

OVERVIEW AND SCRUTINY COMMITTEE

Thursday 22 March 2018 at 7.00 pm

MINUTES

PRESENT: Councillor Edward Davie (Chair), Councillor Jacqui Dyer (Vice-Chair), Councillor Matt Parr (Vice-Chair), Councillor Andrew Wilson (Vice-Chair), Councillor Tim Briggs, Councillor Rezina Chowdhury and Councillor Fred Cowell

APOLOGIES:

ALSO PRESENT: Councillor Scott Ainslie, Councillor Mary Atkins, Councillor Anna Birley, Councillor Jennifer Brathwaite, Councillor Max Deckers Dowber, Councillor Robert Hill and Councillor Mohammed Seedat

*Action
required by*

1. **DECLARATION OF PECUNIARY INTERESTS**

Councillor Ed Davie, Chair of the Overview and Scrutiny Committee (OSC) welcomed everyone to the meeting.

There were no declarations of pecuniary interest.

2. **MINUTES OF PREVIOUS MEETING**

RESOLVED: That the minutes of the meeting held on 1 February 2018 be approved and signed as an accurate record of the proceedings.

3. **BURST WATER MAINS**

(All Wards)

The Chair stated that:

- This was a late item added to the agenda in response to the water main bursts following the recent bad weather in early March which resulted in some residents being without water for up to five days.
- The Committee had established a pan-London Scrutiny Commission in 2017, led by Councillor Andrew Wilson and Councillor Jack Holborn

on behalf of Lambeth, as a result of a series of major bursts that occurred across the capital in 2016. Therefore, he felt it would be beneficial to invite representatives from Thames Water to acquire an update on the recommendations of that Commission which also involved the Greater London Authority (GLA) and other boroughs who also contributed to the Commission. He also requested an update pertaining to developments in Streatham as a result of the recent leaks, inadequacies to responses, lessons to be learnt both in terms of how burst water mains could be avoided in the future and how responses to residents could be improved.

The Chair then explained the format for the meeting and invited representatives from Thames Water to address the meeting.

Sarah Hurcomb, Head of Water Network Operations (South London), Thames Water and Mark Mathews, Local and Regional Government Liaison Manager, Thames Water, informed the Committee that:

- They apologised on behalf of Thames Water (TW) to customers, councillors and businesses regarding the loss/outage of water over the five day period and acknowledged that lessons needed to be learnt.
- TW realised the significant impact the loss of water had on customers and businesses in Streatham as a result of the snowfall in February and prolonged bad weather.
- If the temperature dropped below 5°C the pipes within the water network tended to contract and trigger bursts as a result of the cold weather. However, staff resources were usually available to cope with any issues. In this instance, the water pressure dropped below 5°C and suddenly surged to 12°C that affected the network and resulted in air pockets in the water mains.
- Staff worked very quickly to prioritise failures but as a result of air locks in the water mains and the prolonged outage of water, the work took a significant time to be rectified.
- Water was brought in from other areas to assist pushing out the air locks in the pipes to restore the water.
- Staff leave was cancelled and water stations were set up. 20 ambassadors looked after the water stations. However, it was recognised that the water stations were not positioned in the right place.
- TW realised that 20,000 customers had no water.
- In terms of key learning, there was a need by TW to:
 - communicate better with customers;
 - improve collaboration with local authorities, NHS, public health and media;
 - identify problems as TW failed to recognise that customers had difficulty obtaining water that was provided and was waiting to be notified by residents, which was not acceptable.
- An independent Forensic Review of the burst water mains, led by Paul Cuttill, OBE (EDF COO), was published on 24 March 2017. This was

followed by “Thames Water Trunk Mains Strategic Review” published on 2 October 2017 that identified 15 commitments to reduce the risk of major bursts/leak events that was required to be delivered by TW within an 18 month period. A number of those commitments were in the process of being delivered. Some of them included:

- A dedicated trunk main event response team was now in place to deal with issues;
 - The rate of installation and commissioning of TW trunk main monitoring units would be increased;
 - The draft plan for 2020 to 2025 aimed to reduce water leakage by 15%. The longer term plan was to reduce it by 50%. TW hoped to improve response rates for fixes, examine data and current information available to identify where leaks existed;
 - A customer information booklet had been finalised to explain the claims process;
 - Service Level Agreements were being set up with contractors.
- It was recognised that vast work still existed over the next 12 months but TW would continue to deliver on those 15 commitments. TW aimed to increase risk assessments models and improve the monitoring strategy. Also, a trial rig had been set up in Kempton to better understand how to reduce trunk mains and place monitors in the ground quickly and effectively.

