

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE

HELD AT 6.30 P.M. ON THURSDAY, 23 NOVEMBER 2017

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

Members Present:

Councillor Dave Chesterton (Chair)	
Councillor Clare Harrisson (Vice-Chair)	– Scrutiny Lead for Health, Adults & Community
Councillor Danny Hassell	– Scrutiny Lead for Children's Services
Councillor Muhammad Ansar Mustaqim	
Councillor Oliur Rahman	
Councillor Rabina Khan	
Councillor Ayas Miah	– Scrutiny Lead for Governance
Councillor Helal Uddin	– Scrutiny Lead for Place
Councillor Andrew Wood	– Scrutiny Lead for Resources

Co-opted Members Present:

Shabbir Chowdhury	– Parent Governors
Joanna Hannan	– Representative of Diocese of Westminster
Dr Phillip Rice	– Church of England Representative
Christine Trumper	– Parent Governors

Other Councillors Present:

Councillor Rachel Blake	– Cabinet Member for Strategic Development & Waste
Councillor David Edgar	– Cabinet Member for Resources
Councillor Amy Whitelock Gibbs	– Cabinet Member for Education and Children's Services
Councillor Peter Golds	– (Leader of the Conservative Group)

Apologies:

Asad M Jaman	– Muslim Faith Community
Fatiha Kassouri	– Parent Governor

Officers Present:

Ngozi Adedeji	– (Team Leader Housing Services, Governance)
Mark Baigent	– (Interim Divisional Director, Housing and Regeneration)
Elizabeth Bailey	– Senior Strategy, Policy and Performance Officer
Ruth Dowden	– (Complaints & Information Manager, Legal Services, Law Probity & Governance)
Sharon Godman	– (Divisional Director, Strategy, Policy and Partnerships)
Afazul Hoque	– (Interim Service Manager, Strategy, Policy & Performance)
Debbie Jones	– (Corporate Director, Children's)
Christine McInnes	– (Divisional Director, Education and Partnership, Children's)
Nancy Meehan	– (Interim Divisional Director, Children's Social Care)
Neville Murton	– (Divisional Director, Finance, Procurement & Audit)
Brian Snary	– Financial Accountant - Resources
Ann Sutcliffe	– (Acting Corporate Director, Place)

1. APOLOGIES FOR ABSENCE

The Committee noted that Councillor Helal Uddin had tendered his apologies for lateness.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST

Although there were no declarations of Disclosable Pecuniary Interests Councillors A. Miah; H. Uddin and A. Mustaqim all declared that they had a personal interest. This was because they were leaseholders of Poplar HARCA and Councillor Uddin declared a further personal interest in that his employer has a commercial relationship with Poplar HARCA.

3. UNRESTRICTED MINUTES

The Chair **Moved** and it was:-

RESOLVED

That the unrestricted minutes of the meeting of the Overview and Scrutiny Committee held on 25th October, 2017 be approved as a correct record of the proceedings.

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

Noted

5. CHAIRS ACTION

Noted that the Chair had been consulted on the need to seek two urgent decisions through the Mayor's Executive Decision Making Process regarding;

- (i) Acquisition of Affordable Homes; and
- (ii) Barley Mow Estate: Malting and Brewster Houses External Fire.

6. REQUESTS TO SUBMIT PETITIONS

There had been no requests to submit petitions.

7. FORTHCOMING DECISIONS

Nil items.

8. UNRESTRICTED REPORTS 'CALLED IN'

The Overview and Scrutiny Committee received a "Call In" signed by 5 Councillors regarding the report on the "**Acquisition of Affordable Homes**" that had been considered by the Mayor as an individual Decision on 10th November, 2017.

