

Item 6.1 Understanding the impact of Covid-19 in Tower Hamlets	
Questions	Response
1. Are there any areas we can identify savings?	<p>The cross-cutting themes identified in the impact assessment in terms of “how to grasp opportunities with familiarity with technology, community mobilisation and cohesion, healthy lifestyles, ‘green recovery’” and other potential opportunities will feed into the 2020-21 recovery plans and 2021-24 MTFS refresh.</p> <p>The Corporate Leadership Team are also engaged in identifying new areas for savings in light of the pandemic and these options will be presented to members in due course.</p>
2. Is there any capital spend we can make to ease the recovery?	<p>The capital programme is currently being reviewed in line with strategic priorities and will be reproduced to Cabinet in September 2020. Corporate Directors are considering projects for inclusion in the revised programme and will be considering those that may ease recovery. For example our continuing investment in new homes</p>
3. Given how important Street space is to residents, does the Mayor feel that appropriate resource is allocated to this in forward planning?	<p>The funding of £30m for the Streetspace plan has been made available by TfL for all London Boroughs to bid competitively for. The funding is limited and does not cover all programmes that the boroughs applied for.</p> <p>TfL Streetspace for London plan, launched in May 2020, aims to help create more space on streets so people can walk or cycle while social distancing. The Streetspace plan is for places where temporary changes are needed to support social distancing or that would benefit from cycling and walking improvements.</p>

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	<p>The council submitted eight separate bid documents comprising up to 43 schemes. TfL have confirmed funding for 33 schemes, one of our schemes is on 'hold' (not received funding this time) with the remainder to be confirmed. To date £298,020 worth of funding has been approved and £228,695 received.</p>
<p>4. Can we have an analysis of mental health admittance rates (or similar) on a cumulative basis compared to other years or by month for the last 12 months to see whether COVID has caused an overall increase in mental health issues sufficient to require treatment.</p>	<p>This information is largely held by health services and has been requested.</p> <p>As noted in the impact assessment, feedback from health commissioners is that have not yet seen an overall increase in mental health issues that require hospital admittance (though feedback on the earliest indications of July data may suggest this is now changing). Inpatient occupancy rates have dropped by 20-30% in recent months. This is largely thought to be due to changes in the way mental health services have been organised as a consequence of the pandemic: In line with the national picture, most mental health services moved away from face-to-face and hospital-based provision at the start of the emergency unless essential. Some mental health services accepted only urgent referrals or ran with an adapted offer.</p> <p>However, increases in demand can be seen elsewhere, and feedback is that:</p> <ul style="list-style-type: none">- The East London NHS Trust Home Treatment team have been supporting more people in their homes.

	<ul style="list-style-type: none"> - Community Mental Health Team levels of accepted referrals have increased over the last two months. - For common mental health disorders we are now starting to see a rise in the numbers of people seeking help through Improved Access to Psychological Therapies (IAPT) to higher than pre-COVID levels after two months of reduced referrals. The number of referrals was 406 in April, 615 in May and 1147 in June 2020. - As noted in the impact assessment the number of calls made to the Tower Hamlets Mental Health Crisis phone line was 743 in March, 882 in April, and 811 in May 2020. 																																	
<p>5. How many people died from all causes and from COVID in each care home, by week and as a % of residents? Given concerns that in some care homes half their residents died in a 5 week period. The 37 deaths mentioned on page 10 of the full slide pack is different from ONS numbers.</p>	<p>The number of people who passed away in the five Tower Hamlets care homes for older people (or care home residents who died in hospital) by week, is as follows:</p> <table border="1" data-bbox="1335 1026 2040 1482"> <thead> <tr> <th>Week ending</th> <th>COVID-related</th> <th>Non-COVID</th> </tr> </thead> <tbody> <tr> <td>22nd March</td> <td>0</td> <td>2</td> </tr> <tr> <td>29th March</td> <td>5</td> <td>4</td> </tr> <tr> <td>5th April</td> <td>3</td> <td>6</td> </tr> <tr> <td>12th April</td> <td>19</td> <td>4</td> </tr> <tr> <td>19th April</td> <td>6</td> <td>2</td> </tr> <tr> <td>26th April</td> <td>2</td> <td>1</td> </tr> <tr> <td>3rd May</td> <td>1</td> <td>2</td> </tr> <tr> <td>10th May</td> <td>0</td> <td>0</td> </tr> <tr> <td>17th May</td> <td>1</td> <td>0</td> </tr> <tr> <td>24th May</td> <td>0</td> <td>1</td> </tr> </tbody> </table>	Week ending	COVID-related	Non-COVID	22 nd March	0	2	29 th March	5	4	5 th April	3	6	12 th April	19	4	19 th April	6	2	26 th April	2	1	3 rd May	1	2	10 th May	0	0	17 th May	1	0	24 th May	0	1
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<p data-bbox="210 1114 1310 1219">6. Do we have any intelligence on the demand for office space in Tower Hamlets as a result of possible changes in work routines? Given the prominence of places like Canary Wharf to the local and national economy</p>	<p data-bbox="1339 1114 2040 1257">No specific data has been analysed for Tower Hamlets in relation to demand (Deals for sales and occupancy rates) for office space as a result of possible changes in work routines.</p> <p data-bbox="1339 1262 2040 1331">However a recent report from JLL looking at the impact of C19 on London's Office Space suggests:</p> <ul data-bbox="1339 1335 2040 1476" style="list-style-type: none"> • 'Take up' of office space in Quarter 2 of 2020 (April-June) is at the lowest point in comparison to Quarter 2 data over a 10-year time period since 2010 (-53% down on 10-year Q2 																		

