

LONDON BOROUGH OF TOWER HAMLETS

RECORD OF THE DECISIONS OF THE CABINET

HELD AT 5.35 P.M. ON WEDNESDAY, 25 NOVEMBER 2020

ONLINE 'VIRTUAL' MEETING - [HTTPS://TOWERHAMLETS.PUBLIC-I.TV/CORE/PORTAL/HOME](https://towerhamlets.public-i.tv/core/portal/home)

Members Present:

Mayor John Biggs	
Councillor Sirajul Islam	(Statutory Deputy Mayor and Cabinet Member for Housing)
Councillor Rachel Blake	(Deputy Mayor and Cabinet Member for Adults, Health and Wellbeing)
Councillor Asma Begum	(Deputy Mayor and Cabinet Member for Community Safety, Youth and Equalities)
Councillor Sabina Akhtar	(Cabinet Member for Culture, Arts and Brexit)
Councillor Danny Hassell	(Cabinet Member for Children and Schools)
Councillor Candida Ronald	(Cabinet Member for Resources and the Voluntary Sector)
Councillor Motin Uz-Zaman	(Cabinet Member for Work and Economic Growth)
Councillor Mufeedah Bustin	Cabinet Member for Planning and Social Inclusion (Job Share) - Lead on Social Inclusion
Councillor Asma Islam	Cabinet Member for Environment and Public Realm (Job Share) - Lead on Environment
Councillor Eve McQuillan	Cabinet Member for Planning and Social Inclusion (Job Share) - Lead on Planning
Councillor Dan Tomlinson	Cabinet Member for Environment and Public Realm (Job Share) - Lead on Public Realm

Other Councillors Present:

Councillor Peter Golds	(Leader of the Conservative Group)
Councillor James King	
Councillor Val Whitehead	

Officers Present:

Jane Abraham	(Housing Project Manager)
Kevin Bartle	(Interim Divisional Director of Finance, Procurement and Audit)
Adam Boey	(Senior Strategy & Policy Manager - Corporate)
Stephen Bramah	(Deputy Head of the Mayor's office)
Terry Bryan	(Service Head (Pupil Access and School Sufficiency))
Andreas Christophorou	(Divisional Director, Communications)
Vicky Clark	(Divisional Director for Growth and Economic Development)
David Courcoux	(Head of the Mayor's Office)

Thorsten Dreyer	(Head of Intelligence and Performance)
Janet Fasan	(Divisional Director, Legal, Governance)
Emily Fieran-Reed	(Senior Strategy and Policy Manager, Communities Team, Corporate Strategy & Policy Strategy, Policy & Performance Division)
Sharon Godman	(Divisional Director, Strategy, Policy and Performance)
Chris Harrison	(Liveable Streets Technical Director)
Dan Jones	(Divisional Director, Public Realm)
Marion Kelly	(Finance Improvement Team - Programme Director)
Christine McInnes	(Divisional Director, Education and Partnerships)
Denise Radley	(Corporate Director, Health, Adults & Community)
James Thomas	(Corporate Director, Children and Culture)
Will Tuckley	(Chief Executive)
Mark Waterman	(Strategy & Policy Manager)
Matthew Mannion	(Head of Democratic Services, Governance)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Asmat Hussain, Corporate Director, Governance and Monitoring Officer for whom Janet Fasan (Divisional Director, Legal Services) was deputising.
- Neville Murton, Corporate Director, Resources, for whom Kevin Bartle, Interim Divisional Director, Finance, Procurement and Audit was deputising.
- Ann Sutcliffe, Corporate Director, Place, for whom Dan Jones, Divisional Director, Public Realm was deputising.

Councillor Dan Tomlinson, Cabinet Member for Environment and Public Realm (Job Share) – Lead on Public Realm apologised that he would need to leave the meeting early.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

There were no Declarations of Disclosable Pecuniary Interest. However, it was noted that a number of Members lived in and/or represented the areas of Bow covered by Agenda Item 6.1 (Liveable Streets Bow Consultation Outcome report). They took part in the discussion of the item.

