

LONDON BOROUGH OF TOWER HAMLETS
RECORD OF THE DECISIONS OF THE CABINET

HELD AT 6.02 P.M. ON WEDNESDAY, 26 SEPTEMBER 2018

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

Members Present:

Mayor John Biggs	
Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing)
Councillor Rachel Blake	(Deputy Mayor and Cabinet Member for Regeneration and Air Quality)
Councillor Asma Begum	(Deputy Mayor and Cabinet Member for Community Safety and Equalities)
Councillor Amina Ali	(Cabinet Member for Culture, Arts and Brexit)
Councillor David Edgar	(Cabinet Member for Environment)
Councillor Danny Hassell	(Cabinet Member for Children, Schools and Young People)
Councillor Denise Jones	(Cabinet Member for Adults, Health and Wellbeing)
Councillor Candida Ronald	(Cabinet Member for Resources and the Voluntary Sector)
Councillor Motin Uz-Zaman	(Cabinet Member for Work and Economic Growth)

Other Councillors Present:

Councillor Kahar Chowdhury	
Councillor Peter Golds	
Councillor Abdal Ullah	
Councillor Andrew Wood	(Leader of the Conservative Group)

Officers Present:

Monju Ali	(Project Officer)
Mark Baigent	(Interim Divisional Director, Housing and Regeneration)
Stephen Bramah	(Deputy Head of the Mayor's office)
Richard Chilcott	(Acting Divisional Director, Property and Major Programmes)
Zena Cooke	(Corporate Director, Resources)
David Courcoux	(Head of the Mayor's Office)
Sharon Godman	(Divisional Director, Strategy, Policy and Partnerships)
Asmat Hussain	(Corporate Director, Governance and Monitoring Officer)
David Jones	(Interim Divisional Director, Adult Social Care)
Debbie Jones	(Corporate Director, Children's)
Alan McCarthy	(Asset Strategy Capital Delivery & Property)

Christine McInnes	Services) (Divisional Director, Education and Partnership, Children's)
Mark Norman	(Legal Adviser & Deputy Monitoring Officer)
Denise Radley	(Corporate Director, Health, Adults & Community)
David Tolley	(Head of Environmental Health and Trading Standards)
Will Tuckley	(Chief Executive)
Richard Baldwin	(Divisional Director, Children's Social Care)
Aaron Cahill	(Project Manager - Housing Strategy)
Karen Proudfoot	(Interim Head of Communities and Enforcement)
Matthew Mannion	(Committee Services Manager, Democratic Services, Governance)
Joel West	(Senior Democratic Services Officer)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Ann Sutcliffe (Acting Corporate Director, Place), Richard Chilcott (Acting Divisional Director, Property and Major Programmes) was substituting.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

Councillors Sirajul Islam and Abdul Ullah made Declarations of Disclosable Pecuniary Interests in agenda item 6.4 (Implementation of traffic management orders on HRA land) as they each rented a parking space on HRA land. They both left the room for the duration of that item.

Councillor Amina Ali noted an 'other interest' in that she was a Tower Hamlets Homes tenant but did not rent a parking space.

3. UNRESTRICTED MINUTES

DECISION

1. That the unrestricted minutes of the Cabinet meeting held on Wednesday 25 July 2018 be approved and signed by the Chair as a correct record of proceedings.

4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR

There were no announcements.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's Advice of Key Issues or Questions

Pre-Decision Scrutiny Questions were presented on agenda items 6.2 to 6.11 and 11.1. The questions, along with officers responses, were considered during the discussion of each individual item.

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

Nil items.

6. UNRESTRICTED REPORTS FOR CONSIDERATION**6.1 Children's Services Improvement Programme, Quarterly Progress Report (Quarter 1 2018/19)****DECISION**

1. To endorse the progress made in delivering the children's services improvement programme.
2. To agree the next steps in the improvement journey which will be updated on in the next report.

Action by**CORPORATE DIRECTOR, CHILDREN'S SERVICES (D. JONES)**

(Children's Services Improvement Manager (C. Saini))

Reasons for the decision

Corporate and political leadership of the Children's Services improvement agenda is a critical part of ensuring its success. Consideration of this report in Cabinet will support this leadership and help to facilitate public scrutiny of progress.

Alternative options

There are no alternative options to consider.

6.2 Securing the future of Early Years services - phased closure of the three local authority childcare day nurseries**DECISION**

1. Note the outcome of the consultation.
2. Approve implementation of the proposal for a phased closure of the LADNs.
3. Note the intention to hold an Early Years Summit to inform and develop the role of the Council in promoting sustainable, accessible and affordable childcare.

