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London Borough of Islington

Policy and Performance Scrutiny Committee - 17 December 2019

Non-confidential minutes of the meeting of the Policy and Performance Scrutiny Committee held at on 17 December 2019 at 7.30 pm.

Present: **Councillors:** Gallagher (Vice-Chair), Bell-Bradford, Chowdhury, Cutler, Gantly, Heather, Hyde, Jeapes, Khurana, Poyser, Russell and Wayne
Also Present: **Councillors:** Hull and Debono

Councillor Troy Gallagher (Vice Chair) in the Chair

165 **APOLOGIES FOR ABSENCE (Item A1)**

Councillor Chapman

166 **DECLARATION OF SUBSTITUTE MEMBERS (Item A2)**

None

167 **DECLARATIONS OF INTEREST (Item A3)**

None

168 **MINUTES OF THE PREVIOUS MEETING (Item A4)**

RESOLVED:

That the minutes of the meeting of the Committee held on 14 November 2019 be confirmed and the Chair be authorised to sign them

169 **CHAIR'S REPORT (Item A5)**

The Vice Chair congratulated the previous Chair of the Committee, Councillor Champion, for her appointment to the role of Executive Member Environment and Transport, and informed the Committee that he would be chairing meetings of the PPS Committee until a new Chair is elected. Councillor Champion would also therefore cease to be a Member of the PPS Committee

The Vice Chair and Members of the Committee stated that they would wish to place on record their appreciation of the work carried out by Councillor Champion whilst Chair of the Committee

RESOLVED:

Accordingly

170 **PUBLIC QUESTIONS (Item A6)**

The Vice Chair outlined the procedures for Public questions, and fire evacuation procedures

171 **THAMES WATER UPDATE - PRESENTATION (Item C1)**

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The following representatives were present from Thames Water – Tim McMahon, Head of Networks, Simon Moore, Water Infrastructure Planning Officer, and Nikki Hynes, Local Government Liaison

Thames Water made a presentation to the Committee, a copy of which is interleaved, following which these main points were made –

- Thames Water stated that there had been significant improvements in responding to the Queens Drive flood, compared to the Upper Street flood in 2016. Significant improvements had been made to response times, customer and loss adjusters were on site on day 1 and day 2 in increased numbers, water dependent vulnerable customers were contacted, and courier service for bottled water established, flood barriers on the ground in 2 hours, event support vehicles in place, etc.
- Queens Drive N4 burst – 36” cast iron trunk main burst on 8 October, reported at 7.55 a.m. and on site at 8.30a.m. Flow reduced by 50% by 11.30 stopping flood area expansion. Managed as level 4 event – the most serious ranking. Pipe was nearly 125 years old, and there were 177 properties damaged by floodwater, 155 private and 20 Hackney Council. Initial findings suggest an old repair may have left a weak point
- Supply impact on 25000 homes for three to four hours initially, but some also affected into the evening. 58 properties still require alternative accommodation, and alternative accommodation is being provided. New for old policy in place and updated compensation policy.
24 hour site security is in place to protect empty properties
Working with Hackney Council – flood recovery meeting set up weekly to deal with immediate operational issues. New process for customer data sharing agreed, meetings now fortnightly, focused on resident’s accommodation, and after care issues, senior managers at meetings with Hackney Council and residents, and there has been a restructuring of incident management processes in consultation with Hackney Council
- Mains repairs in Islington – Thames Water have replaced over a third of Islington’s water network since 2000, which has contributed to a two thirds reduction in burst rates in the borough since 2008
- Business Planning process – Thames set a business plan over 5 years through a price review. This is an important process as it sets customer’s bills, our revenue, level of investment, and thus corresponding performance targets. Key dates – September 2018 – draft business plan submitted to OFWAT, January 2019 OFWAT provides a complete response to Thames draft plan, April 2019 enhanced and revised plan resubmitted to OFWAT, and on 16 December 2019 OFWAT published a final determination of the plan, and there is 2 months to formally respond
- Investment Plans 2020-2025 – 16 December OFWAT final determination set out water company investment levels and performance targets for 2020-25. Thames are analysing this and have 8 weeks to respond so it is not possible to stated what Thames investment plans for Islington are at this stage. Thames stated that they are willing to communicate with Islington to ensure there is access to make improvements in the least disruptive way
- The number of leaks has been reduced considerably in the borough since 2008, and Islington had gone from the worst borough suffering leaks in London, to around the middle of London boroughs suffering from leaks
- In response to a question it was stated that the introduction of new technologies was being looked at, however it was extremely difficult to detect leaks. Synirex covered 7% of the network, and SAHARA system is also used to detect leaks, and this is the best technology currently available, although new technology is being trialled

