

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE

HELD AT 6.00 P.M. ON THURSDAY, 1 SEPTEMBER 2016

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

Members Present:

Councillor John Pierce (Chair)	
Councillor Abdul Mukit MBE (Vice-Chair)	
Councillor Amina Ali	–
Councillor Abdul Asad	Scrutiny Lead for Communities, Localities & Culture
Councillor Julia Dockerill	Scrutiny Lead for Children's Services
Councillor Oliur Rahman	
Councillor Danny Hassell	
Councillor Clare Harrisson	Scrutiny Lead for Adult Health and Wellbeing
Councillor Ohid Ahmed	

Co-opted Members Present:

Victoria Ekubia	(Roman Catholic Church Representative)
Dr Phillip Rice	(Church of England Representative)

Other Councillors Present:

Councillor David Edgar
Councillor Joshua Peck

Apologies:

Councillor Mahbub Alam
Councillor Helal Uddin

Others Present:

Sue Williams	Borough Commander - Chief Superintendent
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Officers Present:

Janet Fasan	Head of Legal (Operations)
Kevin Kewin	(Interim Service Head, Corporate)

Neville Murton
Chris Holme

Debbie Jones
Andy Scott

Afazul Hoque

David Knight

Strategy and Equality)
(Service Head, Finance & Procurement)
(Service Head, Resources & Economic
Development)
Corporate Director, Children's
(Head of Economic Development,
Development and Renewal)
Interim Service Manager, Strategy,
Policy & Performance
(Senior Democratic Services Officer)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Mahbub Alam and Councillor Helal Uddin.

2. VOTE OF THANKS

It was with great sadness that it was noted that Nozrul Mustafa would no longer be able to continue as a Co-Opted Members on with the Committee as an elected parent representative as he had to resign his post as a parent governor due to personal and work commitments.

The Chair, Councillor John Pierce on behalf of the Committee thanked Mr Mustafa for his service, commitment and time given to the Committee and its functions through the various scrutiny reviews and challenge sessions which he had participated over the past 5 years.

Accordingly, it was agreed that on behalf of the Committee, Councillor John Pierce would write to Mr Mustafa expressing the Committee's gratitude.

3. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST

No declarations of disclosable pecuniary interest were received.

4. UNRESTRICTED MINUTES

Cllr Abdul Asad highlighted that the points he and Cllr Abdul Mukit had raised on Youth Services item is not reflected in the minutes of the meeting. It was agreed that the audio of the meeting will be checked and the minutes amended to reflect these points. Subject to these changes the unrestricted minutes of the meeting of the Overview and Scrutiny Committee held on 21st July, 2016 be approved as a correct record of the proceedings

Cllr Oliur Rahman sought an update on the vacant co-opted positions on the Committee and it was noted these were currently being recruited to.

**5. MAYOR'S INDIVIDUAL EXECUTIVE DECISION - ACADEMY
CONVERSION, ST. PAUL'S WAY TRUST SCHOOL**

Debbie Jones, Corporate Director Children's Services provided a verbal briefing on the recent Mayoral approval for assignment of the commercial transfer related to the academy conversion of St. Paul's Way Trust School.

Set out below is a summary of the points made in the discussion:

The Committee:

- Noted that the St Paul's Way School Trust School received an academy order on 26th May, 2016 and has indicated its wish to convert to academy status on 1st September, 2016. It was noted that there is no alternative to the planned course of action. As once the application from a Governing Body has been approved by the Secretary of State the expectation is that the local authority will work with the school in all transfer matters. In addition, the Council is required by the Academies Act to proceed with academy conversion;
- Was advised that conversion usually occurs by two main transactions for the Council, these being the land and commercial transfer. However, as a trust school, St Paul's already holds the land and property on a long lease and as a result there is no disposal of land and no decisions required in relation to land or lease for this conversion. In addition, the trust is also an employer of staff and as a result this conversion does not require the transfer of any staff from the Council. As the employer of staff the school has undertaken its own consultation with the support of the Council's HR team;
- Was concerned at the speed of the conversion and wished to seek clarification as to why it was so urgent to convert to an academy;
- Noted that this matter had been included on tonight's agenda at the request of the Chair so as to allow there to be a discussion on this conversion (e.g. to get an appreciation of the DfE policy with regards to academy conversions)
- Noted that Government Policy places the choice to convert in the hands of the school and itself;
- Was informed that in comparison to other councils the pace of change in Tower Hamlets is slower;
- Noted that St. Paul's has indicated its intention to remain as part of the Schools Partnership;
- Was told that there is an active and ongoing dialogue with the Trade Unions around the future academy conversions in Tower Hamlets;
- Noted that that this matter had been placed on tonight's agenda as it was the first meeting the since the decision had been taken. In addition, there would be opportunity to consider this issue in greater depth at future meetings; and
- Stressed it was important that any school seeking conversion to an academy is actively encouraged to remain as one of the Boroughs families of schools.

- It was noted that the Committee will have an education focused meeting on 1st February 2017.

