

Notice of Meeting

OVERVIEW AND SCRUTINY COMMITTEE

Wednesday, 13 March 2024 - 7:00 pm
Council Chamber, Town Hall, Barking

Members: Cllr Glenda Paddle (Chair); Cllr Dorothy Akwaboah (Deputy Chair); Cllr Andrew Achilleos, Cllr Donna Lumsden, Cllr Fatuma Nalule, Cllr Ingrid Robinson, Cllr Paul Robinson, Cllr Muazzam Sandhu, Cllr Phil Waker and Cllr Mukhtar Yusuf

Co-Opted Members (for education matters only): Glenda Spencer, Sarfraz Akram, Sajjad Ali and Richard Hopkins

Date of publication: 1st March 2024

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Chief Executive

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Please note that this meeting will be webcast via the Council's website. Members of the public wishing to attend the meeting in person can sit in the public gallery on the second floor of the Town Hall, which is not covered by the webcast cameras. To view the webcast online, click [here](#) and select the relevant meeting (the weblink will be available at least 24-hours before the meeting).

AGENDA

- 1. Apologies for Absence**
- 2. Declaration of Members' Interests**

In accordance with the Council's Constitution, Members are asked to declare any interest they may have in any matter which is to be considered at this meeting.
- 3. Minutes - To confirm as correct the minutes of the meeting held on 24 January 2024 (Pages 3 - 6)**
- 4. Compliance Progress & Update Report (Pages 7 - 14)**
- 5. BDMS Update report – Responsive Repairs Performance**

Report to follow

6. **Work Programme (Page 15)**
7. **Any other public items which the Chair decides are urgent**
8. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

Private Business

The public and press have a legal right to attend Council meetings such as the Overview & Scrutiny Committee, except where business is confidential or certain other sensitive information is to be discussed. The list below shows why items are in the private part of the agenda, with reference to the relevant legislation (the relevant paragraph of Part 1 of Schedule 12A of the Local Government Act 1972 as amended). ***There are no such items at the time of preparing this agenda.***

9. **Any confidential or exempt items which the Chair decides are urgent**

Our Vision for Barking and Dagenham

**ONE BOROUGH; ONE COMMUNITY;
NO-ONE LEFT BEHIND**

Our Priorities

- Residents are supported during the current Cost-of-Living Crisis;
- Residents are safe, protected, and supported at their most vulnerable;
- Residents live healthier, happier, independent lives for longer;
- Residents prosper from good education, skills development, and secure employment;
- Residents benefit from inclusive growth and regeneration;
- Residents live in, and play their part in creating, safer, cleaner, and greener neighbourhoods;
- Residents live in good housing and avoid becoming homeless.

To support the delivery of these priorities, the Council will:

- Work in partnership;
- Engage and facilitate co-production;
- Be evidence-led and data driven;
- Focus on prevention and early intervention;
- Provide value for money;
- Be strengths-based;
- Strengthen risk management and compliance;
- Adopt a “Health in all policies” approach.

The Council has also established the following three objectives that will underpin its approach to equality, diversity, equity and inclusion:

- Addressing structural inequality: activity aimed at addressing inequalities related to the wider determinants of health and wellbeing, including unemployment, debt, and safety;
- Providing leadership in the community: activity related to community leadership, including faith, cohesion and integration; building awareness within the community throughout programme of equalities events;
- Fair and transparent services: activity aimed at addressing workforce issues related to leadership, recruitment, retention, and staff experience; organisational policies and processes including use of Equality Impact Assessments, commissioning practices and approach to social value.

MINUTES OF OVERVIEW AND SCRUTINY COMMITTEE

Wednesday, 24 January 2024
(7:01 - 9:26 pm)

Present: Cllr Glenda Paddle (Chair), Cllr Dorothy Akwaboah (Deputy Chair), Cllr Andrew Achilleos, Cllr Ingrid Robinson, Cllr Muazzam Sandhu, Cllr Phil Waker and Cllr Mukhtar Yusuf;

Apologies: Cllr Donna Lumsden, Cllr Fatuma Nalule and Cllr Paul Robinson

32. Declaration of Members' Interests

There were no declarations of interest.

