

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE CABINET

HELD AT 5.35 P.M. ON WEDNESDAY, 9 MARCH 2011

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

Members Present:

Mayor Lutfur Rahman (Mayor)	(Mayor)
Councillor Ohid Ahmed (Deputy Mayor)	(Deputy Mayor)
Councillor Alibor Choudhury	(Cabinet Member for Resources)
Councillor Rabina Khan	(Cabinet Member for Housing)
Councillor Rania Khan	(Cabinet Member for Regeneration)
Councillor Oliur Rahman	(Cabinet Member for Children's Services)

Other Councillors Present:

Councillor David Edgar	
Councillor Marc Francis	
Councillor Peter Golds	(Leader, Conservative Group)
Councillor Ann Jackson	(Chair, Overview & Scrutiny Committee)
Councillor Joshua Peck	

Others Present:

Officers Present:

Nadir Ahmed	– (Chief Executive's Business & Policy Support Officer)
Robin Beattie	– (Acting Head, Strategy & Resources, Communities Localities & Culture)
Heather Bonfield	– (Interim Service Head Cultural Services , Communities Localities & Culture)
Isobel Cattermole	– (Acting Corporate Director, Children, Schools & Families)
Ahzaz Chowdhury	– (Political Advisor to Conservative Group, Chief Executive's)
Kevan Collins	– (Chief Executive)
Aman Dalvi	– (Corporate Director, Development & Renewal)
Tony Finnegan	– (Acting Head of Media, Communications, Chief Executive's)
Stephanie Ford	– (Interim Performance Manager, Strategy & Performance, Chief Executive's)
Isabella Freeman	– (Assistant Chief Executive - Legal Services, Chief

	Executive's)
Afazul Hoque	– (Scrutiny Policy Manager, Scrutiny & Equalities, Chief Executive's)
Shazid Miah	– (Acting Community Liaison Officer to the Mayor, Chief Executive's)
Khaled Abdul Moyeed	– (Interim Political Advisor to the Mayor, Chief Executive's)
Chris Naylor	– (Corporate Director Resources)
Jackie Odunoye	– (Service Head Strategy, Innovation and Sustainability, Development & Renewal)
Helen Taylor	– (Acting Corporate Director Adults Health & Wellbeing)
James Walsh	– (Housing Regeneration Officer, Major Project Development, Development & Renewal)
Chris Worby	– (Interim Service Head, Regeneration, Development & Renewal)
Angus Taylor	– (ExecutiveTeam Leader, Democratic Services, Chief Executive's)

MR L. RAHMAN (MAYOR) IN THE CHAIR

MAYOR'S WELCOME AND OPENING STATEMENT

The Mayor:

- Welcomed those present in the public gallery.
- Made an opening statement as follows:-
 - At a meeting of the Council, the previous evening 8th March, the Authority had passed a budget that contained £55m in cuts. This was a huge amount of money for this Council to lose, and it had been personally heartbreaking for Mayor Rahman to pass on the unnecessary and ideological cuts of the Tory-led government.
 - However, the Budget had been passed with support from across the political spectrum and as Mayor he had been happy to take on amendments and proposals from all sides, such as the excellent ideas put forward by the Liberal Democrat Councillor Stephanie Eaton and colleagues in Respect.
 - Viital services had been protected and as the business transacted at the Cabinet meeting that evening 9th March would show, there was still some room for invest in the priorities of his Administration.
 - Of course, there were still many £millions of cuts to come and there would be further pain. However as Mayor he and those who had joined him had shown that by working as a community

the blow could be softened. Those in the community sank or swam together.

- Mayor Rahman saluted the courage of his Labour Group colleagues who voted with their heads the previous evening. He considered they had shown the principle and conviction that had often been missing from progressive politics.
- Mayor Rahman formally paid tribute to Councillor Alibor Choudhury, Cabinet Member for Resources, who has done a fantastic job in very difficult circumstances. He had worked tirelessly to make the Budget setting process as fair and inclusive as possible. Mayor Rahman also formally thanked Mr Chris Naylor and the other members of the Corporate Management Team for their assistance in achieving the agreement of the Budget. Together they had made sure that despite the unprecedented scale of the cuts the Authority and the Mayor and his Administration were in good shape to meet the challenges of the future.
- Mayor Rahman and his Cabinet would be considering a range of proposals that evening 9th March:

The regeneration of the Bartlett Park area would deliver 150 new homes, with 50% being affordable. This work was part of his commitment as Mayor to deliver affordable housing for Tower Hamlets.

Agreement of a policy for Major Events in Park ensuring that there would be best value for money from events held in Victoria Park, whilst ensuring that concerns of residents and other stakeholders were taken into account. There would be community fireworks in four different corners of the borough, which would increase the capacity for enjoyment of the display and make it more accessible to people from all walks of life – from families and children to elderly and disabled. There would be greater use of the Council's parks.

A proposal to reorganise the existing Children's and Adults directorates into one new unified directorate, which would lead to more efficiency savings. This was part of my commitment as Mayor to continue to find savings without affecting frontline services.

- In conclusion the Mayor commented that he was certain everyone was looking forward to the royal wedding next month. He intended to provide support to residents organising street parties and joining together in celebration, and the Authority had already reduced the processing time for royal wedding street party applications from 4 weeks to 3 weeks. Mayor Rahman wanted to continue the East End tradition of street parties and ensure that people had something to celebrate, even in these tough times.

ADJOURNMENT

At this juncture the Mayor informed those present that before he and his Cabinet proceeded to consideration of the substantive business set out in the agenda, there would be an opportunity for the public to put questions to himself, the Deputy Mayor, and other Members comprising the Cabinet who were present. Accordingly the Mayor **Moved** the following motion for the consideration of members of the Cabinet, and it was: -

Resolved

That the Cabinet adjourn for a short period of up to 15 minutes, at 5.45pm, and that the meeting reconvene thereafter.

The meeting adjourned at 5.45pm

The meeting reconvened at 5.55pm

Question & Answer Session

Members of the public sought clarification in relation to the following points:

- Victoria Park and commercial events:
 - Concern that despite a motion passed by the full Council in December 2010 understood to restrict the use of Victoria Park for Commercial Events the proposed programme of events for Summer 2011 was the same as 2010.
 - Concern that there had been a lack of consultation with residents in the vicinity of Victoria Park, the Area Partnership and the Victoria Park Friends Group, in relation to the proposed policy for major events in parks.
 - Acknowledging the need of the Council to generate income to offset severe Government cuts in funding, consideration that this could be achieved with greater respect for users of the park during the summer, and in a way which minimised nuisance to the neighbouring community. Other Inner London Boroughs had restricted public events in parks to a greater extent than that proposed by Tower Hamlets apparently without a detrimental commercial impact
- Leasehold Policy Review
 - What was the justification for rushing through now the decisions of the present Leasehold Policy Review given the context of:
 - The scope and complexity of the issues involved and important policy changes proposed.
 - The continuing requirement to deliver the agreed aim of the full Council (October 2008) in commissioning an independent audit of leasehold charges:
 - “Re-establishing satisfaction and confidence amongst leaseholders that the Council and THH will deliver value for money by driving down costs, increasing efficiency and ensuring sustained improvements to the service”*
 - Failure to properly consult leaseholders on the existing Policy Review and also to publish/circulate (contrary to

commitments made) those leaseholder submissions that were received.

