

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Legal services - recruitment and retention of core legal team including market supplements		
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Reference:	GRO / CEO 001 / 24-25	Growth Type:	Budget Pressure
Directorate:	Chief Executive's Office	Growth Service Area:	Central services
Directorate Service:	Legal and Monitoring Officer Services	Strategic Priority:	8. A council that listens and works for everyone
Lead Officer and Post:	Janet Fasan, Director of Legal and Monitoring Officer	Lead Member and Portfolio:	Cllr Saied Ahmed, Cabinet Member for Resources and the Cost of Living

Financial Impact:	Current 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	3,390	100	-	-	100

Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	53	-	-	-	-

Proposal Summary:
Legal services - recruitment and retention of core legal team including market supplements.
A review of the hard to recruit posts has highlighted the need to incorporate a market supplement to improve the uptake of applicants recruited to permanent posts. This will reduce the reliance on interim/agency cover and therefore reducing the substantial agency costs that is currently being experienced by the service.

Budgeted Outcomes / Accountability (focus on improved performance):
Increasing permanent staff in posts will enable better service delivery as there will be a reduction in staff turnover which has a negative impact on the delivery of the service. Also, the costs of agency and interims will be reduced and enable the service to maintain spend within budget.

Risks and Implications:
A risk could be that the market supplement/increased salary does not attract suitable candidates to the roles.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	

Summary:	Additional Information and Comments:
To be completed at the end of completing the Screening Tool.	
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #d3d3d3; padding: 5px;">Based on the Screening Tool, will a full EA be required?</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">No</div> </div>	

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Member Development Programme		
Reference:	GRO / CEO 002 / 24-25	Growth Type:	Mayoral Priority
Directorate:	Chief Executive's Office	Growth Service Area:	Central services
Directorate Service:	Democratic Services	Strategic Priority:	5. Investing in public services
Lead Officer and Post:	Matthew Mannion, Head of Democratic Services	Lead Member and Portfolio:	Mayor Lutfur Rahman, Executive Mayor

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	15	45	-	-	45
Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

Proposal Summary:
<p>Achieving the LGA Member Learning and Development Charter Mark and transforming the Council's Member Development Programme.</p> <p>As Lord Gary Porter, Chair of the LGA says: "The environment in which we work is ever changing and if we're to continue to meet our residents' expectations we've got to keep pace with it. That means recognising that the role of the councillor is different to what it was five, 10, even 20 years ago. We're wardens of places, leaders who represent the interest of our residents, protectors who mitigate the impact of funding constraints, facilitators who help partners and communities work together and develop new possibilities for their local areas.</p> <p>Our roles are being redefined and we need to make sure we have the skills and expertise to continue delivering for our communities. The Member Development Charter and Charter Plus has provided councils with a robust framework and has encouraged member development across the sector.The charter ... make[s] sure we're capturing current and future challenges so that councillors are able to shape debate whilst continuing to fulfil their role as the community representatives.</p> <p>I would strongly encourage local areas to adopt the Member Development Charter and Charter Plus as a guide and a benchmark as part of your improvement journey. Every profession has continuing professional development at the heart of their improvement and so should we. The Member Development Charter and Charter Plus supports this continuing professional development for councillors by being a contract between the council and its councillors that commits to invest in councillors' growth and development."</p> <p>Commentary: The Council has always operated a standard Member Learning and Development Programme covering key statutory and other requirements for Members. Development training has also been offered on skills and professional development but usually on an ad-hoc, general, basis. The training programme is seen as having met the goals that were set for it but that these were generic rather than Member specific.</p> <p>The proposal is to transform the nature of the Programme turning it into a support tool that is geared to the individual needs of all our Members. This recognises that the programme should not just be about core statutory requirements for training but should also encompass all the skills that Members need to best undertake their roles and that development of these skills is very much down to the individual and their needs.</p> <p>Skills and personal development is an area that is expected to require significant support from external trainers as Council officers are unlikely to have the relevant qualifications to run such training. The training is also likely to be on a 121 or small group basis depending on the issue. In addition, for statutory and similar training, the council will look to make sure of external organisations where this is useful/appropriate to the training to be delivered.</p>

Budget:

The proposal is that at the core of the new Programme each Member should be able to call upon at least £1k each per year for their own personal development (with additional allowance potentially available for role specific training).

A general budget would also be retained to allow the provision of external trainers for statutory and other 'All Member' training and for general training programme expenses.

Historically there was a budget of £10k which officers had agreed to increase by £5k through internal virements within the Member Budget. However, this year the total spend is currently expected to be closer to £25k-£30k and that is without the proposed new individual training budgets (although it does include some training which would be covered by that plan).

The proposal at this stage is therefore to increase the budget to £60k with which to cover the likely take-up of the individual member training budgets and to allow a significant additional sum for group/all member training as required.

In future the new Member Learning and Development Group will monitor use of the Training Budget and related issues and could request that officers seek further budget increases if that proved necessary (or budget reductions).

Member Learning and Development is managed by Democratic Services within the Member Support Team. At this stage there are no proposals to increase the number of staff posts as it is planned that this increased support will be managed within existing resources.

Budgeted Outcomes / Accountability (focus on improved performance):

The aim of the improved programme is to increase the capacity of all Members so that they can fully undertake the wide variety of roles that they have to take on.

Effective Members increase the general effectiveness of the Council but also of its partner bodies and other local organisations where our Members play a formal role.

Risks and Implications:

Where Members are not training/able to undertake their roles effectively there are significant risks both to the Council and also to its partners. For example, Members are expected to take major strategy and policy decisions, sit on boards of outside organisations, scrutinise and audit the Council's work, support and represent local residents and businesses amongst many other roles. This requires a wide range of different skills and training to support these roles.

Value for Money and Efficiency:

Accreditation to the LGA Charter Mark will provide a guarantor that the Council's programme is of a good quality.

The Member Learning and Development Group will be able to monitor training provision and costs to ensure that they are appropriate and of a good value to the Council.

Members will be required to complete personal development plans or similar to demonstrate a need for any particular training.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
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Does the change alter who is eligible for the service?	No	
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Changes to Staffing		
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GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	SEN Transport		
Reference:	GRO / CHI 001 / 24-25	Growth Type:	Unavoidable Growth
Directorate:	Children's Services	Growth Service Area:	Education services
Directorate Service:	SEN Transport	Strategic Priority:	5. Investing in public services
Lead Officer and Post:	Lisa Fraser, Director of Education	Lead Member and Portfolio:	Cllr Maium Talukdar, Statutory Deputy Mayor & Cabinet Member for Education, Youth and Lifelong Learning

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	6,757	1,121	-	-	1,121

Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

Proposal Summary:
<p>The transport provision is delivered through several different routes: -</p> <p>The most cost-effective delivery as well as the most flexible for parents and carers is through personnel transport budgets and where possible families are offered this as an option for supporting their Child in their Journey to School. However, this does not always work for Parents who have Children at different School or who are not able to access transport.</p> <p>Internal Transport services are offered through the Place directorate and deliver a multi-route bus service for Children, primarily at Special School or resource bases. The Cost of this service is shared with adult services who have access to the transport during the day for clients to attend day centres, while the routes are utilised for Schools in the morning and late afternoon Historically the split of these costs had been 70/30 with Children picking up the higher element of the cost. With the reduction in the use by Adults post Covid this has now changed to an 80/20 split. The cost base has also increased, with no subsequent increase in the budget for the service over the last three year. The Increase in costs was masked by Covid, where grants were used to support the increased cost.</p> <p>The current mid-point forecast from the External transport Team is 80% of £5,641K = £4,513k against a current budget of £3,405k, giving an increase of £1,108k</p> <p>The third route of transport provision is through the use of call off contracts for individual taxi transport, the 2022/23 budget overspend in this area was £1,670k. Much of this overspend relates to build up of inflationary pressures which had not been built into the base budget, which have now been agreed for 2023/24 of £1,257k leaving a volume pressure of £413k.</p> <p>These two pressures equate to £1,521k. However, the service believe that further mitigations would be possible through the use of personnel budgets, route optimisation, travel training and review of current non statutory provision. This would mitigate the cost by an estimated £400k giving a growth proposal of £1,121.</p>

Budgeted Outcomes / Accountability (focus on improved performance):
<p>The Council must make transport arrangements for all children who cannot reasonably be expected to walk to school because of their mobility problems or because of associated health and safety issues related to their special educational needs (SEN) or disability. Eligibility, for such children is assessed on an individual basis to identify their particular transport requirements. Usual transport requirements (e.g. the statutory walking distances) cannot be considered when assessing the transport needs of children eligible due to SEN and/or disability.</p>

Risks and Implications:

- Risk to the effectiveness of assessment and review process
- Risk of additional demand led funding pressures
- Risk to ability to demonstrate a fair and robust needs based individual assessments and re-assessments in accordance with the LA's statutory duties.
- Risk of legal challenge at SEN Tribunal

Value for Money and Efficiency:

The Transport demand board has been reconstituted and will regularly review best value delivery of the service as well as alternative arrangements that offer longer term support for young people towards independence.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

