

LONDON BOROUGH OF TOWER HAMLETS

RECORD OF THE DECISIONS OF THE CABINET

HELD AT 5.34 P.M. ON TUESDAY, 30 JANUARY 2018

**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)
Councillor Amina Ali	(Cabinet Member for Environment)
Councillor Rachel Blake	(Cabinet Member for Strategic Development & Waste)
Councillor Asma Begum	(Cabinet Member for Community Safety)
Councillor David Edgar	(Cabinet Member for Resources)
Councillor Denise Jones	(Cabinet Member for Health & Adult Services)
Councillor Abdul Mukit MBE	(Cabinet Member for Culture and Youth)
Councillor Amy Whitelock Gibbs	(Cabinet Member for Education and Children's Services)

Other Councillors Present:

Councillor Dave Chesterton	(Chair of the Overview and Scrutiny Committee)
Councillor Peter Golds	(Leader of the Conservative Group)
Councillor Andrew Wood	

Officers Present:

Mark Baigent	(Interim Divisional Director, Housing and Regeneration)
Emily Fieran-Reed	(Service Manager, Community Cohesion, Engagement and Commissioning, Strategy, Policy and Equality)
Sharon Godman	(Divisional Director, Strategy, Policy and Partnerships)
Afazul Hoque	(Interim Service Manager, Strategy, Policy & Performance)
Asmat Hussain	(Corporate Director, Governance and Monitoring Officer)
Debbie Jones	(Corporate Director, Children's)
Ellie Kuper-Thomas	Planner, Plan Making Team (Place)
Stephen Murray	(Head of Arts and Events)
Matthew Pullen	(Infrastructure Planning Manager)
Denise Radley	(Corporate Director, Health, Adults & Community)
Marissa Ryan-Hernandez	(Plan Making Team Leader)
Ann Sutcliffe	(Acting Corporate Director, Place)
David Tolley	(Head of Environmental Health and Trading)

Will Tuckley	Standards)
Matthew Vaughan	(Chief Executive)
	(Political Advisor to the Conservative Group, Democratic Services, LPG)
Matthew Mannion	(Committee Services Manager, Democratic Services, Governance)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Councillor Joshua Peck, Cabinet Member for Work and Economic Development.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

There were no Declarations of Disclosable Pecuniary Interests.

3. UNRESTRICTED MINUTES

Decision

1. That the unrestricted minutes of the Cabinet meeting held on Tuesday 9 January 2018 be approved 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

Pre-Decision Scrutiny Questions, and officer responses, were noted in relation to Agenda Items:

- 5.1 (Budget)
- 5.2 (Community Engagement Strategy)
- 5.3 (Homes in Multiple Occupation)
- 5.4 (Oval Public Space and Leisure Facility Improvements – S106)
- 5.6 (Office to Residential)
- 5.7 (Annual Infrastructure Statement 2018/19)
- 5.8 (Strategic Performance Monitoring)

The questions and responses were considered during the discussion of each relevant agenda item.

In addition, the Overview and Scrutiny Committee's formal response to the budget consultation, tabled as a Supplementary Agenda Pack, was also noted.

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

Nil items.

5. UNRESTRICTED REPORTS FOR CONSIDERATION**5.1 The Council's 2018-19 Budget Report and Medium Term Financial Strategy 2018-21**

The recommendations were amended and then agreed.

DECISION

1. To agree a General Fund Revenue Budget of £343.703m subject to any changes arising from the Final Local Government Finance Settlement. To be presented to Council for consideration.
2. To agree the Council Tax (Band D) at £986.14 for 2018-19 to be referred to Council for consideration.
3. To authorise the Corporate Director, Resources after consultation with the Mayor and Lead Member of Resources to make any changes required to the budget following the final settlement announcement in February.
4. To approve the revised Capital Programme for the period to 2027-28; as detailed in Appendix 9A-D and adopt the associated capital estimates.
5. To approve the draft 2018-19 Housing Revenue Account budget as set out in Appendix 8A to the report.
6. To approve the draft 2018-19 Management Fee payable to Tower Hamlets Homes (THH) of £30.979m as set out in Table 4 of the report.
7. To note that under the Management Agreement between the Council and THH, THH manages delegated income and expenditure budgets on behalf of the Council. In 2018-19, THH will manage delegated income budgets totalling £87.101m and delegated expenditure budgets of £25.829m.
8. To note the refreshed strategic priorities and outcomes (Paragraph 3.2.4) for the final year of the three year Strategic Plan agreed by Cabinet in April 2016.
9. To note the following matters:

