 	6.34	6.90	6.34	9.29	GREEN	↑
The percentage for the year is 9.29% against a stretch target of 6.9%. This represents 21.6 FTE disabled staff out of a total of 232.26 FTE staff at LP07 and above who declared their disability status. The target has been exceeded as a direct result of a drive to improve declaration rates amongst managers. Managers were emailed to revisit their personal profile in HR ResourceLink and encouraged to make a declaration either as having or not having a disability.							


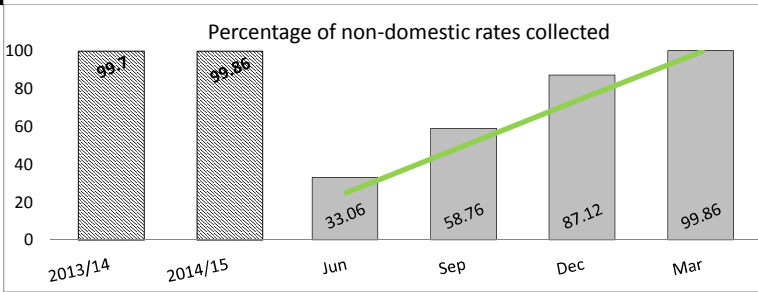
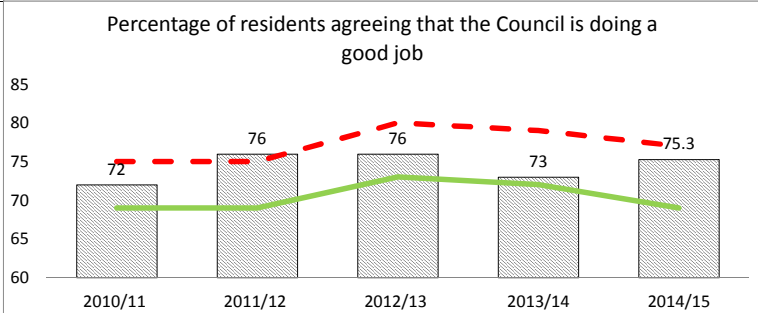
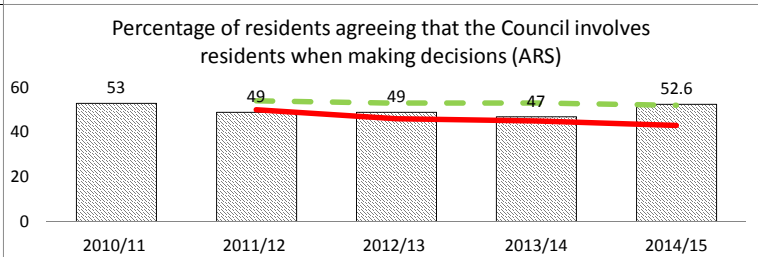
Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)																																				
<p>Number of working days/shifts lost to sickness absence per employee</p> <p>Measured in: Number (the aggregate of working days lost due to sickness absence divided by the average number of FTE staff) Good Performance: Lower</p>	<p>Number of working days/shifts lost to sickness absence per employee</p>  <table border="1"> <caption>Number of working days/shifts lost to sickness absence per employee</caption> <thead> <tr><th>Year/Period</th><th>Value</th></tr> </thead> <tbody> <tr><td>2010/11</td><td>7.9</td></tr> <tr><td>2012/13</td><td>6.97</td></tr> <tr><td>2014/15</td><td>7.07</td></tr> <tr><td>2014/15</td><td>6.47</td></tr> <tr><td>2014/15</td><td>8.11</td></tr> <tr><td>May</td><td>6.63</td></tr> <tr><td>Jun</td><td>6.77</td></tr> <tr><td>Jul</td><td>7.12</td></tr> <tr><td>Aug</td><td>7.23</td></tr> <tr><td>Sep</td><td>7.20</td></tr> <tr><td>Oct</td><td>7.23</td></tr> <tr><td>Nov</td><td>7.34</td></tr> <tr><td>Dec</td><td>7.45</td></tr> <tr><td>Jan</td><td>7.54</td></tr> <tr><td>Feb</td><td>7.66</td></tr> <tr><td>Mar</td><td>7.93</td></tr> <tr><td>Mar</td><td>8.11</td></tr> </tbody> </table>	Year/Period	Value	2010/11	7.9	2012/13	6.97	2014/15	7.07	2014/15	6.47	2014/15	8.11	May	6.63	Jun	6.77	Jul	7.12	Aug	7.23	Sep	7.20	Oct	7.23	Nov	7.34	Dec	7.45	Jan	7.54	Feb	7.66	Mar	7.93	Mar	8.11	6.47	6.10	6.47	8.11	RED	↓
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<p>Customer Access Overall Satisfaction (telephone contact)</p> <p>Measured in: % Good Performance: Higher</p>	<p>Customer Access Overall Satisfaction</p>  <table border="1"> <caption>Customer Access Overall Satisfaction</caption> <thead> <tr><th>Year/Period</th><th>Value</th></tr> </thead> <tbody> <tr><td>2010/11</td><td>87</td></tr> <tr><td>2011/12</td><td>90</td></tr> <tr><td>2012/13</td><td>89.39</td></tr> <tr><td>2013/14</td><td>91.38</td></tr> <tr><td>2014/15</td><td>89.03</td></tr> <tr><td>Jun</td><td>91.31</td></tr> <tr><td>Sep</td><td>89.39</td></tr> <tr><td>Dec</td><td>90.01</td></tr> <tr><td>Mar</td><td>89.03</td></tr> </tbody> </table>	Year/Period	Value	2010/11	87	2011/12	90	2012/13	89.39	2013/14	91.38	2014/15	89.03	Jun	91.31	Sep	89.39	Dec	90.01	Mar	89.03	91.38	92.00	91.00	89.03	RED	↔																
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<p>Percentage of Council Tax Collected</p> <p>Measured in: % Good Performance: Higher</p>	<p>Percentage of council tax collected</p>  <table border="1"> <caption>Percentage of council tax collected</caption> <thead> <tr><th>Year/Period</th><th>Value</th></tr> </thead> <tbody> <tr><td>2013/14</td><td>95.4</td></tr> <tr><td>2014/15</td><td>96.63</td></tr> <tr><td>Jun</td><td>25.91</td></tr> <tr><td>Sep</td><td>48.53</td></tr> <tr><td>Dec</td><td>72.52</td></tr> <tr><td>Mar</td><td>96.63</td></tr> </tbody> </table>	Year/Period	Value	2013/14	95.4	2014/15	96.63	Jun	25.91	Sep	48.53	Dec	72.52	Mar	96.63	95.40	95.60	95.50	96.63	GREEN	↔																						
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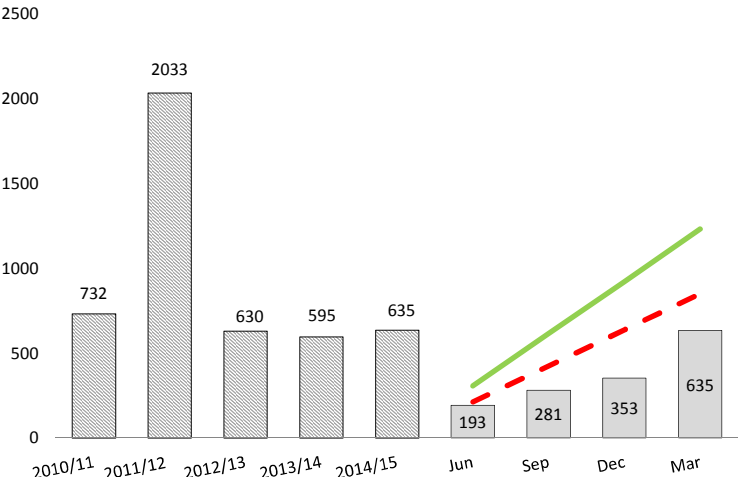
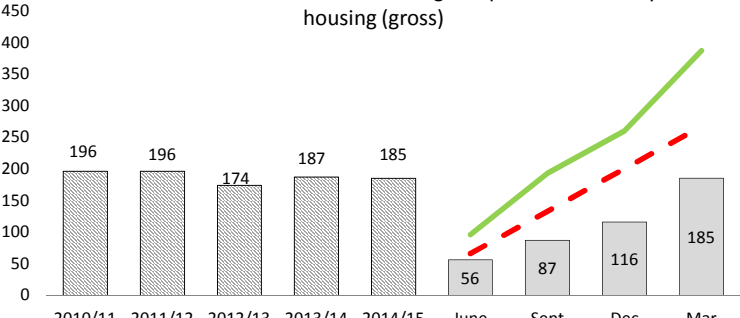
Sickness absence levels across the Council have been rising over the past year and the standard corporate target of 6.47 days per employee has not been achieved. In March 2014 the average days lost per employee was 6.63 (made up of a total of 3.03 days for short term absence and 3.60 days for long term absence) whereas the figure for March 2015 was 8.11 (3.67 short term and 4.44 long term); there has been an increase of 22% in the year and this is a consequence of an increase in short term absence (21%) and long term absence (23%). Regular reports are presented to SMT, DMT and DPP meetings and in addition, HR Business Partners regularly meet and support managers of services with high levels of sickness absence. People Board Operations Sub Group have agreed a Sickness management action plan, which includes the following: Improving the return rate for monthly sickness returns, improving the management of sickness cases, supporting managers in managing sickness, focusing on the reasons for sickness absence in areas if high sickness and having a consistent method to calculate sickness figures across the organisation.


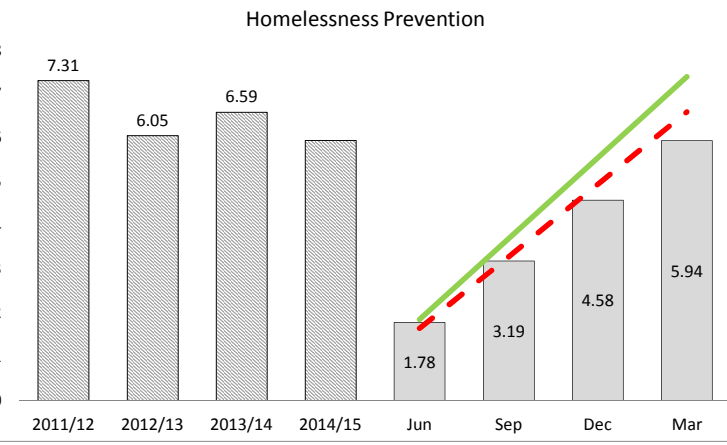
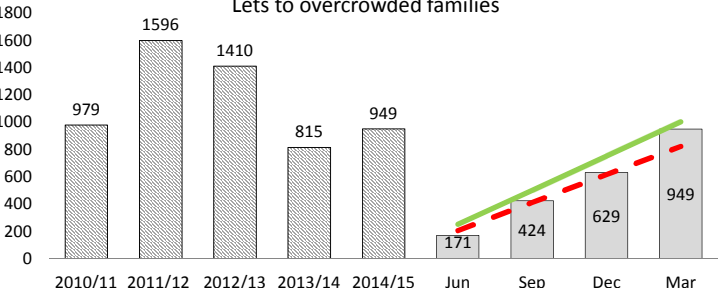
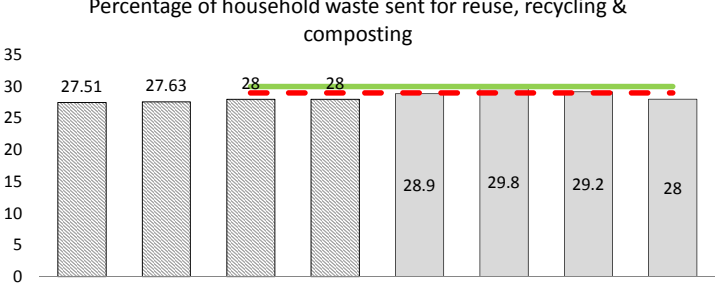
Customer satisfaction for 2014/15 dipped to 89.03%. The principal cause is likely to be the increase in wait times in February and March caused by high sickness absence in the team and a range of ICT problems. Satisfaction across individual services ranged from a low of 88% (repairs, streetline) to 92% (crisis grants) showing the impact of service performance on satisfaction. Satisfaction with adviser performance remains in the mid to high nineties. To get back on track, we are implementing a number of actions:


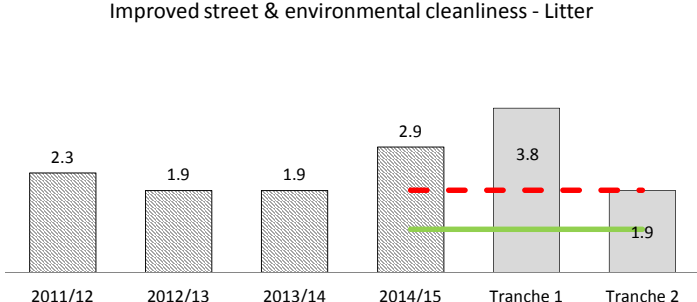
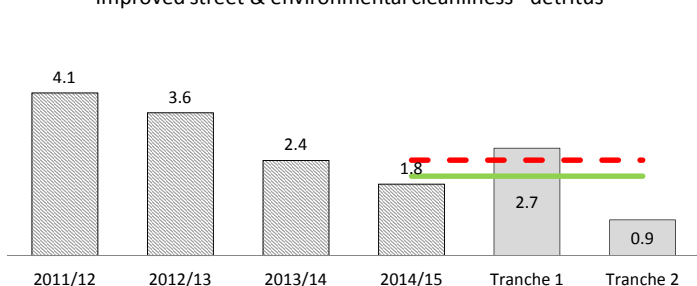
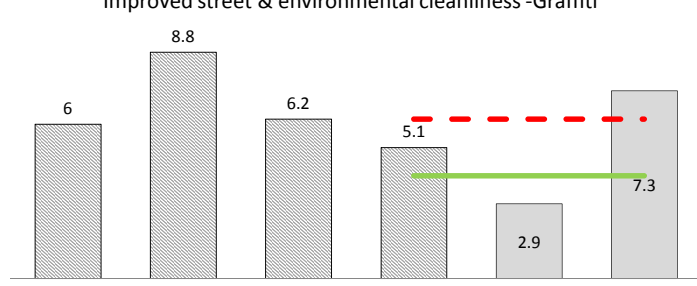
- Changes to parking appeals self-service script to encourage more self-service and fewer calls to advisers – implemented 26/5/15
- Proposed changes to switchboard self-service script to encourage more self-service and fewer calls to advisers – awaiting implementation by Agilisys
- Changes to staff shifts to maximise resources at peak times – implemented early May
- Monthly sickness review workshop with managers to monitor all absences and reduce sickness levels – implemented early 2015
- Continued work with THH to help them identify causes for 'failure demand'/chase up calls which remain about 30% of repairs workload


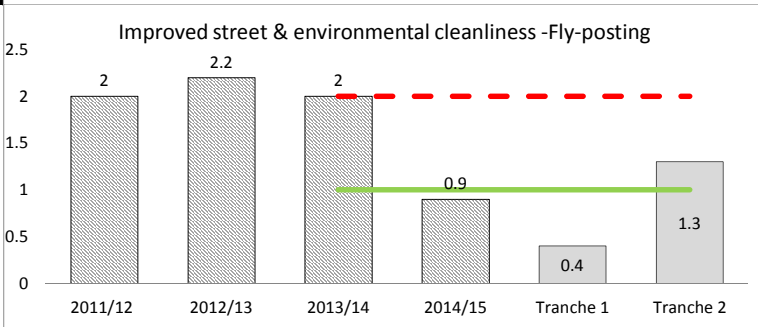

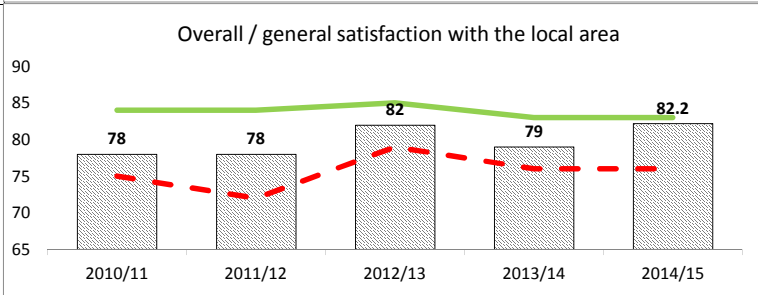
The team has overseen excellent collection figures for council tax - a 1.23ppts increase on last year's performance. The significant growth in the tax base through SPD reviews and identifying new developments around the borough has resulted in an overall excess over budgeted income of £3.6m. The figures represent the highest collection rates ever achieved in the borough.

Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
<p>Percentage of Non-Domestic Rates Collected</p> <p>Measured in: % Good Performance: Higher</p>	<p>Percentage of non-domestic rates collected</p> 	99.7	99.50	Not Set	99.86	GREEN	↔
<p>Percentage of residents agreeing that the Council is doing a good job (Annual Residents Survey (ARS) Measure)</p> <p>Measured in: % Good Performance: Higher</p>	<p>Percentage of residents agreeing that the Council is doing a good job</p> 	73.0	77.0	69.0	75.3	AMBER	↔
<p>Percentage of residents agreeing that the Council involves residents when making decisions (ARS Measure)</p> <p>Measured in: % Good Performance: Higher</p>	<p>Percentage of residents agreeing that the Council involves residents when making decisions (ARS)</p> 	47.0	52.0	43.0	52.6	GREEN	↑


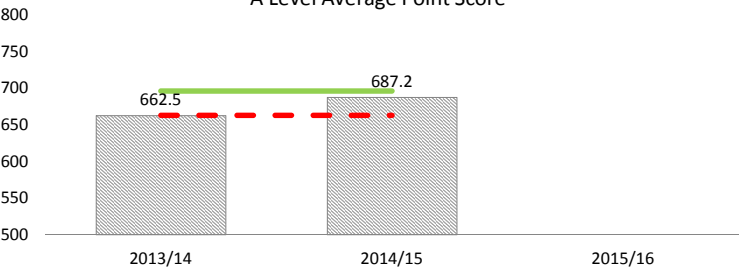
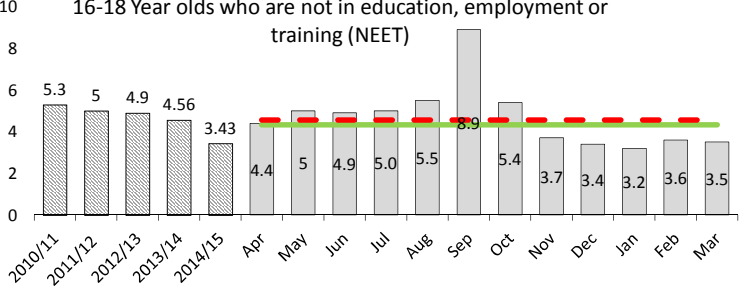
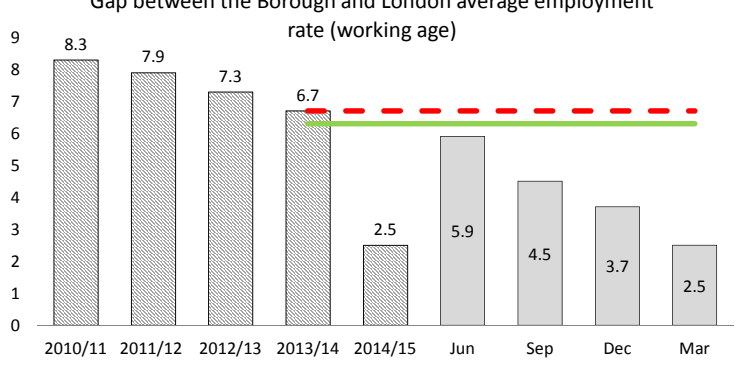
Description	 Stretch Target  Standard Target	Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)																												
Great Place to Live																																			
<p>Number of affordable homes delivered (gross)</p> <p>Measured in: Number (the sum of social rent housing and intermediate housing - low cost home ownership and intermediate rent) Good Performance: Higher</p>	<p>Number of affordable homes delivered (gross)</p>  <table border="1"> <caption>Number of affordable homes delivered (gross)</caption> <thead> <tr> <th>Year</th> <th>Actual</th> <th>Stretched Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td>732</td> <td>-</td> <td>-</td> </tr> <tr> <td>2011/12</td> <td>2033</td> <td>-</td> <td>-</td> </tr> <tr> <td>2012/13</td> <td>630</td> <td>-</td> <td>-</td> </tr> <tr> <td>2013/14</td> <td>595</td> <td>-</td> <td>-</td> </tr> <tr> <td>2014/15</td> <td>635</td> <td>-</td> <td>-</td> </tr> <tr> <td>2015/16 (Actual)</td> <td>635</td> <td>1231</td> <td>850</td> </tr> </tbody> </table>	Year	Actual	Stretched Target	Standard Target	2010/11	732	-	-	2011/12	2033	-	-	2012/13	630	-	-	2013/14	595	-	-	2014/15	635	-	-	2015/16 (Actual)	635	1231	850	595	1231	850	635	RED	↑
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<p>Number of affordable social rented housing completions for family housing (gross)</p> <p>Measured in: Number (a count of the number of affordable housing - local authority, housing associations, and co-operative tenants. Family housing is 3 bedrooms or more) Good Performance: Higher</p>	<p>No of affordable social rented housing completions for family housing (gross)</p>  <table border="1"> <caption>No of affordable social rented housing completions for family housing (gross)</caption> <thead> <tr> <th>Year</th> <th>Actual</th> <th>Stretched Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td>196</td> <td>-</td> <td>-</td> </tr> <tr> <td>2011/12</td> <td>196</td> <td>-</td> <td>-</td> </tr> <tr> <td>2012/13</td> <td>174</td> <td>-</td> <td>-</td> </tr> <tr> <td>2013/14</td> <td>187</td> <td>-</td> <td>-</td> </tr> <tr> <td>2014/15</td> <td>185</td> <td>-</td> <td>-</td> </tr> <tr> <td>2015/16 (Actual)</td> <td>185</td> <td>387</td> <td>267</td> </tr> </tbody> </table>	Year	Actual	Stretched Target	Standard Target	2010/11	196	-	-	2011/12	196	-	-	2012/13	174	-	-	2013/14	187	-	-	2014/15	185	-	-	2015/16 (Actual)	185	387	267	187	387	267	185	RED	↔
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<p>Tower Hamlets has a strong track record of housing delivery and continues to provide among the highest numbers of affordable homes in the country. 635 affordable homes have been delivered in 2014-15 (610 of which was new build delivery), 47% below the forecast for the year (1197) and 25% below the lower bandwidth target (850). 554 affordable units which were due to complete by March 2015 have now slipped from their programmed dates and will complete in the first months of 2015-16. A substantial number of these schemes were in receipt of GLA grant, which was dependent on completion by the end of March 2015. So far as we know, all of the schemes have been granted waivers by the GLA, as delays were almost all due to problems with external agencies such as supply of connections for utilities. The GLA will count these units as completing in 2014-15, but the Council's measure has always been that completion is the date when all work is complete and the units are handed over ready for tenant occupation.</p> <p>The 2011-15 GLA grant programme was a major cause of the end of year slippage problem, as so many RP schemes all had to be tendered, contracts let and started on site at the same time, in order to meet the grant deadline. This inevitably leads to contractor and utility company problems in trying to resource so many scheme completions in the same month. The Council is aiming to deliver a total of 5,500 affordable homes over a 4 year period ending May 2018. The number of new build units already delivered or on site is now 2726. Another 2096 units will be secured over the next two years, bringing current anticipated delivery to 4822. As well as the likelihood of new schemes coming forward through the planning process, there are a number of council initiatives underway which may also bring additional new build units forward.</p>	<p>The number of family units for rent was 185 units, 30% below the lower bandwidth target for the year and also below our policy target of 45% of all rented properties. Whilst affected by scheme slippages as outlined above, this year's completions include several schemes which are completing in phases and each phase does not include a family mix which is representative of the total scheme.</p>																																		


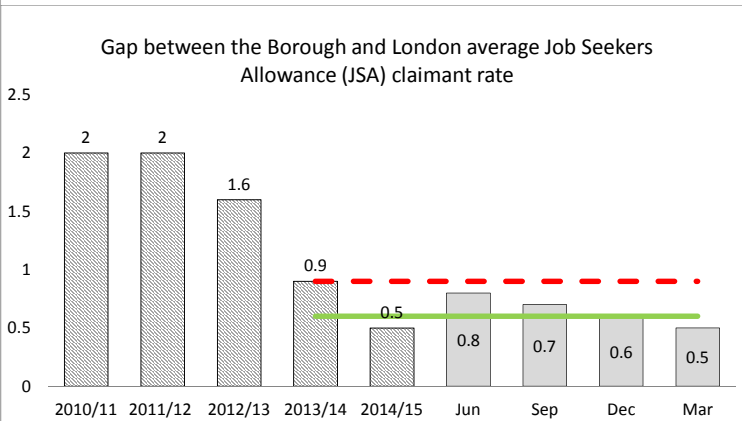
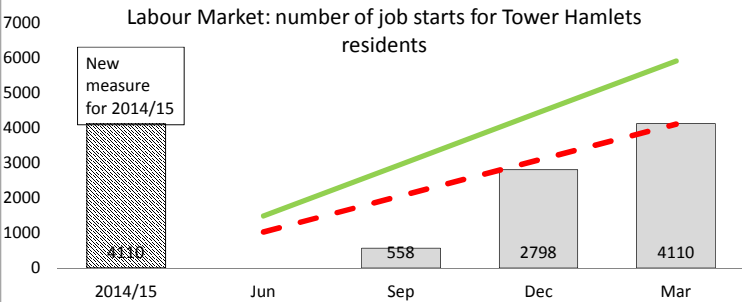
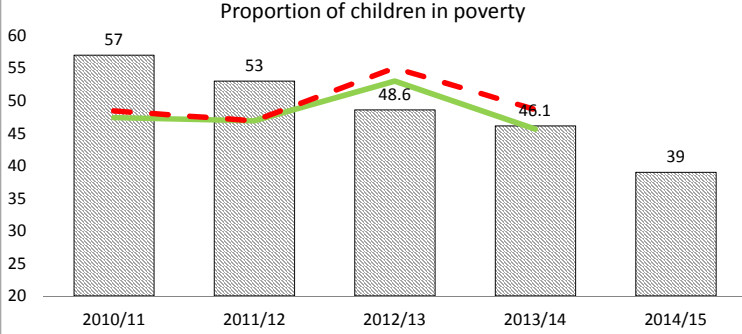
Description	 Stretch Target Standard Target	Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
The number of households who considered themselves as homeless , who approached the local authority's housing advice service(s), and for whom housing advice casework intervention resolved their situation. Measured in: The number of cases assisted through successful casework intervention divided by the number of thousand households in the local authority area. Good Performance: Higher	 <p style="text-align: center;">Homelessness Prevention</p>	6.59	7.40	6.59	5.94	RED	↓
The number of overcrowded families rehoused, lets to overcrowded households Measured in: Number (count of lets to overcrowded housing applicants and tenants of CHR partner landlords lacking one or more bedrooms) Good Performance: Higher	 <p style="text-align: center;">Lets to overcrowded families</p>	815	1000	820	949	AMBER	↑
Percentage of household waste sent for reuse, recycling and composting Measured in % Good performance: Higher	 <p style="text-align: center;">Percentage of household waste sent for reuse, recycling & composting</p>	28.00	30.00	29.00	28.00	RED	↔
<u>Provisional Data</u> This result is slightly below the stretch target of 30%. We will continue to strive to lift our performance by working with Veolia to direct resources into targeting areas that require improvement. Provisional outturn will be verified by mid-July.							

Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
<p>Level of street and environmental cleanliness - litter (%)</p> <p>Measured in % Good performance: Lower</p>	<p>Improved street & environmental cleanliness - Litter</p> 	1.9	1.0	1.9	2.9	RED	↓
<p>Tranche 2 outturn of 1.9 is an improvement on Tranche 1 outturn. The final outturn is an average of tranche 1 and 2.</p> <p>The standard target has not been met. However the litter score improved from tranche 1 and 2, as it reduced by 1.9 percentage points. The borough's population is estimated to have grown by 3.76% which will have resulted in more waste and litter being produced. Furthermore increased transient population in the form of employment and visitors is likely to have contributed to this upward trend.</p>							
<p>Level of street and environmental cleanliness - detritus (%)</p> <p>Measured in % Good performance: Lower</p>	<p>Improved street & environmental cleanliness - detritus</p> 	2.4	2.0	2.4	1.8	GREEN	↑
<p>Tranche 2 outturn of 0.9 is an improvement on Tranche 1. The final outturn is an average of tranche 1 and 2.</p> <p>The stretch target has been exceeded.</p>							
<p>Improved street and environmental cleanliness - graffiti (%)</p> <p>Measured in % Good performance: Lower</p>	<p>Improved street & environmental cleanliness -Graffiti</p> 	6.2	4.0	6.2	5.1	AMBER	↑
<p>We have met the standard target but missed the stretch target. The final outturn is an average of tranche 1 and 2.</p>							


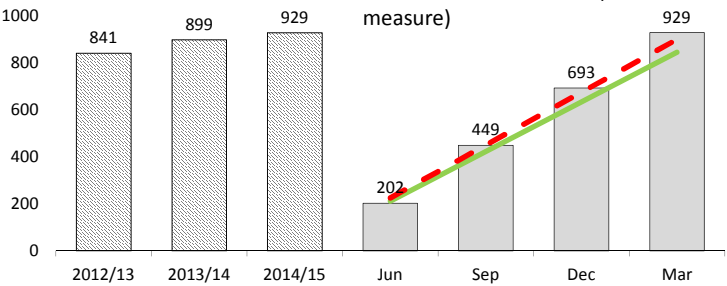
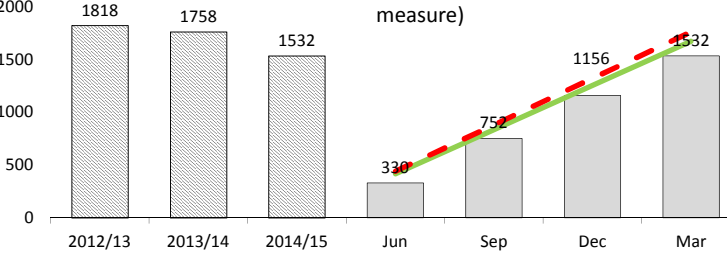
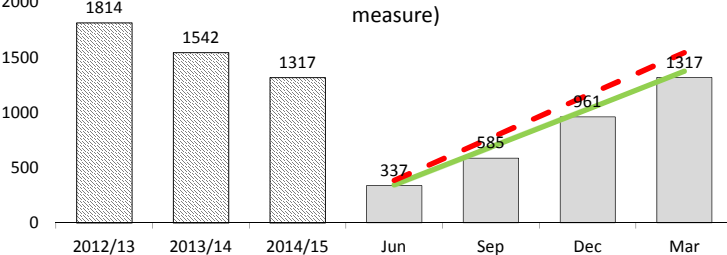
Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)														
<p>Improved street and environmental cleanliness - fly-posting (%)</p> <p>Measured in % Good performance: Lower</p>	 <table border="1"> <caption>Improved street & environmental cleanliness - Fly-posting</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>2.0</td> </tr> <tr> <td>2012/13</td> <td>2.2</td> </tr> <tr> <td>2013/14</td> <td>2.0</td> </tr> <tr> <td>2014/15</td> <td>0.9</td> </tr> <tr> <td>Tranche 1</td> <td>0.4</td> </tr> <tr> <td>Tranche 2</td> <td>1.3</td> </tr> </tbody> </table>	Year	Value	2011/12	2.0	2012/13	2.2	2013/14	2.0	2014/15	0.9	Tranche 1	0.4	Tranche 2	1.3	2.0	1.0	2.0	0.9	GREEN	↑
Year	Value																				
2011/12	2.0																				
2012/13	2.2																				
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2014/15	0.9																				
Tranche 1	0.4																				
Tranche 2	1.3																				
<p>The stretch target has been exceeded. The final outturn is an average of tranche 1 and 2.</p>																					
<p>Percentage of residents who rate parks and open spaces as good, very good or excellent (ARS)</p> <p>Measured in % Good performance: Higher</p>	 <table border="1"> <caption>Percentage of residents who rate parks and open spaces as good, very good or excellent</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td>60</td> </tr> <tr> <td>2011/12</td> <td>60</td> </tr> <tr> <td>2012/13</td> <td>60</td> </tr> <tr> <td>2013/14</td> <td>61</td> </tr> <tr> <td>2014/15</td> <td>63.6</td> </tr> </tbody> </table>	Year	Value	2010/11	60	2011/12	60	2012/13	60	2013/14	61	2014/15	63.6	61.0	65.0	57.0	63.6	AMBER	↔		
Year	Value																				
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2013/14	61																				
2014/15	63.6																				
<p>The confidence interval change for this measure is ±3.8. The difference between the 2014/15 annual outturn of 63.6% and the previous year's result (61%) is not statistically significant.</p> <p>Satisfaction has continued to remain positive and consistent over the last 5 years, despite the increased pressure on our open spaces from a growing resident population and day-time footfall. User satisfaction is in line with the London average at 66%. An Annual Residents Survey action plan has been developed to support improvement.</p>																					
<p>Overall / general satisfaction with the neighbourhood (ARS)</p> <p>Measured in % Good performance: Higher</p>	 <table border="1"> <caption>Overall / general satisfaction with the local area</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td>78</td> </tr> <tr> <td>2011/12</td> <td>78</td> </tr> <tr> <td>2012/13</td> <td>82</td> </tr> <tr> <td>2013/14</td> <td>79</td> </tr> <tr> <td>2014/15</td> <td>82.2</td> </tr> </tbody> </table>	Year	Value	2010/11	78	2011/12	78	2012/13	82	2013/14	79	2014/15	82.2	79.0	83.0	76.0	82.2	AMBER	↔		
Year	Value																				
2010/11	78																				
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2012/13	82																				
2013/14	79																				
2014/15	82.2																				
<p>The confidence interval change for this measure is ±3. The difference between the 2014/15 annual outturn (82.2) and the previous year's result (79) is not statistically significant. An Annual Residents Survey action plan has been developed to support improvement.</p>																					

Description	Stretch Target Standard Target		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
	Prosperous Community							
Early Years Foundation Profile - achievement of a good level of development Measured in % Good performance: Higher	Early Years Foundation Profile: % of children achieving a Good Level of Development		45.9	47.5	45.9	55.0	GREEN	↑
			Previously reported in Quarter 2. This is the annual performance outturn - the stretched target has been exceeded.					
Key Stage 2 pupil attainment in Reading, Writing and Maths (KS2 RWM) (%) Measured in: % Good Performance: Higher	Key Stage 2 pupil attainment in Reading, Writing and Maths (%)		78	79.0	78.0	82.0	GREEN	↑
			Previously reported in Quarter 3. Annual Outturn: Based on final DFE 2014 Performance Table data, 82% of KS2 pupils have achieved L4 or above in Reading, Writing and Maths, an increase of 4% points since last year, and above the upper target of 79%, and the national average of 79%.					
Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths. Measured in % Good performance: Higher	Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths		64.7	65.70	64.70	59.70	RED	↓
			Previously reported in Quarter 3. Final performance published in DFE Performance Table was 59.7%. Changes to the methodology for KS4 have led to widespread drops in performance. There have been a number of significant changes to the exams this year: Pupils were not allowed to sit some exams early; for English there has been less focus on coursework, and the speaking & listening component is no longer counted; "First entry counts" – resits, even at higher grades, are no longer counted. Nationally, performance against the same measure fell from 59.2% to 53.4%, a drop of 5.8% points. This means that Tower Hamlets remains well above the national average, and that our drop in performance is slightly less than national change (5.0% points, from 64.7%). In London, the year-on-year change in performance varies from -8.9% points to +1.6% points, with an average decrease of 3.6% points down to 61.5% - meaning Tower Hamlets is still slightly below the London average. However we are just above the Inner London average of 59.5%.					

Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)																								
<p>A Level Average Points Score per student in Tower Hamlets.</p> <p>Measured in % Good performance: Higher</p>	<p>A Level Average Point Score</p>  <table border="1"> <caption>A Level Average Point Score Data</caption> <thead> <tr> <th>Year</th> <th>Actual</th> <th>Stretch Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2013/14</td> <td>662.5</td> <td>695.60</td> <td>662.50</td> </tr> <tr> <td>2014/15</td> <td>687.2</td> <td>695.60</td> <td>662.50</td> </tr> </tbody> </table>	Year	Actual	Stretch Target	Standard Target	2013/14	662.5	695.60	662.50	2014/15	687.2	695.60	662.50	662.5	695.60	662.50	687.20	AMBER	↔												
Year	Actual	Stretch Target	Standard Target																												
2013/14	662.5	695.60	662.50																												
2014/15	687.2	695.60	662.50																												
<p>16 to 19 year olds who are not in education, employment or training (NEET) (%)</p> <p>Measured in: % Good Performance: Lower</p>	<p>16-18 Year olds who are not in education, employment or training (NEET)</p>  <table border="1"> <caption>NEET (%) Data</caption> <thead> <tr> <th>Year</th> <th>Actual</th> <th>Stretch Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td>5.3</td> <td>4.56</td> <td>4.56</td> </tr> <tr> <td>2011/12</td> <td>5</td> <td>4.56</td> <td>4.56</td> </tr> <tr> <td>2012/13</td> <td>4.9</td> <td>4.56</td> <td>4.56</td> </tr> <tr> <td>2013/14</td> <td>4.56</td> <td>4.56</td> <td>4.56</td> </tr> <tr> <td>2014/15</td> <td>3.43</td> <td>4.56</td> <td>4.56</td> </tr> </tbody> </table>	Year	Actual	Stretch Target	Standard Target	2010/11	5.3	4.56	4.56	2011/12	5	4.56	4.56	2012/13	4.9	4.56	4.56	2013/14	4.56	4.56	4.56	2014/15	3.43	4.56	4.56	4.56	4.33	4.56	3.43	GREEN	↑
Year	Actual	Stretch Target	Standard Target																												
2010/11	5.3	4.56	4.56																												
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<p>Overall employment rate - gap between the Borough and London average rate (working age) (ppts)</p> <p>Measured in: percentage points Good Performance: Gap - Lower</p>	<p>Gap between the Borough and London average employment rate (working age)</p>  <table border="1"> <caption>Employment Rate Gap (ppts) Data</caption> <thead> <tr> <th>Year</th> <th>Actual</th> <th>Stretch Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2010/11</td> <td>8.3</td> <td>6.7</td> <td>6.7</td> </tr> <tr> <td>2011/12</td> <td>7.9</td> <td>6.7</td> <td>6.7</td> </tr> <tr> <td>2012/13</td> <td>7.3</td> <td>6.7</td> <td>6.7</td> </tr> <tr> <td>2013/14</td> <td>6.7</td> <td>6.7</td> <td>6.7</td> </tr> <tr> <td>2014/15</td> <td>2.5</td> <td>6.7</td> <td>6.7</td> </tr> </tbody> </table>	Year	Actual	Stretch Target	Standard Target	2010/11	8.3	6.7	6.7	2011/12	7.9	6.7	6.7	2012/13	7.3	6.7	6.7	2013/14	6.7	6.7	6.7	2014/15	2.5	6.7	6.7	6.7	6.30	6.70	2.50	GREEN	↑
Year	Actual	Stretch Target	Standard Target																												
2010/11	8.3	6.7	6.7																												
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Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
		JSA Claimant Rate (gap between the Borough and London average rate (working age) (ppts) Measured in: percentage points Good Performance: Gap - Lower		0.9	0.60	0.90	0.50
Labour Market: number of job starts for Tower Hamlets Residents Measured in: % Good Performance: Higher		n/a	5900	4100	4110	AMBER	n/a
Proportion of children in poverty Measured in: % Good Performance: Lower		46.1	Not Set	Not Set	39.0	n/a	↑
		Previously reported in Quarter 2. The latest HMRC data show that 23,195 children in Tower Hamlets live in poverty – this represents 39 per cent of all children in the borough and is the highest child poverty rate nationally. The data is a snapshot in time and relates to August 2012. The trend data shows that the borough's child poverty rate has been showing significant improvement in recent years – falling from 64 to 39 per cent between 2006 and 2012. However, the local indicator is a proxy measure of relative poverty, and because of that, the trend needs to be interpreted with some care. In particular, coverage of in-work poverty is limited, because the in-work component of the measure is heavily influenced by the volatility of incomes nationally. So, for some families moving out of poverty according to the HMRC measure, may not necessarily mean that their material circumstances have improved. Targets for this measure were not set this year due to the variability expected in the methodology this year and in future.					

