

**LONDON BOROUGH OF TOWER HAMLETS**  
**RECORD OF THE DECISIONS OF THE CABINET**  
**HELD AT 5.40 P.M. ON TUESDAY, 26 JULY 2016**

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

**Members Present:**

Mayor John Biggs	
Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing Management & Performance)
Councillor Shiria Khatun	(Deputy Mayor and Cabinet Member for Community Safety)
Councillor Rachael Saunders	(Deputy Mayor and Cabinet Member for Education & Children's Services)
Councillor Rachel Blake	(Cabinet Member for Strategic Development)
Councillor David Edgar	(Cabinet Member for Resources)
Councillor Ayas Miah	(Cabinet Member for Environment)
Councillor Amy Whitelock Gibbs	(Cabinet Member for Health & Adult Services)

**Other Councillors Present:**

Councillor Peter Golds	(Leader of the Conservative Group)
Councillor John Pierce	

**Officers Present:**

Mirsad Bakalovic	(Head of Parking, Mobility and Transport, Communities, Localities and Culture)
Katherine Ball	(Senior Accountant, Development & Renewal)
Zena Cooke	(Corporate Director, Resources)
David Courcoux	(Deputy Head of Mayor's Office)
Aman Dalvi	(Corporate Director, Development & Renewal)
Shazia Hussain	(Service Head Culture, Learning and Leisure, Communities Localities & Culture)
Debbie Jones	(Corporate Director, Children's Services)
David Knight	(Senior Democratic Services Officer)
Paul Leeson	(Finance Manager, Development & Renewal)
Adele Maher	(Strategic Planning Manager, Development and Renewal)
Niall McGowan	(Housing Regeneration Manager)
Neville Murton	(Service Head, Finance & Procurement)
Jackie Odunoye	Service Head, Strategy, Regeneration & Sustainability, Development and Renewal
Denise Radley	(Director of Adults' Services)
Peter Robbins	Head of Mayor's office
Rachael Sadegh	(DAAT Manager, Community Safety Service, Communities Localities & Culture)

Sripriya Sudhakar	(Development Design & Conservation Officer, Development and Renewal)
Ann Sutcliffe	(Service Head Corporate Property and Capital Delivery, Development and Renewal)
Will Tuckley	(Chief Executive)
Joel West	(Senior Democratic Services Officer)
Graham White	(Interim Service Head, Legal Services, Law, Probity and Governance)
Matthew Mannion	(Committee Services Manager, Democratic Services, Law, Probity and Governance)

### **AGENDA ORDER**

Note that during the meeting the Mayor agreed to alter the order of business. For clarity the Decision Sheet is presented in the order in which the items were listed on the agenda.

#### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of:

- Councillor Asma Begum (Cabinet Member for Culture)
- Councillor Joshua Peck (Cabinet Member for Work and Economic Development)
- Melanie Clay (Corporate Director, Law, Probity and Governance)

#### **2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS**

None were declared.

#### **3. UNRESTRICTED MINUTES**

##### **DECISION**

1. That the unrestricted minutes of the Cabinet meeting held on Tuesday 14 June 2016 be agreed and signed by the Chair as a correct record of proceedings.

#### **4. OVERVIEW & SCRUTINY COMMITTEE**

##### **4.1 Chair's Advice of Key Issues or Questions**

Nil items.

##### **4.2 Any Unrestricted Decisions "Called in" by the Overview & Scrutiny Committee**

Nil items.

## **5. UNRESTRICTED REPORTS FOR CONSIDERATION**

### **5.1 Parking CPZ Policy Review Project**

The Pre-Decision Scrutiny Questions were noted. The recommendations were amended and then agreed.

#### **DECISION**

1. To agree to the reduction of the number of free bays available for domestic bay suspensions from three to two (as per section 3.5 of the report).
2. To agree to the amendment of the Penalty Charge Notice ('PCN') cancellation criteria for vehicles in contravention that are displaying valid Blue Badges such that:
  - 2.1. the first PCN to such vehicles is no longer cancelled automatically but that representations are assessed on a case-by-case basis; and
  - 2.2. a warning notice is issued instead of a PCN where the vehicle is seen in contravention within seven days of the expiry of the Blue Badge.  
(as per section 3.6 of the report)
3. To agree to the amendment of the terms and conditions for all permit types whereby, following a three month notice period given in writing, the Council can revoke any current permit without a refund and / or withhold issuing further permits issued to Persistent Evader Vehicles (as per section 3.7 of the report).
4. To agree to the amendment of the removals priority list such that vehicles that have remained in a permit or pay and display bay, whilst contravening the restrictions in place, for more than two consecutive days are removed as a primary priority (as per section 3.8 to the report).
5. At this stage not to agree on enforcement against vehicles parked across a demarcation line between two individual parking bays (as per section 3.9 of the report) to allow for further discussion
6. To agree to reintroduce pay & display charges for vehicles parking at weekends in market areas (as per section 3.10 to the report).
7. To agree to introduce an all-zone multi-purpose permit type for the use of car club companies whose business model permits vehicles to be picked up and dropped off at any location in Tower Hamlets or other participating authorities (as per section 3.11 to the report).
8. To agree to introduce a maximum limit of three permits per household and to introduce surcharges for second and third permits, with concessions for Blue Badge holders and a grace period for households with more than 3 cars of one permit renewal cycle (as per section 3.12 to the report).

