



CABINET

Wednesday, 5 November 2014 at 5.30 p.m.

**C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London,
E14 2BG**

SUPPLEMENTAL AGENDA

The meeting is open to the public to attend.

Contact for further enquiries:

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3. UNRESTRICTED MINUTES	1 - 8	
The unrestricted minutes of the Cabinet meeting held on 1 October 2014 will be presented for information (to follow).		
6 .1 Watts Grove - Selection of preferred bidder	9 - 28	Blackwall & Cubitt Town; Bromley South; Lansbury; Limehouse; St Dunstan's
10 .3 Establishment of a joint committee of the Six Growth Boroughs (to follow)	29 - 58	All Wards

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE CABINET

HELD AT 5.36 P.M. ON WEDNESDAY, 1 OCTOBER 2014

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

Members Present:

Mayor Lutfur Rahman	
Councillor Oliur Rahman	(Deputy Mayor and Cabinet Member for Economic Development (Jobs, Skills and Enterprise)
Councillor Ohid Ahmed	(Cabinet Member for Community Safety)
Councillor Shahed Ali	(Cabinet Member for Clean and Green)
Councillor Abdul Asad	(Cabinet Member for Health and Adult Services)
Councillor Alibor Choudhury	(Cabinet Member for Resources)
Councillor Shafiqul Haque	(Cabinet Member for Culture)
Councillor Rabina Khan	(Cabinet Member for Housing and Development)
Councillor Aminur Khan	(Cabinet Member for Policy, Strategy and Performance)
Councillor Gulam Robbani	(Cabinet Member for Education and Children's Services)

Other Councillors Present:

Councillor Peter Golds	(Leader of the Conservative Group)
Councillor Md. Maium Miah	
Councillor Joshua Peck	
Councillor Suluk Ahmed	

Officers Present:

Aman Dalvi	(Corporate Director, Development & Renewal)
David Galpin	(Service Head, Legal Services, Law Probity & Governance)
Stephen Halsey	(Head of Paid Service and Corporate Director Communities, Localities & Culture)
Chris Holme	(Acting Corporate Director - Resources)
Kevin Kewin	(Service Manager, Strategy & Performance, Chief Executive's)
Abdul J. Khan	(Sustainable Development Manager, Strategy Innovation & Sustainability, Development and Renewal)
Ellie Kuper-Thomas	(Strategy, Policy and Performance Officer - Executive Mayor's Office, One Tower Hamlets, DLPG)
Robert McCulloch-Graham	(Corporate Director, Education Social Care and Wellbeing)
Kevin Miles	(Chief Accountant, Resources)
Poppy Noor	Project Manager - Mayor's Office

Jackie Odunoye	(Service Head, Strategy, Regeneration & Sustainability, Development and Renewal)
Takki Sulaiman	(Service Head Communications, Law, Probity and Governance)
Matthew Mannion	(Committee Services Manager, Democratic Services, LPG)

AGENDA ORDER

During the meeting the Mayor agreed to vary the order of business. To aid clarity, the minutes are presented in the order the items originally appeared on the agenda. At the meeting the Mayor considered Agenda Item 10.2 (Welfare Reform Research Findings and Next Steps) straight after Agenda Item 5 (Overview and Scrutiny). All other reports were then considered in the order they appear on the agenda.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of Robin Beattie, Service Head Strategy and Resources, Communities, Localities and Culture).

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

None were declared.

3. UNRESTRICTED MINUTES

The unrestricted minutes of the Cabinet meeting held on 3 September 2014 were noted.

4. PETITIONS

Petition on the Public Consultation on Savings Proposals

The petitioners addressed the Cabinet meeting, the Cabinet discussed the issues raised and Councillor Alibor Choudhury the Cabinet Member for Resources responded to the points raised in the petition. He explained that ideally the administration would not be making these savings and that they wanted to protect services for vulnerable residents as much as possible. They considered that the consultation was extremely important and that no decisions on the savings proposals had yet been made.

Following discussion and in light of the concerns raised on the reach of the consultation process the **Mayor agreed** that the consultation exercise should be extended for a further two weeks and that officers should ensure that they liaise with Ward Councillors on any meetings that were arranged.

RESOLVED

1. That the petition be referred to the Corporate Director, Resources, for a written response on any outstanding matters within 28 days.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's Advice of Key Issues or Questions in Relation to Unrestricted Business to be Considered

Pre-Scrutiny Questions in relation to Agenda Item 8.1 'Safeguarding Children's Board Annual Report'

Councillor Joshua Peck, Chair of the Overview and Scrutiny Committee (OSC), **tabled** a number of pre-scrutiny questions in relation to the Safeguarding Children's Board Annual Report. The Corporate Director, Education, Social Care and Wellbeing responded to the questions during consideration of the main report later on the agenda.

Councillor Joshua Peck also provided an update on the OSC's meeting of the previous evening. In addition to the pre-scrutiny questions above there had been a number of issues considered at the meeting. In particular he highlighted an item on the Council's Strategic Performance and Budget Monitoring. He reported that a focus had been on cost pressures in adult social care and concerns as to whether there was any 'cost-shunting' happening from the NHS. The OSC had asked to be kept informed of future developments on this issue.

The **Mayor** thanked Councillor Joshua Peck for his update.

During discussion of this item, concerns were raised over issues that had arisen in the preparation of the minutes of the OSC meeting held on 22 July 2014. The **Mayor** noted the concerns over the accuracy of the minutes and requested the Head of Paid Service to investigate and report back to them.

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

Nil items.

6. A GREAT PLACE TO LIVE

6.1 Local Biodiversity Action Plan

Councillor Shahed Ali, Cabinet Member for Clean and Green, introduced the report. He highlighted the importance of biodiversity in creating a pleasant Borough for residents and welcomed the continuing support for the issue.

During discussion, it was requested that a Lead Member Foreword be added to the report to follow on from the Mayor's Foreword.

The **Mayor** agreed the above request and **agreed** the recommendation as set out in the report.

RESOLVED

1. To approve the Local Biodiversity Action Plan 2014-19 as attached in Appendix 1.

7. A PROSPEROUS COMMUNITY

Nil items.

8. A SAFE AND COHESIVE COMMUNITY**8.1 Safeguarding Children's Board Annual Report**

Councillor Gulam Robbani, Cabinet Member for Education and Children's Services introduced the report. He explained that the annual report of the independent board provided an update on the work of the board and especially looked to identify strengths and weaknesses, for example from serious case reviews. He also highlighted safeguarding training available to Members the following evening and hoped that as many as possible would attend.

Robert McCulloch-Graham, Corporate Director, Education, Social Care and Wellbeing, responded to the questions tabled by the Overview and Scrutiny Committee. In particular he highlighted that:

- The serious case review mentioned had been published appropriately, was well-known to relevant officers in other councils and had been shared with organisations involved so lessons could be learnt.
- There were multiple issues in the child's life but the foster care was good.
- The Mayor, Lead Member and Councillors were informed in respect of their statutory duties.
- The Corporate Parenting Steering Group was not an appropriate forum to discuss these matters but officers were working to set up a Member panel for this purpose.
- As Corporate Director he would write to Members setting out the lessons learnt and actions taken.

The report was discussed and the implications considered. During discussion it was also requested that the Independent Chair of the Board attend a future meeting with Members to discuss the work of the Board. Members and officers also highlighted the importance of learning the lessons from the recent Rotherham abuse cases and that this was a priority for the Council.

The **Mayor** highlighted that these issues were taken extremely seriously by the Council and that protecting the most vulnerable was a priority for all. He emphasised that he would continue to take a proactive interest and he **agreed** the recommendation as set out in the report.

RESOLVED

1. To note the content of the Safeguarding Children Board's Annual Report and the appointment (3-year contract) of an Independent LSCB Chair by the Head of Paid Service.

9. A HEALTHY AND SUPPORTIVE COMMUNITY

Nil items.

10. ONE TOWER HAMLETS**10.1 Strategic Performance, 14/15 General Fund Revenue Budget and Capital Programme Monitoring Q1**

Chris Holme, Acting Corporate Director, Resources, introduced the report. He highlighted that the report had been extensively reviewed by the Overview and Scrutiny Committee the night before and that a particular issue that had been examined related to cost pressures in adult social care and that a financial recovery group was investigating. He noted that, overall, spend across the Council was in line with budgets.

The report was discussed and areas of high performance and also areas of risk were noted.

Following the discussion the **Mayor** agreed the recommendations as set out in the report.

RESOLVED

1. To note the Council's financial performance compared to budget for 2014/15 as detailed in Sections 3 to 7 and Appendices 1-4 of this report.
2. To review and note the 2014/15 quarter 1 performance for strategic measures in Appendix 5.

10.2 Welfare Reform: Research Findings and Next Steps

Councillor Rabina Khan, Cabinet Member for Housing and Development, introduced the report. She highlighted the work that had been undertaken over the last 3-4 years and noted the actions proposed. In particular she highlighted concerns around homelessness and housing options.

During discussion, Members noted the very serious situation that was developing and the real suffering residents were experiencing. Concern was also expressed to ensure that partner agencies were providing residents with the best advice.

The **Mayor** agreed with the concerns expressed and emphasised the importance of trying to ensure as far as possible that residents were not

forced to move long distances to find housing. He also asked officers and the Lead Member to liaise with partner agencies to ensure the best advice was available. He then **agreed** the recommendations as set out in the report.

RESOLVED

1. To note the update on the impact of welfare reform in the borough in section 4.
 2. To note the action taken to support residents through welfare reform, including the provision of financial support (section 5).
 3. To note the CESI report and recommendations (section 7)
 4. To agree the development of the approaches outlined (section 8)
11. **ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT**

Nil items.

12. UNRESTRICTED REPORTS FOR INFORMATION

12.1 Exercise of Corporate Directors' Discretions

The **Mayor** considered the report and **agreed** the recommendation as set out in the report.

RESOLVED

- 1. To note the exercise of Corporate Directors' discretions as set out in Appendix 1.*

13. EXCLUSION OF THE PRESS AND PUBLIC

No motion to exclude the press or public was passed.

14. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

15. OVERVIEW & SCRUTINY COMMITTEE

15.1 Chair's Advice of Key Issues or Questions in Relation to Exempt / Confidential Business to be Considered.

Nil items.


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

- Nil items.
- 16. A GREAT PLACE TO LIVE**
- Nil items.
- 17. A PROSPEROUS COMMUNITY**
- Nil items.
- 18. A SAFE AND COHESIVE COMMUNITY**
- Nil items.
- 19. A HEALTHY AND SUPPORTIVE COMMUNITY**
- Nil items.
- 20. ONE TOWER HAMLETS**
- Nil items.
- 21. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT**
- Nil items.
- 22. EXEMPT / CONFIDENTIAL REPORTS FOR INFORMATION**
- Nil items.