Description	Legend		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)																																
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<p>Number of Robbery incidents (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set. Including personal and business properties) Good Performance: Lower</p>	<p>Total number of Robbery Offences (MOPAC7 measure)</p> <table border="1"> <caption>Total number of Robbery Offences (MOPAC7 measure)</caption> <thead> <tr> <th>Year/Period</th> <th>Actual</th> <th>Stretch Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2012/13</td> <td>1438</td> <td>-</td> <td>-</td> </tr> <tr> <td>2013/14</td> <td>1250</td> <td>-</td> <td>-</td> </tr> <tr> <td>2014/15</td> <td>1162</td> <td>-</td> <td>-</td> </tr> <tr> <td>Jun</td> <td>251</td> <td>~300</td> <td>~350</td> </tr> <tr> <td>Sep</td> <td>532</td> <td>~500</td> <td>~600</td> </tr> <tr> <td>Dec</td> <td>878</td> <td>~800</td> <td>~950</td> </tr> <tr> <td>Mar</td> <td>1162</td> <td>~1100</td> <td>~1250</td> </tr> </tbody> </table>		Year/Period	Actual	Stretch Target	Standard Target	2012/13	1438	-	-	2013/14	1250	-	-	2014/15	1162	-	-	Jun	251	~300	~350	Sep	532	~500	~600	Dec	878	~800	~950	Mar	1162	~1100	~1250	1,250	1,150	1,250	1,162	AMBER	↑
Year/Period	Actual	Stretch Target	Standard Target																																					
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<p>MOPAC stands for Mayor's Office for Policing and Crime. Stretch target is an 8% reduction on last year's annual outturn set by the Community Safety Partnership.</p> <p>Data taken from the met.police.uk website indicates that for the 2014/15 financial year there were 1,162 robbery offences compared to 1,250 in the same period last year.</p> <p>Explanatory commentary is being sought from the Police.</p>																																								
<p>Number of Violence with Injury incidents (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set. Murder, wounding/GBH, assault with injury) Good Performance: Lower</p>	<p>Total Violence with Injury</p> <table border="1"> <caption>Total Violence with Injury</caption> <thead> <tr> <th>Year/Period</th> <th>Actual</th> <th>Stretch Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2013/14</td> <td>2341</td> <td>-</td> <td>-</td> </tr> <tr> <td>2014/15</td> <td>2731</td> <td>-</td> <td>-</td> </tr> <tr> <td>Jun</td> <td>608</td> <td>~700</td> <td>~800</td> </tr> <tr> <td>Sep</td> <td>1328</td> <td>~1200</td> <td>~1400</td> </tr> <tr> <td>Dec</td> <td>2094</td> <td>~1800</td> <td>~2100</td> </tr> <tr> <td>Mar</td> <td>2731</td> <td>~2300</td> <td>~2700</td> </tr> </tbody> </table>		Year/Period	Actual	Stretch Target	Standard Target	2013/14	2341	-	-	2014/15	2731	-	-	Jun	608	~700	~800	Sep	1328	~1200	~1400	Dec	2094	~1800	~2100	Mar	2731	~2300	~2700	2,341	2,177	2,341	2,731	RED	↓				
Year/Period	Actual	Stretch Target	Standard Target																																					
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<p>Stretch target is a 10% reduction on last year's annual outturn set by the Community Safety Partnership.</p> <p>Data taken from the met.police.uk website indicates that for the 2014/15 financial year there were 2,731 violence with injury offences compared to 2,341 in the same period last year.</p> <p>Explanatory commentary is being sought from the Police.</p>																																								
<p>Number of Burglary Incidents (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set. Theft or attempted theft from residential or non-residential property) Good Performance: Lower</p>	<p>Total number of Burglary Offences (MOPAC7 measure)</p> <table border="1"> <caption>Total number of Burglary Offences (MOPAC7 measure)</caption> <thead> <tr> <th>Year/Period</th> <th>Actual</th> <th>Stretch Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2012/13</td> <td>2805</td> <td>-</td> <td>-</td> </tr> <tr> <td>2013/14</td> <td>2621</td> <td>-</td> <td>-</td> </tr> <tr> <td>2014/15</td> <td>2415</td> <td>-</td> <td>-</td> </tr> <tr> <td>Jun</td> <td>558</td> <td>~600</td> <td>~700</td> </tr> <tr> <td>Sep</td> <td>1230</td> <td>~1100</td> <td>~1300</td> </tr> <tr> <td>Dec</td> <td>1766</td> <td>~1600</td> <td>~1800</td> </tr> <tr> <td>Mar</td> <td>2415</td> <td>~2200</td> <td>~2400</td> </tr> </tbody> </table>		Year/Period	Actual	Stretch Target	Standard Target	2012/13	2805	-	-	2013/14	2621	-	-	2014/15	2415	-	-	Jun	558	~600	~700	Sep	1230	~1100	~1300	Dec	1766	~1600	~1800	Mar	2415	~2200	~2400	2,621	2,411	2,621	2,415	AMBER	↑
Year/Period	Actual	Stretch Target	Standard Target																																					
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<p>Stretch target is an 8% reduction on last year's annual outturn set by the Community Safety Partnership.</p> <p>Data taken from the met.police.uk website indicates that for the 2014/15 financial year there were 2,421 burglary offences compared to 2,621 in the same period last year. The stretch target has been missed by 4 incidents in the year.</p> <p>Explanatory commentary is being sought from the Police.</p>																																								

Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
<p>Theft of a Motor Vehicle (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set) Good Performance: Lower</p>	<p>Total number of Theft of a Motor Vehicle Offences (MOPAC7 measure)</p> 	899	845	899	929	RED	↔
<p>Theft from a Motor Vehicle (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set) Good Performance: Lower</p>	<p>Total number of Theft from a Motor Vehicle Offences (MOPAC7 measure)</p> 	1,758	1,670	1,758	1,532	GREEN	↑
<p>Theft from the Person (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set) Good Performance: Lower</p>	<p>Total number of Theft from the Person Offences (MOPAC7 measure)</p> 	1,542	1,372	1,542	1,317	GREEN	↑

Stretch target is a 11% reduction on last year's annual outturn set by the Community Safety Partnership.

Data taken from the met.police.uk website indicates that for the 2014/15 financial year there were 929 thefts from a motor vehicle offences compared to 899 in the same period last year.

Explanatory commentary is being sought from the Police.

Stretch target is a 3% reduction on last year's annual outturn set by the Community Safety Partnership.


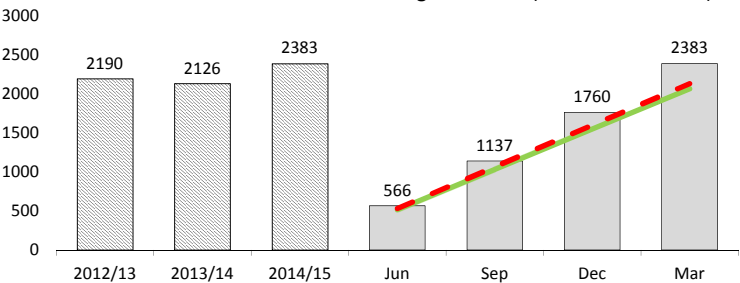
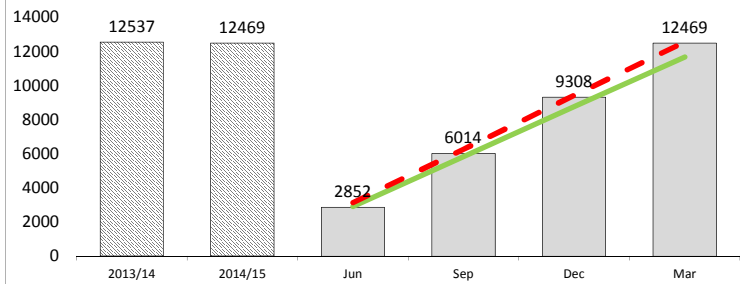
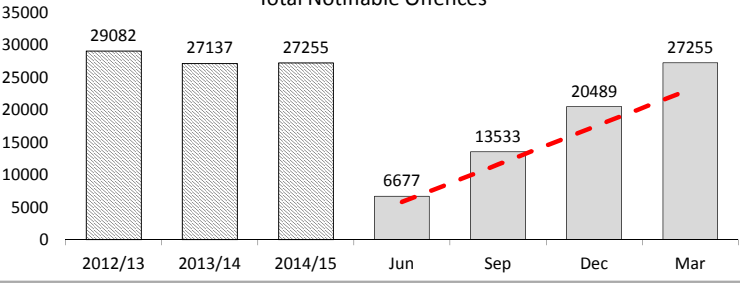
Data taken from the met.police.uk website indicates that for the 2014/15 financial year there were 1,532 vandalism / criminal damage offences compared to 1,758 in the same period last year.


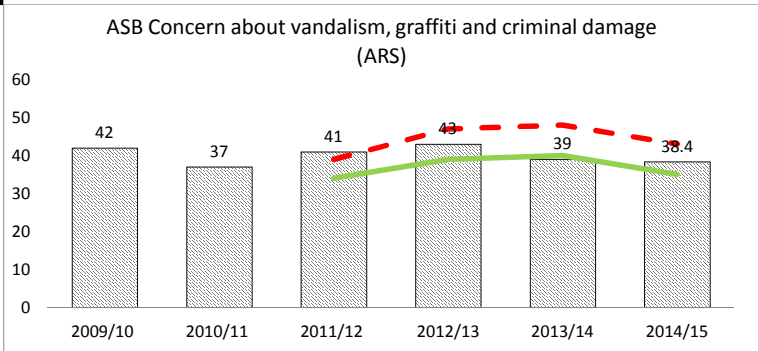
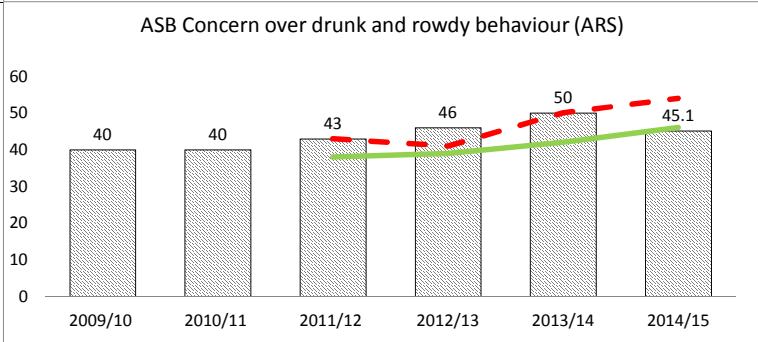
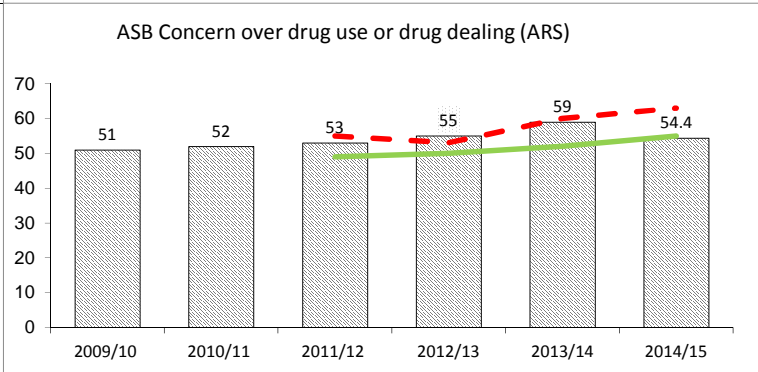
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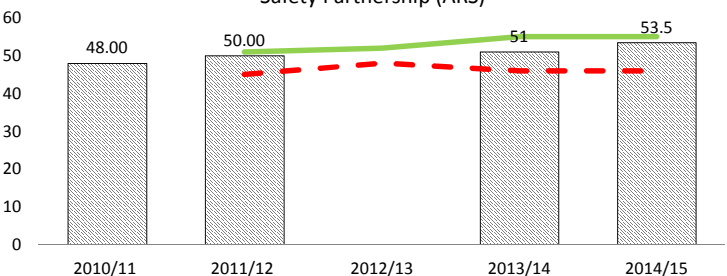
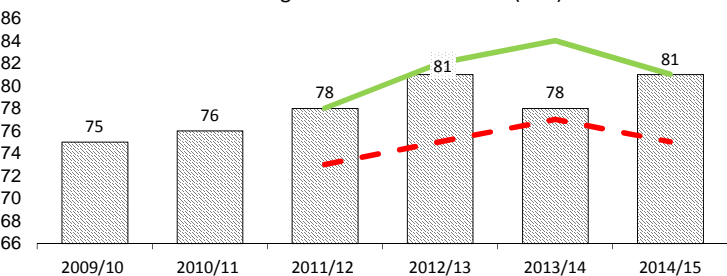
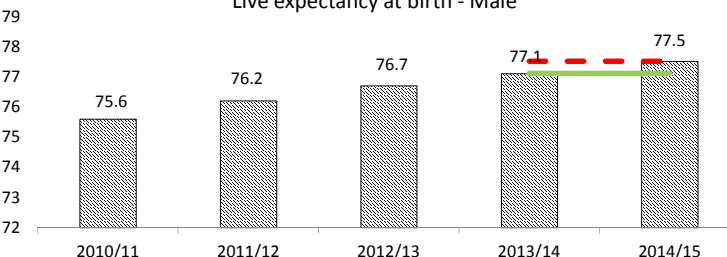
Stretch target is a 11% reduction on last year's annual outturn set by the Community Safety Partnership.


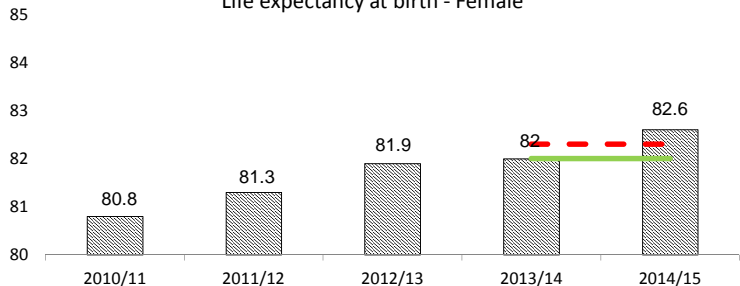
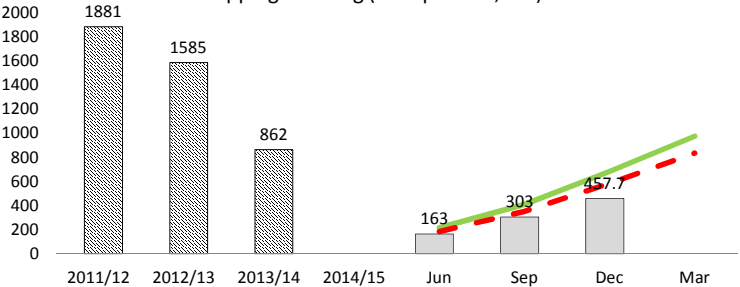
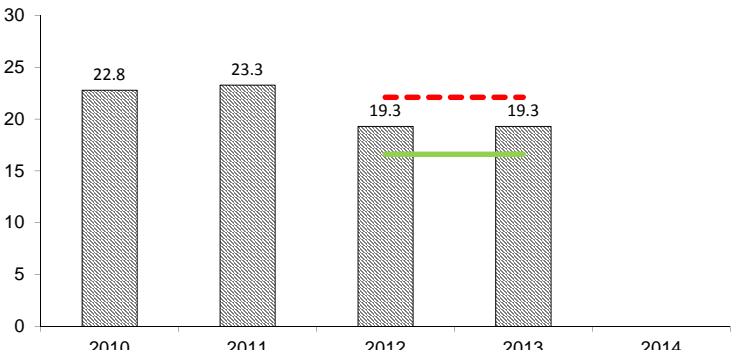
Data taken from the met.police.uk website indicates that for the 2014/15 financial year there were 1,317 theft from the person offences compared to 1,542 in the same period last year.

Explanatory commentary is being sought from the Police.


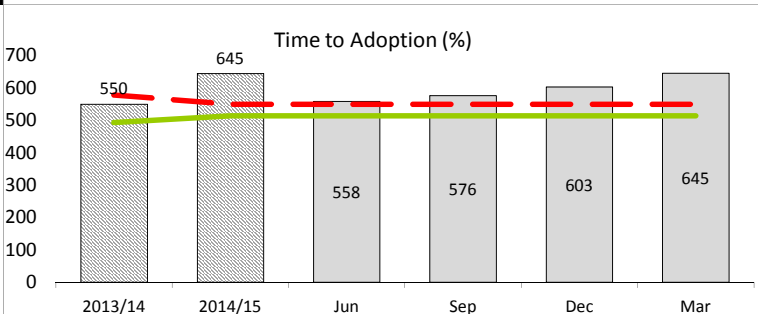
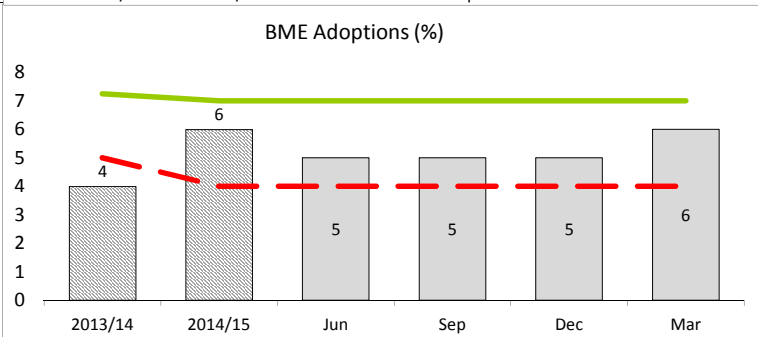
Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)																																
<p>Vandalism (criminal damage) (MOPAC 7 measure)</p> <p>Measured in: Number (part of the MOPAC set) Good Performance: Lower</p>	<p>Total number of Criminal Damage Offences (MOPAC7 measure)</p>  <table border="1"> <caption>Vandalism (criminal damage) Data</caption> <thead> <tr> <th>Year/Period</th> <th>Actual</th> <th>Stretch Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2012/13</td> <td>2190</td> <td>-</td> <td>-</td> </tr> <tr> <td>2013/14</td> <td>2126</td> <td>-</td> <td>-</td> </tr> <tr> <td>2014/15</td> <td>2383</td> <td>-</td> <td>-</td> </tr> <tr> <td>Jun</td> <td>566</td> <td>-</td> <td>-</td> </tr> <tr> <td>Sep</td> <td>1137</td> <td>-</td> <td>-</td> </tr> <tr> <td>Dec</td> <td>1760</td> <td>-</td> <td>-</td> </tr> <tr> <td>Mar</td> <td>2383</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Year/Period	Actual	Stretch Target	Standard Target	2012/13	2190	-	-	2013/14	2126	-	-	2014/15	2383	-	-	Jun	566	-	-	Sep	1137	-	-	Dec	1760	-	-	Mar	2383	-	-	2,126	2,062	2,126	2,383	RED	↓
Year/Period	Actual	Stretch Target	Standard Target																																				
2012/13	2190	-	-																																				
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<p>Total MOPAC 7 incidents</p> <p>Measured in: Number (includes MOPAC 7 crimes: robbery, burglary, criminal damage, theft from and theft of a motor vehicle, theft from the person, violence with injury) Good Performance: Lower</p>	<p>MOPAC 7 Total</p>  <table border="1"> <caption>Total MOPAC 7 incidents Data</caption> <thead> <tr> <th>Year/Period</th> <th>Actual</th> <th>Stretch Target</th> <th>Standard Target</th> </tr> </thead> <tbody> <tr> <td>2013/14</td> <td>12537</td> <td>-</td> <td>-</td> </tr> <tr> <td>2014/15</td> <td>12469</td> <td>-</td> <td>-</td> </tr> <tr> <td>Jun</td> <td>2852</td> <td>-</td> <td>-</td> </tr> <tr> <td>Sep</td> <td>6014</td> <td>-</td> <td>-</td> </tr> <tr> <td>Dec</td> <td>9308</td> <td>-</td> <td>-</td> </tr> <tr> <td>Mar</td> <td>12469</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Year/Period	Actual	Stretch Target	Standard Target	2013/14	12537	-	-	2014/15	12469	-	-	Jun	2852	-	-	Sep	6014	-	-	Dec	9308	-	-	Mar	12469	-	-	12,537	11,659	12,537	12,469	AMBER	↔				
Year/Period	Actual	Stretch Target	Standard Target																																				
2013/14	12537	-	-																																				
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Year/Period	Actual	Stretch Target	Standard Target																																				
2012/13	29082	-	-																																				
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<p>Local concern about ASB and Crime (ARS): vandalism graffiti and criminal damage. (%)</p> <p>Measured in % Good performance: Lower</p>	<p>ASB Concern about vandalism, graffiti and criminal damage (ARS)</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Value (%)</th> </tr> </thead> <tbody> <tr><td>2009/10</td><td>42</td></tr> <tr><td>2010/11</td><td>37</td></tr> <tr><td>2011/12</td><td>41</td></tr> <tr><td>2012/13</td><td>43</td></tr> <tr><td>2013/14</td><td>39</td></tr> <tr><td>2014/15</td><td>38.4</td></tr> </tbody> </table>	Year	Value (%)	2009/10	42	2010/11	37	2011/12	41	2012/13	43	2013/14	39	2014/15	38.4	39	35.0	43.0	38.4	AMBER	↔
Year	Value (%)																				
2009/10	42																				
2010/11	37																				
2011/12	41																				
2012/13	43																				
2013/14	39																				
2014/15	38.4																				
<p>The confidence interval change for this measure is ±3.8. The difference between the 2014/15 annual outturn (38.4%) the previous year's result (39%) is not statistically significant.</p> <p>Standard target has been achieved though the stretch target has not. It is difficult to attribute the performance against this indicator directly to one particular factor. The proactive implementation of the responsible drinking borough powers will have had an effect along with effective joint tasking between Police and THEOs and the strategic deployment of the mobile Police station. The development of high quality public spaces has also helped. An Annual Residents Survey action plan has been developed to support improvement.</p>																					
<p>Local concern about ASB and Crime (ARS): Drunk or rowdy behaviour in public spaces. (%)</p> <p>Measured in % Good performance: Lower</p>	<p>ASB Concern over drunk and rowdy behaviour (ARS)</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Value (%)</th> </tr> </thead> <tbody> <tr><td>2009/10</td><td>40</td></tr> <tr><td>2010/11</td><td>40</td></tr> <tr><td>2011/12</td><td>43</td></tr> <tr><td>2012/13</td><td>46</td></tr> <tr><td>2013/14</td><td>50</td></tr> <tr><td>2014/15</td><td>45.1</td></tr> </tbody> </table>	Year	Value (%)	2009/10	40	2010/11	40	2011/12	43	2012/13	46	2013/14	50	2014/15	45.1	50	46.0	54.0	45.1	GREEN	↑
Year	Value (%)																				
2009/10	40																				
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2011/12	43																				
2012/13	46																				
2013/14	50																				
2014/15	45.1																				
<p>The confidence interval change for this measure is ±3.9. The improvement between the 2014/15 annual outturn (45.1%) and the previous year's result (50%) is statistically significant.</p>																					
<p>Local concern about ASB and Crime (ARS): Drug use or drug dealing as a problem. (%)</p> <p>Measured in % Good performance: Lower</p>	<p>ASB Concern over drug use or drug dealing (ARS)</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Value (%)</th> </tr> </thead> <tbody> <tr><td>2009/10</td><td>51</td></tr> <tr><td>2010/11</td><td>52</td></tr> <tr><td>2011/12</td><td>53</td></tr> <tr><td>2012/13</td><td>55</td></tr> <tr><td>2013/14</td><td>59</td></tr> <tr><td>2014/15</td><td>54.4</td></tr> </tbody> </table>	Year	Value (%)	2009/10	51	2010/11	52	2011/12	53	2012/13	55	2013/14	59	2014/15	54.4	59.0	55.0	63.0	54.4	GREEN	↑
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2014/15	54.4																				
<p>The confidence interval change for this measure is ±3.9. The improvement between the 2014/15 annual outturn (54.4%) and the previous year's result (59%) is not statistically significant.</p>																					

Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
<p>Satisfaction with the Police and Community Safety Partnership (ARS) (%)</p> <p>Measured in % Good performance: Higher</p>	<p>ASB Satisfaction: Satisfaction with the Police / Community Safety Partnership (ARS)</p> 	51.0	55.0	46.0	53.5	AMBER	↔
<p>Percentage of people who believe people from different backgrounds get along well together (ARS) (%)</p> <p>Measured in % Good performance: Higher</p>	<p>% of people who believe people from different backgrounds get on well together in their local area (ARS)</p> 	78.0	81.0	75.0	81.0	GREEN	↔
Healthy and Supportive Community							
<p>Life expectancy at birth - Male</p> <p>Measured in: Years Good Performance: Higher</p>	<p>Live expectancy at birth - Male</p> 	77.1	77.5	77.1	77.5	GREEN	↔
		Target met.					

Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
<p>Life expectancy at birth - Female</p> <p>Measured in: Years Good Performance: Higher</p>	<p>Life expectancy at birth - Female</p> 	82.0	82.3	82.0	82.6	GREEN	↔
<p>Smoking Quitters</p> <p>Measured in: rate per 100,000 of population (aged 16+) of four-week smoking quitters who have attended NHS Stop Smoking Services . Good Performance: Higher</p>	<p>Stopping Smoking (Rate per 100,000)</p> 	862.0	682.0	583.1	457.7	RED	↑
<p>Smoking Prevalence</p> <p>Measured in: % - number of self-reported smokers aged 18+ by total number of respondents Good Performance: Lower</p>	<p>Smoking Prevalence</p> 	19.3	16.6	22.1	19.3	AMBER	↔

Description	— Stretch Target — Standard Target		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)														
	<p>Excess weight in 4-5 year olds</p> <p>Measured in: % (of children aged 4-5 classified as overweight or obese) Good Performance: Lower</p>	<p>Excess weight in 4-5 year olds</p> <table border="1"> <caption>Excess weight in 4-5 year olds</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2011/12</td> <td>23.88</td> </tr> <tr> <td>2012/13</td> <td>23.9</td> </tr> <tr> <td>2013/14</td> <td>23.6</td> </tr> <tr> <td>2014/15</td> <td>23.7</td> </tr> </tbody> </table>		Year	Value	2011/12	23.88	2012/13	23.9	2013/14	23.6	2014/15	23.7	23.6	23.2	23.6	23.7	RED	↔			
Year	Value																					
2011/12	23.88																					
2012/13	23.9																					
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			<p>Previously reported in Quarter 3 - this date relates to 2013/14 but is report now as it is the latest information available.</p> <p>Performance for 2013/14 is 23.7%, which is slightly above the standard target set. There has actually been a 0.5% decrease in the prevalence of obesity in reception from 12.7% to 12.2% of children. In reception aged children we are continuing to see a year on year decrease in obesity but this is a shift from obese to overweight and we are not seeing a corresponding shift from overweight to healthy weight. This suggests that we need to increase our emphasis on population wide as opposed to targeted interventions. The combined obese and overweight measure is more challenging in that we are looking at a much larger group of children, awareness of what overweight looks like is much lower - many people would not recognise that a child is in the overweight category. The health risks associated with being overweight are lower than the risks associated with obesity.</p> <p>Actions that have taken place over the last year to address overweight and obesity in 0-5 year olds include: continued promotion of breastfeeding; research into why we have a relatively low prevalence of exclusive breastfeeding in Tower Hamlets; continued expansion of the early years accreditation scheme (that provides organisational standards for Children's Centres, Nurseries and other childcare settings on healthy food, physical activity and emotional health and wellbeing); re-commissioning of the community based active play and healthy eating programme for 0-5 year olds; continued development of the 'Healthy Families' programme, including 'Healthy Family Parent Ambassadors', local parents who work on a voluntary basis to support others around healthy eating and active lives (also work with families with older children); continued developing of cooking club training for community workers and volunteers (also work with families with older children); and re-commissioning of the child and family weight management service</p>																			
<p>Under 18 conception rate.</p> <p>Measured in: per 1000 females aged 15 - 17 Good Performance: Lower</p>	<p>Under 18 Conception Rate</p> <table border="1"> <caption>Under 18 Conception Rate</caption> <thead> <tr> <th>Year</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>2009/10</td> <td>33.5</td> </tr> <tr> <td>2010/11</td> <td>41.0</td> </tr> <tr> <td>2011/12</td> <td>31.8</td> </tr> <tr> <td>2012/13</td> <td>28.5</td> </tr> <tr> <td>2013/14</td> <td>24.3</td> </tr> <tr> <td>2014/15</td> <td>18.7</td> </tr> </tbody> </table>		Year	Value	2009/10	33.5	2010/11	41.0	2011/12	31.8	2012/13	28.5	2013/14	24.3	2014/15	18.7	24.3	23.0	24.3	18.7	GREEN	↑
Year	Value																					
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			<p>Target exceeded.</p>																			

Description		Annual Actual (2013/14)	Annual Stretched Target (2014/5)	Annual Standard Target (2014/5)	Annual Actual	Variance (performance against Yr End stretch target)	Direction of Travel (comparing 13/4 and 14/5 actual)
<p>Average time between a child entering care and moving in with adoptive family (Time to adoption)</p> <p>Measured in: Days Good Performance: Lower</p>		550	514.0	550.0	645.0	RED	↓
<p>Percentage of ethnic minority background children leaving care who are adopted (BME adoptions)</p> <p>Measured in: % Good Performance: Higher</p>		4.0	7.0	4.0	6.0	AMBER	↑
<p>The average number of days for the period April 2012 –March 2015 is 645, outside the target range for this measure. A report on performance for this measure (and the indicator below) was considered by PRG on 16th October which proposed a number of improvement actions and an update report was considered by PRG on 16th April. Improvement actions include PRG tracking the progress of some of the children. In addition, the way in which this measure is calculated excludes any long term stable arrangements children may be in, for example, special guardianships or long term fostering arrangements. When all these are factored in, the number of children for whom the LA is actively seeking a family is small.</p>						<p>6% of BME children leaving care were adopted between April 2012 and January 2015. This is above to the minimum target set for this strategic measure. For comparison: overall, 8% of all children leaving care were adopted in the same period. Performance is improving; over the course of the 2014/15 financial year 9% of BME children leaving care were adopted.</p>	

A Great Place to Live					
Strategic Priority 1.1: Provide good quality affordable housing					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Increase the availability of affordable family sized housing	Cabinet Member for Housing & Development Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Planning applications continue to be scrutinized to maximize compliance with our policies on provision of family housing in the affordable tenures.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Meet with developing RPs twice, to agree the number, location, size and timing of their schemes	Jackie Odunoye (D&R)	30/09/2014	Complete	100%	Regular meetings are taking place.
Ensure that each planning application has as close to a policy compliant offer of affordable family sized homes	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Affordable Housing team provide comments on all planning applications and ensure that family affordable is given a high priority in assessing schemes.
Meet quarterly with the GLA to discuss progress on grant funded schemes and future bids by RPs/developers in Tower Hamlets	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Meetings take place at the end of every quarter.
Participate at all ELHP Chief Officer Groups and the ELHP Board	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	The Council is represented at a senior level at the ELHP Chief Officer Group and the Housing Directors Meeting at London Councils. Both meetings occur every 2 months.
Support RPs grant applications to the GLA ensuring that quantum of family homes is maximised and rents are affordable	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Many grant allocations are still for unspecified schemes, and will not specify exact rents, which need to be secured through our planning process. The LBTH Framework for Affordable Rents has been agreed with the GLA.
Work with RPs and Planning to increase the delivery of affordable housing with the aim of completing 5500 new affordable homes by May 2018	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Work continues on encouraging further delivery of affordable housing from mixed tenure schemes and RP led schemes. The target of 5500 is still not secured, but more schemes are due to be approved over the next years.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Deliver regeneration at Robin Hood Gardens and the Ocean Estate	Cabinet Member for Housing & Development Jackie Odunoye (D&R)	31/03/2015	Delayed	96%	This activity is marked as delayed as it is more than 90% complete. Phase 1a first new homes for RHG soon to complete and preparations in place for Phase 1b. Ocean Phase 1 new build and refurb. complete and preparations underway for Phase 2.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Blackwall Reach - Secure reserved matters planning application approval for development phase 1b	Jackie Odunoye (D&R)	31/07/2014	Complete	100%	Reserved matters approval by delegated authority 24/12/2014.
Ocean DH & New build - Manage refurbishment contract defects period and notation of contracts from East Thames	Jackie Odunoye (D&R)	30/09/2014	Delayed	90%	A number of legacy elements remain to be completed in 2015/16 including novation of contracts pending settlement of final accounts.
Blackwall Reach - Ensure completion of 98 new homes on development phase 1a	Jackie Odunoye (D&R)	31/03/2015	Delayed	95%	Completion and rehousing from May 2015 following land transfer and statutory utility issues.
Ocean Redevelopment Phase 2 - Progress land assembly, including tenant decants and acquisitions to achieve vacant possession for transfer to East Thames	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Vacant possession was successfully achieved as programmed on 26th February, ready for transfer to East Thames in March 2015.

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Lead regeneration in Poplar	Cabinet Member for Housing & Development Owen Whalley (D&R)	01/03/2015	Overdue	58%	The Planning and Building Control team supported the successful application for the Housing Zone designation. This will unlock the development potential of the area over the next 2/3 years. The timetable of the Ailsa Street Masterplan has been delayed to align with work on the Housing Zone. This will now go for consultation in September 2015 and will be adopted by March 2016.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Produce new Ailsa SPD draft for consultation	Owen Whalley (D&R)	01/10/2014	Overdue	50%	P&BC supported the successful application for the Housing Zone designation. This will unlock the development potential of the area over the next 2/3 years. The timetable of the Ailsa Street Masterplan has been delayed to align with work on the Housing Zone. This will now go for consultation in September 2015 and will be adopted by March 2016.
Adopt the Ailsa Street SPD	Owen Whalley (D&R)	01/03/2015	Overdue	25%	P&BC supported the successful application for the Housing Zone designation. This will unlock the development potential of the area over the next 2/3 years. The timetable of the Ailsa Street Masterplan has been delayed to align with work on the Housing Zone. This will now go for consultation in September 2015 and will be adopted by March 2016.
Complete a Masterplan scoping exercise for South Poplar	Owen Whalley (D&R)	01/03/2015	Complete	100%	
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Deliver housing, a leisure centre and community facilities at Poplar Baths / Dame Colett House	Cabinet Member for Housing & Development Ann Sutcliffe (D&R)	31/03/2015	Overdue	84%	Delayed financial closure to June 2014 has resulted in subsequent delays to programme delivery. Completions of first phase housing targets and opening of the youth / community facilities have slipped to August 2015, also to be supported by a mobilisation / handover process.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
6 month review of progress against programme targets	Ann Sutcliffe (D&R)	30/09/2014	Complete	100%	Construction programme reviewed
Monitor delivery of 100 socially rented housing units	Ann Sutcliffe (D&R)	31/03/2015	Complete	100%	Ongoing process
Delivery of leisure centre - commencement on site	Ann Sutcliffe (D&R)	31/03/2015	Complete	100%	Started on site
Delivery of a new youth / community centre - commencement on site	Ann Sutcliffe (D&R)	31/03/2015	Complete	100%	Started on site
Complete first phase of housing (milestone / deadline subject to Financial Close)	Ann Sutcliffe (D&R)	31/03/2015	Overdue	60%	Later contract commencement has resulted in completions slipping into next programme year. Construction progressing to programme with a target of August 2015 completion
Open youth / community facilities (milestone / deadline subject to Financial Close)	Ann Sutcliffe (D&R)	31/03/2015	Overdue	60%	Later contract commencement has resulted in completions slipping into next programme year. Construction progressing to programme with a target of August 2015 completion
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Seek to mitigate homelessness and improve housing options	Cabinet Member for Housing & Development Jackie Odunoye, Colin Cormack (D&R), Andy Bamber (CLC)	31/03/2015	Delayed	90%	This activity is substantially complete. The only milestone to have slipped is the production & publication of the Homeless Strategy Action Plan but that has not adversely influenced delivery of this activity and will be completed during Q1 2015/16..
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Improve housing options in the private rented sector - scope project and agree project plan	Jackie Odunoye (D&R), Andy Bamber (CLC)	30/04/2014	Complete	100%	
Develop proposals for consideration informed by evidence and legal advice	Jackie Odunoye (D&R), Andy Bamber (CLC)	30/06/2014	Complete	100%	

Produce and publish the Homeless Statement Action Plan	Colin Cormack (D&R)	31/07/2014	Overdue	85%	As it pertains to the bulk of the activities (these being delivered by Housing Options) the Action Pan is complete. However, complementary activities from other Directorates is still being assessed and is likely not going to be completed until end of 1st quarter of 2015/16
Submit Cabinet report setting out options and budgetary requirements in relation to the private rented sector	Jackie Odunoye (D&R)	30/09/2014	Complete	100%	Cabinet Report approved on 3rd September 2014.
Support the London Living Rent Campaign and work with the GLA's London Rental Scheme and London Landlord Accreditation Scheme to improve regulation in the Private Rented Sector producing a scoping report by September 2014	Jackie Odunoye (D&R)	30/09/2014	Complete	100%	
Produce the service change specification for an enhanced Housing Options Service as defined by the No Wrong Door project	Colin Cormack (D&R)	31/03/2015	Complete	100%	This work is now to be used to inform the restructure proposals that will be launched by the end of the 1st quarter of 2015/16
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Plan effectively to deliver high volumes of affordable housing and funding for infrastructure (including provision for healthcare and education)	Cabinet Member for Housing & Development, Owen Whalley (D&R)	31/03/2015	Delayed	98%	This activity is substantially complete - the delayed milestone will be delivered during Q1 2015/16. The completions data shows that a high volume has been successfully delivered. CIL charging came into effect on 1 April 2015, this will contribute to infrastructure investment and improvements in the Borough.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Represent Tower Hamlets at Judicial Review into London Plan affordable housing policy	Owen Whalley (D&R)	31/05/2014	Complete	100%	
Consult on draft South Quay Masterplan	Owen Whalley (D&R)	30/09/2014	Complete	100%	
Adopt South Quay Masterplan	Owen Whalley (D&R)	31/03/2015	Delayed	90%	This will be considered for approval by Cabinet in June 2015.
Maximise opportunities for the provision of childcare space in new developments	Owen Whalley (D&R)	31/03/2015	Complete	100%	The report commissioned from Cordis Bright has been completed. The recommendations of this report are now being taken forward by ESCW and Strategic Planning. ESCW are preparing an evidence base document to inform policies in the new Local Plan, which Strategic Planning are preparing.
Secure new affordable homes at rental levels which are genuinely affordable for those in housing need in Tower Hamlets	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	The new framework for affordable rents in the 15-18 GLA grant programme have been agreed. Rents on other schemes require liaison with developers at planning stage, which is being undertaken.
Develop new financial and delivery model as options for securing investment in delivering affordable housing on specific Council owned sites	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	The Feasibility Study and Business Case for a development company has been developed. 7 sites have been identified up for inclusion in the delivery model. Legal advice has been received and financial modelling has been completed. A decision needs to be made by the Mayor and Cabinet in order to start the implementation phase.

Strategic Priority 1.2: Maintain and improve the quality of housing					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Reduce the number of Council homes that fall below a decent standard	Cabinet Member for Housing & Development Jackie Odunoye (D&R)	30/03/2015	Delayed	93%	This activity is substantially complete. 3,186 homes made decent. GLA target met for spend and decent homes.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Commence Year 4 DH Programme using five contractors	Jackie Odunoye (D&R)	30/04/2014	Complete	100%	Contractors commenced delivery from 1st April 2014.
Make 3109 homes decent	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	3,186 homes were made decent against a GLA target of 3,109.
Ensure delivery of local community benefits targets	Jackie Odunoye (D&R)	31/03/2015	Overdue	90%	This activity is overdue because some of the targets have not been met. Target Apprentices in Y3 & Y4 = 155: Current Apprenticeships = 112. The difference is being carried forward into Y5 with the respective works. Target = 30%: Current Employment = 37%. Local (LBTH) Spend Target = 20%: Current Performance = 31%. Contractors have spent circa £27.5m of which £8.505m (31%) have been committed to suppliers based within LBTH. Local (East London) Spend Target = 50%: Current Performance = 34%. Work Experience Placements: * 4 Outreach placement * 19 School placements with local schools * 47 weeks' work experience * Kitchen designs have been signed off by the community groups at the four Community Centres and works order will be ordered by the contractors The community centres could deliver a total of 120 weeks of work experience. There are a potential 60 people that could benefit from work experience.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Improve the quality of housing services	Cabinet Member for Housing & Development Jackie Odunoye (D&R)	31/12/2014	Delayed	90%	This activity is substantially complete. Good progress continues with the delivery of project 120, it remains a standing item on the THHF Development Sub Group Agenda and a Project Team has formed, meeting on a 6 weekly basis to take this initiative forward. Awaiting decisions from the Lead Member on leaseholder audits way forward and recommendations on dispute resolution. Ongoing support provided to the Tenants Federation representatives.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Ensure sign up to P120 (provision of appropriate family sized wheelchair accessible homes) by all RP partners, developers and the GLA	Jackie Odunoye (D&R)	31/05/2014	Complete	100%	A conference held in January 2104, attended by RPs and stakeholders involved in the delivery of wheelchair units in the borough formally marked the launch of P120. Since then P120 remains a standing item on the THHF Development Sub Group Agenda and a Project Team has formed, meeting on a 6 weekly basis to take this initiative forward.
Implement efficiency savings by re-structuring the Service	Jackie Odunoye (D&R)	31/10/2014	Delayed	75%	Restructuring of the Affordable Homes, Private Sector Housing and Strategic Housing teams has been delayed. Formal consultation was launched in April 15 and is envisaged to complete by June 2015.
Complete audits of leaseholder service charges and implement recommendations	Jackie Odunoye (D&R)	31/12/2014	Delayed	80%	Mazars and HQN Audit completed - awaiting Lead Member decision for a way forward

Examine options for leaseholder dispute resolution	Jackie Odunoye (D&R)	31/12/2014	Delayed	80%	Alternative Dispute Resolution (ADR): Recommendation made to Lead Member and to DIG - awaiting decision.
Agree and monitor the Tenant Federation Action Plan and provide appropriate support for their 'Cards on the Table' scrutiny activities	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	An action plan was agreed with the Tenant Federation who have provided quarterly reports to Officers. Officers meet with Tenant Federation representatives on a regular basis and continue to provide support to the group.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Identify and target sub-standard homes and work with landlords or enforce where required to improve conditions	Cabinet Member for Housing & Development / Deputy Mayor Andy Bamber (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Gather necessary evidence, explore data and consider options for taking forward a landlord licensing scheme	Andy Bamber (CLC)	31/03/2015	Complete	100%	
Proactively locate substandard homes and bring them up to standard	Andy Bamber (CLC)	31/03/2015	Complete	100%	
Increase the number of Houses of Multiple Occupation that are compliant with licensing requirements by 10%	Andy Bamber (CLC)	31/03/2015	Complete	100%	
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Offer affordable fuel options through Tower Hamlets Energy Community Power (Energy Cooperative)	Cabinet Member for Housing & Development / Cabinet Member for Resources Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Continuing to promote the energy co-op, energy switching resident sign-ups currently on-going. An energy auction is held every quarter. The next auction will be held on the 19th May 2015. Energy advice is offered to households and home energy efficiency webpages have been updated and are easier to use.
Milestone	Lead Officer	Deadline	Q4 Status	% Comp	Q4 Comments
Deliver the energy use awareness programme, including home energy efficiency advice and short term loans of energy monitoring devices, to help residents recognise their current energy use and identify potential savings	Jackie Odunoye (D&R)	30/09/2014	Complete	100%	On-line sustainability pages completely updated and refreshed to offer home energy efficiency advice. Residents wanting to loan a energy monitor can do so through an energy advisor home visit.
Provide tailored home energy efficiency advice and energy packs to 250 households in the borough, focused on those at risk of fuel poverty including vulnerable residents and over 75s	Jackie Odunoye (D&R)	31/12/2014	Complete	100%	Funding has been secured and project already completed by CLC. We also secured a further £250k through s106 for the Ocean Estate of which £25k will go towards installation of LEDs for the estate.
Implement the Fuel Poverty Plan and produce an annual report on progress and achievements	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Fuel Poverty Strategy was approved by Cabinet in November 2013, the Action Plan implemented. Annual report completed and ready to publish onto the Council's website.
Continue with resident sign-up for the collective energy switching scheme and hold at least two auctions in the year to secure cheaper tariffs for residents	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Regular promotional sign up events are held to engage with residents. Held four auctions this year with average savings of £150 October auction achieved savings of £200 per household; February; next auction 19 May 2015.