General Fund Revenue Budget for 2018-19 and Medium Term Financial Strategy 2018-19 to 2020-21

The initial budget proposal and Council Tax for 2018-19 together with the Medium Term Financial Strategy set out in Appendix 1A to the report.

Note the decision made by the Mayor in Cabinet to participate in the London Wide Business Rates Retention pilot scheme and also reflecting the Mayor's instruction that the case for greater local retention must be vigorously pursued.

Note the decision of the Mayor in Cabinet to increase the Council Tax empty homes premium from 50% to 100%. These changes will require primary legislation in parliament to amend section 11b of the Local Government Finance Act 1992 and will not be completed for the 2018-19 financial year.

Budget Consultation

The outcome of consultation so far with business ratepayers, residents and other stakeholders is set out in Section 3.13 and Appendix 10 of the report.

Funding

The funding available for 2018-19 and the indications and forecasts for future years as set out in Section 3.4 of the report.

Growth and Inflation

The risks identified from potential growth and inflation commitments arising in 2018-19 and future years together with new initiatives identified as Mayoral Priority Growth as set out in Section 3.5 and Appendix 3 of the report.

Savings

New proposed saving items to be delivered in 2018-19 and 2020-21 as set out in Section 3.6 and Appendix 4 of the report.

Financial Risks: Reserves and Contingencies

The strategic budget risks and opportunities as set out in Section 3.7 and the assessment of risk as detailed in Appendix 6 of the report.

Reserves and Balances

The proposed approach to the strategic use of reserves as set out in Section 3.8 and the projected movement in Reserves as detailed Appendix 7 of the report.

Schools Funding

The position for schools' funding including the Dedicated Schools Grant as set out in Section 3.9 of the report.

Housing Revenue Account

The position of the Housing Revenue Account as set out in Section 3.10 and Appendix 8A and B of the report.

Capital Programme

The Capital Programme to 2027-28; including proposed revisions to the current programme as set out in Section 3.11 and detailed in Appendix 9A-D of the report.

10. To agree a review of savings proposal 'CHI 003/17-18' relating to 'Widening Participation in Early Years' agreed in the 2017/18 budget and to provide further information on the impact on affordability and level of provision for under 5s.

Action by:**CORPORATE DIRECTOR, RESOURCES (Z. COOKE)**

(Divisional Director, Finance, Procurement and Audit (N. Murton))

Reasons for the decision

The Council is under an obligation to set a balanced and sustainable budget and to set the Council Tax levels for the next financial year by 11th March 2018 at the latest. The setting of the budget is a decision reserved for Full Council. The Council's Budget and Policy Framework requires that a draft budget is issued for consultation with the Overview & Scrutiny Committee to allow for their comments to be considered before the final budget proposals are made to Full Council.

The announcements that have been made about Government funding for the Council in the Autumn Statement and the Provisional Local Government Finance Settlement require a robust and timely response to enable a balanced budget to be set.

The Council is in the third year of the 4 year 'guaranteed settlement' from the government. A Medium Term Financial Strategy (MTFS) covering the entirety of the resources available to the Council is considered to be the best way that resource prioritisation and allocation decisions can be considered and agreed in a way that provides a stable and considered approach to service delivery and takes into account relevant risks and uncertainty.

As the Council develops its detailed proposals it must continue to keep under review those key financial assumptions which underpin the Council's MTFS; in particular as the Council becomes ever more dependent on locally raised sources of income through the Council Tax and retained business rates these elements become fundamental elements of its approach and strategies.