	<p>average).</p> <ul style="list-style-type: none">• 65% of surveyed respondents in the same report who previously did not work from home, would now like to incorporate working from home in the future.• It would be an oversimplification to say that an increase in home working will directly correlate in reduced demand for office space. This will be influenced by a broad mix of factors such as: The overall public health situation, government guidelines, economic growth, company culture, technology and innovation needs, commuting behaviour and how companies define real estate cost versus talent retention and acquisition cost.• Central London office stock is generally expected to remain more attractive than other office locations as it is anticipated that agglomeration economics will still be applicable and transport infrastructure provides strong accessibility with a proximity of highly qualified people. <p>The report then summarises that office space will change and predicts that we are likely to see:</p> <ul style="list-style-type: none">• Central hub's for companies and organisations• Smaller individual offices – reducing the stock of core assets• An increased requirement for collaboration space, amenities and a stronger emphasis on wellness• Office space will need to provide a greater degree of flexibility
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	<ul style="list-style-type: none"> • Landlords will have to adopt a more operational model – e.g. rental income linked to business turnover.
<p>7. Do we have any stats about cumulative or per month incidents of child safety? To see whether lockdown caused the problems we feared or not</p>	<p>Following lockdown there was an initial dip in overall referral numbers to children’s social care – likely due to school closure as schools are a significant source of referrals and also the place that children are seen most regularly by a professional. We have seen a rise in the number of contacts and referrals to date as more children return to school and lockdown measures lift. A significant proportion are linked to a spike in domestic abuse concerns seen from mid-April onwards.</p> <p>As with other local authorities, we expect that this increase in cases will continue once schools fully re-open in September. The likely rise in demand will be linked to domestic abuse, neglect and trauma/loss. We will not know the full extent of the issues until then but are already making a range of preparations for the anticipated ‘spike’.</p> <p>The number of children subject to Child Protection Plans has increased from 235 at the beginning of May to 303 currently. The number of children looked after remains largely stable.</p>
<p>8. Did air quality improve during lockdown from all types of pollutants and at all monitoring stations?</p>	<p>There has been a noticeable reduction in air pollution within the borough during lockdown from March 2020 till June 2020. The borough has two roadside monitoring points, one at Mile End and</p>

	<p>the other at Blackwall where two key pollutants, Nitrogen Dioxide (NO₂) and Particulate Matter (PM_{2.5}), are measured.</p> <p>Data show that NO₂ level measured in the two points for the lockdown period was significantly less than the previous year and under the legal limits for NO₂ annual average of 40 µg/m³.</p> <p>At the Blackwall monitoring station, the PM_{2.5} level during the period was consistently lower than the previous year. However, at the Mile End monitoring station, the PM_{2.5} levels in May and June 2020 were higher than the previous year. It is known that the PM_{2.5} levels are influenced by many factors, including weather (e.g. little wind causes less dispersion) and seasonal (e.g. ammonia use in farms in spring). It should be noted that the levels at both stations were much lower than the UK recommended level of 25 µg/m³ annual mean.</p>
Item 6.3 Medium Term Financial Strategy Refresh & 2021-22 Budget Planning	
Questions	Response
1. What is the aim behind extending the MTFS by a further year to cover the period ending 2024?	The MTFS covers a three year period. The last MTFS covered 2020-23. The new MTFS covers