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GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	SEND Improvement – SEN Service				
Reference:	GRO / CHI 002 / 24-25	Growth Type:	Unavoidable Growth		
Directorate:	Children's Services	Growth Service Area:	Education services		
Directorate Service:	Special Educational Needs and Preparing for Adulthood	Strategic Priority Outcome:	Priority 3: Accelerating education Priority 8: A council that listens and works for everyone		
Lead Officer and Post:	Dr. Tina Sode and Lewis Teasdale Joint Heads of Special Educational Needs	Lead Member and Portfolio:	Councillor Maium Talukdar, Deputy Mayor and Cabinet Member for Education, Youth and Lifelong Learning		
Financial Impact:					
Budget (£000)	Current Budget 2023-24 7,641	Growth 2024-25 454	Growth 2025-26 150	Growth 2026-27 -	Total Growth 604
Staffing Impact (if applicable):					
Employees (FTE) or state N/A	Current Budget 2023-24 48	Growth 2024-25 11	Growth 2025-26 -	Growth 2026-27 -	Total FTE Increase 11

Proposal Summary:				
<p>This growth bid is in line with the Council's Strategic Plan 2022-26 priorities 3 and 8.</p> <ul style="list-style-type: none"> Priority 3: Accelerating education: Improve support for children and young people with Special Educational Needs. Priority 8: A council that listens and works for everyone: Work to ensure staffing at every level of the council reflects the diversity of the borough / Implement a rigorous improvement programme for those services subject to external inspection. <p>This proposal is a request for additional staffing within SEN and PFA, to meet the increase in demand for statutory SEN services and to maintain the pace of improvement within SEN. This bid is for an additional 8 EHC Coordinators, 1 Senior EHCP Coordinator, 1 assistant EHC Coordinator, and a Quality Assurance lead.</p> <p>The table below outlines a breakdown of the growth requested within this bid.</p>				
Job role:	Grade:	Salary with on-costs, second spinal point:	Number of roles:	Salary with on-costs, second spinal point:
EHCP assistant coordinator	F	£41,825	1	£41,825.00
EHCP Coordinator	I	£53,857	8	£430,856.00
Senior EHCP Coordinator	J	£60,831	1	£60,831.00
Quality Assurance lead	L	£70,243	1	£70,243.00
Total				£603,755.00
<p>The SEN Service is a statutory service that assesses, issues and reviews Education, Health and Care plans for children and young people who have Special Educational Needs and who require levels of support beyond what their schools/educational settings receive from central government. These top-ups to settings are funded via the Dedicated Schools Gant but the service is funded via the General Fund. The growth for 2022-23 was recognition of long-term underfunding of the service and a response to the Written Statement of Action received following the June 2021 Local Area SEND Inspection. Additional funding has meant that rapid improvement was seen in the key areas of the quality of EHCPs, and the administration of Annual Reviews of EHCPs.</p> <p>The SEN Service will be inspected again by OFSTED under the new SEND-AP Inspection Framework within the next 12 months. Building on existing good practice, the Local Authority must ensure that it is in the best position to meet current and future demand and need in SEN, as well as continue to drive and evidence good work within the Local Area when inspected.</p>				

However, over the last year there has been a significant increase in the number of requests for assessment (for an EHCP) have been received, and a corresponding increase in the number of EHCPs issued, and therefore an increase in the total number of EHCPs which the Local Authority is responsible for.

There has been significant increase in the number of new requests for EHCNA seen in recent years:

- A 25% increase, 2021 against 2022 (calendar).
- A 35% increase, 2022 against 2021 (calendar).
- A 100% increase (doubling) for the 2022/23 academic year, compared to the 2020/21 academic year.
- The Local Authority currently receives between 90-110 requests for an EHCP each month. As a snapshot, there were 39 requests for assessment in June 2021, 64 in June 2022, and 90 in June 2023.
- At the time of writing (August 2023) it has received 778 requests for the 2022/23 academic year (September 2022 – July 2023); last academic year it received 555 in the same period.

In one year, the number of EHCPs issued by Tower Hamlets has increased from 400 in the 2021/22 academic year, to 700 in the 2022/23 academic year.

The total number of EHCPs for which the LA is responsible for has risen from 3257 (January 2021), to 3464 (January 2022), to 4111 (January 2023), to 4371 (July 2023), a 34% increase in 2 ½ years. It is expected that by the end of the 2023/24 financial year – by Easter 2024 – the Local Authority will be responsible for between 4750-5000 EHCPs.

This increase in demand is reflected nationally: there has been a 14% increase in the total number of Plans between 2020 and 2022 (last available DFE figures), and a 51% increase in the number of requests for assessment at the same time-period.

Historically, there had been challenges with the timeliness of EHC Needs Assessments in Tower Hamlets. However, recent additional interim capacity has been brought into the SEN Service to address the demand and case management of new assessments, as well as clear overdue and outstanding assessments; this latter work is completed though the demand for new assessments remains. Cumulatively for this calendar year to date, 55% of all EHCPs have been delivered in-timescale, which is slightly above the national average. However, month-by-month, our performance is higher, and over the last 3 months (May, June, July 2023) we have issued 66% of EHCPs within the statutory 20 weeks as a result of this additional capacity, putting Tower Hamlets in the top third of LAs.

With the rapid increase in both the number of EHCPs held, as well as the demand for new requests, SEN colleagues have been working with split focus. The SEN Service will be moving to a model of teams split working exclusively on new assessments, and exclusively on ongoing casework for issued EHCPs, Annual Reviews, and Phase Transfer.

This proposal seeks to maintain the performance and continue the improvement of timeliness of EHC Needs Assessments, whilst ensuring that each child or young person receives continued support on their EHCP in their journey through the SEND system into adulthood. It seeks to ensure that there are sufficient Coordinators to undertake and complete the requests for new assessments within the legally required 20-week timescale, as well as deliver on commitments to co-produce our EHCPs with families, children and young people, and involved professionals, whilst at the same time bring writing EHCPs back into the Local Authority. It seeks to ensure that every child's EHCP is amended at each Key Stage and point of transition (from nursery into primary school, primary to secondary school, and secondary into post-16 education). It seeks to ensure that there is sufficient support for our young adults as they move from education into employment and training.

Each casework/Annual Review coordinator (including Preparing for Adulthood) would hold a caseload of 225 pupils; each new assessment coordinator would deliver 125 new EHCPs each year, written internally and properly co-produced.

Within this proposal it seeks to balance management of an increased workforce and workloads as well: not with senior managers, but with assistant team leaders who would work with professionals, schools and settings, to manage demand and advise on alternative services before statutory SEN. These new roles will deliver opportunities for retention and development of good and ambitious colleagues, fulfilling Tower Hamlets' ambition to 'grow our own', and providing a stepping-stone from front-line work into management and then leadership.

Budgeted Outcomes / Accountability (focus on improved performance):

Priority 3: Accelerating education: Improve support for children and young people with Special Educational Needs

New assessments: There will be sufficient capacity to ensure that the SEN Service can meet the demand for statutory assessment, delivering any agreed assessments within the 20-week timescale greater than national averages. At the other end of the scale, there will be renewed and greater scrutiny of new requests, with further advice and support back to targeted and universal support services where requests for assessment are declined. Both will ensure that Tower Hamlets children and young people receive the support and assessment which they need, at the time and in the manner which they need it. It is expected that all new assessments will be written in-house, rather than outsourced, and all EHCPs will be co-produced with families and children and young people.

Annual Reviews: Building on the newly implemented two-step Annual Review process, there will be greater co-production with families and children and young people on their existing Plans as they move through the SEND system. There will be SEN representation at the most important Annual Reviews, especially at Phase Transfer, to ensure that EHCPs remain relevant, reflective of the aspirations, outcomes and need of children and young people. There will be closer scrutiny of the need for continuing EHCPs, with a focus on ceasing where appropriate EHCPs, where a child or young person has completed their outcomes and is ready to 'graduate' onto a lower level of support.

Co-production: With the above in place, all children and young people with an EHCP (new and existing) will have co-production in their EHCP along their entire SEND journey. This will be first with their families and then into secondary school and post-16. Young people will have an ever-greater stake in their educational direction.

Preparing for Adulthood: Building on the successes of the PFA Service, more Tower Hamlets young people will attend colleges and training provision locally; more Tower Hamlets young people will be in meaningful apprenticeships, supported internships, and ultimately employment, locally and in the London area. More young people with SEN will live happy and successful independent / semi-independent lives. There will be fewer young people Not in Education, Employment or Training (NEET).

Accountability: Parents-carers, families, children and young people, and professionals / stakeholders, will have an increased and measured confidence in the Local Area SEND system as a whole and through the gathering of user feedback on the process and the systematic recording of outcomes, will demystify the whole SEND journey for all, increasing transparency and allowing the service to respond to the needs of our local communities. Regular reporting of service user feedback, statutory timescales and progress against individual outcomes will ensure accountability, as will Director oversight.

Priority 8: A council that listens and works for everyone: Work to ensure staffing at every level of the council reflects the diversity of the borough / Implement a rigorous improvement programme for those services subject to external inspection.

A diverse and reflective workforce: This growth proposal allows the SEN Service to continue to develop and be a reflective face of our local area. It will allow the SEN Service too, to promote and develop good and ambitious colleagues internally – 'grow our own' – with a focus on front line roles, rather than senior management. The Quality Assurance role will ensure that this is embedded and continuously improved upon, as standard practice.