The Committee noted the Call-in requisition stated that:

- Decision came out Friday night, 10th November, 2017, 7.31pm to spend £119 million;
- This was 7 hours after the deadline to submit questions and motions for the full Council on the 22nd November, 2017;
- There will be no opportunity at 22nd November, 2017 Council meeting to ask questions of officers;
- Previous experience of Council meetings suggests that there will be little or no time to debate properly such an important issue; and
- While individual components of this proposal have been discussed in the past (some as far back as 2015), many of the values have changed and the first time we have seen in aggregate.

However, the main questions raised were as follows:

1. How do we ensure that the £119 million buys us the best quality homes for the greatest number of people for the longest period of time;
2. What is the average age of properties bought from Poplar Harca and others?

3. How many years of life do they have left? What happens if estate redeveloped?
4. Particular concern over life cycle cost i.e. is it better to pay more upfront for quality new build which will be cheaper over next 60 years then pay less for something that may last only 20 years?;
5. Poplar Harca bought properties - comment made by officer was that they had not sold at auction but we then bought them, background required;
6. What are the reasons for this not to go through the normal Cabinet and Overview and Scrutiny Committee process;
7. Who will manage the properties bought under S.106 Agreements and others? MHS will own but who will do day to day management? What is financial impact of this?
8. How much Right to Buy receipts are at risk if no decision are made this year?
9. New Homes Bonus - will this be used as unclear?
10. £648 million infrastructure funding gap identified in the Local Plan 2031. How will we fill this gap if we are spending money on new homes?

The questions and comments from Members of the Committee on the report may be summarised as follows:

The Committee:

- Indicated that it would wish to know if the properties referred to are suitable for long term lets and would therefore wish to have more detail on their condition and age;
- Felt that in respect of the condition and age of these properties as the Poplar HARCA had been unable to sell them at auction would not new build have been a more cost effective option;
- Indicated that it wished LBTH to get the best value from any expenditure e.g. why not lease these properties through HARCA?
- Felt that given the debate on developing non-profit, community-based organizations designed to ensure community stewardship of land (e.g. community land trusts) would it not be better to have considered the purchase of such homes through a Land Trust?
- Wished that there had been more time to discuss at last night's Full Council the suitability of this process;
- Noted that a detailed list of questions had been submitted by councillors on the age and condition of properties referred to above;
- Considered that the aforementioned options would be a positive direction of travel and whilst it would be good to have had a fuller debate at Full Council it had been decided not extend meeting time;
- Was reminded that the original report sets out the reasons as why LBTH should purchase these properties;
- LBTH needs to urgently find suitable properties so as to address local housing needs and the Mayors decision on 10th November, 2017 was a step forward and aims to deliver homes on a timely manner;

- Also welcomed the opportunity to look at the technical and convoluted way Councils have to go through so as to spend RTB receipts;
- Noted that the Mayoral decision is part of the Housing Strategy to deliver new homes;
- Asked if consideration had been given to buying blocks on Blackwall Reach instead of private sales?
- Noted that the Lead Member would be happy to organise a Members Workshop on the Acquisition of Affordable Homes.

As a result of a full and wide ranging discussion on this report the Committee **RESOLVED** by a majority of 5 to 4 not to refer the matter back to the Mayor for reconsideration.

However, the Chair indicated his intention to raise those issues highlighted by the Call In with the Mayor and Cabinet (The responses received are set out in **Appendix 1**).

9. UNRESTRICTED REPORTS FOR CONSIDERATION

9.1 COMPLAINTS ANNUAL REPORT

The Committee received the Complaints and Information Annual Report 2016/17 that outlined the Council's activities and performance in response to Information Governance matters; Information Requests; Corporate Complaints; Statutory Complaints for Children's and Adults Social Care. The questions and comments from Members on the report may be summarised as follows:

The Committee:

- Asked how LBTH learns from the outcome of any complaints that have been made. In response it was noted that the Service Manager for Complaints and Information attends each Departmental Leadership Team quarterly to discuss the volume of complaints; performance; lessons learned and actions that have been taken;
- Noted that complaints data is published on the Council's Website;
- Noted that there has been a significant increase of 76% in complaints being escalated. The increased escalation was associated with a higher level of complaints upheld at these stages, indicating that resolution could have been achieved earlier in the complaints process, thus preventing any escalation. The reasons for this are to be investigated as part of the Directorate's review of complaints handling procedures. Accordingly, the Committee asked to be provided with details of type of complaints regarding Tower Hamlets Homes (THH) that have been escalated.
- Noted that training is in place to support staff and there will be an intranet page for staff with advice together with an internet page for the public;

- Wanted to know how escalated complaints dealt are dealt with to ensure that appropriate adult social care and children's social care is provided, particularly for vulnerable people?
- Wished to be informed how is Governance working with schools and teachers regarding complaints?

The Chair Moved and it was:-

RESOLVED

To note priorities for action to improve performance and the priorities for developments in practice for both information governance and complaints handling.

ACTIONS

The Committee asked:

- A. For details of type of complaints about THH that have been escalated;
- B. How are escalated complaints are dealt with to ensure that appropriate adult social care and children's social care is provided, particularly for vulnerable people; and
- C. How is Governance working with schools and teachers regarding complaints?

9.2 QUARTER 2 BUDGET MONITORING

The Committee received a monitoring report that detailed the financial outturn position of the Council at the end of Quarter 2 for 2017-18 compared to budget, and service performance against targets. This included the Quarter 2 position for the:

- General Fund (GF) Revenue Budget Position
- Housing Revenue Account (HRA) Budget Position
- GF and HRA Capital Programme Performance
- Savings
- Progress delivering Council Growth Priorities, including Mayoral Priority Growth
- Forecast use of Reserves
- S106, CIL and Capital Receipts Income
- Council Tax and Business Rates Income
- Debtors & Creditors
- Treasury Management Activities
- Pension Fund Investments Position

The questions and comments from Members on the report may be summarised as follows:

The Committee:

- Noted that in July 2016 the Cabinet had approved £1.1m for the Council to work with a strategic partner to deliver change in its services. To assist in the delivery of a diverse range of proposals the Council undertook to identify a strategic partner who would support the Council in all aspects of the delivery of those proposals. The procurement exercise was won by Grant Thornton LLP and the three year contract had annual break points, however a number of projects came forward faster than anticipated so it had been necessary to undertake decisions using the urgency provisions;
- Asked for clarification on whether the Grant Thornton Contract went to the Best Value Board;
- Requested to receive clarification on how the Council (i) assesses which wards/sub-wards are the most in need; and (ii) monitors that the money from the planning charge or Community Infrastructure Levy (CIL) goes to where there is the greatest need?
- Wanted to know how is an evidence-base used to inform expenditure of CIL funding?
- If a full capital programme will be developed to inform expenditure over 10-15 years?
- Noted that the Government's reinvigoration of the Right to Buy system in April 2012, has led to a significant increase in the number of right to buy applications. Key elements of the policy were the increase of the maximum discount available to tenants and a change to the previous Right to Buy capital receipt pooling arrangements whereby now local authorities can retain receipts for replacement housing – provided they can sign up to an agreement with Government that they will limit the use of the net Right to Buy receipts to 30% of the cost of the replacement. The Authority has therefore entered an agreement with the Government to allow it to retain a proportion of Right to Buy receipts to be spent on replacement social housing, with the following conditions: (i) Retained 'one for one' receipts cannot fund more than 30% of total spend (ii) Receipts cannot be used in conjunction with funding from the GLA/HCA; (iii) Receipts must be spent within three years or be returned with interest; and (iv) Receipts cannot be given to a body in which the local authority has a controlling interest. Although, the authority may use the receipts to grant fund another body, such as a Registered Provider (RP)
- Noted that the Planning Obligation funding (s106) used to mitigate the impact of development in planning terms can be spent on a range of projects. Currently, such projects are developed by the responsible Directorates and approvals are sought in accordance with the Council's Infrastructure Delivery Framework (IDF) that had been approved by the Mayor in Cabinet in October, 2016;