The Mayor is required by the Local Government and Housing Act 1989 to determine a balanced Housing Revenue Account (HRA) budget prior to the start of the new financial year. The Council must also approve the Management Fee payable to Tower Hamlets Homes (THH) so that it can fulfil its obligations under the Management Agreement to manage the housing stock on behalf of the Council.

In accordance with Financial Regulations, capital schemes must be included within the Council's capital programme, and capital estimates adopted prior to any expenditure being incurred. This report seeks the adoption of the

necessary capital estimates for various schemes in order that they can be progressed.

Alternative options

The Council is required to respond to the budget reductions in Government funding of local authorities and to set an affordable Council Tax and a balanced budget, while meeting its duties to provide local services. This limits the options available to Members. Nevertheless, the Council can determine its priorities in terms of the services it seeks to preserve and protect where possible, in the context of its understanding of need and inequality and to the extent permitted by its resources, those services it wishes to prioritise through investment, during a continued period of budget reductions.

The Council has a statutory duty to set a balanced HRA and provide THH with the resources to fulfil its obligations under the Management Agreement. Whilst there may be other ways of delivering a balanced HRA, the proposals contained in this report are considered the most effective, in realising all the council's statutory duties having regard to the matters set out in the report.

5.2 Community Engagement Strategy

The Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To agree the Community Engagement Strategy, its delivery plan and framework, taking into account the changes made from comments and responses received from stakeholders, Department Leadership Teams, Corporate Leadership Team and the Mayor's Advisory Board.
2. To note the resources and responsibilities required across the Council to implement the Community Engagement Strategy delivery plan, in particular in relation to local engagement under the Local Strategic Partnership.

Action by:

CHIEF EXECUTIVE (W. TUCKLEY)

(Service Manager, Cohesion, Engagement and Commissioning (E. Fieran-Reed))

Reasons for the decision

To agree the Council's approach to community engagement.

Alternative options

The Council to further develop the Tower Hamlets Community Engagement Strategy based on suggestions provided by Cabinet.

5.3 Consultation on an Additional Licensing Scheme for Houses in Multiple Occupation

The Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To agree that a consultation exercise takes place on introducing an Additional Licensing scheme for HMOs outside the current Selective Licensing area
2. To agree that subject to consultation, the Additional Licensing Scheme will apply borough wide to HMOs of the descriptions set out in Appendix 3 to the report.
3. To agree that the following proposals will form part of the consultation:
 - Fee Structure
 - Licence conditions
 - Amenity Standards
 - Fit and Proper Person Protocol
4. To note that once the consultation exercise has been completed, the responses will be analysed and then a report will be submitted to the Mayor in Cabinet for a decision as to whether to adopt an Additional Licensing Scheme.

Action by:

ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Head of Environmental Health and Trading Standards (D. Tolley)

Reasons for the decision

If the Council wishes to introduce an Additional Licensing scheme within the Borough for HMOs, then it is required to undertake a formal consultation on its proposals. This report seeks the approval to undertake such consultation.

Alternative options

The Mayor in Cabinet can determine not to introduce an Additional Licensing scheme and therefore no consultation process would be required.

The Council could consider increasing the reactive enforcement approach in relation to HMOs dealing with cases as they are presented to the Team. A more proactive approach would need to be taken against the worst landlords, although experience has shown that this is resource intensive. There would need to be an increase in the current staffing arrangements. This places an additional burden on the General Fund rather than against those who are making a profit from renting out HMOs.

Instead of consulting on a Borough wide Additional Licensing scheme (excluding the current selective licensing area), an area based Additional Licensing scheme could be consulted upon. This is not recommended as the

report in Appendix 1 demonstrates a need for a broader scheme and this would further fragment the approach to the regulation of HMOs across the Borough.

Further given the increasing dependency in the Borough on the private rented sector, it is recognised that HMOs play a vital part in the Housing sector. Although it is recognised that there are some areas in which they occur in concentration, an area based scheme would cause inconsistency in regulation and confusion amongst landlords and tenants.