A rigorous improvement programme for those services subject to external inspection: The SEN Service will be inspected again by OFSTED under the new SEND-AP Inspection Framework within the next 12 months. Building on existing good practice, the Local Authority must ensure that it is in the best position to meet current and future demand and need in SEN, as well as continue to drive and evidence good work within the Local Area when inspected.

Risks and Implications:

Reputational:	Reduction in the local community's confidence in the LA and SEND Services, which has taken time to rebuild and develop,
Legal:	An increase in tribunal and mediation cases with associated risk of parental preference for out of borough schools and settings, Non-compliance with statutory duties (Children and Families Act 2014, SEN Code of Practice 2015),
LGSCO:	Delays in processing new assessments and Annual Reviews may yet increase number of matters going to Ombudsman and potential compensation payments,
Ofsted:	Written Statement of Action not delivered – failure to meet the significant weaknesses identified in the Written Statement of Action, leading to further action from Ofsted/CQC and central government, Adverse inspection judgement at next re-inspection of the Local Area under the new SEND-AP Inspection Framework, particularly on amended and updated Plans.

Value for Money and Efficiency:

This investment will bring the capacity in line with neighbouring LAs and deliver better value for residents.

With a focus on front-line staff and internal staff development, this investment brings greater value for money than before and will reduce the spend on high-cost interim staff, meeting demand from a permanent and stable workforce.

The increase in capacity will also enable data held within the service to be used more effectively in future planning and in meeting the outcomes of children and young people. This will improve the quality of provision for children and young people with SEND.

A smoother assessment process, and further improved Annual Review process, both with co-production at their heart, will support efficient assessment and review of EHCPs ensuring that outcomes are met with maximum cost-return.

It will enable the Local Authority to demonstrate the pace and impact required by the Written Statement of Action following the joint OFSTED/CQC inspection, as well as reassure external monitors of continued improvement and a commitment to SEND.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
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GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2023-26

Proposal Title:	Leisure Service Insourcing		
Reference:	GRO / COM 001 / 24-25	Growth Type:	Mayoral Priority
Directorate:	Communities	Growth Service Area:	Cultural and related services
Directorate Service:	Leisure	Strategic Priority:	4. Boosting culture, business, jobs, and leisure 5. Investing in public services
Lead Officer and Post:	Tom Alexander, Project Director, Leisure Capital Programme and Procurement	Lead Member and Portfolio:	Cllr Iqbal Hossain, Cabinet Member for Culture and Recreation

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	0	2,105	205	-	2,310
Staffing Impact (if applicable):	Current FTE 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	0	Circa 250	TBC	plus circa 50 for St Georges	Circa 250

Proposal Summary:		
<p>In August 2022 the Mayor & Cabinet agreed that the Leisure Service will be insourced from May 2024. It is currently outsourced to GLL under a contract that will expire on 30 April 2024. This change will provide greater control over the operation of the Leisure Service, as delivered through the Council's 7 leisure centres. It also requires the Council to assume all commercial and operational risks associated with running the service. The insourcing of the leisure service is a key deliverable of the Council's Strategic Plan</p> <p>The new in-house service will run all 7 leisure centres (noting that St George's is shut but a new facility is due to open on that site in the next 5 years). It will also deliver outreach services using non-Leisure sites (e.g. community centres, parks, etc.), although that is to be determined after engagement with residents and validation through business planning. The service will manage, maintain and operate the leisure centres, initially to a similar specification to the current GLL contract, but evolving to a more holistic wellbeing model to ensure it meets a wider range of need, offer a different combination of programmes and interventions and generates new income.</p> <p>Officers are undertaking a detailed financial modelling exercise to understand the true costs of running the service given recent inflationary pressures, a reduction in discretionary spend for most residents, additional running costs and new technological developments within the leisure industry.</p> <p>The decision will provide the Council with greater control over the operation of the service, and full responsibility for its performance. It is our intention that, with sufficient planning and investment, the service could perform above the model's expectations, however learning from other areas suggests a deficit budget.</p>		
	24/25	25/26
Direct Income	9,629,650	10,505,073
Direct Expenditure	10,540,484	11,498,710
Net Direct Operating Cost	(910,834)	(993,637)
Central Support Cost	1,194,903	1,317,166
Growth Request	2,105,737	2,310,803

These are provisional costs and our forecast will be more accurate as the modelling is informed by further data and analysis. We are shortly to receive additional key information from GLL on staffing and programming that will refine our estimates, will find more as part of the final hand back and will be able to validate and stress test the model with the new governance arrangements, we are putting in place between now and the end of April 2024.

We have not maintained any central contingency amount in the project, however there is significant risk in the project as we do not know the number of staff we will receive at this point, now do we know their grades and salaries. There would also be significant recruitment costs if key personnel do not transfer. Therefore, an amount of £550k is held within the corporate risk reserve which could be called on if required.

These figures do not include any inflation or costs that may be identified in the condition surveys being undertaken currently. Some of those surveys are likely to identify invest-to-save opportunities on issues like utility consumption.

Budgeted Outcomes / Accountability (focus on improved performance):

The proposal to insource meets strategic priorities 4. Boosting culture, business, jobs, and leisure & 5. Investing in public services

The Mayor and Cabinet anticipate an improvement in service quality from the Council being able to intervene directly in the service.

Risks and Implications:

The Leisure Delivery Board's risk register monitors the implications of this change. It highlights a number of significant risks rated R using the Council's RAG methodology. These include (but not exclusively):

1. The Council will be responsible for the cost of any deficit in the trading performance of the service, currently estimated to be £2.6m per annum.
2. The Council needs to recruit a bespoke management team to oversee the delivery of this service, employing individuals with the requisite skills and experience to manage the service as effectively as possible. Failing to do so, or to retain staff that have been recruited, will significantly undermine the ability of the service to function effectively.
3. All operational risks will sit with the Council – staffing shortfalls, health and safety incidents, equipment failure, planned and reactive maintenance, customer service, etc.
4. A transition team with experience of undertaking a similar insourcing needs to be maintained to give the Council the best chance possible of meeting the tight deadline of 1 May 2024 for having the in-house model in place and to ensure the offer is fully developed whilst the operational team can deliver the day-to-day services.
5. The risk of deteriorating performance from the current provider as the contract nears end.

Value for Money and Efficiency:

The proposal to insource the Leisure Service will provide the Council with greater control over how it operates, and thus the potential opportunity to alter aspects of its delivery to meet Council objectives, particularly public health priorities. The in-house option does not offer a fiscal advantage over other delivery model options. Its value is based on having a more flexible model, in terms of adjusting its delivery quickly and without any recourse to contractual change and the potential to widen the service offer to attract new customer and additional revenue streams.

The service is more likely to be successful in widening its offer and reducing the initial deficit to the Council if sufficient resource is dedicated to allow for:

- as smooth a transition as possible to an insourced operation,
- continuing development past the initial hand-back date,
- ensuring the operational management and staffing of the service has the requisite skills, expertise and experience required to run it.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	Yes	This proposal creates a new front-line service, albeit non-statutory, in the form of the in-house leisure service providing facilities and activities directly to residents.
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	Yes	For existing Council staff who manage the contract with GLL and the strategic direction of the current contract, there will be changes to roles, including preferable T&C and focus on community wellbeing.

Summary:	
To be completed at the end of completing the Screening Tool.	
Based on the Screening Tool, will a full EA be required?	No

Additional Information and Comments:
This is a substantive change in how the service is managed, although users will hopefully not see any negative impact upon service quality if the transition is smooth and the new service resourced to succeed. There are, however, some implications for staff – existing Council, and employees who will TUPE across.

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Coroner's Consortium		
Reference:	GRO / COM 002 / 24-25	Growth Type:	Unavoidable Growth
Directorate:	Communities	Growth Service Area:	Cultural and related services
Directorate Service:	Environmental Health and Trading Standards	Strategic Priority:	5. Investing in public services
Lead Officer and Post:	David Tolley, Head of Environmental Health and Trading Standards	Lead Member and Portfolio:	Cllr Kabir Hussain, Cabinet Member for Environment and Climate Emergency

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	342	250	-	-	250
Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

Proposal Summary:
<p>The Council is within the statutory Inner London North Coroners Consortium with Camden, Hackney and Islington. This is a statutory arrangement governed by legislation for the provision of the Coroners Service. Camden are the lead Authority. The costs of the Coroners Service are divided equally between the four Boroughs. There has been a considerable increase in costs of running the Service due to a backlog of Coroners Hearings, pathology costs and general uplift of contracts that the Coroner has to have in place. The Coroner also has opened an additional Court within Tower Hamlets (Bromley Public Hall) – to assist with the backlog of Hearings that have built up during covid.</p>

Budgeted Outcomes / Accountability (focus on improved performance):
<p>This is a statutory requirement to provide this Service, costs are managed by Camden.</p>

Risks and Implications:
<p>The provision of this Service is a statutory requirement.</p>

Value for Money and Efficiency:
<p>The Coroner is responsible for running the Service and the Authorities are have a statutory responsibility to fund the Service. The Coroner and her Officers are accountable to the Ministry Of Justice and not the Local Authority.</p>

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	

Summary:	Additional Information and Comments:
To be completed at the end of completing the Screening Tool.	
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #d3d3d3; padding: 5px;">Based on the Screening Tool, will a full EA be required?</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">No</div> </div>	

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Freedom Passes 2024-27		
Reference:	GRO / COM 003 / 24-25	Growth Type:	Unavoidable Growth
Directorate:	Communities	Growth Service Area:	Highways and transport
Directorate Service:	Parking, Mobility and Market Services	Strategic Priority:	5. Investing in public services
Lead Officer and Post:	Michael Darby, Head of Parking, Mobility and Market Services	Lead Member and Portfolio:	Cllr Kabir Hussain, Cabinet Member for Environment and Climate Emergency

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	8,067	1,527	2,064	1,342	4,933
Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

Proposal Summary:

The Freedom Pass scheme provides free travel on public transport for pass holders over 66 and registered as disabled throughout London. The scheme is administered by London Councils and decisions on apportioning the costs of the scheme between boroughs are made by Members of London Councils' Transport & Environment Committee.