33. Minutes - To confirm as correct the minutes of the meeting held on 5th December 2023

The minutes of the meeting held on 5 December 2023 were confirmed as correct.

34. Budget Strategy 2024/25 to 2026/27

The Interim Strategic Director, Resources (S151 Officer) and the Deputy Leader and Cabinet Member for Finance, Growth & Core Services presented a Budget Strategy 2024/25 to 2026/27 report.

On 18th July 2023, the Cabinet approved a refreshed Medium Term Financial Strategy (MTFS) for 2023/24 to 2027/28 for the Council's General Fund. The Budget Strategy report was presented to Cabinet on 19th December 2023.

There had been a growing number of Councils issuing section 114 notices with Councils across the country facing around £4b of funding shortages. Following on from the Autumn Statement by Government in November, the Council had received a one-year funding settlement for 2024/25.

The Council was facing an expected budget gap of £23.335m for 2024/25. The expected gap came after the identification of £10.618m of savings. The net savings, after growth was expected to be £8.327m. It was expected for Council tax to increase by 4.99%.

The Council needed to reduce its expenditure significantly over the short to medium-term to match its funding and income. The Council was working to remove vacant posts as part of the saving proposals; however, further saving proposals would include cutting services, disbanding services and redundancies to ensure that the Council reached a sustainable budget position.

The current balance of the Council's reserves was at £107.63m as was shown in Table 4, Summary of Reserves within the report. The Council was unable to use some of its reserves such as the General Fund although the balance of the General Fund was at £17.03m, the fund would only be reduced to £12m due to the Councils minimum level required for unforeseen financial issues.

Section 3.1 of the report explained that the MTFs identified a potential budget deficit of £23.335m for 2024/25. In response to a question, the Cabinet Member for Finance, Growth & Core Services explained to the Committee that the budget deficit figure was open to change; however, the committee was assured that there would not be a substantial rise of the figure.

Section 3.3 of the report covered the potential risk of the Council not receiving a £10.3m dividend income from Be First for 2024/25. A question was asked whether the predicted £23.335m budget deficit included the potential £10.3m dividend the Council was expected to receive. The Committee was assured that the £10.3m dividend income would be delivered from Be First; however, it was unclear when it would be delivered. If Be First did not deliver the dividend income, the Council's budget deficit would increase to £33m.

The budget briefing from September 2023 stated that the Council was an outlier in its borrowing levels with the borrowing total at £1.275b in September 2023. The data from the Officer for Local Government Local Authority showed the Council's total debt as a percentage of core spending power was at 721.4% which was significantly higher compared to neighboring Councils. Some of the borrowed money went towards the building and development of housing within the Borough, which had brought in more income to the Council. Due to the Council's current financial situation, there would be no more borrowing and therefore new building schemes would not be viable. There were some schemes that were concluding which might result in further borrowing with interest rates not being fixed.

The Cabinet member for Finance, Growth & Core Services reassured the Committee that the Council had and would continue paying above the London Living wage. The borrowing levels would not impact the Council's employees' wages; however, the Council was reviewing its supply chains and outsourced contracts.

The Committee were advised that the report proposed an investigation on community hubs that were underperforming, and a question was asked on why there was a variation of performances in the community hubs. The Borough had 11 community hubs in operation. Four of the community hubs had partnered with either faith organisations or the voluntary sector, which had higher performance levels compared to other hubs. The main reasons for community hubs to underperform was either due to the size of the hub, location, range of services offered and advertisement.

At appendix A of the report, there was a proposed savings of £100,000 by cutting the consultancy budget in Community Solutions. The overall budget for consulting fees was just over £3m, with just over £1m of the budget spent to date. Over half of the budget for consulting fees was reserved for specialist for IT projects.