The importance of the Beevers & Struthers independent audit report of leaseholder charges and services, which covered in detail many of the areas/issues covered by the policy review documents, but which had not been properly part of the present deliberations (although the process of signing it off for official publication had been promised for March 2011).

- Would not the interests of all, including the need to produce firmly based policies for the important leasehold service, be best served by now considering the Leasehold Policy Review together with the shortly to be published Beevers & Struthers audit report, allowing full consideration of the issues and also proper consultation with all stakeholders, including the leaseholders directly affected?

The Mayor indicated that the questions and comments related to substantive items of business, as set out in the agenda, and therefore they would be noted at this juncture and a response given during the Cabinet deliberation of the items of business to which the questions/ comments related.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Mr S. Halsey, Corporate Director Communities, Localities and Culture for whom Mr R. Beattie, Acting Head of Strategy and Resources, Communities, Localities and Culture, was deputising.

Apologies for lateness were received on behalf of:

- Councillor A. Choudhury, Cabinet Member for Resources.
- Ms. I. Freeman, Assistant Chief Executive (Legal Services), Chief Executive's.

Noted.

2. DECLARATIONS OF INTEREST

Councillor O. Ahmed (Deputy Mayor) declared a personal interest in Agenda item 5.2 (i) "Any Unrestricted Decisions 'Called in' by the Overview & Scrutiny Committee - Cabinet decision 'Called in' - Leasehold Policy Review". The declaration of interest was made on the basis that the referral, by the Overview and Scrutiny Committee held on 7th March 2011, of the provisional decision of the Cabinet, made on 9th February 2011 in relation to the Leasehold Policy Review report (CAB 080/101), to Cabinet for further consideration contained recommendations relating to the Authority's Leasehold Policy and Councillor Ahmed was an LBTH Leaseholder.

Councillor O. Ahmed (Deputy Mayor) declared a personal interest in Agenda item 6.1 "Cotall Street/Bartlett Park". The declaration of interest was made on the basis that the report contained recommendations relating to Poplar HARCA and Councillor Ahmed was a representative of the Authority on the governing body of Poplar HARCA.

Councillor Rania Khan declared a personal interest in Agenda item 6.1 "Cotall Street/Bartlett Park". The declaration of interest was made on the basis that the report contained recommendations relating to Poplar HARCA and Councillor Rania Khan was a representative of the Authority on the governing body of Poplar HARCA.

Noted.

3. UNRESTRICTED MINUTES

The **Mayor** moved and it was:-

Resolved

That the unrestricted minutes of the ordinary meeting of the Cabinet held on 9th February 2011 be approved and signed by the Mayor, as a correct record of the proceedings.

4. PETITIONS

The clerk advised that the Assistant Chief Executive (Legal Services) had received no requests for petitions in respect of the business contained in the agenda.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's advice of Key Issues or Questions in relation to Unrestricted Business to be considered

Councillor Jackson, Chair of the Overview and Scrutiny Committee, addressed members of the Cabinet:

- Formally thanking Councillor Rabina Khan, Cabinet Member for Housing, and Councillor Rania Khan, Cabinet Member for Regeneration, for attending the Overview and Scrutiny Committee (OSC) to discuss/ answer questions on agenda items relating to their Cabinet Member portfolios.
- *Scrutiny Spotlight – Cabinet Member for Regeneration*
 - Outlining the key issues on which this discussion focused:
 - Jobs for local residents from local and regional regeneration projects
 - Regeneration of area around Bethnal Green tube station and how this could be better planned.

Developing better understanding of the demographic of unemployed people. Factors keeping people unemployed and if and how this could be changed.

Developing local peoples skills to equip them to access jobs at the Olympic site, and how the Authority might secure more from the opportunity of the 2012 Games, for example jobs beyond the end of the Games.

Support for King Edward Memorial Park: concerns regarding the works being undertaken requiring careful action from officers, for example restoration of the Park once works were finished.

Poplar Baths regeneration: The potential for connecting with Chrisp Street regeneration to reduce disruption.

- *Referrals from Full Council*

Mayor's Office - staffing proposals: reporting that despite concerns regarding proposed costs, the OSC agreed not to consider this because of the commitment given by Cabinet, in February 2011, to set up a cross party group to examine support to the Mayor's Office and support for councillors.

Confidentiality of Members Enquiries: reporting that the OSC referred this to the Assistant Chief Executive (Legal Services) to review and report back. Further understanding was needed as to what must remain confidential.

Bancroft Library: reporting that the OSC were to consider this issue at their April meeting.

- *Performance and Budget Scrutiny*

- Advising of key elements of the Overview and Scrutiny Committee's consideration of the report "Strategic Performance and Corporate Budget Monitoring to December 31st 2010" to inform Cabinet consideration of the same report:

Shortfall relating to leasehold charging.

Overspend in communication budget in Children, Schools and Families Directorate, in particular why school redundancy costs had not been budgeted for appropriately.

Overspends in Adults Health and Well Being Directorate.

Reporting that written responses regarding these issues had been received and circulated to members of the OSC.

Mr Dalvi, Corporate Director Development and Renewal briefly clarified why it was not possible to connect the regeneration of Poplar Baths and that of Chrisp Street, given different delivery agents and legal mechanisms.

The Mayor commented:

- Commented that Poplar Baths had been a priority for the Administration when he had been Leader of the Council and since becoming Mayor he had ensured it had again become a priority. He expected that within the next few months a solution acceptable to the Council and the Community would be brought forward.
- Commented that the issues relating to the costs of running a Mayoral Office had been settled on 8th March at the meeting of the full Council

to set the Budget. The costs for the Mayoral Office had been capped at £271,000 and he hoped this would draw a line under the matter.

- Thanked Councillor Jackson for presenting this element of the contribution of the Overview and Scrutiny Committee.

5.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee

5.2(i) Cabinet Decision "Called in" Leasehold Policy Review (CAB 103/101)

Councillor O. Ahmed (Deputy Mayor) declared a personal interest in Agenda item 5.2 (i) "Any Unrestricted Decisions 'Called in' by the Overview & Scrutiny Committee - Cabinet decision 'Called in' - Leasehold Policy Review". The declaration of interest was made on the basis that the referral, by the Overview and Scrutiny Committee held on 7th March 2011, of the provisional decision of the Cabinet, made on 9th February 2011 in relation to the Leasehold Policy Review report (CAB 080/101), to Cabinet for further consideration contained recommendations relating to the Authority's Leasehold Policy and Councillor Ahmed was an LBTH Leaseholder.