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	2021-24.
2. What is the difference in the figures in this plan from what was agreed on earlier in the year? How are these going to impact on services? How will this be managed?	The MTFS has been updated with the latest estimated government, council tax and business rates income. This includes consideration of the economic impacts of the pandemic. Required savings and growth will be considered over the coming months including views expressed through the annual budget consultation.
3. What recourse is there for Budget holders who sign off overspending?	Budgets are managed in line with the Council's constitution including the finance and procurement regulations.
4. Given the shock of COVID, an imminent recession & possibly fundamental changes to the economy of Tower Hamlets is this not the time to change the way we budget to a bottom up or zero based budget model to review everything we do?	Zero based budgeting processes often lead to additional cost requests and can result in a higher call on budgetary resources than before. Additionally, they are very resource hungry to undertake and we do not have those resources available at the present time. However we are asking managers to consider the need for service change across all services.
Item 6.4 Financial Outturn for 2019-20	Response
1. What are the key disparities in the Council's expenditure last year compared to what was initially budgeted?	Please refer to the individual directorate outturn sections, where significant overspends are all listed out.
2. What are the realistic implications from removing the £11.7m from the New Home Bonus reserve? How is this going to be managed?	Since no confirmed plans had ever been approved for this resource yet, it will not mean cancellation of any planned schemes. However, in substance it does mean that capital investment opportunity may have been lost (while some ongoing services will have been maintained).
3. Why does the council not maintain General Fund Reserves lower than £20m?	This level is deemed the minimum appropriate to manage unforeseen risks. (It is common practice

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	for local authorities to maintain GF balances at 5-10% of their net revenue budgets.)
<p>Capital Receipts p26</p> <p><i>Less: poolable amount paid to DCLG (13.7)</i></p> <p><i>Wayside Gardens 1.9</i></p> <p>4. the £13.7 million poolable paid to DCLG – is this still being held for us by the GLA?</p>	<p>After the initial three years if we have not spent the RTB receipts there is a roll-over period whereby MHCLG pass them to the GLA to administer for a further three years.</p>
<p>5. Wayside Gardens receipt of £1.9 million – will this be spent in Canary Wharf ward on new green areas given that is where the money came from?</p>	<p>Not necessarily. Capital expenditure is funded from a variety of sources (capital receipts, s106, CIL, grants, borrowing), and where external funding is not available, it is advantageous to finance short life assets with capital receipts, and long-life assets with borrowing.</p>
<p>Item 6.5 Budget Monitor as at Period 2 for 2020/21</p>	<p>Response</p>

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<p>1. What are the margins of error for these projections?</p>	<p>There isn't a specific margin of error that we could quote, and we should acknowledge that the current unprecedented circumstances have a heightened sense of uncertainty; but these projections are the best professional estimates of service managers and finance staff at this time.</p>
<p>2. What actions can we take to mitigate against this overspend? Presently and in future</p>	<p>The Corporate Director – Resources has already sent out a communication to the organisation with the following actions:</p> <ul style="list-style-type: none"> • An immediate recruitment freeze • An immediate freeze on additional agency placements • An urgent review of Agency staff contracts • A Review of overall staffing levels taking into account defined essential services • An enhanced requirement for the delivery of agreed savings • A review of all posts currently funded through reserves
<p>3. How are we monitoring spillages?</p>	<p>(Assuming that the typo is for capital slippages) these are monitored as part of the Capital Budget Management process.</p>
<p>4. These number do not seem to match the Councils 30th June press release which said there was a £55.12 million financial impact from COVID in April to June? What has changed between the 30th June report and these numbers? Can we have a reconciliation between these two numbers and why the Council now believe we will end the year substantially less worse off then 3 weeks ago?</p>	<p>Different reports are quoting figures on different bases, and at different times. The P2 monitor was based on estimates in early May. The £55m quoted in the press is composed of: General Fund - £18m HRA £1.8m Funding (Business Rates and Council Tax) £35.2m. The figure of £19.5m in the P2 monitor, albeit only</p>

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	referring to General Fund costs, is now looking like an under-estimate, and we are seeing higher estimates come through in the early drafts of the P3 monitor.
<p>5. There is no clear breakdown in the analysis between:</p> <ul style="list-style-type: none"> • Previous year’s budget over-runs which continue into this year • Delays to saving commitments • Other non-COVID related issues • Direct COVID costs or savings i.e. PPE purchases • Direct COVID loss of income i.e. schools meals, parking • Indirect COVID related costs and income i.e. falls in inflation, Tower Rewards delay <p>Although the notes do provide some details</p> <p>Can this be supplied?</p>	This is not a straightforward exercise, and will require more time than the 24 hours given to officers to work up. We will follow up with a written response once prepared.
<p>6. What COVID costs did LBTH report to MHCLG for April, May, June?</p>	<p>April: £24.4m May: £29.2m June: £24.7m</p> <p>The figures above are estimated annual costs (ie not for that month alone), and do not include lost income such as Council Tax and Business Rates.</p>
Item 6.6 Oaklands School – Use of Raines School Lower Site	Response
<p>1. When are legal disputes between the Trust and Diocese expected to be concluded?</p>	<p>It is not possible to assess how long the dispute will take to resolve. The Diocese is seeking legal advice on the Raine’s Foundation Trust’s clam to the all of the site ownership. Depending upon its</p>