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- Reference was made to data from previous owners being transferred, and it was stated that there is now higher data capture than previously, and that data is now stored in the GIS platform
- The 3 main reasons why a pipe bursts are the ageing of the pipe network, the soil acidity, and increased development in London, which puts an additional pressure on the network
- Reference was made to the new OFWAT decision on investment and the Thames Business Plan and whether dividends would continue to be paid. Thames stated that they were planning to reduce leakage, and this issue could be looked at, however dividends could only be applied if Thames met strict performance targets. It was added that Thames had achieved its best performance for 20 years in reducing leakage, and additional investment is being provided for the main trunk network
- Discussion took place as to the Thames response to the OFWAT decision on investment, and Thames stated that they had 8 weeks to respond, and there is a need to strike a balance between repair/replacement of pipes
- Reference was made to the necessity to plan for the future with the new reservoir facility planned at Abingdon, and protection of rivers
- A Member referred to the fact that bomb damage may have caused damage to pipes, especially in the New River Walk area

RESOLVED:

That the presentation be noted, and Thames Water be requested to report back to the Committee in March on the result of Thames discussions with OFWAT, and the final determination, and level of investment plans etc.

The Chair thanked Tim McMahon and Simon Moore for attending

172

REPORT OF PROCUREMENT BOARD (Item C2)

Councillor Andy Hull. Executive Member, Finance, Performance and Community Safety was present for consideration of this item. Peter Horlock, Head of Procurement was also present

During consideration of the report the following main points were made –

- Noted the work of the Procurement Board during 2019/20, and the actions of the Strategic Procurement Board in following up the recommendations of the Committee
- Noted the focus on VCS organisations, with supplier registration days, the work being done with VCS organisations by the Council, provision of information in the public domain, and adopting appropriate processes. There is also procurement training, internal officer workshops, and other work is taking place by the Board, which is outlined in the report
- It was stated that a new Procurement strategy is being introduced for 2020/25
- In response to a question as to how social value is determined it was stated that there was no set definition, and this is looked at on a case by case basis, and to ensure local contractors are given the opportunity to bid for work
- Reference was made to the fact that Councillor Shaikh is working on a document in relation to social value and that this should be circulated to Members of the Committee
- It was stated that there is a vast amount of support and information available to support local organisations to bid for work
- In response to a question it was stated that more work needed to take place on contract monitoring to ensure value for money and the services delivered were the most effective that they could be

RESOLVED:

That the report be noted and the Committee be circulated with details of the document being prepared by Councillor Shaikh on social value

The Chair thanked Councillor Hull and Peter Horlock for attending

173

FINANCIAL MONITORING (Item C3)

Councillor Hull, Executive Member, Finance, Performance and Community Safety was present for discussion of this item. Keith Townsend, Director of Environment and Regeneration was also present

During consideration of the report the following main points were made –

- Noted that there is a forecast General Fund underspend of £0.634m, compared to a forecast under spend of £0.237m in the previous month
- Noted the HRA is forecast to break even over the year
- Noted that it is forecast that £144.853m of capital expenditure will be delivered in 2019/20, against the existing capital budget of £148.412m
- Noted that the latest delivery tracker – ‘Rag rating’ – of agreed 2019/20 savings shows that of the £133.775m of savings in 2019/20, £12.595m are either on track to be delivered, or have been replaced with deliverable alternatives. Only £1.180m is ‘flagged’ at risk of delay or non-delivery
- Noted that funding of £2m in E&R had been made available to remedy the structural deficit that had been prevalent in recent years. It was stated that close scrutiny of the budget had taken place to ensure that the deficit was structural
- Reference was made to the consultancy costs, and it was stated that this was due to the number of vacancies, particularly at senior level within the Council. It was also stated that a number of interviews would be taking place to appoint to these posts. Councillor Hull stated that he would circulate details of the number of interim posts
- In response to a question it was stated that the agency staff level was planned to reduce in the next year, and that the absence level had been set at a low level, and sickness absence was being managed down. The cost of an additional crew for refuse collection and licence obligations for drivers had also been additional costs
- Reference was made to the lack of income generated by commercial waste, as compared to forecasts, and it was stated that a commercial waste strategy is being formulated, and some commercial waste income is coming in, via iCO
- In response to a question as to why there had been a variance in the budget for Bunhill 2, it was stated that this was a unique project that was technologically challenging. This had led to necessary increases in budget funding, and was aimed at maximising the benefit to the maximum number of residents

RESOLVED:

That the report be noted, and Councillor Hull be requested to circulate details of the number of posts within the Council occupied by interim postholders

The Chair thanked Councillor Hull, Executive Member, Finance, Performance and Community Safety, and Keith Townsend for attending

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MONITORING REPORT (Item)

RESOLVED:

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That the report be noted

The meeting ended at 9.40 p.m.

CHAIR

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