The Chair informed members of the Cabinet that:

- Councillor Jackson, Chair of the Overview and Scrutiny Committee, had **Tabled** a reference (CAB 103/101) arising from the deliberations of the Overview and Scrutiny Committee (OSC), held on 7th March 2011, in respect of the provisional decision of the Cabinet, held on 9th February 2011, made in relation to the report "Leasehold Policy Review" (CAB 080/101), a copy of which would be interleaved with the minutes.
- A detailed response to the matters raised by the Overview and Scrutiny Committee in the tabled reference regarding this agenda item, had been **Tabled** by the Corporate Director Development and Renewal, a copy of which would be interleaved with the minutes.

Councillor Jackson, Chair of the Overview and Scrutiny Committee, addressed members of the Cabinet in relation to the tabled reference of the OSC (CAB 103/101), and requests contained therein, summarising the key reasons for "Call In", highlighting focal points of the further deliberation of this matter by the Committee and its conclusion to refer the provisional decision of the Cabinet regarding this matter back to the Cabinet for further consideration.

- Summarised 3 key reasons for the "Call In":
 - That the proposed revisions to the Authority's Leasehold Policy were not aligned with the report of the Beevers and Struthers Independent Audit of leasehold service charges, which had yet to be finalised and signed off.
 - Fundamental changes were proposed to the Authority's Leasehold Policy whereby leaseholders on the ground floor will start becoming liable for the costs of day-to-day maintenance

and replacement of lifts and door entry systems. Also, leaseholders who succeeded in having a component exempted from major works would nevertheless be recharged a share of the preliminaries, professional and management fees arising from the major works contract.

- Non-publication of the Counsel's Legal Opinion obtained by the Authority (the basis for the legal advice in the February Cabinet report that the proposed changes to the Leasehold Policy were necessary), to help inform the decision making process.
- Commented in relation to the response of the Corporate Director Development and Renewal to the referral of the "Call In"/ associated reference (CAB103/101):
 - That it indicated policy changes required agreement by Cabinet in March in order for changes to the way leaseholder charges were calculated (including those for ground floor leaseholds) to be included in the 2011/12 estimates. The OSC had not understood this from the response to the "Call In", made at their meeting on 7th March 2011, and it should have been drawn to their attention more clearly. The non-alignment of policy changes with the independent audit report was therefore a timing issue and confirmed that the changes were being rushed through.
 - That it confirmed the concerns of residents and members of the OSC with regard to consultation with leaseholders and the effectiveness of this considering given a number of respondents complained about the consultation process. The OSC had noted that a copy of the report from the consultation had not been provided for Cabinet consideration in February, when the provisional decision regarding the policy changes had been made, and therefore the decision was flawed as it was not fully informed by all the information available.
 - That it confirmed the concerns expressed by members of the OSC at their meeting, that the Counsel's Legal Opinion regarding this matter had not been made available to members of Cabinet or OSC, and therefore could not be fully scrutinised nor fully taken into consideration when the Cabinet reached their decision.
- Concluded that members of the OSC were very concerned by the fundamental changes proposed in the new Leasehold Policy and commending that the Cabinet reconsider and set aside their previous decision, and instead took the alternative course of action set out in the tabled report of the OSC, summarised as follows:
 - Ensure changes to the Leasehold Policy were aligned with the Beevers and Struthers Independent Audit of leasehold service charges.
 - Commit to further consultation with leaseholders and councillors regarding the proposed changes to the policy.
 - Ensure that the Counsel's legal opinion regarding this matter was published.

Also sought clarification as to whether a decision could be made by Cabinet later in the month at an extraordinary meeting.

Ms Odunoye, Service Head Strategy, Innovation and Sustainability Development and Renewal, and Ms Freeman, Assistant Chief Executive (Legal Services), at the request of the Chair, also addressed members of the Cabinet in relation to the matters raised by the OSC in the tabled reference and also the tabled response to this from the Corporate Director Development and Renewal, highlighting key points as follows:

- Councillor Rabina Khan, Cabinet Member for Housing, had pledged at the meeting of the OSC on 7th March to revisit the revised Leasehold Policy once the Beevers and Struthers Independent Audit of leasehold service charges had been finalised and also to consult on any further necessary changes. The majority of the recommendations in the draft Beevers and Struthers audit report related to service delivery issues which were outside the scope of the policy review. Of those that related to policy issues, most had already been included in the review and of those not included only 1 related to the issues in paragraphs 9.1 and 9.5 of the February Cabinet report, which were the key elements of concern prompting “Call In”. Once the independent audit report was finalised Officers would examine the Leasehold Policy in this context and would bring forward any necessary changes.
- It was important that leaseholders were charged correctly, in accordance with their lease, and the policy review had focused on delivering a robust set of policies that properly reflected existing lease agreements. It was also important that the Authority collected the money due from leaseholders otherwise the Housing Revenue Account would bear the cost and that ultimately resulted in a cross subsidy by tenants.
- Advising that service charge estimates were normally issued to leaseholders at the end of March each year, and if the revised Leasehold Policy were not agreed by the Cabinet at this point, the next time the Authority’s leaseholders could be billed on that basis would be March 2012. Ms Odunoye apologised if that had not been made clear to the OSC at their meeting on 7th March 2011.
- Confirming, in response to a public question earlier in the proceedings, that if Cabinet agreed the revised Leasehold Policy the charges associated with the revisions would be included in the 2011/12 Service Charge Estimates issued to leaseholders. Ms Odunoye apologised if any members of staff had informed the member of the public otherwise.
- Advising that all legal opinion was privileged and not for publication, as it was copyright to the Counsel. The Chief Legal Officer advised the Authority and this legal advice to the Authority had been published in the February Cabinet report. An offer was made at the meeting of the OSC on 7th March 2011 to circulate a briefing note based on the Counsel’s opinion and this was currently being prepared.

A discussion followed, during which the proposals in the reference from the OSC were rejected, and which focused on the following points:-

- Councillor Rabina Khan, Cabinet Member for Housing:
 - Stated that it was her intention that the Beevers and Struthers Audit Report be finalised as soon as possible, and gave an