Action by:**CORPORATE DIRECTOR, CHILDREN'S SERVICES (D. JONES)**

(Divisional Director, Education and Partnerships (C. McInnes))

Reasons for the decision

In response to government funding cuts, Tower Hamlets Council has to make an unprecedented £58million of savings between 2017 and 2020. A growing population alongside increasing demands and costs, means that the Council has to make very difficult choices.

The Council has a range of statutory duties and services to deliver and, in addition, chooses to invest in a range of non-statutory services. The Council also has an over-arching duty to ensure the decisions it makes provide value for money. As funding decreases, the need to ensure best use is made of every pound spent becomes ever more acute so that Council policy can be implemented and there is maximum benefit across the population of Tower Hamlets. It is the Council's job to ensure that the limited money is used as fairly, equitably and efficiently as possible to have the widest possible impact in the community.

Fuller reasons for the decision are set out in the 'Context' section of the report.

Alternative options

The alternative option of keeping the nurseries open was set out in the report along with reasons why that was not considered appropriate.

6.3 Chrisp Street Regeneration Scheme: CPO Resolution, dealings with the Council land/interests and Street Market Management Arrangements**DECISION****1. In relation to the Compulsory Purchase Order**

- 1.1 To authorise the making, seeking confirmation and implementation of a CPO under section 226(1) of the Town and Country Planning Act 1990 to include all land interests within the redline boundary on the plan at Appendix 1 (including but not limited to those specific interests identified at Appendix 2 to the report) in order to facilitate the redevelopment of the Site by CSDL and HARCA, to provide new and improved housing, retail, leisure and community facilities.
- 1.2 Subject to the Council entering into the Indemnity Agreement described in recommendation 1.3, to delegate to the Acting Corporate Director of Place the power to effect the making, confirming and implementation of the CPO and take all necessary steps, including the making of any ancillary orders and the exercise of any of the Council's Planning functions, to give effect to the CPO in respect of the area shown edged red on the plan at Appendix 1 to the report.
- 1.3 To delegate to the Acting Corporate Director of Place the authority to finalise the terms of, and enter into, the Indemnity Agreement substantially in the form set out at Appendix 8 to the report to

provide a framework for the respective obligations of the Council and CSDL and Poplar HARCA in the promotion and application of powers, including land transfer and the ability for the Council to recover its costs in conducting and managing the CPO, including all compensation costs to be paid;

- 1.4 To delegate to the Acting Corporate Director of Place the authority to agree the terms of and enter into any documentation required to transfer and effect the transfer of any land interests, whether freehold, leasehold or otherwise which have been compulsorily acquired by the Council to Poplar HARCA/CSDL for a nil value consideration in accordance with the Indemnity Agreement and within a timescale to be agreed between the Council and Poplar HARCA/CSDL; and
 - 1.5 To delegate to the Acting Corporate Director of Place the authority to appoint external consultants to assess and agree any compensation due to the Council and to thereafter enter into any documentation to extinguish and/or to settle compensation for any infringement by the development of property rights benefitting Council-owned properties (including Rights to Light).
 - 1.6 To delegate to the Acting Corporate Director of Place the authority to require HARCA/CSDL to provide the necessary evidence to demonstrate that the option of refurbishment and/or retention of the existing buildings have been taken into account which may not otherwise deliver the full scheme benefits described in Section 6.14 to 6.19 of the report in order to authorise the making of the Order.
- 2 In relation to the Council's land and property interests (other than those acquired pursuant to the CPO) and subject to any legislative and policy requirements,**
- 2.1 To delegate authority to the Acting Director of Place to agree the terms of and enter into any documentation required to settle any property rights / matters necessary to progress the regeneration scheme as detailed in sections 11.4 to 11.17 of the report.
- 3 In relation to the Street Market arrangements,**
- 3.1 To agree the proposed relocation of the Street Market as broadly described on the temporary relocation plan of the Street Market (Appendix 12 to the report) and in Sections 16.3 -16.4 of the report, noting the intention to ensure continuous Street Market trading both during the project delivery and after and delegate to the Acting Corporate Director of Place authority to enter into any agreements or documentation, or take any steps or other action necessary, to give effect to this.
 - 3.2 Note the proposals concerning the future management of the Site set out at Sections 16.5–16.8 of the report and in Appendix 9 to the

report (Long Term Estate Management Plan), including in particular HARCA/CSDL's proposal to employ a Town Centre Manager for the scheme;

- 3.3 To delegate to the Acting Corporate Director of Place, after consultation with the Mayor, the authority to nominate and appoint up to two Council representatives (one Member and one Officer, or two Officers) to act as directors of the Chrisp Street Management Company, subject to being satisfied with the governing documents of the company, and to do all required, including execution of documentation, to give effect to that decision; and
- 3.4 To delegate to the Acting Corporate Director of Place authority to agree the terms of and thereafter enter into a management agreement (or variation to the existing management agreement) between the Council and Poplar HARCA and/or CSDL in respect of the market area.