The Council covered a £50.2m loan and equity to Be First on the acquisition of the Muller site which had since been sold with a £35.6m profit. Some of the profits had covered shortfalls of Be First dividend payments to the Council from 2021 – 2023. A question was raised regarding where the remaining £26.7m profit would be allocated. The Committee was informed that the remaining profit belonged to Be First as it acquired the land and brokered the sale of the land. The profit was placed

in a reserve for Be First and would be used to cover any short fallings on the dividend payments to the Council.

A question was asked on if there were other potential growth areas that the Council was looking into given the current economic challenges. Be First was exploring other areas of development which included forming relationships around commercial development. Be First and the Council was reviewing assets that the Council had already owned. Selling all the Councils assets would be enough to offset the budget gap; however, many of the assets generated revenue for the Council which the Council would lose if the assets were to be sold.

In response to a question regarding rent, the Cabinet member for Finance, Growth & Core Services explained that supply and demand dictated the rent within the Borough. There had been an increase in demand for rental housing which had pushed up the renting cost of the Borough. The high demand for rented housing had also led to higher demands in Council Servies.

The Committee asked how the Council ensured it would get its value for money regarding its subsidiaries. It was explained to the Committee that before the Councils made an investment, it would review all of the data and risks associated; however, there was no way for the Council to predict future outcomes of investments. The Council subsidiaries were autonomous from the Council itself with the Council being the sole shareholder. Therefore, the Council would have to incur the cost of any money lost from its subsidiaries. The Council and its Heads of Service had monitored the subsidiaries Key Performance Indicators (KPI) regularly. Previously, the Council's subsidiaries made use of Council services; however, subsidiaries such as Reside were moving away from using Council services and using external companies.

In response to a question about redundances for Council staff, it was conveyed to the Committee that a redundancy strategy was in place and was currently being discussed with the trade unions. The Council currently had a £2m reserve and a central budget of over £1m set aside that would cover redundancy cost.

A question was asked on the likelihood that the Council would issue a Section 114 notice within the new financial year. There was no definitive answer on whether a Section 114 notice would be issued in the new financial year; however, the Council was doing what it could to mitigate its circumstances. The Cabinet Member for Finance, Growth & Core Services explained that all factors currently indicated that although there would be challenges, the Council would deliver a balanced budget in the new financial year.

The Committee were advised that the Council's reserves could only provide one-off support, and in response a question was asked on if there were any long-term changes that could be made to balance the budget. In response the Cabinet Member advised that the Council needed to be re-sized into a smaller organisation going forward to reduce its overall spending. There would be a reduction in services offered, which would require less Council staff to deliver the services. The Council was looking into reducing the demand for its services as the cost of social care had increased with an overspend of £14m in the current financial year.

The Council was also looking into streamlining the procurement process to ensure

it was getting value for money and drive down costs.

In response to a question regarding legacy budget issues, the Interim Strategic Director, Resources (S151 Officer) clarified that the legacy budget corrections related to a review of recharges between the HRA and General Fund. The majority of the legacy budget corrections were related to resetting the recharges between the HRA and General Fund. The HRA overspent during the last financial year, the overspend was reduced from £1.8b to £1.2b by cutting capital works.

The Committee proposed and resolved to approve the following recommendations:

1. A Scrutiny Review into the Investment and Acquisition Strategy be undertaken to understand if it was fit for purpose. This would include consideration of the associated costs of the Strategy and the levels of return it is generating.
2. Following on from a benchmarking exercise, it was noted that LBBD spend was excessive compared to other boroughs with regard to social care. A Scrutiny Review would be undertaken into the spending of Adult and Children's care with seeking assurance for the spend.
3. Budget monitoring reports to be presented to the committee quarterly from the new municipal year.
4. A Member Briefing to be held on the Councils companies to provide a more in-depth understanding on how they operate.

(Standing Order 7.1 (Chapter 3, Part 2 of the Council Constitution) was extended at this juncture to enable the meeting to continue beyond the two-hour threshold).