6. UNRESTRICTED REPORTS 'CALLED IN'

No decisions of the Mayor in Cabinet 26th July, 2016 in respect of unrestricted reports on the agenda had been 'called in'.

7. REQUESTS TO SUBMIT PETITIONS

Nil items

8. OVERVIEW & SCRUTINY COMMITTEE QUERY AND ACTION LOG 2016/17

The Committee received and noted an update on the outstanding actions.

9. FORTHCOMING DECISIONS

The Committee received and noted the published list of forthcoming decisions that provided the Scrutiny Leads with a list of those issues that they needed to follow up with the Portfolio Lead Members and Directorates.

10. PRE-DECISION SCRUTINY OF UNRESTRICTED CABINET PAPERS

The Committee considered the Cabinet agenda for the 6th September, 2016 and submitted the following pre-decision questions:

Item 5.1 Medium Term Financial Strategy 2017-2020

1. **Question:** Has the MTFS assumed budget deficit of £60 million by 2019/20 been revised in light of the under-spend identified in the Budget Out-turn Report for 2015/16 agreed by the Mayor in Cabinet on 26th July 2016?

Response: Whilst the current working assumptions are that the budget gap is £60m, all assumptions are currently being reviewed and the October Cabinet report will set out any revised assumptions over the MTFS planning period (2017 – 2020).

To the extent that the issues which contributed to the 2015/16 underspend position are on-going, they may contribute towards reducing the budget gap; this will also be reflected in the October report.

2. **Question:** What has been the (a) General Fund budget agreed by Full Council in each year since 2010 and (b) the General Fund expenditure presented in the Budget Out-turn report presented to the Mayor in Cabinet in each of those years?

Response: The table below shows the information requested from 2010/11 to 2015/16

	a) Full Council Approved Budget	b) Actual Spend	c) Underspend(-) /Overspends
Financial Year	£m	£m	£m
2010-11	310.369	320.912	10.543
2011-12	310.960	294.424	(16.536)
2012-13	292.265	266.743	(25.522)
2013-14	297.806	270.621	(27.185)
2014-15	293.933	275.703	(18.230)
2015-16	291.362	279.249	(12.113)

3. **Question:** In relation to the MTFFS 2017-2020 report (Page 27 on the agenda papers); the Committee queried what is the budget for strategic support? Plus does this include scrutiny support, which can further the Council's goals around promoting greater openness and transparency?

Response: The estimated budget for strategic support over the MTFFS period is around £750k to £1.2M. The budget does not cover any specific support for scrutiny. However, budget scrutiny training has been separately procured and the date for this is currently being re-arranged following the cancellation of the originally agreed date (12 Sept.) due to Eid.

Item 5.5 Procurement of Cleaning and Associated Services Contract

1. **Question:** That Cabinet looks at the example of the LB of Southwark, who has brought the cleaning contract back in-house and has secured financial savings through better procurement practice?

Response: In-sourcing has been considered as part of this review. It has been noted that Contract Services currently deliver an estimated 11% of the overall services within the scope of this proposed contract (through the purchase of an annual SLA; predominantly a service used by schools). These services are limited to the provision of direct labour only and do not extend to any sub-contracted services e.g. specialist cleaning, washroom or window cleaning services. Contract Services have declined to bid for the past two tender invitations due to the size, complexity and scope of requirements. Following the centralisation of property services in the council, it is considered that a full market test is now appropriate given the changes to the number and types of buildings covered by this proposed contract. Contract Services will be encouraged by invitation to tender to bid for the provision of the services, in this way the council can be assure that a value for money review has been undertaken.

11. VERBAL UPDATES FROM SCRUTINY LEADS

The Committee noted the request to ensure the clashes of meetings are minimised.

12. SCRUTINY SPOTLIGHT

12.1 Crime and Disorder Spotlight - Presentation

The Committee heard from the Police Borough Commander, Sue Williams regarding police performance in Tower Hamlets. The main points of the discussion are summarised below:

The Committee:

- Noted that whilst there is a good level of partnership working in Tower Hamlets there was a need to make more use of the third sector agencies and faith groups;
- Was informed that armed police officers will patrol in those areas of high footfall so as to provide reassurance to the public;
- That an appropriate response was being developed to the matter of drugs misuse;
- Wanted to see a dialogue between local communities and the police to address issues such as anti-social behaviour; FGM; stop and search; drug related crime; knife crime and terrorism.
- Welcome the positive ethos and drive being set out for policing in Tower Hamlets;
- Noted that there was an increased level of engagement with various local communities and that work is being undertaken to actively address gang related crime;
- Was pleased to note that confidence levels in the police service in London had now risen to 67%;
- Wanted to see closer working between the Registered Housing Providers and the Police Service; and
- Wished to see the Police Service taking an active part in the review of the 24hr economy.