- assurance that she intended to reconvene the cross party project working group by the end of March with a view to achieving this. Councillor Khan apologised for the delay.
- Reaffirmed her commitment to revisit the revised Leasehold Policy once the Beevers and Struthers Audit Report had been finalised, to ensure the policy appropriately reflected the recommendations of the independent audit.
 - Commented that the recent Audit Commission Inspection of Tower Hamlets Homes (THH), resulting in a two star rating, had noted in a little noticed paragraph that current Council policy meant THH was not charging ground floor leaseholders the full costs as outlined in their lease, with a resulting loss of income, and this should be addressed.
 - A Labour Group councillor and signatory to the requisition “Calling In” the provisional decision of the Cabinet in respect of the Leasehold Policy Review, speaking with the consent of the Mayor and Cabinet commented that:
 - The amendment to the recommendations contained in the report to February Cabinet, proposed by the Cabinet Member for Housing and agreed by the Mayor, in relation to retaining a discretionary £10,000 cap on major work recharges for some leaseholders had been welcomed by Councillors “calling in” the decision and the key role played by the Lead Member should be acknowledged.
 - The Cabinet should reconsider the changes to the Leasehold Policy which meant leaseholders on the ground floor would become liable for the costs of day-to-day maintenance and replacement of lifts and door entry systems even if they did not access such facilities. It should also re consider the changes which meant that leaseholders who succeeded in having a component exempted from major works would nevertheless be recharged a share of the preliminaries, professional and management fees arising from the major works contract. For example being charged for scaffolding and fees where they derived no benefit. The councillor considered the new charges were inappropriate.
 - That the Counsel’s Legal Opinion obtained by the Authority (the basis for the legal advice that the proposed changes to the Leasehold Policy were necessary) should have been made available to councillors and the public to inform their consideration and decision making in February and certainly to inform reconsideration of the matter in March. The promised briefing note based on the the Counsel’s Legal Opinion should have been made available for reconsideration of this matter.
 - The decision of the Mayor and Cabinet to retain the discretionary £10,000 cap on major work recharges for some leaseholders demonstrated that the proposed changes were policy decisions not a matter of law. The Cabinet could set aside their previous decision and stop the changes which would drive leaseholders into poverty.

- There were serious concerns about the consultation undertaken with leaseholders regarding changes to the policy.
 - In conclusion the previous decision of the Cabinet was unfair and based on incorrect advice.
- Clarification/ assurance was sought and given regarding the number of ground floor leasehold properties that were sub-let and the number still owned by the original purchaser; and also whether the Authority could legally distinguish between commercial leaseholders and original purchasers.
- The Assistant Chief Executive (Legal Services) commented/ that councillors were welcome to read the Counsel's Legal Opinion referred to in the discussion in her office, but this could not be published more widely as it was copyright to the Counsel that wrote it. The briefing note based on the Counsel's Legal Opinion had only been requested at the OSC held on the evening of 7th March and this was being prepared now.
- Clarification/ assurance was sought and given as to whether the decision taken by the Authority's Housing Committee in 1998, in relation to the Leasehold Policy and charging of leaseholders had been lawful: The Authority could not lawfully choose not to collect service charges contained in its leases.
- Clarification/ assurance was sought and given that the cap on major work recharges for some leaseholders was discretionary and therefore the Authority had the legal power to impose it. Service charges for lifts and door entry systems were however part of the legal obligations contained in the lease agreement and associated Right to Buy documentation (effectively a contract) between the Authority and the purchaser of the lease. If the Authority wanted to change the lease this would require consent of all leaseholders in the block and was very unlikely to be obtained from those leaseholders impacted by redistribution of the costs. Were the costs not redistributed amongst the leaseholders in a block or estate the Housing Revenue Account would bear the cost of income not collected, and the Authority had a fiduciary duty which made that unlawful. The Chief Finance Officer would advise if asked that it was not appropriate for the General Fund to bear such costs.
- A Labour Group councillor and signatory to the "Call In" requisition, speaking with the consent of the Mayor/ Cabinet, commented that:
 - The comments of the Solicitor for the Council contained in the 1998 committee report on this matter stated that the proposed decisions were lawful, and if the current Chief Legal Officer did not concur with this opinion the rationale for that difference of opinion should be explained.
 - The "Call In" requisition requesting the publication of the Counsel's Legal Opinion had been submitted 3 weeks before the meeting of the OSC on 7th March, and he considered that it had been intentionally withheld.
 - Registered Social Landlords (RSLs) such as Tower Hamlets Community Housing distinguished in its charging between original purchasers of a lease and those sub-letting and the

leases were inherited from the Council, and often the Greater London Council before that, as were the Authority's leases.

- The Mayor requested that Officers ensure that any reasonable requests for information allowing for more transparent and informed consideration/ decision making be addressed as soon as possible.
- A Labour Group councillor, speaking with the consent of the Mayor and Cabinet, commented that Old Ford Housing Association distinguished between leaseholders on the ground floor and others when apportioning costs for service charges. It also treated initial and subsequent purchasers differently in relation to the deferred payment of major works costs. A detailed discussion ensued during which the Assistant Chief Executive (Legal Services) clarified that there were differences between the Authority and RSLs as to the course of action they could lawfully pursue in this regard. The basis for this related to RSLs being constituted differently with individual Memorandum of Understanding and Articles of Association. Also trusts were permitted to absorb some costs whereas the Authority was not. The Authority was required to operate an HRA with a balanced budget. The deferral of major works costs was based on statutory deferral which allowed the original payment to be delayed and the Authority allowed this too.

The Mayor:

- Thanked the public and Labour Group councillors for their contribution to the discussion, commenting that this had been a contentious area for some years and his Administration was now being asked to make a policy decision that had been outstanding for some time.
- Considered, whilst acknowledging that the Authority was different in many ways to Registered Social Landlords, that it was appropriate in the context of points raised in the discussion that officers examine the basis and rationale for any differential charging of leaseholders by Registered Social Landlords, also the mechanism by which any costs were absorbed/ redistributed, and the scope for the Authority to act similarly at a future point.
- Also considered it appropriate in the context of points raised in the discussion that officers examine the final report of the Beevers and Struthers independent audit of leasehold service charges, upon its publication, to identify any implications arising in respect of the Authority's Leasehold Policy and to bring forward any appropriate revisions to this Policy for Cabinet consideration.

Accordingly **Moved** the recommendations as set out in the report, together with the two additional recommendations (detailed at resolution 3 and 4 below) for the consideration of members of the Cabinet; and it was: -

Resolved

1. That the advice /comments of the Overview and Scrutiny Committee, as detailed in the Tabled Reference (CAB 103/101) be noted;
2. That the provisional decision of the Cabinet, made on 9th February 2011, in relation to the Leasehold Policy Review report (CAB 080/101) be reaffirmed;

3. That the Corporate Director Development and Renewal be instructed to examine the final report of the Beevers and Struthers independent audit of leasehold service charges, upon its publication, to identify any implications arising in respect of the Authority's Leasehold Policy and to bring forward any appropriate revisions to this Policy for Cabinet consideration; and
4. That Corporate Director Development and Renewal, after consultation with the Assistant Chief Executive (Legal Services), be instructed to examine the basis and rationale for any differential charging of leaseholders by Registered Social Landlords, also the mechanism by which any costs were absorbed/ redistributed, and the scope for the Authority to act similarly at a future point.

6. A GREAT PLACE TO LIVE

6.1 Cotall Street/ Bartlett Park (CAB 098/101)

Councillor O. Ahmed (Deputy Mayor) declared a personal interest in Agenda item 6.1 "Cotall Street/Bartlett Park". The declaration of interest was made on the basis that the report contained recommendations relating to Poplar HARCA and Councillor Ahmed was a representative of the Authority on the governing body of Poplar HARCA.

Councillor Rania Khan declared a personal interest in Agenda item 6.1 "Cotall Street/Bartlett Park". The declaration of interest was made on the basis that the report contained recommendations relating to Poplar HARCA and Councillor Rania Khan was a representative of the Authority on the governing body of Poplar HARCA.

