

LONDON BOROUGH OF TOWER HAMLETS

RECORD OF THE DECISIONS OF THE CABINET

HELD AT 5.40 P.M. ON WEDNESDAY, 25 JANUARY 2023

**COUNCIL CHAMBER - 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 Nathalie Bienfait
Councillor Bodrul Choudhury

Officers Present in Person:

Dr Somen Banerjee	(Director of Public Health)
Kevin Bartle	(Financial Consultant- formerly Interim Corporate Director, Resources & Section 151 Officer)
Katie Cole	(Associate Director of Public Health)
Caroline Holland	(Interim Corporate Director, Resources)
Ellie Kershaw	(Acting Director, Growth and Economic Development)
James Thomas	(Corporate Director, Children and Culture)
Joel West	(Democratic Services Team Leader (Committee))

Officers In Attendance Virtually:

Nicola Klinger	(Housing Companies Manager)
Peter Maskell	(Interim Head of Procurement)
Nisar Visram	(Director of Finance, Procurement & Audit)

Catherine Grace

(Head of School Admissions)

1. APOLOGIES FOR ABSENCE

Apologies of absence were received from Ann Sutcliffe, Corporate Director Place for who Ellie Kershaw, Director Growth and Development was deputising.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS AND OTHER INTERESTS

There were no declarations of disclosable pecuniary interest.

3. UNRESTRICTED MINUTES

DECISION

That the unrestricted minutes of the Cabinet meeting held on Wednesday 4 January 2023 be approved and signed by the Mayor as a correct record of proceedings.

4. ANNOUNCEMENTS (IF ANY) FROM THE MAYOR

See the minutes.

5. OVERVIEW & SCRUTINY COMMITTEE

5.1 Chair's Advice of Key Issues or Questions

There were no Pre-decision Scrutiny Questions. The Cabinet received and noted the Overview and Scrutiny Committee's Review of Budget Proposals for 2023-24 as a tabled paper.

Reasons for the decision

Alternative options

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

Nil items.

Reasons for the decision

Alternative options

6. UNRESTRICTED REPORTS FOR CONSIDERATION

6.1 Mayor's Foreword to the Council's Budget Report

This item was considered alongside Item 6.2.

6.2 MTFS and Budget 2023-26 Report

The Overview and Scrutiny Committee's response to the draft budget presented at Cabinet on 4 January 2023 was noted.

DECISION

1. Propose a General Fund Revenue Funding Requirement of **£446.205m** for 2023-24 subject to remaining changes arising from the final Local Government Finance Settlement and any other necessary adjustments.
2. Propose to freeze the Tower Hamlets element of Council Tax and to levy a 2% Adult Social Care precept for 2023-24.
3. Propose that the Interim Corporate Director Resources uses £22.3m from reserves in 2023-24 to support the budget as set out in section 3.9.8 of the report given the shortfall emerging as part of the 2023-24 budget setting process.
4. Propose that the Interim Corporate Director Resources be authorised to make any changes required to the budget following receipt of the final Local Government Finance Settlement (LGFS) in consultation with the Mayor and Cabinet Member for Resources and the Cost of Living.
5. Authorise the Corporate Director Resources to continue the Council's participation in the 8 Authority Pool for Business Rates with seven other London Local Authorities for 2023-24, subject to due diligence.
6. Note the latest draft position of the Council's reserves, subject to final audit of the statements of accounts.
7. Propose the 2023-24 Housing Revenue Account budget as set out in Appendix 7 to be referred to Full Council for approval. Additionally this will be reviewed during 2023-24 with a view to reducing in year expenditure where possible and finding further efficiencies.
8. Propose the HRA housing rent and service charge increases as outlined in section 3.11 of the report. This includes increasing housing rents for existing tenanted properties and shared-ownership properties by 7% for 2023-24 and for new build properties by CPI +1% for 2023-24 (as per paragraph 3.11.19 of the report).
9. Propose the 2023-24 Management Fee payable to Tower Hamlets Homes (THH) of £35.530m as set out in paragraph 3.11.38 of the report. Additionally this will be reviewed during 2023-24 in partnership with THH

with a view to reducing in year expenditure where possible and finding further efficiencies.