London Councils manage the negotiation of the Freedom Pass settlement with TfL and the allocation process between all the London Boroughs of their respective budget contributions to TfL.

Based on London Councils latest model (assumptions) of concessionary fares

- 24/25 figures are confirmed, and all ongoing years are estimates and could be subject to change.
- We're using HM Treasury inflation estimates for future years – as you know these are imprecise.
- The amounts for future years are much less reliable and will depend on journey numbers and inflation and for that reason we have included several scenarios regarding the extent to which journey demand.

Appendix 2: 2024/25 Apportionment by quarter and borough

Authority	Total per borough (£) Paid to TfL	Total per borough (£) Paid to London Councils	2024-25 Total per borough (£)
Tower Hamlets	9,386,620.00	207,648.00	9,594,268.00

	2025-26			2026-27		
	Trips at 90% base level demand to pre-			Trips at 100% base level demand to pre-		
BOROUGH	Lower range	Baseline	Higher range	Lower range	Baseline	Higher range
Tower Hamlets	£11,201,924	£11,658,200	£12,376,599	£12,475,815	£13,000,200	£13,784,942

Budgeted Outcomes / Accountability (focus on improved performance):

The Freedom pass allows for older persons and disabled people to freely travel across London and free bus journeys nationally.

Risks and Implications:

The Council is bound to pay a contribution to the Freedom Pass scheme and may not legally withdraw from the scheme. The apportionment methodology is determined by the Boroughs working through London Councils.

The settlement is usually confirmed annually in November/December which provides the information on what the Authority's annual contribution will be based on for the next year.

Other work currently being undertaken on demographic and social changes within the Borough indicate that the Authority has an increasing population which may mean an increased demand for freedom passes.

Value for Money and Efficiency:

The Authority has no individual control over the amount of money levied upon it to fund the Freedom Pass scheme. Arguably the Freedom Pass scheme represents value for money in offering enhanced mobility to traditionally fewer mobile members of the community and enhances sustainable travel by encouraging the use of public transport.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	

Summary:	Additional Information and Comments:
To be completed at the end of completing the Screening Tool.	
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #d3d3d3; padding: 5px;">Based on the Screening Tool, will a full EA be required?</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">No</div> </div>	

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Waste Operations		
Reference:	GRO / COM 004 / 24-25	Growth Type:	Mayoral Priority
Directorate:	Communities	Growth Service Area:	Central services
Directorate Service:	Waste Services, Public Realm	Strategic Priority:	7. Working towards a clean and green future
Lead Officer and Post:	Simon Baxter, Director of Public Realm (Interim)	Lead Member and Portfolio:	Cllr Kabir Hussain, Cabinet Member for Environment and Climate Emergency

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	20,346	5,000	(5,000)	-	0 (one off investment)

Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	335	72	(72)	-	-

Proposal Summary:

The mayor declared a waste emergency at full Council in November 2022. A waste improvement plan was drafted and presented in July 2023 as a response to the requirements of the waste emergency. The plan did not fully highlight the issues within waste services that stemmed from a flawed TUPE process. This plan seeks to address these failures with a response that will review, recover, and deliver an improved waste service for residents of the borough. It is expected that the proposed projects will deliver improvements starting from April 2024. This is a one-off investment in 2024-25, improvements in standards will need to be maintained from the existing baseline budget or subject to a growth bid in the 2025-26 Medium Term Financial Strategy.

This growth bid relates to delivery of improvements, highlighting the need for investment and realignment of waste services to provide a basis for service improvement, with an overarching goal of delivering on the key strategic plan objectives - 'working towards a clean and green future - cleaning up our borough with more bins, litter sweepers and a mission to drive down missed bin collections'.

To ensure changes to service improvement are sustainable over the long term, the delivery model will be programme based with a suite of projects some of which will be mainstreamed as their effectiveness is assessed and performance reviewed. Thirteen main projects have been identified as priorities, with sub-projects that will require realignment of the waste services structure and strengthening of links to internal teams such as Finance, Human Resources, Customer Contact Centre, and Revenues. To deliver these projects and service changes, there will be a need to utilise internal and external project management support. The proposal is to utilise internal staff within the council and external staff in the following ways.

Job Title	Role Requirements	Commencement of Assignment for 12 months
Programme Manager x 1	To coordinate, manage and lead on the programme deliverables	April 2024
Project Managers x 4	To manage and coordinate a suite of projects working with project officers and reporting to the Programme Manager	April 2024
Project Officers x 4	To work with the project manager as directed	April 2024

To meet the demands and needs of effective service delivery, waste services require a reorganization of the staff structure. This will consider the potential for a dedicated in-house call centre for waste services to deal with all waste/street cleansing/ demand from FiFi-related telephone enquiries. It will also consider -

- The potential creation of a Local Environmental Quality Team
- The potential creation of a nighttime enhanced enforcement team
- A review of top and middle management structures
- Investment in more training and development for front line staff

Budgeted Outcomes / Accountability (focus on improved performance):

PROJECT DESCRIPTION	MILESTONES	RESOURCE	COST
Introduction of Time-Bands	<p>Revised time-bands will be introduced to ensure all waste from shops and businesses is placed out at the correct time and place to ensure that our streets are clear of waste at all times. This will ensure that time-bands remain relevant to the needs of residents and businesses in the areas where they are set. New time-bands will help keep the street scene clear in busy areas (flats above shops) and prevent waste being stored overnight in business premises.</p> <p>We will review our enforcement approach in relation to the new time-bands. Introduction of time-bands will allow targeted enforcement action being taken on businesses and residents that do not adhere to the stipulated times. A period of education will be in place to allow the time bands to embed.</p> <ul style="list-style-type: none"> • Additional enforcement officer x 4 resource (including night time enhancement pay) <p>Comms:</p> <ul style="list-style-type: none"> • Consultation with residents and businesses will be required • Signage will need to be displayed across the borough and • A communication plan to share the message. 	Project Team/BAU	<p>£250,000</p> <p>£100,000</p>
Commercial Waste Service Review	<p>In order to improve our commercial waste sales we will introduce dedicated vehicles that will ensure improved services for commercial waste customers and a greater visibility of our workforce.</p> <p>Manage “aged debt” of approximately £700,000 and create a debt free service that operates on a trading account model.</p> <p>Currently, commercial waste is collected in the same vehicles that pick up municipal waste for both the recycling and residual service. As part of the optimization of collection rounds commercial waste collections will be a “stand alone” service delinked from municipal rounds. This will allow us to:</p> <ul style="list-style-type: none"> • Collect commercial waste only as paid for by the customer. • Provide a seven day a week commercial service to effectively manage commercial waste in the borough and retain a customer base over and above the circa 2,000 we currently have. • Understand total service costs and create baseline and assess budget. • As part of the changes envisaged, time bands will be re-introduced in key areas of the 	Project Team/BAU	£130,000

	borough to help manage waste on streets. Compliance will be managed through education and enforcement.		
Street Cleansing Service Enhancements	<p>As the Street Cleansing Service undergoes a service review, the following daily additional street cleansing resource enhancements are recommended to enhance visibility and accommodate increased footfall in parts of the borough in the mornings, afternoons, and evenings, particularly in areas of the borough with a thriving night-time economy such as the west of the borough. This will include increasing visibility and use of mechanical footway cleaning in areas where this is appropriate.</p> <p>Mornings (AM):</p> <ul style="list-style-type: none"> 2 drivers and 2 loaders <p>Afternoons Enhancement (PM):</p> <ul style="list-style-type: none"> 4 x drivers and 4 loaders (on existing 4x Caged vehicles to enhance fly tipping collections) 10 x Sweepers – To maintain street cleanliness in high-footfall areas eg markets/transport hubs <p>Nights Enhancement:</p> <ul style="list-style-type: none"> 1x driver and 2 x loader (on existing vehicles) 2 x drivers and 2 x sweepers on existing mechanical broom vehicle to clean more main roads and traffic islands. 1x driver (on existing compact mechanical broom) 1x driver and 3x operatives -a high visibility nightly deep cleaning / jet washing team that will ensure that our markets and nighttime economy areas are spotless <p>Weekend Enhancement:</p> <ul style="list-style-type: none"> 5 x sweepers (Saturday AM/PM) 5 x sweepers (Sunday AM/PM) <p>Vehicles</p> <ul style="list-style-type: none"> 2x compact mechanical brooms 2 x 7.5 tonne Caged Vehicle – to target fly-tipping hotspots in key areas. 2x 3.5 tonne caged vehicles – for FIFI Plus <p>Enhanced Find it fix It PLUS</p> <ul style="list-style-type: none"> 2x drivers and 2 x operatives <p>Additional Find fix it fix it Plus- a new addition to the find it fix it team who will be a multi skilled workforce tackling issues on public and private land such as overgrown vegetation, painting, broken fencing, designing out problem areas, i.e hoardings where flyposting takes place.</p>	Project Team/BAU	<p>£200,000</p> <p>£400,000</p> <p>£400,000</p> <p>£180,000</p> <p>£220,000</p> <p>£60,000</p> <p>£210,000</p> <p>£250,000</p> <p>£250,000</p> <p>£200,000</p> <p>£250,000</p> <p>£120,000</p> <p>£220,000</p> <p>£200,000</p>