3. UNRESTRICTED MINUTES

DECISION

1. That the unrestricted minutes of the Cabinet meeting held on Wednesday 28 October 2020 be approved and signed by the Chair as a correct record subject to the amendment of Recommendation 2 of Agenda Item 6.8 (Billingsgate Market – Update on Joint Working with

the City of London Corporation) to change the date of 27 November 2020 to November 2021.

4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR

See the minutes.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's Advice of Key Issues or Questions

Pre-Decision Scrutiny Questions and officer responses were tabled in relation to all the reports on the agenda. These were considered during discussion of each relevant agenda item.

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

In relation to the Call-In of Agenda Item 6.3 (Housing Allocations

DECISION

1. To note the response of the Overview and Scrutiny Committee to the call-in.
2. To agree to reinstate existing social housing tenants under the age of 50 to Band 3 of the Common Housing Register (a change to the original recommendation 3)
3. To retain the proposal to allow applicants placed in out of borough Private Rented Sector accommodation to remain on the housing register for a time-limited three-year period. (as set out in Paragraph 3.3 of the original report)

Action by:

CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Divisional Director, Housing and Regeneration (K. Swift))

6. UNRESTRICTED REPORTS FOR CONSIDERATION

6.1 Liveable Streets Bow consultation outcome report

Pre-Decision Scrutiny Questions and officer responses were noted.

The reasons for urgency set out in the report were agreed.

The recommendations were amended and then agreed.

DECISION

1. To note and conscientiously consider the results of the engagement to date and public consultation of Bow Liveable Streets (Appendix C & D to the report)
2. To approve the final scheme design for the Bow area as part of the Liveable Streets programme (Appendix B to the report) and summarised in section 3.3 of the report
3. To devise an exemption scheme for consideration in respect of vehicles belonging to designated blue badge holders.
4. To agree that a further report be brought to Cabinet for approval setting out the options for the operation of the Roman Road and Coborn Road bus gate and timed closure including hours of operation and potential exemptions for local blue badge holders, carers and potentially other local groups. The report will additionally explain how changes to exemptions might be made, in a way that is both transparent but responsive, to these or other timed closures.
5. To approve the use of existing frameworks or term contracts to award an order up to a value of £3 Million for the completion of the Works.

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

(Divisional Director, Public Realm (D. Jones)

(Programme Director (C. Harrison)

Reasons for the decision

This project will make fundamental improvements to infrastructure on the street, public spaces and change the travel behaviour of residents, businesses and visitors to the Bow area. These changes seek to address the following known issues in the area:

- High through-traffic which equates to 49% of all vehicle journeys in the area
- Lack of sufficiently wide footways and dropped kerbs, providing a barrier to walking particularly for the mobility impaired or those with pushchairs.
- Speeding traffic and anti-social driving
- Air pollution which in areas is at unhealthy levels, affecting children and adults' health and life expectancy.

An extensive engagement process has been undertaken over the past eighteen months involving residents, businesses, disability groups, tenant and resident associations, emergency services and internal council services. The outcome of this extensive engagement process shows overall support for the proposals. However, it should be noted there were concerns raised by some

residents and businesses on delivery, disabled parking and potential congestion to main roads.

As part of the 30 October 2019 Cabinet approval, the decision making for the Liveable Streets programme is:

- Under £250k – decision to be made by Divisional Director, Public Realm.
- Over £250k-below £1 million – Decision to be made by Divisional Director, Public Realm in consultation with the Mayor and Lead Member.
- Over £1 million or significant impact on two or more wards – decision to cabinet for political decision.

Due to the estimated spend of the Bow proposals being £3 million this is for Cabinet.