The meeting ended at 6.31 p.m.

John S. Williams
SERVICE HEAD, DEMOCRATIC SERVICES

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Cabinet 5 th November 2014	 TOWER HAMLETS
Report of: Corporate Director, Development & Renewal	Classification: Unrestricted
Watts Grove Depot – tender process update and selection of preferred contractor	

Lead Member	Cllr Rabina Khan Cllr Alibor Choudhury
Originating Officer(s)	Service Head, Corporate Property & Capital Delivery
Wards affected	Bromley South
Community Plan Theme	Great Place to Live
Key Decision?	No

Executive Summary

This report deals with the selection of the preferred Design and Build contractor for the Watts Grove Project and the delegated authority to conclude contract discussions and enter into contract with the preferred contractor.

This report provides Members with an update on the procurement process for the development of Watts Grove depot site from its current use as a transport depot to create new socially rented housing.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Agree the selection of bidder 3 as the preferred bidder following the outcome of the tender evaluation process in October 2014;
2. Authorise officers to nominate the second highest bidder as a reserve and to authorise the Corporate Director of Development and Renewal, to call upon this reserve if the preferred bidder's contractual position deviates significantly from that tendered or if their bid is withdrawn;
3. Note that the tender evaluation in October 2014 has taken place prior to obtaining detailed planning approval, anticipated for December 2014;
4. Note that as a result of the timing of the planning application, provisional sums have been provided in the tenders for planning conditions which will be quantified with the preferred bidder following anticipated planning approval in December;

5. Authorise the Corporate Director, Development and Renewal, following consultation with the Service Head – Legal Services, to agree and enter into the terms and conditions of any agreements required to implement recommendation 1 (or recommendation 2 if so required) and progress the Watts Grove project;
6. Note that a capital estimate to the value of £26.33million for the development of the Watts Grove Depot site has been incorporated within the Council's capital programme;
7. Note the development is funded from £6.9m GLA funding and £19.43m of the council's own resources and that a requirement of the GLA funding is that the scheme must start on site no later than March 2015;
8. Agree that the Watts Grove depot site will no longer be required for use as a depot by the Council, from the date on which it is vacated in accordance with the depot strategy.
9. Authorise the Corporate Director, Development and Renewal, following consultation with the Service Head – Legal Services, to appropriate the land for housing purposes.

1. REASONS FOR THE DECISIONS

- 1.1 The delivery of the Watts Grove housing scheme will be key in meeting the Mayoral priority of additional affordable housing units within the borough.
- 1.2 In order to deliver the scheme, the council is required to appoint a Design and Build contractor. In the absence of such an appointment, the council will not be able to deliver the scheme.
- 1.3 The Design and Build contractor is being procured under the GLA London Development Panel Framework in order to expedite the programme and to achieve a start on site no later than March 2015.
- 1.4 This report provides feedback on the result of the procurement process for the delivery of the homes.

2. ALTERNATIVE OPTIONS

- 2.1 The only alternative available to the Mayor is not to take a decision on the selection of the preferred Design and Build contractor. This course of action is not recommended as this would mean the council is unable to deliver the Watts Grove scheme.

3. DETAILS OF REPORT

- 3.1 Officers have been working to deliver the Mayoral priority around the realisation of additional affordable housing within the Borough. The approach adopted for Watts Grove is for the Council to use its own resources combined with GLA funding to directly develop the site under a Design and Build contract.
- 3.2 A capital estimate of £26.33 million was approved by the Mayor on 28th February 2014, funded by £6.9million of GLA grant and £19.43million from the council's own Housing Revenue Account resources.

PROCESS TO DATE

- 3.3 The GLA London Developer Panel Framework is being utilised to procure a Design and Build contractor in order to expedite the programme and to achieve the GLA requirement to start on site no later than March 2015. The GLA framework allows the Council to move through the process quickly and to identify a Design and Build contractor by October 24th 2014.
- 3.4 The GLA framework follows a staged process for contractor selection. In the first stage, expressions of interest were invited from the framework on 2nd

- May 2014. Expressions of interest were initially received from 10 bidders with 3 declining to bid.
- 3.5 At the second stage a Sifting Brief was issued to 7 bidders. The Sifting Brief required the bidders to respond to 9 questions relating to their approach to construction and project delivery.
- 3.6 Sifting Brief responses were returned on 13th June 2014. An evaluation of the submissions took place on 11th July 2014 by officers and the appointed project consultants. The evaluation team recommended that 4 bidders were shortlisted and invited to tender on 11th August 2014. Tenders were returned on 29th September 2014.
- 3.7 Carter Jonas was appointed as the lead consultant to coordinate the planning submission and they have a full team of sub-consultants to prepare the planning application and manage the tender process. BPTW architects were appointed to prepare the detailed planning application drawings and it is intended that they are novated to the successful Design and Build Contractor. Novation of the architect will assist in achieving design continuity and quality standards.
- 3.8 Tenders were returned on 29th September and a detailed tender evaluation took place in accordance with the GLA framework and the Council's procurement procedures. The evaluation panel comprised five members, including officers and the project consultants. The tenders were evaluated based on the following criteria –

Tenders were evaluated on a 60:40 price/quality split. Full details of the evaluation process were given to bidders in the tender pack together with the conditions for acceptance of the preferred bidder. Bidders completed the pricing element based on drawings and employers requirements that were issued in the tender pack. All documentation was issued electronically via the Due North procurement portal. They were required to complete a form of tender and pricing schedule together with a technical quality submission that was scored by the evaluation panel in accordance with the following standard questions and weightings:

Evaluation	Mini Competition Project Specific Tender Weighting Range
Quality: 40%	
1. Delivery Team and management structure & processes	5%
2. Programme & Sequencing	10%
3. Sustainability	5%
4. Customer service and Quality Control	15%
5. Stimulating the local economy	5%
Price: 60%	
Construction Costs	60%
Total score	100%

Financial Evaluation

- 3.9 A tender report with recommendations was prepared by 27th October 2014. A summary of the findings is as follows –

Of the four bidders invited to tender at stage 2, three succeeded in returning a tender. Two of the three tender returns were in line with the pre-tender cost estimate. Following the initial evaluation, a series of clarifications regarding pricing were issued to all three bidders via the portal. The price element was checked and entered by the project quantity surveyor.

The price evaluation produced the following scores:

Contractor	Tender Sum	Evaluated Score
Bidder 2	£22,984,584.60	60%
Bidder 3	£23,210,758.00	59.42%
Bidder 1	£24,980,861.97	55.21%

Quality Evaluation

- 3.10 Quality scores were entered individually by each panel member into the evaluation matrix which gave an aggregated score for each bidder. Five criteria were assessed in accordance with the Council's pre-agreed questions and marking system for qualitative assessment. In summary, the questions comprising the quality assessment comprised 40% of the overall marks available. The table below summarises the total price and qualitative score achieved by each bidder:

Rank	Supplier	Quality Score	Price Score	Total Score
1	Bidder 3	31.20%	59.42%	90.62%
2	Bidder 2	26.52%	60%	86.52%
3	Bidder 1	29.9%	55.21%	85.11%

As a consequence, bidder 3 is recommended as the preferred contractor and it is proposed that the Mayor agree the contract award to bidder 3, being the highest scoring bidder. In order to enter into contract with the preferred bidder, finalisation of the contract terms and the treatment of risk items (i.e. additional planning conditions impacting on design) is required. In the event these cannot be finalised to the extent that they present too high a risk for the council, it is recommended the Corporate Director of Development and Renewal be authorised to award the contract to the reserve bidder, subject to a report from officers.

Due to the GLA requirement for the scheme to be on site by March 2015, the planning application was submitted on 12th September to give sufficient time to be considered at a December 2014 planning committee. As a result of the timing, provisional sums were provided in the tenders for planning conditions which will be quantified by the preferred bidder and agreed with the council following anticipated planning approval in December 2014. Further discussions will take place with the preferred bidder in December and January to finalise the Design and Build contract.

An early works agreement may be necessary pending finalisation of the main Design & Build contract. This may become necessary to allow further design development by the novated lead designer (instructed by the main contractor) to enable a site start in March 2015.

- 3.11 In addition to the specific contract costs, the Council will be liable for other scheme charges including Section 106 contributions. These could be significant and officers are currently assessing the obligations that will arise from a development of this scale, in line with the Planning Authority's Section 106 Supplementary Planning Document.

PROGRAMME

The table below outlines the procurement timeline

Activity	Start date	Completion Date
Tender Return and recommendation to Cabinet	29/09/14	05/11/14
Alcatel period/standstill period.	17/11/14	28/11/14
Planning approval and end of Judicial Review period	19/12/14	19/03/15
Contract discussions and contract finalisation	01/12/14	30/01/15
Start on Site	19/03/15	19/03/15

COUNCIL PROCUREMENT COSTS

- 3.12 A provision of £100,000 has been included within the project budget for legal and internal procurement costs

DEPOT ENABLING WORKS

- 3.13 The Watts Grove depot currently operates as a functioning depot site, and acting as the primary depot site for the council's waste and street cleansing function, delivered via Veolia.
- 3.14 The council delivers a range of front line services across a number of depot sites, which include the following sites with the stated existing uses:
- Blackwall Depot – includes passenger services, transport vehicles, bins storage and maintenance, MOT and servicing workshop
 - Commercial Road – includes the civil protection store, car pound, parking services, trading standards, environmental health & FM
 - Toby Lane Depot – catering and passenger services
 - Watts Grove Depot – Veolia waste and street cleaning vehicles, clean and green team, Veolia waste team office
- 3.15 In order to vacate the Watts Grove depot, the council's Public Realm service have developed an Interim Depot Strategy which was agreed by the Mayor on 17 September 2014. This has informed a series of moves from Watts Grove onto other sites in the borough, as well as a series of consequential moves and will enable the services presently connected with that site to continue to be delivered from alternative sites.
- 3.16 The details of the Interim Depot Strategy are set out in the Mayoral decision of the same name which was published on the council's website on 17 September 2014.