The Chair invited officers, and Cabinet Members to address the meeting to respond to the points made by TW representatives.

Kristian Aspinall, Strategic Lead for Crime and Disorder, said that:

- He acted as the lead person with responsibility for critical incidents and emergencies, including firearms, terrorism and water issues.
- On Sunday 4 March 2018, notification of the incident had been received from a local councillor and not TW. Despite speaking to TW several times during the day, they failed to return any calls to the Council. As a result, the Council decided to distribute water to several care homes/sheltered housing in the area but residents were not aware of the developments. Although TW also delivered water later that evening, residents and the Council were unaware that TW would be doing this.
- On Monday 5 March 2018, following being informed that no water was available by local councillors, the Council contacted TW who agreed to deliver water to various sites, including care homes/sheltered accommodation. However, as no water had been delivered by 4.00pm, the Council again delivered water purchased from local supermarkets by hired van, to various sites in the area. Only one water collection point, located 40 minutes’ walk away for many residents, had been set up by TW, which was difficult for vulnerable residents to travel to.
- On Tuesday 6 March 2018, following information received from councillors and residents that no water had been restored, the Council decided to set up additional water points at Gracefield Gardens. As a

result of receiving information from local councillors GPs and health service, the Council also continued to distribute water to residents and vulnerable people.

- On Wednesday 7 March 2018, the water supply had been restored to only some areas. Although on Tuesday, TW set up an additional water station located near to the Lidl store in Streatham, by Wednesday the water supply had been consumed. The Council again had to check-up on the borough's vulnerable residents.
- A process was in place for utility companies to contact local authorities if any issues arose, as local authorities had staff available 24 hours a day, but this had not been activated.
- There was a lack of communication with the Council and residents. The Council had purchased a significant amount of water, as it was not known when the water would be restored.
- Although it was appreciated that TW had no details of vulnerable people within the borough, TW failed to contact the Council and obtain this information. Rather, TW waited for residents to notify them concerning their water supply. Therefore, the Council enquired how similar issues would be dealt with by TW in the future.

Councillor Jenny Brathwaite, Cabinet Member for Housing and Environment and Councillor Mohammed Seedat, Cabinet Member for Healthier and Stronger Communities (job share), explained that:

- TW was a commercial entity that supplied a commodity the community could not live without and had a duty of care for doing this.
- Despite TW representatives attending scrutiny meetings at the Council, other local authorities and the GLA, publication of their independent Cuttil report, their forensic investigation and Councillor Brathwaite meeting TW representatives TW still did not operate effectively during an emergency.
- Although it was appreciated that the temperature was unusual, councillors failed to accept that TW's emergency protocol was sufficient.
- If the Council and local councillors had not intervened and supplied water, many vulnerable residents, especially the elderly, who become dehydrated very quickly, would have remained without water.
- The collection points ran out of water and distribution was considered to be very poor.
- Reference was made to the recommendations made by the pan-London Scrutiny Commission regarding TW's plans to invest their assets in the trunk main network if the public agreed to pay more on their bill. However, residents were not confident that TW would deliver their promises.
- TW's live websites that showed red zones without water was welcomed. However, there were concerns that the data was incomplete.
- Another distribution point in Streatham Wells should have been opened for residents.