- Noted that at 30th September 2017, a total of £92.6 million was held in the s106 account. In addition to these s106 balances, interest of £1.2 million had now been accrued to the account. It was also noted that in some circumstances such monies can be used for other schemes with the agreement of the developer's.
- Stated that it would wish to be provided with information to OSC and include analysis in next monetary report on why there is a 26% underspend of the Disabled Facilities Grant.? In response it was noted that such monies need to be utilised as this has a direct impact on the lives' of residents and more information should be made available to scrutiny;
- Wanted to know what is being done to support the move from Acute to Community Care and how this reflects the budget planning? In response it was noted that in the budget process consideration is given to looking at expenditure profiles and if any areas need to be addressed e.g. Looking at the needs within Adults Services and the measures that have been put in place and looking at the Better Care Fund;
- The Committee commented that the use of agency staff is an issue that LBTH have struggled to address so why can consideration not be given to the use of fixed term cover instead? In reply it was noted that whilst it is the intention to reduce the numbers of agency staff there are times when LBTH urgently needs the right skill sets or to use of consultants as LBTH needs a specific skill set but only for a fixed period.

ACTIONS:

The Committee asked:

- A. To be provided with an analysis in the next monetary report on why there is a 26% underspend of the Disabled Facilities Grant.?
- B. For clarification on whether the Grant Thornton Contract went to the Best Value Board?
- C. Clarify how the Council assesses which wards/sub-wards are the most in need and monitors that the money from CIL funding goes to right people?
- D. How is the evidence-base used to inform expenditure of CIL funding?
- E. Will a full capital programme be developed to inform expenditure over 10-15 years?

9.3 CHILDREN'S SAFEGUARDING SPOTLIGHT

The Committee received a presentation that set out the annual report of Tower Hamlets Local Safeguarding Children Board (LSCB), which is a statutory requirement under the Children Act 2004 and Working Together to Safeguard Children Guidance 2015. The annual report outlined the Board's governance arrangements, key safeguarding information and response to the Ofsted Review of LSCB undertaken in February 2017.

The questions and comments from Members on the report may be summarised as follows:

The Committee:

- Noted that Ofsted had undertaken a review of the LSCB in February 2017 and found it be 'inadequate' as it was 'not discharging all of its statutory functions'. It was described to have a number of shortfalls including the LSCB Performance Dataset, which did not sufficiently focus on core business and its priorities, nor was it able to monitor the quality of front line practice;
- Was informed that the LSCB had accepted Ofsted's judgement and findings and as a result, the annual report is limited in its ability to reflect the full range of activities undertaken by the Board and partner members and demonstrate it has been able to keep all children safe from harm. This condensed report excludes analysis of its performance in 2016-17. Focusing instead on explaining how the LSCB will respond to the findings of the Ofsted Review and its future direction;
- Was advised that the LSCB will ensure that next year's report will provide a full and detailed account of the areas of improvement and demonstrate it is able to challenge and hold its partners to account;
- Noted that the Board maintains a Risk and Issues Register, capturing risks as identified by a member agency or the LSCB Independent Chair. The LSCB Chair and Executive Board members monitor the risks, mitigation and remedial actions. The LSCB Chair will escalate risks causing significant partnership concern or difficulties to the chief executive or senior officer of the relevant agency. The LSCB Chair updates the Council's Chief Executive of the LSCB risk register at quarterly one-to-one meetings.
- Asked for details of the Housing Representatives on the LSCB?
- Requested details of the numbers of children who have been made the subject of a care order and LBTH therefore has the legal responsibility for them. In addition, details of their educational attainment together with any concerns regarding their criminality;
- Noted that the Lead Member would be happy to invite the Councillors and the Education Co-Optees to any future LSCB training.

