


Non-Executive Report of the: Council 23 March 2016	 TOWER HAMLETS
Report of: Melanie Clay, Director, Law, Probity and Governance	Classification: Unrestricted
Motions submitted for Council	

Originating Officer(s)	Matthew Mannion, Committee Services Manager, Democratic Services.
Wards affected	All wards

SUMMARY

1. Four motions have been submitted by Members of the Council under Council Procedure Rule 13 for debate at the Council meeting on Wednesday 23 March 2016.
2. The motions submitted are listed overleaf. In accordance with the protocol agreed by the Council on 21st May 2008, the motions are listed by turns, one from each group, continuing in rotation until all motions submitted are included. The rotation starts with any group(s) whose motion(s) were not reached at the previous meeting.
3. Motions must be about matters for which the Council has a responsibility or which affect the Borough. A motion may not be moved which is substantially the same as a motion which has been put at a meeting of the Council in the previous six months; or which proposes that a decision of the Council taken in the previous six months be rescinded; unless notice of the motion is given signed by at least twenty Members.
4. There is no specific duration set for this agenda item and consideration of the attached motions may continue until the time limit for the meeting is reached. The guillotine procedure at Council Procedure Rule 9.2 does not apply to motions on notice and any of the attached motions which have not been put to the vote when the time limit for the meeting is reached will be deemed to have fallen. A motion which is not put to the vote at the current meeting may be resubmitted for the next meeting but is not automatically carried forward.

MOTIONS

Set out overleaf are the motions that have been submitted.

12.1 Motion regarding the future awarding of grants

Proposer: Councillor Peter Golds

Seconder: Councillor Andrew Wood

This council notes that the allocation of grants remains subject to the DCLG directions and is vested in the Commissioners.

The council further notes that there have now been three detailed examinations into the allocation of grants by the previous Tower Hamlets Council administration namely, the PwC Best Value Inspection of 2014, the Election Court of 2015 and the Judicial Review against the Election Court of 2015, which in January upheld the Judgement of the Election Court.

In each of these examinations the grants process was found to be seriously in breach of procedure and law.

The Council notes:

The PwC Best Value Inspection of November 2014 in relation to grants states in paragraph 2.7:

“In relation to the matter of grant making, we conclude that the Authority is failing to comply with its best value duty.”

In addition paragraph 2.7 subsection c states:

“Grants have been awarded to organisations which were ruled ineligible or which did not meet the required evaluation score”

The Council further notes:

That in the landmark Judgement of April 23rd 2015, former Mayor Lutfur Rahman and his election Agent were discharged from office on seven counts of corrupt and illegal practices, including bribery, involving the allocation of grants

The issue of bribery in relation to grants is itemised in paragraphs 483 and 484 of the Judgement:

483. Given that, on these and other issues, the court has been asked to accept the evidence of Mr Rahman and Mr Choudhury as being truthful, it is not without significance that they have been caught out in obvious and, ultimately, unnecessary falsehoods.

484. Where does this bring us when considering this aspect of bribery?

What has been proved may be summarised as follows

:

a) the administration of grants was firmly in the personal hands of Mr Rahman, assisted by his two cronies, Councillors Asad and Choudhury;

b) in administering the grants policy, Mr Rahman acted in total disregard of the Council's officers, its members and, almost certainly, the law;

c) grants were increased, substantially and unjustifiably, from the amounts recommended by officers who had properly carried out the Council's investigation and assessment procedure;

d) large grants were made to organisations who were totally ineligible or who failed to meet the threshold for eligibility;

e) grants were made to organisations that had not applied for them;

f) the careful attempts of PwC to marry up grants to ascertainable levels of deprivation and need in the Borough had resulted in the conclusion that it was impossible to do so: grants were not based on need;

g) the lion's share of grants went to organisations that were run by and/or for the Bangladeshi community;

h) the main thrust of Mr Rahman's political campaigning both as leader of the Council and later as Mayor was to target the Bangladeshi community and to convince that community that loyalty to the community meant loyalty to him;

i) even within the Bangladeshi community, grants were targeted at the wards where support for Mr Rahman and his candidates was strongest while wards where their chances of success were slim lost out.