Councillor Rabina Khan, Cabinet Member for Housing, at the request of the Mayor, in introducing the report, summarised the key points contained therein, commenting as follows:-

- The report took forward a long standing proposal to dispose of land in Cotall Street and Stainsby Road, and formed an element of wider proposals to reconfigure the local open space of Bartlett Park.
- Recently the Authority had been required to address the problem of squatters who occupied the former flats in Cotall Street, and this necessitated bringing forward the demolition of the buildings in advance of developing the proposals with the Registered Social Landlords (RSL's).
- The RSL's East Homes and the Poplar HARCA are now finalising their development models. These proposed building 150 new homes of which 50 percent would be affordable and include provision of large family units. This was in addition to homes already delivered in the locality as part of providing for the replacement of the Cotall Street .

A discussion followed, during which the proposals in the report were broadly welcomed, and which focused on the following points:-

- The Deputy Mayor:
 - Formally thanked Councillor Rabina Khan, Cabinet Member for Housing, for her contribution in developing the proposals contained in the report and driving these forward.
 - Warmly welcomed the aspiration set out in the report that the proposed development deliver at least 50 percent affordable homes, which accorded with the priorities of the Mayor and his administration.
 - Noted the key requirement for the scheme of delivering a minimum of 30 percent family housing, but considered that the aspiration in this area should be more ambitious.
- The Mayor commented that he strongly agreed with the comments made by the Deputy Mayor and he and his administration would strive to deliver on these aspirations as circumstances changed going forward.
- A Labour Group councillor, speaking with the consent of the Mayor and Cabinet:
 - Commented that he was pleased to see this scheme being progressed and welcomed the aspiration that it deliver 50 percent affordable housing for which there was great need in Tower Hamlets.
 - Noted the balance of intermediate and social rented accommodation within the proposals, commenting that many did not regard intermediate housing as affordable and recalling robust negotiations with the former Mayor of London on this issue. He considered the proposed level of intermediate accommodation to be very high, and sought clarification as to how affordable it was and the risk associated with this.
 - Commented that he understood the Coalition Government was adopting a new approach to the provision of social housing including changes to security of tenure as well as rent levels and grant funding for such schemes, and sought clarification as to prescribed rent levels and how this impacted on the level of intermediate and affordable housing to be delivered, and mix of tenures proposed.
 - Commented that the scheme included proposals to reconfigure Bartlett Park with housing land at Cotall Street North, next to the canal [Limehouse Cut], transferring to park/ leisure use, and this could have potential for an amenity aspect relating to water. However there was a reference within the report to Local Development Framework priorities including leisure and recreation within town centres. The nearby town centre of Crisp Street did not have a canal and did not offer the same potential for leisure amenity relating to water; and therefore the Councillor expressed concern that over rigid application of planning frameworks might preclude opportunities, such as Cotall Street North, to optimise leisure/ park amenity within developments which were not town centre focused.

- Mr Dalvi, Corporate Director Development and Renewal, and Mr Worby, Interim Service Head Regeneration - Development and Renewal briefly clarified as follows:
 - There was no new Government funding for the development of social housing and it had reduced Homes and Communities Agency grant for such schemes by 90 percent. Any social rented units would only attract £10,000 of grant support compared with the former ceiling of £125,000. For housing schemes to deliver social rented accommodation there was a need for an intermediate housing element to provide the necessary funding.
 - Grant supported schemes might expect to deliver on the basis of rent being charged at 80 percent of market rent level. The housing units in this scheme would be charged above target rent but substantially below 80 percent of market rent level. Flexible tenures were not anticipated, only normal tenancies, but the details remained to be agreed with developers.
 - He proposed that future reports to Cabinet regarding new housing provision for Tower Hamlets should address issues such as rent levels, grant levels, the proportion of intermediate housing.
 - It had been necessary to separate leisure and housing provision within the proposals to comply with European procurement legislation. This did not preclude the Poplar HARCA funding the leisure amenity within its proposals.
- Councillor Rania Khan, Cabinet Member for Regeneration, commented that the Mayor and his administration would stand full square with vulnerable families in the community in the face of Conservative/ Liberal Democrat Government housing reforms. Many working families in the borough could not afford the target rents prescribed by this Government. Social for rent affordable homes were needed to maintain community cohesion and prevent a widening in the gap between rich and poor in the borough.

The Mayor in **Moving** the recommendations as set out in the report:

- Thanked Councillor Edgar for this contribution to the discussion and indicated that there had been extensive Member level debate of the need for intermediate housing and its affordability, and it was acknowledged that many people in the borough could not afford it.
- Commented that he considered it scandalous that over the past ten years the Council had allowed the perpetuation of overcrowding in the borough. There were families of 14 and 15 people living in two bedroom accommodation and he knew of families of 15 members in his own Ward of Spitalfields living in a one bedroom flat. Consequently, as Mayor he would do everything in his power to increase the supply of housing and the right sort of housing. He did not object to movement of people into the borough to live in private housing. However for those suffering health and education inequalities associated with overcrowding he would do all he could to mitigate this, including the exploration of new options such as leasebacks. And it was:-

Resolved:

1. That, subject to the conditions at paragraph 6.4 of the report (CAB 098/101) the Corporate Director of Development and Renewal after consultation with the Assistant Chief Executive (Legal) be authorised to negotiate terms and conditions of the disposal in accordance with the proposals in clause 6 in order that the Mayor can use his Executive powers to decide whether to proceed with the disposal of Cotall Street and land at Stainsby Road to the proposed Registered Providers; and
2. That, in the event the Mayor agrees the disposal, referred to in resolution 1. above, the Corporate Director of Development and Renewal after consultation with the Assistant Chief Executive (Legal Services) be authorised to enter into all necessary documentation to put into effect the decision described in resolution 1 above and the Assistant Chief Executive (Legal Services) be authorised to execute all necessary documents to implement that decision.

Reasons for Decisions

These are detailed in paragraphs 3.1 to 3.8 of the report (CAB 098/101)

Alternative Options Considered

These are detailed in paragraphs 4.1 to 4.4 of the report (CAB 098/101)

6.2 Commercial Activities in Parks (CAB 099/101)

Mr Beattie, Acting Head of Strategy and Resources, Communities, Localities and Culture, at the request of the Mayor, in introducing the report, summarised the key points contained therein, highlighting in particular that:

- The report, which proposed a policy for major events in the Authority's parks, had been brought forward by the Executive in response to a discussion on the impact of major events in Victoria Park on the local community at a meeting of the full Council, held on 8th December 2010, and the requests contained in an associated motion agreed at the meeting.
- The proposed policy endeavoured to address concerns raised at the Council meeting by striking a balance between the need to generate much needed income, at a time of unprecedented cuts in Local Government funding, by using the asset of the Authority's parks to host commercial events, with the needs of local residents.
- Key proposals included:
 - A reduction in the number of days with major events in Victoria Park from thirteen in 2010 to ten in 2011. To achieve this it was proposed that two free community events, which generated the largest audiences, no longer take place in Victoria Park: The Paradise Gardens event to cease and the annual fireworks show to be replaced with four smaller events elsewhere.