35. Work Programme

The Committee noted the work programme.

OVERVIEW AND SCRUTINY COMMITTEE

13 March 2024

Title: Compliance Progress & Update Report - Compliance Position – 2 Years On	
Report of the Strategic Director, My Place	
Open Report	For Information
Wards Affected: All	Key Decision: No
Report Author: Leona Menville, Strategic Director, MyPlace	Contact Details: E-mail: Leona.Menville@Lbbd.gov.uk
Accountable Strategic Leadership Director: Leona Menville, Strategic Director, MyPlace	
<p>Summary</p> <p>This report provides the Overview and Scrutiny Committee with an update on the Council’s statutory compliance position – 2 years on from its self-referral to the Regulator of Social Housing (RSH).</p> <p>Good progress has been made in all six areas of statutory compliance since the self-referral in February 2022.</p> <p>Two areas remain outstanding – completion of a five-year portfolio wide electrical inspection program and completion of remedial actions following Fire Risk Assessment being undertaken.</p> <p>All other areas of compliance are within normal operating tolerances and remain under high levels of scrutiny and improvement.</p>	
<p>Recommendation(s)</p> <p>The Overview and Scrutiny Committee is asked to note the continued progress made within the period.</p>	
<p>Reason(s)</p> <p>A comprehensive approach to property compliance is being undertaken and enshrined in a series of assurance frameworks detailing the controls and ‘three lines of defense’ that are in place to ensure the health and safety of residents and their homes. A detailed compliance report is provided to Assurance Board on a monthly basis which covers the main areas of property health and safety which demonstrates compliance with statutory requirements.</p> <p>Both external and internal audits of aspects of property compliance are undertaken regularly.</p>	

1. Introduction

1.1 As a registered provider, LBBD is required to comply with the consumer standards, including the Home Standard which requires LBBD to have a cost-effective repairs and maintenance service and to meet all applicable statutory requirements that provide for the health and safety of tenants in their homes. An independent audit undertaken by Pennington Choices raised several areas that needed urgent action:

- Duty Holder Clarity – clear roles, policies, working responsibilities between LBBD (duty holder) & BDMS (contractor)
- Data Validation – ensuring that all properties with a compliance obligation are included on the relevant program.
- Data management – compliance programs, data and records are held and managed in a suitable IT system.
- Policies, processes, and procedures – comprehensive set of P&Ps that detail LBBD's obligations and approach to compliance
- Structure and operational delivery – ensuring compliance team has the necessary technical competence and capabilities.
- Individual compliance areas – take appropriate action asap to address weaknesses in each compliance area.

1.2 An action plan was devised, agreed and has been completed addressing the points raised in the Pennington Choices health check.

2. Health And Safety Reporting

2.1 All communal electrical testing inspections have been completed. These were completed ahead of time.

2.2 The domestic electrical programme entered its third phase in June 2023. This is a three-year program with an intended completion date of June 2026. However, based on current trajectory we will achieve completion by end of December 2024.

2.3 We continue to maintain a 100% success rate of Fire Risk Assessments (FRAs).

3. Compliance

3.1 The Council has a duty of care and a legal responsibility to ensure that all buildings and properties under its control are maintained so that they remain safe places for customers to live.

3.2 The Council recognises that the delivery of compliance servicing regimes is essential in meeting those responsibilities.

3.3 Our six core areas of compliance are:

- Electrical;
- Legionella;
- Asbestos;
- Lifts;
- Gas; and

- Fire Safety.

The performance of each of these areas is included in the charts below.

4. Performance Reporting

4.1 This report provides an update on the performance in dealing with the compliance activity. Please see the attached charts and tables that demonstrate performance.