Action by:

ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Divisional Director, Strategy, Regeneration and Sustainability (M. Baigent)

(Housing Regeneration Manager (N McGowan)

(Project Manager (A. Cahill)

(Housing Regeneration Projects Officer (M. Ali)

Reasons for the decision

The report covers in detail the following reasons:

- For the Compulsory Purchase Order
- On Council land and property interests
- On Street Market Management Arrangements

Alternative options

Detailed alternative options were set out in the report including on refurbishing existing buildings, not undertaking a Compulsory Purchase Order and the extent of the proposed regeneration scheme.

6.4 Implementation of traffic management orders on HRA land

DECISION

- 1 To approve the Non Residential Assets Policy set out in Appendix 1 to the report which includes the following;
 - a. The introduction of a 6 or 12 month permit system operating to the proposed parking space charges set out in paragraph 3.5.2 of the report.
 - b. The withdrawal of the Any Other Vehicle Permit
 - c. Limits of parking permits on housing land to two per household
 - d. That nomination of car spaces to those living out of the borough is stopped.

- e. That staff affected by this change will be able to apply for a space under an essential car user policy and criteria (see paragraph 3.5.2 of the report).
- 2 To approve changes outlined in the main report specifically;
 - a. The process set out in paragraph 3.5.3 of the report for managing the loss of garages and car spaces on infill sites where the development of affordable accommodation is proposed
 - b. That TMOs are used on all new car free development sites
 - 3 To authorise the Divisional Director of Public Realm to undertake informal and statutory consultation under the provisions of the RTRA 84 on a phased area by area or estate by estate basis in relation to introducing controlled parking on HRA land.
 - 4 To delegate to the Divisional Director of Public Realm under powers commensurate with the RTRA 84, the decision making ability to make the necessary Traffic Management Order on HRA land and to consult with the Mayor and Lead Member for Housing if any objections/representations are received during the consultation period;
 - 5 To authorise the Divisional Director of Public Realm to make the appropriate contractual arrangements to enforce the TMOs by providing a contractor with the authority to issue Penalty Charge Notices on behalf of the Council;
 - 6 To authorise the Acting Director of Place to establish a decision making framework against which officers will determine applications for borough residents who are not THH tenants or leaseholders during a transition phase. Permits allocated will be for one year and may be reallocated under the policy in Appendix 1 to the report, priority letting list.

Action by:**ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)**

(Interim Divisional Director, Housing and Regeneration (M. Baigent)

(Interim Divisional Director, Public Realm (R. Payne)

Reasons for the decision

Parking control on LBTH estates is delegated to the managing agent, Tower Hamlets Homes (“THH”) and procurement of enforcement services is carried out in liaison with Parking & Mobility Services.

Like a number of other inner-London boroughs such as Islington and Westminster who are experiencing escalating traffic management problems as a result of the Ministerial adjudication, TMOs under specific sections of the RTRA 84 are recommended as the best way to re-establish parking control on LBTH estates; however, the Council will be consulting on a wider set of options. This enables estate by estate parking enforcement to be established based on issuing a specific number of permits within each estate area.

More detailed reasons for the decision are set out in the report.

Alternative options

Retaining the use of contract law as a means of parking enforcement would lead to a situation where parking contraventions could not be effectively controlled on LBTH estates. Following an assessment process, the implementation of TMOs is proposed as the necessary route for tackling this problem.