10. 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 2023-24, THH will manage delegated income budgets totalling £110.216m and delegated expenditure budgets totalling £43.307m. Additionally this will be reviewed by the Mayor and Cabinet Member during 2023-24 with a view to reducing in year expenditure where possible and finding further efficiencies.
11. Propose the 2023-24 Schools Budget.
12. Propose that the National Schools Funding Formula (NSFF) adopted by Tower Hamlets originally in 2019-20 continues for 2023-24. The only changes included are increases to the factor values in line with the NSFF.
13. Propose that the Minimum Funding Guarantee (the mechanism that guarantees schools a minimum uplift in per-pupil funding) is set as close to 0.5% as affordable, the maximum allowed after consideration for growth and factor changes in School allocations.
14. Propose 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.
15. Note that the Local Council Tax Reduction Scheme will remain unchanged for 2023-24.
16. Propose the three-year General Fund Capital Programme 2023-26 as set out in Appendix 8A to the report, totalling £238.637m.
17. Propose the three-year Housing Revenue Account Capital Programme 2023-26 as set out in Appendix 8D to the report, totalling £389.625m.
18. Approve the revised 2022-23 General Fund and HRA Capital Programme budgets as set out in Appendix 8A and 8D to the report, totalling £1111.867m and £74.458m respectively.
19. Approve the budget allocation growth and reductions to schemes in the General Fund capital programme as detailed in Appendix 8C to the report, subject to sign off through the capital governance process and agreement to proceed given by the Corporate Director of Place in consultation with the Mayor, Cabinet Member for Resources and the Cost of Living and the Corporate Director of Resources, and agree that schemes funded by future capital receipts, s106 and/or CIL will not go ahead until such funds have been received by the Council.
20. Approve the increased capital budget provision for St Georges Leisure Centre in the programme, with an additional request of £14m to meet the required total funding requirement of £55.16m for the rebuild.

21. Approve delegated authority to the Corporate Director of Place in consultation with the Corporate Director of Resources to take any steps required to deliver the capital programme including but not limited to going out to tender, appointing consultants and contractors in accordance with the Procurement Procedures, acquiring land interests and appropriating land from the General Fund to the Housing Revenue Account (HRA) for the delivery of new council homes, subject to approved budget and in consultation with the Mayor and the Cabinet Member.
22. Note the administration's six key priority projects, as detailed from paragraph 3.12.34 of the report onwards.
23. Note the Equalities Implications as set out in Section 4 of the report.

Action by:**CORPORATE DIRECTOR, RESOURCES (C. HOLLAND)**

Head Finance Procurement and Audit (N. Visram)

Reasons for the decision

The Council is under an obligation to set a balanced and sustainable budget and to set the Council Tax Levels for the financial year 2023-24 by 11 March 2023 at the latest. The Council's Chief Financial (S151) Officer must confirm the robustness of the estimates applied and the adequacy of the Council's reserves as part of the budget setting report to Council. A comment from the Chief Financial Officer is included within this report.

The setting of the budget is a decision reserved for Full Council. The Council's Budget and Policy Framework requires that a draft budget is issued for consultation with the Overview & Scrutiny Committee to allow for their comments to be considered before the final budget proposals are made to Full Council.

The announcements and consultations made about Government funding for the Council in the Chancellor's Autumn Statement, the Local Government Finance Settlement, challenges such as high inflation and the impact of the Covid-19 pandemic require a robust and timely response to enable a balanced budget to be set.

A Medium Term Financial Strategy (MTFS) covering the entirety of the resources available to the Council is considered to be the best way that resource prioritisation and allocation decisions can be considered and agreed in a way that provides a stable and considered approach to service delivery and takes into account relevant risks and uncertainty.

As the Council develops its detailed proposals it must continue to keep under review those key financial assumptions which underpin the Council's MTFS. Significant funding reforms have been signalled by Government and the Council has a reliance on funding sources that are potentially subject to change significantly in the Medium Term, and therefore it is important to continue to monitor the Medium Term position.

The Mayor is required by the Local Government and Housing Act 1989 to determine a balanced Housing Revenue Account (HRA) budget prior to the start of the new financial year. The Council must also approve the Management Fee payable to Tower Hamlets Homes (THH) so that it can fulfil its obligations under the Management Agreement to manage the housing stock on behalf of the Council.

In accordance with Financial Regulations, capital schemes must be included within the Council's capital programme, and capital estimates adopted prior to any expenditure being incurred. This report includes the three year Capital Programme 2023-26 and associated capital estimates to be approved.

Alternative options

Whilst the Council will adopt a number of approaches to the identification of measures aimed at delivering its MTFS it must set a legal and balanced budget and maintain adequate reserves. The scale of the changes experienced mitigate against continuing on the basis agreed in March 2022 without a re-appraisal of both the financial and policy position.

The Council is required to set an affordable Council Tax and a balanced budget, while meeting its duties to provide local services. This limits the options available to Members. Nevertheless, the Council can determine its priorities in terms of the services it seeks to preserve and protect where possible, and to the extent permitted by its resources, those services it wishes to prioritise through investment.