4. LAND APPROPRIATION

- 4.1 The Watts Grove depot site is held under General Fund powers, but in order to develop Council owned tenanted dwellings on the site an appropriation of the land from the General Fund to the Housing Revenue Account will be necessary. The power to appropriate land is only exercisable where the land is no longer required for the purpose it is held immediately prior to the date of appropriation. The proposal to appropriate for housing is supported in that on the 5th September 2012, in its "update on development projects and its proposal to dispose of surplus assets" Cabinet approved that Watts Grove was surplus to operational requirements and should be categorised as surplus assets. In order to facilitate the transfer a financial adjustment is made based on the value of the land.
- 4.2 An independent market valuation of the site in July 2014 was nil for the planning application scheme of 149 units of social rented housing.
- 4.3 It is therefore proposed to appropriate the Watts Grove depot site from the General Fund to the HRA for nil value.

- 4.4 This report proposes that the appropriation of the site for housing purposes be delegated to the Corporate Director, Development & Renewal, following consultation with the Service Head – Legal Services.

5. COMMENTS OF THE CHIEF FINANCE OFFICER

- 5.1 This report requests the Mayor in Cabinet to agree the selection of bidder 3 as the preferred bidder following the tender evaluation process, and to authorise the Corporate Director, Development and Renewal, following consultation with the Service Head – Legal Services, to agree the terms and conditions of any agreements required to implement this decision, and in addition, to nominate the second lowest bidder as a reserve. The Mayor in Cabinet is also requested to agree that the Watts Grove site will no longer be required for use as a depot, and to authorise the Corporate Director, Development and Renewal, following consultation with the Service Head – Legal Services, to appropriate the land for housing purposes.
- 5.2 The proposed development on the existing Watts Grove depot site is for the provision of 149 new council dwellings. Following the Council’s successful bid for Greater London Authority (GLA) funding support for the scheme, a formal capital estimate of £26.333 million was adopted by Mayoral Decision on 28th February 2014, comprising a budget of £24.333 million for works costs and £2 million for fees and on costs. The financing of the £26.333 million is as follows:

Description	Watts Grove £'000
<u>CAPITAL EXPENDITURE</u>	
Estimated capital cost and fees	26,333
GLA grant funding	(6,900)
LBTH Financing Requirement	19,433

- 5.3 There is sufficient borrowing headroom within the HRA to prudentially borrow to fund the whole of the Council’s contribution of £19.43m, however it is preferable for the Council to apply its own resources wherever possible, either through a revenue contribution, or the use of HRA reserves, as this will reduce ongoing costs to the Housing Revenue Account and the impact on the Council’s debt cap. An assessment will therefore be made at the time when financing is required as to how the Council’s element of this scheme will be funded so as to ensure that best use is made of the Council’s resources.
- 5.4 Capital resources to finance the Council contribution are limited, and any proposals must be considered in the context of competing demands from other projects. The main commitment within the HRA is currently the £181 million Decent Homes Backlog programme which is currently in the fourth year of the five year initiative, and the majority of Housing Capital Resources

are committed to this project in the medium term. Any HRA borrowing undertaken to finance this scheme must be repaid so as to ensure that the HRA has the necessary borrowing capacity to fund the capital needs of the stock. Current financial modelling indicates that the borrowing will be needed in 15-20 years'time, however, a more detailed assessment of the length of the loan period will be made at the time that any loans are taken out.

- 5.5 In order to receive the grant income from the Greater London Authority, it is essential that the grant conditions are met, including the specific delivery deadlines. The latest deadlines agreed with the GLA are that the 'start on site' must be before the end of March 2015, with practical completion of the scheme by November 2016.
- 5.6 The GLA grant is payable on completion and delivery of the full project. The Council will therefore need to forward fund the costs until the grant can be claimed at the end of the scheme. It should be noted that the Council will be liable for any additional costs if the contract values returned are higher than currently anticipated.
- 5.7 The Watts Grove site is currently used as an operational depot, and in order to release the site for redevelopment, alternative arrangements will need to be made for the delivery of the existing functions that are provided from the Watts Grove depot. Paragraphs 3.13 to 3.16 outline the proposals for the changes to the service delivery.
- 5.8 It should be noted that the approved capital estimate of £26.33 million does not include the costs of the technical development of the options for the Watts Grove Depot, the interim moves needed to release the site, or the works necessary to clear the site ready for development. As a result the 'Strategic Performance and Corporate Revenue and Capital Outturn Quarter 4 2013/14 (Month 12)' that was approved by Cabinet on 23 July 2014 agreed the establishment of a Corporate Reserve of £1 million to fund the decant of the Watts Grove depot site. Officers are currently assessing the likely total cost of the depot realignment and Members will be updated in future reports. If costs exceed the £1 million provision then additional resources will need to be identified.
- 5.9 As the Watts Grove site is currently being used as a depot and held under General Fund powers, the land will need to be appropriated to the HRA. This necessitates an adjustment to the HRA Capital Financing Requirement to reflect the market value of the site, with any resulting capital financing charges being incurred by the HRA instead of the General Fund. In this case however, the independent valuation of the site for the development of social housing is assessed as nil (paragraph 4.2) and therefore there is no specific financial impact on either the HRA or the General Fund of the appropriation being agreed.
- 5.10 As stated in paragraph 3.11, officers are assessing the other liabilities that will arise as a result of the redevelopment. A major element of this will be the Section 106 obligation which will form part of the total scheme costs.

6. LEGALCOMMENTS

- 6.1 The Council is a local housing authority within the meaning of the Housing Act 1985 and is specifically empowered to provide housing accommodation on land acquired by it for the purposes of Part 2 of the Act. In this case, the land was not acquired for housing purposes, but the Council is empowered by section 19 of the Housing Act 1985 to appropriate for housing purposes any land vested in it or at its disposal.
- 6.2 The normal position under section 122 of the Local Government Act 1972 is that the Council may appropriate land from one lawful purpose to another when it is no longer required for the purpose for which it was previously held. There are exceptions to the Council's power to appropriate under section 122 in relation to specified categories of land such as open space, commons, pleasure grounds and burial grounds, none of which are considered to apply in this case.
- 6.3 The Watts Grove site has been held in the general fund and has been used as a depot in connection with delivery of pest control services, transport services and waste and cleansing services. Whilst the Council has continuing obligations to deliver these services, an Interim Depot Strategy is being implemented pursuant to which the Watts Grove site is to be vacated. Once the site has been vacated, it may be concluded that the site is no longer required for use as a depot.
- 6.4 It is proposed to award a contract to build 149 homes on the Watts Grove site. The value of the works exceeds the relevant threshold in the Public Contracts Regulations 2006 ("Regulations"), requiring the Council to comply fully with the provisions of those Regulations. The Council has complied with the Public Contracts Regulations by using a framework procured by the Greater London Authority (GLA), called the London Development Panel (LDP). For reasons set out in the report to the Mayor of 28 February 2014, it is considered that there is sufficient evidence to demonstrate that the LDP was procured in accordance with the Public Contracts Regulations 2006 and may lawfully be used by the Council.
- 6.5 The process of calling-off the LDP is governed by the requirements of the Regulations and framework. This includes various stages and exercises to narrow the selection of a contractor down to the most economically advantageous tender in accordance with the prescribed criteria and weightings. The steps which the Council has followed, as outlined in the report, appear to meet the requirements of the Regulations and framework.
- 6.6 The Council has an obligation as a best value authority under section 3 of the Local Government Act 1999 to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness." Compliance by the

Council with its own procurement procedures and the requirements of the Regulations should help to meet these requirements, but ultimately the Council must be satisfied that the project and the engagement of any contractors will also provide best value.

- 6.7 The project is being funded by a combination of GLA grant funding (£6.9m) and the Council's own resources (£19.43m). Conditions of the GLA grant funding have not been disclosed for legal comments but it is understood that they include, inter alia, that start on site be achieved by March 2015. The Council is required to meet the obligations and liabilities imposed by the conditions of the grant funding.
- 6.8 As noted at paragraph 3.11 it is likely that the scheme will be required to make contributions to infrastructure under s106 of the Town and Country Planning Act 1990 in accordance with the Council's planning policies. As part of the planning process the viability of the scheme should be considered to ensure that the scheme is not compromised.
- 6.9 Before deciding to proceed with the project, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010 (e.g. discrimination), the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). Information is provided in the report relevant to these considerations.
- 6.10 It is anticipated that an early works agreement may be needed to allow further design development pending the finalisation of the design and build contract in order that a start on site in March 2015 can be achieved. Where this requirement arises, the agreement must be in writing and completed prior to commencement of any such works.

7 ONE TOWER HAMLETS CONSIDERATIONS

- 7.1 This project provides 149 much need affordable rented units within the Borough. An equalities analysis has been undertaken and is attached to this report.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 The schemes will comply with the Council's requirements on the reduction of carbon emissions, energy consumption along with green and sustainable construction delivery.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 The main risks that exist for the project are as follows:
- The depot relocation is delayed and start on site cannot be achieved by March 2015, resulting in a loss of GLA grant.

- The s106 contribution for the development is high and results in the total scheme costs exceeding budget.

9.2 The above will be managed by ensuring project measures are taken to achieve the depot relocation within the agreed timeframe and detailed financial viability analysis is undertaken for the s106 requirement.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

10.1 The project will provide homes that are of a better design in terms of orientation to maximise passive supervision of common and external areas, with safe pedestrian routes to and from the homes.

11. EFFICIENCY STATEMENT

11.1 Provision of additional new homes will contribute to the Councils Overcrowding Strategy, through rehousing those tenants most in need. The homes will be built to sustainable design standards, therefore reducing the financial impact for residents and users. The procurement process will identify the most efficient means of delivering this key Mayoral priority.

Linked Reports, Appendices and Background Documents

Linked Report

- Watts Grove Depot – tender process update and selection of preferred bidder (exempt report)

Appendices

- 2013/14 Equalities Analysis – Watts Grove depot redevelopment

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- None

Officer contact details for documents:

- Ann Sutcliffe, Service Head, Corporate Property & Capital Delivery, 020 7364 4077

Equality Analysis (EA)

Financial Year

2014/15

Decision



Section 1 – General Information (Aims and Objectives)

Watts Grove Depot redevelopment: To provide a target of 149 high quality Affordable Rented homes, which will be at the councils adjusted Affordable Rents, in line with objectives outlined in the Managing Development DPD, and to meet mayoral priorities.

Watts Grove Depot

Who is expected to benefit from the proposal?

Residents seeking affordable housing.

Service area:

Development and Renewal

Team name:

Corporate Property and Capital Delivery

Service manager:

Ann Sutcliffe

Name and role of the officer completing the EA:

Jeanette Kenyon t, Project Manager

Section 2 – Evidence (Consideration of Data and Information)

What initial evidence do we have which may help us think about the impacts or likely impacts on service users or staff?

The aim of the project is to provide high quality Affordable Rented homes, in line with objectives outlined in the Managing Development DPD, and to meet mayoral priorities.