5.4 Report requesting approval of the allocation of S106 funding and approval for the adoption of a capital budget in respect of the following projects: Oval Public Space PID; and Leisure Facility Improvement PID

The Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To approve the allocation of £1.5 million in Section 106 (S106) funding to the proposals set out in the "*Leisure Facility Improvement*" Project Initiation Document (PID), which is attached to this Cabinet report at Appendix A and Table 1 of the report.
2. To approve the allocation of S106 money towards a total project cost of £335,820 as set out in the "*Oval Public Space*" Project Initiation Document (PID), which is attached to this Cabinet report at Appendix B and Table 1 of the report and to adopt corresponding capital estimates in order that the projects can be included within the Council's capital programme.

Action by:

ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Divisional Director, Planning and Building Control (O. Whalley)

(Head of Sports and Physical Activity (L. Pottinger)

(Head of Parks and Events (S. Murray)

Reasons for the decision

Approval is sought to deliver these projects for the following reasons:

They help contribute to the delivery of positive improvements to people's lives that will underpin the Community Plan themes of:

- A Great Place to Live;
- A Fair and Prosperous Community;
- A Safe and Cohesive Community;
- A Healthy and Supportive Community.

The Infrastructure Delivery Framework states that "planning policy seeks to deliver healthy and liveable neighbourhoods that promote active and healthy lifestyles and enhances people's wider health and well-being. This will be

achieved through the delivery of high quality, useable and accessible leisure facilities, which will include updating the existing facilities”.

The Oval Public Space Project is consistent with the aims of a number of key Council Strategies, including the Green Grid Strategy, which aims to “create an interlink network of accessible green open space”, as well as the Open Space Strategy (which is currently being revised) and aims to “improve the overall quality and accessibility of current open space provision”. It also seeks “to prioritise public safety by designing out crime and to maximise funding opportunities for the provision of this type of infrastructure including those from planning obligations”

Please refer to the following associated documents/appendices for more information about the projects:

- Appendix A to the report: Leisure Facility Improvement PID;
- Appendix B to the report: The Oval Public Space PID

Alternative options

The projects within the attached PIDs can be individually or collectively approved. The only alternative option is to not allocate the funding to some or any of these projects.

It should be noted that the use of S106 funding proposed for allocation in this report is restricted, as it must be spent in accordance with the terms and conditions of its expenditure pertaining to a specific S106 agreement related to the development from which it originates. Further details of the specific restrictions attached to each S106 agreement can be found in the attached PIDs. Any alternative spend of this funding would have to be on projects that would meet the requirements of the relevant S106 agreement.

5.5 Neighbourhood Planning: Determination of Poplar Neighbourhood Area

DECISION

1. To approve the designation of the Poplar Neighbourhood Planning Area, as amended, and as defined in the plan contained in Appendix 1 to the report.

Action by:

ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Strategic Planning Manager (M. Ryan-Hernandez)

(Planning Officer (E. Kuper-Thomas)

Reasons for the decision

The Council has received an application to establish a Neighbourhood Planning Area in the wider Poplar area.

The Council is required to determine applications for the area designations in accordance with the Town and County Planning Act 1990 (as amended) ("TCPA 1990") and the Neighbourhood Planning (General) Regulations 2012 ("the 2012 Regulations").

The Government's Planning Practice Guidance ("PPG") on Neighbourhood Planning (Ref ID: 41) provides guidance on the determination of such applications. It also states that the role of the Local Planning Authority ("LPA") is to take decisions at key stages in the Neighbourhood Planning process.

Officers have undertaken an assessment of the proposed Poplar Neighbourhood Planning Area application against relevant provisions of the TCPA 1990, the 2012 Regulations and the guidance detailed in the PPG. As a result, officers are satisfied that the Poplar Neighbourhood Planning Area application, with minor amendments, accords with relevant legislative requirements. The application is therefore recommended for approval and a decision should be taken in accordance with the LPA's statutory duties.