Alternative options

Throughout the public consultation, we have received suggestions and alternative proposals which have been assessed by the project team for viability and alignment with the Liveable Streets objectives. These options and recommendations can be found in Appendix E.

There have been a number of alternative suggestions that have been accepted from resident groups and have been included within the final scheme.

The key alternative proposals that have been included, but not limited to, are:

- Allow blue badge holders within the Bow area to pass through the Roman Road bus gateway and Coborn Road timed closure during the hours of operation
- Narrowing of the carriageway on Fairfield Road underneath the railway bridge
- Further engagement with businesses and Market Traders on the location of loading bays and streetscape within Roman Road East
- Increasing the access and parking spaces on non-market days for blue badge holders within Roman Road East
- Extend the School Street outside Olga Primary School to include a section of Medway Road
- Increase capacity of Roman Road/ St Stephen's Road junction by removing parking spaces on the junction approaches and a left turn only leaving Roman Road East onto St Stephen's Road (southbound).
- A permitted right turn at the junction of Coborn Road and Bow Road during the timed closure hours on Coborn Road.

Some of the key alternative proposals that have not been included are:

- Providing residential permits and exemption for taxis at bus gateways and timed closure points
- Two-way contraflow cycle lane on Old Ford Road east of Parnell Road
- Cycle lanes on Old Ford Road west of Parnell Road
- Fairfield Road becoming one-way north bound

In summary, these options would either not achieve the aims and objectives of the Liveable Streets programme or are not required due other measures already being implemented.

A full summary of each alternative proposal and their reason for inclusion or exclusion can be found in Appendix E to the report.

6.2 Planning for School Places 2020/21

Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To note the position on the current and projected demand for school places.
2. To note the progress made in relation to:
 - a. the actions being taken to rationalise the primary school provision in the west of the borough where there is surplus;
 - b. the plans and options for future school developments to meet the anticipated need for additional primary places in the east of the borough, including the expansion of existing schools and the development of a new school at Wood Wharf on the Isle of Dogs;
 - c. the development of the new secondary school at London Dock;
 - d. the development of the new secondary school site at Westferry Printworks on the Isle of Dogs;
 - e. the rebuild/refurbish George Green's Secondary School;
 - f. the expansion of Phoenix Special School and the plan for the enlargement of Beatrice Tate Special School.
3. To note the specific equalities considerations as set out in Paragraph 5 of the report.
4. To note that this report sets out the council's plan to exercise its Education functions aligned with the functions of the council as a Local Planning Authority (LPA), and particularly concerning the approach to the current allocation of school sites in the Local Plan as adopted in January 2020. The council intends to initiate a review of the Local Plan over the course of the next year.
5. To agree to authorise the Corporate Director - Place to enter into the development agreement and the works funding agreement and all other related agreements (including leasing heads of terms if necessary) with the Department For Education in order to access the DFE contribution for the construction of a new secondary school on the London Dock Site.

Action by:
CORPORATE DIRECTOR, CHILDREN AND CULTURE (J. THOMAS)

(Service Head (Pupil Services and School Sufficiency) (T. Bryan)
(School Organisation and Place Planning Manager (I. Mkparu)

Reasons for the decision

The council has a statutory duty to provide and plan for sufficient school places with an appropriate mix and number of high performing, financially sustainable schools. These places must be accessible to all children in the local community and available when they are needed.

Proposals to provide school places often require long-term planning to implement (e.g. opening a new school). Evidence about the projected need for places must be robust and reviewed regularly, so that decisions are fully informed and can be made in good time.

Alternative options

In cases where the council is not able to ensure new schools are established when needed, short-term measures to provide additional places in the form of bulge classes at existing schools or expansions into temporary buildings may be required. Although these measures can address capacity issues in the short-term, they do not provide best value and should not be viewed as a sustainable approach to meeting an increased demand for school places.

6.3 Report on the outcome of the preliminary stakeholder consultation (pre-statutory) on the proposal to close St Matthias Primary School.