London Borough of Tower Hamlets housing strategy and depot strategy will inform the principles for the redevelopment of the site.

In terms of the Affordable Rented housing it is envisaged that we will seek to maximise the number of family sized homes (3 bedroom and 4 bedroom) and that these should form, by unit numbers at least, 45% of the homes provided (as per Appendix 3 - the 'Managing Development: Development Plan Document' currently out for consultation).

Tower Hamlets is one of the most ethnically and socio-economically diverse communities in the country. The benefits of the project will be most felt by members of the community which qualify for affordable housing, as well as business owned or operated by members of those communities – who will therefore be primary beneficiaries of the project.

The project is based on the Tower Hamlets Community Plan 2020 and Local Area Agreement (CAB 006/089), the Tower Hamlets Local Development Framework Core Strategy (and Managing Development DPD), the Strategic Plan, Annual Report and Best Value Performance Plan (CAB 007/089) and the Depot Review.

The main impact of the project is the provision of 149 Affordable Rented homes replacing a depot in an increasingly residential area. 45% of these will be rented family homes. This will contribute to the One Tower Hamlets objectives of reducing inequalities and ensuring strong community cohesion.

Section 3 – Assessing the Impacts on the 9 Groups

How will what you're proposal impact upon the nine Protected Characteristics?

For the nine protected characteristics detailed in the table below please consider:-

What is the equality profile of service users or beneficiaries that will or are likely to be affected?

The target group of users are local residents seeking affordable housing and in particular family homes. The locations where the benefits of the project will be most felt have high concentrations of ethnically diverse communities, as well as business owned or operated by members of those communities – who will therefore be primary beneficiaries of the project. The user profile will reflect the local population/relevant target group for Affordable Rented housing. The functions of the Depot will be relocated as part of the Depot review strategy which will be considered further as part of governance process.

What qualitative or quantitative data do we have?

THIS Borough, the Tower Hamlets Partnership's Local Information System, provides easy access to a wide range of information and statistics about the borough as does the national census. As previously stated the main source of data from residents will be the Managing Development DPD document and the LDF Statement of Community Involvement until further consultation is carried out later this year.

Equalities profile of staff?

The project team currently has six members and has ethnic and gender representation. The team will seek a commitment from the development partner to employ local staff and subcontractors.

Barriers?

The project team are aware of the barriers to participation for the various equality target groups in terms of communication and access. These barriers were taken into account when designing the communication and engagement for the Managing Development DPD. See LDF Statement of Community Involvement and MD DPD Statement of Engagement. It is this document which forms the basis of the Watts Grove Depot project. The project communication and engagement plan will reflect the LDF Statement of Community Involvement and MD DPD Statement of Engagement to ensure that barriers to participation are removed for all residents.

Recent consultation exercises carried out?

Extensive consultation with relevant interest groups, other public bodies, voluntary organisations, community groups, trade unions, focus groups and other groups including surveys and questionnaires was undertaken on the Managing Development DPD.

Consultation will be taken at various stages of the development programme.

- engagement
- Planning
- Pre-planning consultation with public as determined through communications strategy
- Construction Phase
- As determined in conjunction with development partner
- Post completion
- As determine by handover and management procedures .

It should also be noted that the Tower Hamlets Homes lettings policy has been EQI'd.

Additional factors which may influence disproportionate or adverse impact?

No management arrangements which may have a disproportionate impact on the equality target groups

The Process of Service Delivery

In particular look at the arrangements for the service being provided including opening times, custom and practice, awareness of the service to local people, communication

The proposal will contribute to two of the three One Tower Hamlets objectives:-

- Reduce inequalities
- Ensure strong community cohesion
-

It also works towards the community plan theme of a great place to live and the following strategic priorities:

Objective 1: Providing quality Affordable Rented housing, including accessible housing and Lifetime homes.

Objective 2: Improving and maintaining the quality of housing, including maximising energy efficiency

Objective 3: Improving the public realm

Target Groups	Impact – Positive or Adverse What impact will the proposal have on specific groups of service users or staff?	Reason(s) <ul style="list-style-type: none"> • Please add a narrative to justify your claims around impacts and, • Please describe the analysis and interpretation of evidence to support your conclusion as this will inform decision making Please also how the proposal will promote the three One Tower Hamlets objectives? <ul style="list-style-type: none"> -Reducing inequalities -Ensuring strong community cohesion -Strengthening community leadership
Race	Positive	Bengali families are over represented on the list of overcrowded family homes. This development will provide a number of family sized Affordable Rented homes which will help alleviate some of this need.
Disability	Positive	Fully accessible homes, number of units to be designed for wheelchair use and properties are to be built to Lifetime homes standard.
Gender	Neutral	
Gender Reassignment	Neutral	
Sexual Orientation	Neutral	
Religion or Belief	Neutral	
Age	Positive	100% Affordable Rented housing, one and two beds will be suitable for young people becoming independent. Older residents downsizing will also be accommodated through lifetime homes designed properties.
Marriage and Civil Partnerships.	Positive	This development will provide a number of family sized Affordable Rented homes.
Pregnancy and Maternity	Positive	This development will provide a number of family sized Affordable Rented homes.
Other Socio-economic Carers	Positive	This development will provide a number of family sized Affordable Rented homes. All units will be provided with separate kitchens and kitchen /dining rooms.

Section 4 – Mitigating Impacts and Alternative Options

From the analysis and interpretation of evidence in section 2 and 3 - Is there any evidence or view that suggests that different equality or other protected groups (inc' staff) could be adversely and/or disproportionately impacted by the proposal?

No

If yes, please detail below how evidence influenced and formed the proposal? For example, why parts of the proposal were added/removed?

(Please note – a key part of the EA process is to show that we have made reasonable and informed attempts to mitigate any negative impacts. AN EA is a service improvement tool and as such you may wish to consider a number of alternative options or mitigation in terms of the proposal.)

Where you believe the proposal discriminates but not unlawfully, you must set out below your objective justification for continuing with the proposal, without mitigating action.

Section 5 – Quality Assurance and Monitoring

Have monitoring systems been put in place to check the implementation of the proposal and recommendations?

Yes

How will the monitoring systems further assess the impact on the equality target groups?

The impact on equality target groups will be reviewed regularly at Project Team and Project Board meetings along with the communications plan and risk register to ensure a holistic approach.

Does the policy/function comply with equalities legislation?
(Please consider the [OTH objectives](#) and [Public Sector Equality Duty](#) criteria)

Yes

If there are gaps in information or areas for further improvement, please list them below:

The main area for further improvement is the development of the communication and engagement strategy and plan for the project. The priority is to ensure that this builds on the work done for the Managing Development DPD and minimises all barriers to participation for all residents and especially the equality target groups.

How will the results of this Equality Analysis feed into the performance planning process?

The development and effective implementation of the communications plan, ensuring barriers to participation will be a key element of the performance planning process for the project team. Continued community engagement and the recruitment of local employees and subcontractors will be part of the performance planning process for the construction partner appointed.

Section 6 - Action Plan

Recommendation	Key activity	Progress milestones including target dates for either completion or progress	Officer responsible	Progress
<p>1. Better collection of feedback, consultation and data sources</p> <p>2. Ensure re-allocation of wheelchair units</p> <p>3.</p>	<p>1. Create and use feedback forms.</p> <p>2. Early identification of disabled tenants and aids and adaptations works.</p> <p>3</p>	<p>1. Forms used for pre-planning consultation. .</p> <p>2. Undertake aids and adaptation works prior to . practical completion. of the scheme.</p> <p>3.</p>	<p>1. Jeanette Kenyon</p> <p>2. Jeanette Kenyon</p>	

Section 7 – Sign Off and Publication

Name: (signed off by)	
Position:	
Date signed off: (approved)	


Section 8 Appendix – FOR OFFICE USE ONLY

This section to be completed by the One Tower Hamlets team

Policy Hyperlink :

Equality Strand	Evidence
Race	
Disability	
Gender	
Gender Reassignment	
Sexual Orientation	
Religion or Belief	
Age	
Marriage and Civil Partnerships.	
Pregnancy and Maternity	
Other	
Socio-economic	
Carers	
Link to original EQIA	Link to original EQIA
EQIAID (Team/Service/Year)	

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<p>[Cabinet/Individual Mayoral Decision – delete as applicable] Insert Date</p>	 TOWER HAMLETS
<p>Report of: Stephen Halsey, Acting Head of Paid Service</p>	<p>Classification: Unrestricted</p>
<p>Joint Committee of the Six Growth Boroughs</p>	

Lead Member	Mayor
Originating Officer(s)	Service Head – Legal Services
Wards affected	All wards
Community Plan Theme	A great place to live
Key Decision?	No

Executive Summary

The Joint Committee of the London 2012 Olympic and Paralympic Host Boroughs discharged all outstanding items of business in February 2014. Approval is sought to put into place revised and more appropriate arrangements for the future cooperative working between the six Boroughs, now titled Six Growth Boroughs.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Approve the disestablishment of the existing Joint Committee of the London 2012 Olympic and Paralympic Host Boroughs and the establishment of a new Joint Committee of the Six Growth Boroughs with immediate effect.
2. Authorise the Head of Paid Service to amend the existing Inter Authority Agreement and Memorandum of Understanding and give effect to any matter necessary to achieve their objectives.
3. Approve the revised terms of reference and membership for the new Joint Committee, as set out in the final appendix to the report, and the delegation of executive functions once approved by all constituent Authorities.
4. Agree the new arrangements for dealing with matters of concern and joint interest amongst the Growth Boroughs as they relate to legacy, convergence and other associated matters.

1. REASONS FOR THE DECISIONS

- 1.1 To provide a suitable legal and governance framework for the legacy and convergence work of the Six Growth Boroughs in a post-Olympics environment.

2. ALTERNATIVE OPTIONS

- 2.1 The Council could choose to separate from the formal arrangement proposed by the other growth boroughs and collaborate where necessary in an informal way.