Strategic Priority 1.3: Improve the local environment and public realm					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Progress the Carbon Reduction Plan for Council buildings	Cabinet Member for Resources / Cabinet Member for Clean & Green Jackie Odunoye (D&R)	31/03/2015	Overdue	85%	The Carbon Management Plan from 2009 has been reviewed and renewed in 2014. The vacant post leading on the carbon management plan now in post. We have enough funds (circa £6.0m) in the carbon offset fund to spend on carbon reduction projects.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Tender for Re:FIT programme for Council buildings	Jackie Odunoye (D&R)	30/09/2014	Complete	100%	This milestone is about commencing the tendering processes, this has now started and is due to complete in June 2015.
Secure approval of the Salix loan application for 300 LED streetlights. The works will save £25,000 and 135 tonnes of CO2 per annum	Jackie Odunoye (D&R)	30/09/2014	Complete	100%	Funding has been secured and project already completed by CLC. We also secured a further £250k through s106 for the Ocean Estate of which £25k will go towards installation of LEDs for the estate.
Complete installation phase for Re:FIT programme. The programme will save 312 tonnes of CO2 and £60,000 per annum	Jackie Odunoye (D&R)	31/03/2015	Overdue	50%	Once the tendering process is complete the finance needs to be secured, as we have £6.0m in the carbon offset fund, the money is in place. We will deliver a much larger programme than anticipated. The installation phase will now be completed in Sep 2015.
Deliver second phase of staff engagement programme and publish energy costs and carbon emissions quarterly	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	The first of the report is now complete and ready to be published. There was a slight delay in completing this milestone as the lead officer post was vacant for nearly a year.
Complete the Schools Saving strategy and delivery plan	Jackie Odunoye (D&R)	31/03/2015	Complete	100%	Strategy is complete. We have identified the high energy consuming schools where improvements could be made and we have secured £40k from the GLA towards the implementation of projects. We are working with the GLA on the REFIT framework on taking these projects forward.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Protect and improve the local environment	Cabinet Member for Clean & Green Andy Bamber, Jamie Blake (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Manage continued improvement in reducing traffic disruption through the Street Works Permit scheme for utilities and road works, with an annual report produced in May 2014	Jamie Blake (CLC)	31/05/2014	Complete	100%	
Enact dog control orders (subject to consultation) to improve the Council's response to dog control issues	Andy Bamber (CLC)	30/09/2014	Complete	100%	
Deliver projects towards improving air quality under the Air Quality Strategy programme:	Andy Bamber (CLC)	31/03/2015	Complete	100%	
1. Expand the zero emissions network in Shoreditch, working with small businesses					
2. Deliver and evaluate a pilot No-idling project at Tower Bridge					
3. Design and deliver the clean air awareness project with the Barts Trust					
Continue to liaise with Crossrail delivery companies and contractors to ensure that the impact on the environment and local residents is minimised	Andy Bamber (CLC) and Jamie Blake (CLC)	31/03/2015	Complete	100%	
Plan and develop proposals for a Borough wide 20mph limit, including consultation with TfL	Jamie Blake (CLC)	31/03/2015	Complete	100%	

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Work in partnership to improve our public realm	Cabinet Member for Clean & Green Jamie Blake (CLC)	31/03/2015	Overdue	85%	Overdue due to delays with Ben Johnson works.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Undertake a borough wide deep clean	Jamie Blake (CLC)	30/06/2014	Complete	100%	
Support the development and relaunch of Find It, Fix It, Love It (FIFILI) and develop the use of direct service delivery through	Jamie Blake (CLC)	31/08/2014	Complete	100%	
Deliver Marsh Wall resurfacing and bus improvement street scene improvement works on site	Jamie Blake (CLC)	31/08/2014	Complete	100%	
Undertake public consultation on the Ben Johnson Road street scene improvement scheme	Jamie Blake (CLC)	31/10/2014	Overdue	0%	Following some clarification of work programmes, the consultation for this scheme will now be undertaken in Q4 2015/16
Develop further the Community Volunteering programme, and deliver at least 50 projects	Jamie Blake (CLC)	31/03/2015	Complete	100%	
Integrate engagement with representative disabilities groups for all design and improvement works	Jamie Blake (CLC)	31/03/2015	Complete	100%	
Deliver the Ben Johnson Road street scene improvement scheme phase 1 works on site	Jamie Blake (CLC)	31/03/2015	Overdue	0%	Works are now scheduled to start on site in 2015/16.
Improve street lighting in the borough by replacing 200 streetlights with brighter white LED lighting (c.50 new columns per quarter)	Jamie Blake (CLC)	31/03/2015	Complete	100%	
Deliver phase 3 of the £3m highway infrastructure improvement programme. Total 18 streets resurfaced; 6 by September 2014	Jamie Blake (CLC)	31/03/2015	Complete	100%	
Help make our borough greener by implementing a four year rolling programme of tree planting on streets, parks and open spaces	Jamie Blake & Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Increase household waste sent for reuse, recycling & composting	Cabinet Member for Clean & Green Jamie Blake (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	100%	Comments
Develop a 'Lifecycle' media campaign to promote awareness of reuse, recycling & composting arrangements and opportunities	Jamie Blake (CLC)	31/08/2014	Complete	100%	
Complete a Census-based project to determine future demand profiles for waste and recycling services	Jamie Blake (CLC)	31/08/2014	Complete	100%	
Complete an evaluation of waste generation for estate based communities to support targeted interventions for improved recycling levels	Jamie Blake (CLC)	01/10/2014	Complete	100%	
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Improve our parks, playgrounds and open spaces	Cabinet Member for Culture Shazia Hussain (CLC)	31/03/2015	Overdue	85%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Commence delivery of the capital improvements to Bartlett Park Phase 1	Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Develop consultation on the draft Masterplan for the King Edward Memorial Park, with local stakeholder meetings by December 2014	Shazia Hussain (CLC)	31/03/2015	Overdue	80%	S106 was delayed in coming through therefore consultation will now commence in the Summer 2015.

Strategic Priority 1.4: Provide effective local services and facilities					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Manage national planning changes effectively to deliver local priorities	Cabinet Member for Housing & Development Owen Whalley (D&R)	31/03/2015	Complete	100%	No applications received for round 3 or 4 of neighbourhood forums, however stage 2 of neighbourhood planning guidance was published on the TH website on 22 December 2014.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Cabinet determine third round of applications for Neighbourhood Forums	Owen Whalley (D&R)	30/09/2014	Complete	100%	No applications were received.
Publish Stage 2 Tower Hamlets Neighbourhood Planning Guidance	Owen Whalley (D&R)	31/10/2014	Complete	100%	Published 22 Dec 2014. Slightly delayed due to gaining / awaiting DCLG comments.
Cabinet determine fourth round of applications for Neighbourhood Forums	Owen Whalley (D&R)	31/03/2015	Complete	100%	No applications received to date.
Undertake an initial options review to assess delivery of the Mayor's parking commitments	Owen Whalley (D&R) / Jamie Blake (CLC)	31/03/2015	Complete	100%	
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Further improve our markets	Deputy Mayor Jamie Blake (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Undertake public consultation on Bethnal Green street scene improvements	Jamie Blake (CLC)	30/06/2014	Complete	100%	
Outline design developed for the Wentworth Street market area street improvement scheme	Jamie Blake (CLC)	31/12/2014	Complete	100%	
Deliver the Bethnal Green Town Centre improvement scheme to improve the market area - commence work on site	Jamie Blake (CLC)	31/03/2015	Complete	100%	
Deliver public consultation on the Wentworth Street market area street improvement scheme	Jamie Blake (CLC)	31/03/2015	Withdrawn	0%	Scheme withdrawn. Expected to be replaced by major junction improvement at Bethnal Green Gateway (Roman Rd / Cambridge Heath Rd) subject to securing LIP funding.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Adopt the Tower Hamlets local Community Infrastructure Levy (CIL)	Cabinet Member for Housing & Development Owen Whalley (D&R)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Full Council Adoption of LBTH CIL	Owen Whalley (D&R)	30/09/2014	Complete	100%	
Complete training programme for all Planning staff on the new CIL	Owen Whalley (D&R)	31/03/2015	Complete	100%	
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Deliver the Whitechapel Masterplan	Cabinet Member for Housing & Development Owen Whalley (D&R)	31/12/2014	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Define the Interim Delivery approach for the Masterplan	Owen Whalley (D&R)	31/07/2014	Complete	100%	
Prepare briefing paper for the Interim Delivery Team	Owen Whalley (D&R)	30/09/2014	Complete	100%	
Complete project handover	Owen Whalley (D&R)	31/12/2014	Complete	100%	

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Deliver a Multi-Faith burial ground	Mayor Ann Sutcliffe (D&R)	31/05/2015	Delayed	90%	Lease and management agreement are now signed. However, whilst contracts are now signed, marketing and management of provision needs allocating to a Directorate / individual officer to oversee and monitor.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Partner to secure planning consent for Multi-Faith burial ground	Ann Sutcliffe (D&R)	31/12/2014	Withdrawn	N/A	This agreement is no longer being pursued and has been formally surrendered with appropriate legal documents having being signed.
Commence marketing of cemetery provision	Ann Sutcliffe (D&R)	31/01/2015	Delayed	80%	Contracts are now signed but needs allocating to an individual officer to oversee and monitor.
Completion of setting out of grounds	Ann Sutcliffe (D&R)	31/05/2015	Withdrawn	N/A	This option is no longer being pursued. The new cemetery is already laid out and ready for burials.
Strategic Priority 1.5: Improve local transport links and connectivity					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Support sustainable local transport including cycle improvements	Cabinet Member for Clean & Green / Deputy Mayor Jamie Blake (CLC)	31/03/2015	Overdue	80%	Overdue due to delay with Leaway Walk scheme.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Review TfL safety improvement designs for Cycle Superhighways 2 and 3	Jamie Blake (CLC)	31/07/2014	Complete	100%	
Undertake consultation on the Council's sustainable local transport improvements (Cycle Superhighways 2&3 and Aldgate / Whitechapel Connections Strategy)	Jamie Blake (CLC)	30/09/2014	Complete	100%	
With the London Legacy Development Corporation (LLDC), design creation of a new north/south Riverside Walk link	Jamie Blake (CLC)	30/11/2014	Complete	100%	
Commence Cycle Superhighway 2 and 3 enabling works with TfL	Jamie Blake (CLC)	31/12/2014	Complete	100%	
Deliver first phase of Aldgate / Whitechapel Connections Strategy - works on site	Jamie Blake (CLC)	31/01/2015	Complete	100%	
Develop Stepney Schools Cycle Partnership to support cycling in the area and continue the free adult and children cycling training programmes	Jamie Blake (CLC)	31/03/2015	Complete	100%	
Deliver Phase One of the Leaway Walk in conjunction with the LLDC	Jamie Blake (CLC)	31/03/2015	Overdue	20%	LLDC now delivering this scheme in Q1/2 2015/16
Create 1,000 more parking spaces over the next four years (i.e. to 2018), delivering 250 new spaces this year	Jamie Blake (CLC)	31/03/2015	Complete	100%	27% of the overall 2018 target has been completed
Strategic Priority 1.6: Developing stronger communities					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Engage residents and community leaders in policy and budget changes	Mayor / Cabinet Member for Resources Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Consult residents as part of the development of the Community Plan	Louise Russell (LPG)	31/12/2014	Complete	100%	
Hold an annual Mayor's Budget congress	Robin Beattie (CLC)	28/02/2015	Complete	100%	
Further develop and deliver a resident budget communications plan	Chris Holme (RES) / Takki Sulaiman (LPG)	28/02/2015	Complete	100%	

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Implement a framework for engagement of borough-wide equality forums in the Partnership	Mayor Louise Russell (LPG)	31/12/2014	Overdue	80%	Considerable work has been done to build the borough wide equality forums including commissioning a new Local Voices disabled people steering group, strengthening liaison arrangements with the Rainbow Hamlets LGBT forum.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Develop proposals to Partnership Executive for engagement of borough wide equality forums	Louise Russell (LPG)	30/06/2014	Complete	100%	Arrangements have been developed in discussion with forum members
Present implementation report to Partnership Executive	Louise Russell (LPG)	31/12/2014	Overdue	0%	A report has not been presented to the Partnership Executive
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Deliver locally appropriate services through the 4 locality Hubs	Mayor Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Complete negotiations with the Police regarding co-location	Robin Beattie (CLC)	31/07/2014	Complete	100%	
Develop a corporate wide strategy for locality co-location	Robin Beattie (CLC)	31/12/2014	Withdrawn	0%	This is now forming part of the Council's Asset Strategy under D&R
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Develop further the Local Community Ward Forums and the Community Champions Programme	Mayor Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Use the LCWFs to support the scoping of the 'Play Streets' scheme in the borough	Shazia Hussain (CLC)	31/12/2014	Complete	100%	Initial scoping work is being undertaken
Establish and implement three additional Local Community Ward Forums following the implementation of ward boundary changes	Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Implement a 3rd round of Community Champions recruitment with targeted recruitment of under-represented groups	Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Develop a Community Champions Framework	Shazia Hussain (CLC)	31/03/2015	Complete	100%	

A Prosperous Community					
Strategic Priority 2.1: Improve educational aspiration and attainment					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Ensure sufficient places are provided to meet the need for statutory school places	Cabinet Member for Education & Children's Services Kate Bingham (ESW)	31/03/2015	Complete	100%	These milestones are complete
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Review annual projections and adjust short, medium and long term planning accordingly	Kate Bingham (ESW)	30/09/2014	Complete	100%	Annual review report submitted to Cabinet 3 September 2014
Review land and asset options to plan for growth of primary and secondary provision, including provision for children with SEN, and report to Cabinet on progress and further plans for implementation	Kate Bingham (ESW)	30/09/2014	Complete	100%	Scheme implementation on programme. 5 FE of additional primary capacity opened September 2014.
Complete implementation of existing expansion schemes and any temporary schemes to provide sufficient primary places	Kate Bingham (ESW)	31/03/2015	Complete	100%	Primary School places planned for the year 2014/2015 has been delivered. Further primary school expansion proposals are planned for recommendation to Cabinet in May 2015.
Plan for implementation of future expansion schemes, working with D&R on land and funding matters where required, and plan for use of capital resources (including s. 106 and CIL funds) to implement schemes	Kate Bingham (ESW)	31/03/2015	Complete	100%	Longer term strategic planning is ongoing
Develop proposals for new school sites, including working with developers/owners and seeking school proposers as required	Kate Bingham (ESW)	31/03/2015	Complete	100%	Longer term strategic planning is ongoing. A potential primary school at Wood Wharf has been included in an outline planning application.
Develop medium and long term strategy to meet projected pupil growth to 2024, taking into account any new free schools agreed by DfE	Kate Bingham (ESW)	31/03/2015	Complete	100%	Longer term strategic planning is ongoing
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Expand free early education places of high quality for disadvantaged two-year-olds	Cabinet Member for Education & Children's Services Monica Forty (ESW)	31/03/2015	Overdue	80%	An additional 814 places were created by September 2014. A further 552 places have been recommended for funding and awaiting approval from the Secretary of State. We are continuing to work with around 22 new provisions to offer further places. Additional places are on target to open between September and December 2015.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Develop access routes to support the expansion of early learning places for eligible 2 year olds	Monica Forty (ESW)	30/09/2014	Complete	100%	All families or parents with 2 year olds have received notification about the provision and eligibility of service. A high profile publicity campaign was conducted too. Links formed with Parks Service, East Thames Housing, and Poplar Harca Housing to identify additional premises. We are working closely with asset management to negotiate potential childcare places within 12 Local Authority premises. Projects are likely to be launched between September to December 2015.
Use capital and trajectory building allocation from Dedicated Schools Grant to develop new, and expand existing, provision for eligible 2 year olds	Monica Forty (ESW)	31/03/2015	Overdue	40%	Although £1,141,959 capital funding has been recommended for capital development projects to date to create a minimum of 552 new childcare places for funded 2 year olds; the programme has been delayed. Currently working to secure Secretary of State approval to allow these projects to be implemented and further projects developed - a further spend of approx £1.9 million is anticipated. Subject to Secretary of State approval of recommended funding awards, it is anticipated that the programme will be completed by March 2016.

Work with identified settings to ensure that they are of high enough quality to provide places for eligible 2 year olds - promoting shared use of buildings where possible	Monica Forty (ESW)	31/03/2015	Complete	100%	New legislation from the DfE now means that the Early Years Service no longer has a right to refuse two year old funding to new provision or those judged good or outstanding by Ofsted (whatever the LA view is on their quality of provision). However raising quality continues to remain a main focus of meeting the needs of young children, and work continues with Asset Management to find premises encouraging shared use of buildings.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Raise attainment and narrow the gap between the lowest 20% and the median of all children at the end of the Early Years Foundation Stage (EYFS)	Cabinet Member for Education & Children's Services Monica Forty (ESW)	31/07/2014	Complete	100%	Milestones have been completed. The moderation process has changed. Schools now receive three visits over the course of the year rather than the traditional annual visit. The third visit will be made in the summer term. Assessment training is on-going and includes NQTs and experienced school improvement officers visiting schools.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Roll out second year of Every Tower Hamlets Child a Talker (ECaT) Programme	Monica Forty (ESW)	31/07/2014	Complete	100%	Each setting has a named communication lead. A higher level of training is being provided. Training for the trainer has started.
Roll out of the mathematics programme, including by appointing a skilled teacher who can work with both schools and MPVI settings; beginning the programme in the summer term and using QA and review processes as for ECaT	Monica Forty (ESW)	31/07/2014	Complete	100%	The Maths programme has been rolled out despite recruitment difficulties. This work has been subsumed by the wider team.
Work with targeted schools, including by allocating a development worker to each school; agreeing a programme of work incorporating support for leadership skills, assessment, assessing using the characteristics of learning and planning for progress; reviewing EYFSP outcomes for each school	Monica Forty (ESW)	31/07/2014	Complete	100%	So far this term, all schools have been visited, where the Adviser helped head-teachers and Early Years Co-ordinators to analyse EYFS pupil data from last year, as well as this year's new pupil cohort. Following analysis of data, staff were supported in creating their plan of action.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Increase the number of children achieving 5 A* to C grades including English and maths grades at GCSE	Cabinet Member for Education & Children's Services Monica Forty (ESW)	30/09/2014		95%	Status for this activity has been set to Red as the target has not been achieved even though the milestones have all been completed. DfE Performance headlines published Jan 2105 for GCSE 2014 show Tower Hamlets has maintained higher than England 'all schools' average scores with our schools attaining 59.7% vs all schools at 53.4% - a lead of 3.2 points. This is in a context of changes to the curriculum and assessment where the bar is being raised, TH has maintained its position with other authorities. One school, however, submitted their pupils for assessment early. If we were to remove this cohort of pupils, we would have seen our comparative position improve. The Council's role is to broker support between schools and strengthen partnerships. There continues to be some slippage but remedial actions are in place.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Identify the distribution of underperformance across the borough schools at all key stages, with a particular focus on White UK pupils and Looked After Children; offer feedback to the schools; identify key schools to work with to improve the attainment levels of the underachieving pupils	Monica Forty (ESW)	31/07/2014	Complete	100%	The Tower Hamlets Equalities Steering Group met in November 2014 and set up a project group who meet monthly to develop research and to share data across council teams. So far information has gone to DMT and teams across the borough and improving educational outcomes for White UK pupils is now a major priority. The Institute of Education has been commissioned to conduct research into this group with the aim of informing bespoke activities for parental engagement. Youth work activities and providing a summer workshop for schools to share best practice in interventions for disengaged White UK pupils. The final recommendations report will be ready by Autumn 2015.

Undertake identification of specific barriers to achieving such as family issues, SEN, attendance, health and motivation	Monica Forty (ESW)	30/09/2014	Complete	100%	All schools identify barriers to educational achievement through pupil progress meetings and put in place mitigating measures/actions to address this. This information is shared with the School Improvement Team.
Offer targeted Key Stage 4 support to the worst performing schools to support improvement, including learning and family support interventions especially for Looked After Children	Monica Forty (ESW)	30/09/2014	Complete	100%	Target Intervention Group half-termly meetings take place for 'Schools Causing Concern'. School effectiveness in tackling issues is monitored by senior officers. Termly School Management Group meetings hold officers to account on progress indicators and identify action.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Bring A Level results above the national average	Cabinet Member for Education & Children's Services Monica Forty (ESW)	31/03/2015		95%	Status for this activity has been set to Red as the target has not been achieved even though the milestones have all been completed. A Level results are improving year on year and the gap between Tower Hamlets and the national average is closing - this is in a national context of a slight decline in results. A levels are being reformed over the next few years with a shift from modular AS and A2s to a linear A level with uncoupled AS levels. This is likely to impact on national measures; our schools are well placed to implement the new specifications but the whole post 16 sector is in a period of turbulence. Between 2015 and 2017 there will be a mixed system of old and new A Levels, so making year on year comparisons will be difficult.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Support all sixth forms to use ALPS data effectively in their planning to target support to Year 12 students	Monica Forty (ESW)	30/09/2014	Complete	100%	All schools are using the ALPS process to monitor and track their students. They also use ALPS to monitor the quality of AS and A levels against a national framework and all schools have received training on the best use of the system.
Offer targeted Key Stage 5 support to the worst performing schools to support improvement, including learning and family support interventions	Monica Forty (ESW)	30/09/2014	Complete	100%	Seven sixth form health checks made in the past year. These include learning walks, lesson observations, folder checks, focus groups with students/staff and a report back to the Head. This is an ongoing action. The secondary learning team focus on the educational needs of our schools, teachers and students by supporting them in their work with families and commission support from relevant agencies.
Fund and support the development of academic literacy, by providing one to one tuition for students and support for teachers which schools can access	Monica Forty (ESW)	31/03/2015	Complete	100%	We have supported the development of an academic literacy programme that is now in all of our sixth forms. This programme uses a network of tutors - often ex-teachers but also recent graduates - to provide 1:1 support for students. This has been very effective in helping students improve their grades. This project has developed a variety of resources and techniques that are highly effective. The latest initiative is for the tutors to coach teachers in schools on these techniques. This helps spread the 1:1 strategies more widely and will enable even more students to benefit from the programme.

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Embed a Child Rights Approach in all of our commissioning for 2014/15	Cabinet Member for Education & Children's Services Monica Forty(ESW), Dorne Kanareck (ESW)	28/02/2015	Complete	100%	Milestones completed
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Ensure all our key partners sign up to the Mayor's Charter of Child Rights	Monica Forty (ESW)	30/04/2014	Complete	100%	A host of key organisations formally pledged to uphold the rights of children and young people in Tower Hamlets. The 'Tower Hamlets Mayor's Charter of Child Rights' was launched on March 11th 2014. Tower Hamlets Council was the first organisation to sign the Charter. Key partners signed up at the launch - Barts Health NHS Trust, the Metropolitan Police, East London Foundation Trust and some of the borough's head teachers.
Children and Families Partnership Board agree the joint child rights based commissioning framework	Monica Forty, Dorne Kanareck (ESW)	30/06/2014	Complete	100%	This was approved by the Children and Families Partnership Board on 20th May 2014
Provide training for colleagues undertaking commissioning in 2014-15	Monica Forty, Dorne Kanareck (ESW)	31/12/2014	Complete	100%	UNICEF training undertaken by the Project Group
Procurement processes completed	Monica Forty, Dorne Kanareck (ESW)	28/02/2015	Complete	100%	YBSM service was tendered using the child right's principles. The new service was established on 1st April 2014.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Assist more people into further education and to university, and continue to deliver the Mayor's Education Allowance (MEA) and Mayor's Higher Education Award (MHEA)	Cabinet Member for Education & Children's Services / Cabinet Member for Resources Monica Forty(ESW)	31/02/2015	Complete	100%	The activities below provide an update of progress
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Hold information sessions for parents about aspirational progression routes for young people leaving school, college or university	Monica Forty (ESW)	31/07/2014	Complete	100%	Providing information about various career routes after school, a project team has worked with the parental engagement team to produce a DVD for parents. A careers advisor holds a surgery at the annual Parent's Evenings at every secondary school, providing advice to Year 9 and 11. The Careers Service also participated in the Parent's Conference on the Labour Market and information about apprenticeships in March 2015.
Hold the annual Mayor's Education Achievement Awards to recognise the achievements of young people in the borough	Monica Forty (ESW)	30/11/2014	Complete	100%	This was a well attended event hosted by the Mayor of Tower Hamlets and Cabinet Member for Education and Children's Services and Olympic athlete Perri-Shakes Drayton. This event took place on the 25th November 2014.
Undertake publicity and advertise the MEA and MHEA schemes	Monica Forty (ESW)	31/12/2014	Complete	100%	Publicity exercise completed by Education and Comms
Apply the MEA and MHEA policy to determine applications	Monica Forty (ESW)	31/12/2014	Complete	100%	The MEA and MHEA Policy are being applied for all applications. Checks in accordance with the Policy have been completed.
Make payments	Monica Forty (ESW)	31/01/2015	Complete	100%	A total of 1101 first payments for MEA have been made. More may follow upon receipt of information from a number of colleges and sixth forms; awaiting responses. 400 offers have been made in respect of MHEA. Currently waiting for enrolment checks with Universities; payments will follow upon receipt. Some Universities require consent forms from students.

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Maintain investment in youth services and provision for young people	Deputy Mayor Andy Bamber (CLC)	03/03/2015	Overdue	66%	Overdue as review of administrative support functions has not been undertaken.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Redesign and implement a new grant allocation process	Andy Bamber (CLC)	31/08/2014	Complete	100%	
Review Youth Service provision following the implementation of the restructure	Andy Bamber (CLC)	31/10/2014	Complete	100%	
Undertake a review of administrative support functions	Andy Bamber (CLC)	31/03/2014	Overdue	0%	Progression is interdependent with any future re-shaping of services
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Provide effective support for parents and governors	Cabinet Member for Education & Children's Services Monica Forty (ESW)	31/03/2015	Complete	100%	Parent governors continue to have access to the Families Matter newsletter and are invited to termly Parent Governor Network and Parent and Carer Council meetings and exploring themes requested by families. This is ongoing work with the wider school council, networks and forums. In addition, the Parental Engagement Team deliver a range of projects to help with increasing and achieving educational attainment in the borough. Some of the activities involve a) providing support and help to secure employment through the Passport to Learning programme; b) Holding an Annual Parent Conference in March 2015 which was attended by more than 150 parents and carers; c) The Aspirations Programme has helped to make a DVD 'Looking to the Future, Raising Aspirations in Tower Hamlets'; d) More than 600 parents / carers have attended parenting programmes; e) More than 3000 parents have attended school based activities to support their child's learning; f) 15 parents trained as Healthy Families Parent Ambassadors; g) three Active Dad's Network events are held annually; h) Parent and Carer Council attended by 80+ parents held three times a year, and recently contributed to the Neglect strategy and pupil admissions consultation. Attendance at the Director's Meeting continues to be good with a mixture of regular and new attendances. Their feedback to their governing bodies has been positive.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Provide training in relation to governors' financial responsibilities including new responsibilities related to teachers' pay, to improve the governance framework	Monica Forty (ESW)	31/03/2015	Complete	100%	A workshop on governors' role in Pay Policy was delivered at the autumn term 2014 Director's Meeting with Governors by the Senior HR & WD Business Partner. Bespoke on-site finance training is available as part of the Governor Services SLA package and can be purchased separately. Schools with SLAs with Governor Services have access to an on-line training module on finance and non-SLA schools can purchase this package as a stand-alone. There is an article on finance in the April edition of the Director's Report to Governors. A finance workshop is planned for governors at the Director's termly meeting with governors in April. This will be delivered by an auditor and the Schools Finance Manager.
Ensure new governors in community schools undertake induction training; 50% of governors newly appointed in 2013/14 to attend the course within one year of being appointed	Monica Forty (ESW)	31/03/2015	Complete	100%	Combined attendance at the LBTH induction training for new governors in May and October was 48 out of 84, i.e. 57%. Governors who have not attended will be reserved places on a future induction course. 23 out of 28 governors (82%) attended February's induction course (spring term) Positive feedback on the quality and usefulness of the course scored at 100%.

Monitor the equality profile of governors and encourage the recruitment of under-represented groups	Monica Forty (ESW)	31/03/2015	Complete	100%	This is monitored and we have received a good response, as part of this voluntary return. It is an area we continue to work. All new governors are asked to complete an equalities monitoring form. Profiles are now available for 53% of governors. New Regulations introduced by government to take effect by 1st September 2015 will reduce the number of LA governors to one per governing body and hence the direct influence on appointments. New and re-appointed governors are asked to complete an equalities monitoring questionnaire but the percentage doing so has not increased. Governor Support Officers and independent Clerks will be asked to distribute the form to governors who have not provided equalities information and Chairs of Governing Bodies will be asked to support the initiative. This will take place during the summer and first half of the autumn term with a view to achieving 75% returns by the end of October 2015. A workshop on recruiting governors was held at the Director's meeting with governors in January at which the importance of having diverse governing bodies that reflect the community was discussed and the ways that this could be achieved.
Strategic Priority 2.2: Support more people into work					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Support residents into jobs through employment and skills programmes	Deputy Mayor / Cabinet Member for Health & Adult Services Andy Scott (D&R), Bozena	31/03/2015	Complete	100%	Employment rate shows a positive trend upwards again. The employment rate gap between TH and the London average has further reduced by 0.8pps since last quarters update. The employment rate at 68.7% is the highest it's been for the borough since recording began in 2004 with a 5.3pp increase since Dec 2013.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Support 750 Tower Hamlets residents into jobs	Andy Scott (D&R)	31/03/2015 and quarterly	Complete	138%	1037 directly delivered job starts through Employment brokerage (Skillsmatch) confirmed for year end.
Monitor and report the equalities profile of residents securing jobs to steer provision to targeted equality groups	Andy Scott (D&R)	31/03/2015	Complete	100%	Data collected to be analysed and to inform work planning
Establish a commercial recruitment agency for Tower Hamlets	Andy Scott (D&R)	31/03/2015	Complete	100%	The necessary preparatory work has been completed within year and external partners are agreed in principle on the way forward. Independent set up of company is expensive and does not have the necessary investment to underwrite the set up and first three years of trading. Alternative proposal to merge together the council's resourcing arrangement and Tower Skills recruitment agency has been delayed pending internal service area restructure finalisation. Once staffing is redesigned the additional model design and legal implications must be finalised to clarify the financial liabilities are outside of the council framework before a proposal is presented for approval. Following internal restructure, staff resources will be allocated to complete the processes required and present the work for agreement to proceed. It is expected that this will take some months to finalise the legalities of delivery and management. An update can be provided at the end of quarter 2 2015/16.
Create a new internal partnership arrangement based on a broad SLA with key partners including Job Centre Plus and other Economic Taskforce members	Andy Scott (D&R)	31/08/2014	Complete	100%	MoU agreed and signed in principle by Service Head for Economic Development and JCP.
Progress the first phase of the development of a new integrated employment centre	Andy Scott (D&R)	31/03/2015	Complete	100%	Phase one of the Integrated Employment Service is complete and was rolled out on 30th March. Phase one of the Integrated Employment Services (IES) is the outreach phase and will allow the service to learn and prescribe relevant service based on findings. Two IDEA Stores (Whitechapel and Chrisp Street) are involved in phase one and dedicated space has been identified for the IES to work from.

Deliver integrated employment support services from each of the Idea Stores	Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Support more people aged 18-69 with learning disabilities and mental health needs into employment	Bozena Allen (ESW)	31/03/2015	Complete	100%	These placements are brokered in collaboration with Tower Project JET and Workforce Development. These placements are one day a week for one year. Training is provided which can lead to a qualification in NVQ Level 1 in Business Admin or Social Care. One person is currently placed at Age UK. Outside of the Council, Tower Project is commissioned by the Council to broker work placements. As at the end of Q1 we have 23 people with learning disabilities in paid employment (more than 4 hours but less than 16 hours per week). We are awaiting Q2 figures to come back from Tower Project JET, so this number should increase.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Provide high quality support and training to assist young people into sustainable employment	Deputy Mayor / Cabinet Member for Health & Adult Services Andy Scott (D&R), Diana Warne (ESW), Andy Bamber (CLC)	31/03/2015	Complete	100%	A Snapshot of the Careers Service IYSS database as at 31st March 2015 shows we have assisted 819 (Tower Hamlets Residents) onto Apprenticeships providing a mixture of Careers Guidance, mentoring, submission and placing support as well as aftercare to sustain placements.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Increase and improve the labour market information provided to young people, schools and parents, focusing on growth areas	Dianna Warne (ESW), Andy Scott (D&R)	31/07/2014 and quarterly	Complete	100%	First Labour Market Information (LMI) report is provided by Economic Development and handed over to the Careers Service. So far developed: 1. An LMI overview for young people and their parents. 2. An LMI overview for teachers. 3. A Powerpoint presentation pack for use by teachers and advisers. 4. A specific sector overview dedicated to IT.
In partnership with TH EBP, develop a clear and high quality standard of work experience for young people in school for employers to sign up to	Dianna Warne (ESW)	30/09/2014	Complete	100%	Work experience JDs and expectations in place. Establishment of EBP 500 Club to provide 500 high quality work experience places Appointment of apprentice to Secondary Learning and Achievement team to have a role in liaising with schools, LA and EBP to identify types of WE required, monitor offer and take up.
Provide a minimum of 2 job fairs during the year for NEETs	Andy Bamber (CLC)	31/03/2015	Complete	100%	
Provide a Level 2 Award in Leadership for 200 young people	Andy Bamber (CLC)	31/03/2015	Complete	100%	

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Maximise local employment and economic benefits from the Council's procurement and planning processes	Deputy Mayor Andy Scott (D&R)	31/03/2015	Delayed	93%	Currently 95 contracts with secured economic and community benefits obligations. Contracts forecast data now being reviewed to prepare work plan for upcoming procurements. Templates schedules and guidance notes supplied to contract managers directly and via Procurement. Training package for contract managers related to the securing of economic benefits, assessment of submissions an tracking and monitoring of related KPIs will be rolled out from June 2015.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Introduce cross-Council coordination of reporting on employment and enterprise agenda	Andy Scott (D&R)	30/09/2014	Delayed	80%	Cross council reporting paper of Dec 14 to be amalgamated with Integrated employment service paper for return to CMT in June 2015 thus delayed implementation.
Review existing contracts list to identify and secure additional benefits	Andy Scott (D&R)	31/12/2014	Complete	100%	A process has been implemented to both look at new contracting and to review existing contracts. This is a lengthy piece of ongoing work which will continue to glean additional obligations and opportunities for discussion around social investment from external companies. Currently there are now 95 contracts with secured economic and community benefits obligations. Contracts forecast data now being reviewed to prepare work plan for upcoming procurements. Templates schedules and guidance notes supplied to contract managers directly and via Procurement. Training package for contract managers related to the securing of economic benefits, assessment of submissions and tracking and monitoring of related KPIs will be rolled out from June 2015. Review of existing contracts not securing EB to begin 2015/16 and this is expected to be in excess of 10,000 contract documents.
Introduce coordinated processes to increase and capture opportunities from procurement and planning processes	Andy Scott (D&R)	31/03/2015	Complete	100%	Temporary officer now in post and developing this area of work whilst service restructures finalised and recruitment undertaken.
Continue to embed London Living Wage as a requirement in contracts, throughout the Council's supply chain.	Chris Holme (RES)	31/03/2015	Complete	100%	London Living Wage Accreditation was attained in May 2015. The London Living Wage is now standard clause in contracts over £25k. For those contracts awarded before May 2015, Contract managers are encouraged to open a dialogue with existing contractors in order to explore the possibility to include LLW as a variation of the contractual terms. It is recognised that the implementation such variation may have legal constrains.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Support English for Speakers of Other Languages (ESOL)	Cabinet Member for Education & Children's Services / Deputy Mayor Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Develop the performance framework to enhance monitoring arrangements for the uptake and performance of Idea Stores Learning ESOL provision	Shazia Hussain (CLC)	30/09/2014	Complete	100%	
Carry out a review of funding options for ESOL in the borough and implement a new structure for the delivery of a sustainable ESOL programme	Shazia Hussain (CLC)	31/12/2014	Complete	100%	

Strategic Priority 2.3: Manage the impact of welfare reform on local residents and maximising incomes					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Implement the Welfare Reform Temporary Accommodation Support Fund	Cabinet Member for Housing & Development Colin Cormack (D&R)	31/10/2014	Complete	100%	Fund likely to last now until 31/3/15
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Report on fund's 6-month spend, using this data to assess fund's likely duration and number of households involved	Colin Cormack (D&R)	30/04/2014	Complete	100%	Fund likely to last now until 31/3/15
Report on measures requiring adoption to prevent over-spend of fund	Colin Cormack (D&R)	30/06/2014	Complete	100%	
Delivery of adopted measures for all capped households	Colin Cormack (D&R)	31/10/2014	Complete	100%	Existing measures adopted
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Optimise use of existing funding and maximise prospects for future funding	Mayor Dave Clark (D&R)	30/03/2015	Complete	100%	The 2012-15 MSG programme has been extended to 31 August 2015. The new MSG programme, including the new theme specifications and the management processes and procedures was approved on 22nd April 2015.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Refine and develop grant management systems to improve productivity, management information and effectiveness of contract compliance monitoring	Dave Clark (D&R)	30/09/2014	Complete	100%	The Grant Officers Manual is now in operation and being used for the MSG extension period. Projects running from April - August 2015 will be monitored according to these procedures. The revised on-line application form, on-line monitoring form and revised offer letter template have been developed for use with the new MSG Programme.
Develop the Main Stream Grants future funding programme	Dave Clark (D&R)	31/03/2015	Complete	100%	The new Main Stream Grants (MSG) programme was considered by the Commissioners at a public meeting on 22 April 2015. The programme comprises five Themes - Children, Young People & Families; Jobs, Skills & Prosperity, Prevention Health & Wellbeing; Third Sector Organisational Development; Community Engagement, Cohesion & Resilience. There is an updated application form, guidance and assessment process. Now approved, the new programme will be launched.
Launch round 3 of the European Social Fund community grants programme	Dave Clark (D&R)	31/03/2015	Complete	100%	Round 3 of the Mayors ESF Community Grants Programme has been launched
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Drive the ongoing partnership wide programme around welfare reform	Cabinet Member for Housing & Development / Cabinet Member for Resources Louise Russell (LPG)	31/10/2014	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Complete research into impact of welfare reform on local people	Louise Russell (LPG)	31/07/2014	Complete	100%	
Increase supply of specialist welfare benefits advice provision to support residents affected by changes in welfare benefits.	Andy Scott (D&R)	31/08/2014	Complete	100%	Project commissioned through full procurement process - 2 new welfare benefits contracts started in June 2014 and on target to provide specialist welfare benefits advice to 400 residents by June 2015. Additional pro bono and trainee solicitor project commenced in Oct 2014 .
Develop proposals to respond to Local Support Services Framework	Louise Russell (LPG)	31/10/2014	Complete	100%	A Memorandum of Understanding has been signed with JCP and work is being progressed in line with the Integrated Employment Service
Develop a partnership approach to promote digital inclusion including provision of free WIFI areas	Louise Russell (LPG), Andy Scott (D&R)	31/12/2014	Complete	100%	

Take forward recommendations of welfare reform research	Louise Russell (LPG)	31/01/2015	Complete	100%	An action plan has been developed, agreed by Cabinet in October and key activity is being delivered
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Support local businesses	Deputy Mayor Andy Scott (D&R)	31/03/2015	Complete	100%	2014/15 has seen the completion of the successful "Fit for Legacy" project across East London, but with particular benefits for Tower Hamlets businesses, and, following successful bids, the commencement of New Homes Bonus projects which will extend achievements in 2015/16 and future years.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Interim report on 'fit to supply' provision	Andy Scott (D&R)	01/09/2014	Complete	100%	Report complete and informed successful New Homes Bonus bid
Increase local business database entries to 3500	Andy Scott (D&R)	30/09/2014	Complete	100%	Database entries at the end of quarter 4 exceed 7000
Increase local business database entries to 7000	Andy Scott (D&R)	01/03/2015	Complete	100%	Database entries at the end of quarter 4 exceed 7000
Develop forward plan for 'fit to supply' provision and business start-up initiatives	Andy Scott (D&R)	01/03/2015	Complete	100%	Report complete and informed successful New Homes Bonus bid
Distribute 3 quarterly e-newsletters via Tower Hamlets business database	Andy Scott (D&R)	31/03/2015	Complete	100%	Three newsletters have been produced and circulated generally
Deliver Business Forum event and three further targeted events	Andy Scott (D&R)	31/03/2015	Complete	100%	All four events have been arranged, and have taken place
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Work collaboratively across London to enhance investment and opportunity	Cabinet Member for Resources Andy Scott (D&R)	31/03/2015	Complete	100%	There has been effective and productive work facilitated by LBTH Economic Development Service involving partner agencies such as the LLDC, London & Partners, the GLA and London Councils.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Secure inward investment by delivering contractual arrangements with organisations across borough boundaries or external to the borough	Andy Scott (D&R)	30/09/2014	Complete	100%	All contractual obligations have been delivered to secure a high level of inward investment.
Engage with, and promote the 6 Growth Boroughs unit, to bring benefits for Tower Hamlets	Andy Scott (D&R)	30/03/2015	Complete	100%	There has been full involvement with Growth Boroughs work to maximise benefits for Tower Hamlets.
Engage with and develop appropriate proposals for growth alongside the emerging London Local Enterprise Panel	Andy Scott (D&R)	30/03/2015	Complete	100%	Proposals for growth were incorporated in the successful New Homes Bonus bid under the name "Tower Hamlets Growth Sectors", for which collaboration with the work of the London Local Enterprise Panel was a precondition
A Safe and Cohesive Community					
Strategic Priority 3.1: Focus on crime and anti-social behaviour					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Deliver the partnership 'Violence Against Women & Girls' (VAWG) programme	Cabinet Member for Community Safety Andy Bamber (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	100%	Comments
Develop and analyse new performance indicators to support the anti-VAWG partnership work of the Council	Andy Bamber (CLC)	30/04/2014	Complete	100%	
Ensure that female residents have continued access to in-borough provision of Rape Crisis Services (Advice, Counselling and Advocacy)	Andy Bamber (CLC)	30/04/2014	Complete	100%	
Implement a multi-agency strategic approach to training and awareness raising in the borough for existing (VAWG) professionals	Andy Bamber (CLC)	31/03/2015	Complete	100%	
Develop a dedicated curriculum and VAWG training programme for young people in schools	Andy Bamber (CLC)	31/03/2015	Complete	100%	