9. To request further consideration of the proposal to introduce an all-day visitor's voucher at the full pay and display rate (as per section 3.12.9 of the report).
10. To not at this stage agree the introduction of a petition scheme framework and assessment criteria for the implementation of parking restrictions as well as the formalisation of current arrangements. (as per section 3.14 of the report).
11. To agree that a maximum period of time should be implemented for any advisory relaxation of enforcement arrangements. It is suggested that this be a maximum of two days over a weekend (including Bank Holiday weekends) or one working week day.
12. To note that officers intent to engage the Market with respect to electric vehicle charging point bays and to implement such arrangements as are considered the best technical and strategic fit for the Borough subject to further Executive Review (as per section 3.15 to the report).
13. To agree to consult with residents regarding amending the restricted parking times as set out in section 3.16.6.3 of the report and for officers to also consider consultation in other busy areas such as Shoreditch, near the Olympic Stadium and behind the Royal London Hospital. Officers also to note that Members considered it appropriate to have different hours of restriction in different parts of the Borough.

**Action by:**

**CHIEF EXECUTIVE AND ACTING CORPORATE DIRECTOR,  
COMMUNITIES, LOCALITIES AND CULTURE (W. TUCKLEY)**

(Head of Parking, Mobility and Transport Services (M. Bakalovic))

**Reasons for the decision**

These proposals are being made in order to ensure that current policies are in line with the Mayor's manifesto commitments, the Council's transport policies and government guidance.

These proposals are also intended to further improve public perception and transparency in parking operations.

Parking policies are used to define the operational balance between public safety, controlling the level of demand for parking, promoting more sustainable methods of Travel and meeting residents and business aspirations for ease of vehicular parking.

Some current processes and policies are no longer fit for purpose as the nature of parking provision, demand and enforcement have changed in recent years.

Some other policies have come about as a result of ad hoc practices and demands, with the result that there is a risk that they may not be seen to be

consistent, open or fair due to not having been formally considered before implementation.

### **Alternative options**

Without amending these policies the service may be unable to ensure that the Mayor's and the Council's priorities are effectively delivered.

Furthermore, in order to maintain ISO 9001 accreditation of our Parking and Mobility Quality Management System we must have all policies formally approved and readily available to the public.

## **5.2 Sheltered Housing Options Paper**

The recommendation was amended and then agreed.

### **DECISION**

1. To agree in principle to proceed to move to a new model outlined in **Option 4** and authorise, following further consultation with the Mayor and Lead Cabinet Member, the initiation of a tender process for a visiting floating support service and subsequent awarding of contract, subject to best value consideration being met by bids received, in respect of the sheltered housing schemes listed in this report (noting that a short extension to some contracts may be required in order to complete the tendering process).

### **Action by:**

**DIRECTOR, ADULTS' SERVICES (D. RADLEY)**

(Acting Service Head, Commissioning and Health (K. Sugars))

### **Reasons for the decision**

The recommendations and proposals within this accommodation plan have been developed to better match the housing related support needs of older people, to offer a flexible and tailored provision and continue to operate in an effective way, delivering high quality outcomes.

### **Alternative options**

The report considers a number of options which are considered within the detail of this report. A sheltered housing accommodation plan is required as the contracts end at 31 March 2017 and "commissioning and procuring efficient, value for money adults social care" is critical to the delivery of the Councils Medium Term Financial Strategy

### 5.3 Hostels Commissioning Plan - Post Consultation

#### DECISION

1. To approve the remodelling of the hostel provision.
2. To agree the reconfiguring of the hostel provision to enable implementation of the new model.
3. Subject to legal and procurement approval to:
  - a. Exempt Providence Row Housing Association (PRHA) for up to 3 years and the Salvation Army for up to 5 years ( 3 + 1 + 1 year contract) from any tendering exercise relating to the improved and / or reconfigured provision at Edward Gibbons House, Hopetown Hostel and Riverside House in recognition of the significant capital investment to improve the quality and design of the existing buildings.
  - b. Vary the existing contracts at Hopetown and Booth House should it be necessary to provide continuity of support whilst the reconfiguration programme is being implemented.
  - c. Commence the procurement programme to achieve the recommendations as set out above.