In January 2016, Lord Justice Lloyd-Jones sitting with Justice Supperstone upheld the Judgement of the Election Court and with regard to grants, Lord Justice Lloyd-Jones read in open Court:

"If any individual holds effective control over the budget of a local authority and distributes funding with the intention of 'procuring' votes corruptly, they are guilty of bribery and would stand to be disqualified from public office for five years".

The council notes that:

It is in this context that the award of grants currently remain under the direction of the Commissioners.

The Council welcomes the commitment by the Mayor that when the authority resumes full allocation of grants that these will be undertaken in a transparent fashion with cross party involvement.

The Council resolves:

To ensure that in future all grants are made for the benefit of the various communities that make up the borough and not for the benefit of the political administration, as has been laid out forcefully by the Best Value Inspection and two Courts.

The Council resolves that all members serving on a grants awarding body be given training, similar to that undertaken before serving on licensing, planning and human resources committees, and that this training should appraise members fully of the legal requirements of the allocation of taxpayers money for grants.

The Council further resolves that all grants should be for the wider benefit of the various communities and not those who manage grant applications and that all applicants understand the legal situation before applying for grants.

The Council believes that in seeking improved management of grants, understanding of the law and proper training will hasten the time when the Council resumes powers with regard to grant making.

12.2 Motion regarding Poplar HARCA

Proposer: Councillor Khaled Uddin Ahmed

Seconder: Councillor Rajib Ahmed

This Council notes that while rent cuts are of course popular for tenants they are in reality a cynical move by the Government to reduce its Housing Benefit bill by transferring costs to housing providers. Poplar HARCA, like many Registered Providers, faces a challenging time financially as a consequence of the year-on-year 1% rent cuts imposed by Government. However, the draconian decisions taken by the HARCA in part-response to this have caused massive disquiet, particularly as they have hit the pockets of residents through increased charges.

We acknowledge:

1. Poplar HARCA has increased charges for parking and hire of sheds on their estates.
2. Parking spaces have increased in cost from £1.96 per week to £7 per week.
3. The price of hiring a shed has also increased from £1.96 to £7 per week.
4. Residents do not believe that they have been properly consulted, or forewarned, about the increases in charges.
5. We note that there have been a series of other cuts, less immediately affecting residents but which will also severely affect the services they receive.

This Council believes:

1. While recognising the challenges faced by the HARCA, the costs of hire for parking spaces and sheds should be kept as low as reasonably possible.
2. Poplar HARCA should ensure that the prices of parking spaces and sheds should take into consideration the financial means of residents and levels of deprivation locally as well as rising costs of living locally.
3. As a locally based and supposedly resident-led organisation Poplar HARCA should be doing all it can to keep costs to residents as low as possible.
4. There needs to be a proper accounting for the consequences of the other cuts implemented by the HARCA. The lack of transparency is in stark contrast to the openness of the Council's own recent budget debate and consultation.

This Council resolves:

1. To call on the Mayor to write to Poplar HARCA expressing the concern of this Council to the large increases in charges, and other cuts.
2. To call on Poplar HARCA to stop the implementation of these new charges and to engage in consultation with residents about increasing charges.

12.3 Motion regarding Tall Buildings

Proposer: Councillor Andrew Wood

Seconded: Councillor Peter Golds

The Council notes:

The results of the NLA / GL Hearn / EGi March 2016 annual update to the London Tall Building Survey.

That once again Tower Hamlets leads the rest of London in the number of tall buildings (20 storey or higher) in the pipeline as well as under construction;

Annual snapshot of activity for tall buildings (20 storeys or greater) in London

Borough	Pipeline over 20 storey	Under construction
Tower Hamlets	93	24
Greenwich	67	11
Newham	32	11
Lambeth	32	11
Southwark	26	7
Wandsworth	24	3
Barnet	23	1
Lewisham	21	2

All boroughs with more than twenty tall buildings, City of London has 9 in the pipeline

The geographic concentration is even more stark when looking at the number of towers over 20 storeys by post-code

Postcode	Area	Total Number over 20 storey
E14	Tower Hamlets – Isle of Dogs, Poplar	72
E1	Tower Hamlets/Hackney/City of London	25
E2	Tower Hamlets/Hackney	1
E3	Tower Hamlets/Newham	2
SE10	Greenwich Peninsula (including 32 at Knight Dragon)	44
E15	Stratford	18
SE1	Various	31
SW8	Various	34

All postcodes with more than twenty tall buildings

That the four tallest residential buildings in London are Hertsmere House, City Pride, South Quay Plaza and Newfoundland.