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	legal advice it will be for the Diocese to decide on whether it can resolve the matter quickly or contest the Trust's claim.
2. What is happening to the Upper school site? Given the substantial investment in public funds in recent years.	Upper School site is owned by the Raine's Foundation Trust. It has stated that its intention is for the building to continue to be used for the benefit of the community and for educational purposes. The matter of the investment would be become an issue if the Trust wanted to sell all or part of the site.
Item 6.7 Safe and Viable Re-opening of Leisure Centres	Response
1. Is there a timeline to the recovery of money?	The management fee will be repaid over the period of the contract, ending in April 2022. Financial assistance to GLL would be undertaken by operating a transparent, open book accounting approach. However, it is important that GLL's accounts are scrutinised to ensure the absolute minimal level of financial support from the council is determined and that GLL does not profit from any assistance given.
2 How will this affect the contract going forward? We should not be in a position where we have to give GLL an extension to recover the costs	The contract duration has not been changed and it will end in April 2022. GLL has committed to repaying the management fee within the timeframe of the existing contract (see 1.above). Officers are also negotiating to vary the contract so that the council would receive a high proportion of the surplus share, over and above the repayment of the management fee.
3. Can we have the findings of the consultancy work undertaken by the GLL London Client group mentioned in 2.3 which looks at the viability of the service and demonstrates that bringing the service in house does not bring value?	A number of the GLL client group local authorities have undertaken options appraisals for the procurement of their leisure contracts including bringing the services in-house. In summary, they have found that councils that have contracted out

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<p>Has the impact of the price change impact been modelled on the service?</p>	<p>their leisure management services do not currently retain the management expertise required for running such facilities internally, so a new management team would need to be employed. The operational staff would also need to be employed by the council via TUPE arrangements. This option would certainly increase the cost of running the centres for the council as it misses out on the management and supply chain economies of scale delivered by contracting an established provider with a large portfolio; it would also mean that that risk and liability of centre operations sit with the council.</p> <p>The price increases have been proposed to support GLL in recovering their financial position. The increases have been negotiated with GLL in order to ensure that the concessionary pricing for over 60's, under 16's, concessionary groups and borough residents is retained at a low level. The modelling undertaken by GLL shows that there will be little impact on those who currently qualify for concessionary rates. The increases in prices are mainly targeted at adult non-members and adult members, and will bring the prices more in line with the market benchmark with neighbouring boroughs.</p>
<p>4Do we have a breakdown of the £593k cost by centre/type of cost?</p>	<p>GLL has provided detailed financial information showing the loss of income during the lockdown period for each leisure centre. This information is commercially sensitive and is exempt from publication. However, it is possible to confirm that the loss of income has resulted in GLL being faced</p>

	<p>with all the utilities costs, COVID-19 related costs and maintenance costs for all the leisure centre. Most staff were furloughed, with the exception of a small number of managers who have kept the centres “ticking over” during lockdown. The furloughed staff have been paid through the government support scheme. As part of the agreement, GLL will also provide open book accounting to enable the council to regularly review their financial performance.</p>
<p>Item 6.8 Update on Youth Service Delivery Model (Commissioned and Inhouse)</p>	<p>Response</p>
<p>1.What is the real terms saving against the part of the contract currently commissioned?</p>	<p>The current commissioned activity of the youth service is 30% of the youth service budget. (£987k). The proposed commissioned activity from 2021 will be 59% of the youth service budget. (£1.2m)</p> <p>The savings have been made to the in-house provision based on performance and rationalisation of services.</p> <p>The budget in the report includes the proposed additional savings of £100k</p>
<p>2.What centres are no longer being funded and why?</p>	<p>The current youth service commissioning does not fund any centres: all funding relates to activity rather than buildings.</p> <p>The proposed commissioning for 2021- 2024 will not fund centres. The contracts will be for the provision of free, accessible, high quality and well publicised positive activities to young people, aged 11 to 19 (and up to age 25 if they</p>