The Council has a statutory duty to set a balanced HRA and provide THH with the resources to fulfil its obligations under the Management Agreement. Whilst there may be other ways of delivering a balanced HRA, the budget setting process outlined in this report is considered the most effective, in realising all the Council's statutory duties having regard to the matters set out in the report.

6.3 Determination of School Admission Arrangements for 2024/25

DECISION

1. Agree the Local Authority Relevant Area (geographical area) for admissions purposes.
2. Agree the admission policy for admission to Community Nursery Schools/Classes in 2024/25, as set out in Appendix A to the report.
3. Agree the admission policy for admission to Community Primary Schools in 2024/25, as set out in Appendix B to the report.
4. Agree the admission policy for admission to Community Secondary Schools in 2024/25 as set out in Appendix C to the report.

5. Agree the schemes for co-ordinating admissions to the Reception Year and Year 7 for 2024/25, as set out in Appendix F to the report.
6. Agree the scheme for co-ordinating 'In-Year' Admissions for 2024/25, as set out in Appendix G to the report.
7. Agree the planned admission number (PAN) for each school in Tower Hamlets in 2024/25, as set out in Appendix H to the report.
8. Note the specific equalities considerations as set out in Paragraph 4. of to the report.

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

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

Reasons for the decision

The Local Authority decides and implements its school admission arrangements through local consultation and collaboration, enabling it to fully understand and meet circumstances in its area. In doing so, the Local Authority seeks to provide a clear framework intended to ensure that arrangements are lawful, reasonable and minimise delay to children accessing education.

The proposed schemes, consultation and recommendations in this report are consistent with the Local Authority's statutory duties as set out in the most recent revision of the Department for Education's School Admissions Code (September 2021).

The statutory timetable for the determination of School Admission Arrangements 2024-25 is as follows:

Date	Duty
Between 1 October 2022 and 31 January 2023	Consultation for a minimum of six weeks
By 28 February 2023	Determination (formal agreement) of admission arrangements
By 15 March 2023	Publication of admission arrangements
From 1 September 2023	Applications open for admission in September 2024

The co-ordination of all admission arrangements, including nursery and 'in-year' together with school catchment areas provide a framework to plan the provision of school places more coherently, taking account of existing and future school locations; travelling distance; pupil migration and changes in neighbouring boroughs.

Alternative options

When changes are proposed to the school admission arrangements, the Local Authority has a statutory duty to consult and determine the

arrangements that will apply for applications to its community schools the following school year, and to formulate a compliant scheme for co-ordinating admissions at the main points of entry (i.e. Reception, Year 3 for junior schools and Year 7 for transfer from primary to secondary school). If Cabinet fails to take such action the Local Authority would be acting contrary to the law.

The recommendations in this report have been prepared with regard to the need for arrangements to be clear, objective, and fair. Due consideration has been given to alternative admission arrangements, but any alternative action could lead to inequality and leave the Local Authority open to legitimate complaint and legal challenge. If Cabinet wished to consider adoption of alternative arrangements, then full consideration would need to be given to the guidance provided, particularly as to the legal requirements.

6.4 Estates Parking – Roll out of Traffic Management Orders and Permit Allocations Policy

DECISION

1. Agree the following revisions to the implementation of Traffic Management Orders on LBTH estates, subject to resident consultation:
 - That individually numbered bays will be introduced on all off street car parking places under Section 32 and 35 of the Road Traffic Regulations Act 1984 (RTRA).
 - That estate roads that meet the definition of a highway under Section 45 of the Road Traffic Amendment Act will comply with the requirement that generic resident bays are provided.
2. Authorise the Divisional Director of Public Realm to undertake consultation under the provisions of the Road Traffic Regulations Act 1984 and Section 105 of the Housing Act 1985 as set out in sections 3.18 – 3.26 of the report.
3. Approve the Non-Residential Assets Policy set out in Appendix 1 to the report which has been amended to add a fourth and fifth tier to the qualifying criteria for access to parking spaces as summarised in 3.49 of the report.

Action by:

CORPORATE DIRECTOR, PLACE (A. SUTCLIFFE)

Director of Public Realm (D. Jones)

Reasons for the decision

In September 2018, the council Cabinet agreed that a ward-by-ward consultation should take place with residents on the proposal to introduce Traffic Management Orders (TMOs) within the borough. Since then, new schemes have been introduced in Wapping, parts of Shadwell, Royal Mint

and Berner Estate and consultations have been completed in Spitalfields and Banglatown and Stepney East.