	<p>FiFi Update the find it fix application to meet the demands of our new services</p>		£50,000	
<p>Communication and Consultation Plans</p>	<p>To ensure deliverables are communicated and consulted on as required, there is a need for an overarching communications plan that embeds the relevant comms required for each of the project streams.</p> <p>It will be important to develop a meaningful comms plan that utilises local community channels to share our service improvements plus encouraging a wider community response to improve our environment (street leader scheme) including improving recycling. The comms plan will differentiate targeting three main demographics: the young generation through utilisation of social media platforms including the newly launched local authority TikTok; use the locally based social media influencers. The use of non-mainstream media such as of channel S and equivalent for communities to widen “reach”. Utilise our places of worship and our community leaders to take up the challenge of improving our borough.</p> <p>Advertising the FiFi App to increase awareness and usage.</p> <p>Work with the Young Mayor on engagement and campaigns to engage with younger people on taking responsibility for their environment (Don’t be a Waste Man, Own your waste man campaign)</p> <p>Develop a street theatre campaign, including my space my place and the guerrilla (gorilla) cleansing squad. This campaign will make a huge difference to how we connect to not just those that live here but also those passing through.</p> <p>A borough wide bill board campaign telling everyone information such as, that we are the cleanest borough in London, that 99.45% of our bins are collected on time, that we have so many award winning green flag parks!</p>	Project Team	£100,000	
<p>Community Engagement</p>	<p>We will create and launch an ambitious new Street Leader (SL) scheme. Street Leaders will consist of community volunteers who take the responsibility for all environmental issues in their area and encourage residents to actively report and engage with cleaning up their neighbourhood and celebrate their achievements.</p> <p>Each Street Leader will be given a unique ID code via find it fix it app. When they engage and report waste issues, they gain points and can win monthly prizes (vouchers, iPad, Play station etc). Each SL will be receive bespoke training.</p>	Project	£50,000	

	The Street Leader will be issued with free graffiti removal kits, litter pickers etc so they can actively participate in improving the cleanliness of the borough. There will be bi annual conference celebrating their successes and their achievements in making our borough the cleanest in London.			
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Risks and Implications:
Poor waste services and increase in operating costs due to poor alignment and structures

Value for Money and Efficiency:
Long term efficiencies

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	
Summary:		
To be completed at the end of completing the Screening Tool.		
Based on the Screening Tool, will a full EA be required?	No	
Additional Information and Comments:		

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Temporary Accommodation (cost pressure above Housing Benefit subsidy)				
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Reference:	GRO / HAR 001 / 24-25	Growth Type:	Unavoidable Growth
Directorate:	Housing and Regeneration	Growth Service Area:	Housing (General Fund)
Directorate Service:	Housing Options	Strategic Priority:	2. Providing homes for the future
Lead Officer and Post:	Abul Kalam, Service Manager – Housing Management & Procurement	Lead Member and Portfolio:	Cllr Kabir Ahmed, Cabinet Member for Regeneration, Inclusive Development and Housebuilding

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	5,000	4,500	-	-	4,500

Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	-	-	-	-	-

Proposal Summary:

The Housing Options Service currently has over 2,700 households in temporary accommodation, of these 1,500 are private rented accommodation.

Homelessness is increasing nationally due to market conditions and the cost of living.

Following the extension of the Local Housing Allowance (LHA) based subsidy scheme to people living in temporary accommodation from April 2010, the Government introduced a cap on the level of benefits paid that were eligible for Housing Benefit (HB) subsidy. This means that although a household may be eligible for full benefit on a property, the amount of the benefit that the Council can recover from the DWP in HB subsidy is capped.

The amount the council can claim back is based on 90% of the January 2011 LHA rate which is substantially below current market rates, and the Council has had to increase the amount it is paying for temporary accommodation in order to maintain supply to meet its statutory duty. The Council has no alternative but to subsidise the rents for homeless households if they exceed temporary accommodation subsidy rates as all properties have to be affordable if they are to be deemed suitable. We, along with other boroughs and London Council's are lobbying Government to review this.

The impact of the shortfall in temporary accommodation subsidy is a net charge to the Council's HB budget. The estimated shortfall in the budget is forecasted to be £4.5m, which cannot be met from within existing budgets. The extent of the unadjusted increase in Subsidy loss since 2016/17 can be seen in the table below with increase of over 184% over the 7 years.

2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
£3,903,546	£4,345,368	£5,131,048	£6,012,341	£7,431,645	£6,890,120	7,206,159

This cost has previously been held separately and has been covered off initially by one off funding and then by a permanent growth bid.

A range of actions are being utilised i.e. reduced use of expensive B&B accommodation, capping b&b rents at the one bed LHA and further measures are being considered, including greater use of out of borough accommodation, including outside of London, all of which should reduce the amount of the HB subsidy loss.

Some boroughs are placing as far as Peterborough to meet their homelessness obligations. Whilst we do not want to move households as far as this, it is something that we would need to consider as part of our placement policy review which is currently underway.

Below is a benchmark of Tower Hamlets LHA against 2 other boroughs, Southend and Luton

	1	2	3
Tower Hamlets	295.49	365.92	441.86
HB subsidy	216	270	315
HB subsidy loss	-79.49	-95.92	-126.86

Southend	138.08	182.96	230.14
HB subsidy	103.84	135	170.38
HB subsidy loss	-34.24	-47.96	-59.76

Luton	143.84	178.36	224.38
HB subsidy	103.84	124.61	150.38
HB subsidy loss	-40	-53.75	-74

At present, 51% of our households are in the borough with 85% of the 49% outside of the borough in East London boroughs.

Budgeted Outcomes / Accountability (focus on improved performance):

This pressure was countered in 2021/22 by utilising one off resources in the form of Covid funding and a growth bid for 22/23 (£4m)

Risks and Implications:

If this growth bid is not approved there will be an ongoing pressure on the budget.

Value for Money and Efficiency:

Overall, this will add no value for money or efficiency

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	

Summary:	Additional Information and Comments:
To be completed at the end of completing the Screening Tool.	
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #d3d3d3; padding: 5px;">Based on the Screening Tool, will a full EA be required?</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">No</div> </div>	

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Temporary Accommodation – increasing temporary accommodation rates to increase supply
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Reference:	GRO / HAR 002 / 24-25	Growth Type:	Unavoidable Growth
Directorate:	Housing and Regeneration	Growth Service Area:	Housing (General Fund)
Directorate Service:	Housing Options	Strategic Priority:	2. Providing homes for the future
Lead Officer and Post:	Abul Kalam, Service Manager – Housing Management & Procurement	Lead Member and Portfolio:	Cllr Kabir Ahmed, Cabinet Member for Regeneration, Inclusive Development and Housebuilding

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	-	3,450	(1,450)	(2,000)	-

Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

Proposal Summary:

The council needs to manage the increasing TA/PRS pressures that it faces due to a continuing rise in the number of households approaching the Housing Options Service for housing assistance.

There is an immediate need to increase TA rents because we are competing with other local authorities to procure accommodation in the borough which unfortunately because of the contracting supply of suitable temporary accommodation in the borough leads to the council having no choice but to place households into unsuitable bed and breakfast (B&B) accommodation, for longer than is legally permitted. Consequently, this reliance on B&B accommodation means that we are currently not meeting our legal obligations and are at continued risk of judicial reviews.

Whilst growth of 3,450m is being requested, this is reduced over the following financial years as the intention is to reduce the number of households in TA and rehouse more households into private rented and social housing. We would also be working with landlords to convert TA into PRS accommodation. Converting more TA to PRS would reduce the number of households in TA and would also release us from the pressures of increasing our HB subsidy loss as the household would be claiming Universal Credit Housing Cost rather than HB.

The 3,450m is based on the current accommodation requirements for 260 households that are in unsuitable accommodation, to get us into a position where we are legally compliant. This is also based on the current projected TA expenditure forecasted to the end of the FY.

Currently, there are 211 families in B&B of which, 155 have been in B&B for more than 6 weeks.

This growth is required to enable us to pay the landlord a higher rent whilst not passing this onto the resident. Passing on a rent increase to the resident will make the accommodation unaffordable and would then put us foul of the Suitability of Accommodation Order as this would bring in further suitability issues which we could be challenged against, including being JR'd.. We would also not want to add additional pressure on the HB subsidy loss.