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Manage the night time economy	Deputy Mayor Andy Bamber (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Develop an options paper for the implementation of Late Night Levies	Andy Bamber (CLC)	30/06/2014	Complete	100%	
Complete a detailed review of the costs and benefits of the adoption of early morning restriction orders	Andy Bamber (CLC)	31/03/2015	Complete	100%	
Develop a community alcohol partnership scheme to reduce sales of high strength drinks	Andy Bamber (CLC)	31/03/2015	Complete	100%	
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
With our partners, deliver the Partnership Community Safety Plan	Cabinet Member for Community Safety Andy Bamber (CLC)	31/03/2015	Overdue	85%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Complete the strategic review and equality analysis of Crime and ASB	Andy Bamber (CLC)	28/02/2015	Completed	100%	
Annual review of the Community Safety Plan	Andy Bamber (CLC)	31/03/2015	Completed	100%	
Ensure that the Integrated Offender Model is embedded within the Community Safety Partnership Plan	Andy Bamber (CLC)	31/03/2015	Completed	100%	
Increase the number of hate crime pledges signed, and the number of reports made by hate crime third party reporting sites	Andy Bamber (CLC)	01/03/2015	Overdue	60%	Although we are not currently receiving reports from the third party reporting sites, they have recently been retrained and relaunched and we are hoping to see reports increase. We are currently recruiting a new staff member (12 month post) so this work should be completed within the next 6 months.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Work with the Police and Mayor for London to maintain and improve enforcement, CCTV and deployment of local police to improve community safety, including deployment of a mobile police centre	Cabinet Member for Community Safety Andy Bamber (CLC)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Implement and embed a new ASB tasking and coordination process with the police for assigning community safety resources	Andy Bamber (CLC)	30/04/2014	Complete	100%	
Continue the commitment to provide additional uniformed Police presence through the continuation of funding for Partnership Task Force resources and 20 additional officers; 1 per Ward, maintaining the focus on the Dealer a Day programme.	Andy Bamber (CLC)	30/09/2014	Complete	100%	
Launch a mobile Police centre so residents can report crimes and raise concerns face to face with police officers	Andy Bamber (CLC)	30/10/2014	Complete	100%	
Deliver 6 joint safer transport operations between April to December 2014	Andy Bamber (CLC)	31/12/2014	Complete	100%	
Deliver 10 Joint Automatic Number Plate Recognition CCTV operations	Andy Bamber (CLC)	31/03/2015	Complete	100%	

Strategic Priority 3.2: Reduce fear of crime					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Improve the responsiveness and visibility of our ASB services	Cabinet Member for Community Safety Andy Bamber (CLC) Jackie Odunoye (D&R)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Implement the new ASB 'Trigger' process in line with new legislation and MOPAC guidance	Andy Bamber (CLC)	31/10/2014	Complete	100%	
Revise ASB Landlords' policy and procedures and present them to Members	Jackie Odunoye (D&R) Andy Bamber (CLC)	31/10/2014	Complete	100%	
Review and refresh ASB Strategy to take into account new ASB legislation	Andy Bamber (CLC)	31/12/2014	Complete	100%	
Commence ASB procedures review	Andy Bamber (CLC)	31/01/2015	Complete	100%	
Work with RSLs to develop and implement agreements for the provision of additional THEO resources to tackle estate based ASB	Andy Bamber (CLC)	31/03/2015	Complete	100%	
Strategic Priority 3.3: Foster greater community cohesion					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Celebrate our diversity with community events every month	Cabinet Member for Culture Shazia Hussain (CLC), Louise Russell (LPG)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Support and deliver 120 community events with an attendance of over 100	Shazia Hussain (CLC)	31/03/2015	Complete	100%	
Deliver a programme of events which celebrate the diversity of the local community including:	Louise Russell (LPG)				
Black History Month		30/09/2014	Complete	100%	There were around 85 events plus exhibitions across the borough. 16 venues took part, 4 of which had not taken part before. 26 organisations were involved and many others participating in Black History Month with funding from sources other than the Council.
Interfaith Week		30/11/2014	Complete	100%	Stall set up and broader events publicised
International Day for Disabled People		31/12/2014	Complete	100%	A number of events were delivered, including: New York Knicks Training Day Event, Breaking Down Barriers (participants completed work as part of the Hospitality and Catering Diploma), Lord Mayor Show, Barclays and RBS employability event, Arts event - music production. These events were successful - with over 400 disabled residents attending.
LGBT History Month		20/02/2014	Complete	100%	A number of events were delivered throughout the year and were well attended, with over 500 people attending the events held. Key events included a Holocaust memorial day – linking in with an online resource to look at the impact of the Nazi era on LGBT life, Q&A evenings with key LGBT figures, plays and music evenings.
International Women's Week		31/03/2015	Complete	100%	A total of 15 events were delivered throughout March. The events were very well attended, with a total of 1,223 attending. Events delivered include Q&A sessions with leading women in public life and gender employability events with speakers from perceived male dominated sectors such as the Fire Brigade, Police and Construction.
Support the celebration of World Food Day on October 16th as part of the annual events programme.	Shazia Hussain (CLC)	31/12/2014	Withdrawn	0%	This was subject to identification of funding and Mayoral approval

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Deliver the Mayor's One Tower Hamlets Fund scheme	Mayor Louise Russell (LPG)	31/12/2014	Complete	100%	Delayed due to DCLG Directions and Commissioner appointment. Programme was awarded at the end of May.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Complete evaluation of 2014 One Tower Hamlets Fund and present to the Tower Hamlets Equalities Steering Group	Louise Russell (LPG)	31/10/2014	Complete	100%	Evaluation completed. Delays due to slippage in delivery of projects. Report was presented to THESG in May.
Advertise One Tower Hamlets Fund	Louise Russell (LPG)	30/11/2014	Complete	100%	
Evaluate and award funding	Louise Russell (LPG)	31/12/2014	Complete	100%	
A Healthy and Supportive Community					
Strategic Priority 4.1: Reduce health inequalities and promote healthy lifestyles					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Develop and implement a Women and Health employment programme focusing on the priority of Maternity and Early Years	Deputy Mayor / Cabinet Member for Health & Adult Services Andy Scott (D&R)	31/03/2015	Overdue	80%	Budget committed. Project is proceeding but implementation has been delayed by a lack of key staff, following delays to the recruitment process. Project Manager has now been appointed and implementation of first tranche of clients is imminent (June/July 2015). Conditions for eligibility have been agreed. To compliment this work we are also finalising additional external investment in a Parental Engagement Programme which is on track to begin May 2015.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Introduce programme Steering Group monthly meetings	Somen Banerjee (Public Health)	30/06/2014	Complete	100%	This activity is complete and well established
Recruit 100 women	Andy Scott (D&R)	31/01/2015	Overdue	80%	Budget committed. Project is proceeding but implementation has been delayed by a lack of key staff, following delays to the recruitment process as discussed with the Mayor and Lead Member. Project Manager has now been appointed and implementation of first tranche of clients is imminent (June/July 2015 as reported to MAB in March 15). Conditions for eligibility have been agreed with Lead member, Mayors office and Women's adviser. To compliment this work we are also finalising additional external investment in a Parental Engagement Programme which is on track to begin May 2015.
Ensure 100 training courses started	Andy Scott (D&R)	31/01/2015	overdue	80%	As above
Deliver 100 placements started	Andy Scott (D&R)	31/03/2015	Overdue	80%	As above
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Support young people to live healthy lives	Cabinet Member for Education & Children's Services / Cabinet Member for Health & Adult Services Monica Forty (ESW)	31/03/2015	Delayed	90%	This activity is marked as delayed because 90% target for looked after children attending health assessments and dental checks has not been met. The vast majority of these activities have been completed, however the implementation of the CCG Review for LAC remains incomplete. The Healthy Living programme is commissioned from the Public Health Grant.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Ensure 90% of Tower Hamlets schools have registered with the GLA's Healthy Schools London Award Scheme	Monica Forty (ESW)	01/03/2015	Complete	100%	100% of Tower Hamlets schools have registered with the GLA's Healthy Schools London Award Scheme
Deliver healthy eating and physical activity training to 150 school staff	Monica Forty (ESW)	31/03/2015	Complete	100%	This activity has been completed. 150 school staff have received healthy eating and physical activity training.

Provide healthy eating and physical activity support to 25 schools	Monica Forty (ESW)	31/03/2015	Complete	100%	36 schools have received support around healthy eating and physical activity - this is above target.
Support 15 schools to achieve Advanced Healthy School Status	Monica Forty (ESW)	31/03/2015	Complete	100%	25 schools are working towards achieving or maintaining Advanced Healthy Schools Status - this is above target.
Develop a new model of Tier 2 mental health support to schools, children's centres, colleges and youth services, in partnership with Tower Hamlets CCG	Monica Forty (ESW) /Somen Banerjee (Public Health)	31/03/2015	Complete	100%	In February 2014, the HWBB approved the borough's Mental Health Strategy, outlining a 5 year plan. This aims to improve outcomes for children and young people, adults of working age, and older people. The business case for the Tier 2 model has been completed. The project to re-design services for children and young people with a mental health issue has begun. A project advisory group and project team has been formed with support from North East London Commissioning Support Unit to develop an outcomes based approach. A series of co-production workshops with children and young people to help develop outcomes were held during Winter 2014. CCG are intending to invest additional resources into 2015/2016 into preventative services.
Ensure the provision of focused contraception and sexual health services and the delivery of SRE in school and community settings	Somen Banerjee (Public Health)	31/03/2015	Complete	100%	This is complete and the service has been recommissioned
Implement the CCG review of health support services for Looked After Children and increase the proportion of LAC attending health assessments and dental checks to 90%	Steve Liddicott (ESW)	31/03/2015		60%	We have not yet met the 90% target. This is partly due to the increase in children age 15 and above in the cohort who decline suggestions by their carers and social workers to attend health assessments. Processes have been simplified, but the benefits are yet to bed in. Health have just appointed a second CLA nurse to undertake health assessments, so the performance solutions are likely to progress. The Head of Service will be meeting with the CLA manager to develop a service improvement plan.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Embed integrated governance arrangements through the Tower Hamlets Health and Wellbeing Board to maximise health and wellbeing outcomes	Mayor / Cabinet Member for Health & Adult Services Louise Russell (CE), Dome Kanareck (ESW), Somen Banerjee (Public Health)	31/03/2015	Complete	100%	This is tied to the function of the Board which is an ongoing piece of work. The milestones below have been embedded into the HWBB's work programme for 2014/15 and the Board continues to monitor its progress. The HWBB Delivery Action Plans were approved in March 2015 by the HWBB.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Provide support in the embedding of the commissioned Healthwatch service	Louise Russell (CE), Somen Banerjee (Public Health)	31/03/2015	Complete	100%	Support provided throughout the year and revised SLA for 2015/16 with stronger focus on strengthening core activities including consultation and having an impact on health outcomes for the borough.
Use the Tower Hamlets Health and Wellbeing Board meetings to track NHS proposals and changes that will impact Tower Hamlets residents and devise plans with health partners to mitigate adverse consequences	Louise Russell (CE), Somen Banerjee (Public Health)	31/03/2015	Complete	100%	The HWBB Delivery Action Plans were approved in March 2015 by the HWBB, and will continue to be monitored
Work with Tower Hamlets CCG to target the use of the Better Care Fund on preventative services that reduce unnecessary hospital admissions	Somen Banerjee (Public Health) and Luke Addams (ESW)	31/03/2015	Complete	100%	Since the Better Care Fund (BCF) Plan was submitted to NHS England on 19th September 2014, the Plan has received executive sign off. It has now been integrated in to the HWBB Delivery Action Plans for implementation.
Deliver a programme of co-production with local residents initiated around type 2 diabetes and cardiovascular disease	Somen Banerjee (Public Health)	30/06/2014	Complete	100%	These screenings are delivered as part of the Health Checks work programme. Additional health checks were delivered in 2014/15 at lunch clubs. This is a commissioned service and therefore requires on-going monitoring.

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Use Public Health expertise within a Council and Partnership-wide approach to reduce health inequalities for all sections of the community	Mayor / Cabinet Member for Health & Adult Services, Somen Banerjee (Public Health), Louise Russell (LPG), Andy Bamber (CLC)	31/03/2015	Overdue	80%	Public Health oversees the HWBB and works with Law, Probity and Governance Directorate on the oversight of the delivery of the HWB Strategy. The HWBS action plans have now been refreshed and approved by the HWBB in March 2015. A permanent Director for Public Health was appointed in March 2015. There remains a delay in the delivery of the 'Fit 4 Life' contract.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Develop, agree and implement a 'food for health' action plan	Andy Bamber (CLC)	31/07/2014	Complete	100%	Action Plan agreed with Public Health (the commissioners) and is being delivered
Identify roles and responsibilities across the Council for Public Health Outcomes Framework indicators and align with JSNA and Health and Wellbeing Strategy	Somen Banerjee (Public Health) Louise Russell (LPG),	31/03/2015	Complete	100%	The PHOF indicators have been added into the HWBB Strategy and also informed the development of the HWBB Delivery Action Plans
Support 2900 people to quit smoking.	Somen Banerjee (Public Health)	31/03/2015	Complete	100%	For Q1 -Q3 (April - December) the total number of smokers setting a quit date, and therefore supported, was 2636 (90.8%). The total number of quits was 997 (34.2%). Provisional data for Quarter 4 would suggest that we will achieve this milestone. Final data to be released in June 2015.
Tender and award Public Health commissioned services	Somen Banerjee (Public Health)	31/06/2014	Overdue	80%	Most services / contracts have been tendered, awarded and are being mobilised. The remaining set of contracts relate to the award of 'Fit 4 Life' (Adult weight management). This is awaiting final sign-off.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Invest in the borough's leisure facilities and playing pitches	Cabinet Member for Health & Adult Services Shazia Hussain (CLC)	31/03/2015	Overdue	90%	Improvements in the borough's leisure facilities and playing pitches have progressed with some delays. Remaining improvements will be completed by December 2015.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Enhance existing provision including: replacing artificial turf (Stepney Green Park and John Orwell Sports Centre), resurfacing tennis courts (St. John's Park) and replacing floodlights (Stepney Green Park, St. John's Park and John Orwell Sports Centre)	Shazia Hussain (CLC)	31/03/2015	Overdue	70%	Artificial turfing at John Orwell Sports Centre and floodlight replacement remain outstanding due to procurement issues. Improvements will now be completed by June 2015.
Complete improvements at Victoria Park, including to changing rooms and cricket wickets	Shazia Hussain (CLC)	31/03/2015	Overdue	60%	Delay caused due to earlier procurement issues. Improvement works are now out to procurement and works due for completion in October 2015.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Deliver free school meals for all primary pupils in the borough through supplementing the government's Universal Infant Free School Meals programme	Cabinet Member for Health & Adult Services Kate Bingham (ESW)	31/07/2014	Complete	100%	Every pupil in years Reception to Year 2 is now receiving a free hot school meal. This meets or exceeds the Government's nutritional and food based guidelines (as part of the Coalition Government's Universal Free School Scheme). In addition to the Government's scheme, all pupils in Years 3-6 are also receiving free school meals if they are not already entitled under the statutory scheme.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Assess catering staffing needs on school by school basis	Kate Bingham (ESW)	31/07/2014	Complete	100%	Whilst initial staffing needs were assessed ahead of the start of the project, there will be a continuous review of staffing levels throughout the coming months.
Recruit additional staff through Skillsmatch	Kate Bingham (ESW)	31/07/2014	Complete	100%	81 new staff were recruited. Not all are in post as yet as references and DBS checks are still being sought.
Publicise scheme to parents of all Primary children	Kate Bingham (ESW)	31/07/2014	Complete	100%	Letter was sent to all schools for onward distribution to all parents. Articles published in East End Life. The new menu for November 2014 will feature a parents pack which will explain the scheme again in detail.

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Work with people with drug and alcohol dependencies to break the cycle of substance misuse	Cabinet Member for Community Safety Andy Bamber (CLC)	31/03/2015	Overdue	65%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Review the commissioned services with Public Health, taking account of any significant variation in treatment outcomes for equality groups	Andy Bamber (CLC) / Somen Banerjee (Public Health)	31/05/2014	Complete	100%	
Complete Drug & Alcohol Service re-provisioning	Andy Bamber (CLC) / Somen Banerjee (Public Health)	31/01/2015	Overdue	25%	Authorisation to proceed now granted via Cabinet. Some budget issues still outstanding and advert delayed due to application of new procurement regulations but expected to be advertised imminently. Procurement to be completed by end August and recommendations will then progress through committees for agreement.
Strategic Priority 4.2: Enable people to live independently					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Improve support to Carers	Cabinet Member for Health & Adult Services Luke Addams / Dorne Kanareck (ESW)	31/03/2015	Complete	100%	A new Carers Plan for 2015/16 has been developed. This references the changes required under the Care Act 2014 such as a) improved information and advice; b) an increased focus on prevention; c) the introduction of personal budgets and direct payments; d) access for one off direct payments and care replacement through statutory carers assessments; e) the replacement of emergency carers cards with improved contingency planning and f) an urgent response facility. The Carers Centre will support self directed carer assessments, provide advice and information and, where appropriate, refer to Social Work for a fuller statutory carer assessment. The majority of contracts have been recommissioned. The 'carers break' contracts will be part of the recommissioned domiciliary care framework anticipated to go live in three months time.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Complete the commissioning actions within the Carers Three Year Plan – including improving access to employment for carers	Luke Addams/ Dorne Kanareck (ESW)	30/09/2014	Complete	100%	Since this milestone was written, the landscape has changed due to the Care Act. Apart from the carers breaks which are expected to be in place by the end of the calendar year, all recommissioning has been completed with contracts starting 1st April 2015. As above, carers breaks will be part of the new domiciliary care contract anticipated to be in place in three months.
Review the introduction of carers' budgets to give carers control over the services they choose to receive in the context of the Care Bill	Luke Addams/ Dorne Kanareck (ESW)	31/03/2015	Complete	100%	Carers one-off Direct Payments have been very successful in supporting carers to maintain their caring role. As an integral part of the Care Act workstream, these will be further developed and promoted through the social work assessment. Similarly, direct payments and personal budgets for carers will be developed and promoted.

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Improve the customer journey by embedding the principles of choice and control	Cabinet Member for Health & Adult Services Bozena Allen/ Luke Addams/ Dorne Kanareck (ESW)	31/03/2015	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Complete the implementation of the new 'Customer Journey' for the community learning disability service	Luke Addams/ Dorne Kanareck (ESW)	30/06/2014	Complete	100%	<ul style="list-style-type: none"> The Adult Customer Journey was implemented approximately 2 years ago with the aims of improving access to services and offering increased choice and control in delivery of care services. There has been a significant drive and evidenced performance improvements in the uptake of personal budgets. The principle of 'choice and control' is in place and checked at assessments and reviews. With the Care Act, changes are likely. An action plan is in place for Winterbourne actions and implemented at reviews. HWBB received a presentation about post Winterbourne compliance in January 2015. A series of recommendations were agreed.
Complete the refresh on the market position statement and approach to social care market locally in line with requirements of the Care and Support Bill	Luke Addams/ Dorne Kanareck (ESW)	31/07/2014	Complete	100%	This piece of work will be re-visited in 2015/16 to reflect the new Care Act requirements and the wider work on the ESCW Blueprint / Vision. Replanned publication date November 2015.
Launch the e-marketplace to enable people to purchase health and social care services over the internet	Luke Addams/ Dorne Kanareck (ESW)	30/09/2014	Complete	100%	The e-marketplace system is now live to providers for them to create their listings
Implement phase 2 of the development of a Quality Standards Framework for non-regulated services	Luke Addams/ Dorne Kanareck (ESW)	30/12/2014	Complete	100%	Frameworks, materials and tools for the Ensuring Quality scheme have been developed. Training is now being rolled out.
Review take-up of self directed and direct support in giving users control over the services they choose to receive	Luke Addams/ Dorne Kanareck (ESW)	31/03/2015	Complete	100%	The approach to self directed support is changing with the introduction of the Care Act 2014. All new service users are expected to go through the 'Personal Budget' route, and therefore in the future we expect 100% of new service users to be given access to self-directed support. As existing clients are reviewed, it is expected that they will be transferred to self directed support.
Re-commission mental health services to improve their ability to enable people to live safe, independent and fulfilled lives in the community	Luke Addams/ Dorne Kanareck (ESW)	30/03/2015	Complete	100%	A refreshed service model has been recommissioned and will be procured in Summer 2015
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Enable personalised support for the borough's most vulnerable residents	Cabinet Member for Health & Adult Services Luke Addams / Dorne Kanareck (ESW)	31/03/2015	Overdue	80%	Personalised support for the borough's most vulnerable residents has improved. We have developed and implemented a mental health strategy in the borough. There has been a delay in setting up an equipment demonstration centre to support independence and wellbeing: There are two options for delivering the demonstration centre which are explored further below.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Develop a strategic framework to address the issues of social inclusion and health and within this context review open access/prevention services including the Borough's network of lunch clubs and tea dance events.	Dorne Kanareck / Somen Banerjee (ESW)	31/12/2014	Complete	100%	A strategic review of lunchclubs has been undertaken, looking at the contribution they make to address social isolation, good health and well-being. The review looked at the spread across the borough and addresses areas of inequity. The approach has been endorsed by DMT and will now contribute to the Corporate Review of Mainstream Grants. The first of four planned tea dances has taken place, which was very successful, attended by over 600 people.
Create an equipment demonstration centre to support independence and wellbeing	Luke Addams (ESW)	31/12/2014	Overdue	60%	This milestone is overdue because joint funding discussions with Hackney Council stalled. There are now two options which are being investigated for the delivery of a the demonstration centre. The Council will continue to explore a joint funding venture with Hackney Council.

Implement the strategy on the development of new supported accommodation for people with mental health needs who need high end support	Dorne Kanareck (ESW)	31/03/2015	Complete	100%	The HWBB approved the borough's Mental Health Strategy in February 2014. Delivery of the strategy's commitments are underway until 2016. The final year of the Council's and CCG's accommodation strategy for working age adults with a mental health problem has come to an end. This Strategy was to improve in-borough supported accommodation so that people can move from out of borough residential care. This project has a £1.6m savings attached to it, as part of the Council's current savings plan. Two new supported accommodation schemes for people with MH problems opened during 2014. This means more people are supported to live locally in borough rather than out. As of October 2014, there 88 people living in residential care compared to the baseline of 135 in 2009/10. This project has come to an end. End of year spend is currently being validated, and it seems the strategy commitments have been delivered.
Implement the Mental Health Strategy with emphasis on addressing mental health inequalities and establishing a life course approach to mental health	Dorne Kanareck (ESW)	31/03/2015	Complete	100%	The HWBB approved the borough's Mental Health Strategy in February 2014. The strategy will be delivered by 2016. A progress report was presented to the HWBB on 9th December 2014 by the CCG Lead Commissioner for Mental Health. This noted considerable progress of key deliverables for 2014/15 which are on track.
Strategic Priority 4.3: Provide excellent primary and community care					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Deliver integrated working between health and social care	Cabinet Member for Health & Adult Services Somen Banerjee (Public Health) / Luke Addams (ESW)	31/03/2015	Complete	100%	S75 has been drawn up between the Council and the Health and Wellbeing Board in March 2015 and has been signed off.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Work with health partners to establish the governance for the integrated care programme and agree the role of the local authority	Somen Banerjee (Public Health) / Luke Addams/ Dorne Kanareck (ESW)	30/09/2014	Complete	100%	This was done in advance of submitting the BCF plans on the 19th September 2014.
Work with Tower Hamlets Health and Wellbeing Board members to implement an action plan on addressing housing as a wider social determinant of health	Dorne Kanareck (ESW)	30/09/2014	Complete	100%	The action plan has been fully implemented and the relationship between Health, Housing and Social Care is being taken forward alongside the Care Act Programme.
Agree Council Policy on integrated care pathways	Somen Banerjee (Public Health), Dorne Kanareck (ESW)	31/12/2014	Complete	100%	The Better Care Fund Plan supported by the finalised section 75 agreement with the CCG and the Council's involvement with the Tower Hamlets Integrated Provider Partnership (THIP) provide a framework for the continuing development of integrated care pathways locally. During 2016/17 this framework will be further developed into a set of policy proposals for discussion and agreement with the administration to cover integrated service provision and potential pooling funds to support the <u>implementation of capitated budgets</u> .
Utilise the Better Care Fund to provide integrated health and social care services to service users	Somen Banerjee (Public Health), Dorne Kanareck (ESW)	31/03/2015	Complete	100%	Service users are now benefiting from closer integration of health and social care i.e social workers allocate to GPs

Strategic Priority 4.4: Keep vulnerable children, adults and families safer, minimising harm and neglect					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Work together to protect vulnerable adults	Cabinet Member for Health & Adult Services Luke Addams(ESW)	31/03/2015	Complete	100%	The milestones are complete for this activity.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Establish a working relationship between SAB and the HWBB; including the establishment of a written protocol	Kate Bingham (ESW)	30/09/2014	Complete	100%	A Protocol in support of the relationship between the Tower Hamlets Health and Wellbeing Board, the Tower Hamlets Local Safeguarding Children Board and the Tower Hamlets Local Safeguarding Adults Board was agreed at a HWBB meeting on 24th March 2014. This is on the Council's website.
Continue to develop the Safeguarding Adults Board role in monitoring and reviewing the multi agency response to safeguarding vulnerable adults	Kate Bingham (ESW)	31/03/2015	Complete	100%	Work continues to be ongoing through SAB's regular meetings. Although it has met the Care Act 2014 requirements, the procedures are likely to change once the Pan London final guidance is published in June 2015.
Ensure local agencies comply with the Winterbourne Actions	Kate Bingham (ESW)	31/03/2015	Complete	100%	An annual update paper and post Winterbourne implications paper was presented to the HWBB in January 2015. A project plan is to be developed for a "one year on" review of Winterbourne.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Provide proportionate support to vulnerable children and families	Cabinet Member for Education & Children's Services Steve Liddicott (ESW)	31/03/2015	Delayed	95%	Good progress has been made on this activity, with all but one milestone completed. As a result we have secured continuing improvement in our support for vulnerable children and their families. The outstanding milestone will be completed by July 2015.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Implement the revised Public Law Outline and Court Work procedures to ensure that care proceedings take an average of 26 weeks	Steve Liddicott (ESW)	30/09/2014	Complete	100%	<p>The national Family Justice review revised the way the family courts work by simplifying it into a single court service. The local response was to set up the Court Work Project Board in 2013 to reduce the duration of our care proceedings. This Board has overseen the review of the family service through the revision of templates and reviewing procedures, with the object of increasing the quality of care proceeding applications and reducing the time. The practice change means that social work statements and the quality of 'live' evidence has improved the depth of social work practice through a social work culture change programme.</p> <p>The performance of care cases that are at risk of being delayed or are delayed is managed with other partners such as CAFCASS, the judiciary and the court case management system. Materials have been developed to improve children representation and participation in the court process. Internally, a Project social worker and the legal team track delays in performance on a monthly basis, and check accuracy, and this is presented to the Project Board on a bi-monthly basis for performance monitoring.</p> <p>In Oct 2014, the length of time that care proceedings takes is down to 30 weeks. At the end of March 2015, the average stands at 32 weeks, although 49% of cases are completed within 26 weeks- a marked improvement compared to East London Family Courts figures of 35 weeks, and England & Wales 30 weeks and Central Courts 37 weeks. This improvement is largely due to the Project Social Worker role of simplifying procedures and improved joint collaboration with the legal teams. He has implemented a new system of evidence templates (where many boroughs may still need to revise or introduce them). The Board has consolidated its work, is focussed and continually revises its business plan with new developments.</p>

Implement the use of the Signs of Safety tools across all agencies to ensure that an effective risk analysis is made to enable families to receive proportionate support at an early stage	Steve Liddicott (ESW)	30/09/2014	Complete	100%	Tower Hamlets, together with seven other local authorities and Eileen Munro (through Munro, Turnell and Murphy Child Protection Consulting) has been successful in a bid to the DfE Innovations Fund to take forward the implementation of the Signs of Safety Practice Framework. This project is underway and funded by DfE until March 2016. Signs of Safety steering group oversees project implementation. Two health and nine social care staff completed a five day residential training programme to champion practice improvements. Signs of Safety grant bid was successful to support whole systems implementation. A Signs of Safety conference was successfully launched in November 2014. The Principal Social Worker continues to lead on this piece of work. The Steering Group has authorised the recruitment of a project manager, and two practice leaders to move this work forward. Evaluation of this project has started.
Complete the evaluation of the impact of the Tower Hamlets Multi-Agency Safeguarding Hub (MASH) and the impact of using the thresholds identified in the revised Family Wellbeing Model	Steve Liddicott (ESW)	31/12/2014	Delayed	90%	The evaluation has been delayed and will start at the beginning of the new financial year. It is likely to be completed at the end of July 2015.
Implement the recommendations from the Children with Disabilities Joint Strategic Needs Assessment	Steve Liddicott (ESW)	31/03/2015	Complete	100%	Recommendations have been commissioned in line with JSNA. The SEND strategic group addresses Education and Health Care plan implementation (as part of the SEN reforms). The continence service was launched last year by Barts. The CCG approved the short break training post in CCNT and this is being recruited to. CAMHS review is on schedule and we are seeking to improve communication between services to improve casework practice. Housing and Adults are now members of the CWD strategic governance group and progress with the cases of concern have been addressed through improved communication with a housing panel. Health are adopting personal budget approach with social care. Children and adult social care have approved the decision to service children up to 25 years as a transition service that remains with children for continuity of approach. The strategic action plan for transition has been actioned, with a dedicated commissioners post (funded via ECH grant).
Integrate the learning from the Troubled Families Programme into Service Plans for 2014/15 to achieve one or both of the following outcomes: social work assessments and plans to include evidence that wider family needs had been considered eg. community or environmental factors; a reduction in the number of different professionals working with families through collective responsibility to meet the needs of children	Steve Liddicott (ESW)	31/03/2015	Complete	100%	The Borough has gained its place on the Phase two programme and so work can continue with a wider eligibility criteria. Some delay due to rigidity of identification targets in Phase one.
Develop a Gangs strategy to keep our young people away from gang culture	Steve Liddicott (ESW)	31/03/2015	Complete	100%	The Ending Groups, Gangs and Serious Youth Violence Strategy has been completed. It has been approved by CMT. CMT have agreed to secure funding for a EGGSYV Co-ordinator post as per the recommendation of the strategy.

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Introduce improvements to the adoption system	Cabinet Member for Education & Children's Services Steve Liddicott (ESW)	31/03/2015	Delayed	95%	This activity is marked as delayed because whilst the milestones have been delivered, the average number of days for adoption target has not been met.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Reduce the number of children awaiting permanent adoption through adoption, special guardianship or long-term fostering	Steve Liddicott (ESW)	31/03/2015	Complete	100%	A monitoring process was recently begun where the Council is working with the East London Family Court Service to reduce the duration of care proceedings through case tracking and monthly monitoring. The service is seeking four active placements. This is a marked improvement from double digit figures at April 2014 down to single digit figures.
Achieve an increase in the pool of adopters through contributing to the pan-London recruitment campaign	Steve Liddicott (ESW)	31/03/2015	Complete	100%	LBTH is an active member of the pan-London recruitment of adopters campaign. The service is awaiting approval for the go-ahead with its financial contribution to fund national adverts through media such BBC London and ITV. In the past year LBTH have approved 26 adopters.
Reduce the average number of days between Tower Hamlets receiving court authority to place a child for adoption and then deciding on a match to an adoptive family to less than 100 days	Steve Liddicott (ESW)	31/03/2015		95%	This milestone is marked as red because although the milestone has been completed, the target has not been met. This is a small cohort of children with a high level of complex needs and our performance is in-line with our statistical neighbours. However, work is underway to reduce the average number of days in matching a child to an adopter. There are a number of events planned to promote and match children to potential adopters. Events taking place for children include: Adoption Register Exchange Event in London, Adoption Activity Day in London, and Consortium Exchange Event in Stratford. This is ongoing work. The service faces a challenge to find appropriate adopters for "hard to place" children. The impact of recent case law has meant that there has been delays in the court processes and negotiating placement orders. As a result, the number of appeals from birth families against these placement orders has increased and impacted on internal processes. The activity has been completed although the figures are not as high as the service would have liked due to external developments as a result of the case law.

One Tower Hamlets					
Strategic Priority 5.1: Reduce inequalities					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Employ a workforce that fully reflects the community it serves	Deputy Mayor Simon Kilbey (RES)	31/03/2015	Complete	100%	Good progress is being made against the Workforce to Reflect the Community targets despite the challenge of austerity with reduced budgets and the Council's workforce scaling down
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Deliver on the Workforce to Reflect the Community targets	Simon Kilbey (RES)	31/03/2015	Complete	100%	Good progress is being made against the Workforce to Reflect the Community targets despite the challenge of austerity with reduced budgets and the Council's workforce scaling down. The position for each of the performance indicators for BME, women and disabled staff at LP07 and above at the end of the financial year is higher than it was at the beginning. All of the indicators have achieved the standard target set and the measures for women and ethnic minority staff are just under stretch target.
Introduce the 'Take a Chance Scheme' new recruitment initiative	Simon Kilbey (RES)	31/03/2015	Complete	100%	Scheme has been introduced
Support the Navigate programme with progression or development for 50% of participants, encouraging participation from all groups to reflect the workforce	Simon Kilbey (RES)	31/03/2015	Complete	100%	100% of Navigate members possess career development plans and have had 1-2-1 feedback of their psychometric assessments. Cohort 1 and 2 members have received development interventions as follows: Emerging talent development - personal development day & networking day, Management pool - Networking day & SMDC, Leadership pool - Executive coaching sessions, CMN. 50% of overall cohorts have gained progression or workplace experience e.g. promotion, secondments and/or projects.
Support 50 apprentices in vocational training by identifying placements across directorates, encouraging participation from all groups to reflect the community	Simon Kilbey (RES)	31/03/2015	Complete	100%	A total of 55 apprentices were recruited at level 2 and level 3 spanning a range of frameworks. Out of these, 31 completed, 2 withdrew and a further 22 will be finishing this year.
Increase the proportion of temporary workers resourced from the local community by utilising Tower Hamlets in-house temporary resourcing service (ITRES) and encouraging participation from all groups to reflect the community	Simon Kilbey (RES)	31/03/2015	Complete	100%	The ITRES service has continued to actively promote posts to local community organisations so that local people have access to the opportunities. As a result we have increased the number of people to reflect the local community.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Double the number of pre apprenticeships at the Council for disabled residents from 10 to 20 each year	Deputy Mayor Simon Kilbey (RES)	31/03/2015	Complete	100%	The latest cohort started with the Council in March.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Two recruitment campaigns to take place on an annual basis for disabled residents to support them into employment or vocational studies	Simon Kilbey (RES)	31/03/2015	Complete	100%	The latest cohort started with the Council in March.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Coordinate and support the implementation of the recommendations arising from the Tower Hamlets Fairness Commission	Mayor Louise Russell (LPG)	31/12/2014	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Council response to the Fairness Commission recommendations presented at Cabinet	Louise Russell (LPG)	30/04/2014	Complete	100%	
Progress report on implementation of the Fairness Commission recommendations presented at Cabinet	Louise Russell (LPG)	31/12/2014	Complete	100%	Completed ahead of schedule - due to November Cabinet

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Refresh our strategies around diversity and cohesion	Mayor Louise Russell (LPG)	31/12/2014	Complete	100%	New Single Equality Framework agreed March 2015
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Report on response of recommendations of the EFLG to CMT	Louise Russell (LPG)	30/09/2014	Complete	100%	
Review of our cohesion and equality strategies to CMT	Louise Russell (LPG)	31/03/2015	Complete	100%	
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Ensure that 'Every Voice Matters'	Cllr Aminur Khan Louise Russell (LPG)	31/03/2015	Delayed	90%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Identify areas where disabled people will be involved in co-designing responses to areas of inequality for disabled people agreed through the Local Voices work programme	Louise Russell (LPG)	30/04/2014	Complete	100%	Through the Local Voices Steering Group. Three areas were identified for 2014: 'getting out and about', social care, and welfare reform.
Present Local Voices progress report to Tower Hamlets Equalities Steering Group	Louise Russell (LPG)	31/03/2015	Delayed	90%	Progress report scheduled for 13 May 2015 THESG
Refresh mechanisms for involving local LGBT residents in the design, delivery and scrutiny of local services	Louise Russell (LPG)	31/03/2014	Delayed	50%	Rainbow Census and Change Matters programme commissioned in addition to work by the LGBT Forum. Change Matters programme specifically looking at service scrutiny and improvement. Due for completion in 2015/16.
Review mechanisms for involving local faith communities	Louise Russell (LPG)	31/03/2014	Complete	100%	
Strategic Priority 5.2: Work efficiently and effectively as One Council					
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Work with managers to improve and reduce staff sickness absence	Cabinet Member for Resources Simon Kilbey (RES)	31/03/2015		100%	The activity is red because although the milestones have been completed, the sickness absence targets have been missed. HR have worked closely with managers to support them in managing sickness. Unfortunately sickness levels have risen to 7.93 days against a target of 6.1 days. The main reason given for absence is stress. Occupational Health have been providing training and briefings for staff and managers about handling stress, work life balance and resilience, to address the increase in absence due to stress.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Ensure that Directorate People Panels (DPPs) meet monthly to effectively review absence data	Simon Kilbey (RES)	31/03/2015	Complete	100%	
Support managers to review staff sickness absence statistics in conjunction with HR business partners and begin taking formal action under the policy	Simon Kilbey (RES)	31/03/2015	Complete	100%	This is happening regularly.
Work with the People Board Operations group to identify specific actions to support managers in areas of high sickness absence to ensure best practice is shared	Simon Kilbey (RES)	31/03/2015	Complete	100%	
Monitor and support managers to access the HR self service to record sickness absence data and take appropriate action	Simon Kilbey (RES)	31/03/2015	Complete	100%	This is on-going.

Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Develop the strategic ICT partnership	Cabinet Member for Resources Shirley Hamilton (RES)	31/03/2015	Overdue	85%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Develop and publish a 3 year ICT Strategy (2015-2018) and Strategic Implementation Plan agreed by the Strategic Partnership Board	Shirley Hamilton (RES)	31/03/2015	Overdue	65%	Draft strategy will be shared and discussed with new Head of Customer Access & ICT in May 2015 for agreement on direction and as a result this milestone has rolled over to the 15/16 Strategic Plan.
Stabilise the Council's ICT environment working in conjunction with Agilisys, fully embedding the VDI system and any future migration	Shirley Hamilton (RES)	31/03/2015	Complete	100%	Plans to stabilise the ICT environment are complete and methodology in place. This will be reviewed at Strategic Operations Board and the Strategic Partnership Board. Additionally progress will be reviewed monthly by the ICT Client Team & Agilisys. A detailed 30 month review was undertaken in November and December of 2014. The resulting action plan and continuous service improvement plans have both bought about significant progress and evidenced improvement across the board in our KPIs.
Ensure compliance with the new national PSN ICT security requirements and minimise disruption to Council services	Shirley Hamilton (RES)	31/03/2015	Complete	100%	PSN compliance achieved for 2015. Annual re-accreditation will be due in January 2016.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Improve revenue collection	Cabinet Member for Resources Roger Jones (RES)	31/03/2015	Delayed	90%	The delayed milestone is scheduled to complete by the end of the Q1 2015/16.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Implement the Optimisation Programme that will focus on improving collection of debt, data management and managing growth with improved yield from the rate base and tax base	Roger Jones (RES)	31/03/2015	Delayed	80%	This is complete for both Council Tax and Business Rates with both making significant improvements in collection and identifying growth. There remains the report on data sharing across all directorates which will be presented to DMT in May 2015 outlining the potential of implementing a shared data service.
Implement the Council Tax Discount award scheme, to support low income households who are entitled to partial council tax support	Roger Jones (RES)	31/05/2014	Complete	100%	This has been implemented
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Develop Progressive Partnerships to further the Mayor's social objectives	Cabinet Member for Resources Zamil Ahmed (RES)	31/03/2015	Overdue	83%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Introduce smarter sourcing practices to support SMEs, deliver savings and increase compliance	Zamil Ahmed (RES)	31/03/2015	Complete	100%	Detailed procurement expenditure analysis of third party spend has been completed for 13/14 and 14/15. New Directorate Procurement Spend Dashboards have been developed and will go live following Competition Board approval on 27 April 2015. A number of cross directorate procurement savings is already in progress including the implementation of a new Dynamic Purchasing Framework for all Design and Print expenditure to improve compliance, engage local SME's and ensure better value for money from the Councils overall procurement expenditure.
Launch the local supply chain initiatives to stimulate the local economy	Zamil Ahmed (RES)	31/03/2015	Complete	100%	Milestone is being progressed as part of the workstream to ensure 50% of Council contracts with local businesses by 2018. A Local Supply Chain Development project is underway to increase local SME engagement. New local supplier portal aligned with internal procurement threshold & Transparency Code requirements is underway. To date 789 local suppliers have now been set up on the portal.