#### Action by:

#### **DIRECTOR, ADULTS' SERVICES (D. RADLEY)**

(Interim Service Head, Commissioning and Health (K. Sugars))

#### Reasons for the decision

The recommendations have been informed by the hostel service provision review which included analysis of the current national and local policy drivers, current and forecasted service users' needs vs current supply, best practice applied within the sector, and a review of financial benchmark information against comparable Local Authorities. It incorporated engagement with service users, key stakeholders and landlords within the hostels sector. The review highlighted the opportunities to:

- remodel hostel services to better meet changing needs of the service users
- deliver a more efficient and effective co- produced services with clear and personalised support pathways to enable clients to regain personal independence
- deliver an estimated saving of **£805,277** from 2017-2018

The recommendations of the review were incorporated into the new HCP for 2016-2019.

#### Alternative options

A new Hostels Commissioning Plan is required as contracts are ending during 2016/17 – “commissioning and procuring efficient, value for money adults social care” is critical to the delivery of the Councils Medium Term Financial

Strategy and hostel services need to be reviewed as part of this. No alternative options have been considered.

#### **5.4 Substance Misuse Strategy Report**

##### **DECISION**

1. To note that the Substance Misuse Strategy 2016-2019 is part of the Crime and Disorder Reduction Strategy in Tower Hamlets (the Community Safety Plan);
2. To note that as the Substance Misuse Strategy 2016-2019 is part of the Crime and Disorder Reduction Strategy then pursuant to the Council's Budget and Policy Framework Procedure Rules, the Mayor as the Executive has responsibility for preparing the draft strategy for submission to the full Council to adopt;
3. To note that the Action Plan is due to go to the DAAT Board on 11<sup>th</sup> July 2016 to be further developed;
4. To note that the draft Substance Misuse Strategy 2016-2019 and Action Plan will be referred to the strategic partners for approval that the Strategy be adopted by their respective organisations;
5. Having given careful analysis to the consultation response, to approve the draft Substance Misuse Strategy 2016-2019 as drafted and recommend it to Full Council for adoption; and
6. To note that if any further changes are made to the draft Substance Misuse Strategy 2016-2019 or if, for any reason, any of the strategic partners do not approve the Strategy then a further report must be submitted to Cabinet for the Mayor to consider and make a fresh recommendation to Full Council.

##### **Action by:**

**CHIEF EXECUTIVE AND ACTING CORPORATE DIRECTOR,  
COMMUNITIES, LOCALITIES AND CULTURE (W. TUCKLEY)**

(Service Head, Safer Communities (A. Bamber)

(DAAT Co-ordinator (R. Sadegh)

##### **Reasons for the decision**

The Council has an obligation under section 6 of the Crime and Disorder Act 1998 to formulate and implement strategies in conjunction with other specified responsible authorities for combating the misuse of drugs, alcohol and other substances. This strategy will contribute towards the Crime and Disorder Reduction Strategy in Tower Hamlets (the Community Safety Plan).

There is wide Partnership support for the Strategy and partners have contributed to, and been consulted on the new strategy for 2016-19.

The strategy directly supports the achievement of objectives within two of the four Community Plan themes:

- A Safe and Cohesive Community
  - Reduce acquisitive crime and anti-social behaviour by tackling problem drinking and drug use
- A Healthy and Supportive Community
  - Empower people to live healthy lives together
  - Promote good mental health and wellbeing

#### **Alternative options**

The Council has an obligation to formulate and implement strategies in conjunction with other specified responsible authorities for combating the misuse of drugs, alcohol and other substances. Whilst the content may be subject to debate, failure to adopt a strategy is likely to place the Council at risk.

### **5.5 Public Health Savings Proposals for Decision**

The recommendations were amended and then agreed.

#### **DECISION**

1. To consider the consultation feedback and service responses set out in ANNEX B to the report.
2. With the exception of the Breast Feeding Support services to agree to implement the savings as set out in the templates in ANNEX A to the report.

#### **Action by:**

**DIRECTOR, ADULTS' SERVICES (D. RADLEY)**

(Director of Public Health (S. Banerjee))

#### **Reasons for the decision**

To agree public health expenditure savings to the value of approximately £2.3 million and contribute to balancing the public health grant budget in 2016-17 and subsequent years.

#### **Alternative options**

To do nothing would result in substantial overspend.

Make savings in different areas - as set out in the May Cabinet report, the Director of Public Health has utilised a robust prioritisation criteria in order to identify savings which are likely to impact least on health outcomes.

## 5.6 Blackwall Reach Regeneration Project: Update Budget Report

### DECISION

1. To note the update on scheme delivery and the Council's CPO in paragraphs 3.2.1 to 3.2.12 of the report.
2. To note the update on actual and projected expenditure, scheme funding and potential overage in paragraphs 3.3.1 – 3.3.14 of the report.
3. To approve an increase in the capital budget for the scheme to £20.3 million, as set out in paragraphs 3.3.2 to 3.3.8 of the report.