An example of the cost of a 1 bed TA in the borough;

Current model	
Rent to landlord	365
Resident charge	287.35
HB subsidy	216

HB subsidy loss	-71.35
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Model if all charge passed to resident

Rent to landlord	365
Resident charge	365
HB subsidy	216
HB subsidy loss	-149

The second model would also increase the rent to the resident by £69.08 above the one bed LHA

Figures are fluid, we are trying to reduce B&B but need to continue paying top up rents to landlords above what the resident is charged to keep households in the borough.

We are still housing households outside of the borough but if the rents re not topped up to keep inline with the market trend, we will have to start placing more households outside of the borough and outside of London. The number of families placed into Kent has more than doubled in the last 5 months. During the same period in 2022, we had 20 households in Kent, we now have 48.

Budgeted Outcomes / Accountability (focus on improved performance):

This growth will enable the service to procure more properties in the borough, meaning keeping more households in the borough.

In accordance with the Mayor's wishes to keep everyone in the borough, this will enable us to keep more households in the borough, and when in a position of having no families in unsuitable accommodation, we would focus on moving other households back to the borough, dependent on supply.

Risks and Implications:

If growth is not agreed, this would been placing households outside of the borough and potentially outside of London. We would also be procuring accommodation outside of the borough where rents are similar to our Tower Hamlets rates and would mean more pressure on HB subsidy loss.

Value for Money and Efficiency:

This will not add any value for money but will improve efficiency as it is a statutory requirement to place households in the borough in the first instance and then neighbouring boroughs. It will also reduce the number of statutory and judicial reviews the borough receives.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	

Summary:	Additional Information and Comments:
To be completed at the end of completing the Screening Tool.	
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #d3d3d3; padding: 5px;">Based on the Screening Tool, will a full EA be required?</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">No</div> </div>	

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Future of Building Control – Responding to Grenfell Part 2		
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Reference:	GRO / HAR 003 / 24-25	Growth Type:	Unavoidable Growth
Directorate:	Housing and Regeneration	Growth Service Area:	Planning and development services
Directorate Service:	Planning and Building Control (P&BC)	Strategic Priority Outcome:	2. Providing homes for the future
Lead Officer and Post:	David Williams, Director, Planning and Building Control (P&BC)	Lead Member and Portfolio:	Cllr Kabir Ahmed, Cabinet Member for Regeneration, Inclusive Development and Housebuilding

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	883	501	(50)	(200)	251

Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	Total FTE Increase
Employees (FTE) or state N/A	20	5	-	-	5

Proposal Summary:

<p>Context</p> <p>This is the second part of a Growth Bid process started in 22-23 for 23-24 and 24-25.</p> <p>Background and Part 1</p> <p>Over the last 12 months the council has been working hard to detail how it proposes to address the requirements of the Building Safety Act 2022, the governments regulatory response to the Grenfell Tragedy of 2017, to ensure such a tragedy can never happen again.</p> <p>This culminated in a part successful growth bid by Planning & Building Control for 23-24 of £401k with an additional reserved basic additional amount for 24-25 of £464k. However, this fell short of the amount identified as required at the time and requirements have since increased as we now better understand the details of the act and our capacity to respond. This growth bid reflects our current assessment of what is needed to enable the council to provide a robust response to the new legislation and its subsequent regulations, implementation and delivery model. We cannot and must not leave the safety from fire for all our residents in any sort of uncertainty, the implications of failure are so disastrous as witnessed at Grenfell they cannot be repeated.</p> <p>For a Borough like Tower Hamlets with its nationally significant stock of higher risk residential and other buildings (over 18 meters in height), currently numbering over 1000 this is not a nice to have. We are in the spotlight and the government has already visited LBTH, noted our proliferation of higher-risk buildings and indicated they would like to understand our response, seeing us as amongst the leaders in this field.</p> <p>The government has been busy setting up the infrastructure within which we will need to operate with the establishment of the National Building Safety Regulator (BSR) positioned under the Health & Safety Executive (HSE) and the identification, for London, of the “London Hub” (City of London Corporation).</p> <p>The Building Safety Regulator will be the Building Control body for all higher risk buildings (mainly buildings with residential 18m or over), however the work will actually be carried out at the local level. It will be distributed via the London Hub, with the relevant local authority being the first port of call to take on the work. Given the large number of tall buildings in the pipeline and our focus on delivering the homes our residents need, we need to be able to ensure those buildings are safe and thus need the right resources, skills and expertise in the team.</p> <p>We need to recruit and retain a body of Registered Building Inspectors (RBI) that can offer the capacity to possibly both:</p>

(i). Assess new development proposals and (ii). Be part of a multi-disciplinary team to assess existing structures, these are then reassessed every 5 years to be certified (this is now looking less likely at this time although we do understand that the whole system may be revisited in the light of the Grenfell Inquiry report once it is published. In any event to do this we must significantly grow the BC team, which requires additional Funding.

Part 1 – Decisions

Year 1: Approved £401k.

The first growth bid secured funding for 6 months of this year the funding at senior grades for x5 RBI. We will be competing nationally for staff who are already amongst the hardest to recruit and who will need to be validated as competent and carry substantial responsibility in the assessment process so the grades are senior.

We are also looking to upskill some of the existing experienced staff to become validated as competent so they can also be RBI as well as part of our existing staff saving money on additional new staff. We estimate that x5 roles will eventually secure this status but it is testing and our staff are mainly inexperienced. We have amended grades to deliver this pathway.

We are also aware that there is a national recruitment crisis in Building Control so we have, for a number of years now, developed a grow your own/workforce to reflect the community approach and successfully embedded a pathway for trainees to join and be supported to be surveyors. With a particular interest in encouraging local talent to take advantage of this pathway. This takes around 6-10 years to be able to assess buildings of the scale we have in LBTH so we are also adding capacity in the structure to secure staff earlier as apprentices (x2) and added roles at trainee (x1), surveyor (x1) and principal (x1) reviewing grades so this help us develop a supply to replace retiring experienced staff, reward and retain staff much cheaper than prevailing market salaries.

It is also worth remembering that the existing BC service is a trading account so the general fund contributes only 40% of the cost of a post, furthermore it is considered likely that the act will also deliver extra, chargeable work through local authority building control as the private sector will not be able to undertake the work, so income should increase. The growth fund bid also included support for training and developing for all additional staff as well as supporting existing staff to secure competence as RBI.

Year 2: Already approved £464k.

This was significantly less than the amount required (and discussed and agreed with the Mayor). The growth bid had requested over £800k in a live changing environment, but the sum was reduced to the £464k figure with no explanation given for the reduction or what was no longer being expected to be delivered as part of the bid.

Because of how crucial this growth bid is to how we can respond to the BSA and concern over this reduced amount, discussions were had with the past CEO and the current interim to ensure understanding of the importance of the growth bid. The suggested approach was to revisit year two in 2023/24 (i.e. now) and year three next year.

We have established that the reduced Year 2 sum embeds the full 12 months cost of x5 RBI at Grade M-O, embeds the full 40% cost of the additional existing staff and the developmental costs for staff. We think it also delivers capacity for an additional x2 RBI.

Year 2: Additional Requested in this Proposal £501k

Appendix 1 attached details more specifically this proposal.

We consider as a minimum we should add:

- the cost of x3 further RBI (this will then give us x10 new overall and in time x5 internally compliant senior staff)
- expertise training/validation/competence support and training costs for staff
- two specialist officers in drainage and in mechanical and electrical surveying
- a 50% contribution to the administration of this new system in Building Control would complete the service offer at this stage.

We are not proposing to expand numbers of administrative staff but rather review job descriptions to ensure they can take on the work. There may well be future administrative support needed but this is not yet known. There may in time need to be more RBI but hopefully at that point we would be in a cost recovery phase so no further growth fund would potentially be required.

Budgeted Outcomes / Accountability (focus on improved performance):

It should be noted that the bid for these Growth Funds are, in the main temporary, and funding will be re-directed back to the general fund once income from the BSR starts to come into the council. All work for the BSR is charged at a per hour rate so once work commences we will be able to start to bill the BSR at stages and receive an income. However, this will take a few years to start receiving an income this way as buildings new to the process will take a few years to get to delivery and then to hit construction milestones, some of these structures take many years through many phases to complete. We do not envisage any significant income until around 26-27. Growth Funding could then begin to be reduced in stages to minimise the ask of the general fund as far as possible. This means to an extent this Growth Bid is almost just to get the new approach embedded, rather than a long-term requirement. But exactly when that cost recovery will be of sufficient amount that we can reduce general fund budget is not yet known, so the assumption that we can reduce general fund by £50k in 25/26 and £200k in 26/27 will need to be reviewed (and the figure may go down or up).

It is hoped that this approach will secure, with fully filled posts, a Building Control service that will present LBTH as self-sufficient and able to manage and absorb all the available Building Control work it is asked to lead on in its own Borough.