January 2023-2024 HRA - Electrical Compliance Summary Performance

Area	Electrical Contractor	Phase-3 Program	Phase-3 Program less Sold Properties	No. Expected Monthly	Complete M10	Expected at Q4	Total No. Completed to Date in Q4	Program % Complete
Dwellings	Wiggett	3,399	3,342	97	268	1,164	1,444	43.21%
	NRT	4,459	4,441	124	359	1,488	2,815	63.39%
	Aaron	3,601	3,562	100	129	1,200	2,493	69.99%
	Niblock	3,502	3,483	97	245	1,164	1,779	51.08%
	Total	15,073	14,828	418	1,001	5,016	8,531	57.53%
Commercial	Purdy	440	351	36	0	351	351	100%
	ETM	502	419	42	2	419	414	100%
	Total	942	770	78	2	770	7	100%

EICR program

We continue to successfully deliver our five-year global domestic electrical testing program.

As can be seen from the chart above we are currently operating 70% above our target figure of 5016 completions by the end of Q4, March 2024 having already completed 8,531; however, we have already completed 8,531. Weekly contract (70%) above the target set for M10 January 2024. Robust weekly contract management arrangements are in place to monitor individual contractor performance.

Gas Safety Inspections

23 Gas safety inspection certificates failed to be uploaded by BDMS by the cut off date. The inspections were completed in time. Our performance in this area is therefore currently 99.85%.

Water Hygiene

15 water risk assessments (WRA) were out of target at the end of January these are scheduled for completion by the end of February 2024.

Action Priority						
Overdue Actions						
Action Type	A	B	C	Man1	Man2	Grand Total
<i>Certification Check</i>					3	3
<i>Contractor Action</i>	864	31	9			904
<i>Inspection, Testing and Maintenance</i>				4	4	8
<i>Policy/Procedure</i>				1	9	10
<i>Site Check</i>					145	145
<i>Specialist Survey/Assessment</i>					21	21
<i>Staff Action</i>				3		3
Grand Total	864	31	9	8	182	1094

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4 Passenger lifts had out of date certificates at the end of January 2024. These are six monthly inspections. Improved access arrangements have been agreed with the contractor Zurich to prevent future missed appointments. All certificates will be in place by the end of February 2024.

FRA Remedial Actions

A total of 23,859 FRA remedial actions have been raised since March 2022, when the FRA program was initiated. 19,799 (83%) of these remedial actions have been completed. 435 of the remaining 4060 remedial actions are categorized as optional. 1094 are overdue for completion. These form part of a planned program of works and are mitigated.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

Appendix A – Compliance performance Report

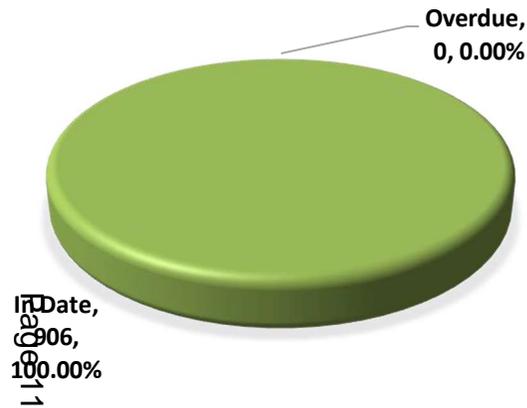
Appendix B – Compliance Table

Appendix A – Compliance performance Report

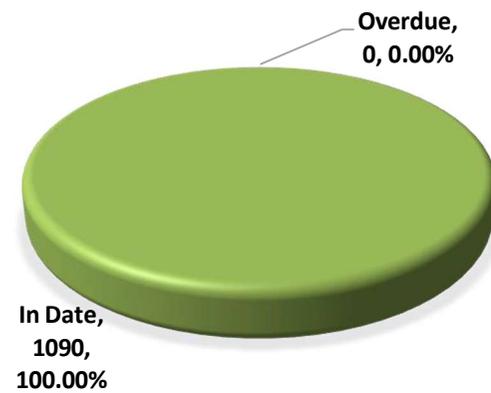
PERFORMANCE REPORTING - CURRENT POSITION – INSPECTIONS

This report provides an update on the performance of the six fundamental H&S compliance areas for the tenth month of January 2024.