The following options were also assessed as impractical:

- Housing Estates to become part of the wider Controlled Parking Zones (CPZ) operated by the Council- This would lead to anyone with a LBTH permit parking on Housing Estate Land. High demand for parking “on street” would spill into housing estate car parks and fuel dissatisfaction amongst THH residents
- System of gates and barriers - This would be hugely costly and easily abused by those who can still obtain access to the estates. Furthermore, once unauthorised access was gained no legal means of removing a vehicle would be available to the Council
- No controls at all- The lack of any control would have consequences in terms of attracting a high level of irresponsible parking from anyone living outside the Estates as well as those who do not live in the Borough

6.5 Pan-London Homeless Prevention Procurement Hub ("Capital Letters")

DECISION

1. To note the £38 million over three years potentially being made available by MHCLG specifically for pan-London collaboration on the procurement of accommodation for homeless households.
2. To approve the decision to join “Capital Letters”, a Company Limited by Guarantee that will be established by the London boroughs, as an A member.
3. To appoint the Interim Divisional Director of Housing and Regeneration, as the Council’s Company Member Representative.
4. To delegate authority to the Corporate Director, Place, to approve operational arrangements for staff secondment and procurement via the company.

Action by:

ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)
(Interim Divisional Director, Housing (M. Baigent))

Reasons for the decision

The decisions recommended are required to join the company and participate in the collaborative procurement approach and to access the MHCLG funding.

The estimated aggregate financial benefit of the proposal to London boroughs collectively is up to £116m, plus potential savings on changing how placements are made and reduced repeat homelessness through tenancy sustainment. The company will build on the Inter Borough Accommodation Agreement (IBAA) which has led to reduced spending through rate-sharing and the application of a cap on rates paid for certain accommodation. The company will work within this system, and provide further opportunities to rationalise and secure efficiencies in the procurement of accommodation for homeless households.

Capital Letters will be set up in a number of phases (see proposed timescale in Appendix B). There are a number of reasons why it would be advantageous for Tower Hamlets to be part of the first wave of boroughs which are anticipated to start operations in April 2019.

The MHCLG subsidy per borough will be greater in the first year. This is important in terms of the proportion of centrally funded staff compared to borough funded staff, which should provide a greater uplift to procurement numbers for the boroughs in the first wave. The MHCLG subsidy per property will also be greater in the first year and boroughs joining in the first year will receive an additional year's subsidy from MHCLG compared with boroughs joining later.

The boroughs involved in the set-up of the company will have much more control over the way it is set up and shaped than boroughs who join later after the organisation has been established.

Boroughs who do not join Capital Letters will still have properties procured by Capital Letters in their area. Although Capital Letters will abide by the agreed IBAA rates, there is nevertheless a significant risk that landlords and agents will prefer to work with Capital Letters than within individual boroughs because of the profile it will have when launched, and because of the more streamlined ability to let properties across London with one organisation than with a number of different boroughs, all with slightly different terms and conditions and different personnel.

If Capital Letters is successful then it will be possible for Tower Hamlets to secure more private rented and leased properties in London within or close to the borough, thus reducing the need to place families in B&B and hotel annexes, in more distant parts of London or outside London altogether. It would be better to secure these benefits sooner rather than later.

The decisions recommended are required to join the company and participate in the collaborative procurement approach and to access the MHCLG funding.

Alternative options

There is the option not to join the company in the first phase. This would result in a lost opportunity to access MHCLG grant funding, alleviate the costs of providing temporary and prevention accommodation, increase the procurement of leased temporary accommodation, reduce the use of expensive nightly paid accommodation and enable the placement of many households closer to home.

Rather than A membership in the first phase, the Council could alternatively join the company as a B member. This would still enable the Council to receive services from Capital Letters but would mean that the Council has less influence over the strategic direction of the company. It would also mean Tower Hamlets would not have access to additional MHCLG subsidy for newly procured properties. The distinction between A and B membership is noted in the Articles of Association, with the relevant section copied in Appendix A to the report.

6.6 61 Vallance Road - Grant of lease

The exempt appendix was noted.

DECISION

1. To grant approval for a lease to be granted to ADA on the basis of a 5 year term for an annual charge of £75k per annum inclusive of rent.
2. To delegate to the acting Corporate Director of Place, following consultation with the Corporate Director of Governance, the ability to agree the detailed terms of the lease and any other agreements.

Action by:**ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)**

(Acting Divisional Director, Property and Major Programmes)

Reasons for the decision

61 Vallance Road forms part of a broader education PFI contract. Under the terms of the PFI agreement The Council are liable for unitary charges equating to £46,000 per annum. The costs are chargeable regardless of whether the building is occupied or not.

ADA National College for digital skills (ADA) would like to take a 5 year lease of 61 Vallance Road. ADA is a further education college focussing on technology and will pay an inclusive charge of £75,000 including rent for the building. The total income to the Council that arises from entering into the proposed lease exceeds the delegated authority level provided to officers and so this matter needs to be referred to Cabinet for approval to proceed.