ACTIONS:

What information are we collecting on Looked After Children that informs the Council (as their corporate parent):

- How many LACs there are?
- Their school attainment?
- Details of the Housing Representatives on the Board
- Any criminality concerns?
- Invite OSC Councillors and the Education Co-Optees to LSCB training events?

9.4 CABINET MEMBER SPOTLIGHT - CHILDREN'S SERVICES

The Committee received a presentation highlighting a number of key aspects of Children's Services including the risk to children and young people in relation to child sexual exploitation; domestic violence and mental health; unaccompanied asylum seeking children adoption and fostering; quality and timeliness of social care assessments and interventions; and an update on the stability of the social care workforce.

The questions and comments from Members on the report may be summarised as follows:

The Committee:

- Asked what work is being undertaken with families to build parents' confidence so that they can support their children's communication, language and literacy skills at home. Also what is being done to ensure children join reception classes with the building blocks for learning? In response it was noted that early help is not consistent in the Borough. Therefore, there is a need co-ordinate this help and to pull in specialist support to provide the needed wrap around care **e.g.** to provide children with a strong foundation for success in the classroom and beyond;
- Noted that the relationship between schools and children centres needs to change to have a focus on the journey of the child and the transitions from one setting to another;
- Noted regarding attendance it is about instilling good habits in children's and parents minds **e.g.** when a child starts in reception the parents need to see the importance of attendance and to stress that to their child;
- Noted the frustration of LBTH staff caused by the poor reliability of the existing IT infrastructure and their concerns about the systems being fit for purpose **e.g.** those systems used by LBTH can communicate with each other so that information can be shared;
- Noted that there also is a culture change required to work collaboratively not just the IT but that staff talk to each other so as to minimise the fragmentation and any unnecessary duplication;
- Noted that LBTH are looking at how to work out the churn of families in and out of the Borough and manage the development of the provision of school place planning - secondary and primary provision.
- Was advised that there is an issue with the new national funding formula for schools that has been brought in to tackle wide variations in per-pupil funding rates across the country;
- Noted the recognition of the importance of co-producing from 0 to 25 and to hear the voice of those who are engaged **e.g.** there are examples where the young people's passion and belief has been used effectively to develop services;
- Noted the Amanda Spielman, the Chief Inspector of Schools had made a number of comments recently regarding primary school children

wearing the Hijab. In response it was noted that the presentation had been drafted before Ms Spielman's announcement but her view on this was not one that would necessarily be shared by schools and LBTH;

- Enquired how have cuts had affected the delivery of children's services with particular reference to the Shadwell Children's Centre. In response it accepted that there was need to brief Councillors on the nature and content of the development of provision within Tower Hamlets (e.g. a stronger offer including health as well).

ACTIONS:

- How have cuts affected the delivery of services? Suggestion that Shadwell Children's Centre is little more than an office.

9.5 CHILDREN'S SERVICES IMPROVEMENT - PROGRESS REPORT QUARTER 2

The Committee received a report that provided an update on progress in delivering improvements to Children's Services in response to the report published by Ofsted in April 2017 which rated LBTH services as 'inadequate'. The Council's improvement plan the Committee was reminded aims to achieve a standard of 'good' by April 2019, which seen as the minimum LBTH children and families deserve.

It was also noted that the body of this report includes commentary on progress in the four themes of the LBTH improvement plan at the end of its first stage, 'laying the foundations.' Whilst LBTH has met most of the aims of this first stage, giving a firm foundation for improvement, there remain significant challenges in ensuring that the service improves to meet a 'good' standard and sustains this improvement. The focus in the next stage will be to build on the progress made so that improvement is achieved and sustained.

The questions and comments from Members on the report may be summarised as follows:

The Committee:

- Noted that Ofsted had stated that there are widespread and serious failures in the services provided to children who need help and protection in Tower Hamlets. As a result, too many children remain in situations of actual or potential harm for too long. Insufficient scrutiny has meant that they did not know about the extent of the failures to protect children until this inspection. However, the current position is that that are all cases allocated all plans up to date.
- Noted that the process is under regular review so as to ensure that the child's journey is in a better place. This process is fully supported by the Lead Member; Strategy Policy & Performance Team; Legal Services Officers and Information Technology who all provide key support to help Children's Service deliver their support. Whilst the

Council's Corporate Leadership Team is updated on a regular basis [initially weekly but now monthly].

