

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE CABINET

HELD AT 5.33 P.M. ON WEDNESDAY, 27 JANUARY 2021

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

Mayor John Biggs	
Councillor Rachel Blake	(Deputy Mayor and Cabinet Member for Adults, Health and Wellbeing)
Councillor Asma Begum	(Deputy Mayor and Cabinet Member for Children, Youth Services and Education)
Councillor Sabina Akhtar	(Cabinet Member for Culture, Arts and Brexit)
Councillor Danny Hassell	(Cabinet Member for Housing)
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

Other Councillors Present:

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

Apologies:

Councillor Sirajul Islam	(Statutory Deputy Mayor for Community Safety, Faith and Equalities)
Councillor Dan Tomlinson	Cabinet Member for Environment and Public Realm (Job Share) - Lead on Public Realm

Officers Present:

Jane Abraham	(Housing Project Manager)
Zamil Ahmed	(Head of Procurement)
Allister Bannin	(Head of Strategic and Corporate Finance)
Kevin Bartle	(Interim Corporate Director, Resources)
Adam Boey	(Senior Strategy & Policy Manager - Corporate)
Stephen Bramah	(Deputy Head of the Mayor's office)
David Courcoux	(Head of the Mayor's Office)
Janet Fasan	(Divisional Director, Legal, Governance)
Sharon Godman	(Divisional Director, Strategy, Policy and

Tracey St Hill	Performance)
Marion Kelly	(Principal RSL Partnerships Officer)
Denise Radley	(Finance Improvement Team - Programme Director)
Melanie Rose	(Corporate Director, Health, Adults & Community)
Judith St John	(Head of IT Office)
Ann Sutcliffe	(Divisional Director, Sports, Leisure and Culture)
James Thomas	(Corporate Director, Place)
Will Tuckley	(Corporate Director, Children and Culture)
Matthew Mannion	(Chief Executive)
Patricia Attawia	(Head of Democratic Services, Governance)
	(Democratic Services Team Leader, Civic & Members, Governance)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received on behalf of:

- Councillor Sirajul Islam (Statutory Deputy Mayor and Cabinet Member for Housing)
- Councillor Dan Tomlinson (Cabinet Member for Environment and Public Realm (Job Share) - Lead on Public Realm)

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

There were no Declarations of Disclosable Pecuniary Interests.

3. UNRESTRICTED MINUTES

RESOLVED

1. That the unrestricted minutes of the Cabinet meeting held on Wednesday 6 January 2021 be approved and signed by the Chair as a correct record of proceedings.

4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR

The **Mayor** made three announcements.

- Today was Holocaust Memorial Day. As the Council was unable to undertake the usual ceremonies, video messages had been circulated and publicised. The theme this year is 'be the light in the darkness'. The Council was also working with partners to deliver activities and events. He noted how the borough has been a place of refuge for many peoples over the years and so it was important that these events were remembered and commemorated here.
- He provided an updated on the Covid-19 pandemic and in particular the impact on the borough. He thanked everyone who is following the rules and those who were supporting residents during these challenging times. As a community we need to work together.

- He noted that a reshuffle of Cabinet Members would be coming into effect from tomorrow, Thursday 28 January 2021. The details would be circulated to Members and posted on the website.

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 Agenda Items:

- 6.1 The Council's 2021-22 Budget Report and Medium Term Financial Strategy 2021-24
- 6.3 Procurement of the Leisure Management Contract

These were considered during discussion of the relevant agenda items.

In addition, Councillor James King, Chair of the Overview and Scrutiny Committee, also provided an update on their meeting the previous Monday. He reported that they had discussed a number of issues including:

- They had a Covid-19 update from the Director of Public Health which was really helpful. They noted the challenge in vaccine take-up within some BAME communities.
- The Borough Commander came along for a spotlight session and there was a discussion about problems with Anti-Social Behaviour, drugs and similar issues within the borough. They also looked at the numbers of local police officers and how they were being deployed.
- He also took Cabinet through the draft recommendations the Committee had prepared in relation to their review of the Administrations budget proposals.