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

DECISION

1. To agree to move to the publication of a statutory notice for 28 days, in respect of the proposal to close St Matthias CofE Primary School. This will take effect from 31st August 2021, with the displaced pupils admitted to other nearby schools, including a nearby Church of England Primary School.
2. To note the Equalities Assessment set out in Section 4 of the report and attached as Appendix 2 to the report.

Action by:

CORPORATE DIRECTOR, CHILDREN AND CULTURE (J. THOMAS)

(Service Head for Pupil Access and School Sufficiency (T. Bryan)
(School Organisation Manager (I. Mkparu)

Reasons for the decision

The recommendation is made in order to determine the Council's response to the proposal for the closure of St Matthias CofE Primary School.

The decision to propose the closure of St Matthias CofE Primary School has reluctantly been taken due to a significant decline in its pupil numbers. Pupil numbers in Tower Hamlets schools are currently falling, particularly in the West of the borough where St Matthias is situated. This means that St

Matthias, along with other schools, has not had sufficient children to fill its classes. All year groups are now operating at classes well below their planned capacity of 30.

The fall in pupil numbers has adversely affected this small school's budget, which is now at significant risk. This has required St Matthias to take a number of measures to protect the quality of education, including considering whether it would be necessary to apply to the Local Authority for a licensed deficit. However, it is clear that should a licensed deficit be required, the School would not be able to repay this within the required three-year timeframe, in accordance with the school funding regulations. Where a deficit cannot be repaid it is therefore incumbent upon the School and the Local Authority to consider options for the School's future viability, including school closure.

Having considered the School's position and the limited options available it was necessary for the Governing Body to consult on a proposal for St Matthias to close, whilst ensuring that the displaced children can be accommodated in other nearby schools.

The proposal is for the closure to take effect from the 31st August 2021 and the process is therefore being undertaken in accordance with Department for Education (DfE) Guidance on 'Opening and Closing Maintained Schools'. So far, an initial public consultation has been undertaken, and a report on the outcome of the consultation has been published on the Council and School website.

This Consultation Report, at Appendix 1, includes feedback on the representations received following the first publication of the proposals on the 8th June 2020.

Alternative options

Option 1: to move to the publication of a statutory notice for 28 days, which is the next stage in the statutory consultation process. This will provide further opportunity for consultees to have their say and set legal objections against the proposal.

Option 2: not to move to the publication of a statutory notice, but to cease the proposal after stage one of the consultation period, this would mean not concluding the full statutory consultation process in order to take the decision to close the School.

Option 1 is preferred as it takes the proposal to the next stage of the statutory consultation process. It provides all consultees with further opportunity to fully consider the proposal for the School to close, during an additional 28 day period and before the Mayor/Cabinet is required to make a final determination in March of next year.

6.4 Report on the outcome of the preliminary stakeholder consultation (pre-statutory) on the proposal to close Cherry Trees Special School

Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To agree to move to the publication of a statutory notice for 28 days, in respect of the proposal to close Cherry Trees School. This will take effect from 31st August 2021, with the displaced pupils admitted to other specialist provision appropriate to their needs.
2. To note the Equalities Assessment set out in Section 4 of the report and attached as Appendix 2 to the report.

Action by:

CORPORATE DIRECTOR, CHILDREN AND CULTURE (J. THOMAS)

(Service Head for Pupil Access and School Sufficiency (T. Bryan)

(School Organisation Manager (I. Mkparu)

Reasons for the decision

The Local Authority is seeking the cabinet's approval to issue a statutory notice proposing the closure of The Cherry Trees Special School. This follows a review of the Local Authority Special Educational Needs Strategy, recommending moving to a different model of provision that better supports academic attainment and the inclusion of children in mainstream provision, whenever possible.

The statutory notice will therefore seek further views on the proposal to close Cherry Trees, placing the current students in alternate and more suitable provision.