Alternative options

Section 61G of the TCPA 1990, requires the authority to exercise its power of designation where a valid application has been made so as to secure that some, or all, of the proposed area forms part of one or more areas designated (or to be designated) as neighbourhood areas where:

- i) some or all of the proposed area has not been designated as a neighbourhood planning area; or
- ii) the authority refuses the application because it considers that the proposed area is not an appropriate area to be designated as a neighbourhood area.

The authority may also modify designations already made and ensure that neighbourhood areas do not overlap.

In accordance with section 61H of the TCPA 1990, the authority has an additional option. Section 61H provides that the power of a LPA to designate a neighbourhood area, as a business area, is exercisable by the authority only if, having regard to such matters as may be prescribed, it considers that the area is wholly or predominantly business in nature.

Options available to the authority are therefore to: 1) designate all of the area proposed in the application; 2) designate the area applied for, with modifications, ensuring some of the proposed area is in the designation; 3) modify existing designations; and 4) designate the area as a business area. These have been considered by the authority.

It is considered that the Area, with minor amendments, meets the relevant legislative requirements and guidance in paragraph 33 of the Planning Policy Guidance. It is not required to modify an existing designation. It is also not considered appropriate to designate the Area as a business area as officers do not consider the Area to meet the requirements of section 61H of the Town

and County Planning Act 1990, as it is not wholly or predominately business in nature.

5.6 Article 4 Direction - Office (B1a) to Residential (C3)

The Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To confirm the Article 4 direction made on 19th September 2017 which removes permitted development rights from offices (B1(a)) to residential (C3) within the areas shown on the map attached as Appendix 1 to the report;
2. To note that the Article 4 Direction will come into effect on 1st June 2019.

Action by:

ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Strategic Planning Manager (M. Ryan-Hernandez)

(Planning Officer (T. Clarke)

Reasons for the decision

Permitted development ("PD") between offices (use class B1(a)) and residential (use class C3) was introduced in May 2013. The Council objected to this form of permitted development, and in common with other inner-London boroughs was successful in gaining an exemption which covered the west of the borough (City Fringe) and the north of the Isle of Dogs. The areas of exemption covered most of the borough's designated office/employment locations which include areas of global economic significance (Canary Wharf) and a significant quantum of office space (such as Aldgate). An unmanaged loss of office space in those locations could have a negative impact on the borough's supply of office floorspace, jobs and the ability to meet future office and employment growth projections as set by the London Plan.

The current exemption will cease on June 1st 2019. The Council is able to remove permitted development rights where there is local justification for doing so, and therefore maintain the areas of exemption, by implementing what is termed an Article 4 direction.

There are two types of Article 4 direction – 'immediate' and 'non-immediate'. An immediate Article 4 direction takes effect either immediately following it being made, or at any other time within one year of being made. A 'non-immediate' Article 4 direction takes effect after a period of not less than one year after being made, but not longer than two years. The main difference is that if the Article 4 takes effect less than one year from being made the Council is liable to compensate affected landowners. After one year, there is no compensation. In this case an immediate Article 4 direction is not necessary because the exemption is in place until 1st June 2019 which has allowed sufficient time to prepare the Article 4 direction before 1st June 2018.

This Article 4 direction is supported by a justification report, attached as Appendix 2. The attached report is itself underpinned by national and regional guidance and the Council's evidence base on employment. The latter consists of the Employment Land Review (2016) ("ELR") and Preferred Office Location Study (2017) which were prepared to support the Council's new Local Plan for which a 'Regulation 19' pre-submission consultation closed on 13th November 2017.

The Mayor of London is supportive of London's existing areas of exemption being retained, articulated in particular through the Central Activities Zone Supplementary Planning Guidance (CAZ SPG) and City Fringe Opportunity Area Planning Framework (OAPF). The importance of offices to the existing exemption areas is also demonstrated through the fact they were exempted in the first place.

The Council used this opportunity to identify further areas of the borough not covered by the existing exemption in which permitted development rights from offices to residential should be removed. This resulted in the following areas being additionally included within the Article 4 direction, supported by recommendations within the ELR:

- The designated town centre (Neighbourhood Centre) at Mile End.
- The remaining areas of Cambridge Heath and Whitechapel that fall outside of the existing exemption zone but within existing or proposed Local Plan designations (employment and town centres).
- The designated Local Office Location (proposed Local Employment Location within the new Local Plan) at Blackwall.