The **Mayor** thanked Councillor King for his update.

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

Nil items.

6. UNRESTRICTED REPORTS FOR CONSIDERATION

6.1 The Council's 2021-22 Budget Report and Medium Term Financial Strategy 2021-24

The **Mayor** introduced the Administrations budget proposals and medium-term financial strategy. He noted the comments received to date in response to the draft budget proposals. In particular he highlighted how important it was to use reserves prudently as they could only be spent once. The Council was in a very challenging financial situation and the Council also had to deal with increasing demands on services especially around adult and children's social care and related support. The Covid-19 pandemic had also impacted

significantly and had to be factored into the calculations. These were problems that other Councils were also having to deal with.

However, he highlighted that the administration were committed to doing everything they could to support the vulnerable within the community and the budget set out the best way forward for the Council and its services in the circumstances.

Finally, the Mayor noted updates to the draft budget presented at an earlier meeting which were around greater detail added to the Schools and Education budget, more information around the Housing Revenue Account and also the new details on the Capital Programme.

Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector, took Cabinet through the report in more detail including looking at both revenue and capital budgets and individual proposals. She spoke about the uncertainty caused by the Covid-19 pandemic and that there had already been a negative impact on the Council's income and expenditure. She welcomed the funding the government had provided but noted that it was still uncertain in a number of areas the exact funding available. She also highlighted a number of other issues such as slippage in achieving agreed savings, use of resources and the need to tackle new challenges as they appeared.

The report was then opened up to discussion and the meeting heard from a number of participants raising a number of issues and points including:

- Details of new proposes Capital Spending including on bridges over the River Lea.
- The significant reduction in the Council's revenue reserves and risks around business rate collection and office accommodation.
- Hearing from local petitioners who were concerned about changes to specialist day centre services.
- The issues that the Overview and Scrutiny Committee were considering including the pre-decision scrutiny questions and officer responses.
- The Council's capital plans including around securing social housing units.
- Challenges around anti-social behaviour especially around Shoreditch.

It was noted that the final Overview and Scrutiny Committee (OSC) response to the draft budget would be submitted after the final OSC meeting next week and that the Executive would consider those recommendations before submitting the final budget proposals to Council for consideration. It was also noted that some housekeeping changes may be required which were delegated to the Interim Corporate Director, Resources.

The **Mayor** proposed that the budget proposals should be forwarded to Council without amendment at this stage. This was **agreed** without dissent and so it was:

RESOLVED

1. To agree to propose a General Fund Revenue Requirement of £386.141m subject to any remaining changes arising from the final Local Government Finance Settlement.
2. To agree to propose a Band D Council Tax of £113.26 (Council Share) 2021-22 to full Council for approval.
3. To agree that the Interim Corporate Director, Resources, after consultation with the Mayor and Lead Member for Resources, may make any changes required to the budget following the final settlement announcement.
4. To agree to propose the 2021-22 transfers to and from reserves as set out in paragraph 3.9.12 of the report.
5. To agree to proposal to continue the £1 million funding from the Public Health grant to the Key Stage Two extension of Free School Meals.
6. To approve the proposed £2.974m one-off increase in the Social Care Support Grant for 2021-22 is allocated in full directly as budget to the services (75% to adult social care, £2.230m, and 25% to children's social care £0.744m).
7. To approve the proposed £0.746m increase in the Homelessness Prevention Grant is allocated in full to the Place directorate to support homelessness in the borough.
8. To agree to propose the three-year General Fund Capital Programme 2021-24 as set out in Appendix 8 to the report, totalling £395.471m.
9. To approve the budget allocation for the newly listed schemes in the programme, subject to sign off through the capital governance process and agreement to proceed given by the Corporate Director of Place in consultation with the 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.
10. To approve delegated authority to the Corporate Director of Place in consultation with the Corporate Director of Resources for all activities required to deliver the capital programme e.g. go out to tender, appoint consultants and contractors in accordance with the Procurement Procedures, 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.
11. To approve the following specific recommendations subject to the agreement of the budget Council meeting if/where required:

- i. Approve the 2020-21 spend on IT projects, of which £7.020m to be funded from revenue reserve; and
 - ii. Approve the disposal of assets, as set out in Appendix 8F to the report, subject to sign off through the capital governance process and agreement to proceed given by the Corporate Director of Place and Corporate Director of Resources.
12. To approve the principle that when capital receipts are achieved in year that they replace borrowing in future years.
 13. To approve the inclusion of the George Green School within the General Fund Capital Programme 2021-24 totalling £51.400m.
 14. To note the development of the medium term and long-term Prioritisation and Financing Delivery Plan for Infrastructure (PFDP) identifying priorities for 2023 to 2030.
 15. To agree to propose the 3-year Housing Revenue Account Capital Programme 2021-24 as set out in Appendix 8E totalling £231.095m.
 16. To agree to propose the 2021-22 Housing Revenue Account budget as set out in Appendix 7 to the report.
 17. To approve the 2021-22 Management Fee payable to Tower Hamlets Homes (THH) of £32.615m as set out in paragraph 3.11.11 of the report.
 18. To note that under the Management Agreement between the Council and THH, THH manages delegated HRA income and expenditure budgets on behalf of the Council. In 2021-22, THH will manage delegated income budgets totalling £93.942m and delegated expenditure budgets totalling £61.311m.
 19. To agree to propose the 2021-22 Dedicated Schools Budget.
 20. To agree that the National Schools Funding Formula (NSFF) adopted by Tower Hamlets originally in 2019-20 continues for 2021-22. The only changes included are increases to the factor values in line with the NSFF, the inclusion of pay and pension grant allocations and a minor change to the funding allocated to schools with split sites.
 21. To agree that the Minimum Funding Guarantee (the mechanism that guarantees schools a minimum uplift in per-pupil funding) is set at 2.0%, the maximum allowed.
 22. To agree that the structure of the Early Years Funding Formula remains unchanged except that the two-year-old hourly rates will increase in line with the Early Years National Funding Formula.

23. To note that the Local Council Tax Reduction Scheme will remain unchanged for 2021-22.

24. To note the Equalities Impact Assessment and specific equalities considerations as set out in Section 4 of the report.

6.2 Fees and Charges 2021-22

The **Mayor** introduced the report proposing the Council's set of fees and charges for 2021-22. He highlighted that the report was the same as the one presented earlier in the month except a freeze on lettings charges at community hubs. The **Mayor** then moved the recommendations as set out and these were **agreed** without dissent. It was:

RESOLVED

1. To approve the proposed changes to discretionary fees and charges as detailed in the appendices, with effect from 1st April 2021, subject to the conditions set out in Recommendation 4.
2. To approve new discretionary fees and charges as detailed in the appendices, with effect from 1st April 2021, subject to the conditions set out in Recommendation 4.
3. To note the revised statutory fees and charges as detailed in Appendix 6 to the report.
4. To note the Equalities Implications as set out in Section 4 of the report and that, where it is highlighted in section 4.5 of the report that a proposed fee or charge requires a full Equality Impact Analysis (EIA), this EIA will be undertaken prior to the introduction of the change to the respective fee or charge.
5. To approve delegation for amendments to fees and charges, including those to take account of the result of EIAs, to the relevant Corporate Director in liaison with the Lead Member and the Mayor.

6.3 Procurement of the Leisure Management Contract

Councillor Sabina Akhtar, Cabinet Member for Culture, Arts and Brexit, introduced the report on procurement of the Council's Leisure Management Contract. She explained that the contract was due to expire in April 2020. However, leisure centres have been severely impacted by the Covid-19 pandemic. It is therefore appropriate to extend the existing contract to give time to deal with the issues created by the pandemic and to allow a proper re-tendering process to take place. There will be opportunities for Members to shape the new contract as that is prepared.