3. DETAILS OF REPORT

- 3.1 In June 2009 LBTH agreed to the establishment of a Joint Committee of the 2012 Olympics and Paralympic Host Boroughs to provide for the discharge of any relevant executive arrangements in respect of collaborative working between the then five Host Boroughs regarding the Olympics, convergence and legacy from the Games. The Joint Committee was established in accordance with Section 101 of the Local Government Act 1972 to discharge those functions having regard to an agreed Memorandum of Understanding in the context of any agreed Inter Authority Agreement between those Boroughs.
- 3.2 In February 2011 these provisions were amended to facilitate the inclusion of a sixth Host Borough, the London Borough of Barking and Dagenham, to allow for its participation in these arrangements regarding the promotion of legacy and convergence.
- 3.3 In order to provide a suitable legal and governance framework relating to legacy and convergence in a post Olympics environment the Boroughs have expressed the desire to update the existing arrangements through a new Inter Authority Agreement for the re-branded Six Growth Boroughs and a consequent updated Memorandum of Understanding and provision for a new Joint Committee with revised Terms of Reference to reflect the scope of the tasks ahead for those Boroughs. These are attached in the Appendices to this report.
- 3.4 To establish a body with the power to discharge functions of the individual Boroughs each must agree to such arrangements in accordance with the provisions of the Local Government Act 1972 and 2000 and subsequent regulations. Once these arrangements are ratified by all six partners, the new joint committee can begin its work.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1. The report seeks cabinet approval to disband the existing Joint Committee of the London 2012 Olympic and Paralympic Host Boroughs and establish arrangements for a new Joint Committee of the Six Growth Boroughs with immediate effect.

- 4.2. The new committee will establish an annual budget, although this will not be finalised until the 2015/16 budget. The Council currently contributes £60k from Corporate resources to fund the existing Joint Committee. This funding will be re-directed to fund the new organisation.
- 4.3. Any budget variation as a result of the new arrangements will be funded by contingencies in the short term, although significant variation is not expected.
- 4.4. Given the above, there is sufficient provision in the budget to meet the commitments of the new arrangements.

5. LEGAL COMMENTS

- 5.1. Section 101(5) of the Local Governance Act 1972 provides that Local Authorities may discharge any of their functions jointly and that where joint arrangements are in force in respect of any functions, those functions may be discharged through a joint committee established by the authorities.
- 5.2. Section 101(2) of the Local Government Act 1972 provides that unless the joint arrangements specify otherwise, a joint committee can also establish a sub-committee to discharge any of its functions or delegate functions to an officer and unless the joint arrangements or joint committee specify otherwise, a sub-committee established by a joint committee may delegate functions to an officer.
- 5.3. Appointments to a joint committee are made under Section 102(1)(b) of the Local Government Act 1972 and the establishment of a joint committee is governed by The Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012, issued under sections 9EA, 9EB and 105 of the Local Government Act 2000. The relevant Regulations provide:
 - (a) Regulation 11(2) – where a joint committee is established to discharge more than one function by the same authorities at the same time and at least one of those functions is an executive function in at least one authority, the joint arrangements may provide for one joint committee to discharge all the functions on behalf of all the authorities.
 - (b) Regulation 12(3) – the decision on appointment to a joint committee should be taken by either the elected mayor, the executive leader, the executive, a member of the executive or a committee of the executive (dependant on the detailed executive arrangements that are being operated by the authority), where the joint committee is to discharge only executive functions on behalf of the executive of the authority.
 - (c) Regulation 12(3) – where a joint committee is discharging a function in relation to five or more local authorities and the executive is responsible for deciding on the appointment of Members, both executive and non-executive members may be appointed to the joint

committee by the executive and the political balance requirements do not apply.

- 5.4. At present the law does not permit local authorities to discharge their functions through non local authority bodies or through mixed bodies. Therefore, stakeholders and other partners will be involved in the operation of the joint committee as observers and in an advisory capacity only.
- 5.5. It is proposed that the joint committee should exercise only executive functions and thus approval of the arrangements, delegation of functions to be discharged by the joint committee and the appointment of members to the joint committee can be effected by the executive of each authority.
- 5.6. A joint committee is subject to overview and scrutiny requirements under section 9(F) of the Local Government Act 2000 which provides that executive arrangements by a local authority must ensure their overview and scrutiny committee (or their overview and scrutiny committees between them) have power to scrutinise decisions made, or other actions taken, in connection with the discharge of any functions which are the responsibility of the executive.
- 5.7. The provisions relating to executive decisions contained in the Local Authorities (Executives Arrangements) (Meetings and Access to Information) (England) Regulations 2012 do not apply to the operation of this joint committee because under Regulation 2(c) of such Regulations this joint committee is not a decision maker or decision making body under Regulation 2(b) to which such Regulations refer.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1. The proposed arrangements will help the Council to secure the legacy from the London 2012 Olympics, which were intended to be positive for the east of London and should be consistent with the Council's strategic plans which include the Council's single equality framework.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 7.1 The proposed arrangements will help the Council to secure the legacy from the London 2012 Olympics, which were intended to be positive for the east of London and should be consistent with the Council's strategic plans which in turn seek to deliver the Tower Hamlets Community Plan, including making Tower Hamlets a great place to live.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1. The recommendations are intended to manage risk by providing a lawful framework for continued cooperation by the Six Growth Boroughs.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 9.1 There are no direct crime and disorder implications arising from the report.

10. EFFICIENCY STATEMENT

- 10.1 Details of the proposed expenditure are provided in the finance comments section of the report. The annual cost is considered to be modest by reference to the potential benefits and consistent with the Council's duty as a best value authority.
-

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- Inter-authority agreement

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

- N/A

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DATED _____ 2014

**LONDON BOROUGH OF HACKNEY
ROYAL BOROUGH OF GREENWICH
LONDON BOROUGH OF NEWHAM
LONDON BOROUGH OF TOWER HAMLETS
LONDON BOROUGH OF WALTHAM FOREST
LONDON BOROUGH OF BARKING & DAGENHAM**

**SIX GROWTH BOROUGHES
INTER AUTHORITY AGREEMENT**

THIS AGREEMENT is made the 2014 between

1. The Mayor and Burgesses of the London Borough of Hackney, Town Hall, Mare Street, London E8 1EA (“Hackney”)
2. The Mayor and Burgesses of the Royal Borough of Greenwich, Town Hall, Wellington Street, Woolwich, London SE18 6PW (“Greenwich”)
3. The Mayor and Burgesses of the London Borough of Newham, Town Hall, Barking Road, East Ham, London E6 2RP (“Newham”)
4. The Mayor and Burgesses of the London Borough of Tower Hamlets, Town Hall, Mulberry Place, 5 Clove Crescent, London E14 2BG (“Tower Hamlets”)
5. The Mayor and Burgesses of the London Borough of Waltham Forest, Town Hall, Forest Road, Walthamstow, London E17 4JF (“Waltham Forest “)
6. The Mayor and Burgesses of the London Borough of Barking & Dagenham, Civic Centre, Dagenham, RM10 7BN (“Barking & Dagenham “)

(hereinafter jointly referred to as “the six Boroughs”)

BACKGROUND

- (a) The Parties are desirous to ensure that they work together to secure local benefits and a sustainable legacy from the Olympic and Paralympic Games held in London in 2012.
- (b) The Parties are the six London Boroughs which have joined together to develop and implement a coordinated convergence and legacy programme (hereinafter referred to as the Growth Boroughs Partnership Programme (GBPP) which shall secure the desired local benefits and sustainable legacy for the geographical areas comprising the six Boroughs.
- (c) The Parties wish to establish a Growth Boroughs Partnership Unit (GBPU) which shall deliver the GBPP including all matters associated therewith.
- (d) The Parties have established a Joint Committee on the basis of the Memorandum of Understanding (MOU) attached to this Agreement as Appendix A. The Joint Committee’s Terms of Reference are set out as Appendix One to the MOU.

IT IS HEREBY AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 Words importing the singular shall include the plural and vice versa. Words importing any gender shall include all genders and words importing persons shall include bodies incorporate, unincorporated associations and partnerships.
- 1.2 Clause headings are inserted for reference only and shall not affect the interpretation or construction of this Agreement.
- 1.3 In this Agreement, the following words and expressions have the following meanings

Annual budget	Shall mean the aggregate of all sums paid each Financial Year by each of the Parties
Annual Contribution	Shall mean the sum paid each Financial Year by each of the Parties in accordance with paragraph 9.2
Chief Executives' Board	Shall mean the meetings of the Chief Executives of each of the Parties or their nominees in accordance with paragraph 10.1
Executive Mayor	Shall mean a Mayor elected in accordance with the Mayor and Cabinet model of executive functions set out in Section 9C(2) of the Local Government Act 2000
Financial Year	Shall mean 1 April – 31 March
Growth Boroughs Partnership Programme (GBPP)	Shall mean the programme agreed by the Parties to deliver sustainable benefits for the Parties in accordance with this Agreement
Growth Boroughs Partnership Unit (GBPU)	Shall mean the staff required to deliver the GBPP as shall be agreed by the Parties
Joint Committee	Shall mean the Joint Committee established by the Boroughs in accordance with the MOU attached as Appendix A to this Agreement
Lead Borough	Shall mean one of the Parties to this Agreement which shall take on the lead responsibility for delivering particular activities as from time to time is identified, defined and agreed under the Agreement

MOU	Shall mean the Memorandum of Understanding attached to this Agreement at Appendix A.
Olympic and Paralympic Games	Shall mean the Games organised by the International Olympic Committee in conjunction with the London Organising Committee for the Olympic Games in 2012
Six Boroughs	Shall mean the London Boroughs of Hackney, Newham, Tower Hamlets, Waltham Forest and Barking & Dagenham and the Royal Borough of Greenwich
The Parties	Shall mean the Mayor and Burgesses of the London Boroughs of Hackney, Newham, Tower Hamlets, Waltham Forest and Barking & Dagenham and the Royal Borough of Greenwich

2. **CONSIDERATION**

- 2.1 In consideration of the mutual agreements set out herein the Parties have granted the rights and accepted the obligations set out herein.

3. **ENABLING POWERS**

- 3.1 This Agreement is made pursuant to Sections 101(5), and 113(1) of the Local Government Act 1972, Section 1(1)(b) of the Local Authorities (Goods and Services) Act 1970 and Section 1 of the Localism Act 2011 (and all the other enabling powers).
- 3.2 It shall be the responsibility of each Party to ensure they have the necessary delegations and decisions in place to give effect to this Agreement and by the act of entering into this Agreement have confirmed each of the Six Boroughs has met the requirements of this Clause 3.2.
- 3.3 The general terms of the MOU were considered and approved by the Executive of each of the six Boroughs on the dates specified in Appendix A. The Chief Executive for each of the six Boroughs acting under delegated authority signed and agreed the MOU including Appendix One to the MOU on the dates specified in Appendix A.

4. **COMMENCEMENT**

- 4.1 This Agreement shall commence from the date hereof and shall continue until terminated in accordance with paragraph 11.1 or 11.4.