- One consecutive weekend of commercial music events per year, a reduction from three in 2010.
- The Victoria Park events package to be tendered from 2013 onwards, and the 2012 Live site to be negotiated separately from these arrangements.

A lengthy discussion followed, during which the proposals in the report were broadly welcomed, and which focused on the following points:-

- Clarification/ assurance was sought and given:
 - As to whether officers had examined the potential use of other parks in the borough for events benefitting the community and income generation. Noted that the scope for this was constrained by health and safety requirements and transport links, but options were being pursued where these did not impact on the local community or planned sporting arrangements.
 - That the annual fireworks display in Victoria Park was not being cancelled altogether but replaced by four smaller events (Millwall Park, Weavers Fields, Mile End Stadium and King George's Playing Fields) and the tradition would therefore continue. The rationale for this was also outlined.
 - Regarding the nature and methodology of the consultation undertaken in relation to the proposed policy. Examination of feedback from event participants, analysis of complaints, addressing concerns raised by local councillors on behalf of residents.
 - Regarding the measures to be taken to address the concerns of local residents in relation to major events in parks such as noise control, security, stewarding and cleaning of Victoria Park. Also improved performance in these areas.
- The Mayor stated that he considered it appropriate to explore the possibility of reducing the number of commercial event days for 2011 from the ten recommended in the proposed policy, and would be instructing officers to do so.
- Labour Group councillors, speaking with the consent of the Mayor and Cabinet, commented that:
 - Although the issues of concern to local residents and local councillors had been expressed articulately, the report resolutely ignored them.
 - It was galling that the views of 200,000 people who had attended events in Victoria Park, many of whom paid £80 for a concert ticket, were given equal weight to those of local residents who lived near the park or used the park. The report did not address the concerns of these local residents who had to endure thumping noise in their homes throughout concert days and in addition could not enjoy the park as an amenity whilst events were on. Neither were the residents middle class as a Cabinet member had suggested as there were housing estates nearby where residents did not have gardens to enjoy and used the park instead.

- Local councillors had never objected to the large crowds at free community events, and it was disingenuous for officers to use this rationale to remove community events from the event programme thereby keeping the number of major event days down and maintaining the number of commercial events.
- The commitment of the Mayor to explore a reduction in the number of commercial event days from the proposed ten, was however welcome and encouraging.
- Residents and councillors had not complained about the annual fireworks display or the Paradise Gardens event, but had complained about the use of Victoria Park as a venue for a “Glastonbury style” event over the summer months. It should not be a choice of enduring 10 days of “Love Box” in order to fund the annual fireworks display and “Paradise Gardens”. The Cabinet should re-examine this issue and adopt a policy of six days for major commercial events with Victoria Park continuing to be the venue for the annual firework display.
- Whilst the “Paradise Gardens” event was beneficial for the community the Authority could no longer justify footing the entire bill of approximately £250,000 in the context of the difficult decisions it was required to make regarding funding and service provision.
- A Conservative Group councillor, speaking with the consent of the Mayor and Cabinet:
 - Sought and was given clarification as to whether the four smaller community firework events proposed would straddle the normal weekend in November.
 - Requested that given resident concerns regarding events with beer tents and the anti-social behaviour perceived to follow, that the Local Area Partnership and nearby community be consulted in respect of events, such as the community fireworks, proposed in local parks. Also that officers take account of potential anti-social behaviour when identifying suitable venues for events.
- The Deputy Mayor commented that he fully supported the proposals in the report:
 - The discussion of this matter at the full Council meeting had focused not on the number of events, or the distinction between commercial/ non commercial events, but on noise and nuisance for local people. The review had identified that free community events generated the most disruption for the local community.
 - The Council was required to find savings of £72 million over the next 3 years and to do so needed to generate income and the policy would assist with this. It was not possible in this context to hold all the free community events and reduce the number of commercial events.
 - In holding community fireworks events in the four corners of the borough the Mayor and Cabinet were making the event more accessible for local communities, and prioritising the needs of local people. It was important to note that 50,000 of the 90,000 people attending the Victoria Park Fireworks Display were

thought to come from Hackney and did not contribute anything to the cost of the event.

- Officers clarified that:
 - The net income generation target of £200,000 for 2011/12 could not be achieved with six commercial events per annum, nor could community events be funded. The income generated was also helping to protect front line service provision.
 - Although the impact on local residents could be reduced at weekends, non-consecutive days for events would also make the income generation difficult as this was a factor in improving the cost/ benefit of erecting/ dismantling event infrastructure for event promoters.
- Councillor Rania Khan, Cabinet Member for Regeneration, indicated that she had been overseeing the development of the policy, commenting that:
 - The policy sought to achieve a careful balance between the needs of the local community and that of the Council to generate income, with the number of commercial and non commercial events to make this viable.
 - She and the Mayor would ensure robust monitoring arrangements were in place for the policy and there was continued improvement relating to holding such events. Another member of the Cabinet reiterated that the policy would be kept under review, in the context of the “human cost”, and elements revisited as necessary.
 - Measures were in place to address the concerns of local residents such as noise control, security, stewarding and cleaning.
 - Sometimes people did not embrace change well, but the policy was underpinned by a vision to improve access to the fireworks event for the entire community, and in particular vulnerable elements such as the elderly and disabled, by holding it in four different locations.
 - “Paradise Gardens” was much enjoyed by the community and the loss of the event was regrettable, however it was one of two free events that attracted 150,000 people over 3 event days resulting in considerable disruption for the local community. There was also an imperative to generate income whilst responding to the full Council motion requesting a reduction in the number of events.
 - A “Royal Wedding Picnic in the Park” was planned for 29 April 2011 with families encouraged to bring a picnic and enjoy entertainment.
 - Councillor Rania Khan concluded by proposing:
 - The following amendment to recommendation 2.1 set out in the report:
“That the number of commercial and non-commercial event days in Victoria Park (excluding 2012) be restricted to ten days or less where this can be achieved whilst still securing income targets. This limit to exclude events such as charity fun-runs.”

The following additional recommendation 2.2 to those set out in the report:

“That the Corporate Director Communities, Localities and Culture be instructed to explore the possibility of reducing the number of commercial event days for 2011.”

for the consideration of the Mayor and members of the Cabinet.

- Councillor Jackson, Chair of the Overview and Scrutiny Committee, speaking with the consent of the Mayor and Cabinet, commented that a focus of the concern of local residents about events in Victoria Park, voiced by councillors for Bow Ward, was the build up of insufferable levels of noise adjacent to the canal with great impact on residents in nearby estates. Officers should examine the location of events within the Park with a view to mitigating any noise impact. The Mayor concurred, and accepted the suggestion of Councillor Jackson as an additional recommendation, to those set out in the report, for his consideration and that of members of the Cabinet.