### Action by:

#### **CORPORATE DIRECTOR, DEVELOPMENT AND RENEWAL (A. DALVI)**

(Housing Regeneration Manager (N. McGowan)

(Service Head, Strategy, Regeneration and Sustainability (J. Odunoye)

### Reasons for the decision

Of the council's £14.5 million capital resources initially allocated for this project, some £13.416 million has been spent and projected expenditure, primarily on land assembly, means this original capital estimate will be exceeded during 2016/17.

It is necessary to review expenditure and funding projections in the context of the Council's ongoing responsibilities, shared with its partner the GLA, to facilitate the scheme; and to note that whilst costs have increased against 2009 projections, in the light of the wider scheme outputs, including increased forecast overage, the scheme remains good value for money.

As part of the 2016/17 budget process, £4.5 million was set aside as funding for the increased costs of land assembly, and an increased funding provision of a further £1.3 million is requested for use in future years, as other allocated resources are expended, to fund completion of land assembly and a retained client project administration function. Without the funding requested there would be a risk that the Council might fail to meet its contractual obligations, or could delay or fail to achieve its long-term target of recouping as much overage as possible from the overall project to reimburse its enabling capital expenditure.

### Alternative options

There is not an alternative option. The Council is contractually committed to the scheme and needs to meet its on-going obligations, including further decants, land assembly, support to achieve necessary planning sign-offs, maximisation of community benefits, and monitoring the project to claim anticipated overage from its developer partner. Failure to fund anticipated costs would put the council at risk of breaching its contractual obligations and jeopardising the overall regeneration of Blackwall Reach that it has supported by capital funding essential project work. Not agreeing the recommended

action would inhibit scheme delivery and potentially delay or prevent the council receiving its share of overage, which is expected to off-set additional monies requested and much of the Council's expenditure to date.

**5.7 Addendums to Character Appraisals and Management Plans for six conservation areas- Chapel House, Fairfield Road, Jesus Hospital Estate, Tredegar Square, Victoria Park and York Square.**

The Pre-Decision Scrutiny Questions were noted.

**DECISION**

1. To approve Addendums to the following six Conservation Areas Management Plans:
  - a. Chapel House
  - b. Fairfield Road
  - c. Jesus Hospital Estate
  - d. Tredegar Square
  - e. Victoria Park
  - f. York Square
  
2. To note that further research is being undertaken to more fully explore the potential for extensions for family homes in Driffield Road and Medway conservation areas, with particular focus on roof extensions.

**Action by:**

**CORPORATE DIRECTOR, DEVELOPMENT AND RENEWAL (A. DALVI)**

(Team Leader – Place Shaping Team (S. Sudhakar)

**Reasons for the decision**

It is important that the Council should clarify advice regarding extensions within those 8 Conservation Areas which formed the basis for the Overview and Scrutiny Challenge session in November 2014. The Challenge session identified six recommendations that were agreed by the Overview and Scrutiny Committee (OSC) and the Cabinet (The Action Plan setting out the various recommendation is set out in Appendix 1 to the report).

**Recommendation 3** was to individually refresh the Conservation Area Character Appraisal and Management Documents for the eight Conservation Areas with family dwelling houses within the Borough where householders submit the most planning applications, and pressure to provide increased family accommodation is greatest. The eight areas concerned were Chapel House, Driffield Road, Fairfield Road, Jesus Hospital Estate, Medway, Tredegar Square, Victoria Park and York Square Conservation Areas. The actions required included:

- Appraising properties within each Conservation Area and categorising them according to their suitability for extensions;
- Identifying criteria where it would be possible to build additional roof storeys and back extensions and possible restrictions;
- Detailed technical notes for repairs and restoration work and for extensions, back up by photo visuals to avoid ambiguity

Officers undertook extensive review of the eight Conservation Areas and carried out the various actions as set out in the Action Plan (Appendix 1). Addendums were prepared for the eight Conservation Areas in line with recommendation 3 and these were the subject of public consultation between the 23<sup>rd</sup> Nov 2015 - 18<sup>th</sup> Jan 2016. Following public consultation officers reviewed all the consultation responses and other considerations and presented the findings to the Mayor for his consideration.

The Mayor, after carefully considering the consultation feedback and other material considerations set out by officers in various briefing notes, reached the view that officers should:

- Progress with the adoption of the Addendums for six of the Conservation Areas as prepared by officers
- Undertake further detailed design guidance to explore further opportunities for mansard roof extensions for family homes in Driffield Road and Medway Conservation Areas.

This report seeks approval of the proposed approach and to progress to adoption the Addendums for the six Conservation Areas to Cabinet for consideration in July 2016.

#### **Alternative options**

To take no action – No change to existing Appraisals

This is not recommended as the proposed recommendations are strategic, measurable and attainable. A timetable for delivering the recommendations was also adopted by the Cabinet on the 8th April 2015. Failing to adopt these Addendums will compromise performance of our duty to deliver on commitments made in the form of various recommendations adopted by the Cabinet on the 8th of April 2015.