5. **OBJECTIVES**

- 5.1 The main purpose of establishing the arrangements set out in this Agreement is for the six Boroughs to collaborate on and coordinate a range of activities and opportunities that arise as a result of the economic growth that was stimulated by the Olympic and Paralympic Games for the purposes of:
- 5.1.1 Securing local benefits and sustainable legacy for the geographical areas of the six Boroughs.
- 5.1.2 Securing the long-term benefits for the functions carried out and services provided by the six Boroughs howsoever provided including collectively, individually or in partnership with others.
- 5.1.3 Giving strategic and operational coherence to the collaborative work of the six Boroughs in relation to convergence and legacy.
- 5.1.4 Establishing and facilitating the implementation of a programme for the six Boroughs which ensures local benefit and sustainable legacy.
- 5.1.5 Pooling and sharing costs arising out of this Agreement equally amongst the six Boroughs in order for a collaborative programme to be developed and implemented and
- 5.1.6 Such other objectives as the six Boroughs jointly agree are conducive to the joint working arrangements under this Agreement.
- 5.2 Such objectives as set out in accordance with paragraphs 5.1.1 to 5.1.6 above shall collectively be referred to as the Growth Boroughs Partnership Programme (GBPP) and may be amended and varied from time to time as agreed in accordance with paragraph 7.2 of this Agreement.

6. **GROWTH BOROUGH PARTNERSHIP UNIT**

- 6.1 The Parties shall establish a Growth Boroughs Partnership Unit the purpose of which shall be to develop and manage the GBPP.
- 6.2 The GBPU shall be accountable to the six Boroughs for the GBPP and shall on request provide reports to and/or attend meetings of each or any of the six Boroughs including but not limited to their respective scrutiny commissions.

7. **POWERS**

- 7.1 The GBPU shall not have any delegated powers other than those expressly set out in this Agreement or as may be agreed between the Parties in accordance with the procedure for agreement set out in paragraph 7.2 below. Anything undertaken by the GBPU which cannot be delivered directly by the GBPU or which shall require contractual or other arrangements to be entered into to

deliver the GBPP shall be undertaken through one of the Parties who shall be identified in accordance with the procedure for agreement as set out in paragraph 7.2 below, to act as the Lead Borough on that particular activity, or as may be delegated to it by the Joint Committee.

- 7.2 Unless otherwise specified in the Agreement the procedure for agreement shall require the consensus of all Parties through the Chief Executives of the six Boroughs who shall either reach agreement at the Chief Executives' Board or in writing. Once consensus has been reached by the Chief Executives' Board or in writing if necessary, the decision shall, if required, be referred to the next available Joint Committee meeting which shall confirm the decision. In the event of non-confirmation by the Joint Committee, the matter shall be referred back to the Chief Executives' Board for reconsideration.
- 7.3 The Parties shall agree in accordance with the procedure for agreement in paragraph 7.2 what activities shall be undertaken, which of those activities can be delivered directly by the GBPU and which shall be delivered by one of the Parties acting as Lead Borough. Where delivery shall be by a Lead Borough the Parties shall agree which of them shall take the Lead Borough role and what resources (if any) need to be sourced and the estimated costs to be met in accordance with Clause 9 of the Agreement for that activity.
- 7.4 The Parties have agreed that the following areas of activity shall be the initial activities to be undertaken:-
 - 7.4.1 To recruit, appoint and determine the engagement or secondment of staff and advisers who shall be the GBPU upon such terms and conditions of service as the Parties consider necessary or desirable for the purpose of implementing the objectives. Save nothing in this paragraph 7.4.1 shall apply to the recruitment of the Director which shall be dealt with in accordance with paragraph 8.4.1 below.
 - 7.4.2 To manage the Annual Budget, receive income, pay out expenses and reimburse costs of agreed activities in accordance with an agreed programme of activity and cost.
 - 7.4.3 To recruit a Director to lead and manage the GBPU.
 - 7.4.4 To line manage the Director and staff and advisers who shall make up the GBPU.
- 7.5 Additional activities to those set out in paragraphs 7.4.1 – 7.4.4 above shall be agreed between the Parties in accordance with the procedure for agreement set out in paragraph 7.2 above. All additional activities agreed by the six Boroughs shall be evidenced in writing against this Agreement.

8. **LEAD BOROUGH ARRANGEMENTS**

- 8.1 Where necessary a Lead Borough shall be identified from amongst the Parties to implement any necessary activities under this Agreement.
- 8.2 It is agreed that the initial activities in relation to paragraph 7.4.1 (appointment of staff) should be undertaken by Hackney. For the purposes of paragraph 7.4.1 Hackney will be the lead borough and employer and will subject to the provisions contained in this Agreement be responsible for the terms and conditions and day to day management of staff engaged in accordance with this Agreement.
- 8.2.1 In discharging its Lead Borough role, Hackney shall ensure that any and all staff engaged except for seconded staff will be paid and employed by Hackney in accordance with Hackney standard terms and conditions of employment and appropriate Local Government Remuneration for such positions, subject to the parties obligations towards Hackney in respect of such appointments as set out in this Agreement.
- 8.2.2 In discharging its role as employer of staff engaged in relation to paragraph 7.4.1 it is agreed that Hackney will provide and manage staff in accordance with an appropriate job description the contents of which will be agreed between the Parties. It is further agreed that whilst Hackney will consult with the other parties to this Agreement (at such times agreed between them) as to performance of staff engaged pursuant to paragraph 7.4.1 against any agreed targets and the ongoing performance of such staff it will be for Hackney acting as employer to supervise and take any appropriate actions as employer in relation to staff concerned.
- 8.2.3 Hackney will submit an account of the costs of all staff engaged in accordance with paragraph 7.4.1. Such account must be agreed by at least two of the Parties (not including Hackney) to this Agreement within at least 30 days of Hackney submitting the account for the account to fall due. Reimbursement shall be made to Hackney from the Annual Budget within 30 days of the account being agreed in accordance with this paragraph.
- 8.2.4 Hackney will only be reimbursed in accordance with a schedule of posts and salaries that have previously been agreed, by all the Parties, through the procedure for agreement set out in paragraph 7.2 above.
- 8.2.5 Hackney shall be reimbursed the cost of employer's pension contributions, ill health retirements, early retirements, redundancies or buy out costs falling on it as employing Authority in accordance with this Agreement in the event that any of the staff engaged in accordance with paragraph 7.4.1 become so entitled. Such sums shall be met in equal parts by each of the Parties insofar as they are not provided for in the Annual Budget. However, no such payment shall be due in the event that liability for the payment is over and above that which each

of the Parties is required to contribute and such extra cost is as a result of any avoidable negligent act or omission (determined at law) by Hackney.

- 8.3 In discharging the Annual Budget as outlined in paragraph 7.4.2 it is agreed that the Lead Borough shall be Hackney.
 - 8.3.1 In discharging the Annual Budget activity Hackney will adopt standard Local Government financial control practices and principles as shall apply from time to time.
 - 8.3.2 For each Financial Year Hackney will produce an Annual Budget for agreement at a Chief Executives' Board and for consideration by the Joint Committee in advance of the Financial Year start and by no later than 1 March in any year which shall cover all aspects of the agreed activity to meet the GBPP and a cash flow statement.
 - 8.3.3 Hackney will produce where practicable a statement of expenditure and income and financial commitments for every Chief Executives' Board or where not practicable at a minimum frequency of every three months from the commencement of this Agreement.
 - 8.3.4 Hackney will reimburse agreed and approved items of expenditure as submitted in accordance with paragraph 8.5
- 8.4 NOT USED.
- 8.5 Subject to the inclusion of sufficient funds in the Annual Budget or under any alternative funding arrangements made under paragraph 7.2 above Hackney will reimburse costs for any Lead Borough activity carried out under this Agreement within 30 days of submission of a statement of expenditure provided that the said statement of expenditure is agreed as reasonable by at least two of the six Boroughs (not including the Party submitting the said statement) such agreement to be provided within 30 days of submission of the statement of expenditure. Such statements of expenditure shall include all relevant proofs and details of expenditure as would ordinarily be expected by an authority acting reasonably.
- 8.6 In the event that additional Lead Boroughs are identified for certain activities under this Agreement they shall submit statements of expenditure as required in paragraph 8.5. Payments shall be made in accordance with the procedure set out in paragraph 8.5.
9. **THE ANNUAL BUDGET**
 - 9.1 Hackney shall be the Lead Borough responsible for administering the Annual Budget.
 - 9.2 Subject to the provisions of paragraph 9.3 each Party will pay an Annual Contribution, the sum of which shall be agreed in accordance with paragraph

7.2 until termination of this Agreement such payments to be made on or before the 30 April in each year until termination of this Agreement.

- 9.3 The first Annual Contribution shall be payable within 30 days of the commencement of this Agreement. Such payment shall be the contribution payable to [.....] 20[...]. Thereafter the payments particularised in paragraph 9.2 shall fall due.
- 9.4 All agreed costs will be shared equally and be met from the Annual Budget.
- 9.5 Any underspends in any Financial Year will be carried forward unless all Parties agree to be reimbursed. Such agreement to be reached in accordance with paragraph 7.2 above.
- 9.6 Any overspends will be shared in equal parts and further equal contributions made by each of the parties within 30 days of the overspend being determined by the out-turn report provided that such overspend has not arisen due to negligence, breach of this Agreement or authority being exceeded by any of the Parties.
- 9.7 In the event of any overspend or element of overspend caused by negligence, breach of this Agreement or authority being exceeded by any Party to this Agreement, that Party shall be solely responsible for the costs arising.
- 9.8 The Annual Contribution made under paragraph 9.2 may be increased in line with the rate of inflation in accordance with the annual percentage increase in the Consumer Price Index (CPI) provided a majority of the Parties agree. Any increase in excess of percentage increase in CPI shall require the written unanimous agreement of all Parties and approval in accordance with paragraph 7.2 above.

10. **CHIEF EXECUTIVES' BOARD**

- 10.1 The Chief Executives for the six Boroughs shall meet on a regular basis as the Chief Executives' Board and in any event not less than quarterly to review the operation of this Agreement and deal with any matters requiring their attention or approval in accordance with the provisions of this Agreement. The Chief Executives shall be entitled to send a nominee to such meetings to represent them in their absence. Such nominee shall have the same powers as the Chief Executive would have had, had they attended.

11. **TERMINATION AND DISSOLUTION**

- 11.1 This agreement shall terminate on such date as shall be agreed by all the Parties.
- 11.2 In the event of termination a final account will be drawn up detailing the costs and liabilities arising from such termination. Such costs and liabilities shall

include any staffing costs, redundancies and the cost of terminating any formal arrangements entered into.

11.3 Any net costs after deduction of any income or Annual Contributions remaining will be shared equally between the Six Boroughs.