Promote ethical sourcing and sustainability: aim to achieve WWF Silver Status for the purchasing of sustainable timber products	Zamil Ahmed (RES)	31/03/2015	Overdue	50%	London Living Wage Accreditation has been attained and work is underway to progress the WWF Sustainable Timber Silver Status. Requirement will be progressed as part of the New Procurement Strategy.
Develop a 'Business Charter' for Tower Hamlets through which local businesses commit to 'buy local, employ local, support local'	Andy Scott (D&R)	31/03/2015	Complete	100%	Business Charter announced at Mayor's Business Forum, 28 October 2014. Recruitment of Charter Champions ongoing.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Improve customer satisfaction and value for money	Cabinet Member for Resources Keith Paulin (RES)	31/03/2015	Overdue	86%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Develop improved transparency and reporting mechanisms in line with the Code of Recommended Practice on Data Transparency & Local Audit & Accountability Bill	David Galpin (LPG) / Kevin Miles (RES)	31/12/2014	Overdue	80%	With regard to the Local Audit and Accountability Bill: information needed and have produced most of the information required has been identified. We are awaiting payment information for the fourth quarter, which will be collated and published shortly. With regard to the Code of Recommended Practice on Data Transparency, the Council has identified and published most of the data. We are concluding a piece of work on a new web 'landing page' to assist in the ease of access. Work is also ongoing with HR and directorates to comply with the full requirement on staff structure and responsibilities.
Maintain customer satisfaction levels with reduced budget	Keith Paulin (RES)	31/03/2015	Overdue	50%	End of year satisfaction down due to high demand / reduced resources / high Q4 sickness and Q4 ICT issues.
Develop self-service online options to reduce demand and cost, including implementing an online process for housing benefits and parking permits	Keith Paulin (RES)	31/03/2015	Complete	100%	Benefits on line applications in place. Parking on line applications live from April 6th 2015.
Develop methods of measuring satisfaction with automated/online services	Keith Paulin (RES)	31/03/2015	Complete	100%	Satisfaction survey for self-service customers now in place and being monitored
Monitor how staff are dealing with customers and provide training where appropriate	Keith Paulin (RES)	31/03/2015	Complete	100%	Improved individual staff monitoring in place and regular six monthly customer care and related training sessions established.
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Make better use of our buildings and other public assets	Cabinet Member for Resources Ann Sutcliffe (D&R)	31/03/2015	Overdue	70%	A report is going to Cabinet in May 2015 seeking endorsement to a revised asset strategy, Cabinet has also approved a range of disposals which the service is taking to market in Summer 2015. However, delays have been experienced with progressing the Corporate Landlord Model and implementation of the client / provider structure.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Implement the Corporate Landlord Model	Ann Sutcliffe (D&R)	30/04/2014	Overdue	75%	In year delays experienced in the implementation of the CLM following the transfer of resource allocations. Structure revisions drafted and consultation with staff and unions began on 5/3/15 and closed 20/4/15 with responses to unions due on 12/4/15. Consultants engaged to assist with implementation of operating model.
Renew Asset Strategy	Ann Sutcliffe (D&R)	31/05/2014	Delayed	80%	In year delays due to the delayed progress on the CLM, alongside the PWC audit. This is now scheduled to be progressed, in line with the requirements of the Commissioners. A report is going to Cabinet in July 2015 seeking endorsement to a revised asset strategy and resultant work streams.
Commence work on Civic Centre	Ann Sutcliffe (D&R)	30/06/2014	Complete	100%	Purchase the old Royal London Hospital site has completed, however in year delays were caused by Barts NHS and their governance process for approving the disposal of the site. Soft market testing on procurement options have now commenced.
Implement client / provider structure	Ann Sutcliffe (D&R)	30/09/2014	Overdue	90%	This has been delayed due to the lack of progress on the CLM, due to lack of commitment to the model by some Directorates. Structure revisions have now been drafted and consultation with staff ended on 20/4/15.

Commence disposal strategy of surplus assets	Ann Sutcliffe (D&R)	30/09/2014	Complete	50%	This is an ongoing service function. Cabinet approved a range of disposals in February and the service is taking these to market in Summer 2015.
Commence soft market testing on procurement options for Civic Centre	Ann Sutcliffe (D&R)	30/09/2014	Complete	100%	
Ensure the impact on the statutory provision of childcare places is considered in the development of the Council's asset strategy	Ann Sutcliffe (D&R)	30/09/2014	Overdue	0%	No progress, individual service delivery plans still to be developed in order to include statutory provision of childcare places
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Tackle misuse of public assets and generate income from proactive anti-fraud work	Cabinet Member for Resources Minesh Jani (RES)	01/03/2015	Delayed	95%	This activity is marked as delayed as it is over 90% complete.
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Recover 40 social housing properties used fraudulently	Minesh Jani (RES)	31/03/2015	Complete	100%	In addition, 13 RTB applications were stopped and 1 conviction achieved
Achieve 160 sanctions and prosecute 40 cases of housing benefit fraud	Minesh Jani (RES)	31/03/2015	Overdue	86%	For the financial year, there were 137 sections and 26 convictions. There have been a number of vacancies in the team, which are being recruited to, and a further 28 investigations awaiting prosecution by Legal Services.
Develop pro-active fraud awareness campaign - focusing on reporting and data matching between services in the Council	Minesh Jani (RES)	31/03/2015	Complete	100%	Data matching carried out for all tenanted properties managed by THH - results are being disseminated for further investigation
Roll out e-learning modules to all staff, including on the Bribery Act 2010	Minesh Jani (RES)	31/03/2015	Complete	100%	E-learning module developed and rolled out for all staff to complete by the end of June 2015
Deliver the internal audit plan to ensure key strategic risks are adequately evaluated	Minesh Jani (RES)	31/03/2015	Overdue	97%	Some planned audit work could not be completed and scheduled by Mazars due to requests for information from clients not being serviced on time, deferral of audits and staff unavailability
Activity	Lead Member, Lead Officer and Directorate	Deadline	Status	% Comp	Comments
Prioritise frontline services whilst delivering the Council's budget strategy during a period of declining resources	Cabinet Member for Resources, Chris Holme, Barry Scarr (RES)	30/11/2014	Complete	100%	
Milestone	Lead Officer	Deadline	Status	% Comp	Comments
Develop a package of deliverable efficiency opportunities to ensure a balanced budget for 2015/16	Barry Scarr (RES)	30/09/2014	Complete	100%	The Budget Star Chamber process identified a package of proposals that would be reported to Cabinet in December.
Review economic growth opportunities and their implication for the Council's medium term financial strategy to 2018	Barry Scarr (RES)	30/09/2014	Complete	100%	Economic growth prospects have been remodelled, and the result of the review was analysed in the MTFP report to Cabinet in December. Generally, there will be a positive impact on the resource base of the Council.
Maintain strong and effective financial management and control, supported by ongoing budget manager training	Barry Scarr (RES)	30/11/2014	Complete	100%	Training has been commissioned and delivered during the year, and the Council is not currently reporting any major variations to its overall financial position

Tower Hamlets Annual Residents' Survey 2014-15 results

Overview

This report is a summary of the results from the 2014-15 Tower Hamlets Annual Residents' Survey which explores residents' views about the Council, services and the local area.

The survey is based on face to face interviews with 1,227 residents chosen to be representative of the Tower Hamlets population.

The survey took place during January and February 2015 and was carried out on the Council's behalf by TNS-BMRB.

The survey covers the following topics:

- Satisfaction with services;
- Views about the image of the Council;
- Overall satisfaction with the Council;
- Personal concerns and worries;
- Views about anti-social behaviour;
- Cohesion and engagement;
- Satisfaction with the local area;
- Contacting the Council and communication;
- Internet access and use of the internet;

The sections that follow provide a summary of the survey results. Results from previous survey can be found on the Council's website: http://www.towerhamlets.gov.uk/lgsi/851-900/867_consultation/annual_residents_survey.aspx

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About the Survey

The Annual Residents' Survey is designed to collect data on resident perceptions about the Council, local services and the area. The survey has been running for 17 years and provides trend data about how perceptions are changing over time. The questions are closely tied to service priorities, and form a core component of the Council's performance monitoring. They are also designed to provide context for policy development, service delivery and review.

The Tower Hamlets survey is carried out by TNS-BMRB, an independent research company. TNS-BMRB also undertakes a London-wide survey, called the Survey of Londoners, which provides comparative data for benchmarking purposes. Both surveys comprise face to face interviews with residents, and are carried out in the same way each year to maintain comparability over time.

Methodology



The methodology is designed to ensure that the sample drawn is representative of the borough's population generally. Residents were interviewed at 105 different sample points across the borough to ensure a good cross section of residents across all areas. Sampling quotas were set on age, gender, ethnicity, tenure and working status, to ensure that the sample reflected the characteristics of the population. Lastly, weightings were applied to the data to improve the representativeness of the final sample.

The Tower Hamlets questionnaire comprises two elements: core questions and additional questions. The core questions are asked every year and are the same as those on the London-wide survey, so benchmarking data are available for all these topics (ie service satisfaction, views about the Council's image and personal concerns). The additional questions are specific to Tower Hamlets, and in 2014-15, these included questions on: anti-social behaviour, cohesion and communication.

The Tower Hamlets survey took place during 12th January - 8th February 2015 and comprised 1,227 face to face interviews. Results have been compared with last year's survey, which was delayed till after the elections, and took place in June 2014.

The most recent Survey of Londoners took place between 14th October and 17th November 2014, three months prior to the Tower Hamlets Survey. The London survey was based on interviews with 1,074 Londoners.

Statistical significance and interpretation of survey data

All figures presented are survey estimates, not precise measures, and as such, they have a degree of sampling variability attached to them. The concept of 'statistical significance' is used here to highlight those differences that are likely to reflect real differences (or changes over time), as opposed to those which may be simply reflecting the sampling variability attached to estimates. Changes over time, or differences with London, that are statistically significant are denoted by arrows.  

All figures presented are rounded to the nearest percentage point - post calculations. This means that changes or differences may not equate exactly to the difference between the two rounded figures presented.

Key findings

Satisfaction with services

Service satisfaction ratings are monitored for 19 different service areas. Two different measures are presented:

- **'All resident' ratings:** these relate to general perceptions about services from all residents, regardless of whether they use the service or not. These cover 13 services and are monitored for universal services and services used by a significant proportion of residents (ie more than one third of the sample).
- **User ratings:** these provide views of service users and are monitored for 11 services. These offer a more informed assessment of service quality for non-universal services. For some services (eg libraries/idea stores) *all resident* and *user* ratings are both reported.

Service ratings in Tower Hamlets

Public transport remains the most highly rated service area, rated as good, very good or excellent, by 82 per cent of residents, followed by street lighting rated positively by 69 per cent of residents.

Figure 1: Service ratings: all residents and users, Tower Hamlets, 2014-15

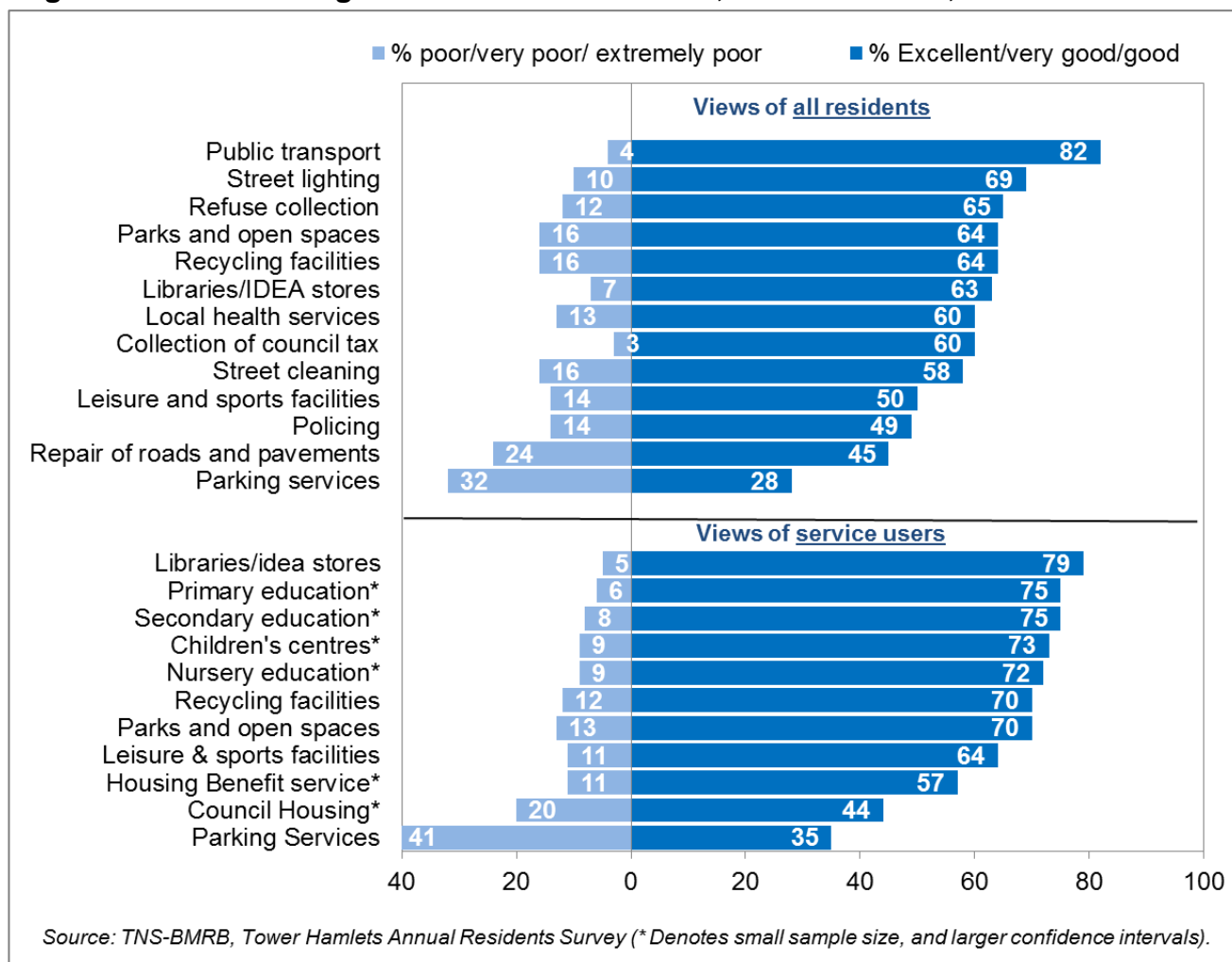


Table 1 Service satisfaction ratings

	Tower Hamlets							Change over year*	Tower Hamlets vs. London Difference (rounded)*	Sample size		
	% rating service as good, very good or excellent											
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15					
Base: all residents												
Public transport	65	67	72	74	78	76	82	6	↑	7	↑	1227
Street lighting	61	64	66	67	67	70	69	-1	-	-2	-	1227
Refuse collection	66	66	68	67	65	62	65	3	-	-3	-	1227
Recycling facilities	66	65	68	63	64	61	64	3	-	-2	-	1227
Parks and open spaces	53	61	60	60	60	61	64	2	-	-4	↓	1227
Libraries/idea stores	55	59	58	58	62	61	63	2	-	7	↑	1227
Local health services	65	65	68	66	63	59	60	1	-	-5	↓	1227
Collection of council tax	55	53	57	57	62	53	60	7	↑	-6	↓	1227
Street cleaning	59	62	60	59	59	55	58	3	-	3	-	1227
Leisure & sports facilities	45	47	47	44	49	48	50	1	-	3	-	1227
Policing	41	47	50	46	49	50	49	-1	-	-1	-	1227
Road/pavement repairs	37	38	39	41	40	43	45	3	-	4	↑	1227
Parking Services	23	25	30	26	25	29	28	-1	-	-5	↓	1227
Base: service users (% of users rating service as good, very good or excellent)												
Libraries/idea stores	76	81	76	77	81	79	79	0	-	5	↑	743
Primary education**	69	77	71	70	74	72	75	3	-	-1	-	329
Secondary education**	65	64	55	64	69	65	75	11	↑	5	-	199
Children's centres**	-	82	72	64	77	72	73	1	-	n/a	-	204
Nursery education**	75	79	74	79	72	67	72	5	-	4	-	152
Recycling facilities	74	72	72	68	71	67	70	3	-	-1	-	977
Parks and open spaces	65	66	63	65	66	66	70	4	-	-2	-	954
Leisure & sports facilities	65	71	61	61	66	63	64	1	-	5	-	580
Housing Benefit service**	64	66	63	60	54	56	57	1	-	-4	-	321
Council Housing**	41	47	48	51	42	42	44	2	-	-1	-	315
Parking Services	28	28	34	30	29	38	35	-2	-	-6	↓	577
Source: TNS-BMRB, Tower Hamlets Annual Residents Survey & Survey of Londoners.												
Notes: All resident ratings represent the views of all respondents regardless of whether they use the service or not. These ratings are provided for services used by more than one third of respondents. User ratings provide the views of service users and are provided for non-universal services. Services used by less than 10 per cent of the survey sample are excluded from these analysis due to poor data reliability.												
* All data are rounded to nearest percentage point (post calculations). Changes or differences that are statistically significant are denoted by arrows.												
** Less than one third of the sample use these services, so confidence intervals attached to these data are larger than for other services (typically ± 5-8 percentage points).												

As [figure 1](#) illustrates, most services attract a positive net rating (where the percentage rating the service as good to excellent outweighs the percentage rating it poor). The main exception is parking services where opinion is more divided. The services which attract the highest user satisfaction ratings are: Idea stores and libraries (79 per cent); primary and secondary education (both 75 per cent).

Service ratings: trends

Ratings for the majority of services remain similar to last year's and three areas have seen improvement:

- **Public transport** ratings have been steadily increasing for some years; the latest rating (82 per cent) is 6 percentage points higher than last year, and is the highest rating since the survey began in 1998.
- **Council tax collection** was rated positively by 60 per cent of residents – an increase of 7 points. This rise follows a sharp fall in satisfaction last year (-9 points), so returns ratings to previous levels. Last year's dip may have reflected the timing of the survey in June (shortly after the distribution of the billing letter).
- **Secondary education** was rated positively by 75 per cent of service users, up 11 points over the year, and now at a historical high. However, this finding needs careful interpretation; while the rise is statistically significant, the finding is based on a relatively small sample of users, so the rating for this service is prone to significant volatility between years.

No service area saw a decline in ratings.

Service ratings: Tower Hamlets and London

Service ratings are higher in Tower Hamlets than London for three service areas:

- Libraries/Idea Stores: ratings by residents generally, and by service users, are both higher in Tower Hamlets than London (+7 and +5 points);
- Public transport (+7 points);
- Road and pavement repairs (+4 points higher).

Service ratings are lower in Tower Hamlets than London for four service areas:

Collection of council tax (6 points lower than London).

Despite the rise in satisfaction over the year, the rating remains behind the London average (60 vs. 66 per cent). It should be noted that only 3% of residents felt that council tax collection was poor; the remainder felt it was average or didn't know. Over the next year, the Council will implement a digital development programme which aims to resolve all council tax collection queries at the first point of contact. Significantly, concern over the *level* of council tax remains at a historic low of 14 per cent (table 3).

Parking services: ratings by residents generally, and by service users, are both lower in Tower Hamlets than London (-5 and -6 points).

A number of planned actions may impact on future satisfaction with parking services, including a review of current parking policies. Concern over traffic congestion (table 3) is significantly below the London average by 9 percentage points; one of the main drivers for effective parking management is minimising traffic disruption.

Local health services (5 points lower than London)

The Tower Hamlets Health and Wellbeing Strategy identifies local priorities for health and social care services; new action plans have been agreed for 2015/16. Over the next year, this includes a focus on person centred care for residents with long-term conditions and cancer, mental health and services that support residents to live healthier lives.

Parks and open spaces: 64 per cent of residents rated parks and open spaces positively, 4 points lower than Londoners.

Whilst overall satisfaction remains below the London average, this year's rating is the highest ever recorded since the survey began in 1998. The comparatively lower level of satisfaction in Tower Hamlets may be linked to the limited availability of green space within parts of the borough. During 2015/16 the Council will invest in open spaces, including at Victoria Park, Trinity Square Gardens, Shandy Park and Tower Hamlets Cemetery Lodge.

Annual data back to 1998 are presented in [Appendix table A1](#) for all services - these provide more insight into longer term trends.

Image of the Council

Residents were asked about 12 different aspects of the Council's image ([figure 2](#)). Views about the Council's image remain similar to last year's across most areas.

Three quarters of residents agreed that the Council was making the local area a better place to live (76 per cent). Similar proportions felt the Council was doing a good job, and that staff were friendly and polite. Two thirds of residents felt the Council was efficient and well run – a similar level to previous years.

Views about council responsiveness remain mixed both in Tower Hamlets and London-wide: 41 per cent felt the Council was difficult to get through to on the phone and just over half (52 per cent) felt the Council responds quickly when asked for help, both similar levels to last year. These results are similar to those in the London survey.

Across the 12 image statements, views remain similar to last year's for 10 out of the 12, and have improved for two aspects:

- Extent to which the Council involves residents in decision making (up 5 points).
- Extent to which the Council keeps residents informed (up 4 points).

Table 2 compares views in Tower Hamlets with the latest London data. Views about the Council's image were on a par with London across all 12 areas (ie not

significantly different). Appendix table A2 shows longer term trend data on these indicators back to 1998.

Figure 2: Views about Image of the Council, Tower Hamlets, 2014-15

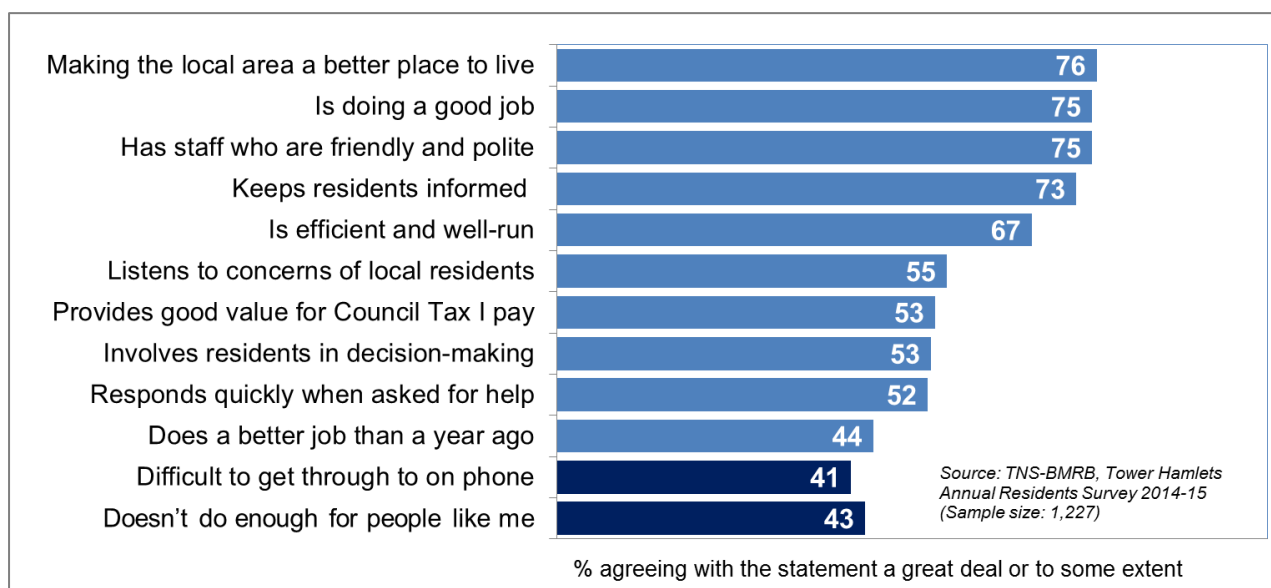


Table 2 Views about the image of the Council

	Tower Hamlets							Change over year*	Tower Hamlets vs. London Difference*
	% agreeing a great deal / to some extent								
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15		
Making the local area a better place to live	67	72	72	74	74	74	76	2 -	2 -
Has staff who are friendly and polite	76	76	81	80	77	74	75	1 -	2 -
Is doing a good job	69	72	72	76	76	73	75	2 -	0 -
Keeps residents informed	70	72	71	76	73	69	73	4 ↑	2 -
Is efficient and well-run	59	64	65	67	66	66	67	1 -	-3 -
Listens to concerns of local residents	57	57	61	58	56	56	55	-2 -	-3 -
Involves residents in decision-making	49	53	53	49	49	47	53	5 ↑	0 -
Provides good value for Council Tax I pay	43	50	51	49	50	51	53	2 -	-1 -
Responds quickly when asked for help	52	56	58	59	51	51	52	1 -	1 -
Does a better job than a year ago	49	52	51	45	42	48	44	-4 -	0 -
<i>Difficult to get through to on phone</i>	40	37	40	36	38	44	41	-3 -	-4 -
<i>Doesn't do enough for people like me</i>	50	47	45	41	40	42	43	2 -	-2 -
Overall satisfaction: % very/fairly satisfied with the way Tower Hamlets Council runs things	59	67	63	64	64	62	65	3 -	-5 ↓

Source: TNS-BMRB, Tower Hamlets Annual Residents Survey & Survey of Londoners.
 Notes: Figures in italics are negative statements - so a fall in the percentage is an improvement.
 * All data are rounded to nearest percentage point (post calculations). Changes or differences that are statistically significant are denoted by arrows.

Overall satisfaction with the Council

Around two thirds (65 per cent) of residents said they were satisfied with the way the Council runs things, up from, but not significantly different from, last year's rating of 62 per cent.

Satisfaction with the Council is 5 points lower in Tower Hamlets compared with the London-wide average (70 per cent). However, it should be noted that positioning of the question is different on both surveys. On the London survey, the question is asked early on in the interview, before all the service specific questions, while on the Tower Hamlets survey, the question is asked after the service questions.

Over the next year, the Council will implement its recently-agreed Strategic Plan and deliver the Best Value Action Plan. There will also be a strong focus on those areas which are known to impact on overall satisfaction including street-scene services.

Top personal concerns

Residents were presented with a list of issues and asked to say which three (if any) were their top concerns. The most pressing resident concerns are crime, litter/dirt in the street and a lack of affordable housing. One third of residents cited each of these as one of their top three personal concerns (figure 3).

Concern about lack of jobs is the fourth most cited concern mentioned by one in five residents. Concern about jobs has fallen significantly over the last two years from a high of 35 per cent (in 2012-13) down to the current level of 20 per cent. In recent years there has been a significant increase in the borough's employment rate, although it remains below the London average. Over the next year the Council plans to create a new integrated employment centre to support more residents into work.

While concern over crime remains the most cited concern, levels of concern remain historically low when viewed over the long term. Indeed, the concern levels over the last two years (31 and 34 per cent) are relatively low compared with the previous ten years, when levels were typically well over 40 per cent, ranging between 41-55 per cent. There have been similar trends across London.

Over the last year, three areas have seen a (statistically) significant fall in concern:

- Concern over pollution of the environment has fallen by 3 points to 13 points (following a rise last year).
- Concern over not enough being done for young people has fallen 4 points to 12 per cent, the lowest level of concern since the indicator was introduced in 2006.
- Poor public transport continues to be the least cited concern - only 4 per cent of residents said it was a top concern – down 2 points from last year and now at its lowest level since the survey began in 1998.

Concern over the level of council tax remains at a historical low of 14 per cent, similar to last year's level. Council tax levels in Tower Hamlets have been frozen since 2011/12.

Figure 3: Top personal concerns of residents, Tower Hamlets, 2014-15

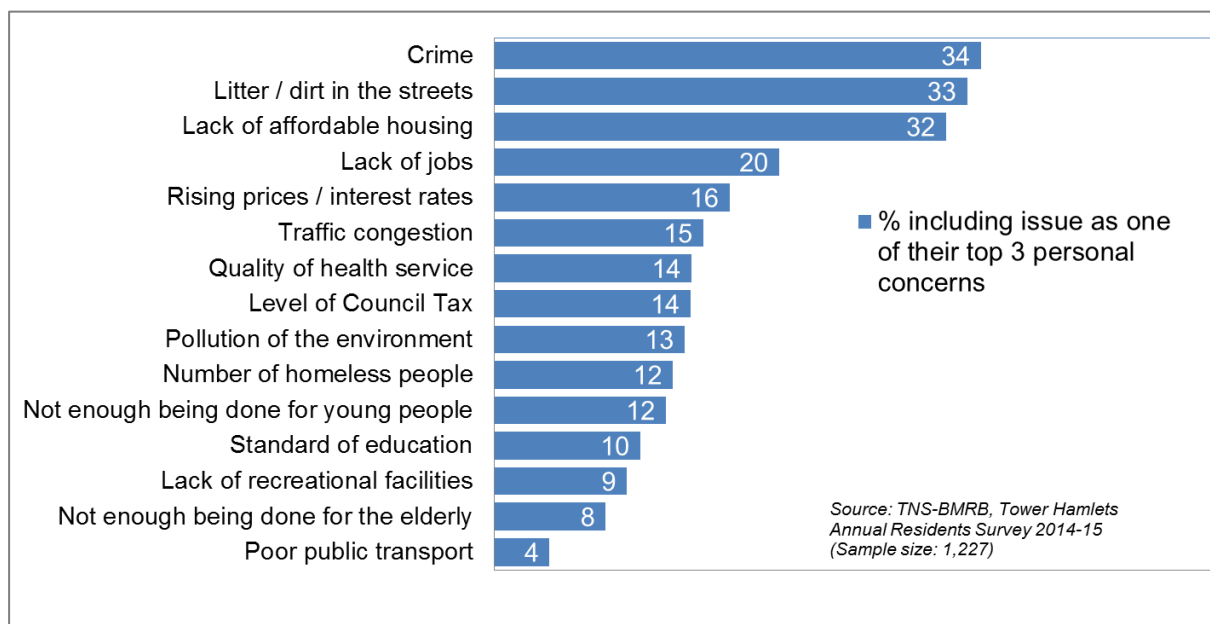


Table 3 Areas of personal concern (top 3 concerns)

	Tower Hamlets							Change over year*	Tower Hamlets vs. London Difference*		
	% who said issue was one top 3 concerns										
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15				
Crime	47	46	42	42	41	31	34	3	-	3	-
Litter / dirt in the streets	27	19	23	24	26	27	33	6	↑	3	-
Lack of affordable housing	17	21	22	21	26	29	32	2	-	8	↑
Lack of jobs	22	26	30	31	35	23	20	-3	-	5	↑
Rising prices / interest rates	12	9	17	14	21	16	16	1	-	1	-
Traffic congestion	15	16	13	13	12	14	15	1	-	-9	↓
Level of Council Tax	24	22	16	17	19	15	14	-1	-	-6	↓
Quality of health service	15	13	14	12	16	16	14	-3	-	-2	-
Pollution of the environment	17	13	11	8	12	16	13	-3	↓	2	-
Not enough being done for young people	16	16	18	20	19	16	12	-4	↓	-1	-
Number of homeless people	11	9	8	9	9	14	12	-1	-	5	↑
Standard of education	14	11	13	10	11	10	10	1	-	-1	-
Lack of recreational facilities	9	9	9	8	10	10	9	-1	-	2	-
Not enough being done for the elderly	11	9	9	10	10	8	8	0	-	-1	-
Poor public transport	11	8	8	5	5	6	4	-2	↓	-3	↓

Source: TNS-BMRB, Tower Hamlets Annual Residents Survey & Survey of Londoners.

* All data are rounded to nearest percentage point (post calculations). Changes or differences that are statistically significant are denoted by arrows.

The one area where concern has risen over the year is concern over litter/dirt in the street, which is up 6 points to 33 per cent. This is the highest level of concern ever recorded for this issue since the survey began. A similar rise in concern about litter/dirt was evident across London (up 5 points up to 30 per cent). At the same time, satisfaction with street cleansing has remained at the same level as last year and in line with the London average (figure 1). Over the next year, the Council plans to use technology better to improve street cleanliness and increase residents' satisfaction. This includes rolling out the use of QR codes to support cleanliness monitoring and doubling the number of FiFiLi app users, which allows residents to tell the Council about public realm issues.

Concern over lack affordable housing is also at a historical high. Concern rose by 2 points over the year to stand at 32 per cent. While this is not a statistically significant increase on last year, the trend data do indicate an upward trend in concern over housing over the last three years (up from 21 per cent in 2011-12). Concern about this issue remains higher in Tower Hamlets than London.

The Council has delivered some of the highest levels of affordable housing in the country over recent years. However, given demand for housing, and the continuing increase in prices, it is likely that concern will remain high. The Council has set itself the ambitious target of supporting the delivery 5,500 affordable homes over a four year period and will continue to work with developers, Registered Providers and the GLA to maximise the availability of affordable homes.

Concerns: Tower Hamlets and London

Levels of concern are lower in Tower Hamlets than London about:

- Traffic congestion (9 points lower).
- Level of council tax (-6 points).
- Poor public transport (-3 points).

Concern is higher in Tower Hamlets than London about:

- Lack of affordable housing (+8 points).
- Number of homeless people (+5 points).
- Lack of jobs (+5 points).

[Appendix table A3](#) provides longer term data on concerns back to 1998.

Worries about spending cuts

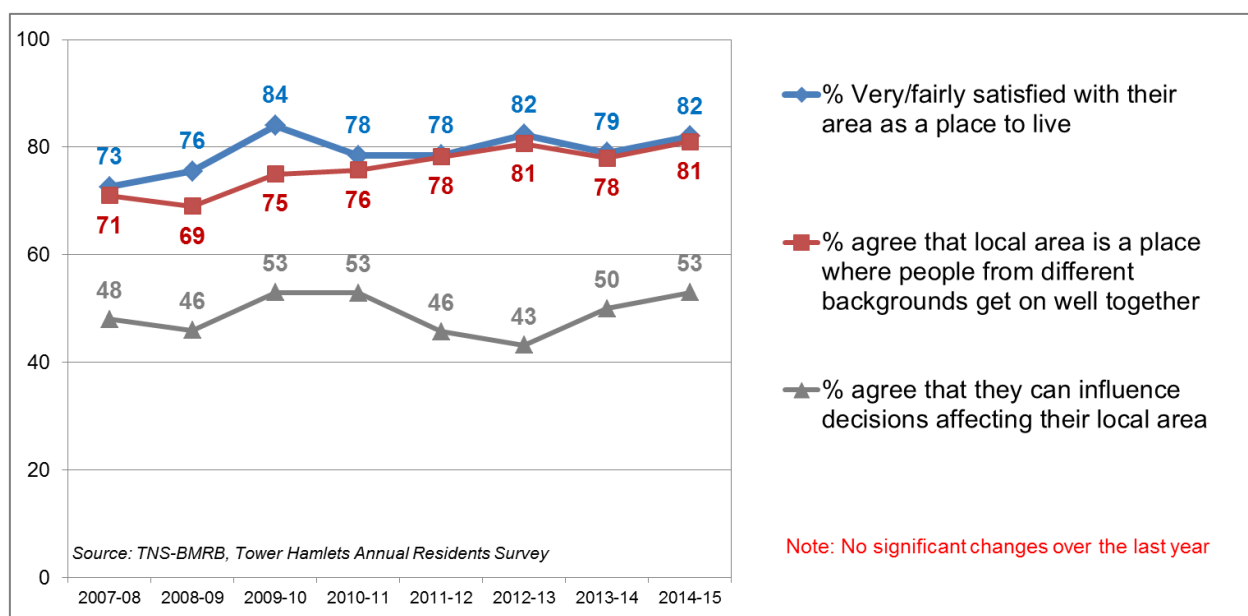
Residents were also asked a question to gauge the level of concern about public spending cuts. The question posed was: *'Thinking about the next year, how worried are you that you or your family will suffer directly from cuts in spending on public services such as health, education or welfare benefits?'* In response, the majority of residents (67 per cent) said they were very or fairly worried about cuts in spending, similar to last year's level.

Cohesion and community

Views about cohesion remain positive: 81 per cent of residents agree that the local area is a place where people from different backgrounds get on well together. A similar proportion (82 per cent) said they are satisfied with their local area as a place to live. On both indicators, views have remained around these levels for the last three years (Figure 4).

Just over half of all respondents (53 per cent) felt they could influence decisions affecting their area. This measure has risen for two years taking it back to its 2009-10 level, after recent falls.

Figure 4 Views about the area, cohesion and influencing decisions, Tower Hamlets, 2007-08 to 2014-15



Views about anti-social behaviour

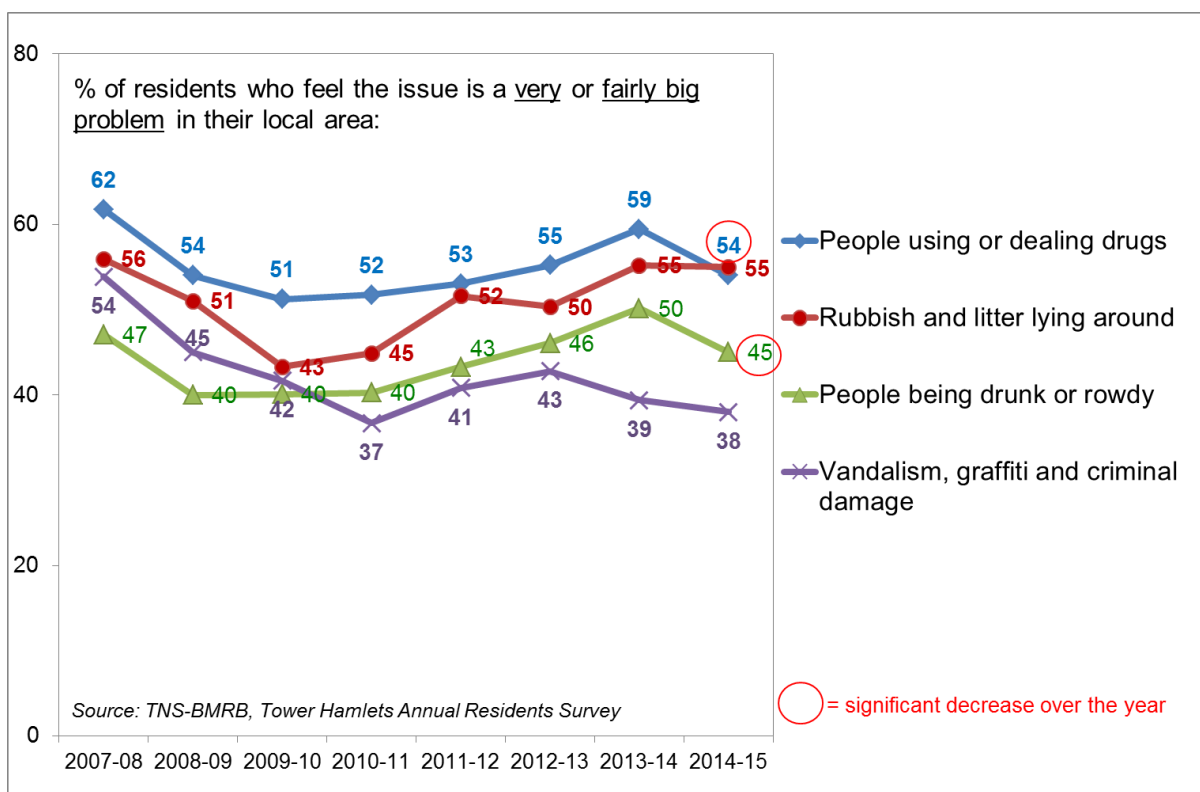
Figure 5 shows resident perceptions around four different types of anti-social behaviour (ASB). Levels of concern about ASB problems have fallen over the year for two of the four areas monitored:

- 54 per cent felt people using or dealing drugs was a fairly or very big problem in their local area (down 5 points on last year).
- 45 per cent felt people being drunk or rowdy was a problem (also down 5 points on last year).

Views were similar to last year's for two areas:

- 55 per cent felt rubbish or litter was a big problem – unchanged from last year.
- 38 per cent felt vandalism, graffiti and criminal damage was a problem, similar to last year (39 per cent).

Figure 5: Views about ASB in Tower Hamlets, 2007/08-2014/15



Success in dealing with ASB

After the ASB questions, respondents were asked ‘How much would you agree or disagree that the police and other local public services are successfully dealing with these [ASB] issues in your local area’.

In response: 54 per cent of those surveyed said they either strongly agreed or tended to agree, 20 per cent disagreed and 26 per cent were ambivalent (they neither agreed nor disagreed, or didn’t know). The percentage who agreed was up 3 points on last year (51 per cent agreement), though this rise was not statistically significant.

Communication with the Council

East End Life remains a key source of information about the Council, 51 per cent read it regularly. Readership levels fell between 2010 and 2012, but have remained stable for the last three years.

Table 4 Percentage of residents who read East End Life regularly							
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Change over year
Yes - read it regularly	55	58	55	51	49	51	2

Source: TNS-BMRB, Tower Hamlets Annual Residents Survey

The majority (67 per cent) of residents surveyed had made contact with the Council over the year. Telephone remains – by far – the most popular method of contact

used by 80 per cent (of those who had made contact). It is also the most popular preferred future method of contact (75 per cent). Almost one quarter said they would prefer to use email in the future, higher than the current proportion (24 vs. 15 per cent).

Residents were also asked what method they would like the Council to use if it was to contact them in response to an enquiry or request, and preferences were quite different. Most notably, there was far more interest in letter (46 per cent) as a method residents would like the Council to use. Around half said telephone, with an equal split between landline and mobile, and there was also strong support for email (37 per cent) as a method of contact.

