

<b>Committee:</b>  <b>OVERVIEW AND SCRUTINY</b>	<b>Date:</b>  <b>6 November 2012</b>	<b>Classification:</b>  <b>Unrestricted</b>	<b>Report No.</b>	<b>Agenda Item No.</b>
<b>Report of:</b> <b>Service Head, Democratic Services</b>  <b>Originating Officer(s):</b> <b>Antonella Burgio, Democratic Services</b>		<b>Title: Cabinet Decision Called-in:</b>  <b>Review of Tower Hamlets Artwork</b>  <b>Wards: All</b>		

## 1. SUMMARY

- 1.1 The attached report of the Corporate Director, Culture Learning and Leisure was considered by the Cabinet on 3 October 2012 and has been "Called-In" by Councillors David Snowdon, Gloria Thienel, Peter Golds, Zara Davis and Craig Aston. This is in accordance with the provisions of Part Four Sections 16 and 17 of the Council's Constitution.

## 2. RECOMMENDATION

- 2.1 That the Committee consider the contents of the attached report, review the Cabinet's provisional decisions arising and
- 2.2 decide whether to accept them or refer the matter back to Cabinet with proposals, together with reasons.

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### Local Government Act, 1972 Section 100D (As amended)

### List of "Background Papers" used in the preparation of this report

Brief description of "background paper"

**Cabinet report (CAB 035/123) - 3 October 2012**

Name and telephone number of holder  
and address where open to inspection

**Angus Taylor**  
**0207 3644333**

### 3. BACKGROUND

- 3.1 The request to call-in the Cabinet's decision dated 3<sup>rd</sup> October 2012 was submitted under Overview and Scrutiny (O and S) Procedure Rules Sections 16 and 17. It was considered by the Assistant Chief Executive, Legal Services who has responsibility under the constitution for calling in Cabinet decisions in accordance with agreed criteria. The call-in request fulfilled the required criteria and the decision is referred to Overview and Scrutiny Committee in order to consider whether or not to refer the item back to the Cabinet at its meeting on 7<sup>th</sup> November 2012 for further consideration. Implementation of the Cabinet decision is suspended whilst the call-in is considered.

### 4. THE CABINET'S PROVISIONAL DECISION

- 4.1 The Mayor in Cabinet after considering the report attached, at Appendix 1, provisionally decided:-

1. *That the sculpture be offered for international sale at auction by Christie's in February 2013, with a reserve price to be agreed by the Mayor in consultation with Christie's and that the receipt received be used to invest in projects that benefit the community, including priority heritage projects.*

#### 4.2 Reasons for Decisions

These were detailed in section 3 of the report (CAB 035/123) and in summary are concerned with:

- Costs of returning the artwork to the Borough
- Security risks around the relocation the artwork to the Borough
- Difficulty identifying a suitable public open space the Borough in which to display the artwork
- Insurance and maintenance costs of displaying the artwork in the Borough given its current value

#### 4.3 Alternative Options Considered

These were detailed in paragraphs 4.1 and 4.2 of the report (CAB 035/123) and are reprinted as follows:

4.1 ***Option One : Return the sculpture to Tower Hamlets for local display***

*In accordance with Council's resolution careful consideration has been given to places where the work can be exhibited in the Borough, including a location in Victoria Park. However if it is possible to place the work in a location, then it is also possible to remove it from there*

*and officers' advice is that there is no position within the Borough's portfolio that is without high risk of its theft. Furthermore because of this risk and the value of the work it is not insurable. There is also no budget for maintaining artwork and this piece, being of exceptional value, would require considerable investment in its upkeep. Displaying in a council-owned location is not recommended.*

*The management of Canary Wharf Group were approached and have offered to host the work. Whilst the Tower Hamlets community would have access to the artwork, the Canary Wharf Estate would have the benefit of a prestigious artwork without having to purchase it. Terms would be negotiated for the loan, but preliminary discussions have not led to an offer that can be recommended by Officers. This option is for consideration*

#### **4.2 Option Two : Sell the sculpture at auction**

*Recently Henry Moore artworks have generated considerable receipts when offered at auction, particularly to an international audience. If the sculpture is sold it will generate a substantial capital receipt which can be used for the immediate benefit of the local community, including contributing towards investment in priority heritage projects, affordable housing provision, education and young people's services and community safety. Offering the sculpture for sale at auction will provide an open and transparent vehicle for its sale and ensure that the best possible value is achieved. This option is for consideration*

## **5. REASONS / ALTERNATIVE COURSE OF ACTION PROPOSED FOR THE 'CALL IN'**

### **5.1** The Call-in requisition signed by the five Councillors listed gives the following reason for the Call-in:

"This report allows the Council to sell off the very rare and much loved statue – The draped seated woman. The sale of this statue would be to the detriment of the local community as it is a major cultural asset.

- The Council has had several years to investigate options for the statue and report on them. It has not done so
- The report refers in options for return, just Canary Wharf and Victoria Park. But gives no details of any negotiations with Canary Wharf or examines any other options within the Borough.
- The report is therefore lacking in information in which to consider the sale of such an asset.

### **5.2** The requisition also proposed the following alternative course of action:

"We call on the Mayor, Cabinet and Council:

- To investigate all options for siting the statue within the Borough, including local museums/

- The Council seeks a loan arrangement with other tenants of Canary Wharf who may wish to borrow, insure, maintain, host or display the sculpture.
- The Council discusses with London Council's, the GLA and the DCMS about how the statue could be returned to London and displayed for the benefit of Londoners, which was why it was purchased by the LCC in the first place”

## **6. CONSIDERATION OF THE “CALL IN”**

- 6.1** Having met the call-in request criteria, the matter is referred to the Overview and Scrutiny Committee in order to determine the call-in and decide whether or not to refer the item back to the Cabinet at its next meeting. The implementation of the Cabinet decision regarding “Review of Tower Hamlets Artwork” is suspended pending the Committee’s decision in accordance with call-in procedures.
- 6.2** The following procedure is to be followed for consideration of the “Call In”:
- (a) Presentation of the “Call In” by one of the “Call In” Members followed by questions.
  - (b) Response from the Lead Member/officers followed by questions.
  - (c) General debate followed by decision.

**N.B. – In accordance with the Overview and Scrutiny Committee Protocols and Guidance adopted by the Committee at its meeting on 5 June, 2007, any Member(s) who presents the “Call In” is not eligible to participate in the general debate.**

- 6.3** It is open to the Committee to either resolve to take no action which would have the effect of endorsing the original Cabinet decision(s), or the Committee could refer the matter back to the Cabinet for further consideration setting out the nature of its concerns and possibly recommending an alternative course of action.