

LONDON BOROUGH OF TOWER HAMLETS**RECORD OF THE DECISIONS OF THE CABINET****HELD AT 5.30 P.M. ON WEDNESDAY, 28 SEPTEMBER 2022****C1, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT,
LONDON, E14 2BG****Members Present in Person:**

Mayor Lutfur Rahman	
Councillor Maium Talukdar	(Deputy Mayor and Cabinet Member for Education, Youth and Lifelong Learning (Statutory Deputy Mayor))
Councillor Kabir Ahmed	(Cabinet Member for Regeneration, Inclusive Development and Housebuilding)
Councillor Ohid Ahmed	(Cabinet Member for Safer Communities)
Councillor Saied Ahmed	(Cabinet Member for Resources and the Cost of Living)
Councillor Suluk Ahmed	(Cabinet Member for Equalities and Social Inclusion)
Councillor Gulam Kibria Choudhury	(Cabinet Member for Health, Wellbeing and Social Care)
Councillor Abu Chowdhury	(Cabinet Member for Jobs, Skills and Growth)
Councillor Iqbal Hossain	(Cabinet Member for Culture and Recreation)
Councillor Kabir Hussain	(Cabinet Member for Environment and the Climate Emergency)

Other Councillors Present in Person:

Councillor Maisha Begum
 Councillor Marc Francis
 Councillor Peter Golds

Officers Present in Person:

Kevin Bartle	(Interim Corporate Director, Resources & Section 151 Officer)
Janet Fasan	(Director of Legal & Monitoring Officer)
Sharon Godman	(Director, Strategy, Improvement and Transformation)
Adrian Gorst	(Divisional Director, IT)
Dan Jones	(Director, Public Realm)
Melanie Rose	(Head of IT Office)
Stephen Shapiro	(Acting Director of Property and Major Programmes)
Ann Sutcliffe	(Corporate Director, Place)
James Thomas	(Corporate Director, Children and Culture)
Will Tuckley	(Chief Executive)
Matthew Mannion	(Head of Democratic Services)

Officers In Attendance Virtually:

Nisar Visram	(Director of Finance, Procurement & Audit)
Afazul Hoque	(Head of Corporate Strategy & Policy)
Hannah Marshall	(Communications Officer)

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

There were no Declarations of Disclosable Pecuniary Interests.

3. UNRESTRICTED MINUTES

DECISION

1. That the unrestricted minutes of the Cabinet meeting held on Monday 1 August 2022 be approved and signed by the Chair as a correct record of proceedings.

4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR

4.1 Liveable Streets

The Mayor provided an update on consultation exercises in relation to the liveable streets programme. For more on the announcement please see the minutes.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's Advice of Key Issues or Questions

Nil items.

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

Nil items.

6. UNRESTRICTED REPORTS FOR CONSIDERATION

6.1 Procurement of Highways and Street Lighting Contract

A slightly updated report was tabled including updated recommendations.

DECISION

1. To agree that the contract as set out in this report may proceed to procurement in October 2022;
2. To agree that the Mayor will award the Contract to the most economically advantageous tenderer following an appropriate procurement process;
3. To authorise the Corporate Director Place to instruct the execution of any and all necessary legal documentation required to give effect to recommendation 2

Action by:

CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Interim Head of Highways and Transportation (N. Davies))

Reasons for the decision

It is a requirement of the Council's Constitution that "The contracting strategy and/or award of any contract for goods or services with an estimated value exceeding £250k, and any contract for capital works with an estimated value exceeding £5m shall be approved by the Cabinet in accordance with the Procurement Procedures".

Alternative options

The contract strategy, as outlined in this report, for the procurement of the Highways & Street Lighting Works Contract meets the requirements of the Constitution and provides full visibility of the planned contracting activity in this regard, therefore no alternative proposals are being made.

6.2 Watney Market: Approval to install Sprinklers and Emergency Lighting.

The Exempt Appendix was noted.

DECISION

1. To approve the figure of £2.089m to enable the safety works to be undertaken at Watney Market carpark.
2. To approve the addition of the project to the 2022 – 25 approved HRA capital programme.

Action by:

CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

(Head of Capital Delivery (R. Unegbu)

(Project Manager (K. Rose)

(Head of Facilities Management (S. Brown)

Reasons for the decision

The cost estimate for these works is £2.074m to be funded by existing borrowing. As the carpark is an HRA asset, revenue costs to finance borrowing costs will be met from the Housing Revenue Account. Given the value of the project, approval is required to enable this project to be added to the 2022-25 Approved HRA Capital Programme and delivered in the next 12 months.

The lack of a serviceable sprinkler system results in this being a fire risk and will enable the upgrading of the sprinklers. At the same time the other improvements will work towards reducing ASB and bring the car park back into more general use.

Alternative options

There is no option to do nothing as the works are required for health, safety, and statutory compliance purposes and subject to a LFB Deficiency Notice.

6.3 Budget Monitoring 2022/23 Quarter 1 including Capital

DECISION

1. To note the council's forecast outturn position against General Fund, Dedicated Schools Budget, Housing Revenue Account and earmarked reserves for 2022-23, based on forecasts as at 30th June 2022;
2. To note the progress made against the 2022-23 savings targets, based on forecasts as at 30th June 2022;
3. To note the council's forecast outturn position against General Fund and Housing Revenue Account capital programme approved budgets for 2022-23, based on forecasts as at 30th June 2022;
4. To note that there are no equalities implications directly resulting from this report, as set out in Section 4 of the report.