- The outage of water affected many businesses and schools that had to close.
- Residents travelled a considerable distance to obtain water but no water was then available.
- Four major water issues had occurred in Streatham in the last three years and the repairs had always taken longer than TW's estimate.
- The two Cabinet Members had written a letter to the Secretary of State and a response was awaited.
- Although compensation for residents was welcomed, there was a need to ensure residents who did not themselves pay the water bill directly, such as private renters and council tenants, also received compensation.
- It was recommended that:
 1. TW should issue an apology to every single house and business affected by the water outage.
 2. Business should be compensated.
 3. The £150.00 compensation awarded by TW was welcomed for residents. However, TW needed to work with the Council to ensure residents who lived in estates at Streatham Hill, housing associations and private accommodation also received compensation.
- Councillors expressed their thanks to officers and volunteers for their assistance.

The Chair invited Councillor Robert Hill and Councillor Scott Ainslie, ward councillors for St. Leonard's, to address the Committee. They explained that:

- TW had stated on Twitter that water would be restored within 15 minutes but this had not occurred. As numerous residents do not use Twitter or the internet, they were not kept abreast by TW of any developments.
- TW did not respond to questions asked by residents.
- Businesses were confused about the process for claiming compensation as this had to be done via a different company, Castle Water, yet they seemed unaware of arrangements.
- TW should ensure they were prepared for any eventuality, as a result of changes in the climate.
- Although councillors were grateful for the apology received by TW, there were concerns that residents had to cope without water for so many days.

James Aspinall, Caseworker for Chuka Umunna MP, explained that:

- A letter to the CEO for TW had been sent by Chuka that detailed many of the issues already raised.
- The Streatham Business Improvement District (BID) had stated that many business had lost up to £5,000 in revenue as a result of the water outage but were only offered £25 compensation. This should be reviewed.
- The process for claiming compensation, appeared complicated and

businesses were unclear what information should be provided. For example, TW's website requested two years financial information to be provided, which was burdensome for all businesses, especially small and new businesses. This should be made more straightforward.

- Schools that closed as a result of the water outage had contacted their MP requesting how they could receive the STEM (Science, Technology, Engineering and Mathematics) sessions offered by TW by way of recompense. More details on this would be welcomed.

Councillor Anna Birley, ward councillor for Thurlow Park, explained that:

- Businesses and residents in West Norwood had also been affected by the water outage.
- Residents had difficulty travelling to the allocated water collection point in Streatham, as east/west public transport links were poor. She also queried TW's mapping systems.
- She echoed the sentiments made regarding poor communication issues, as residents within her ward also had difficulty contacting TW. Instead, residents relied on information received from other sources which left some worried and confused.

The Chair invited residents to address the meeting and Robert Andrew, representing the Norwood Action Group and West Norwood Forum and Barbara Booth, Streatham Wells Safer Neighbourhood Panel Secretary, made the following points:

- West Norwood residents were also affected by the water outage but according to TW's mapping system, residents had water.
- The mains water system in West Norwood was subject to constant water leaks. On checking TW's mapping system, 50 breakages in a half mile radius in West Norwood had been recorded and this demonstrated that the water supply system in West Norwood/Tulse Hill was very fragile.
- Investigations to ascertain TW's strategic plan proved futile, as no response by TW had been received.
- The location of the water station was too far for some residents that lived on estates to travel.
- The compensation made by TW was welcomed but more information was needed on how council tenants would be compensated.

The Chair invited OSC members to pose questions on the water outage incident, the response made by TW and the infrastructure. The following responses by Mark Mathews, Local and Regional Government Liaison Manager, Thames Water, were made:

- As the water outage appeared to be a strategic issue across London, the decision was made by TW's Resilience Team to contact the London Resilience Forum and provided updates regarding the water supply. There was a need by TW to put appropriate resources in place to work with the Council's emergency planning for future issues. Kristian Aspinall, Strategic Lead for Crime and Disorder, added that

although the Council received an update from the London Resilience Forum, it was so strategic in nature that the Council were unable to respond. The London Resilience Forum had responsibility for London-wide issues and not matters pertaining to Streatham and Norwood.