That the Tower Hamlets Local Plan and the GLA Isle of Dogs & South Poplar Opportunity Area Planning Framework are both some 18 months away from completion and that the Isle of Dogs Neighbourhood Planning Forum remains unrecognised.

The Council believes:

That the unprecedented scale of this development focussed in such a small area with no co-ordinated masterplan unlike those found at Nine Elms, Knights Dragon, Stratford & the Royal Docks will create unprecedented pressures on this Borough and might result in a reduction of the quality of life for current and future residents.

This Council resolves:

That such a unique area requires unique solutions and that we need to look abroad for solutions as well as create our own. That;

- Overview & Scrutiny should examine the issues in greater detail
- That the Council form a special cross-departmental working group to examine how the Council can evolve to support such high levels of growth during and after construction
- That the Council consult specialists in the field like the nearby Siemens Global Centre of Competence Cities
- That the Council look at how Smart City ideas and new technology can help and for example that it follow the GLA, Southwark Council and the City of London in building a 3D model of the area allowing it to undertake Computational Fluid Dynamics analysis.

12.4 Motion regarding the Government's attack on a Council's right to follow an ethical policy in relation to procurement and Pension Fund investments

Proposer: Councillor Shahed Ali
Secunder: Councillor Oliur Rahman

This Council notes with alarm the recent statement from the Department for Communities and Local Government (DCLG) confirming that new guidelines will be introduced which will curb councils' powers to divest from, or cease undertaking new contracts with organisations, businesses or countries undertaking unethical practices.

This Council further notes that the new guidelines, which will amend Pensions and Procurement law, follow on from the government's announcement made at the beginning of October 2015 that it was planning to introduce new rules to stop "politically motivated boycott and divestment campaigns" (Greg Clarke, Secretary of State for the Department of Communities and Local Government).

This Council notes that 'politically motivated boycott campaigns' have a proud history. Throughout the 1960s and 70s over 100 local authorities decided to take the step of banning South African goods from their offices and schools. In 1981 Strathclyde Council went one step further. It announced an end to pension fund investments from companies with South African subsidiaries and banned South African sports teams from its playing fields. The movement grew and Strathclyde was soon joined by Cambridge, Newcastle and Glasgow and most inner London boroughs. These measures formed a crucial part in the international campaign against apartheid which led to its eventual demise.

This Council recognises that the focus of these new measures may be on procurement and investment policies and they may have profound implications for Councils' ethical investment policies more generally.

This Council is committed to human rights and an ethical approach to relationships with business. In January 2015 a petition was presented to full council to undertake ethical procurement and gathered support by all the political parties represented at full council, with the exception of the Conservative Party.

This Council believes that the proposed measures now being outlined by the DCLG will seriously undermine the Council's ability to implement its promised commitment to ethical procurement and pensions investments.

This Council also notes that the new guidelines represent a further, serious attack on local democracy and decision-making through a further restriction on councils' powers. This is directly contrary to the government's own stated commitment to the principle of localism, given a statutory basis by the Localism Act of 2011, which holds that local authorities are best able to do their job when they have genuine freedom to respond to what local people want, not what they are told to do by government.

This Council therefore resolves to take all legal measures possible to oppose these new measures, including:

Writing to the Secretary of State for Communities and Local Government to express Council's unequivocal opposition to the proposed changes as part of the consultation.

Working with any other local authority or appropriate organisations (such as local trade unions, education providers, and community groups) who share these concerns to raise

awareness of the implications of the proposed measures and to campaign against their introduction.

This Council reaffirms its commitment to an ethical basis to its procurement and pensions investment policy.