The Mayor commented that a press release from the Labour Group benches urged residents to unite to save the Victoria Park firework night and accused him of a lack of vision in relation to this. He responded that:

- He had been to Victoria Park for this event in the past and there was no doubt it was a fantastic show.
- It was important to note that at least half of the 90,000 people attending the Victoria Park Fireworks Display came from Hackney and did not contribute anything to the cost of the event.
- By replacing a single event in Victoria Park with four high quality community events spread evenly across the borough, the community was better served. The fireworks, provided at the same cost, would be accessible to more people who would not have to travel from their locality such as Millwall to Bow. The fireworks would also be much more accessible for the entire community: families and young children, and also vulnerable groups such as the elderly and disabled. This was a vision to be applauded.

The Mayor, in **Moving** the recommendations as set out in the report (taking account of the amendments proposed by Councillor Rania Khan and Councillor Jackson), commented that he and his Cabinet had noted the concerns raised by the residents of Bow Ward and in response:

- The number of consecutive weekends of commercial music events was being reduced from three in 2010 to one in 2011.
- Officers were also being instructed to explore the possibility of reducing the number of commercial event days for 2011 from the ten in the proposed policy.
- He also considered it was appropriate that the Authority's policy in respect of major events in parks be kept under review and responsive to experience of holding events going forward, and that he and his Cabinet should be advised of any appropriate revisions to the policy by Officers. Accordingly he proposed the following additional for the consideration of members of the Cabinet:

“That the Corporate Director Communities, Localities and Culture be instructed to keep the Authority’s policy in respect of events in parks under review and to advise the Mayor and Cabinet of any appropriate revisions.”
and it was:-

Resolved:

1. That the number of commercial and non-commercial event days in Victoria Park (excluding 2012) be restricted to ten days or less where this can be achieved whilst still securing income targets. This limit to exclude events such as charity fun-runs;
2. That the Corporate Director Communities, Localities and Culture be instructed to explore the possibility of reducing the number of commercial event days for 2011;
3. That the current closing time (11.00pm) remain unchanged;
4. That one consecutive weekend of commercial music events be permitted;
5. That Officers continue to monitor levels of security, stewarding and traffic management and improve these as necessary in response to need;
6. That noise control levels continue to be monitored and adjusted as necessary in the light of ongoing experience;
7. That negotiation for the Live Site in 2012 be considered outside of these arrangements;
8. That arrangements to allow a maximum of ten commercial events in Victoria Park in 2011 continue;
9. That the two-day Paradise Gardens event no longer proceed;
10. That in place of a single major fireworks event in Victoria Park, four smaller community fireworks events take place, one in each paired LAP;
11. That the opportunity to promote events in Victoria Park be tendered for the year 2013 and onwards;
12. That income generating opportunities in other suitable parks continue to be pursued where these do not impact unduly on the local community and planned sporting arrangements;
13. That the Corporate Director Communities, Localities and Culture examine the location of commercial and non-commercial events within

Victoria Park with a view to mitigating any noise impact on nearby residents.

14. That the Corporate Director Communities, Localities and Culture be instructed to keep the Authority's policy in respect of events in parks under review and to advise the Mayor and Cabinet of any appropriate revisions.

Reasons for Decisions

These are detailed in paragraphs 3.1 to 3.2 of the report (CAB 099/101)

Alternative Options Considered

These are detailed in paragraphs 4.1 to 4.2 of the report (CAB 099/101)

7. A PROSPEROUS COMMUNITY

The Clerk advised that there were no business to be considered under this section of the agenda.

8. A SAFE AND SUPPORTIVE COMMUNITY

The Clerk advised that there were no business to be considered under this section of the agenda.

9. A HEALTHY COMMUNITY

The Clerk advised that there were no business to be considered under this section of the agenda.

10. ONE TOWER HAMLETS

10.1 Children's and Adults' Services Reorganisation (CAB 100/101)

Mr Collins Chief Executive, at the request of the Mayor, in introducing the report, summarised the key points contained therein, highlighting in particular that:

- The report had been brought forward following the request of the Mayor that he examine the potential for Children, Schools and Families and Adults, Health and Wellbeing to be reorganised into one unified directorate, to achieve further savings without affecting frontline services.
- There had been engagement with key stakeholders and partners, including the NHS and Schools, about the proposal and feedback had been generally positive. Risks and challenges had been highlighted but there was broad support for their management and the proposal moving forward.

- Section 11 of the report, where the risks of the proposal and measures to mitigate these were set out. Risk management would be key to successful implementation.

A brief discussion followed which focused on the following points:-

- A Labour Group councillor, speaking with the consent of the Mayor and Cabinet:
 - Commented that the imperative of efficiency savings, given the severe financial constraints placed on Tower Hamlets by the Conservative/ Liberal Democrat was important, and the proposal to achieve this through amalgamation of the two directorates was congruent with the framework established over recent months for this.
 - Commented that although he had understood the original rationale for separating Children's and Adults' social services, he had articulated concerns at the time about the creation of two directorates to achieve this.
 - Expressed concern however in relation to the scale of the task ahead in 2012: to achieve the amalgamation of the two directorates, in addition to delivering the savings contained in the Authority's recently agreed Budget, identifying further savings of £17 million and managing significant change programmes within current plans.
- Mr Collins Chief Executive, provided clarification/ assurance as follows:-
 - The scale of the challenge ahead to achieve the amalgamation was acknowledged.
 - However this proposal should be grasped as an opportunity to create more holistic and seamless service provision that could improve the quality of the lives of many of the boroughs residents. In particular he thought of the journey of children and adults cared for by the Council, noted for being an area of risk.
 - He had the upmost confidence in the quality of staff employed by the Council and in particular the current corporate directors and indeed the service heads reporting to them who were some of the best in the country.
 - He would maintain a clear focus on risk and risk management, as this would be key to success.

The Mayor **Moved** the recommendations as set out in the report; and it was:-

Resolved:

1. That the existing two Council directorates of Children, Schools and Families and Adults Health and Wellbeing be reorganised into one new unified directorate;
2. That it be agreed that the recruitment of an Executive Director, amalgamating the existing posts of Corporate Director Children, Schools and Families / Corporate Director Adults Health and Wellbeing proceed;

3. That the Chief Executive, after consultation with the Assistant Chief Executive (Legal Services) and the current Corporate Directors of Children Schools and Families and Adults Health and Wellbeing, be responsible for ensuring that the amalgamation of the two Corporate Director posts still ensures that the social care needs of children and schools services and adults' health and wellbeing in the local community are given equal emphasis and are managed in a co-ordinated way; and
4. That a progress report on the implementation of the new arrangements be submitted for Cabinet consideration in January 2012.