Figure 6 Methods of contact with the Council, Tower Hamlets, 2014-15

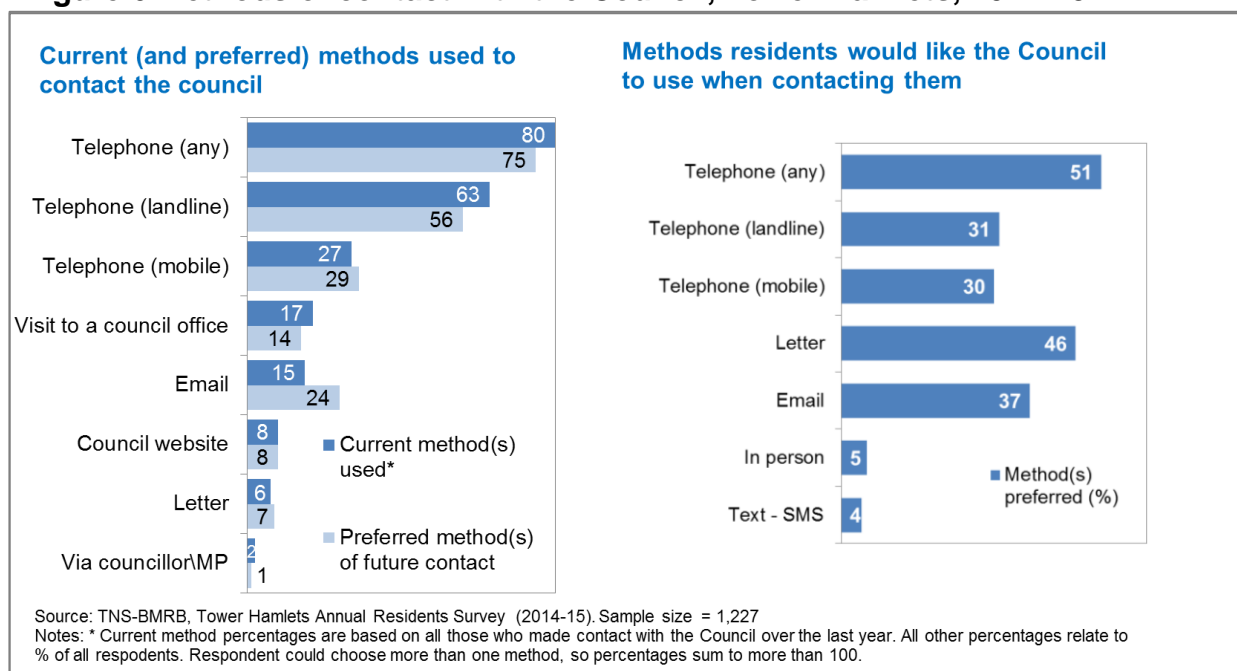


Table 5 shows how these patterns have changed over the last year.

In relation to how residents make contact with the Council, patterns were broadly similar to last year, though use of a mobile had increased. In terms of future contact, there was increased interest for both mobile and the Council website.

In terms of how residents would prefer the Council to make contact with them, there was increased support for letter and a fall in preference for telephone.

Table 5 Contacting the Council - current and preferred methods

	Method(s) used to contact the Council in last year			Preferred method(s) of contact in the future		
	% (of those contacting the Council)			% of all respondents		
	2013-14	2014-15	Change*	2013-14	2014-15	Change*
Telephone (any)	80	80	0	73	75	2
- Landline	65	63	-2	57	56	-1
- Mobile	22	27	5 ↑	24	29	4 ↑
Visit to a council office	17	17	0	13	14	1
Email	16	15	0	23	24	1
Council website	7	8	1	6	8	2 ↑
Letter	6	6	1	8	7	-1
Via my local councillor/MP	3	2	-1	1	1	0
<i>% who haven't contacted the council over the year</i>	28	33	5 ↑			
Method(s) residents would prefer Council to use when contacting them						
	% of all respondents					
	2013-14	2014-15	Change*			
Telephone (any)	59	51	-8 ↓			
- Landline	39	31	-8 ↓			
- Mobile	34	30	-3			
Letter	35	46	11 ↑			
Email	33	37	3			
Face to face/In person	6	5	-1			
Text - SMS	5	4	-1			
<i>Source: TNS-BMRB, Tower Hamlets Annual Residents Survey</i>						
<i>Notes: Only methods used by more than 1 per cent of the population are listed. Multiple responses possible so percentages sum to more than 100.</i>						
<i>* All figures presented are rounded to the nearest percentage point - post calculations.</i>						
<i>Changes that are statistically significant are denoted by arrows.</i>						

Internet access and patterns of use

The majority (87 per cent) of respondents said they had access to the internet, similar to the level last year (86 per cent).

Of those who had access to the internet, the majority had access via a laptop (78 per cent) and 71 per cent said they had access via a mobile/smart phone (Figure 7). Most said they accessed the internet at least once a day (93 per cent). These patterns were similar to last year's, though use of a smart phone to access the internet had increased over the year (by 5 points).

Figure 8 shows what online activities residents use the internet for. The most popular online activities were email (84 per cent); browsing for information about goods and services (83 per cent); social media (75 per cent) and internet banking (71 per cent). The percentage of residents (who had internet access) who currently use the internet for paying for Council services was 48 per cent.

Across all areas, the proportion using the internet for each activity had risen significantly over the year. So while the overall proportion of residents with access to

the internet remained unchanged from last year, those with access were using it for a wider range of activities.

Figure 7: Patterns of internet use, Tower Hamlets, 2014-15

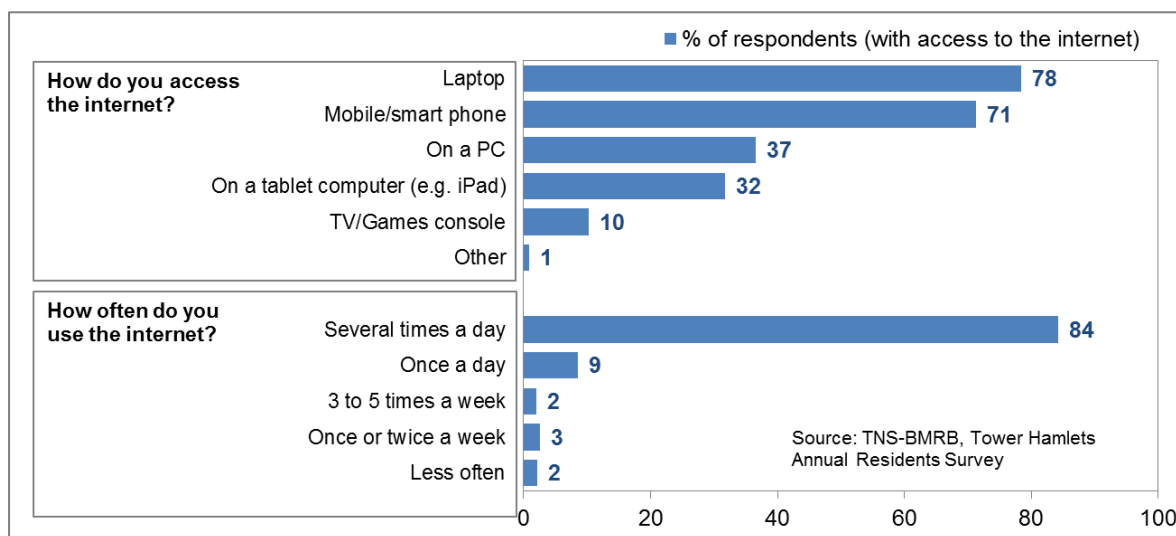
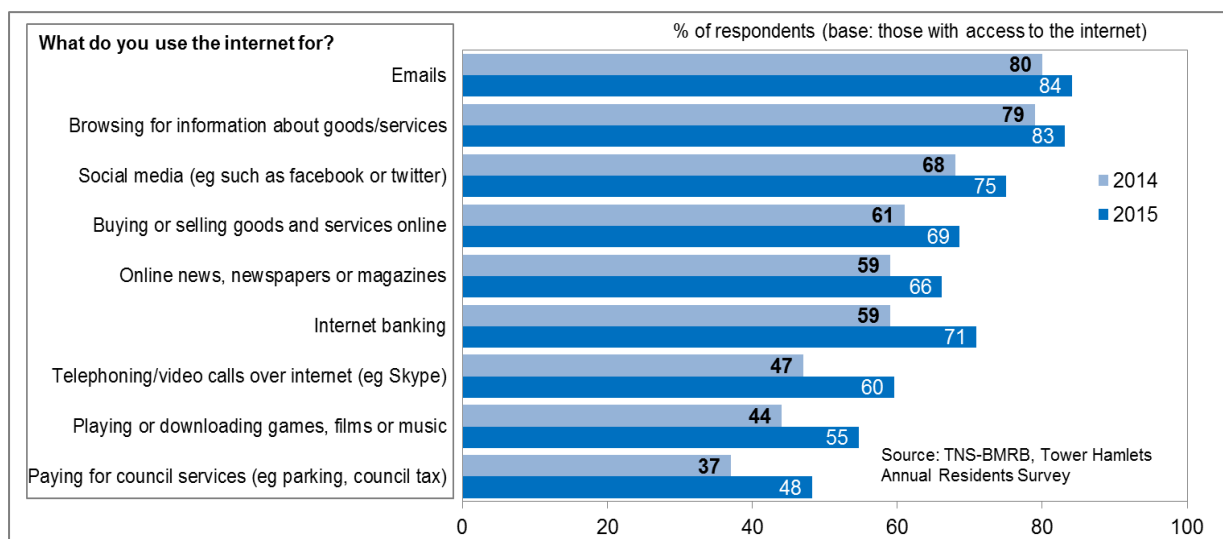


Figure 8: Online activities, Tower Hamlets, 2014-15



Further information

This briefing was produced by the Council’s Corporate Strategy and Equality Service. Information from previous surveys can be found on the Council’s website at the following link:

http://www.towerhamlets.gov.uk/lgs/851-900/867_consultation/annual_residents_survey.aspx

A1 Service satisfaction ratings																									
	Tower Hamlets															London		Tower Hamlets vs. London Difference (rounded)*	Sample size						
	% of all respondents rating service good, very good or excellent															Oct/Nov 2014									
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15			Change over year*	Change % over year*				
Base: all residents																									
Public transport	45	43	41	43	38	53	53	66	65	69	65	67	72	74	78	76	82	6	↑	75	-1	-	7	↑	1227
Street lighting	58	47	45	49	46	53	58	65	61	64	61	64	66	67	67	70	69	-1	-	71	0	-	-2	-	1227
Refuse collection	64	67	59	63	52	62	78	73	67	66	66	66	68	67	65	62	65	3	-	69	-3	-	-3	-	1227
Recycling facilities	33	32	32	32	31	40	58	69	66	67	66	65	68	63	64	61	64	3	-	66	-5	↓	-2	-	1227
Parks and open spaces	31	29	30	34	28	33	39	46	50	54	53	61	60	60	60	61	64	2	-	68	-3	-	-4	↓	1227
Libraries/idea stores	45	37	35	39	42	46	47	54	54	55	55	59	58	58	62	61	63	2	-	57	-5	↓	7	↑	1227
Local health services	42	49	39	44	41	46	53	58	51	59	65	65	68	66	63	59	60	1	-	64	0	-	-5	↓	1227
Collection of council tax	43	38	40	40	38	56	58	59	54	50	55	53	57	57	62	53	60	7	↑	66	6	↑	-6	↓	1227
Street cleaning	51	46	35	39	32	44	60	59	54	51	59	62	60	59	59	55	58	3	-	55	-1	-	3	-	1227
Leisure & sports facilities	30	19	23	25	24	29	36	39	43	46	45	47	47	44	49	48	50	1	-	46	-2	-	3	-	1227
Policing	36	25	24	26	27	32	34	42	46	39	41	47	50	46	49	50	49	-1	-	50	-3	-	-1	-	1227
Road/pavement repairs	31	25	21	22	17	29	38	47	40	41	37	38	39	41	40	43	45	3	-	41	3	-	4	↑	1227
Parking Services	-	-	-	-	-	-	-	-	23	25	23	25	30	26	25	29	28	-1	-	33	-1	-	-5	↓	1227
Base: service users (% of users rating service as good, very good or excellent)																									
Libraries/idea stores	54	52	53	56	57	64	56	71	71	72	76	81	76	77	81	79	79	0	-	74	-1	-	5	↑	743
Primary education**	-	-	-	59	63	63	61	73	69	73	69	77	71	70	74	72	75	3	-	76	-3	-	-1	-	329
Secondary education**	-	-	-	43	38	50	43	61	63	62	65	64	55	64	69	65	75	11	↑	70	0	-	5	-	199
Children's centres**	-	-	-	-	-	-	-	-	-	-	-	82	72	64	77	72	73	1	-	n/a	n/a	-	n/a	-	204
Nursery education**	58	54	61	58	64	66	61	64	73	76	75	79	74	79	72	67	72	5	-	68	-5	-	4	-	152
Recycling facilities	60	65	54	59	54	63	67	74	71	71	74	72	72	68	71	67	70	3	-	71	-6	↓	-1	-	977
Parks and open spaces	39	40	38	46	35	43	45	53	60	63	65	66	63	65	66	66	70	4	-	72	-5	↓	-2	-	954
Leisure & sports facilities	48	36	38	39	36	44	43	50	60	61	65	71	61	61	66	63	64	1	-	60	-5	-	5	-	580
Housing Benefit service**	51	48	55	51	42	55	43	60	58	59	64	66	63	60	54	56	57	1	-	61	0	-	-4	-	321
Council Housing**	26	23	26	28	29	32	33	39	36	39	41	47	48	51	42	42	44	2	-	44	2	-	-1	-	315
Parking Services	-	-	-	-	-	-	-	-	27	29	28	28	34	30	29	38	35	-2	-	41	1	-	-6	↓	577

Source: TNS-BMRB, Tower Hamlets Annual Residents Survey & Survey of Londoners.

Notes: 'All resident' ratings represent the views of all respondents regardless of whether they use the service or not. 'All resident' ratings are provided for services used by more than one third of respondents. 'User ratings' provide the views of service users and are provided for non-universal services. Services used by less than 10 per cent of the survey sample are excluded from these analysis due to poor data reliability.

* All data are rounded to nearest percentage point (post calculations). Changes or differences that are statistically significant are denoted by arrows.

** Less than one third of the sample use these services, so confidence intervals attached to these data are larger than for other services (typically ± 5-8 percentage points).

A2. Views about the image of the Council

	Tower Hamlets																London Oct/Nov 2014		Tower Hamlets vs. London Difference*					
	% agreeing a great deal / to some extent																Change over year*							
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Change over year*		%				
Making the local area a better place to live	53	43	54	56	50	58	55	69	66	67	72	72	74	74	74	76	2	-	74	0	-	2	-	
Has staff who are friendly and polite	73	68	64	68	68	71	68	75	71	75	76	76	81	80	77	74	75	1	-	74	0	-	2	-
Is doing a good job	52	54	51	52	50	57	64	67	64	68	69	72	72	76	76	73	75	2	-	76	0	-	0	-
Keeps residents informed	57	54	53	62	57	61	57	68	66	68	70	72	71	76	73	69	73	4	↑	71	-4	↓	2	-
Is efficient and well-run	41	45	40	42	43	48	55	60	56	61	59	64	65	67	66	66	67	1	-	69	2	-	-3	-
Listens to concerns of local residents	45	41	39	43	41	45	48	59	54	55	57	57	61	58	56	56	55	-2	-	58	2	-	-3	-
Involves residents in decision-making	n/a	42	35	44	41	42	47	49	45	51	49	53	53	49	49	47	53	5	↑	53	0	-	0	-
Provides good value for Council Tax I pay	32	30	33	31	31	30	40	37	37	41	43	50	51	49	50	51	53	2	-	54	1	-	-1	-
Responds quickly when asked for help	40	37	32	35	35	41	45	53	49	49	52	56	58	59	51	51	52	1	-	51	-1	-	1	-
Does a better job than a year ago	35	30	35	37	36	38	42	52	45	50	49	52	51	45	42	48	44	-4	-	45	0	-	0	-
<i>Difficult to get through to on phone</i>	50	49	46	48	50	48	41	48	43	43	40	37	40	36	38	44	41	-3	-	45	3	-	-4	-
<i>Doesn't do enough for people like me</i>	44	36	41	39	35	45	42	46	48	51	50	47	45	41	40	42	43	2	-	45	-1	-	-2	-
Overall satisfaction: % very/fairly satisfied with the way Tower Hamlets Council runs things	-	-	-	-	-	-	-	-	-	59	59	67	63	64	64	62	65	3	-	70	1	-	-5	↓

Source: TNS-BMRB, Tower Hamlets Annual Residents Survey & Survey of Londoners.

Notes: Figures in italics are negative statements - so a fall in the percentage is an improvement.


* All data are rounded to nearest percentage point (post calculations). Changes or differences that are statistically significant are denoted by arrows.

A3. Areas of personal concern (top 3 persons concerns)

	Tower Hamlets																London Oct/Nov 2014		Tower Hamlets vs. London Difference*					
	% including each issue among top 3 concerns																Change over year*	Change over year*						
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14				2014-15	%	%		
Crime	36	41	53	59	49	54	45	49	50	55	47	46	42	42	41	31	34	3	-	31	-5	↓	3	-
Litter / dirt in the streets	16	22	27	30	27	27	27	28	22	26	27	19	23	24	26	27	33	6	↑	30	5	↑	3	-
Lack of affordable housing	23	31	17	20	24	20	22	17	24	23	17	21	22	21	26	29	32	2	-	23	0	-	8	↑
Lack of jobs	25	20	14	14	15	15	15	22	21	19	22	26	30	31	35	23	20	-3	-	15	-9	↓	5	↑
Rising prices / interest rates	8	7	7	5	7	7	9	9	10	11	12	9	17	14	21	16	16	1	-	15	-5	-	1	-
Traffic congestion	18	20	18	17	18	16	15	15	15	18	15	16	13	13	12	14	15	1	-	23	5	↑	-9	↓
Level of Council Tax	20	21	15	19	23	34	35	28	28	24	24	22	16	17	19	15	14	-1	-	19	-1	-	-6	↓
Quality of health service	35	31	23	25	22	20	16	14	19	14	15	13	14	12	16	16	14	-3	-	15	-1	-	-2	-
Pollution of the environment	-	-	-	13	12	14	12	13	15	14	17	13	11	8	12	16	13	-3	↓	11	1	-	2	-
Not enough being done for young people	-	-	-	-	-	-	-	-	20	17	16	16	18	20	19	16	12	-4	↓	13	-7	↓	-1	-
Number of homeless people	12	9	9	8	9	10	8	9	10	7	11	9	8	9	9	14	12	-1	-	7	-2	-	5	↑
Standard of education	-	-	-	16	15	14	9	11	14	11	14	11	13	10	11	10	10	1	-	11	-3	-	-1	-
Lack of recreational facilities	-	-	-	11	14	11	16	10	10	10	9	9	9	8	10	10	9	-1	-	7	-2	-	2	-
Not enough being done for the elderly	22	19	16	17	14	13	13	12	13	11	11	9	9	10	10	8	8	0	-	9	-6	↓	-1	-
Poor public transport	13	13	16	17	20	13	8	5	10	8	11	8	8	5	5	6	4	-2	↓	7	1	-	-3	↓

Source: TNS-BMRB, Tower Hamlets Annual Residents Survey & Survey of Londoners.

* All data are rounded to nearest percentage point (post calculations). Changes or differences that are statistically significant are denoted by arrows.

<p>Cabinet 28 July 2015</p>	
<p>Report of: Chris Holme – Acting Corporate Director Resources</p>	<p>Classification: Unrestricted</p>
<p>Contracts Forward Plan – Quarter 1 (2015-2016)</p>	

Lead Member	Cllr David Edgar
Originating Officer(s)	Zamil Ahmed – Head of Procurement
Wards affected	All wards
Community Plan Theme	One Tower Hamlets
Key Decision	Yes

EXECUTIVE SUMMARY

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 Q1 of the Financial Year.

Only contracts which have not previously been reported are included in this report.

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 Head of legal Services to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 2 above.

1. **REASONS FOR THE DECISIONS**

- 1.1 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 Q1 of the Financial Year.

2. **ALTERNATIVE OPTIONS**

- 2.1 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.

3. **BACKGROUND**

- 3.1 This report provides the forward plan for the period Q1 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.

4. **FORWARD PLAN OF CONTRACTS**

- 4.1 Appendix 1 details the new contracts which are planned during the period Q1 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.

- 4.2 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.
- 4.3 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.

- 4.4 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.

5. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 5.1 This report describes the quarterly procurement report of the forward plan for Q1 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.
- 5.2 Approximately £34.33m of goods, services and works will be procured from external suppliers. 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.

6. LEGAL COMMENTS

- 6.1 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.
- 6.2 The Council has also adopted 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 2015. 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 set out in the report.
- 6.3 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 in January 2013. The exact nature of the 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 staff are based outside London an assessment will be carried out to determine if that is appropriate.

- 6.4 When considering its approach to contracting, 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 do not (the public sector equality duty). Information is provided in section 7 of the report to explain how this is taken into account.

7. ONE TOWER HAMLETS CONSIDERATIONS

- 7.1 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 Programme Service ensures a joined-up approach to procurement.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 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.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 Risk management is addressed in each individual contracting project, and assessed through the tollgate process.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

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

11. EFFICIENCY STATEMENT

- 11.1 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.

12. APPENDICES

Appendix 1 – new contracts planned: Q1 of the Financial Year and beyond.

Linked Reports, Appendices and Background Documents

Linked Report

- None.

Appendices

- Appendix 1 – new contracts planned: Q1 of the Financial Year and beyond

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

- None.

Officer contact details for documents:

- N/A

Appendix one – Contracts Forward Plan Q1 of the Financial Year 2015-16

Directorate Contract	Contract Value	Scope of Contract	Length of New Contract, or Contract Extension	Funding	Date submitted to Competition Board or scheduled for submission*	Planned Date for Invitation to Tender or * Contract signature.	Community Benefits
<p style="text-align: center;">Page 358</p> <p style="text-align: center;">CLC4903</p>	<p style="text-align: center;">Approx. £1,050,000- £1,750,000</p>	<p><u>Supply and servicing of library acquisitions</u> The procurement involves retendering for the supply of library materials in partnership with other authorities as part of the London Libraries consortium (LLC). The partners in this consortium, for which LB Redbridge is the lead authority, collectively tender for the provision of library stock and associated services and achieve optimum discount through greater economies of scale. The stock element of the LLC formally operates as London Contracts and Supplies Group (“LCSG”) With existing contracts with specialist library stock suppliers expiring in March 2016 the LLC needs to tender for new contracts to continue the supply of library books and other materials. The contract consists of following elements:</p> <ol style="list-style-type: none"> 1. Supply of books (Adult fiction; Adult non-fiction; Children’s fiction; Children’s non-fiction; Reference books; DVDs & CDs) 2. Supply of servicing materials, including book jacketing, spine labels, RFID tags, book plates, to bring materials up to shelf ready standard 3. Provision of information about all published and forthcoming titles 4. Provision of direct delivery service weekly to all libraries 5. Supply expertise in selection of materials according to agreed specification <p>Continuing to procure all the above as part of the LLC/LCSG consortium achieves efficiency and value for money through larger contracts. Shared legal and procurement costs across 11 boroughs are minimal. Tendering as a single authority would result in loss of discount and greater costs for LBTH. The tendering exercise will be led by the London Borough of Redbridge with LBTH representatives fully involved in drawing up the detailed specification.</p>	<p style="text-align: center;">3 to 5 years</p>	<p style="text-align: center;">Idea Store revenue</p>	<p style="text-align: center;">16/03/2015</p>	<p style="text-align: center;">December 2015</p>	<p style="text-align: center;">Included as part of the tender</p>

Domestic Abuse Refuge and Floating Support Services

This tender is required to continue to deliver the domestic abuse service in line with the Tower Hamlets' Violence against Women and Girls (VAWG) Plan. It clearly states the borough's commitment to addressing all gender specific abuse and violence and makes a high level commitment to the Violence against Women and Girls agenda. A key objective of the strategy is to provide support and protection which the commissioning of this service delivers.

The refuges provide 34 units of both generic and culturally specific emergency and short term accommodation for women and their children with a range of support needs, who are at risk of or fleeing domestic violence. The service is designed to support service users in making sense of and to come to terms with their experience. They provide tailored support specifically designed to increase a person's ability to live more independently, increase social inclusion, maximise protection of women and/or children from significant harm.

The focus of the floating support service is to ensure that the service user's live in a safe and secure environment in the community and that support is provided to meet their immediate needs at a time of significant risk when they have recently left the perpetrator. The majority of service users will be placed in borough and newly resident in temporary accommodation and in circumstances where they may be at high risk when moving on from refuge accommodation. In an exception wherein they are placed in out of borough temporary accommodation the provider is required to ensure that they are linked in with locally available services in their area of residence.

The existing contract which was procured for via the Supporting People Framework Agreement ends on 31 March 2016. This procurement exercise will be by way of a restricted tender, the panel including representatives from Community Safety and Adults Social Care.

This tender will include a community benefits commitment. Suppliers will be asked to submit innovative initiatives which can be measured and monitored throughout the lifetime of this contract.

3 years

General Fund

16/03/2015


July 2015

Included as part of the tender

	<p>Approx. £10,000,000.</p>	<p>Corporate Security Services Framework The Council currently engages a larger number of security service providers to meet its security personnel and equipment maintenance requirements. Whilst, there are two contracts in place, over 50% of the spend is incurred outside of any corporate contracts. This approach is not cost effective and non compliant with LBTH contract regulations.</p> <p>Following a detailed category analysis as part of the Best Value Procurement Action Plan and consultation with officers across directorates it is proposed that a new framework contract for security services is procured to cover requirements of all service areas.</p> <p>An OJEU compliant Framework Agreement with a number of service providers across the following lots:</p> <ul style="list-style-type: none"> Lot 1 – Manned Guarding, Key holding and Mobile Patrol Lot 2 – Dog Patrol and Protection Lot 3 – Event Security Lot 4 – Live-in Guardian Lot 5 - Installation and Maintenance of Building Security Systems Lot 6 - Public Space CCTV and Control Room Operation Lot 7 - Installation and Maintenance of Town Centre CCTV System Lot 8 - Installation and Maintenance of Security Infrastructure Lot 9 – Locksmith Services Lot 10 – Building Hoarding Services <p>Due to the specialist nature and complexity of Lots 6 – 8, it may be appropriate to procure the framework in two parts.</p> <p>Community benefits commensurate with the contract size will be sought from the provider through the tender process. Benefits would be expected to include local employment opportunities, volunteer opportunities, work placements and work with local schools</p>	<p>4 years (2+1+1)</p>	<p>Revenue</p>	<p>16/03/2015</p>	<p>September 2015</p>	<p>Included as part of the tender</p>
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	<p><u>Health Visiting service:</u> Total annual contract value up to £7,170,000 (Comprising core value of £5,212,000 p.a. with an additional £1,958,000 per annum depending on recruitment of qualified health visitors.) Over three years max value c. £21.5 m</p> <p><u>Family Nurse Partnership:</u> £540,000 per year. £1,620,000 over three years.</p>	<p>Early Years (0-5) Public Health Services Responsibility for commissioning the 0-5 year old Public Health services will transfer from NHS England to the Council on 1st October 2015. The service consists of the Health Visiting service and the Family Nurse Partnership (FNP). Increasing the capacity and improving the quality of these services was one of the last government's commitments and there has been increased investment in additional numbers of staff, especially health visitors. Staff numbers are projected to increase to over 150 and this includes clinical leads, qualified health visitor, nurses and care assistants. The Department of Health is providing local authorities with additional grant to enable recruitment of more Health Visitors up to the local target of 95 WTE.</p> <p>The services are currently delivered in Tower Hamlets through Barts Health NHS Trust. The current service is expected to continue until 31st March 2016 (through a contract novation process). For the Council to then award a new contract the procurement process needs to commence by June 2015 to meet the required timelines.</p> <p>It is proposed to commission the two service areas as two separate contracts based on advice from the FNP National Unit. An EU open market procurement process will be required for both. Outside of the NHS bodies the market place for providing these services is untested. Public health commissioners will review whether there are options for partnership or consortium delivery.</p> <p>Community benefits commensurate with the contract size will be sought from the provider(s) through the tender process. Benefits would be expected to include local employment opportunities, volunteer opportunities, work placements and work with local schools</p>	<p>3 years (1+1+1)</p>	<p>Public Health Grant</p>	<p>16/03/2015</p>	<p>July 2015</p>	<p>Included as part of the tender</p>
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ESCW4900	Approx. £2,650,000	<p>Supply of Fresh and Frozen Meat</p> <p>Supply of fresh and frozen meats to carefully specified qualities ensuring ongoing compliance with the Soil Association's Food for Life Catering Mark.</p> <p>Joint competition with other boroughs to put in place framework of contracts. The Council will participate as a member of the LCSG Contract group and benefit from the efficiencies this generates during the life of the contract and the continued benefits that have been realised in recent years by being part of this group.</p> <p>As the contract is a collaborative agreement with other authorities, it would be difficult to implement the LBTH standard Community benefits requirements. However, it is our intention to influence where possible the inclusion of some of the elements of the Local employment and community benefits schedule, specially the inclusion on the framework of local providers.</p>	4 years	Revenue	16/03/2015	September 2015	Included as part of the tender
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Cabinet 28 th July 2015	 TOWER HAMLETS
Report of: Louise Russell, Service Head, Corporate Strategy and Equality	Classification: Unrestricted
Best Value Plans – Draft 6 month update report	

Lead Member	Mayor John Biggs
Originating Officer(s)	Louise Russell
Wards affected	All wards
Community Plan Theme	All
Key Decision?	Yes

Executive Summary

This report provides an early draft of the six month progress update on the seven Best Value Action Plans which respond to the Secretary of State's Directions.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Agree the draft six month progress update (Appendix 1) for submission to the Commissioners on 9th September;
2. Note that the progress report will be updated to reflect the latest position prior to consideration by the Commissioners on 9th September, before submission to the Secretary of State.

1. REASONS FOR THE DECISIONS

- 1.1 The Council is required to monitor these plans to comply with Secretary of State Directions.

2. ALTERNATIVE OPTIONS

- 2.1 The Council is required to comply with Secretary of State Directions.
- 2.2 The actions within the plans have been the subject of consultation with a range of parties and the Commissioners which has considered alternative options.

3. BACKGROUND

- 3.1 Following a Best Value Inspection undertaken by Price Waterhouse Coopers during 2014, the Secretary of State for Communities and Local Government issued the Council with Directions on 17th December 2014 and appointed two commissioners.
- 3.2 The Directions focused on particular areas which had been the subject of the Best Value inspection – grants, procurement, property disposals and some elements of publicity spend.
- 3.3 One of the Directions required the Council to draw up and agree with the Commissioners a strategy and action plan for securing the Authority's compliance with its best value duty. In discussion with the Commissioners it was agreed that the Council's current arrangements for securing best value including our strategic and resource planning and performance management systems were robust. The requirement was for us to develop improvement plans in the particular areas which had been the subject of the PwC inspection, plus additional plans around elections, recruitment of statutory officers and organisational culture.
- 3.4 There are seven key elements to the Plan:
 1. Procurement Action Plan
 2. Grants Action Plan
 3. Property and Disposal Action Plan
 4. Communications Action Plan
 5. Organisational Culture Action Plan
 6. Recruitment of statutory officers
 7. Elections Action Plan
- 3.5 The actions plans were agreed with the Commissioners, and submitted to the Secretary of State in March 2015 as required. As part of the Directions, the Council is required to produce and submit to the Secretary of State a 6 monthly update report by mid-September. The Council's Cabinet need to review and endorse this report before submission.

- 3.6 Whilst the 6 monthly report is not required for submission to the Secretary of State until mid-September, the Council is seeking agreement of the report by Cabinet in July. This is to allow sufficient time for responding to comments and the political approval process. It is proposed that the report is updated at key points prior to submission to the Secretary of State in order to ensure that it reflects the latest position. It is proposed that any changes to reflect updates are delegated to the Head of Paid Service in discussion with the Mayor and Commissioners.

4 **PROGRESS WITH DELIVERY**

- 4.1 Progress with delivering the plans is strong with a large proportion of items complete and all but a very small proportion on track. This has been achieved against a backdrop of significant political upheaval for the Council and a necessary hiatus in decision making following the removal and re-election of a new Mayor. Across the Plan some minor areas of slippage are in the main related to this necessary pause in decision making which has held up approval of some policies. Revised deadlines are being agreed with Commissioners (see table below).
- 4.2 Progress has been regularly monitored by the Commissioners through the Best Value Board chaired by the Lead Commissioner and set up to monitor progress in delivering against the action plans. This Board has undertaken in-depth spotlight reviews of each Plan since its inception and through this process proposed outcomes have been developed for each plan. The proposed outcomes are set out in the accompanying progress report for each Action Plan. Progress against these measures will be reported in the 12 month report in March 2016.
- 4.3 Monitoring is undertaken on a monthly basis and includes the identification of actions which have been completed (highlighted in grey), those that are on-track (green) as well as any which are off-track (amber) or will not be delivered (red). In addition to this monthly monitoring, testing compliance with the Best Value Plans has been included in the council's Audit Plan for 2015/16 and will take place during the second half of 2015/16 to feed into an end year report.
- 4.4 This six monthly update report builds upon this monthly monitoring and includes a narrative summary of progress to date in relation to each action

plan. This includes key achievements, planned activity, areas of risk and potential outcome measures to help track progress. The draft report provides the latest position at the current time (end-June) and will be updated as appropriate before submission at the six month point.

Overview of progress

- 4.5 Overall, there has been strong progress in delivering against the Best Value action plans. A summary in relation to each plan is set out below.

Procurement

- 4.6 Significant work has been undertaken to improve procurement practices. This includes the development of a new central contracts register and the introduction of improved finance and procurement controls.
- 4.7 A detailed analysis of spend has been undertaken to support work to reduce costs and ensure value for money, whilst new Procurement Dashboards identify opportunities for collaboration and savings from the Council's third party expenditure.
- 4.8 A range of proposed milestones and measures have been developed to help track progress and impact, including in relation to compliance and supporting local economies.

Grants

- 4.9 There has been considerable progress in the delivery of the grants action plan. The Commissioners agreed to temporarily rollover funding to many projects with the 2012-15 MSG programme, whilst the new scheme is developed. The new MSG programme was launched in April and is on-track for implementation in September.
- 4.10 The Council has also reviewed its approach to grants and a centralised approach is being developed to support good practice. This work is being complemented by work to improve administration arrangements, including a new Grant Officers manual which has been launched.
- 4.11 Priority areas over the new few months include the development of governance arrangements to support the input of Members in the grant making process. The Council's strategic approach to the Voluntary and Community sector (VCS) will be reviewed as part of the refresh of the existing VCS Strategy.

- 4.12 Performance measures will be clearly set out for each grant scheme. For example, in relation to MSG there are clear indicators in relation to each theme. In addition, there will be a rolling, independent evaluation of grants to the third sector. This work will help identify, in a meaningful way, change that is attributable to specific grant work.

Property and Disposal

- 4.13 Progress is strong against the agreed action plan. A clear decision making process, via individual Commissioners' decision, has been established and used to sign-off a number of transactions. Disposals and lettings procedures have been amended; as part of this, financial regulations have been updated and an asset management manual has been finalised. Compliance will be tested through the council's rolling audit plan, whilst Asset Managers will also be asked explicitly to confirm that procedure has been complied with on each disposal or letting.
- 4.14 A new Asset Strategy is being developed, informed by the Commissioners, which will be considered by Cabinet shortly. A key priority over the next few months will be the development of a Community Buildings Allocation Policy – this is being undertaken in conjunction with work around grants and refresh of the third sector strategy in recognition of the cross-cutting nature of this work.
- 4.15 A range of measures to help monitor progress and impact have been developed, which include a focus on occupancy and running costs of Council buildings, as well as decision making.

Communications

- 4.16 Considerable work has been undertaken to address the issues raised in the Best Value report and in-line with the agreed action plan. A revised Communications Protocol has been established and disseminated. An independent review of East End Life setting out how it is a best value method for promoting key council information, community cohesion and publicising statutory notices has been shared with the Commissioners and elected members.
- 4.17 Campaign activity and planned communication work seeks to include sound monitoring processes and cost neutral activities where possible. Recent work has included includes Taste Brick Lane – a campaign to drive tourists, visitors and residents to businesses in Brick Lane during March – and the #50TH campaign celebrating the anniversary of the establishment of the London Boroughs.

- 4.18 Additional communications work planned and underway includes moving more of our communications online following procurement of a new Content Management System and the delivery of our Digital Communications Strategy, an updated internal Communication Strategy and the development of new revenue streams to optimise income.
- 4.19 Measures to track progress include indicators which track the proportion of positive / neutral coverage, social media use and compliance with the Communications Protocol.

Organisational Culture Action Plan

- 4.20 Work to support organisational culture has included improved engagement with staff, including the Your Workplace Your Voice campaign and Your Choice Ambassadors. In addition, a cross-party Governance Working Party has been set up to review how governance processes can support best value and improve transparency and trust. Governance, Constitution and Code of Conduct Changes are being progressed.
- 4.21 There have been minor delays in some aspects of the plan relating to working with elected members which were temporarily put on hold given both the removal of previous Mayor and consequent election – this has been fully agreed with Commissioners at each stage and revised timetables agreed. In addition, the new Mayor, and Chief Executive once appointed, will have a key role in further shaping and promoting organisational culture and behaviours.
- 4.22 Key measures have been developed to help track progress against the desired outcomes, including those drawing upon the staff survey and Investors in People assessment.

Statutory Officer Recruitment

- 4.23 The purpose of this Action Plan was to support recruitment to the three statutory officer posts. The appointment process for the Corporate Director of Resources (S151 Officer) is complete; the new Director will start on 1st August. The appointment process for the Corporate Director of Law, Probity and Governance is also complete; the new Director will start on 17 September.

- 4.24 The recruitment process for a new Chief Executive (Head of Paid Service) is progressing in line with the Direction of 29 April. The advertisement has been published with a closing date of application of 10th July.

Elections

- 4.25 The Elections Best Value Action Plan has focussed primarily on the delivery of the elections in May and June 2015. The management and implementation of the elections incorporated a number of significant improvements over previous practice in Tower Hamlets. Strengthened arrangements were put in place for the UK Parliamentary Elections on 7th May, particularly around ensuring good order at the polling stations, integrity of the electoral process and efficiency of the count. These arrangements were in turn maintained and further improved for the Mayoral election on 11th June.
- 4.26 At both elections positive feedback was received from candidates, agents and others on the improvements introduced and the number of complaints received by the Returning Officer and the Metropolitan Police was significantly reduced from May 2014.

Revisions

- 4.27 Throughout the process of monitoring the plan the Commissioners have been kept informed of, and approved reasons for, any areas of slippage, which largely related to the removal of the previous Mayor and the need to ensure Mayoral input to key decisions. This has been kept to a minimum and only applies to 9 actions set out below – less than 5% of the whole plan. At the Best Value Board meeting on 15th July the Commissioners were asked formally to confirm their agreement to revised deadlines for the following reasons:

Action	Original deadline	Revised deadline	Reason
Evaluation of 2012-15 Mainstream Grants Programme	April 2015	September 2015	Resources initially targeted on developing new programme
Develop Mayor and cross-party consultation and review forum	May 2015	July 2015	Need for Mayor and Executive input
Consolidate all 3 rd Sector grant giving, monitoring and evaluation into one service	April 2015	September 2015	Resource focus on delivering new MSG programme. Requirement to

			consult staff
Approval of the Council's Asset Strategy	July 2015	October 2015	The Asset Strategy is being further reviewed following comments from the Commissioners and colleagues in other directorates
Review and agree disposal programme for the next three years as part of an Asset Strategy Workstream	July 2015	November 2015 - <i>tbc</i>	Need for Mayor and Executive input
New Content Management System for online communications	June 2015	October 2015	Full procurement exercise initiated to ensure meets needs and provides best value
Launch revised staff recognition scheme	June 2015	September 2015	Mayoral input required and to avoid holiday period
Develop cross party member working groups on key policy issues	May 2015	July 2015	Paused for new Mayor and Executive to be in place
External support and action plan to rebuild elected member and member/senior officer relationships	May 2015	September 2015	Need for Mayor and Executive input

5. COMMENTS OF THE CHIEF FINANCE OFFICER

- 5.1 There are no direct financial implications arising from the recommendations within this report.

6. LEGAL COMMENTS

- 6.1 The Council is a best value authority within the meaning of Part 1 of the Local Government Act 1999. As a best value authority, the Council has an obligation under section 3 of the Local Government Act 1999 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 best value duty).
- 6.2 Where the Secretary of State is satisfied that an authority is not meeting its best value duty, the Secretary of State may: (1) direct the authority to take action to bring itself into compliance with that duty; (2) direct that specified functions be carried out by the Secretary of State or a nominee and that the

authority follow the Secretary of State's instructions and provide such assistance as may be required (Local Government Act 1999). In accordance with this power the Secretary of State gave directions to the Council on 17 December 2014, 29 April 2015 and 6 May 2015.

- 6.3 The directions are enforceable by the Secretary of State, who may seek an order in the High Court requiring the Council to remedy any breach. In the circumstances, it is appropriate for the Council to take steps to comply with the directions and to monitor its compliance with the directions. The report relevantly informs members of progress and appropriately indicates that Cabinet approval will be sought before presenting the required update to the Department of Communities and Local Government.
- 6.4 When taking action in response to the directions, 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 do not (the public sector equality duty). Compliance with this duty has been a feature, to the extent relevant, of the Council's action in response to the directions.

7. ONE TOWER HAMLETS CONSIDERATIONS

- 7.1 The Council needs to deliver its functions, including in relation to those elements transferred to the Commissioners through Direction, with due regard to equality and the need of groups with protected characteristics. Changes to the way in which the Council awards grants, contracts or disposes of property – particularly community buildings – and publicises its activity has the potential to impact on equality and cohesion in the borough. Any significant policy changes emerging from the improvement planning activity will be subject to an equality impact assessment.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 7.1 No specific environmental implications.

9. RISK MANAGEMENT IMPLICATIONS

- 8.1. Delivering the actions within the Plans will mitigate risks to the Council in delivering best value in respect of grants, property and procurement decisions.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

9.1 No specific crime and disorder implications.

10. EFFICIENCY STATEMENT

10.1 Through ensuring the Council meets its best value duty, the plans will improve efficiency and effectiveness of the key functions covered within them.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE.