13. UNRESTRICTED REPORTS FOR CONSIDERATION

13.1 Progress update on Town Centres review

The Committee received and noted a report that was a follow up from the scrutiny challenge session on supporting the delivery of successful town

centres (high streets and markets). The report and recommendations were agreed by the Overview and Scrutiny Committee in July 2015. An action plan was developed to address the recommendations. The report and accompanying action plan was endorsed by Cabinet in December 2015. This report reviews the progress against the original recommendations. The main points of the discussion maybe outlined as follows:

The Committee:

- Noted that town centres, high streets and markets are vital in supporting opportunities in employment, social capital and economic growth in the area. However, there are many challenges facing town centres including changes in the way people shop, changes in the population demographic, strategic competition and national legislation. The population demographic of people who live and work in the Borough has changed over recent years, becoming more ethnically diverse with more households with an income of above £60,000. Therefore evolving the offer and encouraging new businesses which can capitalise on the needs of new consumers is an essential part of ensuring town centres can thrive;
- Noted the that Resident/Business lead partnerships had been established to develop a meaningful and positive dialogue;
- Was informed that Canary Wharf provides employment for local residents and assists in supporting retail development across the borough;
- Noted that a briefing would be provided at a future meeting as the strategy is developed;
- Noted that CIL and S106 monies would be utilised to fund various infrastructure projects e.g. neighbourhood and retails centres; and
- Wished to see the expansion of betting shops being addressed.

13.2 Integrated Employment Service

The Committee received a report that provided an update on the development of several measures relating to the long-term delivery of Integrated Employment Support across the borough. It seeks to update on inter-related issues cited in the Strategic Plan, including: the upscaling of the Raising Aspirations pilot and the Growth Borough ESF Programme; the development of a new CRM system and related methodologies, and related service reviews across the council which need to be considered as part of the long term implementation of IES. The main points of the discussion may be summarised as follows:

The Committee:

Noted that work was being undertaken:

- Noted that work was being undertaken:
- To increase the numbers of places for apprentices across the Borough;

- To refocus early support toward an ambition for work for those furthest from the labour market and with multiple barriers;
- To Re-establish the Economic Growth Partnerships;
- review the local jobs market;
- To assist in helping residents whose first language was not English to get on in work or learn more about their rights and responsibilities;
- To develop options to provide affordable child care to enable parents to get access into the jobs market; and
- To increase the number of vocational courses linked to growth sectors.

13.3 Budget Process - Presentation

The Committee received a presentation from Cllr David Edgar Cabinet Member for Resources which outlined the background to budget setting; outcomes based budgeting; progress so far; key budget assumptions; next steps and the timetable. The main point of discussion may be summarised as follows:

The Committee noted that:

- Business cases would be prepared for each proposal;
- Work was being undertaken to benchmark as a way to identify where the Council's costs differ from the comparator authorities' average;
- Grant Thornton had facilitated three workshops to consider outcomes based budgeting;
- There had been five internally facilitated workshops considering in detail benchmarking and performance information on a priority outcome basis;
- The development of outcomes based budgeting will link expenditure and performance; prioritises expenditure against strategic priorities; and focuses on service improvement and value for money;
- Strategic partners are intended to provide support to the development of longer term transformational savings;
- Some key strategic reviews are planned that have to be reflected in an organisational review; a review of the Local Council Tax Reduction Scheme as well as an income generation policy including a fees and charges review;
- The proposals reflect a strategic approach to the budget process over a multi-year period;
- There would be further opportunities for the pre-decision scrutiny of draft budget proposals; budget scrutiny training and two additional sessions of the Budget Scrutiny Working Group.

13.4 Overview and Scrutiny Work Programme 2016/17

The Committee received and noted a report that set out the draft work programmes for the municipal year 2016/17. This had been informed by a session for all the committee members.

As a result of discussions on this report the Committee **agreed** draft work scrutiny programmes for the municipal year 2016/17 as set out in the report.

13.5 Appointment Hsg Scrutiny Co-Optees

The Committee received and noted a report that set out the process for recruiting two independent, resident co-opted representatives to the Housing Scrutiny Sub-Committee for the municipal years 2016/17-2017/18.

Accordingly, as a result of discussions on this report the Committee **agreed** the appointment of Mr Moshin Ahmad Hamim as the leaseholder representative and Ms Anne Elizabeth Ambrose as the tenant representative.

14. ANY OTHER UNRESTRICTED BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

Nil items

15. EXCLUSION OF THE PRESS AND PUBLIC

The agenda circulated contained no exempt/ confidential business and there was therefore no requirement to exclude the press and public to allow for its consideration.

16. EXEMPT/ CONFIDENTIAL MINUTES

Nil items

17. EXEMPT/ CONFIDENTIAL REPORTS 'CALLED IN'

Nil items

18. PRE-DECISION SCRUTINY OF EXEMPT/ CONFIDENTIAL) CABINET PAPERS

Nil items

19. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS THAT THE CHAIR CONSIDERS URGENT

Nil items

The meeting ended at 9.30 p.m.

Chair, Councillor John Pierce

Overview & Scrutiny Committee