### **5.8 Disposal of 255-279 Cambridge Heath Road, London, E2 0HG**

The Mayor noted the exempt appendix.

The recommendations were amended and then agreed.

#### **DECISION**

1. To note the contents of this report;
2. To agree that the land and buildings at 255 – 279 Cambridge Heath Road, E2 0HQ (as shown on the plan in Appendix A to the report) are surplus to requirements;
3. To agree to the disposal of the site by informal tender but with a planning brief to be provided;

4. To agree to the disposal of the site on a 199 year lease;
5. To authorise the Corporate Director, Development & Renewal, to appoint external agents to support the marketing of the site;
6. To authorise the Corporate Director, Development and Renewal to accept the best tender return for the site on conclusion of the marketing exercise;
7. To authorise the Corporate Director, Development and Renewal, to agree the precise boundary of the land to be sold in order to implement the recommendations above.
8. To authorise the Corporate Director, Development and Renewal, following consultation with the Corporate Director of Law Probity and Governance, to agree the terms and conditions of any agreements required to implement the recommendations above.
9. To note that the Direction issued by the Minister on 17<sup>th</sup> December 2014 requires the Council, until 31<sup>st</sup> March 2017, to “.... *Obtain the prior written agreement of the Commissioners **before** [emphasis added] entering into any commitment to dispose of, or otherwise transfer to third parties, any real property other than existing single dwellings for the purposes of residential occupation*”. This report relates to the disposal of land through the sale of a lease and accommodation written consent of the Commissioners will be required before any sale can take place.

**Action by:****CORPORATE DIRECTOR, DEVELOPMENT AND RENEWAL (A. DALVI)**

(Service Head, Corporate Property and Capital Delivery (A. Sutcliffe))

**Reasons for the decision**

It is important at a time of reducing funding and budgets in the public sector to ensure that efficiencies are driven through the running and/or disposals of the Council's assets to reduce revenue costs.

The decisions in this report will contribute to the continual review and rationalisation of the Council's assets, and help reduce the operational portfolio to the minimum required.

The disposal will generate a capital receipt for the Council, which can be reinvested and directed to its principal expenditure priorities. It will also reduce revenue expenditure on upkeep, maintenance and security.

The development of the property will also bring a vacant and disused site in a prominent location back into use. By taking constructive action in this way the borough is meeting its strategic enabling role in promoting regeneration, bringing a derelict site back into use.

**Alternative options**

The Council has considered developing the site directly for housing but it was considered that funding could be better directed towards alternative schemes in the borough. It is now proposed to let the market deliver the redevelopment.

Whilst it is possible to apply a sale condition whereby a minimum level of affordable housing must be provided this will have the effect of reducing the value and the capital receipt. Furthermore, if this condition requires the affordable housing to be provided for the benefit of the Council, this could trigger a Procurement and would need to be investigated and considered further in conjunction with the Council's Legal and Procurement teams.

Once the site is in new ownership it will be redeveloped in accordance with planning policy including policy relating to appropriate levels of affordable housing. Therefore the Council will retain some control over the delivery of affordable housing indirectly through the planning process. It should be noted that this will always be subject to viability in the usual way.

In the run-up to the May 2016 Mayoral election, the Mayor of London made a manifesto pledge that he would set a target of 50% affordable housing and the media have reported that this will be applied to the sale of public land. This manifesto pledge has not been formalised as an amendment to the London Plan and it is unclear if it will ever become a planning policy requirement. However, the uncertainty generated is currently having an impact on the prices that residential developers are prepared to pay for Local Authority owned sites. In the short term, there is no end to this uncertainty in sight. A change to the current policies in the London Plan needs to follow a formal process of consultation and examination before it can be adopted, which could take 18 months as a minimum. Council officers are not aware of any changes being made in advance of the first iteration of the new London Plan being produced, which is expected to be published in Draft in summer/autumn 2017. The new London Plan is scheduled to be adopted in 2019. This will bring a fresh sweep of policies to the table.

It should also be noted that planning policy may permit other uses such as offices, hotel, hostel or student accommodation in which case housing may not be delivered. Whilst it is possible to apply a sale condition whereby housing must be provided this may have the effect of reducing the value and the resultant capital receipt.

The Council has also considered retaining the building and leasing it out for office purposes in order to generate a rental income. However, the building is in poor condition and does not comply with modern standards.

In order to attract office tenants a substantial refurbishment will be necessary based upon a retention and overhaul of the entire building fabric and a comprehensive internal re-fit to include new plant and equipment.

A high level assessment has been undertaken of both the refurbishment cost and the annual rental value that could be derived together with the letting voids and incentives necessary to secure tenants.

Given the substantial cost of refurbishment and the risk and uncertainty associated with speculative office development the Council has concluded that the optimum solution is for the market to deliver the redevelopment or refurbishment of the building.

## **5.9 Lease for the Osmani Centre**

The recommendations were amended and then agreed.