The initial assessment by BC in discussion with peers across the profession identified provisionally that LBTH with its volume of new structures (many are higher than 18 metres (6/7 stories) and existing buildings would need up to 20 RBI staff. We have no way of knowing exactly at this stage, workload/capacity of an officer, complexity of requirements of the tasks involved in an as yet undetailed process but we are very anxious to ensure that in LB Tower Hamlets we do all we can to deliver a robust fit for purpose response.

As the system is new it is not possible to assess or even anticipate performance at this stage but this will inevitably emerge with monitoring over-time. We will be able to gather data about average income per proposal, time from work to income being received, case load capacity and assess levels of expertise we will also be able to put some more depth to anticipated benefits from regulation changes such as the likelihood of more building control work and therefore more income being received overall.

Risks and Implications:

Some of the main risks and implications are:

1. Fire Risk is a major national concern. The risk of fire in tall, higher risk, buildings in the borough is one which can endanger residents' lives (and that of fire fighters) and remains until all our buildings, especially those with any of the dangerous cladding on them have been fire safety reviewed and assessed (and reviewed regularly thereafter). This work will involve our building control staff working along with staff reporting to the new Building Safety Regulator. Reputationally it will be important for the council to take an assertive lead in reviewing the boroughs high risk building stock and providing confidence to its many residents.
2. Tower Hamlets likely has more higher risk tall buildings than any other local authority so we will be a high profile, influential, performer and need to respond to the challenge. If we do not this will carry a risk for all our residents and building users but it would also not reflect well reputationally on the local authority.
3. Without this review and rethink there is a risk that overtime the building control service will, as its experienced surveyors retire and other staff continue to be tempted away to the private sector, slowly surrender more competitive business to the private sector. This will mean the reduced capacity service will not be able to offer local residents and businesses, the professional high-quality service backed by a confidence in the council. For example, current major clients range from Canary Wharf PLC to Berkely Homes and Ballymore to local residents and business across the borough and bring in around a £1 million in fees. In addition, the BSA puts an expectation on local authorities to ensure they have a building control service to reflect their profile of buildings, as such we would be expected to have one of the biggest services in the country.
4. We have to have the required number of RBI to be able to take on the high-risk building work from the HSE. If we do not the HSE can put the council into special measures, which has both financial and reputational risks. The amount of new RBI staff we needed given our stock was initially assessed at 20. We are proposing following the partly successful part 1 bid to have 10 new RBI and to upskill and secure 5 internal staff to operate as RBI. This is still five posts short of that initial number. We may return for a further growth bid if we find that these initial staff are overloaded as this is a substantial risk to their effectiveness as illustrated in the findings of the Grenfell inquiry.

5. The recruitment process is not a formality and the Building Control industry, nationally, has intense recruitment difficulties. We have to hop that the recruitment package devised as part of this growth bid is attractive as all authorities with higher risk buildings will be working out how they can secure staff resources to do that same, at the same time. There is a risk at the implementation of the new regulations in April 24 that we have not managed to recruit enough RBI staff. We may have to revisit the package, cost and approach again if we are not securing enough qualified, competent registered staff.

Value for Money and Efficiency:

The cost of supplementing a local authority building control service to provide advice, expertise and assistance to residents and local businesses for years to come ensuring that the borough's building stock, especially it's higher-risk buildings are safe and fit for purpose is likely very small when compared to the impacts of just one high risk incident in the borough as the Grenfell tragedy has illustrated.

The Building Control service is already majority income funded from its trading account but this is not substantial enough to absorb any of the additional costs coming from the Building Safety Act. It is not yet clear whether the fire safety risk assessment works will provide additional income opportunities but the authority has so many high risk, tall buildings that it cannot afford to wait and see what may or may not happen it needs to build capacity and resilience early. Trying to recruit to roles will be extremely competitive as most city authorities with tall buildings will be looking for surveyors as well as the new Building Safety Regulator within the Health and Safety Executive.

Delivering against the proposal will, it is hoped, enable the trading potential and income generating role of building control to rebalance the financial position over-time and in the future the service will be able to secure a majority of its costs once more from a trading account/environment.

Effectively this proposal will be asking that this balance is switched for a temporary period to help redefine a new building control service delivering to it the capacity to fulfil on its fire safety duties and responsibilities and provide a competitive, attractive, high quality and efficient service fit for purpose going forward.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	Yes	Following Growth Bid 1 a restructure of Building Control is currently being implemented. All roles have been reviewed to ensure Fire Safety responsibilities from the Building Safety Act are accurately and consistently embraced.
Summary:		
To be completed at the end of completing the Screening Tool.		
Based on the Screening Tool, will a full EA be required?	No	
Additional Information and Comments:		

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Care Technology Transformation		
Reference:	GRO / HAS 001 / 24-25	Growth Type:	Invest to Save
Directorate:	Health and Adult Social Care	Growth Service Area:	Adult Social Care
Directorate Service:	Adult Social Care & Integrated Commissioning	Strategic Priority:	5. Investing in public services
Lead Officer and Post:	Darren Ingram, Service Manager – Living Well; and Gillian Beadle-Phelps – Service Manager for Initial Assessment, Safeguarding, and Telecare	Lead Member and Portfolio:	Cllr Gulam Kibria Choudhury , Cabinet Member for Health, Wellbeing and Social Care

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	1,223	962	(449)	146	659
Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	15 FTE	3	-	3	6

Proposal Summary:
<p>This growth proposal needs to be considered alongside the associated capital growth proposal and the savings proposal as it is an invest-to-save.</p> <p>The figures in the table above show the cumulative growth required each year and assumes that once the growth is added to the base budget it is then available again in the next financial year. As there are different budget requirements each year the amount required goes up and down.</p> <p>The current budget is the total current budget – it is not currently separated into a Capital and Revenue budget.</p> <p>The proposal is to undertake a Care Technology transformation project, delivered over a five-year period, that will result in a significant increase in the number of residents using care technology from approximately 1,800 currently to approximately 4,400 in five years' time. The range of care technology on offer to residents will be increased, making better use of more innovative solutions and taking a personalised approach that focuses on finding the right solution to meet that individuals need. Care technology will be expanded into new cohorts, widening the offer from the mostly older population that the telecare service currently supports. There will be an increased focus on prevention, such as prevention of falls and preventing long-term conditions that result in people requiring adult social care support.</p> <p>The result of the increased number of care technology users will be the prevention, reduction or delay of the type of needs that would otherwise require the provision of more costly social care support. The two largest areas of prevention, reduction or delay of need will be on those requiring care at home (homecare) and those requiring residential or nursing care. The significant majority (88%) of the saving will come from the prevention and delay of packages of care that would otherwise have been required; the remaining 12% will come from reductions to existing care packages that are no longer required due to needs being met through technology.</p> <p>See the savings proposal for further detail of the transformation project.</p> <p>The revenue requirements will fund the staffing required to grow the number of care technology users, the resources needed to deliver the project including the commissioning of a technology partner.</p>

Budgeted Outcomes / Accountability (focus on improved performance):
<p>Delivering an improved care technology offer is a key part of the Council's Adult Social Care vision and strategy. The strategy sets out the response to a series of challenges that the Council faces around poverty, financial pressures and recovery from Covid-19. Care Technology supports work around developing a strengths-based approach to social care, appreciating the things people can do as well as the things they need help with.</p>

Care technology transformation supports the priorities set out in the Council's Strategic Plan:

Priority 2: Homes for the future - in particular the ambition to adapt homes for disabled residents. Care technology can act as 'digital adaptations' enabling disabled people to better access their homes and remain in them for longer.

Priority 5: Invest in public services – providing high quality financially sustainable services for adults to meet their goals. Care technology can support residents to achieve their goals, live more independently and reduce spend in adult social care. Care technology also enables the Council to achieve its ambition to work in collaboration with the North East London Integrated Care System to deliver integrated health and care services.

Risks and Implications:

Not securing the growth funding to undertake this project is the biggest risk. This project cannot be delivered within existing resources. Any reduced level of growth being approved would require the savings to be recalculated.

There is a risk that the saving would not be achieved, either because of the numbers of residents receiving care technology not being achieved, or because the prevention, reduction or delay of need not materialising. The business case that these figures have been based on has taken a conservative approach to identifying the numbers of residents who could benefit and of the financial benefits and this mitigates this risk.

A full benefits realisation system will be put in place as part of this project. For every individual receiving care technology the financial benefits will be tracked and recorded. Progress will be reported as part of the project governance.

Value for Money and Efficiency:

This savings proposal is an invest to save proposal, for every £1 of investment there will be £2 of net benefits to the Council, from reduced, delayed or prevented needs that would have required care services to be put in place.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	Yes	It is possible that there would be a change in the roles of staff within the telecare service, this would be identified as part of the pathway redesign. Should that be the case a full equalities impact would be undertaken as part of the handling organisational change process.