- Expressed concern with regarding (i) caseloads and were they being managed effectively; (ii) the number of agency workers being employed by LBTH and (iii) how many permanent staff left social services. In response it was noted that LBTH is improving from a very low starting point and there is still a considerable amount of work that needs to be done. Also LBTH must ensure that those children who have been made the subject of a care order are safe. This has meant that numbers of agency staff have had to be brought in and it was noted that many of those individuals are fully committed to LBTH. Whilst as part of the progress to a stronger better system LBTH is working to encourage these staff to become permanent. Also, the Committee noted that it would be provided with details of the turnover of permanent staff;
- Indicated that that they wished to get a picture of the multi-agency response to the challenges faced in Tower Hamlets **e.g.** that the Housing Providers have a critical role too here to play and that all partner agencies need to be fully supportive of both Children's and Social Services.

ACTIONS:

- Update on what progress is being made to Housing Associations be fully supportive of both Children's and Social Services; and
- Provide details of how many permanent social workers have left the Council over the last 12 months.

10. VERBAL UPDATES FROM SCRUTINY LEADS

The Committee received and noted a briefing from the Scrutiny Lead Members which may be summarised as follows:

Councillor Clare Harrisson Scrutiny Lead for Health, Adults & Community

The Committee noted that the Refugee and Homelessness officer had been appointed.

Councillor Danny Hassell Scrutiny Lead for Children's Services

The Committee noted that progress on the key elements of the Children's Services Improvement Programme including Leadership, Management and Governance; Social Work Practice and the development of a Sufficient and Skilled Workforce.

Councillor Ayas Miah Scrutiny Lead for Governance

Noted that the Challenge Session on understanding the impact of Brexit on the London Borough of Tower Hamlets would be held on 7 December 2017

Councillor Helal Uddin Scrutiny Lead for Place

Noted that between December, 2017 and February, 2018 there would be a review on Fire Safety Review covering (i) Driving improvement in fire safety policies, practices and compliance; (ii) Clarifying the roles and responsibilities across public and private owned high rises and the (iii) Amplifying the voice and concerns of residents.

Councillor Andrew Wood Scrutiny Lead for Resources

Noted that dates were being agreed for the **Youth Sports Funding** with Lead Member and relevant Officers. This Challenge Session would cover (i) Improving the understanding of the activities available to young people in Tower Hamlets; (ii) Improving understanding of play facilities and needs in the borough and feeding recommendations towards the Local Plan and (iii) Ensuring better funding co-ordination between the council allocation and grants receivers.

11. PRE-DECISION SCRUTINY OF UNRESTRICTED CABINET PAPERS

The Chair asked the Committee to submit any pre decision scrutiny of the unrestricted Cabinet papers prior to the 28th November, 2017 meeting.

(The submitted pre-decision scrutiny questions of the unrestricted Cabinet papers for the 28th November, 2017 meeting is attached at **Appendix 2**).

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

Nil items

13. EXCLUSION OF THE PRESS AND PUBLIC

The agenda circulated contained no exempt/confidential business that required there to be a formal discussion and there was therefore no requirement to exclude the press and public.

14. EXEMPT/ CONFIDENTIAL MINUTES

Nil items

15. EXEMPT/ CONFIDENTIAL REPORTS 'CALLED IN'

Nil items

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

The Committee noted that there was the following confidential item on the Cabinet agenda for the 28th November, 2017.

Item 10.1 Ocean Site H - Revised Capital Estimate

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

Nil items

The meeting ended at 10.00 p.m.

**Chair, Councillor Dave Chesterton
Overview & Scrutiny Committee**