The proposal is for the closure to take effect from the 31st August 2021 and the process is therefore being undertaken in accordance with Department for Education (DfE) Guidance on 'Opening and Closing Maintained Schools'. So far, an initial public consultation has been undertaken, and a report on the outcome of the consultation has been published on the Council and School website.

This Consultation Report, at Appendix 1 to the report, includes feedback on the representations received following the first publication of the proposals on the 14th September 2020.

Alternative options

Option 1: to move to the publication of a statutory notice for 28 days, which is the next stage in the statutory consultation process. This will provide further opportunity for consultees to have their say and set legal objections against the proposal.

Option 2: not to move to the publication of a statutory notice, but to cease the proposal after the formal consultation period, this would mean not concluding

the full statutory consultation process in order to take the decision to close the School.

Option 1 is preferred as it takes the proposal to the next stage in the full statutory consultation process. It allows all consultees to fully consider the proposal for the School to close during an additional 28-day period and before the Mayor/cabinet is required to make a final determination in March of next year.

6.5 Voluntary and Community Sector Strategy 2020-23

Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To agree the Tower Hamlets Voluntary and Community Sector Strategy 2020-2024, including the actions and outcomes under each priority.

Action by:

CHIEF EXECUTIVE (W. TUCKLEY)

(Divisional Director, Strategy, Policy and Performance (S. Godman)

(Senior Strategy and Policy Manager (E. Fieran-Reed)

(Strategy and Policy Manager (M. Waterman)

Reasons for the decision

The council is passionate about the voluntary and community sector and the critical role it plays in supporting residents. The council and its partners, want to work with the VCS in Tower Hamlets to enable it to develop its services and strengthen its resources to enable it to achieve better outcomes for residents of Tower Hamlets and play a key role in the recovery process from COVID-19 in the borough. The VCS Strategy contains the Council's commitment and ambition around the VCS.

The vital importance of the VCS to Tower Hamlets has been witnessed in its role in responding to the pandemic in the borough, delivering services to vulnerable and socially excluded residents and securing volunteers to help deliver these services. This contribution from the VCS creates an impetus for the council to work with its partners to ensure a strong and vibrant VCS in the borough, particularly in the context of the challenges that the VCS faces as a result of the pandemic.

The success of the VCS in responding to the pandemic reflects the underlying strength of the sector in Tower Hamlets and its track record in delivering responsive and effective services, particularly to marginalised communities. In addition to delivering services the VCS plays a wider role in the borough, bringing communities together, developing relationships between people and making Tower Hamlets a place that people are proud to live in. The VCS will play a vital role in the recovery from the pandemic, but its importance to the borough goes beyond the pandemic and the recovery process.

The aforementioned challenges to the VCS include the need to have sufficient resources to be in a position to be able to deliver effective services to local residents. The VCS Strategy aims to support the sector to develop and widen its resources in a number of areas – funding, volunteering, premises, digital skills and equipment.

A key focus of the VCS Strategy will be on partnership working, including:

- the council and its partners working to support the development of partnerships between VCS organisations
- cross-sectoral partnerships to respond to the needs of residents in the borough.

Alternative options

Do not develop a new VCS Strategy for Tower Hamlets and continue to adhere to the principles and focus of the VCS Strategy for 2016-2019. This is not a viable option as there is a need to revisit our approach, with an increased emphasis on enabling and facilitating the VCS to develop its potential, rather than on the council being seen as directly responsible for developing the VCS. This is particularly important when taking into account the strength of the VCS, as witnessed in its key role in delivering services to Tower Hamlets residents during the pandemic, including the delivery of innovative services, such as the COVID-19 Volunteering Hub and the Emergency Food Hub.

Furthermore, different priorities for and demands upon the VCS have emerged since the introduction of the last Strategy, many of which have been highlighted by the pandemic – e.g. increased demand for digitally-based services. There is a need for a new VCS Strategy with a partnership focus, concentrating on new priorities and actions in response to these priorities.