The Mayor noted the concerns about the tight timescales to sign the contract that may need discussion with the Commissioners.

### **DECISION**

1. Following consultation with the Mayor and Lead Member, to authorise the Corporate Director, Development & Renewal, to conclude a lease of the site known as the Osmani Centre, 58 Underwood Road, London, E1 5AW to the Osmani Trust;
2. To agree that the lease will be for a 25-year term, commencing 1<sup>st</sup> August 2011;
3. To agree that the lease will incorporate a four-year rent free period from commencement and the rent in the fifth year will be £46,000;
4. To agree that the rent from 1<sup>st</sup> August 2016 should be the open market rental value for community use;
5. To agree that the lease should incorporate a landlord's (and tenant's, if requested) option to break by giving to the tenant (or landlord) not less than 12 months' notice in writing;
6. To agree that the lease is to be excluded from the security of tenure provisions of the Landlord and Tenant Act 1954 at the end of the 25-year term;
7. In the event of failure to conclude the lease on the above terms by 31<sup>st</sup> August 2016, to authorise the Corporate Director, Development & Renewal, to seek to recover possession of the property on behalf of the Council; and
8. To note that under the Directions issued to the Council by the Secretary of State for Communities and Local Government in 2014, the Council will need to secure the prior written agreement of the DCLG-appointed Commissioners before entering into the lease.

**Action by:****CORPORATE DIRECTOR, DEVELOPMENT AND RENEWAL (A. DALVI)**

(Service Head, Corporate Property and Capital Delivery (A. Sutcliffe))

**Reasons for the decision**

In April 2010, Cabinet authorised officers to negotiate the terms and conditions of the lease for the Osmani Centre. This report sets out the outcomes of those negotiations and the proposed lease terms.

The Osmani Trust is currently occupying the Osmani Centre by virtue of a tenancy-at-will. It is appropriate to conclude the lease in order to provide security to the trust and regularise their occupation of the building.

**Alternative options**

The council could choose not to conclude the lease to the trust. However, the trust has been in occupation of the building since August 2011 under a tenancy-at-will. This is an unsecure form of tenancy, leading to uncertainty on the part of both the landlord and tenant.

**5.10 HRA - review of medium term financial strategy and 30 year business plan****DECISION**

1. To note the updated HRA financial outlook and 30 year business plan base case as set out in section 5, and note the resulting medium-term projections detailed in Appendix 1, including the assumptions regarding new-build and the capital requirements relating to maintaining the existing stock.
2. To note that, as outlined in section 6 of the report, and detailed in Appendix 2 to the report, although the Housing and Planning Act has been enacted, the financial impact on the HRA of the High Value Void levy and Pay to Stay is not known, although some assumptions have been made for modelling purposes. A further review of the business plan will be brought back to Cabinet for consideration when full details have been published
3. To agree the HRA medium-term financial plan net savings target of £1 million per annum over the period of the medium-term plan period, in addition to the £2 million of savings already assumed in 2017/18.
4. To note the financial impact on the HRA of developing new housing and letting at social rent, as outlined in paragraphs 9.18 to 9.22, and agree the appropriate mix of social and 'Living' rents as set out at 9.34 to the report.
5. To agree a disposal programme of up to five HRA properties per year as an initial response to the requirement to sell vacant higher value Council stock, as set out in paragraphs 9.30 to 9.33 to the report.

6. To agree to incorporate a capital budget of £89.92m (inclusive of fees, on costs and a level of contingencies) into the capital programme for the new build construction at the Hereford, Locksley, Baroness, Jubilee, Tent Street and Arnold Road sites to deliver 270 new homes as set out in section 9. This replaces the total budgets of £48.157m that were previously agreed for Hereford, Locksley, Baroness and Jubilee and for preliminary works at Tent Street and Arnold Road.
7. To agree that approval to proceed to award contracts be delegated to the Corporate Director, Development & Renewal and the Corporate Director, Law Probity & Governance, subject to the tenders being within the capital estimate amount. In addition, note that, in relation to the Arnold Road site, additional relocation costs are likely to be incurred, to be determined, to be funded from General Fund resources.
8. To note that, in relation to the Hereford scheme, the scheme is still subject to final sign off following consultation with residents on the final scheme layout and number of units.
9. To approve the principle of acquiring Section 106 affordable units from developers, and authorise officers to negotiate with both Registered Providers and the developers on a potential acquisition in relation to the two sites outlined in 9.12 to 9.17 to the report.
10. To note that a future report will be submitted to Cabinet regarding the setting up of a housing company or companies to help deliver the Authority's strategic objectives, as detailed in section 10 of the report.
11. To note that as part of the review to identify savings within the HRA, the Accommodation SLA will be examined, there is a likelihood that the General Fund will be affected, as highlighted at 11.3 of the report.