A borough-wide Article 4 direction was not considered as appropriate due to the Council having insufficient evidence to justify it. The ELR advocates a "targeted" approach to focus on locations such as the Central Activities Zone/City Fringe, designated employment locations and town centres. A previous attempt in Islington to implement a borough-wide Article 4 was refused by the Secretary of State on the basis of it being applied "disproportionately" with insufficient evidence to justify the approach. A less comprehensive boundary was subsequently agreed. Officers therefore consider the proposed boundary of this Article 4 direction to be proportionate, protecting the borough's existing supply of office floorspace where it is most important and viable while according with the spirit of the permitted development to help meet housing targets elsewhere.

To make and confirm Article 4 directions there are statutory requirements that must be addressed to comply with legislation (outlined in paragraph 3.15), such as, completing a period of formal public consultation. This was carried out between 2nd October and 12th November 2017, and details of the consultation are set out in paragraphs 3.16 and 3.17. The Article 4 direction has been prepared in accordance with all statutory requirements.

Alternative options**Alternative Option A: No Article 4 Direction is issued**

The Council could decide to cancel this Article 4 direction. This option is not recommended, as without the ability to effectively assess proposals for change of use from offices through the planning system it is likely the borough's supply of office floorspace and the success and viability of key employment locations would be undermined. The importance of those areas has been established by their inclusion within the existing areas of exemption. The loss of offices would compromise the borough's ability to meet employment projections and maximise jobs for local people. It would also mean that the Council would not be able to manage the location, size, tenure mix or quality of new housing being produced through this form of permitted development.

Alternative Option B: Article 4 Direction is modified

The Council could decide to propose significantly amended boundaries for the Article 4 direction, or seek to extend it to cover the whole borough. This option is not recommended. The existing exemption area which this Article 4 direction covers, contains the most viable and important areas of existing office floorspace which are generally located within the most accessible parts of the borough. This Article 4 has already slightly extended the existing exemption by including parts of the Cambridge Heath and Whitechapel designated town centres/proposed Local Employment Locations (LELs) outside of the existing exemption zone, the designated Local Office Location (LOL) at Blackwall (proposed to be re-designated as a Local Employment Location (LEL) within the emerging Local Plan), and the Mile End designated neighbourhood town centre as recommended by the Council's evidence base (Employment Land Review 2016). Our evidence does not justify an Article 4 direction elsewhere but it does recommend the "targeted" approach being proposed. A recent attempt by London Borough of Islington to introduce a borough-wide Article 4 direction was refused by the Secretary of State on the basis of it being unjustified. There is an urgent need to have the Article 4 direction in place by 1st June 2018. This key deadline could be compromised if the Council undertook the risky strategy of attempting a borough-wide Article 4, as this would require further and more extensive research which may not support the case, be more prone to challenge and could be more challenging to defend. A further statutory public consultation would also be required, creating additional delay.

5.7 Annual Infrastructure Statement 2018/19

The Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To adopt the proposed Annual Infrastructure Statement attached to this report at Appendix A to the report.

Action by:

ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Divisional Director, Planning and Building Control (O. Whalley))

Reasons for the decision

Approval is sought to adopt the AIS 2017/18 and 2018/19 attached at Appendix A to the report for the following reasons:

1. The AIS sets out the Mayor's approach to allocating CIL to themes which underpin the Community Plan themes of:
 - A Great Place to Live;
 - A Fair and Prosperous Community;
 - A Safe and Cohesive Community;
 - A Healthy and Supportive Community.
2. The AIS responds to the infrastructure needs identified in the Infrastructure Delivery Framework: Evidence Base presented at Infrastructure Delivery Board / Members Advisory Board on 7th November 2017.

Please refer to the following associated documents/appendices for more information about the projects:

- Appendix A to the report: Proposed Annual Infrastructure Statement 2017/18 and 2018/19

Alternative options

The only identified alternative would be that the AIS is not approved or taken forward. This would lead to an absence of a clear, strategic and planned direction for the allocation of CIL and a high degree of uncertainty in the decision making process.