6.6 Quarterly Performance & Improvement Monitoring – Q2 2020/21

Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To note the strategic delivery and performance report for quarters 1 and 2 2020/21.
2. To note the performance of the strategic measures, including those measures where the minimum expectation has been missed; and
3. To note progress in delivering the council's Strategic Plan.

Action by:

CHIEF EXECUTIVE (W. TUCKLEY)

(Divisional Director, Strategy, Policy and Performance (S. Godman)

(Head of Intelligence and Performance (T. Dreyer)

Reasons for the decision

The council is committed to improving outcomes for residents. Our corporate priorities and outcomes are found in our Strategic Plan and provide a framework for action.

Our Performance & Accountability Framework sets out the process for monitoring the timely and effective delivery of the Strategic Plan to improve outcomes for residents. In line with the framework, Cabinet receives regular update reports to ensure oversight of pace, delivery, performance and improvement activities.

This report promotes openness, transparency and accountability by enabling Tower Hamlets residents to track progress of activities that impact on their lives and the communities they live in.

Alternative options

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

6.7 Direct Award to Look Ahead Care and Support for the support contract for Hackney Road, Ministry of Housing, Communities and Local Government funded Homeless Hostel Project.

Pre-Decision Scrutiny Questions and officer responses were noted.

DECISION

1. To agree the direct award to Look Ahead Care and Support in order to meet the funding conditions of the MHCLG funding bid.

Action by:

CORPORATE DIRECTOR, HEALTH, ADULTS AND COMMUNITIES (D. RADLEY)

(Interim Commissioning Manager (J. Gillam)

(Strategic Commissioning Manager (M. Kaustrater)

Reasons for the decision

The tight timeframe of the MHCLG and GLA funding do not allow for a formal tender process. Agreed tenancies and support provisions have to be in place by 31 March 2021 in order to meet the terms and conditions of this funding.

Alternative options

LBTH could go through a formal tender process but this would be a lengthy process and LBTH would not meet the MHCLG funding condition that services are fully operational by 31 March 2021.

LBTH could continue to support this cohort of rough sleepers through the existing hotel provision. It has to be noted that this is an expensive option and

comes at a cost to Tower Hamlets and foregoes the opportunity that this would be funded through the MHCLG funding

LBTH could not commission any provision at all which would leave some of the most vulnerable members of the community at risk. With the spread of Covid 19 it would also affect rough sleepers and could spread further into the community. It would come at a high price to LBTH and also could lead to reputational damage.

6.8 Approved Capital programme 20/2023 – additional projects

Pre-Decision Scrutiny Questions and officer responses were noted.

The reasons for urgency set out in the report were agreed.

DECISION

1. To approve the budget allocation of £37.133m for additions to the Approved Capital Programme (Table 3) set out in this report, subject to sign off through the capital governance process, agreement to proceed given by the Corporate Director of Place and Corporate Director of Resources and that schemes funded by future capital receipts, s106 and/or CIL will not go ahead until such funds have been securely received (an appendix will be tabled at CLB).
2. To note the funding sources for the new additions to the Annual Rolling Programme, as set out in paragraph 4.7 of the report.
3. To note the funding sources for the new additions to the Invest to Save programme, as set out in paragraph 4.8 of the report, subject to business cases being approved by the Corporate Director of Place and Corporate Director of Resources.
4. To note the funding sources for the additional schemes being added to the Approved Capital Programme 2020/21 to 2022/23.
5. To approve delegated authority to the Corporate Director of Place and Corporate Director of Resources for all activities required to deliver the additional schemes e.g. go out to tender, appoint consultants and contractors, acquire land interests, appropriate land from the General Fund to the Housing Revenue Account (HRA) for the delivery of new council homes, subject to approved budget.
6. To note that this programme requires a reduction to Year 3 of the Streetlighting Replacement Programme by £0.060m to provide sufficient capital receipts for other priority schemes.