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	<p>have a special need and/or disability): and the commissioned projects form part of the delivery of the Youth Service’s core youth offer.</p>
<p>3. When will the contract be written? What opportunity do we have to change the scope of that?</p>	<p>The specification for the tender and contracts will be developed over the next two months. Meetings will be held with stakeholders to solicit their views so that there is an opportunity to reflect any changes from these meetings. The Tender process is planned to begin in September 2020</p>
<p>4. How many targeted youth workers will remain once two posts are deleted?</p>	<p>The proposal is for 4 targeted workers to be part of the 0-25 workforce. There are no plans, at present, to reduce this number.</p>
<p>5. Table of quadrant youth population</p> <p>Given closure of primary schools in the west of the Borough and that 57% of all new housing has to be delivered on the Isle of Dogs and South Poplar why are historical youth projections numbers being used rather than forecasts for 2023, the midpoint of the proposed contract?</p>	<p>The data in the tables was the most up to date available. We know that the borough’s population is expected to increase from 317,200 in 2018 to 370,700 in 2028.</p> <p>The figures in the report were taken from the latest ONS experimental youth population estimates for mid-2018. The 2019 estimates are not expected until October 2020.</p> <p>Overall Population Projections for Tower Hamlets (March 2018) states that the borough’s pension age population (aged 65 and over) is expected to grow faster than any other age group, increasing by 39 per cent by 2028 which is more than double the growth rate for all ages (17 per cent). On the other hand, the number of children in the borough is expected to grow at a much slower rate: a 7% increase in school age children.</p>

	<p>The corporate research unit states that all projections are subject to some level of uncertainty and should be treated with caution. Economic and migration patterns will have an impact on population growth in Tower Hamlets</p>
<p>6 (3.9.3). Uncontrollable costs including depreciation, support services, premises costs of £329k in 2021/22.</p> <p>What are these costs?</p>	<p>Uncontrollable costs are expenses that cannot be unilaterally changed by the service. They are central cost for items that are divided across services e.g. Finance, HR, Health and Safety, Communications. Depreciation is a reduction in value of assets and premises costs are for buildings that the service utilises, whether youth centres or offices such as Mulberry Place and it's share, for example, in insurance, share in rent, cleaning, security costs, etc.</p> <p>These centrally allocated costs are apportioned to all services and, although they appear in the budget, is not under the control of the Divisional or Department heads.</p>
<p>6.9 Contingency Fund – additional Covid-19 support for the Voluntary and Community Sector</p>	<p>Response</p>
<p>1To confirm that there is no 'new' money being announced? This is how we use pre-COVID announced funds.</p>	<p>As set in the report there is £50,000 of new money being allocated to the existing contingency fund budget for to support the VCS sector. This is in addition to the £100k allocated for the contingency fund for this year.</p>
<p>6.11 CCTV Modernisation</p>	<p>Response</p>

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<p>1. Will the long promised Garford Street CCTV camera (to be paid for by the Salvation Army) be included in this programme?</p>	<p>The installation of the Garford Street CCTV camera is already planned. There have been a number of technical challenges which have been hard to overcome. We are working very closely with highways colleagues to progress ASAP. However, it can be confirmed that the equipment installed will be digital and will be compatible with the upgraded system.</p>
<p>2. Will the upgrade include cameras owned by housing associations like One Housing Group but which are connected to the Council control room?</p>	<p>The upgrade will be for LBTH cameras only. There are no third party organisation cameras connected to the Council control room.</p>
<p>3. Will there be an opportunity to review the location of cameras many of which reflect historical areas of concern and not necessarily new areas?</p>	<p>We have commissioned consultants to develop technical specifications for the upgrade. This will include a review of current camera locations and provide costed proposals for:</p> <ol style="list-style-type: none"> 1. Maintaining the network as is with minor changes / additions / removals 2. Expanding the network of cameras 3. A cost saving option (revenue and capital) <p>It is anticipated that all three models will be available by the end of September for a decision to be made.</p> <p>It should be noted that any new locations of cameras must be legally justified in line with requirements of the Protection of Freedoms Act 2012 and the Surveillance Camera Code of Practice. A new protocol has recently been</p>

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	developed to assess suggested locations for deployable cameras.
4. How would the capital element of this programme be funded?	The capital programme is funded by either borrowing grants or other capital related funding streams such as s106 and CIL
5. Commercialisation of the CCTV service is the ambition.” What does this mean?	The CCTV network in Tower Hamlets is relatively large and well developed. We provide a high-quality monitoring service and work closely with partners, including the police, to detect and investigate local crime. Control centre services could be marketed to other local organisations, for example housing providers, to maximise efficiencies and offset the cost of the service to LBTH to ensure the service is financially sustainable. Whilst there are no existing plans for commercialisation, services cannot be provided to third parties without the necessary system upgrade.