In response to further questions, Kristian Aspinall, Strategic Lead for Crime and Disorder, confirmed that:

- When a major incident was reported to the Council, dependent upon its nature, this was cascaded to the London Resilience Forum, the London Authority Liaison Group and Local Authority Gold Group.
- He was unclear regarding TW's reporting history to the Council pertaining to water issues. However, TW was regarded as a Category 2 organisation under the Civil Contingencies Act and should contact the Council in cases of major incidents and then liaise with the London Resilience Forum.
- The contact telephone number provided to TW would have been responded to, as Council staff were available 24 hours a day to provide assistance, in case of a major incident.

Mark Mathews, Local and Regional Government Liaison, Thames Water explained that he had witnessed TW teams working very hard with the Fire Service, the Department for Environment, Food and Rural Affairs, Police and the London Resilience Forum regarding the issue. However, collaborative working with all London boroughs to understand the different processes in place and obtain knowledge by TW was essential. This would ensure that better communication with residents going forward could be achieved and enable TW to identify where customers were located.

Alex Nickson, Water Resources and Growth Lead, suggested that due to the limited timeframe, a written response to all questions raised by OSC members would be made by TW within a reasonable timeframe, which was agreed by the Chair.

OSC Members then asked for the following questions to be considered by TW in their response:

1. Are water tankers available to deliver water to residents?
2. What input will elected members have in terms of TW's strategic plans?
3. How do TW aim to regain the trust of its residents and ensure that this issue was not repeated? If it was repeated, what will TW do to ensure that residents do not suffer?
4. How will TW ensure going forward that the needs of vulnerable people, especially elderly residents, are catered for?

In response to a concern raised by the Chair, Kristian Aspinall, Strategic Lead for Crime and Disorder, confirmed that TW had agreed to reimburse the Council for costs incurred as a result of the water outage.

OSC Members then proceeded to highlight the following issues of concern:

- The Discover Water website showed that 265 pipe bursts occurred in 2016/17 per thousand kilometres on TW's network, equating to 200 more pipe bursts than the best performing company. As TW aimed to reduce water leaks a only by a further 15% by 2025, this would still leave 225 pipe leaks per thousand kilometres which was not considered adequate given the circumstances.
- Commitment 5.2 of the strategic review involved the establishment of a trunk mains event response improvement programme. According to TW's timeline this should have been done but if so it clearly wasn't working

Lastly, the Chair made the following points:

- He appreciated that TW representatives did not have an opportunity to respond to questions raised by the Committee. However, he hoped that when the written questions had been produced, a response by TW would be received, and representatives from TW would attend another meeting following the local elections, so that this could be communicated to residents.
- The Commission had been set up following the significant failures by TW over a vast period of time as a result of water leaks which affected businesses and residents in Lambeth. This incident also caused vast amounts of children to miss school which affected their education.
- He appreciated that TW had inherited an aged infrastructure, nevertheless, TW could not operate an effective service if they failed to invest in that infrastructure.
- He echoed the sentiment made that a written apology by TW should be sent to all residents and businesses affected by the water outage. Also, all residents, regardless of whether they were home-owners, in residential care homes or sheltered accommodation, etc. should be compensated for their loss.
- The liaison with local authorities and residents should be improved in order to ensure that residents were kept updated regarding issues.
- One of the Commission's recommendations suggested that the Fire Service should be the first point of call in responding to floods, as it had become clear that TW could not cope with major issues. It was requested that this be taken forward
- That the Council write to the Regulator demanding that TW invest more in infrastructure to prevent future leaks.
- The Committee felt that achieving only a 15% reduction by 2025 was not suitable, considering that TW was ranked as one of the lowest performing water companies.

The Chair thanked officers and representatives from TW for attending the meeting and looked forward to receiving written responses to the questions raised by the Committee, which would be published. He also requested that Kristian Aspinall, Strategic Lead for Crime and Disorder, keep the Committee updated regarding communication made with TW.

In response Mark Mathews, Local and Regional Government Liaison Manager, Thames Water confirmed that a full written response to questions would be provided by TW. He also emphasised the need to ensure that collaborative working with local authorities and residents would occur going forward.