Action by:

CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)
CORPORATE DIRECTOR, RESOURCES (N. MURTON)
(Interim Head of Capital Delivery (J. Abraham))

Reasons for the decision

The capital programme approved in September 2020 did not identify the funding sources for the additional projects. The new additions to the Annual Rolling Programme and Invest to Save programme were approved in September 2020, subject to funding sources being identified; and additional projects listed as new and uncommitted in the September 2020 report where funding sources have now been identified, in particular to enable delivery in 2020/21, are included in this report. Where new or uncommitted schemes have been confirmed as high priorities for delivery but where full funding has not been identified, funding options are set out for consideration.

Alternative options

The council is required to approve a capital programme that it can demonstrate it can fund. Funding sources are identified for the additions to the Approved Capital Programme presented in this report.

The alternative option would be to increase the capital programme without identifying funding sources, which would risk an increase the level of borrowing, put additional pressure to increase the level of capital receipts required, and in increasing the financial burden on revenue budget make the programme undeliverable with the resources available.

6.9 Community Information Panels – Concession contract update and recommendation

Pre-Decision Scrutiny Questions and officer responses were noted.

The reasons for urgency set out in the report were agreed.

The exempt appendix was noted.

DECISION

1. To approve the changing of the original approval for a contract length of 5 years as agreed in 2018, to a 10 year contract.
2. To approve the recommendations set out in the TG2 report to the procurement advisory board (supplied as an appendix to the report) to award the 10 year CIPS contract to the highest scoring bid at an annual rental of £90,750.

Action by:

DIVISIONAL DIRECTOR, COMMUNICATIONS (A. CHRISTOPHOROU)

(Chief Designer (A. Renvoize))

Reasons for the decision

1.1 Reasons for extending the contract to 10 years:

a) Further market testing with advertising suppliers showed that a 10 year contract would be more viable for potential bidders, as the contract length

would allow suppliers to recoup the significant capital investment needed to mobilise both new digital advertising panels but also update existing static units to a modern standard.

b) The contract was benchmarked against 2 other London local authorities, Brent and Haringey, who had both completed their CIPS procurement and had done so with 10 year contracts – and felt this was the most applicable contract length to maximise benefits to the council.

c) With the current advertising market in a significant downturn due to COVID and the extended lockdown – the length of contract allowed made the contract more attractive to potential suppliers, allowing the council to react in a more agile way to the current short term market slump – a 5 year contract would not be appealing to potential bids in current market conditions.

1.2 Reasons to award the contract:

The proposed rental of £90,750 per annum would provide a guaranteed income for the Council over the next ten years of just short of £1million. The proposed contract will also expand our advertising infrastructure from 43 static units currently to approximately 60 units (subject to planning final approval) – of which we expect 20 to be digital units. This will extend our reach to residents to promote key council campaigns – we will have 50% (one side) of advertising space on static units and 10% advertising time on both sides of all digital panels. In addition, as part of the submission the supplier was instructed to include social value benefits to the council which will benefit the council in economic terms (3 month paid work experience placements), environmental (participation in Big Clean Up activities) and social (sponsorship of a Speaker's charity event), which support the broader strategic objectives of the council.

Alternative options

Renegotiate the terms of the current contract with current supplier to produce a concession agreement based on the current static units. Based on responses to this tender, initial projections would show that the value of this is likely to only be £25k to the council annually.

7. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil items.

8. EXCLUSION OF THE PRESS AND PUBLIC

Nil items.

9. EXEMPT / CONFIDENTIAL MINUTES

Nil items.

10. OVERVIEW & SCRUTINY COMMITTEE

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

Nil items.

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

Nil items.

11. EXEMPT / CONFIDENTIAL REPORTS FOR CONSIDERATION

Nil items.

12. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS CONSIDERED TO BE URGENT

Nil items.

The meeting ended at 9.00 p.m.

Mayor John Biggs