Appendices

- 1. Best Value six monthly monitoring**
 - Procurement Action Plan
 - Grants Action Plan
 - Property and Disposal Action Plan
 - Communications Action Plan
 - Organisational Culture Action Plan
 - Recruitment of statutory officers
 - Elections Action Plan

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

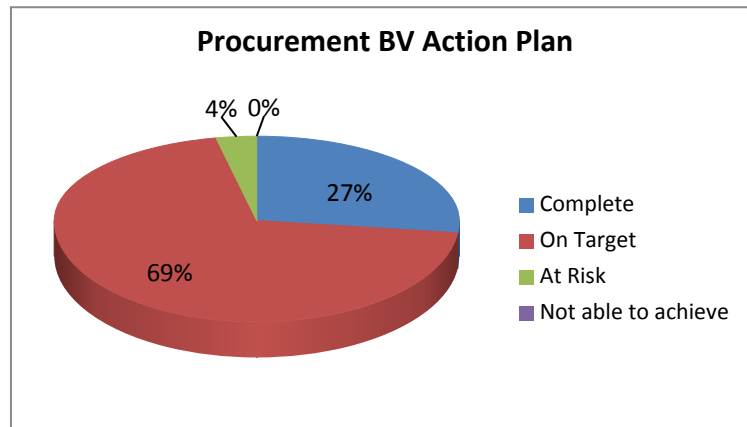
- None

Officer contact details for documents:

- Louise Russell, Service Head, Corporate Strategy and Equality

Best Value Action Plan – 6 monthly update

Best Value Area	Procurement	Overall Delivery Status GREEN
Progress Summary		
<p>The Best Value Procurement action plan includes a range of immediate improvements as well as broader transformation of the council's procurement practices. The action plan has been developed with consideration of the wider reform of public sector procurement recently implemented through the new Public Procurement Regulations 2015, Local Government Transparency Code and the launch of National Procurement Strategy 2015.</p> <p>The Procurement Action Plan is based around five key themes and will result in transforming the way the council undertakes procurement activities and engages with its suppliers. The five key themes are:</p> <ol style="list-style-type: none"> 1. Strategy and Vision 2. Organisational Development 3. Governance, Systems and Procedures 4. Category Management 5. Commercial, Contracts and Risk Management <p><u>Key achievements</u></p> <p>Considerable work has already been completed to achieve transform our procurement activity. This includes:</p> <ul style="list-style-type: none"> • Detailed analysis of all third party expenditure for financial year 2014-15 completed to identify key categories of third spend and establish a clear category management strategy to ensure value for money (VFM) for these categories of spend, reduce costs and oversupply. • New Directorate Procurement Dashboards developed to identify opportunities for collaboration and savings from the council's third party expenditure. • New central contracts register linked to contract award implemented to capture all contracts above £25,000 including all procurement waivers. • New procurement training programme has been developed to improve procurement knowledge and skills across the organisation. • New operating model for Procurement Service has been developed - to go live from September 2015 • Improved Finance and Procurement controls introduced to increase compliance and transparency of spend across the organisation • New supplier risk management initiative introduced (pre and post appointment). <p>Of the agreed key milestones, only two are currently at risk of not meeting the agreed time scales due to awaiting appointment of a new Mayor and lead Member for Resources.</p> <p>The chart below provides a summary of the council's position on the implementation of the Procurement action plan.</p>		



Broader Procurement Transformation

The recommendations and feedback from Commissioners has been considered and work in underway to incorporate these improvements as part of the wider Procurement Transformation Programme. Additionally, work has commenced in reviewing existing E-tendering solutions to ensure further streamlining of existing procurement practises and improved compliance on all third party expenditure.

Proposed Outcome Measures

We have developed a set of outcome measures which will be used to track our progress in transforming procurement and ensuring it provides value for money. They are:

- **Savings, Compliance and Value for Money**
 - Full audit trail of all contracts **above £5k** (current £25k)
 - Category Management – embed to progress cross directorate procurement opportunities
- **Modernising Procurement**
 - New structure in place to meet planned activity
 - Central Commercial and Contract Monitoring role
 - New end to end e-sourcing solution - Linked with Pan London Programme
- **Supporting Local Economies**
 - London Living Wage – 80% -increase to all applicable contracts
 - Community Benefits – 46% - monitor delivery and implement support for bidders

Best Value: Procurement Action Plan BVPRP meeting 15 July 2015

Strategy & Vision

Action / Recommendation	Lead					
New Procurement Strategy	Chris Holme / Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
New three year Procurement Strategy to go live from January 2016.	Chris Holme / Zamil Ahmed	Sep-15	ON TARGET	30%	Stakeholder consultation commenced. Report has now been scheduled in for Competition Board /CMT and Cabinet to achieve milestone.	
Action / Recommendation	Lead					
New Supplier Ethical Code of Conduct	Chris Holme / Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
New Ethical Code of Conduct to be updated to reflect legislative changes, Council policies and procurement best practice	Chris Holme / Zamil Ahmed	Sep-15	ON TARGET	70%	New Ethical Code of Conduct has been developed and cleared through Strategic Competition Board. Report scheduled for 16 September Cabinet.	

Organisational Development						
Action / Recommendation		Lead				
Leadership and strategic alignment of procurement with Finance Director/s151 Officer, Executive and elected member champion for procurement		Chris Holme / Zamil Ahmed				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
An annual procurement report to senior managers, Cabinet and Overview and Scrutiny on procurement practices, outcomes and developments across the organisation	Chris Holme / Zamil Ahmed	Sep-15	ON TARGET	80%	Full year third party expenditure analysis completed and presented to Competition Board. Annual Procurement report has been developed and presented to Competition Board (08/06/2015). Analysis completed along with 15/16 Procurement Service Plan.	Report has been scheduled in for 30 June CMT / 2 September Cabinet.
New procurement training programme for elected members	Zamil Ahmed	Dec-15	ON TARGET	10%	Training options around the scope and delivery is been investigated to incorporate the new Public Contracts Regulation 2015 and internal issues.	

Action / Recommendation	Lead					
Central monitoring of contracts and compliance to Council's Procurement Procedures	Chris Holme / Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Business case for increasing compliance through procurement re-organisation to be developed	Chris Holme / Zamil Ahmed	Sep-15	ON TARGET	40%	Discussion has commenced with the Councils e-tendering provider and London Councils (via the London Heads of Procurement Network) to assess the options of enhancing the current e-tendering solution or the adoption of the Capital E-Sourcing Solution to improve corporate compliance. Initial discussion held with Audit/Legal and Finance Service Managers on the scope. Directorate Procurement Leads has been identified to form part of the transformation project.	
New operating model to go live from September 2015	Chris Holme / Zamil Ahmed	Sep-15	ON TARGET	60%	Business Case for Procurement re-structure has been developed and agreed by People Board. Consultation scheduled for 29 June 2015.	

Action / Recommendation	Lead					
New procurement training programme to develop procurement knowledge and skills across the organisation	Chris Holme / Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
New procurement training programme to be launched to build better procurement competencies across the organisation by ensuring staff are equipped with the knowledge, training and practical skills needed to derive maximum benefit from procurement practices	Chris Holme / Zamil Ahmed	Sep-15	ON TARGET	80%	A targeted training programme has been implemented with a combination of one-to-one and group training. Specific service areas are being targeted to develop procurement skills, knowledge and to bring officers up to date with the new PCR 2015 requirements. A total number of 9 training sessions spread across directorates has been completed. New Procurement training programme has been developed and agreed by Competition Board (8/6/2015). CB agreed for training to be mandatory for all relevant officers.	To launch through the internal HR Training Service by end of June.
Completion of training to be mandated for all officers with procurement and commissioning responsibilities	Chris Holme / Zamil Ahmed	Sep-15	ON TARGET		As above.	

Governance, Systems and Procedures

Action / Recommendation		Lead				
A central register of all contracts		Chris Holme / Zamil Ahmed				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
New central contracts register linked to contract award being developed to capture all contracts above £25,000, including all RCDA and linked to spend to increase compliance and minimise use of RCDA	Chris Holme / Zamil Ahmed	Apr-15	COMPLETE	100%	Detailed procurement category spend analysis has been implemented. All procurement spend, contracts including RCDA have been reviewed with officers within each directorate. Central Contracts Register is in place showing all contracts above £25k including all RCDAS and legacy contracts. Contracts Register has also been updated to ensure compliance with the Transparency Code requirements.	

Action / Recommendation		Lead				
Reconciliation of contracts listing to financial data		Service Head Finance and Procurement				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Implementations of directorate Procurement dashboards to identify opportunities for collaboration and identify drive further savings from Councils third party spend	Service Head Finance / Procurement	May-15	COMPLETE	100%	Resources Dashboard completed and agreed at Resources People and Procurement Board. Final directorate dashboards will be presented at 8 May SCB meeting. Procurement Dashboards developed to provide directorate visibility of all procurement spend, off contract spend, savings opportunities, purchasing card holders. Dashboards developed, presented to and cleared by competition Board (8/05/2015). Sent to all directorate Finance Service Heads and Corporate Directors on 18/05/2015.	Full year analysis completed and cross referenced against internal systems and records. Scheduled for SCB clearance 8 May.
Improved Finance and Procurement controls to increase compliance and transparency of spend across the organisation	Service Head Finance / Procurement	May-15	COMPLETE	100%	A Compliance Framework has been implemented to align with financial regulations and procurement procedures. Compliance escalation process has been agreed with Financial Strategy Group and communicated to Finance Managers Group.	

Action / Recommendation	Lead					
Clear audit trails in place for all procurement activity in accordance with the Procurement Procedures	Chris Holme / Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Review of existing Procurement thresholds to comply with Transparency Code requirements	Chris Holme / Zamil Ahmed	Jan-16	ON TARGET	20%	Been reviewed as part of new E-sourcing tool/Strategy	
Automate all procurement over £5k through the e-tendering portal and publish as part of Transparency Code	Chris Holme / Zamil Ahmed	Jan-16	ON TARGET	20%	Been reviewed as part of new E-sourcing tool/Strategy	
Link to central contracts register	Chris Holme / Zamil Ahmed	Jan-16	ON TARGET	20%	Been reviewed as part of new E-sourcing tool/Strategy	
Declaration of interest from staff involved in the procurement process centrally captured	Chris Holme / Zamil Ahmed	Jan-16	ON TARGET	50%	Included in the re-revised procurement procedures and through the HR System.	To be centrally monitored through the implementation of the new procurement structure
Action / Recommendation	Lead					
Availability of signed contracts	Legal Services/Procurement					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Undertake a review of the current status on signed contracts	Legal Services / Procurement	Apr-16	ON TARGET	20%	Initial discussions at March SCB completed. Will be picked up as part of the business case for overall e-sourcing improvement programme.	

Explore the possibility to deliver contracts by electronics means (e-tendering) to create a central repository of signed contracts	Legal Services / Procurement	Apr-16	ON TARGET	20%	Several options are being considered as presented at the BV Programme Board on 22 May.	BV Programme Board recommendation was received on 30.04.2015 and will be progressed as per agreed actions.
Action / Recommendation	Lead					
Delegation and appropriate Member Engagement	Chris Holme/Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
New guidelines and executive member engagement in contracts award to be presented to MAB	Chris Holme/Zamil Ahmed	Apr-15	COMPLETE	100%	Guidelines developed and implemented	Guidelines to be further considered by new Mayor and Cabinet
New procurement training, reflecting new guidelines, programme for executive members (as per timescale set out in action 2)	Chris Holme/Zamil Ahmed	Apr-15	COMPLETE	100%	Training options around the scope and delivery is been investigated to incorporate the new Public Contracts Regulation 2015 and internal issues. Will be implemented as per timescale in action 2 (Dec 2015)	

Category Management						
Action / Recommendation	Lead					
Review of third party and commissioned spend	Chris Holme/Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Complete spend analysis to identify key categories of third spend and have a clear category management strategy in place to ensure value for money (VFM) for these categories of spend, reduce costs and oversupply	Chris Holme/Zamil Ahmed	Sep-15	ON TARGET	70%	Detailed third party procurement spend analysis has been completed for FY 13/14 and FY14/15. A number of cross directorate procurement savings opportunities are being progressed including; new security services framework, training, removals etc. Outcome presented to Competition Board (08/06/2015) and scheduled for CMT 29/06/2015.	
Directorate and corporate spend dashboards to be developed to support savings challenge programme	Chris Holme/Zamil Ahmed	Sep-15	COMPLETE	100%	Resources Dashboard completed and agreed at Resources People and Procurement Board. Final directorate dashboards will be presented at the 27 April SCB meeting. Procurement Dashboards developed to provide directorate visibility of all procurement spend, off contract spend, savings opportunities, purchasing card holders. Dashboards developed, presented to and cleared by competition Board (8/05/2015). Sent to all directorate Finance Service Heads and Corporate Directors on 18/05/2015.	

Commercial, contracts and risk management						
Action / Recommendation	Lead					
Partnering and Collaboration	Competition Board / Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
All significant procurements are assessed pre-procurement to identify the optimum route to market	Competition Board / Zamil Ahmed	Mar-16	ON TARGET	20%	Implemented as part Tollgate Process. An analysis of all contracts expiring during 2016-18 has been completed to examine options for collaborations and to initiate early market engagement to examine options.	
Action / Recommendation	Lead					
Develop a corporate approach to contract management to ensure best value and effectiveness from supply chain through better relationship management	Chris Holme/Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Integrate contract management within the Councils procurement and commissioning models	Chris Holme/Zamil Ahmed	Jan-16	ON TARGET	20%	The terms of reference for Strategic Competition Board and Competition Planning Forum has been updated and agreed at March SCB meeting. New central Commercial and Contracts Monitoring role has been factored into the new procurement structure to lead on the development of a new Contract Management toolkit and delivery of the milestone.	

Implementation of a contract management procedure /toolkit to facilitate contract monitoring to ensure consistency on contract management, performance and raise the standard of contract management across the Council	Chris Holme/Zamil Ahmed	Jan-16	ON TARGET	20%	New central Commercial and Contracts Monitoring role has been factored into the new procurement structure to lead on the development of a new Contract Management toolkit and delivery of the milestone.	
Action / Recommendation	Lead					
Supply Chain Risk Management to be integrated into Procurement processes	Chris Holme/Zamil Ahmed					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
High value and strategic contracts to be identified and monitored centrally to minimise failure of Councils Supply Chain	Chris Holme/Zamil Ahmed	Mar-15	COMPLETE	100%	A web based Supplier Risk Management tool (DNBi) has been implemented and presented at the March Strategic Competition Board.	Contract Managers will receive instant alerts as well as quarterly information on changes supplier financial ratings and payment performance.
Supply Chain resilience risk (pre and post appointment) to be introduced and monitored through Competition Board	Chris Holme/Zamil Ahmed	Mar-15	COMPLETE	100%	The terms of reference for Strategic Competition Board and Competition Planning Forum has been updated and agreed at March SCB meeting. New central Commercial and Contracts Monitoring role and regular reporting to SCB.	

Best Value Action Plan – 6 monthly update

Best Value Area	Grants	Overall Delivery Status: GREEN
Progress Summary		
<p>Considerable work has been undertaken to review and develop new approaches to and processes for grant giving with the Commissioners. Delivery against the Grants Action Plan has been strong.</p> <p><i>Mainstream Grants (MSG)</i> The Commissioners approved to ‘rollover’ a range of MSG Grants from the 2012-15 programme whilst new 2015-2018 scheme was developed. The new Mainstream Grants Programme structure and budget was agreed in April and work is on-track to deliver the scheme to timetable with implementation scheduled for 1st September.</p> <p><i>Grant Schemes</i> The Council is adopting a more strategic and coordinated approach to grant management more generally. A Corporate Grants Register which brings together all key schemes across the Council has been developed. Work to ensure that the Council’s grant arrangements are joined-up will be supported by a new consolidated grants service. Progress to date includes publication of a TH Grants Officers Manuel, improvements to monitoring arrangements and a schedule of risk based audits.</p> <p><i>Governance</i> Under the Secretary of State’s Directions, grant making is a Commissioner function. It is also recognised that existing grant schemes are currently subject to different development arrangements. A key priority over the next few months is to develop and agree appropriate governance, including how to ensure that the priorities, knowledge and views of the Executive and non-Executive Members inform the grant making process.</p> <p><i>Transparency</i> Work to improve transparency in relation to grants is on track, including with grant decision making taking place in public. In addition, a new public Grants Information Portal which will enable access to a comprehensive range of information including at organisation and project level.</p> <p><i>Community & Voluntary Service Strategy</i> The Council’s existing Third Sector Strategy is being refreshed. The review provides an opportunity to ensure that the sector’s role is aligned with, and support the delivery of, the Council, and Partnership’s key priorities. As part of this work, a delivery update against the existing Strategy was considered by the Third Sector Advisory Board on 15th June 2015. The Strategy review will need to consider a range of issues including the balance between commissioning and grant allocation, transparency and the effective use of information.</p> <p><i>Potential Outcome Measures</i> Better understanding the impact of grants and the outcomes they deliver is central to delivery of the Grants Action Plan. Improved monitoring arrangements and an independent evaluation of grant making are being developed to support this.</p> <p>Performance measures will be clearly set out for each grant scheme. For example, in relation to MSG there are clear outcome measures for each MSG theme. In addition, there will be a rolling, independent evaluation of grants to the third sector. This work will help identify, in a meaningful way, change that is attributable to specific grant work and inform the Council’s strategy for working with the third sector going forward.</p>		

Best Value: Grants Action Plan - BVPRP meeting 15 July 2015						
Strategy and Delivery						
Action / Recommendation	Lead					
Ensure service continuation pending agreement of new Mainstream Grants Programme	Dave Clark					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Obtain Commissioners approval for a process and timescale for extending the 2012-15 Mainstream Grants (MSG) programme	Dave Clark	Apr-15	Complete	100%		
Review all existing MSG grants in accordance with the agreed project delivery and risk process and undertake appropriate Equalities assessments	Dave Clark	Apr-15	Complete	100%		
Commissioners consider evaluations and determine project extensions	Dave Clark	Apr-15	Complete	100%		
Service agreements with additional outputs and outcomes for length of extension	Dave Clark	Apr-15	Complete	100%	It is understood that all Service Level agreements in respect of MSG rollover projects have been completed.	

Monitoring processes agreed and implemented	Dave Clark	Apr-15	Complete	100%	The updated THC Grant Officers Manual was launched in December 2014. Grant Officer workshops have taken place. Monitoring must be undertaken in line with agreed systems, controls and process. Note - For purposes of the MSG rollover all Amber rated projects irrespective of value will receive a monitoring visit.
Review of 2012/15 reported to Corporate Management Team, Cabinet and Overview and Scrutiny Committee (O&S)	Dave Clark	Apr-15	At risk	50%	The workload associated with the delivery of the MSG Programme has meant that this action has slipped. Commissioners have been kept informed and a revised timeline agreed with them. A draft evaluation document is in its final stage of completion to cover a rolling evaluation of grant making. The review of the 2012/15 MSG programme is now due to complete by 30 th September 2015.
Develop communications plan to keep voluntary and community sector informed throughout process	Dave Clark	Apr-15	Complete	100%	Officers have put in a communication infrastructure to enable voluntary and community organisations to be informed.

Action / Recommendation		Lead				
Deliver 2015-18 Mainstream Grants Programme	Chris Holme / Dave Clark					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Review the MSG programme to take account of emerging community and Strategic Plan priorities and rationalise “themes” accordingly	Chris Holme / Dave Clark	Sep-15	Complete	100%		
Criteria, desired outcomes, process and timescales agreed	Chris Holme / Dave Clark	Sep-15	Complete	100%		
Report on outcomes of appraisals	Chris Holme / Dave Clark	Sep-15	On Track			
Commissioners decision on grant assessments	Chris Holme / Dave Clark	Sep-15	On Track			
Completion of service agreements with providers	Chris Holme / Dave Clark	Sep-15	On Track			

Action / Recommendation		Lead				
Bi-Annual Update of Community and Voluntary Service Strategy		Louise Russell / Dave Clark				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Review all existing grant regimes (and other forms of aid) and their alignment to emerging Community Plan and Strategic Plan priorities, MTFP, voluntary sector compact and other key strategies	Louise Russell / Dave Clark	Mar-16	On Track	50	All grant schemes identified and review to be undertaken	
Consultation and engagement on priorities for 3 rd sector	Louise Russell / Dave Clark	Mar-16	On Track	10	Initial discussion with Third Sector Advisory Board. Full engagement schedule being developed	
Market assessment for alternative service providers	Louise Russell / Dave Clark	Mar-16	On Track	0	As part of strategy development	
Report to Commissioners/ Cabinet (post Directions)	Louise Russell / Dave Clark	Mar-16	On Track	0		

Governance Arrangements						
Action / Recommendation		Lead				
Identify all key grant streams, timelines and existing governance and award arrangements	Dave Clark					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Report to Commissioners with proposed approach to ongoing decisions for all streams	Dave Clark	Jul-15	On Track			
Action / Recommendation		Lead				
Improve grant approval processes	Dave Clark / Everett Haughton					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Ensure clear specifications, outputs and outcomes in advance, which differentiate between capacity building, innovative pilots and mainstream service delivery	Dave Clark / Everett Haughton	Jul-15	On Track			
Codify all grant appraisal and approval processes in one compact compliant framework	Dave Clark / Everett Haughton	Jul-15	On Track			

Action / Recommendation		Lead				
Ensure and embed open and transparent of decision-making	Chris Holme / John Williams					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Publish arrangements for Commissioner executive decision-making relating to grants	Chris Holme / John Williams	May-15	Complete			
Publish forward plan for decision-making and timetable review programme for O&S Committee	Chris Holme / John Williams	May-15	On Track			
Develop Mayor and cross-party consultation and review forum	Chris Holme / John Williams	May-15	At risk		Terms of reference drafted - consultation required new Mayor and Deputy Mayor with responsibility for third sector	
Ensure all grant "contracts" over £5,000 are included in the Council's contracts register	Chris Holme / John Williams	May-15	On Track			
Publish all grant awards on the Council's website	Chris Holme / John Williams	May-15	On Track			

Action / Recommendation		Lead				
Develop robust evaluation of impact of grant programmes		Dave Clark				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Annual review of approvals, outcomes and developments to CMT, Cabinet and Overview and Scrutiny Committee for all grant supported activities	Dave Clark	Mar-16	On Track	20%	Tender for evaluation programme in development and to be externally procured.	
Programme evaluations commissioned for all grant regimes	Dave Clark	Mar-16	On Track	20%	Included in above tender	
Action / Recommendation		Lead				
Review arrangements post Commissioners for future executive decision-making		Chris Holme				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Establish cross party working group to develop proposals for future arrangements	Chris Holme	Dec-15	On Track	0		Cross party group to build on arrangements for cross party grant support. Engagement with Mayor and Deputy Mayor with third sector responsibility to be sought
Discuss proposals with Commissioners	Chris Holme	Jul-16	On Track			

Agree proposals through Cabinet	Chris Holme	Nov-16	On Track	0		
Briefing and training of members in relation to new proposals (Nov/Dec 2016)	Chris Holme	Dec-16	On Track	0		
Management Arrangements						
Action / Recommendation						
	Lead					
Ensure cost-effective management structures in place for new grant arrangements	Chris Holme					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Consolidate all 3 rd Sector grant giving, monitoring and evaluation into one service	Chris Holme	Apr-15	At risk		Report presented to CMT on 7th April. Consolidation of resources in respect of MSG in hand.	A revised deadline of September 2015 is proposed – resource focus has been on MSG and there is a requirement to consult staff

Action / Recommendation		Lead				
Improve Monitoring Arrangements	Dave Clark / Everett Haughton					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Update grants manual monitoring arrangements in line with internal audit recommendations	Dave Clark / Everett Haughton	Sep-15	Complete	100%		
Training and development of staff on standard procedures and sign-off of monitoring visits	Dave Clark / Everett Haughton	Sep-15	On Track			
Management review process of all monitoring activity to ensure consistency	Dave Clark / Everett Haughton	Sep-15	On Track			
Undertake ongoing risk-based audit in conjunction with monitoring	Dave Clark / Everett Haughton	Sep-15	On Track			

Best Value Action Plan – 6 monthly update

Best Value Area	Property	Overall Delivery Status GREEN
Progress Summary		
<p>The council owns, occupies or maintains around 860 non-HRA properties, valued at £1bn, located within the borough. The council also owns around £800m of HRA properties (the housing element is managed and maintained by Tower Hamlets Homes, the council's arms-length management organisation) as well as a further £50m of community assets. Considerable progress has been made to deliver the Property Best Value Plan – the majority of actions are complete and all are on target.</p> <ol style="list-style-type: none"> 1. Working arrangements with the Commissioners have been established including regular meetings and established decision making process via individual Commissioners' decision <ul style="list-style-type: none"> ○ We have used the process to secure Commissioners' consent to sign off a number of transactions • Commissioners sighted on property tracker – setting out the property transactions that are in the pipeline/being considered 2. Disposals and lettings procedure <ul style="list-style-type: none"> • Financial regulations have been updated and reviewed by council's Asset Management Board and issued by the s151 officer. • Asset management manual – Property procedures for disposals and lettings has been finalised after agreement with Cabinet and review by O&S. • Disseminated through Asset Management team meetings. Meetings arranged with key legal and finance personnel, published on the council intranet, members' bulletin. • Compliance will be tested through the council's rolling audit plan. Asset Managers will also be asked to confirm that the procedure has been complied with on each disposal/letting. 3. Community buildings allocation policy <ul style="list-style-type: none"> • Officers from Asset Management and the Third Sector team have met with the Commissioners to discuss this, particularly the interface with grants • The policy will incorporate policy on charging and lettings/allocation process • Plans include third sector team involvement in determining and assessing community need, outputs, use of buildings, rationalisation etc. • Member and Commissioner input to be sought and to be considered by council Cabinet in September 2015 and once agreed will be disseminated through team meetings, to key staff, Members etc. 4. Asset Strategy: Scoping, Principles & Priorities Paper (+ Disposals Programme) <ul style="list-style-type: none"> • Been to and approved by CMT. Due to be considered at the next available Cabinet. • Sets out a framework for how the Council will determine its ongoing and future property needs, and move to a more fit for purpose, effective and efficient estate for the future. • Has been discussed with Commissioners and feedback incorporated into strategy. • The paper will drive a disposals programme by helping to identify surplus or inefficient property, help with the delivery of the civic centre project (which will also rely on disposals to fund the project). • As part of the above (workstreams and civic centre project) consideration will be given to introducing an asset rental account • In assessing surplus or underused sites for disposal, particular attention will be paid to ensuring that where school places can be achieved, these are highlighted and sites will be considered for new school and/or expansion provision. 5. Governance <ul style="list-style-type: none"> • Officers have discussed with the Commissioners what, if any, additional checks/references are needed on both elected members as well as bidders to include possible conflicts of 		

- Terms of reference for the Asset Management Working Group and Board have been reviewed and due to be formally agreed shortly.

Outcome measures

Proposed outcome measures are:

- Occupancy per M2
- Quantity of shared floor space in M2
- Total floor space in M2
- Number of interests disposed of and capital receipts delivered
- Positive decisions being made to retain and invest
- Positive decision being made to secure new property/long term assets
- Running costs per M2
- Total income per M2 from income generating assets
- Development of property information will enable targets to be set for:
 - o Improvements to average running costs
 - o Annual revenue savings
 - o Capital receipts that can be generated

Baseline data for the above is being collated; once this is done, appropriate targets will be set.

Best Value: Property Action Plan - BVPRP meeting 15 July 2015						
Immediate issues and agreement of working arrangements with Commissioners						
Action / Recommendation	Lead					
Outline (explain to commissioners) core operational estate requirements for the next five years and upcoming disposal rationale	Ann Sutcliffe					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Early meeting with Commissioners on the work of the service area, the look ahead and some of the key challenges. This would include a discussion on the scope of any pre disposal protocol	Ann Sutcliffe	Jan-15	Complete	100%		
Action / Recommendation	Lead					
Agree with Commissioners scope and clarification of role - what qualifies as disposal - clarification re discretionary and statutory functions and obligations - communication and relationship control - feedback on initial improvement plans and any further areas they want addressed	Ann Sutcliffe	Jan-15	Complete	100%		

Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Early meeting with Commissioners	Ann Sutcliffe	Jan-15	Complete	100%		
Action / Recommendation						
Lead						
Establish what if any additional checks/references are needed by bidders on conflict checks (commercial bidders declaring interest when putting proposals forward to buy a site within a sealed bid process.)	Ann Sutcliffe		Complete	100%		
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Discussion to be had with Legal and Risk team	Ann Sutcliffe	Mar-15	Complete	100%	Discussion held with the Head of Audit and Risk & Legal. Consideration being given to how best to address the issue.	
AMCB discussion required.	Ann Sutcliffe	Apr-15	Complete	100%		
Discussion and agreement with the Commissioners	Ann Sutcliffe	May-15	Complete	100%	Discussed at fortnightly property meeting	

Policy and processes for property disposal reviewed and updated						
Action / Recommendation		Lead				
Updated 'Asset Disposal' policy as part of the Council's financial regulations to be approved by S151 Officer as part of statutory duties. To include how disposal method will be determined (on a site-by-site basis)		Ann Sutcliffe				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned
1. To be reviewed by the Asset Management and Capital Board (AMCB)	Ann Sutcliffe	Jan-15	Complete	100%		
2. Approved and issued by s151 Officer	Chris Holme	Feb-15	Complete	100%		
Action / Recommendation		Lead				
Disposal and Letting manual used by Asset Management officers updated to align with the Council's financial regulations. To be approved and adopted by Cabinet. To include how disposal method will be determined (on a site-by-site basis)		Ann Sutcliffe				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
1. Approved by the AMCB	Ann Sutcliffe	Jan-15	Complete	100%		
2. Commissioners review and input sought	Ann Sutcliffe	Feb-15	Complete	100%		
3. CMT	Ann Sutcliffe	Feb-15	Complete	100%		
4. MAB	Ann Sutcliffe	Mar-15	Complete	100%		
5. Cabinet	Ann Sutcliffe	May-15	Complete	100%		

Action / Recommendation		Lead				
Compliance testing with revised protocols		Ann Sutcliffe				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
1. Undertaken through the planned audit process	Ann Sutcliffe	Mar-16	ongoing			to be considered as part of any planned audit reviews which are then reported to Audit Committee
2. As part of the reporting process on each project confirmation of compliance with revised guidance	Ann Sutcliffe	Mar-16	ongoing			to be included as part of any recommendation report on bids/tenders
Review and clarification of community buildings allocation policy						
Action / Recommendation		Lead				
Community Buildings Policy - Lettings and Charing Policy (draft status)		Ann Sutcliffe				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
1. Draft document being consulted on with Legal and finance	Ann Sutcliffe	Aug-15	on target	20%		Dates further revised following discussion with Commissioners to ensure the interface between community buildings and grants is taken into account.
2. Report to AMCB.	Ann Sutcliffe	Aug-15	on target	0%		
3. Lead Member/Commissioner review and input	Ann Sutcliffe	Aug-15	on target	0%		
4. Cabinet/other approval	Ann Sutcliffe	Dec-15	on target	0%		

Action / Recommendation		Lead				
Dissemination of new protocols to: Asset Management staff Finance and Legal (lead staff) Members briefing		Ann Sutcliffe / Chris Holme / David Galpin				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
1. Briefing through Asset Management team meeting	Ann Sutcliffe / Chis Holme / David Galpin	May-15	Complete	100%	scheduled for the AM/Business Support Meeting on the 13th April	
2. Briefing through 1:1 meetings with key finance and legal staff	Ann Sutcliffe / Chis Holme / David Galpin	May-15	on target	50%	Key stakeholders contacted and briefings to take place in next 2-3 weeks	
3. Guidance to be published in members bulletin	Ann Sutcliffe / Chis Holme / David Galpin	May-15	Complete	100%	Submitted for inclusion in the Members' Bulletin. Procedure also uploaded to the intranet.	
Action / Recommendation		Lead				
Compliance testing with new protocols		Ann Sutcliffe				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
1. Undertaken through the planned audit process	Ann Sutcliffe	Mar-16	on going			
2. As part of the reporting process on each project confirmation of compliance with revised guidance	Ann Sutcliffe	Mar-16	on going			

Asset and Disposal Strategy						
Action / Recommendation	Lead					
Approval of the Council's Asset Strategy. Seek endorsement of disposal policy of surplus assets	Ann Sutcliffe					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
1. Draft programme to be agreed with AMCB	Ann Sutcliffe	Feb-15	Complete	100%		
2. Consultation/agreement with Commissioners on proposed process	Ann Sutcliffe	Feb-15	Complete	100%		
3. CMT/MAB consideration	Ann Sutcliffe	Jun-15	At risk	50%		The Asset Strategy (which has now been retitled the Asset Strategy: Scoping, Principles & Priorities Paper) is being reviewed following receipt of comments from the Commissioners and colleagues in other directorates. Once that comments are incorporated into the document, it will be reconsidered at CMT (September) before going to MAB and Cabinet (October)
4. Cabinet/other approval	Ann Sutcliffe	Jul-15	At risk	50%		

Action / Recommendation		Lead				
Review and agree disposal programme for the next three years as part of an Asset Strategy Workstream		Ann Sutcliffe				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
1. Draft programme to be agreed with AMCB	Ann Sutcliffe	Feb-15	Complete	100%		
2. Consultation/agreement with Commissioners on proposed process	Ann Sutcliffe	Mar-15	Complete	100%		as part of the commissioner meetings
3. CMT/MAB consideration	Ann Sutcliffe	Jun-15	At risk	50%		Target date adjusted due to lack of Cabinet meetings following the election court judgement (relies on adoption of Asset Strategy SPPP)
4. Cabinet/other approval	Ann Sutcliffe	Jul-15	At risk	50%		
Action / Recommendation		Lead				
Consider the introduction of an asset rental account (following implementation and embedding of Corporate Landlord Model)		Ann Sutcliffe				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
1. Consider paper at AMCB	Ann Sutcliffe	Sep-15	on target	0		to be considered as part of the workstreams identified in the Asset Strategy and as part of the relocation of the Town Hall functions

2. Consult directorates	Ann Sutcliffe	Nov-15	on target	0		to be considered as part of the workstreams identified in the Asset Strategy and as part of the relocation of the Town Hall functions
3. Report to CMT (and MAB, Cabinet if appropriate)	Ann Sutcliffe	Dec-15	on target	0		to be considered as part of the workstreams identified in the Asset Strategy and as part of the relocation of the Town Hall functions
4. Report back to Commissioners	Ann Sutcliffe	Dec-15	on target	0		meeting to be scheduled
Governance						
Action / Recommendation		Lead				
Review and update terms of reference for Asset Management Working Group and Asset Management Board		Ann Sutcliffe				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Documents currently under review and to be considered by the Board and the Group	Ann Sutcliffe	Jul-15	on target	90%	documents reviewed and amendments made to update them.	to be circulated to AMWG and board members for their comments before ratification at respective meetings

Best Value Action Plan – 6 monthly update

Best Value Area	Communications	Overall Delivery Status GREEN
Progress Summary		
<p>There has been strong progress towards the targets in the Best Value Plan on Communications.</p> <p>The Plan responds to the issues in the PriceWaterhouseCooper inspection report in which references to communications activity were relatively limited. It also provides a positive programme of work for the Council's Communications moving forward.</p> <p>The council has taken this increased scrutiny of Communications and how we do it as opportunity to re-visit our existing processes - there is a recognition that we have needed to improve in some key areas.</p> <p>Key Achievements so far include:</p> <ul style="list-style-type: none"> • We have undertaken critical appraisal of our communications functions, resources and activities leading to a refreshed approach based on VFM principles for 2015/16; • We have updated the Communications protocol and this has been promoted widely to staff via internal communications channels; • We have commissioned an external review of East End Life which explored alternative methods and channels for communicating with residents. This review also re-tested compliance with the Code of Conduct, benchmarked with other councils and provided costed options. The review found that there is no alternative to providing key council information and statutory notices as efficiently as via East End Life. It has been shared with all group leaders; • We have rolled out a Print and Design framework which is delivering significant savings. Panacea (the design framework) has been rolled out from April 1 with training given to staff. All marketing collateral now goes through Communications Service; • We have continued to develop our social media presence, which has seen a significant increase in the numbers of residents engaging with us through Twitter (where we have 8,640 followers), Facebook and Instagram; and • We have continued to deliver popular and high profile campaigns such as Taste Brick Lane – a campaign to drive tourists, visitors and residents to businesses in Brick Lane during March - and the #50TH campaign celebrating the anniversary of the establishment of the London Boroughs/ All of our campaign activity and planned, proactive work for directorates in line with the priority activities seeks to include sound monitoring processes and cost neutral activities where possible. <p>We continue to make progress against the outstanding areas of work on our Action Plan.</p> <p>Plans:</p> <ul style="list-style-type: none"> • We will offer support to the new Mayor in line with the Publicity Code and training sessions for Mayor's office staff about their responsibilities under the Communications Protocol; • The new Mayor has requested a further review of the role of East End Life which will be shared with Commissioners; • We have developed a Digital Communications Strategy to further promote our online communications; • We are currently procuring for a new Content Management System (CMS) which will enable us to improve our SOCITM rating through an improved focus on mobile technology and increasing access, load times and back end functionality. This is one of the areas of work where the original timeframe has had to move from an original target of June 2015 due to legal and procurement issues. The revised date of October 2015 has been agreed with the Commissioners; 		

- We will be developing service communications plans during the next few months which go into more detail than the overarching Communications Strategy. These will enable us to move away from reactive communications activity to more planned work with clearer links to the council's corporate priorities and community plan themes;
- We are currently producing an updated Internal Communications Strategy, taking into account a shift into more online communications and aligning with HR initiatives like Your Workplace, Your Voice. This will seek to build upon improved digital functionality arising from the new CMS;
- We will develop a robust business plan identifying new revenue streams, seeking to maximise existing income activities and provide a clear growth plan.

We will continue to report on performance measures through regular reports to DMT, CMT and the Mayor and Cabinet as appropriate.

We have identified a number of measurable outcomes to underpin the delivery of the Plan including:

- 90 per cent positive/neutral coverage of the council in the media as assessed in our quarterly performance monitoring reports;
- 100 per cent of Mayors' office staff to have received training on Communications Protocol by end of August 2015;
- Strategic Communications Plans agreed for key services by September 2015;
- Audit of compliance with Communications Protocol to provide substantial assurance;
- New CMS live by end of October 2015 and ongoing move towards becoming a digital council, with the aim of regaining 3* SOCITM rating;
- Continued increase in Twitter followers with target of 10,000 by end of 2015.

Best Value: Communications Action Plan - BVPRP meeting 15 July 2015						
Strategy						
Action / Recommendation		Lead				
Critical appraisal of all communications functions, resources and activities leading to refreshed approach based on VFM principles for 2015/16		John McDermott				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Complete review and incorporate results and recommendations in strategy and costed publicity plan	Kelly Powell	Mar-15	Complete	100%	Fully costed publicity plan produced and shared with CMT and Commissioners.	
Action / Recommendation		Lead				
New Communications Strategy		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Communications Strategy completed	Kelly Powell	Mar-15	Complete	100%	Communications strategy agreed by CMT	
Action / Recommendation		Lead				
New Communications protocol and style guide		John McDermott				

Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Develop a revised protocol combined with style guide providing clarity and support to all communicators	Kelly Powell	Apr-15	Complete	100%	Protocol revised and approved by CMT on 7/4/15	
Re-launch and mandatory training of all relevant staff about requirements of revised Code	Kelly Powell	Apr-15	Complete	100%	Protocol to be included in mandatory training for managers being rolled out mid-April and into May. Protocol to be re-launched on the intranet in early May	
Establish programme of testing to ensure compliance with Code	Internal Audit	Dec-15	on target	10%	Discussions held with Internal Audit re programme	
Digital Focus						
Action / Recommendation		Lead				
Delivery of digital communications strategy		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
New system to go live in May.	Oda Riska	Oct-15	On target	50%	Procurement of new CMS underway.	BV Board May agreed revised target of October 2015
Digital communication strategy developed to underpin and enable channel shift in range of Council customer facing activity including communication	Oda Riska	Jun-15	Complete	100%	Strategy agreed by CMT	

Action / Recommendation		Lead				
New web-based print and design management system		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Internal awareness / training programme to be launched to build better print and design procurement competencies across the organisation.	John Hoang	Apr-15	Complete	100%	Internal comms and engagement undertaken to raise awareness across the council	
Mandatory training for all staff with print and design responsibilities.	John Hoang	Apr-15	Complete	100%	Training is underway and due to be completed by end of April 2015	
East End Life Review						
Action / Recommendation		Lead				
Review of options for East End Life refreshing value for money assessment and including options for revised frequency		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Alternative methods and channels identified and costs explored in light of Digital Strategy above	Kelly Powell / Helen Watson	Apr-15	Complete	100%	Review and report complete and submitted to Commissioners 29/4	
Compliance with Publicity Code re-tested	Kelly Powell / Helen Watson	Apr-15	Complete	100%	Included in review	
Alternative provision arrangements considered	Kelly Powell /Helen	Apr-15	Complete	100%	Included in review	

	Watson					
Benchmarking and review of other boroughs	Kelly Powell / Helen Watson	Apr-15	Complete	100%	Included in review	
Fully costed options for delivery	Kelly Powell / Helen Watson	Apr-15	Complete	100%	Included in review	
Provide all elected members access to the review	Kelly Powell / Helen Watson	Apr-15	Complete	100%	Considered by MAB. Sent to Group Leaders.	Consider further cross-party review of editorial policy
Refreshing Internal Communications						
Action / Recommendation		Lead				
Align activity to HR strategy and develop knowledge-sharing culture		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Complete plan for suite of products and activities to improve and raise profile of internal communications	Kelly Powell / John Hoang	Aug-15	on target	50%	Internal communications channel shift proposals drafted and being reviewed within service	Proposals to be incorporated into Internal Communications Plan
Develop evaluation and feedback mechanisms	Kelly Powell / John Hoang	Aug-15	on target	25%	See above	To be completed as outlined above

Campaign planning and delivery						
Action / Recommendation		Lead				
Deliver timely, cost effective and high impact campaign programme with the council's 50 th anniversary as a centrepiece		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Delivery and financial planning delivering, where possible, cost neutral activities	Kelly Powell	Apr-15	Complete	100%	Campaign programmes are ongoing beyond April but planning activity undertaken and being discussed across directorates.	
Action / Recommendation		Lead				
Campaign partnerships established with other boroughs		Kelly Powell			Initial meetings held with other local authorities	Meetings to continue and joint planning opportunities to be identified.
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Campaigns delivered taking advantage of economies of scale and broader reach and impact	Kelly Powell / Sharan Ahmed	Aug-15	on target	50%	Initial meetings held, including with LBs of Hackney and Lambeth.	Discussions to continue with shared opportunities to be identified.