Summary:	Additional Information and Comments:
To be completed at the end of completing the Screening Tool.	Not at this stage.
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="background-color: #d3d3d3; padding: 5px;">Based on the Screening Tool, will a full EA be required?</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">No</div> </div>	

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2024-27

Proposal Title:	Adult Social Care Demographic Pressures and Inflation		
Reference:	GRO / HAS 002 / 24-25	Growth Type:	Unavoidable Growth
Directorate:	Health and Adult Social Care	Growth Service Area:	Adult Social Care
Directorate Service:	Adult Social Care	Strategic Priority:	5. Investing in public services
Lead Officer and Post:	Katie O'Driscoll, Director, Adult Social Care	Lead Member and Portfolio:	Cllr Gulam Kibria Choudhury , Cabinet Member for Health, Wellbeing and Social Care

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	115,909	(2,381)	181	4,958	2,758
Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

Proposal Summary:

Demographic pressures in adult social care have been recognised nationally as a growing concern for local authority budgets. The government has allowed local authorities to add a precept increase to council tax but demand for services continues to rise. In Tower Hamlets, the adult social care precept has historically been used to fund demographic pressures in adult social care. The demographic growth calculation assumes that increases in population, combined with other demographic factors detailed below will lead to more clients needing social care support for longer. National and local policy is designed to maintain independence for as long as possible through community-based support, thus reducing the need for more costly residential services. However, more people are living longer with more complex needs. Predicted population growth in Tower Hamlets will inevitably bring an increase in the number of people who need adult social care services. Tower Hamlets has high levels of deprivation, which in turn is associated with poor mental and physical health. Deprivation levels may be further exacerbated by welfare reform. An increase in the number of people living for longer with poor health is also a factor driving an increase in demand for adult social care across all client groups. There is likely to be an increased demand for adult social care from all sections of the population as it continues to expand.

This bid uses estimated growth rates from the Department of Health sponsored systems 'Projecting Adult Needs and Service Information' (PANSI) and 'Projecting Older People Population Information' (POPPI) systems. The two systems combine population projections with benefits data and research on expected prevalence rates to produce projections of the likely future demand on social care and health services. Projections from POPPI and PANSI for previous years have proven to be reasonably accurate and we are satisfied that these are the most robust figures available for calculating projections of future growth in demand for adult social care for older people and adults accessing physical disability and mental health services.

Recalculation of the demographic growth previously agreed has been undertaken, using the POPPI and PANSI data for 2023 to 2040, by client group, age group as well as by need assessment. A reduction has been made for projected deaths in each financial year.

For 2024/25 there is an estimated demographic growth requirement of £2.92m. This has been reduced from the previous growth assumption of £6.8m (a reduction of £3.88m) due to the assumption of the current Adult Social Care Discharge Grant continuing for a further financial year, but with a reduced amount of £1.57m (National Grant estimate of £0.2 billion from the current £0.3 billion). For 2025/26 the estimated demographic growth requirement is £4.64m representing an additional £181k on the previously agreed growth. 2026/27 growth of £4.96m has not been previously agreed. Total demographic growth for the period 2024/25 to 2026/27 is an increase of £1.26m over previously agreed growth.

Higher levels of inflation than projected in 23/24 have also meant an additional £1.5m is needed on an ongoing basis from 24/25.

	2024-25	2025-26	2026-27
	£'000	£'000	£'000
ACS Demographic Pressures Originally in MTFS	6,804	4,463	-
Updated Demographic Pressures	2,923	4,644	4,958
Ongoing Savings / Growth	(3,881)	181	4,958
Inflationary Pressure	1,500		
Ongoing Savings / Growth after Inflation	(2,381)	181	4,958

Budgeted Outcomes / Accountability (focus on improved performance):

The funding is required to provide statutory Adult Social Care provision.

This growth bid relates directly to the strategic plan outcome – Invest in the provision of care for vulnerable members of our community.

The bid is necessary to ensure the council can fulfil its statutory duties to residents needing care and support, as articulated in the 2014 Care Act. It relates to the outcomes for adult social care expected nationally, as set out in the adult social care outcomes framework.

Accountability in adult social care is set out in our local quality assurance framework. In terms of our accountability of residents, a key mechanism is the annual local account. This publication is produced every year and sets out the quality and performance of services over the preceding 12 months. It enables residents to scrutinise and challenge our performance.

Risks and Implications:

The demographic growth calculations are based on POPPI and PANSI population growth estimations and are used to work out the new growth in client estimations. These are on top of the existing pressures in the ASC budget for existing clients. They assume a standard rate of complexity of care packages and therefore are a base calculation for population and ASC growth. Any increases in complexity during each financial year therefore become part of the ASC overspend position.

There is a risk that the Adult Social Care Discharge Fund in 2024/25 is lower than the current anticipated £1.57m.

There are still implications arising from care impacts of Long Covid that are not understood and therefore not part of these calculations. They are impacting ASC expenditure and are reflected within the current overspend position and not included in any growth assumptions. Impacts of future pandemics are also not built into any growth modelling.

Value for Money and Efficiency:

There are no resource implications arising from this growth bid.

The ASC Demographic growth budget is held on a central Directors ASC cost centre.

Implementation of demographic growth is administered via a quarterly calculation of all new clients to ASC in a quarter, and a budget virement to offset the actual cost of the care package during that quarter, to the appropriate ASC cost centre that is paying for that care. This ensures that only completely new clients and the associated cost of their care package is funded via the demographic growth budget.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	
Summary:		
To be completed at the end of completing the Screening Tool.		
Based on the Screening Tool, will a full EA be required?	No	
Additional Information and Comments:		

GROWTH PROPOSAL

London Borough of Tower Hamlets
Medium-Term Financial Strategy 2024-27

Proposal Title:	Comino hosting, licence, and contract renewal		
Reference:	GRO / RES 001 / 24-25	Growth Type:	Unavoidable Growth
Directorate:	Resources	Growth Service Area:	Central services
Directorate Service:	IT	Strategic Priority:	5. Investing in public services
Lead Officer and Post:	Adrian Gorst, Director of IT	Lead Member and Portfolio:	Cllr Saied Ahmed, Cabinet Member for Resources and the Cost of Living

Financial Impact:	Current Budget 2023-24	Growth 2024-25	Growth 2025-26	Growth 2026-27	Total Growth
Budget (£000)	78	136	(51)	-	85
Staffing Impact (if applicable):	Current 2023-24	FTE Increase 2024-25	FTE Increase 2025-26	FTE Increase 2026-27	Total FTE Increase
Employees (FTE) or state N/A	N/A	N/A	N/A	N/A	N/A

Proposal Summary:
<p>The Comino (D360) application is a document and workflow management system used by Tower Hamlets Homes (THH), Housing Options, and the Benefits Service. There is a requirement to upgrade the application and the servers that host it due to being out of support.</p> <p>This proposal involves transitioning to a more sustainable long-term solution by relocating hosting to the supplier, rather than the current on-premises Azure installation. This aligns with the strategic direction of the Council. Not upgrading the servers and the application poses a cyber security threat. Additionally, the supplier will not renew the contract when it expires on 31 March 2024 due to this risk.</p> <p>Neither the IT Service nor Tower Hamlets Homes (THH), Housing Options, and the Benefits Service have the budget for 2024/25. This is due to increased costs for hosting and additional licensing cost when the contract expires. The estimated one-off project cost is £50,925, followed by an estimated annual recurring cost of £162,577 for hosting, support, and maintenance of the application. Therefore, the additional cost and growth budget required is £84,577 per year.</p>

Budgeted Outcomes / Accountability (focus on improved performance):
<p>Moving the application to supplier hosting would offer the Council continuity of supply and service. It would also ensure a longer-term sustainable solution, as the current version of the on-premises Azure installation is being discontinued. In two to three years, the Council would need to transition to the supplier hosting arrangement. If the Council chooses to stay on the on-premises Azure installation, it must upgrade to mitigate the risk of a cyber security threat and ensure service continuity. Therefore, commercially it is advantageous now to move to the supplier-hosted arrangement.</p>

Risks and Implications:
<p>The application is currently hosted in the Microsoft Azure environment of the Council. It is understood that the servers hosting the application are outdated and no longer supported by Microsoft, posing a cyber security risk to both the hosting environment and the application. Without the upgrades, the supplier would not renew the contract upon its expiration on 31 March 2023.</p> <p>The option to “do nothing” is not feasible. It would adversely impact service delivery. If the contract is allowed to expire, the Council would be unable to deliver services to residents. Due to the absence of a contract in place, the Council would not be able to raise a purchase order (PO) for service continuity. Consequently, business continuity plans would need to be invoked.</p>

Value for Money and Efficiency:

The supplier-hosted application solution provides several benefits to the Council. This includes:

- Mitigating the security threat by bringing the system to the latest version on servers and the application.
- A fully managed application that includes version update costs.
- Access to new features, such as enterprise search or drag-and-drop allocation, to provide efficiencies that were not previously available.
- The browser-based application is not affected by latency issues that traditional desktop solutions have.
- A new user interface that makes it easier for all users to navigate, allowing staff to perform tasks more quickly.
- Approach aligns the end dates of the housing (Northgate), revenues and benefits (Civica) contracts to end dates, to make future strategic decisions.
- Removes application downtime/operational risks to the authority.
- Civica's DIS reduces image sizes (existing and new ones) and is likely to provide improvements in document times, with a consequent, significant saving in staff resources.

GROWTH PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a summary of how this impacts each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at the full Business Case stage.
Does the change reduce the resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve a direct impact on front-line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	No	
Does the change involve a redesign of the roles of staff?	No	
Summary:		
To be completed at the end of completing the Screening Tool.		
Based on the Screening Tool, will a full EA be required?	No	
Additional Information and Comments:		