RESOLVED:

- 1) To write to Thames Water setting out the following key observations and questions arising from the meeting and request a timely written response, to be published once received:
 - A written apology should be sent to all residents and businesses affected by the water outages in early March 2018
 - Much better communication is needed directly with individual local authorities (not just via the London Resilience Forum) when major incidents occur, particularly in relation to the sharing of information regarding vulnerable people in order that appropriate support can be provided to them in a coordinated manner
 - Communications put out by Thames Water updating customers on the progress of incidents need to be consistent and accurate, with realistic (i.e. not over-optimistic) timescales for resolution
 - Water stations set up to provide emergency water when an incident occurs need to be conveniently located and stocks need to be replenished appropriately so that they do not run out of supplies
 - Can water tankers be part of the response (instead of or in addition to bottled water stations) when customers are without water supplies?
 - What engagement will take place with elected members regarding Thames Water's strategic plans?
 - Thames Water's live mapping information needs to be more accurate; this should include the use of analytical tools to track social media tags
 - Appropriate steps should be taken to ensure that all tenants who were without water receive the same compensation being offered to homeowners. There should be a particular focus on social housing tenants
 - Clarification is requested on the compensation offer to businesses who were left without water during the March 2018 incidents; specifically the committee believes that the reported figure of £25 needs to be significantly increased, and that Thames Water should liaise with Castle Water and Business Improvement Districts to ensure the process and arrangements for claiming compensation

are clear and simple

- Further information is requested on how schools can take up the offer of an educational package of visits to Thames Water sites and talks by staff on STEM subjects
 - In addition to fair compensation to individual residential and business customers, including those in rented accommodation, the committee recommends Thames Water does something that benefits the whole community. Lambeth's Director of Public Health suggested a network of water fountains which would provide healthy, free drinks and help reduce plastic waste (see also item 5). The committee endorses this suggestion.
 - The committee lacks confidence in Thames Water's capacity to respond appropriately to major incidents and as such wishes to see recommendation 6 from the joint scrutiny on trunk mains (that the Fire Brigade Union becomes the statutory Emergency Response Service for flooding, as recommended by the Pitt Review in 2008) progressed
 - Is Commitment 5.2 from Thames Water's Trunk Main Strategic Review (to instigate a trunk mains event response improvement programme) now in place and, if so, why did it not work in this case?
- 2) To endorse the letter sent by the Cabinet Member for Housing & Environment and the Cabinet Member for Healthier & Stronger Communities to the Secretary of State for Environment, Food and Rural Affairs dated Monday 5 March 2018, calling for an immediate inquiry into Thames Water's handling of the situation in Streatham and surrounding area in early March 2018 and into their suitability to operate the water network.
 - 3) To invite Thames Water to a future meeting to report back on progress.
 - 4) To write to Ofwat setting out the committee's views regarding increasing future infrastructure investment.

4. UPDATE ON ORGANISATIONAL REDESIGN - TARGETS AND SAVINGS PROPOSAL

(All Wards)

Jackie Belton, Strategic Director for Corporate Resources, provided an overview of the report as outlined in the papers.

In response to questions from the Committee, Jackie Belton, Strategic Director for Corporate Resources, confirmed that:

- The figures in the 'delivered' column at Table 1, were rounded. £4.7m of savings had been delivered.
- The budget overspend in adult social care would be offset by the Government grant for 2017/18. Children's Social Care and Special

Education Needs had the highest overspends but the opportunity existed to use the Council's one-off reserves. Also, as underspends across the Council had been identified, it was hoped that that overspend would be reduced.

- The new SEN travel assistance contract was now in place and savings would be delivered. Further work had also been done with the Schools Forum to increase the high needs block, though it was noted that this was only a small increase and high demand was a national issue
- The Organisational Redesign targets and savings were scrutinised by Cabinet, discussed by internal bodies and at Cabinet Member briefings within the Council. Each directorate had responsibility in deciding how staffing budget savings would be achieved.
- £9.2m of the £15.7m savings target had already been identified.
- Detailed business cases relating to proposed changes in posts contained Equalities Impact Assessments around specific workforce proposals, such as for Business Support.