Action / Recommendation		Lead				
A detailed three year plan established as a flexible tool for forward planning and proactive media work		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Fully planned and costed projects wrapped around key events	Kelly Powell / Kelly Powell	Apr-15	Complete	100%	Communications activities for the year ahead agreed with services and reported regularly to Mayor's Office. Information fed into Managers' Planning document.	Ongoing reporting to CMT for media performance, as previously scheduled.
Resources more effectively used when reactive media work required	Kelly Powell / Kelly Powell	Apr-15	Complete	100%		
Income optimisation						
Action / Recommendation		Lead				
A robust business plan identifying new revenue streams, maximising existing income activities and providing a clear growth plan		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Review to consider options for trading	Sharan Ahmed (with CLC as required)	Sep-15	on target	50%	Initial analysis complete	

Business plan for communications revenues stream complete and approved	Sharan Ahmed (with CLC as required)	Sep-15	on target	50%	Business plan under development	
Review opportunities and approach to use of Council poster and other advertising sites	Sharan Ahmed (with CLC as required)	Sep-15	on target	50%	Opportunities under review and subject to discussions with relevant council colleagues	
Promoting cohesion and equality						
Action / Recommendation		Lead				
Maximise reach and penetration of minority communities to support Community Plan and One Tower Hamlets objectives		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Advisory group/s established	Kelly Powell	Sep-15	on target	50%	Exploratory meetings and initial discussions complete	
Accountability and performance						
Action / Recommendation		Lead				
Produce highly effective management information and data to enable robust evaluation of Comms activity and informed forward planning		Kelly Powell				

Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Detailed, timely reporting that meets the needs of corporate and directorate business plans	Kelly Powell	May-15	Complete	100%	Regular reports submitted to DMT and CMT to be supplemented by development of Service based Communications Plans as agreed by CMT in April 2015	
Supporting colleagues						
Action / Recommendation		Lead				
Communications training and support programme developed		Kelly Powell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
A suite of learning and development products aligned to organisational needs	Kelly Powell / Kelly Powell	Sep-15	on target	25%	Initial considerations of training and support needs undertaken within Comms Service	Full proposals to be considered by DMT

Mayor's media advisors						
Action / Recommendation	Lead					
Ensure Mayor's office media support offers value for money and complies with Communications Protocol	Kelly Powell					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Robust arrangements for monitoring activity of advisor contracts to be implemented including ensuring activity relates to role of Mayor and not in his political role	Service Head Democratic Services	Mar-15	Complete	100%	The advisor contracts were terminated in April and the current Mayor has indicated in his manifesto he will not be appointing any.	
Induction for Mayor's Media Advisors and training re Code and Protocol	Kelly Powell	Mar-15	Complete	100%	Induction meetings held	
Regular audit of media advisors' activity to be undertaken and reported to Audit Committee	Section 151 Officer	Dec-15	Complete	100%	The current Mayor has indicated in his manifesto he will not be appointing any	

Best Value Action Plan – 6 monthly update

Best Value Area	Organisational Culture	Overall Delivery Status GREEN
Progress Summary		
<p>The aims of the Organisational Culture are:</p> <ul style="list-style-type: none"> • To ensure that the culture of the organisation continues to be one which strives for continuous improvement • To engage and invest in staff • To ensure relationships between groups of members and between members and officers are professional, respectful, open and honest • To rebuild trust in the areas where this has, or is perceived to have, broken down. <p>In agreeing the plan it was recognised that this will be a staged process – all the actions within the full best value plan are being progressed and will impact on organisational culture as they are implemented and embedded. In addition, some activities in the plan will in themselves give rise to new actions which will further support the development of an effective best value culture.</p> <p>The plan incorporates how we invest in people, how we rebuild trust and how we embed best value. Key achievements include:</p> <ul style="list-style-type: none"> • Improved internal staff communication including regular newsletters, Your Workplace Your Voice campaign, staff suggestions scheme and interactive intranet platform designed with staff input and now averaging 500 unique page views per week • Engagement of staff in theme based Continuous Improvement Groups looking at issues such as Harnessing Technology and Improved Customer Service • Creating Your Voice Ambassadors supported by development opportunities to embed the messages and seek feedback across the organisation • Refresh the Staff Recognition Scheme • Positive feedback from IIP interim inspection – already achieved Silver, aiming for Gold in year • Appointed external support to facilitate a forum to address trust issues - tbc • Increased openness and transparency through setting up HOPS and Corporate Director drop-in sessions for all elected members • Doing more to promote ward activities to elected members • Developing annual performance appraisal arrangements for HOPS/Corporate Directors • Mayoral attendance at OSC being programmed in to 15/16 programme • Ensuring all key decisions incorporate a consideration of best value implications • Instituted a Governance Working Party to consider areas of improvements to the constitution and committee working • Revised the Members' Code of Conduct to be considered by the Standards Advisory Committee <p>Next Steps</p> <p>There have been some slight delays in some aspects of the plan relating to working with elected members given the removal of previous mayor and consequent election – these delays have been fully discussed with Commissioners and revised timetables agreed. The election of a new Mayor has now provided a platform for moving forward. Key next steps are:</p> <ul style="list-style-type: none"> ▪ Increase the number of Your Voice Ambassadors through greater promotion of the personal benefits for Your Voice Ambassadors ▪ Continue to encourage interaction through the staff website and forums ▪ New Mayor now inputting into current and future plans and promoting culture of transparency and trust, eg commitment to public meetings across the borough. Programme to be developed in 		

discussion with him.

- New CE once appointed to further shape and promote organisational culture and behaviours
- Governance, constitution and Code of Conduct changes to be consulted on and progressed

Proposed outcomes and measures

In delivering the plan, the key outcomes we are looking to achieve are:

- Staff engaged with and committed to delivering the Council's vision and priorities
- Effective working relationships between elected members, and between elected members and senior officers, to enable all to work together to achieve the best outcomes for Tower Hamlets and its residents
- Improved clarity and understanding of formal roles and responsibilities of the Executive, non-Executive and senior officers of the Council in a Mayoral system
- Community Plan with cross-party and cross-partner support establishing common outcomes to work towards
- A shared commitment to a set of agreed behaviours and cultural values to underpin formal roles and responsibilities
- A sustainable approach to maintaining and refreshing this shared commitment

The proposed outcomes include:

- IIP Gold
- Staff survey measures – motivation, views on leadership, values, priorities
- No Standards Committee complaints relating to member conduct
- Mayoral attendances at OSC and other public fora

Best Value: Organisational Culture Action Plan – BV Board meeting 15 July 2015

Investing in People

Action / Recommendation Lead

Publication of quarterly, printed Directorate Newsletters (Your Directorate, Your Voice) Simon Kilbey

Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
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Council wide initial newsletter to launch the project	Simon Kilbey	Feb-15	Complete	100%	Newsletter issued in January	
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Finalise first edition for each directorate and issue in the first week of March 2015	Simon Kilbey	Mar-15	Complete	100%	Newsletters issued for CLC, ESCW, D&R and LPG. Resources newsletter is with the printer and will be issued by the end of April	
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Agree quarterly publication schedule	Simon Kilbey	Mar-15	Complete	100%	Publication schedule complete	
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Action / Recommendation Lead

Develop an interactive area on the intranet (Your Workplace, Your Voice) for staff to engage, comment and ask questions Simon Kilbey

Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
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Develop, test and consult on content	Simon Kilbey	Mar-15	Complete	100%	Focus groups held	
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Demonstrate site at focus groups and key stakeholder meetings	Simon Kilbey	Mar-15	Complete	100%	demonstrations undertaken at various meetings/groups	
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Engage managers to use the site to collect baseline information	Simon Kilbey	Mar-15	Complete	100%	presentations delivered to all SMTs as part of the liP preparations	Will also be discussed as part of the Managers' Essential training to be delivered in April and May
Launch site	Simon Kilbey	Mar-15	Complete	100%	Site launched 16th March	
Action / Recommendation	Lead					
Develop Continuous Improvement Groups	Simon Kilbey					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Identification of group members	Simon Kilbey	Apr-15	Complete	100%	Chairs of each CIG have identified and approached members	
Creation of work programme for each group	Simon Kilbey	Apr-15	Complete	100%	Facilitated sessions have been organised to develop the work programme, which will be presented to CMT	
Action / Recommendation	Lead					
Create a staff suggestion scheme	Simon Kilbey					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Launch of interactive site including e-form	Simon Kilbey	Mar-15	Complete	100%	Scheme launched 16th March	
Action / Recommendation	Lead					
Create Your Voice Ambassadors to convey key messages and feed-back staff views	Simon Kilbey					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Agree training package	Simon Kilbey	Apr-15	Complete	100%	Training package agreed and budget identified	

Recruit Ambassadors	Simon Kilbey	Apr-15	Complete	100%	Opportunity has been advertised through newsletters, THNet and presentations to all SMTs. Ambassadors recruited and looking to encourage more.	Undertaking additional targeted, focused recruitment and training.
Launch project	Simon Kilbey	Apr-15	Complete	100%	The project has been launched through various media. Operating models have been developed and agreed.	
Action / Recommendation	Lead					
Refresh the Staff Recognition Scheme	Simon Kilbey					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Hold focus groups to gather views and suggestions	Simon Kilbey	May-15	Complete	70%	Survey issued to all staff through THNet. Low response received. Focus groups held during Managers' Essentials sessions and suggestions requested through course evaluation	Focus group sessions will take place at the next staff forum meetings in July
Launch video clips on the intranet and test the level of engagement	Simon Kilbey	May-15	Complete	100%	video clips launched 16th March	
Present proposals to staff forums	Simon Kilbey	May-15	Complete	100%	Initial presentations undertake. Follow up discussions to be held in July	
Launch new scheme	Simon Kilbey	May-15	At Risk	0%	Mayoral input into plans delayed by election. Launch planned for early September. First awards to be presented at the Staff Conference in October	Commissioner agreement to revised deadline of Sept 2015 to be sought (to avoid holiday period)

Action / Recommendation		Lead				
Rebuilding elected member relationships		Steve Halsey/ Mayor/ Group Leaders				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
LGA facilitated forum to review elected member and senior officer relationships – annual for 3 years (May 2015; May 2016 and May 2017)	Steve Halsey/ Mayor/ Group Leaders	Sep-15	on target	50%	Deadline revised to have support in place by mid-June to reflect new Mayoral election. Revision agreed with Commissioners 29/4.	BV Board June 2015. Agreed with Commissioners that programme requires new Mayor engagement and timeline moved to September.
Mayor and elected member engagement in design of LGA support	Steve Halsey/ Mayor/ Group Leaders	Sep-15	on target	50%		Mayor considering nature of appropriate support programme
Develop an action plan to respond to recommendations of above review	Steve Halsey/ Mayor/ Group Leaders	Oct-15	on target	0%	Included within brief	Following forum
Deliver and monitor action plan	Steve Halsey/ Mayor/ Group Leaders	Oct-15	on target	0%	Requirement for forward plan included within brief	Robust delivery and monitoring arrangements will be put in place
Action / Recommendation		Lead				
Ensure Executive is open to scrutiny						
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Mayor to attend and answer questions at a public meeting of the Overview and Scrutiny Committee at least once year	Mayor	Mar-16	on target	0%	Mayoral attendance to be programmed for 15/16 Scrutiny work programme	
CE/HoPS and Corporate Director drop-in sessions open to all Councillors – twice a year for each	CMT	Apr-15	Complete	100%	Sessions set up monthly for remainder of 2015	
Councillors to be informed through Members' Bulletin of activities and		Apr-15	Complete	100%	Regular updates through Members' Bulletin planned	

events in their wards						
Establish arrangements for annual performance appraisal of CE/HOPS and Corporate Directors to include accountability to Executive and Council	Simon Kilbey	Jul-15	on target	10%	Initial discussions with Commissioners held.	
Action / Recommendation	Lead					
Develop cross party member working groups on key issues	Louise Russell/ John Williams					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Review model and lessons learnt from Members Diversity and Equality working group	Louise Russell/ John Williams	Mar-15	Complete	100%	Model reviewed and lessons identified	Outcome of review to be reported to Governance Working Group for consideration of next steps
Agree 1-2 areas to trial approach, linked to key priorities within Community Plan	Louise Russell/ John Williams	Sep-15	on target	50%	Suggested areas emerging from above review and draft Community Plan to be discussed at next Working Group	Amended timeline agreed at BV Board June 2015 as relating to new Mayor election and need to engage Mayor and Cabinet members
Set up initial time limited project groups	Louise Russell/ John Williams	Sep-15	on target	0%		Project groups to be set up following Governance Working Group discussion
Evaluate and review	Louise Russell/ John Williams	Dec-15	on target	0%		

Action / Recommendation		Lead				
Ensuring member and officer relations are appropriately conducted and constructive		Monitoring Officer				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Review, strengthening and clarifying the Officer / Member protocol and scheme of delegations	Monitoring Officer	May-15	Complete	100%	The Standards Advisory Committee has approved a proposed revision of the Council's Code of Conduct and Arrangements for Handling Complaints for consultation with a view to making recommendations to the Council later in the year.	Consultation with elected members through their Group Leaders (and directly with unaligned members and co-opted members)
Re-iterating within protocol requirement for officers to provide impartial advice to Mayor and all elected members	Monitoring Officer	Jun-15	Complete	100%	This will be completed once the new Code of Conduct has been completed (the parent document)	
Refresher training for members and key staff	Monitoring Officer	Dec-15	Complete	100%	A training session for Members was held on 18 February 2015.	
Annual independently-commissioned review and report on officer/member grievances for review by HoPS and the respective Group Leaders making recommendations specific to minimising instances of officer member grievances	Monitoring Officer	Dec-16	on target			
Action / Recommendation		Lead				
Development of refreshed Community Plan setting out key priorities		Louise Russell				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks

Community, partner and cross-party engagement and consultation (October 2014 to March 2015)	Louise Russell	Mar-15	Complete	100%	Engagement campaign completed and informing draft Plan	
Consultation with Mayor	Louise Russell	Mar-15	Complete	100%	Discussion at MAB	
Agreed through Cabinet and full Council	Louise Russell	Sep-15	on target	80%	Completed for May Cabinet but postponed to enable new Mayor to review	BV Board agreed revised timetable to enable new Mayor to review. Now aiming for approval through September Cabinet.
Action / Recommendation	Lead					
Progress activity emerging from Constitution review	Monitoring Officer					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Progress reported to General Purposes Committee Sept 2014 and constitution updates made	Monitoring Officer	Sep-14	Complete	100%	Reported in September	
Governance review working group established to progress further constitutional issues	Monitoring Officer	Mar-15	Complete	100%	First meeting held, terms of reference and initial priorities agreed including access to information.	The Interim Monitoring officer is proposing a work programme that clarifies roles for all involved, makes recommendations to the Council on Members Allowances and reviews all rules that apply to the Council's processes in accordance with a priority order determined by the elected members. The Mayor and Lead members have been briefed as to how Lead members can take control of use of rules that restrict the use of exempt and confidential information.
Review terms of reference to include consideration of role of Speaker and elected member access to information	Monitoring Officer	Mar-15	Complete	100%	Terms of reference agreed and include these items	
Action / Recommendation	Lead					

Ensuring all decisions are informed by best value requirements	Louise Russell/ Matthew Mannion					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
All Cabinet and Committee papers to incorporate an explanation of how the recommended action reflects the Council's best value duty – template to be devised and disseminated	Louise Russell/ Matthew Mannion	Apr-15	Complete	100%	Revised template agreed and disseminated to services and on intranet	Ongoing monitoring to ensure used robustly in reporting
Delivering key actions in respect of Procurement, Grants, Property and Communications as set out in the remainder of this Plan	As per respective plans	As per plans	on target		See full report	

Best Value Action Plan – 6 monthly update

Best Value Area	Recruitment	Overall Delivery Status GREEN
Progress Summary		
<p>This area of action centred around appointment to the three statutory posts of Corporate Director of Resources (S151 Officer), Director of Law, Probity and Governance (Monitoring Officer) and Chief Executive.</p> <p>Appointment to these posts will be complete by the time the six month monitoring report is submitted and two of the appointees will have commenced in their posts.</p> <p><u>Corporate Director Resources and Director or Law, Probity and Governance</u></p> <ul style="list-style-type: none"> • The recruitment process for these posts re-commenced following Commissioners’ clearance on 11th February and a formal decision by HR Committee on 19th February. • The meeting of the Appointments Sub-Committee on 4th March received Penna’s recommendations for candidates to be invited to final interview. • The Appointments Sub-Committee was re-convened on 10th March to carry out final interviews with the short-listed candidates and select the preferred applicants. • Final clearances were then obtained for the selected candidates and offers of employment confirmed. • The successful applicant for the post of Corporate Director Resources has confirmed that she will take up employment with Tower Hamlets on 1st August. The commencement date for the Director of Law, Probity and Governance will be September 17th. <p><u>Chief Executive</u></p> <ul style="list-style-type: none"> • HR Committee at its meeting on 28th May agreed the way forward for the appointment of a Chief Executive. • The post was advertised on 25th June with a closing date of 10th July. • The current timetable suggests that an Appointments Sub Committee will be convened on 30th July to agree the list of candidates to be invited to final interview on 6th August. • The timetable also indicates that a special meeting of Council will be required to agree the appointment of the selected candidate during mid-August. 		

Best Value: Statutory Officer Recruitment Action Plan - BVPRP meeting 15 July 2015

Action / Recommendation		Lead				
Recruitment of Director of LPG (Monitoring Officer) and Corporate Director Resources (S151 Officer)		Steve Halsey / Simon Kilbey				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Following Commissioners' clearance, steps to re-start recruitment process instigated	Steve Halsey / Simon Kilbey	Feb-15	Complete			
Formal decision to resume recruitment process, confirm further stages in process with timescales.	HR Committee		Complete			
ASC receive Penna's recommendations for candidates to be invited to final interview. Commissioners to attend and have the opportunity to challenge any representation by Members to vary from the recommended list. Shortlisting 04.03.15 – Shortlisting for both DLPG and CDR	Appointments Sub Committee	Mar-15	Complete			
ASC to carry out final interviews with short-listed candidates, receive results of any psychometric tests and select preferred applicant. References to be available to ASC. Commissioners to attend ASC as observers and potential advisors on technical suitability of candidates. 10th March (DLPG and CDR)	Appointments Sub Committee	Mar-15	Complete			
Review with Commissioners, Head of Paid Service and Service Head HR&WD. Commissioners to be given opportunity to discuss any areas of concern or confirm their and the Secretary of State's satisfaction with process and selection of candidate. Ideally to coincide with Mayor and Executive 'opportunity to object' period.	Steve Halsey/Simon Kilbey		Complete			

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Opportunity for the Mayor and the Executive to object to the appointment. Two working days (max). Target date 13th March (DLPG) Target date 16th March (CDR)	Democratic Services	Mar-15	Complete			
In event of an objection, ASC to consider the objection. Commissioners to attend ASC as observers on process of determining the objection. Target date 23rd March (if needed)	Democratic Services / ASC	Mar-15	Complete			No objections
Letter to Commissioners and Secretary of State informing of the outcome of the recruitment processes. Commissioners to carry out any final consultation necessary with Secretary of State.	Steve Halsey / Simon Kilbey / Commissioners	Mar-15	Complete			
Following agreed appointments formal offer to be confirmed to candidates.	Simon Kilbey	Mar-15	Complete			All clearances received. Awaiting confirmation of start dates.
Action / Recommendation	Lead					
Chief Executive/Head of Paid Service	Simon Kilbey / Chair HR Committee/Mayor and Group Leaders					
Milestone [revised to reflect Direction]	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
<i>Timetable as per Direction received 29th April</i>	Simon Kilbey / Chair HR Committee / Mayor and Group Leaders	As per Direction	On Target		New Direction received setting out new timetable. HR Committee held on 28th May. Agreed way forward for commencement of recruitment process. Advertisement appeared MJ 25.06. Closing date 10.07.	Preliminary interviews/technical assessments scheduled for 22nd and 23rd July. ASC to agree candidates to be invited to final interview to be held on 30th July. ASC to carry out final interviews on 6th August.

					Consultants carrying out formal search.	
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Best Value Action Plan – 6 monthly update

Best Value Area	Elections	Overall Delivery Status (RAG) Green
Progress Summary		
<p>The Elections Best Value Action Plan focussed primarily on the delivery of the elections in May and June 2015. The UK Parliamentary General Election took place on 7th May 2015. In Tower Hamlets the constituencies of Bethnal Green & Bow and Poplar & Limehouse were contested. On 23rd April 2015 a judgment of the Election Court voided the Tower Hamlets Mayoral election of May 2014 and disqualified from office the former Mayor and a Councillor for Stepney Green Ward. As a result, a fresh Mayoral election and a ward by-election were held on 11th June 2015.</p> <p>The planning, management and implementation of two major elections in a five week period represented a major challenge for the Electoral Services team and all staff involved, and it is a tribute to those staff that the elections were delivered successfully and with significant improvements over the May 2014 polls in all areas.</p> <p>The Returning Officer received support in the management of the elections from the DCLG Commissioners and from their appointed representative, Barry Quirk (CE of L. B. Lewisham).</p> <p>Planning for the 7th May 2015 General Election, and contingency planning for the possibility of a re-run Mayoral election, commenced in the autumn of 2014 with the RO's consultation on the proposed arrangements for the count. This work built on learning points from the combined May 2014 polls and in particular the recommendations of the Electoral Commission which reported on delays that had occurred at the count for those elections.</p> <p>Assessment of the May/June 2015 elections</p> <p>The management and implementation of the elections incorporated a number of significant improvements over previous practice in Tower Hamlets as set out below. Strengthened arrangements were put in place for the UK Parliamentary Elections on 7th May, particularly around ensuring good order at the polling stations, integrity of the electoral process and efficiency of the count. These arrangements were in turn maintained and further improved for the Mayoral election on 11th June.</p> <p>At both elections positive feedback was received from candidates, agents and others on the improvements introduced and the number of complaints received by the Returning Officer and the Metropolitan Police was significantly reduced from May 2014. The following paragraphs summarise some of the specific actions taken in relation to areas of the electoral process.</p> <p>Joint working</p> <p>The RO worked jointly with partner agencies to deliver the successful elections. A joint project group met fortnightly from January until the Mayoral election on 11th June 2015, including attendance by the Metropolitan Police (Tower Hamlets and Scotland Yard), the Electoral Commission, DCLG Commissioners and Barry Quirk.</p>		

Risks, contingencies, milestones and key actions were updated regularly until election day. All pre-election milestones were completed and the Electoral Commission's requirements met.

Management expertise and capacity was enhanced through the procurement of experienced external resource as consultant to oversee key aspects of the plans including staff training and co-ordination of the verification/count.

Registration

As is usual in the run up to an election, the Electoral Services Team were very busy in the weeks prior to 11th June. Over 10,000 updates (deletions, additions and amendments) were made to the register in the two months prior to the deadline. In addition thousands of telephone queries were received and responded to, and all late applications were checked for additional ID information.

Postal votes

Over 26,500 postal votes were issued for the Parliamentary election, of which approximately 70% were returned. The figures for the Mayoral election, for which the franchise is wider, were c. 29,500 and 60% respectively. Discussions were held with the Royal Mail regarding measures to ensure security of delivery. All postal vote statements were scanned and verified at Postal Vote Opening Sessions run by a dedicated DARO. All staff involved in adjudication of personal identifiers were trained on EC forensic handwriting guidance. Procedures and staff instructions were reviewed and agents advised that no 'tallying' was permitted. The rejection rate for personal identifiers at the Mayoral election was c. 7%, slightly lower than at previous elections in Tower Hamlets.

Polling Stations

111 polling stations were used, in a total of 76 polling places. Double polling stations utilised a single ballot box to simplify the delivery and verification processes. Polling stations were all visited and surveyed in advance of polling day by RO staff and police officers and plans made for access and egress routes, layout and areas to be kept clear at the entrances, which were then marked out by hazard tape on the day.

Presiding Officers and police on duty were trained jointly in advance to ensure better communication and a common understanding of the rules, roles and responsibilities. Tower Hamlets Police provided cover for all polling stations throughout the day with locally based officers (2 x police officers on 'Red' assessed stations, including body-cam equipped officer). A joint RO/Police bid to Cabinet Office funds available to 17 high risk authorities to address integrity resulted in funds for enhanced electoral registration activity and extended police hours on polling day.

All staff were required to confirm that they are not affiliated to any political party or candidate and all staff where possible were appointed to work at a different polling station, outside their home constituency. The RO again instructed that staff speak only English in the polling station and count. This provision is included in staff instructions and training. There was overwhelmingly positive feedback from the public, candidates and agents on both the organisation of the polling stations and the policing operation.

Verification and Count

The verification and count for both elections took place at the ExCel Centre, E16. The venue was chosen due to its capacity/size and facilities to ensure security and crowd management as well as a more efficient count. A range of improvements were introduced to the layout and count procedures including double-width counting tables; Tensa barriers to mark out areas reserved for authorised agents and candidates; external security staff on the reception desk; security wristbands for all attendees; and a requirement for photographic proof of ID. All attendees were required to sign a code of conduct as a condition of entry. CCTV was operational in the venue

As proposed by the RO in September 2014, a dedicated Facilities Management officer was appointed as Event Manager/ Logistics lead, providing dedicated facilities support to the count planning work and venue/police liaison for the Mayoral election.

A full review of count procedures and paperwork was conducted and instructions to count staff redrafted. Count training was enhanced including a 'dress rehearsal' in situ approx. 3 hours before the start, and a higher ratio of count supervisors to assistants ensured more efficient management of the process.

Integrity measures

The Tower Hamlets Local Protocol was updated in consultation with partners and interested parties and re-launched on 30th March 2015. This set out enhanced integrity measures around registration and the election, and clear standards of conduct required, to complement the Electoral Commission's own revised Code for 2015. Once again the RO provided a dedicated e-mail account and phone hotline for any complaints of possible fraudulent activity. To ensure full understanding of the process and rules, a total of four Candidates and Agents meetings were held.

A Communications Plan was agreed with the Council's media team to ensure effective communication of key messages regarding the election and in particular security/integrity of the vote. Publicity was co-ordinated with partner agencies. In addition reactive work and social media monitoring continued through to election day and beyond.

Ongoing Challenges

Notwithstanding the achievements listed, the RO and the Elections team have identified a series of ongoing challenges and further improvements that can be made in preparation for future elections. In particular the following actions are ongoing:

- Full review of the elections 2015 including consultation with interested parties to identify issues and areas of success and/or learning points for improvement.
- Review of procedures for each element of the election and peer challenge via the AEA where appropriate to secure continuous improvement
- Finalisation of the Electoral Services Team reorganisation (currently subject to consultation with trade unions) to secure permanent enhancement to the resources available including a more defined split between the registration and elections functions
- Further discussions with the Contact Centre regarding an increased role for the CC in

handling routine queries.

In addition work is underway to follow up all complaints received in May/June 2015 in liaison with the Metropolitan Police where necessary.

Best Value: Elections Action Plan						
Planning and management capacity						
Action / Recommendation		Lead				
Joint working with partner agencies		John Williams/Louise Stamp				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Joint project group to meet fortnightly January – April 2015, more frequently as required immediately prior to election.	John Williams / Louise Stamp	Apr-15	COMPLETE	100%	Fortnightly meetings inc attendance by Electoral Commission, Commissioner/B. Quirk	Meetings continued to Mayoral election 11.06.15
Action / Recommendation		Lead				
Enhance management expertise and capacity		John Williams				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Procurement of experienced external resource as consultant to oversee key aspects of the plans including verification/count and postal voting	John Williams / Louise Stamp	Feb-15	COMPLETE	100%	K. Hathaway and P. Parker contracted to provide management assistance, conduct staff training and count co-ordination	
Nomination of dedicated Facilities Management resource	Keith Fraser / Louise Stamp	Mar-15	COMPLETE	100%	K. Fraser appointed as Event Manager/ Logistics lead, providing dedicated facilities support to election planning work and event manager / police and venue liaison for count at	

					ExCel	
AEA professional count service to support planning work	Keith Fraser / Louise Stamp	Apr-15	COMPLETE	100%	Count plan in place for Mayoral election - layout and staffing finalised, Management arrangements in place, contracts in place with ExCel for facilities and support required.	
Action / Recommendation		Lead				
Performance Standards monitoring	John Williams					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Full information provided to the Commission in relation to election planning and contingency/risk register. Further milestones produced in May 2015	John Williams	Feb-15	COMPLETE	100%	All pre-election milestones completed and Electoral Commission's requirements met.	
Integrity Measures						
Action / Recommendation		Lead				
Enhancement of integrity measures around registration and election, clear statement of standards of conduct required	John Williams					

Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Revision and strengthening of local protocol, to enhance the Electoral Commission's own revised Code for 2015	John Williams	01-Feb-15	COMPLETE	100%	Local protocol updated in consultation with partners and interested parties, launched 30th March	
Joint RO/Police bid to Cabinet Office funds available to 17 high risk authorities to address integrity	Louise Stamp	01-Feb-15	COMPLETE	100%	Successful bid submitted for enhanced electoral registration activity and extended police hours on polling day. Funds received.	
Action / Recommendation	Lead					
Efficient reporting and effective investigation of any allegations/concerns re: fraud	Louise Stamp					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Continuation of dedicated e-mail account for any complaints of possible fraudulent activity. One working day turn round and referral if necessary to Police SPOC	John Williams	Mar-15	COMPLETE	100%	E-mail account (plus new dedicated telephone line) in place and initial complaints all dealt with inside deadlines. Daily monitoring and processing of any further complaints	To progress outstanding complaints in liaison with Met. Police

Action / Recommendation		Lead				
Adequate numbers of quality assured staff at polling stations, count, PV openings.		John Williams				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
All staff required to confirm that they are not a member of any political party.	Seema Shahnaz	May-15	COMPLETE	100%	All staff appointed and completed declaration required	
Polling station staff where possible to work at a PS that is not in constituency where they live.	Seema Shahnaz	May-15	COMPLETE	100%	All Polling Station staff appointed to 'new' PS and outside home constituency	
Action / Recommendation		Lead				
Staff fully trained on process and all potential scenarios		John Williams				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Enhanced mandatory training before taking up roles. To include practical role-play scenarios.	Louise Stamp	Apr-15	COMPLETE	100%	All training reviewed (with external management support) to emphasise key messages and incorporate new elements identified. Training of all staff complete.	
Polling staff to be trained alongside Police Officers who will be on duty at their PS.	Louise Stamp	Apr-15	COMPLETE	100%	Police officers have attended the PO training sessions as planned, with senior officers assisting with delivery.	

Count training enhanced including 'dress rehearsal' in situ approx. 3 hours before the start.	John Williams / Louise Stamp	May-15	COMPLETE	100%	Count training in place - 10 x advance sessions (held) and 'dress rehearsal' on the day.	
Verification and Count						
Action / Recommendation		Lead				
Eliminate delays whilst continuing to ensure integrity of the count. Enhance procedures including response to Electoral Commission recommendations	John Williams					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Enhanced security measures inc photo ID checks at entry; non-Council security staff; non-transferable security wristbands	Louise Stamp	Apr-15	COMPLETE	100%	All arrangements in place, security company contracted via ExCel; wristbands secured; senior count co-ordinators in place. Full closure of venue to the public and bag searches also undertaken.	
Attendees to be required to sign Code of Conduct as condition of entry.	Louise Stamp	May-15	COMPLETE	100%	Code of Conduct finalised and sent to Candidates and Agents. Signatures obtained on entry to the venue.	
CCTV operational in the venue	Louise Stamp	Apr-15	COMPLETE	100%	CCTV arrangements agreed with the venue, contract in place for monitoring station	Recording to be retained

Additional staff to be used, in particular a higher ratio supervisors: count assistants.	Louise Stamp / Seema Shahnaz	Apr-15	COMPLETE	100%	All count staff appointed. Enhanced ratio of 1:3 supervisors to assistants.	
Full review of count procedures and paperwork in consultation with external resource/AEA	John Williams / Louise Stamp	Apr-15	COMPLETE	100%	Review of procedures complete. Instructions to count staff redrafted.	
In the event that the general election is combined with a TH mayoral election (see 'risk management' below), the mayoral count will be held over until 8 th May, p.m.	John Williams / Louise Stamp	May-15	COMPLETE	100%	Mayoral election held on 11th June 2015	
Polling Districts and Polling Places						
Action / Recommendation		Lead				
Efficient and convenient division of constituencies into polling districts; accessible and suitable polling places		John Williams				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Polling Stations to be agreed with a view to security and convenience of the voting process, and efficiency at the count.	John Williams / Louise Stamp	Mar-15	COMPLETE	100%	Polling District & Polling Place review completed. Accessibility review undertaken of all new venues. ARO/Police staff jointly surveyed all polling places to plan layout, sterile areas etc. Single ballot box to be used at all polling places inc. double stations.	
Register to be amended in accordance with new PDs	John Williams/ Louise Stamp	Mar-15	COMPLETE	100%	Revised register published 1.4.15 and 1.6.15	

Action / Recommendation		Lead				
Ensure integrity of the process and good order at polling stations.		John Williams				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Joint training for Presiding Officers and Police/PCSOs	Louise Stamp	Apr-15	COMPLETE	100%	Police officers have attended the PO training sessions as planned, with senior officers assisting with delivery.	
CCTV/bodycams in use at polling stations	Louise Stamp / MPS	May-15	COMPLETE	100%	TH Police have ___ bodycam-trained resources. To be allocated to high-risk polling stations.	
Police/PCSOs on duty throughout the day including accompanying PO/ballot box at the close of poll to the count venue.	MPS	May-15	COMPLETE	100%	TH Police have committed to staffing each PS throughout the day and will use local TH officers. Staff allocated and attending training as required. However, Police will not accompany PO and ballot box back to the count venue due to insurance complications. Police will however remain at polling stations until the PO has left and security staff will be on duty at ExCel 'dropping off' points.	
Investigation of marked 'clear' areas outside polling stations	John Williams	May-15	COMPLETE	100%	All polling places surveyed and areas to be marked out identified.	


Investigation of additional poll clerk to 'meet and greet', assist with order.	John Williams/ Louise Stamp	May-15	COMPLETE	100%	All polling places surveyed and additional staff appointed where required.	
Continuation of RO instruction re: staff to speak only English in PS	John Williams	May-15	COMPLETE	100%	This provision is included in staff instructions and training	
Postal Voting						
Action / Recommendation		Lead				
Efficient and convenient despatch of postal voting packs.	John Williams / Louise Stamp					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Royal Mail to deliver packs. Discussions to be held regarding measures to ensure security, all packs delivered through individual doors etc	John Williams	Mar-15	COMPLETE	100%	Discussions held with Royal Mail. Quality checks done on PVs at despatch.	
Action / Recommendation		Lead				
Ensure integrity of the process and good order at postal vote opening sessions	John Williams					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Scanning 100% of personal identifiers.	Louise Stamp	Apr-15	COMPLETE	100%	5 of 8 PV opening sessions held, 100% scan in place	
Dedicated DARO to oversee PV openings.	John Williams	May-15	COMPLETE	100%	Appointment in place	

Training for all involved in adjudication on EC forensic handwriting guidance.	John Williams	Apr-15	COMPLETE	100%	Forensic guidance provided to relevant staff.	
Review procedures and restrictions on PV opening observers' conduct.	John Williams	Apr-15	COMPLETE	100%	Procedures and staff instructions have been reviewed. Agents will be advised that no 'tallying' will be permitted. DARO and supervisors monitored conduct of attendees and intervened as necessary.	
Candidates and Agents meetings						
Action / Recommendation		Lead				
Ensure full understanding of the process and rules; brief re: Code of Conduct etc	John Williams					
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Three Candidates and Agents meetings to be held. To cover the process, election offences, code of conduct, polling station and count arrangements, adjudication etc (26 Feb 2015, 1 April 2015 & mid-April 2015)	John Williams / Louise Stamp	Apr-15	COMPLETE	100%	Two meetings held (26th February and 30th March) plus 2 for Mayoral election (12th May and 4th June). All matters identified were covered.	

Communications Plan						
Action / Recommendation		Lead				
Ensure effective communication of key messages re: election and in particular security/integrity.		John Williams/ John McDermott				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Publicity to be co-ordinated with partner agencies	John Williams / John McDermott	May-15	COMPLETE	100%	Communications plan in place and being implemented on a weekly basis. Messages and releases co-ordinated with EC and Police where relevant. Also reactive work/social media through to election day and beyond.	
East End Life & other channels to include clear messages re: secrecy (inc. in community languages, graphic material)	John Williams / John McDermott	May-15	COMPLETE	100%	Regular coverage in East End Life and other channels, in accordance with the Communications Plan. Coverage continued, including integrity messages, through to election day.	

Pre-Election guidance						
Action / Recommendation		Lead				
Ensure full understanding of the rules, compliance with Code of Recommended practice for LA Publicity		John McDermott / Meic Sullivan-Gould				
Milestone	Lead	Deadline	Status	% Comp	Action to Date	Action planned and risks
Revised guidance to be issued to Members and officers in advance of the pre-election period	John McDermott / Meic Sullivan-Gould	Mar-15	COMPLETE	100%	Guidance revised and issued	
Risks, contingencies, milestones and key actions to be updated weekly.	John Williams / Louise Stamp	May-15	COMPLETE	100%	Ongoing at management meetings. Regular updating and review of all plans continued until election day.	COMPL
Contingency planning takes into account possible outcome of Election Petition Trial to hold mayoral election combined on 7 May 2015 or shortly afterwards.	John Williams / Louise Stamp	May-15	COMPLETE	100%	Mayoral election held on 11th June 2015	

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<p>Cabinet 28 July 2015</p>	
<p>Report of: Chris Holme, Acting Corporate Director, Resources</p>	<p>Classification: Unrestricted</p>
<p>Exercise of Corporate Directors' Discretions</p>	

Lead Member	Councillor David Edgar, Cabinet Member for Resources
Wards affected	All Wards
Community Plan Theme	One Tower Hamlets
Key Decision?	No

Executive Summary

This report sets out the exercise of Corporate Directors' discretions under Financial Regulation B10 which stipulates that such actions be the subject of a noting report to Cabinet if they involve expenditure between £100,000 and £250,000.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Note the exercise of Corporate Directors' discretions as set out in Appendix 1.

1. REASONS FOR THE DECISIONS

- 1.1 Financial Regulations require that regular reports be submitted to Council/Committee setting out financial decisions taken under Financial Regulation B10.
- 1.2 The regular reporting of Corporate Director's Discretions should assist in ensuring that Members are able to scrutinise officer decisions.

2. ALTERNATIVE OPTIONS

- 2.1 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 B10.
- 2.2 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.

3. DETAILS OF REPORT

3.1 Financial Regulation B10 sets out the Cabinet 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

3.2 Under Financial Regulation B10, if the transaction involves a sum between £100,000 and £250,000 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.

3.3 Appendix 1 sets out the exercises of Corporate Directors' discretions, under the stipulations in 2.2 above, that have taken place since the previous Cabinet.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

4.1 The comments of the Chief Financial Officer have been incorporated into the report and Appendix.

5. LEGAL COMMENTS

5.1 The report sets out the individual exercises of Corporate Directors' Actions for noting by Cabinet, as required by Financial Regulation B10.

5.2 Internal guidelines have been published setting out the process by which Records of Corporate Directors' Actions are completed. These specify that the proposed action must be in accordance with the Council's Financial Regulations and its Procurement Procedures. There are limited circumstances in which waiver of the Procurement Procedure is permissible and the guidelines reinforce that waiver should not be sought as a substitute for proper planning.

5.3 Each director's action requires prior authorisation by the relevant service head, the responsible procurement officer, the directorate finance manager, and the chief legal officer before agreement by the corporate director. A template form is completed to record each director's action and these Records of Corporate Directors' Actions (RCDAs) must be maintained by the each directorate. The legal implications of each of the individual decisions are provided as part of the decision making process and are recorded on the relevant RCDA.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 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.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 7.1 There are no Sustainable Action for A Greener Environment implications arising from this report.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1. 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.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 9.1 There are no Crime and Disorder Reduction Implications arising from this report.

10. EFFICIENCY STATEMENT

- 10.1 The works referred to in the report will be procured in line with established practices, taking account of best value.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

- Appendix 1 – Exercise of Corporate Directors' Discretions under Financial Regulation B10

Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000

List of "Background Papers" used in the preparation of this report

- Record of Corporate Director's Actions

Officer contact details for documents:

- Paul Leeson, Finance Business Partner, Development & Renewal (D&R) Directorate, Ext. 4995
- Sajeed Patni, Finance Business Partner, Education, Social Care & Wellbeing (ESCW) Directorate, Ext. 4960

Originating Officers and Contact Details

Name	Title	Contact for information
Alimul Kadir	Accountant Financial Planning	Ext. 5224

Appendix 1: Exercise of Corporate Directors' Discretions under Financial Regulation B10

Corporate Director	Reference	Amount	Description of Exercise of Discretion	Justification for Action	Contractor's Name and Address (incl. postcode)	Contact
Aman Dalvi Development & Renewal	153-2014/15	£165,763	Procurement regulation to be waived in order to appoint Potter Raper as post contract employers agents on Watts Grove	The GPS framework did not extend to post contract services and it was essential to ensure that consultant support was available around the critical pre-contract and mobilisation phase of the project.	Potter Raper Duncan House Burnhill Road Beckenham BR3 3LA	Dale Walker Corporate Property and Capital Delivery Ext. 2345
Robert McCulloch-Graham Education, Social Care & Wellbeing	129-2014/15	£246,923	To extend the current Schools Health Service provided by Barts Health (third extension)	The procurement exercise for the new contract award took longer than anticipated and therefore there was a gap between old contract end and new contract start dates. This RCDA represents approval for an interim contract extension to cover the period 21 Jan 2015 to 17 March 2015, to cover the period of transition to the new provider.	Barts Health The Royal London Hospital Whitechapel Road London E1 1BB	Keith Williams Commissioning & Strategy Ext. 1523
Robert McCulloch-Graham Education, Social Care & Wellbeing	164-2014/15	£195,000	To extend the current Schools Health Service provided by Barts Health (fourth extension)	This RCDA represents a further 6 weeks contact extension to the Schools Health Service Contract provided by Barts Health. This was necessary to resolve the additional TUPE and contract mobilisation issues that arose. This extension covers the period from 18 March 2015 to 30 April 2015.	Barts Health The Royal London Hospital Whitechapel Road London E1 1BB	Keith Williams Commissioning & Strategy Ext. 1523
Robert McCulloch-Graham Education, Social Care & Wellbeing	138-2014/15	£183,000	Adoption of a Capital Estimate	The Overland site is currently used to maximum capacity. It is proposed that an extension to the current provision is built, the extra space will provide more sessions and support for disadvantaged families.	N/A	Jo Green Early Years Ext. 4844

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