Not approving an AIS may also result in a 'first come – first served' approach rather than funding being allocated to different infrastructure themes that encompass the Borough's infrastructure needs. To address these cross-borough needs, the AIS has taken full account of service area infrastructure requirements and is informed by the Infrastructure Delivery Plan that is evidence for the draft Local Plan (to be adopted in 2018).

Whilst in the future not all individual CIL funding approvals will be for capital cost items (funding may include revenue expenditure subject to approval), the majority of CIL related expenditure will likely relate to the capital delivery of infrastructure. It is recognised that the Council is committed to reporting a capital programme that encapsulates the wider capital needs of the Borough. The AIS makes indicative allocations to infrastructure themes only, meaning it can work in accordance with the Capital Programme.

Notwithstanding the above, it is imperative that CIL is spent in accordance within the terms of the Community Infrastructure Levy Regulation 123 list (April 2015) and relevant CIL regulations pertaining to its allocation. Only in accordance with guidance issued by national government, through consultation, and as a result of engagement with the Council's service areas on infrastructure can an evidenced and balanced approach be taken in order to meet specific infrastructure needs across the Borough.

With the absence of an AIS, there is a very real risk that individual projects would be presented for approval through the Infrastructure Delivery Framework (IDF) reporting process without the necessary support in place to guide infrastructure related decision making. In that context, an even more serious risk is that some areas of infrastructure need could be seriously under-represented, leading to under-investment in specific areas with associated impacts on places and people in the Borough as a whole.

5.8 Strategic Performance Monitoring 2017/18 Q2

The Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. T
 - o note the performance of the strategic measures at mid-year, including those measures where the minimum expectation has been missed (appendix 1 to the report); and
2. To note progress in delivering the Strategic Plan at the mid-year point, including those activities that are flagged as delayed and overdue (appendix 2 to the report).

Action by:
DIVISIONAL DIRECTOR, STRATEGY, POLICY AND PARTNERSHIP (S. GODMAN)

Reasons for the decision

The Council's Performance Management and Accountability Framework sets out the process for monitoring the Strategic Plan and performance measures which are reported regularly to the Corporate Leadership Team and Cabinet.

This report promotes openness, transparency and accountability by enabling Tower Hamlets' residents to track progress of activities that matter most to them and their communities.

Alternative options

Cabinet can decide not to review the performance information. This is not recommended as Members have a key role to review and challenge underperformance and also utilise performance information to inform resource allocation.

5.9 Contracts Forward Plan - Quarter Four 2017/2018**DECISION**

1. To note the contract summary at Appendix 1 to the report and agree that all listed contract can proceed to contract award after tender.
2. To authorise the Divisional Director - Legal Services to execute all necessary contract documents in respect of the awards of contracts referred to at Recommendation 1 above.
3. To note the procurement forward plan 2018-2022 schedule detailed in Appendix 2 to the report.

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 £250K, and any contract for capital works with an estimated value exceeding £5m 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 quarter two of the current 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.

5.10 Tower Hamlets Homes Governance - Resident (Tenant) Board Appointment**DECISION**

1. To appoint Julie Fagan to the Board of THH as a Resident (Tenant) Board Member.

Action by:**ACTING CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)**

(Interim Divisional Director, Regeneration and Housing (M. Baigent))

Reasons for the decision

The recommendation will improve the capacity of the THH Board to effectively manage its business. An adequately constituted Board provides the relevant skills, expertise, and strategic direction to guide THH in implementing the transformational agenda it has embarked on, and in delivering the challenging savings agreed with the Council.

Alternative options

The Mayor could decide not to make any appointments to the THH Board, however it is prudent to strengthen a key partner, particularly in respect of resident (tenant) appointments. The last resident appointment to the Board was made by the Mayor in January 2017 (Executive Decision Log 144 – 20th January 2017).

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. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT

Nil items.

The meeting ended at 7.10 p.m.

Mayor John Biggs