Reasons for Decisions

These are detailed in paragraphs 3.1 to 3.9 of the report (CAB 100/101)

Alternative Options Considered

These are detailed in paragraphs 4.1 to 4.2 of the report (CAB 100/101)

10.2 Strategic Performance and Corporate Budget Monitoring to 31st December 2010 (CAB 101/101)

Councillor Alibor Choudhury, Cabinet Member for Resources, at the request of the Mayor, in introducing the report, summarised the key points contained therein, commenting as follows:-

- The joint report brought together the Authority's performance and budget position. It was important to look at the two together to identify the current position with regard to delivery of outcomes for the community within the budget and best value framework.
- Effective performance monitoring and reporting crucial given the standards to be met and the constant need to improve services.
- 53% of the strategic indicators reportable in this period were on target, and 62% had improved performance since this time last year.
- 12 projects within the "You Decide" participatory budgeting programme were now complete, 69 were on track and 24 were delayed but anticipated to complete on time. Only 4 projects were at risk of not meeting overall project targets in 2011/12. Mitigating action was detailed in the report.
- In terms of Budget management, the Mayor and Cabinet had asked officers to take all necessary steps to ensure the Authority stay within budget. Apart from a small overspend on both the General Fund and the HRA, amounting overall to less than 1% of total spending, the Authority was doing well.
- There was no room for complacency as it was acknowledged that next year there was a huge challenge, to find £17 million more in savings and stay within budget, without compromising service delivery.

A discussion followed, during which the proposals in the report were broadly welcomed, and which focused on the following points:-

- With reference to paragraph 7.12 “Strategic 103, 104 – The percentage of the top paid - LP07 or above - of Local Authority staff that are an ethnic minority/ have a disability”: Whilst acknowledging that good work had been undertaken to improve performance, concern was expressed that the indicators were reported as at risk of achieving the year-end target again in 2011/12. Achieving a workforce to reflect the community was a strategic priority for the Authority, set by this and previous administrations, but clearly much more needed to be done to achieve this at the level of senior management. Clarification/ assurance was sought as to what more could be done to address this area of under-performance.
- Mr Naylor, Corporate Director Resources and Mr Collins Chief Executive responded as follows:-
 - Commenting that the Authority should be proud of its achievements to date in this area and the positive direction of travel noted and commended. Organisations in the private sector could not match the Council in this area.
 - Giving an assurance that the Corporate Management Team and Service Heads were totally committed to the achievement of this objective.
 - Advising that the report detailed a continuous trajectory towards achievement of the objective and in many areas the objective had been achieved or was close to being so, however further work was needed to achieve the goal at senior management level.
 - Outlining initiatives under way to improve performance/ achieve the objective including:
 - Vacancy assurance process.
 - Opportunities arising due to current organisational change.
 - PO5/6 officers working on projects alongside senior managers.
 - Allocation of significant resources within the Budget.
 - Forthcoming review of positive action initiatives in this context with outcome to be reported to Cabinet.
- Councillor Jackson, Chair of the Overview and Scrutiny Committee, speaking with the consent of the Mayor and Cabinet, sought and was given clarification/ assurance in relation to:
 - Appendix 8 Strategic Performance Indicators, National 099/ Strategic 325 Looked after Children reaching level 4 in English at Key Stage 2 and also National 100/ Strategic 326 Looked after Children reaching level 4 in mathematics at Key Stage 2 – both with reported under-performance and negative direction of travel at end of quarter 3.
 - Appendix 8 Strategic Performance Indicators, National 093/ Strategic 322 Progression by 2 levels in English between Key Stage 1 and Key Stage 2 and also National 094/ Strategic 323 Progression by 2 levels in Maths between Key Stage 1 and Key

Stage 2 – both with a reported dip in performance at end of quarter 3.

The Mayor **Moved** the recommendations as set out in the report; and it was:-

Resolved:

1. That the Council's financial position as outlined in paragraphs 5 and 6 and appendices 1-7 of the report (CAB 101/101) be noted;
2. That the Quarter 3 2010/11 performance, including areas where further work is needed to ensure the Authority delivers improved outcomes, be noted;
3. That the actions being taken to address the reported overspends be noted; and
4. That specific 'You Decide!' actions, as set out in section 8 of the report (CAB 101/101), be approved.

Reasons for Decisions

These are detailed in paragraph 3.0 of the report (CAB 101/101)

Alternative Options Considered

These are detailed in paragraph 4.0 of the report (CAB 101/101)

11. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

The Clerk advised that there were no business to be considered under this section of the agenda.

12. UNRESTRICTED REPORTS FOR INFORMATION

12.1 Exercise of Corporate Directors' Discretions (CAB 102/101)

The Mayor **Moved** the recommendation as set out in the report and it was: -

Resolved:

That the exercise of Corporate Directors' discretions, as set out in Appendix 1 of the report (CAB 102/101), be noted.

Reasons for Decisions

These are detailed in paragraphs 3.1 to 3.2 of the report (CAB 102/101)

Alternative Options Considered

These are detailed in paragraphs 4.1 to 4.2 of the report (CAB 102/101)

13. EXCLUSION OF THE PRESS AND PUBLIC

The **Mayor** moved and it was:-

Resolved:

That pursuant to regulation 21(1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the press and public be excluded from the remainder of the meeting:

- (a) As it was likely, in view of the nature of the business to be transacted in Section Two of the agenda, that if members of the public were present during consideration of this business there would be disclosure of exempt information.
 - Exempt information is defined in section 100I and, by reference, Schedule 12A of the Local Government Act 1972 ("the 1972 Act"). To be exempt, information must fall within one of the categories listed in paragraphs 1 to 7 of Schedule 12A, must not fall within one of the excluded categories in paragraphs 8 and 9 and the public interest in maintaining the exemption must outweigh the public interest in disclosing the information.
 - Agenda item Agenda item 14. "Exempt/ Confidential Minutes" (of the meeting of the Cabinet held on 9th February 2011) contained information relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.
- (b) As although there is a public interest favouring public access to local authority meetings, in this case the Cabinet concluded that given the information contained in:
 - Agenda item Agenda item 14. "Exempt/ Confidential Minutes" (of the meeting of the Cabinet held on 9th February 2011) relating to the financial or business affairs of any particular person (including the authority holding that information). In particular information relating to the financial affairs of the Council.

that the public interest in maintaining the exemption on the information outweighed the public interest in disclosing it.

SUMMARY OF EXEMPT PROCEEDINGS

14. EXEMPT / CONFIDENTIAL MINUTES

Minutes of the meeting of the Cabinet held on 9th February 2011 agreed.

15. OVERVIEW & SCRUTINY COMMITTEE

15.1 Chair's advice of Key Issues or Questions in relation to Exempt / Confidential Business to be considered.

Nil items.

15.2 Any Exempt / Confidential Decisions "Called in" by the Overview & Scrutiny Committee

Nil items.

16. A GREAT PLACE TO LIVE

Nil items.

17. A PROSPEROUS COMMUNITY

Nil items.

18. A SAFE AND SUPPORTIVE COMMUNITY

Nil items.

19. A HEALTHY COMMUNITY

Nil items.

20. ONE TOWER HAMLETS

Nil items.

21. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT

Nil items.

22. EXEMPT / CONFIDENTIAL REPORTS FOR INFORMATION

Nil items.

The meeting ended at 7.20 p.m.

Chair, Mayor Lutfur Rahman
Cabinet