11.4 In the event of one or more of the six Boroughs wishing to withdraw from this Agreement, but where the GBPP effectively continues then the withdrawing Borough[s] will contribute equally between themselves the net cost of their withdrawal. This will include any resultant redundancy costs, any costs of terminating formal agreements and costs that fall on the remaining Boroughs not able to be defrayed by other action. Any Borough wishing to withdraw shall be required to give 12 months notice of the withdrawal. Such notice period may only be reduced with the written agreement of all non-withdrawing Boroughs.

12. **ENTIRE AGREEMENT**

12.1 This Agreement together with any appendices to it constitutes the entire agreement between the Parties with respect to the matters dealt with therein and supersedes the Inter Authority Agreement dated 31 October 2011 between Hackney, Greenwich, Newham, Tower Hamlets, Waltham Forest and Barking and Dagenham.

12.2 For the avoidance of doubt the terms of the MOU and Appendix One thereto shall be incorporated as part of this Agreement.

13. **NO PARTNERSHIP**

13.1 Nothing in this Agreement shall constitute or be deemed to constitute a partnership between any of the Parties and except as expressly provided herein none of the six Boroughs shall have any authority to bind the others in any way save as permitted by this Agreement.

14. **INSURANCE**

14.1 The Lead Borough for the purposes of employing the staff under paragraph 8.2 above shall, unless the Parties agree otherwise in accordance with the procedure for agreement set out in paragraph 7.2, be the Lead Borough on insurance and insurable risks and shall, if one or more of the Parties are satisfied their current insurance cover is not sufficient, effect either jointly for the benefit of the parties or for the relevant Lead Borough Employers, Public, Professional, Motor Contingency liability insurance and other such insurances the Parties agree to be appropriate and necessary in order to protect the liabilities and assets of the six Boroughs.

14.2 The Lead Borough in accordance with paragraph 14.1 shall on request by one or more of the other parties provide evidence of effecting such insurance including premiums together with advise and guidance to the six Boroughs and

the GBPU on insurance and related matters insomuch as they are pertinent and relevant to the obligations and liabilities contained in this Agreement.

15. **INDEMNITIES**

- 15.1 The Parties hereto agree to indemnify the Lead Boroughs against any costs, losses, liabilities and proceedings which the Lead Boroughs may suffer as a result of or in connection with its obligations hereunder provided and to the extent that such costs, losses, liabilities and proceedings over and above that which each borough to this Agreement is required to contribute and such extra costs are not due to any avoidable negligent act or omission (determined at law) of the Lead Borough or breach by the Lead Borough of its obligations hereunder. Any payments made to the Lead Borough under this paragraph 15.1 shall be met from the Annual Budget or in equal parts by each of the parties insofar as they are not provided for in the Annual Budget.
- 15.2 Any Lead Borough appointed hereunder shall indemnify the other Parties against any costs, losses, liabilities and proceedings over and above that which each borough to this Agreement is required to contribute and such costs which the other Party or Parties may suffer as a result of or in connection with any breach of the Lead Borough's obligations hereunder and/or any avoidable negligent act or omission (determined at law) in relation thereto.
- 15.3 Each borough to this Agreement shall inform the other boroughs at the earliest opportunity of any issue or matter or legal process or proceedings which may affect the six Boroughs obligations under this Agreement.

16. **WAIVER**

- 16.1 No failure to exercise and no delay in exercising on the part of any of the Parties any right power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right power or privilege preclude any other or further exercise thereof or the exercise of any other right power or privilege.

17. **EXECUTION**

- 17.1 This Agreement is executed by each Party by executing as a Deed the annexed Memorandum of Participation on behalf of that Party and such Memorandum of Participation shall be evidence of execution by that Party when Memoranda executed by all the Parties are incorporated into this Agreement.

18. **DISPUTE RESOLUTION**

- 18.1 Any dispute or difference arising out of or connected with this Agreement shall be identified by written notice from one Party to the other Party or Parties in dispute who shall within 7 working days (or such date agreed by all six

Boroughs to this Agreement) of the notice meet to attempt in good faith to resolve the dispute amicably on a full and final basis.

- 18.2 If the Parties are not able to conduct such meeting within the 7 working day period (or other agreed period) or such meeting has taken place but the dispute or difference remains unresolved then it shall be referred to mediation if the Parties in dispute so agree (such mediation to be conducted as agreed between the Parties in dispute) or in the event that one or more of the Parties in dispute does not agree mediation it shall be referred to an agreed independent expert and the Parties agree to abide by the expert's decision without prejudice to the Parties' rights in law. In the absence of agreement a mediator or expert (whichever is the preferred route) shall be appointed by the President of the Law Society such appointment to be binding on the six Boroughs. An appointed mediator or expert shall in addition to determination of the dispute or difference set the process, procedure and timetable for determination of the dispute or difference.

All costs relating to resolving the dispute or difference shall be met equally by the Parties to this Agreement or apportioned as appropriate by the mediator/expert on the basis that resolution under this paragraph 18 was necessary.

- 18.3 Nothing in this paragraph 18 or the Agreement as a whole shall prejudice the six Boroughs legal right to apply to the English Courts for emergency relief or for determination of a point of law.

19. **NOTICES**

- 19.1 All notices or decisions which are required to be given under this Agreement shall be in writing and shall be sent to the address of the recipient set out in this Agreement or such other address as the recipient may designate by notice given in accordance with the provisions of this paragraph. Any such notice may be delivered personally or by first class prepaid letter shall be deemed to have been served if by personal delivery when delivered if by first class post 48 hours after posting.

20. **DATA PROTECTION**

- 20.1 The Parties shall ensure full compliance with the Data Protection Act 1998 (hereinafter called the "1998 Act") and all other legislation relating to the collection and use of information as applies from time to time in respect of the control and processing of any information required under this Agreement. All Parties shall ensure their notifications under Section 18 and 19 of the 1998 Act are up to date and where necessary include the activities of this Agreement where the Party acts as data controller for the purposes of the information.
- 20.2 Any information provided by a Party to this Agreement who is a data controller of the said information to another Party shall be provided to that Party as Data Processor (as defined by the 1998 Act) only and nothing in this Agreement

shall allow the receiving Party to treat the information as though they were the data controller.

All processing by the Parties of any information under this Agreement shall be carried out in accordance with the Data Protection Principles (as defined by the 1998 Act).

- 20.3 Where any Party receives a subject access request for information held as a result of the activities carried out in accordance with this Agreement the Parties shall fully cooperate in complying with the obligations under the 1998 Act in relation to that data.

21. **FREEDOM OF INFORMATION**

- 21.1 The Parties recognise that they are subject to legal duties which may require the disclosure of information under the Freedom of Information Act 2000 or the Environmental Information Regulations 2002 or any other applicable legislation or codes governing access to information and that the Parties may be under an obligation to provide information on request. Such information may include matters relating to, arising out of or under this Agreement in any way.

- 21.2 The Parties recognise that in order to facilitate openness and accountability the general view is that all relevant information concerning its arrangements should be subject to disclosure unless the information is exempt in accordance with the provisions of the legislation and where applicable the public interest in withholding the information outweighs the public interest in disclosing it.

- 21.3 Where any Party receives a request for information held the Parties shall fully cooperate in complying with the obligations under the Freedom of Information Act and all other relevant legislation in relation to that data.

22. **SUCCESSORS BOUND**

- 22.1 This Agreement shall be binding on and shall endure for the benefit of the successors and assigns (as the case may be) of each of the Parties.

23. **ASSIGNMENT**

- 23.1 None of the Parties may assign its rights and obligations in whole or in part hereunder without the prior written consent of the other Parties.

24. **CONTINUING AGREEMENT**

- 24.1 All provisions of this Agreement shall so far as they are capable of being performed and observed continue in full force and effect notwithstanding termination except in respect of those matters then already performed.

25. **GOOD FAITH**

25.1 Each of the Parties undertakes with each of the others to do all things reasonably within its power which are necessary or desirable to give effect to the spirit and intent of this Agreement.

26. **SEVERABILITY**

26.1 Notwithstanding that any provision of this Agreement may prove to be illegal or unenforceable the remaining provisions of this Agreement shall remain in full force and effect.

27. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

27.1 Nothing contained in this Agreement confers or purports to confer any rights to enforce any of its terms pursuant to the Contracts (Rights of Third Parties) Act 1999 on any person who is not a party hereto.

28. **VARIATION**

28.1 This Agreement may be varied by agreement in writing of the Parties such agreement to be reached in accordance with the procedure for agreement set out in paragraph 7.2 above.

MEMORANDUM OF PARTICIPATION

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE ROYAL
BOROUGH OF GREENWICH** was
hereunto affixed in the presence of:

Authorised Signatory:

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF HACKNEY** was hereunto
affixed in the presence of:

Authorised Signatory:

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF NEWHAM** was hereunto
affixed in the presence of:

Authorised Signatory:

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF TOWER HAMLETS** was hereunto
affixed in the presence of:

Authorised Signatory:

**THE COMMON SEAL OF THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF WALTHAM FOREST** was
Hereunto affixed in the presence of:

Authorised Signatory:

**THE COMMON SEAL of THE MAYOR
AND BURGESSES OF THE LONDON
BOROUGH OF BARKING AND
DAGENHAM** was hereunto affixed in the
presence of:

Being an Officer of the Council of the said
Borough authorised to attest the Common
Seal

Seal Register Number

APPENDIX A

MEMORANDUM OF UNDERSTANDING

JOINT COMMITTEE OF THE SIX GROWTH BOROUGHES

Introduction

1. The London Boroughs of Hackney, Newham, Tower Hamlets, Waltham Forest and Barking and Dagenham and the Royal Borough of Greenwich (the six boroughs) have decided to establish a joint committee to discharge executive functions on behalf of the six boroughs in so far as they relate to joint activities or areas of common concern in relation to convergence and legacy as referenced by the Convergence Annual Report and Action Plan.

2. This Memorandum of Understanding sets out the basis for operating the joint committee and associated activities as agreed between the six boroughs. The Memorandum and the terms of reference for the joint committee (which are attached as Appendix One) will be approved by the Executive for each of the six boroughs.

Legal Framework

3. Section 101 (5) of the Local Government Act 1972 provides that two or more local authorities may discharge any of their functions jointly and that where joint arrangements are in force in respect of any functions, those functions may be discharged through a joint committee established by the authorities.

4. Section 101 (2) of the Local Government Act 1972 provides that unless the joint arrangements specify otherwise, a joint committee can also establish a sub-committee to discharge any of its functions or delegate functions to an officer and unless the joint arrangements or joint committee specify otherwise, a sub-committee established by a joint committee may delegate functions to an officer.