The Pre-Decision Scrutiny Questions and officer responses and the exempt appendices (Exempted due to Paragraph 3 – the financial affairs of the authority) were noted.

During discussion it was noted that the way the contract was being extended it meant that GLL would be required to pay back the management fee by the end of the contract period.

The **Mayor** welcomed the report and noted the detailed work that had been undertaken to work out the best solution given the pandemic related closure of leisure centres and the implications of that. He proposed the recommendations as set out and these were **agreed** without dissent. It was:

RESOLVED

1. To authorise the Corporate Director Children and Culture to Extend the existing leisure management contract (LMC) and the Poplar Baths leisure services contract by two years each to 2024. This extension will allow the leisure market to stabilise and give GLL additional time to repay the management fee to the Council
2. To authorise the Corporate Director Children and Culture in consultation with the Corporate Director Place to extend the leisure centre leases.
3. To note the financial information regarding the leisure portfolio in Appendix 1 to the report.
4. To authorise the Corporate Director Children and Culture to begin preparatory work for the re-procurement of the leisure management contract, including the Poplar Baths Leisure Services and that a further report be brought to Cabinet setting out the options for the procurement in due course.
5. To note that an Equalities Impact Assessment has not been completed as yet because the procurement planning has not begun at this stage.
6. To authorise the execution of any agreements necessary to give effect to the recommendations.

6.4 George Green's Almshouses - Transfer of RTB grant to new Charitable Incorporated Organisation

The **Mayor** introduced the report on George Green's Almshouses. He highlighted that this was a technical report to adjust previous agreements following the reconstitution of the George Green Almshouses organisation.

He moved the recommendations as set out and they were **agreed** without dissent. It was:

RESOLVED

1. To authorise the Corporate Director Place to approve the transfer of the original grant payments to the reconstituted organisation.
2. To authorise the Corporate Director Place to instruct Legal Services to execute any legal documentation required to give effect to the purpose of this report
3. To note the specific equalities considerations as set out in Paragraph 4.1 of the report.

6.5 Approval of extension to existing Servelec contract and SaaS hosting arrangement

Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector introduced the report. She explained that it related to the Mosaic software used in social care services. The proposal was to extend two contracts relating to this for a two-year period.

The **Mayor** welcomed the report and noted the intention to continue to use digital tools to improve the efficiency and effectiveness of council services. He moved the recommendations as set out and they were **agreed** without dissent. It was:

RESOLVED

1. To agree to waive the constitutional requirement to go out to market and utilise the extension to the existing contract with Servelec.
2. To authorise the Corporate Director, Resources to approve the execution of all necessary agreements to give effect to recommendation 1.

6.6 Contracts Forward Plan 2020/21 – Quarter Three

Councillor Candida Ronald, Cabinet Member for Resources and the Voluntary Sector introduced the report. She highlighted the wide variety of issues that the Council got involved in such as broadband, anti-social behaviour and use of barristers.

The **Mayor** welcomed the report and thanked officers for their work. He confirmed that all projects listed could proceed to contract award after tender. He also noted the procurement forward plan as set out. These proposals were **agreed** without dissent and it was:

RESOLVED

1. To note the contracts set out in Appendix 1 to the report.
2. Confirm that all listed contracts may proceed to contract award after tender.
3. To authorise the Divisional Director, Legal Services to execute all necessary contract documents in respect of the awards of contracts referred to at recommendation 2 above.
4. To note the procurement forward plan 2020-22 detailed in Appendix 2 to the report.

6.7 Nominations to outside bodies

The **Mayor** introduced the report proposing that Councillor Motin Uz-Zaman be nominated to the board of the Bethnal Green Business Development Centre. He put that proposal to the meeting and it was **agreed** without dissent that:

RESOLVED

1. To agree the nomination of Councillor Motin Uz-Zaman to the Bethnal Green Business Centre.

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 7.04 p.m.

MAYOR JOHN BIGGS