Alternative options

Leave as is - Under the terms of the PFI agreement The Council are liable for unitary charges equating to £46,000 per annum whether space is used or not. If left vacant the building whilst will continue to be basically maintained by

the PFI company will age and may also be vulnerable to squatters. Leaving the building vacant is not a sensible option.

Secure a subtenant - Securing a sub tenant (the preferred option) will allow the Council to cover the FM unitary charge and secure an additional rental income. Letting to ADA, as a subtenant will be compatible with the use of the rest of the site as an education campus and is the best option from those considered.

Disposal – The terms of the PFI agreement mean that the Council is obligated to retain 61 Vallance Road.

6.7 Compulsory purchase of an empty home

The exempt appendices were noted.

DECISION

1. To approve the compulsory purchase of the property and its retention by the council for homelessness relief over a period of five years before its sale on the open market.
2. To note the specific equalities considerations as set out in Paragraph 4.1 of the report.

Action by:

ACTING DIVISIONAL DIRECTOR, PLACE (A. SUTCLIFFE)

(Private Housing Policy Officer (M. Lancaster))

Reasons for the decision

Detailed reasons for the decision were set out in the report, but in summary:

- The property has been empty for seven years
- The property is a blight on the area
- The council has made attempts to engage with the owner but this has not resolved the situation.
- The property is likely to remain unoccupied if there is no change in ownership.

Alternative options

Having acquired the property through CPO, the Mayor in Cabinet could negotiate a reduced sale price with an accredited managing agent attaching a covenant that it is let at Local Housing Allowance rate to tenants nominated by the council for an agreed period of time. The reduction would reflect the savings to the temporary accommodation budget that this would generate, rendering the process broadly cost neutral.

Having acquired the property through CPO, the Mayor in Cabinet could immediately sell the house on the open market with a covenant requiring it to

be brought into immediate residential use. This would recover most of the compensation due to the owner but not the additional costs associated with the process. Though this option has the benefit of simplicity, it would be the least financially attractive option, and the option with the fewest social benefits.

Instead of seeking compulsory purchase, the Mayor in Cabinet could approve application for an Empty Dwelling Management Order (EDMO). This would enable officers after a three month notice period to apply to Residential Property Tribunal for an interim order of 12 months and then potentially a final EDMO. A final EDMO would give the council powers to let and manage the property for a period of up to seven years, retaining enough rental income to cover management costs. This is financially viable at either Tower Hamlets Living Rent or Local Housing Allowance rate. However, the slowness of this process and the failure of the owner to engage so far are significant factors weighing against this option.

6.8 Spitalfields Community Governance Review

The recommendations were amended and then agreed.

DECISION

1. To agree the proposed Terms of Reference of the Community Governance Review as set out in Appendix 1 to the report subject to any alterations to the review timetable that the Corporate Director, Governance considers appropriate.
2. To note that the Terms of Reference trigger a Community Governance Review of the Spitalfields area, based on the map submitted with the original petition.
3. To note the draft consultation brochure set out in Appendix 2 to the report, the final version of which will be included as part of the consultation documentation.

Action by:

CORPORATE DIRECTOR, GOVERNANCE (A. HUSSAIN)

(Head of Electoral Services (R. Curtis)

(Committee Services Manager (M. Mannion)

(Senior Strategy, Policy and Performance Officer (S. Morton)

Reasons for the decision

Following receipt of a valid petition the Council is required to undertake a Community Governance Review (CGR).

Alternative options

There is no alternative to the requirement to undertake a CGR, however the Council could decide to undertake a review of the whole borough rather than just the area referenced in the petition.

6.9 OSC Brexit Challenge Session Report - Action Plan

DECISION

1. To agree the Action Plan document set out as Appendix 2 to the report.

Action by:

CHIEF EXECUTIVE (W. TUCKLEY)

(Corporate Strategy, Policy and Performance Officer (S. Ahmed))

Reasons for the decision

The Council's constitution requires the Executive to respond to recommendations from the Overview and Scrutiny Committee. The action plan within this report outlines the Executive response to the recommendations arising from the Challenge Session.

Alternative options

Cabinet may decide not to agree the Action Plan. This is not recommended as the report outlines work that will be undertaken by the Brexit Commission to better understand the impact of different scenarios on the borough's economy, civil society and public services and the actions that the Council and Partners will take to manage key risks and to ensure appropriate preparedness.