5. Appointments to a joint committee are made under section 102(1)(b) of the Local Government Act 1972 and the establishment of a joint committee is governed by The Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012, issued under sections 9EA, 9EB and 105 of the Local Government Act 2000. The relevant Regulations provide:

a) Regulation 11 (2) - where a joint committee is established to discharge more than one function by the same authorities at the same time and at least one of those functions is an executive function in at least one authority, the joint arrangements may provide for one joint committee to discharge all the functions on behalf of all the authorities.

b) Regulation 12(3) – the decision on appointment to a joint committee should be taken by either the elected mayor, the executive leader, the executive, a member of the executive or a committee of the executive (dependant on the detailed executive arrangements that are being operated by the authority), where the joint committee is to discharge only executive functions on behalf of the executive of the authority.

c) Regulation 12 (3) - where a joint committee is discharging a function in relation to five or more local authorities and the executive is responsible for deciding on the appointment of Members, both executive and non-executive

Members may be appointed to the joint committee by the executive and the political balance requirements do not apply.

6. At present the law does not permit local authorities to discharge their functions through non local authority bodies or through mixed bodies. Therefore, stakeholders and other partners will be involved in the operation of the joint committee in an advisory capacity only.

7. A joint committee is subject to overview and scrutiny requirements under section 9(F) of the Local Government Act 2000 which provides that executive arrangements by a local authority must ensure their overview and scrutiny committee (or their overview and scrutiny committees between them) have power to scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the executive.

8. The 'call in' provisions also apply to a joint committee under section 9(F) of the Local Government Act 2000 which provides that the above power of an overview and scrutiny committee to review or scrutinise a decision made but not implemented, includes power to recommend that the decision be reconsidered by the person who made it.

8A. The provisions relating to executive decisions contained in the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 do not apply to the operation of this joint committee because under Regulation 2(c) of such Regulations this joint committee is not a decision maker or decision making body under Regulation 2(b) to which such Regulations refer.

9. The joint committee is not a separate legal entity and existing arrangements for lead boroughs to take on responsibility for particular activities will be made and/or continue to operate in accordance with the Inter Authority Agreement made between the six boroughs dated [.....].

Inter Authority Agreement (IAA)

10. The existing IAA will be amended to give effect to all new matters covered by this Memorandum of Understanding.

11. Under the terms of the IAA any variation must be agreed by each of the six borough Chief Executives and for the avoidance of doubt the Executive of each of the six boroughs will also specifically delegate responsibility for agreement of the revised IAA to their respective Chief Executives.

Employment of Staff

12. The new IAA will designate the London Borough of Hackney as lead borough for the employment and management of staff in the new Growth Boroughs Partnership Unit. The Director of the Unit will be responsible for day to day management/direction of the unit, reporting to the joint committee through the Chief Executive's Board (see 14 below).

Annual Budget

13. The IAA will designate the London Borough of Hackney as lead borough for discharging the annual budget and the joint committee will be responsible for

managing the annual budget. As part of this function, the joint committee may also make proposals for any revision in the level of contribution made by each of the six boroughs to the annual budget for consideration as part of each of the six boroughs annual budget allocation process. Most of the budget will continue to be spent on staffing and accommodation for the Growth Boroughs Partnership Unit. The IAA provides a framework for engaging and managing staff, and reporting on revisions to staffing structures. The IAA also provides arrangements for establishing and controlling a balanced annual budget funded by equal contributions from the six Growth Boroughs and grants/contributions secured from other sources.

Chief Executives' Board

14. The IAA will provide for regular meetings of the six borough Chief Executives meeting formally as the Chief Executives' Board.

Administration

15. Administrative support for the meetings of the six borough Chief Executives and the joint committee will be provided by the London Borough of Hackney on a lead borough basis and the Chief Executive of Hackney Council will be formally designated as clerk to the joint committee with responsibility for the provision of administrative support.

Overview and Scrutiny

16. Decisions of the joint committee are subject to scrutiny and 'call in' by the six boroughs. Each of the six boroughs has established overview and scrutiny arrangements for the joint committee (and any sub-committee(s)) to include uniform time limits for the 'call in' process in each of the six boroughs

17. In the event that a decision of the joint committee or any sub-committee is 'called in' the Chief Executive (or an officer designated by the Chief Executive) for the relevant borough will attend the relevant scrutiny committee together with one or both of the Members nominated by that borough to the joint committee or any Member of a sub-committee.

Procedure Rules

18. The joint committee will adopt revised Procedure Rules to cover all matters relevant to its governance arrangements.

Functions

19. The executive functions discharged by the joint committee shall be as specified in the terms of reference attached as Appendix One to this memorandum. The joint committee does not have power to exercise non executive functions on behalf of the six boroughs.

20. The functions of the joint committee will not be limited by area, but it will only discharge executive functions that relate to joint activities or areas of common concern in relation to convergence and legacy.

Membership and Chair

21. The Executive for each of the six boroughs will nominate two Members to the joint committee. The maximum term of office for any nomination may not exceed a Member's remaining term in office and should be made by each of the Boroughs for each new municipal year.

22. The joint committee will be responsible for electing a Chair and it has been agreed by the six boroughs that this Memorandum should record that the intention of the six boroughs is that the Chair of the joint committee should be the Mayor of Newham.

Agenda Management

23. The rules of procedure adopted by the joint committee as part of a Constitution shall include the following provisions relating to agenda management.

24. All prospective items of business for the joint committee established by it shall in the first instance be considered at a meeting of the Chief Executives' Board. An item shall only be included on the agenda for a joint committee meeting with the agreement of each of the six borough Chief Executives.

25. Where an item of business has been included in the agenda for a joint committee meeting in accordance with paragraph 24 above but it appears to the Chair of the joint committee that unanimity of voting may not be achieved, the Chair may propose that the agenda item be referred back to the Chief Executives' Board for further consideration.

26. Where a decision of the joint committee does not apply to all six boroughs, the delegation of functions to the joint committee is limited to those boroughs to which the decision applies so that any borough to which the decision does not apply retains the capacity to determine the issue(s) in accordance with its own procedural requirements.

Quorum and Voting

27. The quorum for meetings of the joint committee will be at least one Member from each borough.

28. Each Member of the joint committee will have one vote and all questions coming or arising before the joint committee shall be decided by a majority of the members of the joint committee present and voting (paragraph 39 of Schedule 12 to the Local Government Act 1972).

Delegation to Officers

29. The joint committee may delegate specific functions to an officer of one of the six boroughs. Any such delegation may be subject to the requirement for the officer to consult with or obtain the prior agreement of an officer (or officers) of one or more of the other four boroughs or subject to the requirement for the officer with delegated authority to consult with the Chair of the joint committee before exercising their delegated authority.

Partner and Stakeholder Representation

30. Partners and stakeholders will be invited to send observers to meetings of the joint committee as appropriate.

Commencement

31. The joint committee will be established when this Memorandum of Understanding and the terms of reference for the joint committee (attached as Appendix One) have been approved by the executives of each of the six boroughs.

Appendix One

JOINT COMMITTEE OF THE SIX GROWTH BOROUGHs TERMS OF REFERENCE

To act as a joint committee of the London Boroughs of Hackney, Newham, Tower Hamlets, Waltham Forest and Barking and Dagenham and the Royal Borough of Greenwich (the six boroughs) for joint collaboration in relation to convergence and legacy.

1. Functions:

To discharge on behalf of the boroughs the executive functions listed below in so far as they relate to joint activities or areas of common concern in relation to convergence and legacy, as agreed in the business plan:

1. Management and expenditure of the annual budget as defined by the Inter Authority Agreement made between the six boroughs dated [.....]
2. Management and expenditure of external funding and all other financial resources allocated to the joint committee, including any funding allocated to the joint committee by any or all of the six boroughs in addition to the annual budget.
3. Approval of an annual business plan.
4. Joint promotion of the Growth Boroughs area and its unique portfolio of assets including the Olympic afterglow.
5. Consistent approach to enforcing through planning and procurement requirements the promotion of convergence by developers and contractors.
6. Collective promotion of transport and other infrastructure investment including its prioritisation over other parts of London.
7. Joint bidding for funding, training and employment programmes, e.g. funding from the European Union and Regional Growth Fund (RGF) where bids from one Borough will not be entertained.
8. Convergence and the prioritising of the social and economic needs of the Growth Boroughs area.
9. Collective action in respect of the National and Regional allocation of local government housing, health, policing and transport resources based on need and population.
10. Working together to protect Growth Boroughs' interests in respect of National and Regional policy and action.
11. Collective working with employers on jobs and skills.
12. Contextual recognition of the varying economic, housing and investment opportunities related to the character and resources of each of the Growth Boroughs.

Any other executive functions relating to joint activities or areas of common concern in relation to convergence and legacy in relation to which funding is allocated through the annual budget or in respect of which external funding or any other financial resources are allocated to the joint committee.

The governance arrangements provide flexibility so that one or more but less than six boroughs can opt out of certain projects insofar as they relate to joint activities or areas of concern. It is within the capacity of the Joint Committee to agree that one or

more but less than six boroughs may participate in work with other authorities outside the growth borough arrangements. The Joint Committee will agree any particular project will be undertaken by one or more boroughs outside the responsibilities of the Joint Committee.

2. Membership:

Twelve Members, comprising two Members nominated by the Executive from each of the six boroughs for a maximum period not extending beyond any Member's remaining terms of office as a councillor.

3. Quorum:

At least one Member from each of the six boroughs.

4. Voting Requirements:

Each Member of the joint committee will have one vote and all questions coming or arising before the joint committee shall be decided by a majority of the members of the joint committee present and voting.

APPROVALS:

The general terms of the Memorandum of Understanding (including Appendix One) were considered and approved at a meeting of the executive of each the six boroughs on the following dates:

Royal Borough of Greenwich:

London Borough of Hackney:

London Borough of Newham:

London Borough of Tower Hamlets:

London Borough of Waltham Forest:

London Borough of Barking and Dagenham

The Chief Executive for each of the six boroughs acting under delegated authority signed and agreed this Memorandum of Understanding (including Appendix One) on the following dates:

Mary Ney
Chief Executive – Royal Borough of Greenwich

Signed.....Date.....

Tim Shields
Chief Executive – London Borough of Hackney

Signed.....Date.....

Kim Bromley-Derry
Chief Executive – London Borough of Newham

Signed.....Date.....

Stephen Halsey
Chief Executive – London Borough of Tower Hamlets

Signed.....Date.....

Martin Esom
Chief Executive – London Borough of Waltham Forest

Signed.....Date.....

Graham Farrant
Chief Executive – London Borough of Barking and Dagenham

Signed.....Date.....