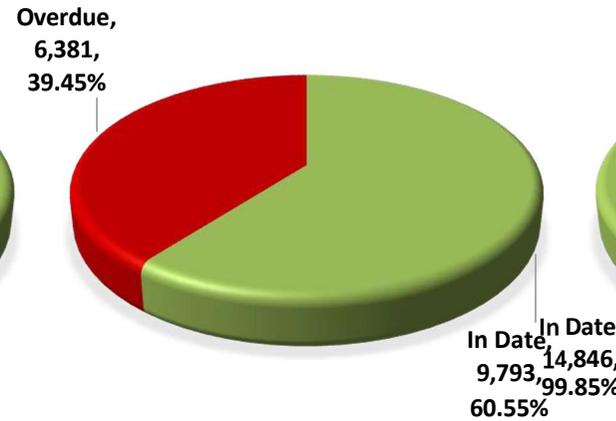
COMMUNAL ELECTRICAL



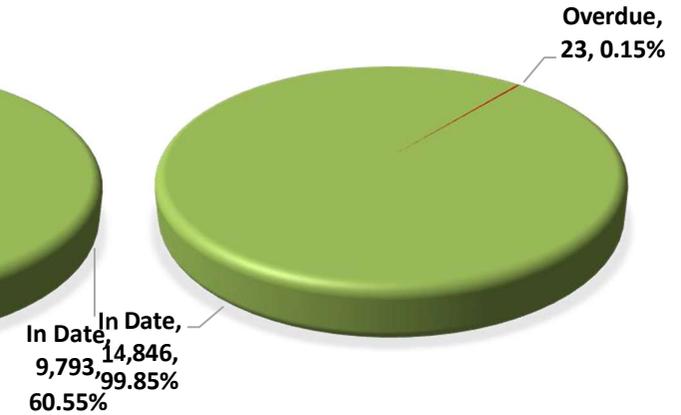
FRA



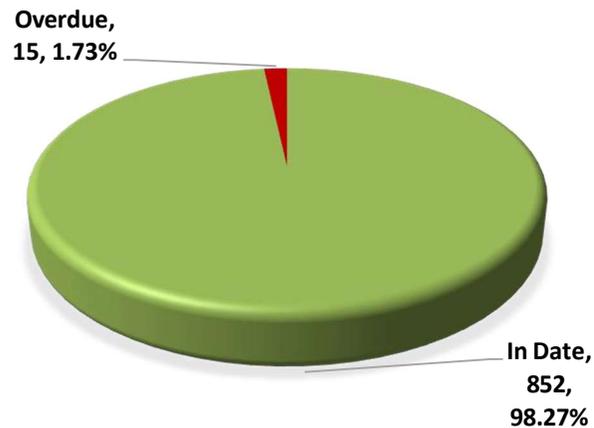
DOMESTIC ELECTRICAL



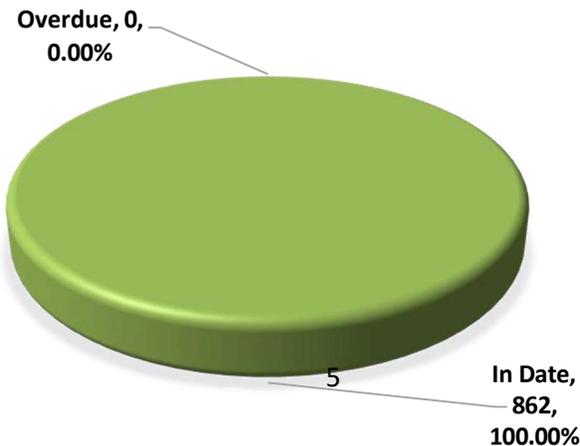
GAS SERVICING



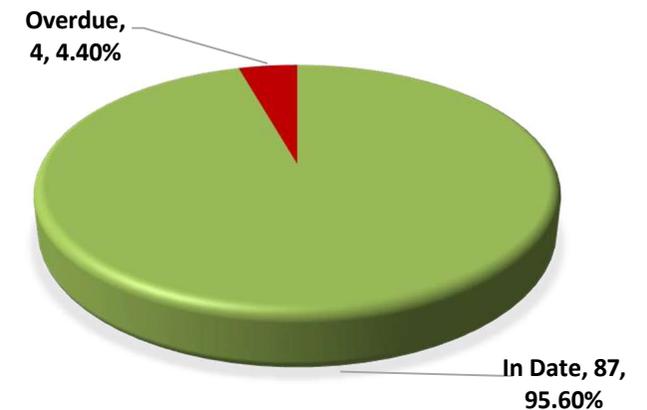
WATER HYGIENE



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Appendix B – COMPLIANCE TABLE

Overall Compliance Position*						
Compliance Area & Risk Rating	Total properties	On program	Compliant (i.e.in date)	Level of Compliance	Non-compliant (Inspection out of date)	Requiring ** validation
My Place Domestic						
Gas	(20,311) 20,311	(14,891) 14,869	(14,873) 14,846	(99.87%) 99.85%	(2) 23	(17) 1
Electric	(20,311) 20,311	(16,251) 16,174	(8,793) 9,793	(52.22%) 60.55%	(7,458) 6,381	(0) 0
Communal Blocks						
Gas	(1,436) 1,436	(25) 25	(0) 0	(100%) 100%	(0) 0	(0) 0
Electric	(1,436) 1,436	(906) 906	(895) 906	(98.79%) 99.34%	(11) 0	(11) 0
Fire	(1,436) 1,436	(1,084) 1,090	(1,084) 1,090	(100%) 100%	(0) 0	(0) 0
Asbestos	(1,436) 1,436	(862) 862	(862) 862	(100%) 100%	(0) 0	(0) 0
Water Hygiene	(1,436) 1,436	(873) 867	(859) 852	(98.4%) 98.27%	(14) 15	(0) 0
Lifts	(91) 91	(91) 91	(86) 87	(94.51%) 95.6%	(5) 4	(0) 0
CO²	20,311	14,891	14,891	(100%) 100%	0	0