6.10 Food Law Enforcement Service Plan

DECISION

1. To approve the Tower Hamlets Food Law Enforcement Service Plan 2018//2019 and Food Sampling Policy attached at Appendix One of the report.
2. To delegate the sign off of the Food Law Enforcement Service Plan to the Corporate Director in consultation with the lead Member. The findings and recommendations within the annual review will be included in the strategic plan.
3. To agree the Food Law Enforcement Service Plan will be published on the Council's website.

Action by:

ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Head of Trading Standards and Environmental Health (D. Tolley))

Reasons for the decision

Under the powers given to it by the Food Standards Act 1999 the Food Standards Agency (FSA) oversees and monitors how Local Authorities enforce food safety legislation. The FSA require all Local Authorities to

produce and approve an annual plan that sets out how they are going to discharge their responsibilities. The annual plan is at Appendix One.

Alternative options

If the Council takes no action the FSA has the power to remove food safety responsibilities and engage another authority to deliver the service. The likely scenario would be for a neighbouring local authority to be seconded to provide this service. If this did happen the Council would still have to fund the service but would lose Member and management control of it.

6.11 Contracts Forward Plan 2018/19 – Quarter Two

DECISION

1. To note the contract summary at Appendix 1 to the report and agree that all contracts set out can proceed to contract award after tender.
2. To authorise the Divisional Director - Legal Services to execute all necessary contract documents in respect of the awards of contracts.
3. To note the procurement forward plan 2018-2022 schedule detailed in Appendix 2 to the report and identify any contracts about which further detail is required in advance of the quarterly forward plan reporting cycle.
4. To review the annual procurement report 2017-2018 set out in Appendix 3 to the report and note the achievements against the Councils Procurement Strategy.

Action by:

CORPORATE DIRECTOR, RESOURCES (Z. COOKE)

(Head of Procurement (Z. Ahmed))

Reasons for the decision

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 £250K, and any contract for capital works with an estimated value exceeding £5m 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 quarter two of the current financial Year.

Alternative options

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.

7. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil items.

8. EXCLUSION OF THE PRESS AND PUBLIC

Nil items.

9. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

10. OVERVIEW & SCRUTINY COMMITTEE**10.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business**

Nil items.

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

Nil items.

11. EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION**11.1 Future Management of the Integrated Community Equipment Service**

It was noted that the report had originally been published as exempt but was now unrestricted.

DECISION

1. To support awarding a contract to Medequip for the Community Equipment Service via a call-off from the framework agreement procured by Hammersmith & Fulham, for four years, from 1st April 2019 to 31st March 2023. The contract will have an option to extend for a further two years which will give the Council and the CCG further service stability. The estimated value is circa £6.1 million over the 4 year contract period and circa £9.3 million over 6 years (if the extension was utilised).
2. To delegate award of the outsourcing contract and further extension to the Corporate Director, Health, Adults & Community.
3. To note the recommendation will enable delivery of the savings target for CES of £308,000 for 2019/20 as agreed by the Cabinet in the MTFS plan.

4. To note the early surrender of the lease on the Yeo St premises (12 years unexpired) would result in the landlord paying the Council an estimated £900,000 as a surrender premium. This would be a one-off payment back to the Council, and in part be utilised to cover the one-off moving and setup costs.
5. To authorise the surrender of the lease on the Yeo St premises and delegate authority to the Corporate Director, Place to agree the terms.

Action by:

CORPORATE DIRECTOR, HEALTH, ADULTS AND COMMUNITY (D. RADLEY)

(Interim Divisional Director, Adult Social Care (D. Jones))

Reasons for the decision

The report considers the options for the future management of the Council's integrated Community Equipment Service. The service loans a variety of disability related equipment to children, adults and older people within Tower Hamlets. The equipment helps service users to maintain and maximise their independence, enables them and their carers to be safely supported and improves their quality of life.

Service standards have improved over the past year and there has been a recent positive health and safety report. Recycling rates for equipment have also improved. However, there continue to be real difficulties in recruiting and retaining staff and the service requires a disproportionate amount of management time to ensure essential requirements are met.

Demographic pressures and the expectation that government is unlikely to provide the required increased funding, means more equipment must be bought with a similar budget to today's to enable more people to retain their independence and avoid an unsustainable increase in care package costs.

Alternative options

The report summarises the due diligence work which examined all the available options.

It concluded there are only two viable options: the outsourcing via the Hammersmith and Fulham / Medequip Framework – as recommended – and retaining an in-house service.

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

Nil items.

The meeting ended at 9.00 p.m.

Mayor John Biggs