**Action by:****CORPORATE DIRECTOR, DEVELOPMENT AND RENEWAL (A. DALVI)**

(Service Head, Resources, D&R (C. Holme)

(Finance Business Partner (P. Leeson)

(Senior Accountant (K. Ball)

**Reasons for the decision**

The Authority is under a duty to set a balanced HRA and sustainable budget over the 30 year business plan period, and needs to plan the use of resources in such a way that it can deliver its statutory responsibilities as well as meeting local people's aspirations for services. A Medium Term Financial Plan is required to enable financial pressures and risks to be planned and to avoid having to make unforeseen decisions which are more likely not to offer value for money. This is especially true in times of diminishing resources, when the Authority must ensure it plans for necessary savings and needs to be particularly careful that it does not enter into unaffordable spending commitments.

**Alternative options**

The Authority has no practical alternative other than to consider forecasts for available resources and spending pressures in order to optimise use of resources. The Authority can take alternative approaches to how it sets about the process, for example of finding savings or providing in the budget for possible risks. This report highlights the risks facing the HRA over the next few years, particularly in relation to the revised rent legislation within the Welfare Reform and Work Act, and policies included in the Housing and Planning Act.

**5.11 Single Equality Framework****DECISION**

1. To approve the draft Single Equality Framework

**Reasons for the decision**

It is important that the Council sets out its key priorities in relation to how it meets its duties under the Equality Act 2010 and specifically the Public Sector Equality Duty, which requires public bodies to publish their equality objectives. The Single Equality Framework (SEF) is the council's corporate plan for understanding diversity, tackling inequality and promoting cohesion in the borough. The Framework is aligned within the new Strategic Plan and provides further detail about the delivery of the council's strategic equality objectives.

**Alternative options**

The Mayor may choose not to have a corporate strategy for equality. This course of action is not recommended. The proposed framework is a part of the council's business planning arrangements and sets out the council's priorities for tackling inequality and meeting the needs of local residents. The framework and accompanying action plan detail how the council will undertake its Public Sector Equality Duty.

**5.12 Procurement Strategy 2016-2019****DECISION**

1. To agree the new Corporate Procurement Strategy 2016-19
2. To agree for the development of an overarching Commissioning and Procurement Strategy by the end of the current financial year.

**Action by:**

**(CORPORATE DIRECTOR, RESOURCES (Z. COOKE)**

(Head of Procurement (Z. Ahmed)

**Reasons for the decision**

Requirement for a new Procurement Strategy was identified and agreed as one of the key milestones within the Best Value Procurement Action Plan.

Successful implementation of the action plan has resulted in ensuring 92% of our procurement spend is under contract (FY14/15), 98% of all applicable contracts include London Living Wage and 49% of our contracts include employment and community benefits for our residents. The new strategy aims to build on the success of the Best Value Procurement Action Plan and includes commitments to develop a broader Commissioning and Procurement Strategy by end of the current financial year.

**Alternative options**

Extend current Procurement Policy Imperatives; this expired at end of 2015 and does not include the desired commitments to transform our procurement and commissioning activities.

Do nothing; this is not considered appropriate as the council would not be fulfilling its commitments under the Best Value Procurement Action Plan.

**5.13 Strategic Performance Monitoring Q4 and Year End 2015/16****DECISION**

1. To note the performance of the Strategic Measures at the end of year stage (appendix 1 to the report);
2. To note the progress in delivering the Strategic Plan at the end of year stage (appendix 2 to the report).

**Action by:**

**CORPORATE DIRECTOR, LAW, PROBITY AND GOVERNANCE (M. CLAY)**

(Interim Service Head, Corporate Strategy and Equalities (K. Kewin))

**Reasons for the decision**

The council uses a basket of performance measures to track whether it is delivering on its priorities and this is supported by key strategic activities as outlined in the Strategic Plan. This monitoring report details the council's performance at the year-end stage.

Cabinet is asked to:

- Review the performance of the Strategic Measures at the end of year stage (appendix 1);
- Review progress in delivering the Strategic Plan at the end of year stage (appendix 2).

**Alternative options**

The Council reports its strategic performance. Significant variations, trends and corrective action are reported in the body and appendix of the report. No alternative action is considered necessary beyond that included below and this report is produced

to ensure that Members are kept informed about decisions made under the delegated authority.

#### **5.14 The Council's Provisional Financial Outturn 2015/16**

##### **DECISION**

1. To note the Council's revenue and capital financial outturn position as detailed in Sections 3 to 7 and Appendices 1-6 of the report.
2. To endorse the proposed transfers to and from reserves as reflected in Appendix 5 to the report.

##### **Action by:**

**CORPORATE DIRECTOR, RESOURCES (Z. COOKE)**

(Chief Accountant (K. Miles))

##### **Reasons for the decision**

Good practice requires that regular reports be submitted to Members setting out the financial position of the Council.

The regular reporting of the Revenue and Capital Budget Monitoring provides detailed financial information to members, officers and other interested parties on the financial performance of the council.