During the discussion, OSC members raised the following issues:

- Councillors understood and generally supported the changes to Business Support. However, Cllr Briggs felt that the proposals still seemed like 'salami slicing' and that an opportunity had been missed to be more radical in redesigning a new management and commissioning structure.
- The Organisational Redesign's impact on services, particularly regarding the 'middle core' savings, should be considered at future scrutiny meetings. Robust EIAs were also vital.

In response to the points raised, Jackie Belton, Strategic Director for Corporate Resources, confirmed that senior level posts had not been affected by the organisational redesign. However, a bigger challenge existed regarding middle management staff that had responsibility for particular services.

RESOLVED: That the saving targets, proposals and progress on the Future Lambeth programme delivering the organisation redesign savings 2016 to 2020 be noted.

5. HEALTHIER HIGH STREETS SCRUTINY COMMISSION REPORT

(All Wards)

The Chair explained that this was the second and final action plan update in relation to a Commission established in 2013.

In response to questions, Doug Perry, Associate Director, Commissioning, Environment, Ruth Hutt, Director of Public Health and Councillor Mohammad Seedat, Cabinet Member for Healthier and Stronger Communities (job share), confirmed that:

- In relation to recommendation 8, a polite notice would be displayed on the main play area gates requesting users not to smoke. Park Wardens would be located in the park to show people the signs and encourage them to put out their cigarettes if they were seen smoking. The Chair stressed that the way the notice was phrased could have a big impact on its effectiveness and urged officers to research this carefully.
- A number of other boroughs had already placed signage in their council parks and this would be reviewed by the Council.
- It was important to take a softer approach initially before considering something like a Public Space Protection Order (PSPO)
- There was a feeling that smokers using electronic cigarettes should be treated the same as normal cigarettes and should also be discouraged from smoking, particularly in indoor spaces and licensed establishments as its effects were currently unknown, though it was acknowledged that this was a contested area.
- Stringent measures in terms of smoking were welcomed. However, consideration of the licensing policy should be made to ascertain what conversations the Council had with licensed premises holders regarding serving food in outdoor areas where children were located. The Council also needed to consider further co-operation with licence holders to prevent smoking outside to encourage the benefits of having smoke-free areas to protect children.
- Mixed views existed as to whether the cumulative impact zone (CIZ) implemented within the borough had been effective. It was acknowledged that the CIZ had introduced an extra hurdle in terms of the licensing process and that there had been a reduction in vertical drinking establishments; furthermore, crime had reduced in the area, though this could also be down to work carried out by the Business Improvement District
- The condition preventing the sale of single cans only applied to brand new licence applications. More resources would need to be allocated to work proactively with existing off licences to introduce conditions via voluntary measures or seek to review premises which resisted this
- The opening hours of licensed establishments was currently being reviewed as part of the refresh of Lambeth's Licensing Policy.
- The 'Healthier Catering Commitments' initiative that commenced in 2012 was considered to be a good scheme. However, limited resources within the Council were available to encourage outlets to adopt the scheme. Public demand existed for further healthy eating which provided an opportunity for busier outlets to promote this and an opportunity also existed for the Council to work with other partners to promote healthy eating but a decision was needed on how to engage with families.
- In addition to healthy eating, the Director of Public Health believed more could be done to promote water as a healthy drink. It was suggested that Thames Water could be asked to contribute in some way towards establishing a network of water fountains as part of a wider customer service response to the recent incidents (see item 3

above)

- Regarding the Money Champions Programme that commenced in 2014, little data had been captured by the Council that documented the success of the scheme as Money Champions were volunteers and therefore there was a light touch approach to performance indicators.

RESOLVED: That the third review of the action plan (Appendix 1) be noted.

Guillotine

During the discussion of this item the guillotine fell at 9.00pm.

MOVED by the Chair, and

RESOLVED: That the meeting continue for a further period of up to 15 minutes.

6. 2017/18 OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME

(All Wards)

RESOLVED: That the work programme as drafted and the status of actions be noted (Appendix 1).

The Chair thanked the Committee and officers for all their hard work.

The meeting ended at 9.20 pm

CHAIR
OVERVIEW AND SCRUTINY COMMITTEE
Date Not Specified

Date of Despatch: Wednesday 18 April 2018

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