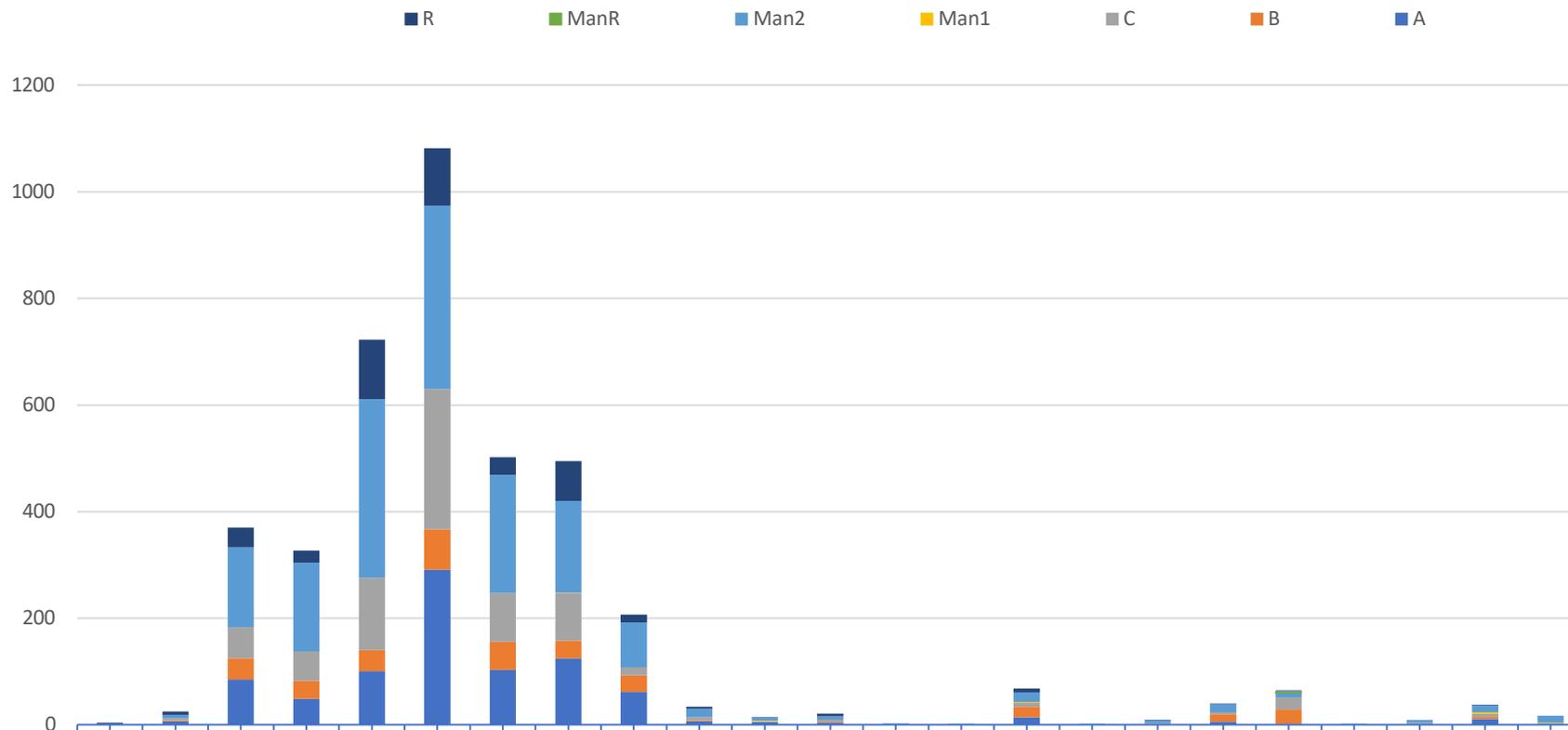
Numbers in brackets – Previously reported end of M9

Numbers outside brackets – Numbers as at end of M10

Risk Rating Key: High Medium Low

FRA overdue Remedial actions – M10, January 2024

At the period end, M10, January 2024, 1,094 of 4,060 (26.95%) corrective actions were overdue. This compares to the end of the previous month, when 1,136 of 4,349 (26.12%) FRA corrective activities fell short of their aim.



- Yellow indicates (Man 1 actions) Higher risk, short to medium timeframe, dependent on the risk level of the building.
- Light blue (Man 2 actions due across the program) Medium risk, medium/long timeframe, dependent on the risk level of the building.
- Blue and grey indicates (Priority A actions due across the entire program) Low risk, long timeframe.
- Orange indicates (Priority B actions) Very low risk, long timeframe.
- Gray indicates (Priority C actions) Very low risk, long timeframe.

Overview and Scrutiny Committee: Work Programme 2023/24

Officers must ensure reports are cleared by the relevant internal board and include legal and financial implications at least

Meeting	Agenda Items	Officer(s)	Cabinet Member/ Presenter	Executive Board Deadline	Governance Service's Final Deadline
17 April 2024	OFSTED: Update on Improvement Plan	April Bald/Chris Bush	Councillor Jones	12pm, Thursday 21 March	12pm, Friday 5 April
	Public Health Peer Review	Matthew Cole	Councillor Worby		
12 June 2024	Update: How are we incorporating Race & Social Justice work into our schools' education programmes?	Jane Hargreaves/Natasha Cock/Martin Russell/Ben Spinks	Councillor Kangethe	12pm, Thursday 16 May	12pm, Friday 31 May
	Update: Quality of Schools' Recovery Post Covid-19	Jill Baker/Jane Hargreaves			

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