##### **Alternative options**

The Council could choose not to produce regular budget monitoring reports but that would limit the Council's ability to effectively monitor its financial position and increase its exposure to financial risk.

#### **5.15 Grants Decision Making - Transitional Arrangements**

##### **DECISION**

1. To agree the proposed transitional arrangements for Grants Decision Making as set out in paragraphs 3.11 to 3.14 of this report.

##### **Action by:**

**CORPORATE DIRECTOR, RESOURCES (Z. COOKE)**

(Head of Benefits Services (S. Hill))

##### **Reasons for the decision**

The Council has implemented a number of actions to significantly improve the way the Council makes decisions in relation to grant making. This includes a number of actions that will ensure that Members of the Council have timely, transparent and informed input into the decision making process for the allocation of grants.

An Overview and Scrutiny Grants Sub-Committee has been established to oversee grant allocations. The Council is also clear about the processes that will operate once the Commissioners have withdrawn from this area. Together these arrangements provide a cross-party forum for grants scrutiny; ensuring the objectives of the grant schemes are reviewed and are being met; and that a fair geographical distribution of funding and community needs are delivered.

The transitional arrangements will allow the Council to complete delivery of the actions set out in the Best Value Action Plan (BVAP) in relation to governance and decision making and provide the mechanism for the Council to take back full responsibility for grants decision making.

#### **Alternative options**

The Mayor could choose not to approve the transitional arrangements for grants' decision making set out in this report, but that would impact on the Council's ability to take back responsibility for grants' decision making.

### **5.16 Contracts Forward Plan - Quarter 2 (2016-2017)**

#### **DECISION**

1. To agree that all contracts listed in Appendix 1 to the report can proceed to contract award after tender.
2. To authorise the Service Head, Legal Services, to execute all necessary contract documents in respect of the awards of contracts referred to in recommendation 1 above.

#### **Action by:**

**CORPORATE DIRECTOR, RESOURCES (Z. COOKE)**

(Head of Procurement (Z. Ahmed))

#### **Reasons for the decision**

The Council's Procurement Procedures require submission of a quarterly forward plan of contracts for Cabinet consideration, and it is a requirement of the Constitution that "The contracting strategy and/or award of any contract for goods or services with an estimated value exceeding £250,000, and any contract for capital works with an estimated value exceeding £5,000,000, shall be approved by the Cabinet in accordance with the Procurement Procedures". This report fulfils these requirements for contracts to be let during and after the period Q2 of the Financial Year.

#### **Alternative options**

Bringing a consolidated report on contracting activity is considered the most efficient way of meeting the requirement in the Constitution, whilst providing full visibility of contracting activity; therefore no alternative proposals are being made.

## 5.17 Corporate Directors Decisions

### DECISION

1. To note the Corporate Directors' decisions set out in Appendix 1 to the report.

#### Action by:

**CORPORATE DIRECTOR, RESOURCES (Z. COOKE)**

(Accountant – Financial Planning (A. Kadir))

#### Reasons for the decision

Financial Regulations require that regular reports be submitted to Cabinet setting out financial decisions taken under Financial Regulation B10.

The regular reporting of Corporate Directors' Decisions should assist in ensuring that Members are able to scrutinise officer decisions.

#### Alternative options

The Council is bound by its Financial Regulations (which have been approved by Council) to report to Cabinet setting out financial decisions taken under Financial Regulation B10.

If the Council were to deviate from those requirements, there would need to be a good reason for doing so. It is not considered that there is any such reason, having regard to the need to ensure that Members are kept informed about decisions made under the delegated authority threshold and to ensure that these activities are in accordance with Financial Regulations.

## 5.18 List of Executive Mayoral Decisions

### DECISION

1. To note the Individual Mayoral Decisions set out in Appendix 1.

#### Action by:

**COMMITTEE SERVICES MANAGER (M. MANNION)**

#### Reasons for the decision

This is a noting report to aid transparency.

The reasons each decision were taken are set out in their specific reports.

#### Alternative options

The alternative option would be to not produce this report, but that would not aid transparency of decision making.

**6. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT**

Nil items.

**7. EXCLUSION OF THE PRESS AND PUBLIC**

Nil items.

**8. EXEMPT / CONFIDENTIAL MINUTES**

Nil items.

**9. OVERVIEW & SCRUTINY COMMITTEE**

**9.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business**

Nil items.

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

Nil items.

**10. EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION**

**10.1 Approval for costs in relation to CPO Public Inquiry (Arvin and sons Ltd)**

Note – the Mayor agreed the report was exempt but considered the item in public session.

The recommendations set out in the report were agreed.

**Reasons for the decision**

The reasons for the decision are set out in the exempt/confidential decision sheet.

**Alternative options**

The alternative options are set out in the exempt/confidential decision sheet.

**11. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT**

Nil items.

The meeting ended at 7.51 p.m.

Mayor John Biggs