Action by:

INTERIM CORPORATE DIRECTOR, RESOURCES (K. BARTLE)

(Director of Finance, Procurement and Audit (N. Visram)

(Head of Strategic Finance (Chief Accountant) (A. Khan)

Reasons for the decision

The council could choose to monitor its budgetary performance against an alternative timeframe, but it is considered that the reporting schedule provides the appropriate balance to allow strategic oversight of the budget by Members and to manage the council's exposure to financial risk. More frequent monitoring is undertaken by officers and considered by individual service directors and the council's Corporate Leadership Team (CLT) including approval of management action.

To the extent that there are options for managing the issues identified these are highlighted in the report in order to ensure that Members have a full picture of the issues and proposed solutions as part of their decision making.

Alternative options

The regular reporting of Revenue and Capital Budget Monitoring information through the year and the preparation of the provisional outturn position after the year end provides detailed financial information to Members, senior officers and other interested parties on the financial performance of the council. It sets out the key variances being reported by budget holders and the management action being implemented to address the identified issues.

Further information across the council's key financial activities is also included to ensure that CLT and Members have a full picture to inform their consideration of any financial decisions set out in this report and also their broader understanding of the council's financial context when considering reports at the various council Committees.

Set alongside relevant performance information it also informs decision making to ensure that Members' priorities are delivered within the agreed budget provision.

It is important that issues are addressed to remain within the approved budget provision or where they cannot be contained by individual service management action, alternative proposals are developed and solutions proposed which address the financial impact; CLT and Members have a key role in approving such actions as they represent changes to the budget originally set and approved by them.

6.4 IT Contract Procurement Approval Q1 2022

The exempt appendix was noted.

DECISION

1. Approve the proposed procurement of renewed support and maintenance, either directly from the existing supplier or direct award to the existing supplier via a framework, of four critical business applications with total contract costs exceeding £1 million to provide continuity pending strategic decision making on the future of these solutions. These are identified and listed in Appendix 1 to the report They will support a maximum term and value shown in Appendix 1 to the report.
2. Authorise the Corporate Director of Resources to award the renewal contracts referred above for terms and values not exceeding the maximum terms and values shown in Restricted. Restricted Appendix 1 to the report also shows the current support and maintenance costs and the estimated maximum contract value for the proposed contract duration including extensions.

Action by:

INTERIM CORPORATE DIRECTOR, RESOURCES (K. BARTLE)

(Director of IT (A. Gorst))

Reasons for the decision

This section outlines the imperatives for pursuing the recommended routes.

Insourcing – LBTH separated from Agilisys in 2021 at the end of a nine-year partnership. The management of contracts and interdependency of contracts between projects and service needs is now fully insourced and developing strategic intent to balance value for money with the cost and risk of change. The contracts appearing here are those for which renewals are required to allow time for strategic leadership to make decisions on the long term future of these applications.

Funding – Funding for the contract renewals in the scope of this paper has been approved by the Corporate Director of Resources, as part of the IT

revenue budget forward plan, including the indexation and growth referred to in Appendix 1.

Four application contracts, each with a value totalling over £1 million – Mosaic is recommended for continuation to ensure the Council gets a return on recent investment to enhance this application and the related children's services. Agresso, AIMS (P360), and Open Revenues are recommended for direct renewal with the existing suppliers for a term commensurate with the time required for key stakeholders to formulate a strategic, funded plan for the change or upgrade of these solutions. The Council is actively pursuing a review of these systems to establish the best route forward for this; these renewals will ensure the Council can continue to deliver its financial obligations for the medium term.

Alternative options

“Do nothing” - not recommended. If the contracts for these applications are allowed to expire, the Council would be unable to deliver its services to Tower Hamlets citizens and those who access services in the borough. The applications in scope are all used to manage critical business process workflows and data. Without continuity for Mosaic (Social Care), Agresso (Finance), Open-Revenues (Revenues) and others, the Council would not be able to fulfil its core statutory responsibilities.

Tender through market competition - not an immediately feasible option for all the contracts due to the resourcing implications of managing the running of multiple procurements and the corporate and technical risk inherent in implementing multiple new applications at once. The intention is to bring any newly tendered applications to market in a funded, planned and well managed way, at a time which represents Best Value to the Council in all respects, including cost of change and leadership agreement.

6.5 Record of Corporate Directors Actions 2022/23 Q1

DECISION

1. To note the Record of Corporate Directors' Actions set out in Appendix 1 to the report.

Action by:

INTERIM CORPORATE DIRECTOR, RESOURCES (K. BARTLE)

(Interim Head of Procurement (P. Maskell))

Reasons for the decision

The Council's constitution requires that Corporate Director's Actions in respect of contracts over £100,000 must be reported to Cabinet for noting.

The regular reporting of Corporate Director's Actions should assist in ensuring that Members are able to scrutinise officer decisions.

Alternative options

The Council is bound by its constitution to report to Cabinet financial decisions taken under Corporate Director's Actions.

If the Council were to deviate from those requirements, there would need to be a good reason for doing so. It is not considered that there is any such reason, having regard to the need to ensure that Members are kept informed about decisions made under the delegated authority threshold and to ensure that these decisions are in accordance with Financial Regulations.

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 5.58 p.m.

Chair, Mayor Lutfur Rahman
Cabinet