The results of consultations carried out in wards to date have demonstrated that though support exists for parking enforcement via the use of Traffic Management Orders, there is considerable disquiet about the loss of individually designated bays with many residents making representations to the Council, as well as petitions received.

In response to this, the council have reviewed its position of implementing a generic courtyard system and considered the re-introduction of individually numbered bays on all estates. This has included seeking further Counsel advice on this matter.

Following this review, the council has developed a proposal to re-introduce individually numbered bays on all estates which are categorised as an off-street car parking place. In the few areas where estate land is classed as an on-street road or highway, generic permits, which are unnumbered, will remain.

A change to the proposals to re-introduce individually numbered bays on estate land categorised as an off-street car parking place, will allow consultation on implementation of Traffic Management Orders to commence without delay, ensuring that estates can be enforced effectively.

Additionally, the Non-Residential Assets Policy agreed in Cabinet in September 2018 has been reviewed (as set out in Appendix 1). The proposed amendments seek agreement to widen the criteria of who can qualify for a parking permit where there is capacity after residents who live in estates have been allocated permit, introducing two additional tiers for priority of allocations. An examination of other Councils who allow out of borough parking has shown that there is an opportunity to maximise income from this source rather than leave spaces empty.

Alternative options

Regarding parking enforcement on estate land, the first alternative option is to retain the use of Traffic Management Orders without individually numbered bays (using the generic courtyard approach), as delivered on completed sites up until now. However, the scheme has already been delayed by resident representations and petitions about this matter due to desire to retain individually number bays.

The second alternative options if for estates to become part of the wider Controlled Parking Zones (CPZ) operated by the Council. This would allow anyone with a LBTH permit to park on estate land. High demand for parking “on street” (on highways) would spill into estate car parks and increase dissatisfaction amongst residents accustomed to parking near their homes.

The third alternative option is for there to be no controls at all. The lack of any control would have consequences in terms of attracting a high level of irresponsible parking from residents living outside the estates as well as those who do not live in the borough and mean that the council would not have any mechanisms through which to address this. Crucially, it would also impact upon the council’s ability to ensure emergency access to LBTH estates.

Specific to estate land designated as “on street”, alternative to providing generic bays it would be possible to provide individually designated bays, however this would not be compliant with Section 64 of the Road Traffic Regulation Act, which includes the provisions of the Traffic Sign Regulations General Directive (TSRGD) and therefore would place the council at a high risk of challenge.

In relation to the proposed amendments to the Non-Residential Assets Policy, the alternative option is to reject the amendments. This however means that spaces could remain empty in areas where there is additional capacity, limiting opportunities for income maximisation and support of businesses.

6.5 Baby Feeding and Wellbeing Service

DECISION

1. Approve the insourcing of the Baby Feeding and Wellbeing Service into the Council. This service would sit within the Early Help and Children & Family Service, in the Children and Culture Directorate. A smaller element of the existing service (specialist training and volunteer peer support network) would continue to be subcontracted to a specialist external organisation identified through an RFQ procurement process.

Action by:

**ACTING CORPORATE DIRECTOR, HEALTH, ADULTS AND COMMUNITY
(S. BANERJEE)**

Associate Director of Public Health (K. Cole)

Reasons for the decision

The proposed insourcing model was chosen following a service evaluation and evidence review. An options appraisal was conducted to assess how best to integrate the service with other community services for young families.

Insourcing the baby feeding specialist team was identified as the best model to achieve the service aims of closer community delivery and integration in Family Hubs. Option 4 (insourcing plus a specialist subcontract) was identified as the best model to allow for the service to benefit from specialist expertise not available in the Council. This subcontract would deliver training to all staff as well as recruiting, training and managing a volunteer peer-led support network, who work alongside infant feeding specialists.

Alternative options

The three leading alternative options are:

- 1) Open competitive tender process for the whole service.
- 2) Partnership agreement with the NHS
- 3) Bringing the service in-house with an in-reach function to RLH maternity services.

6.6 Homecare for Adults- recommissioning of services

This report was withdrawn.

6.7 Contracts Forward Plan 2022/23 - Quarter 3**DECISION**

1. To note the contract summary at Appendix 1 to the report and confirm that all contracts set out can proceed to contract award after tender, subject to Social Value accounting for 10% overall weighting in the tender evaluation process where Social Value weighting is applicable;
2. Any contracts in Appendix 1 where, in the opinion of the Corporate Director Resources, the Social Value weighting above presents a significant risk or cannot be achieved can proceed to contract following consultation with the Mayor and Lead Member;
3. Authorise the Director Legal Services (Monitoring Officer) to execute all necessary contract documents in respect of the awards of contracts referred to at resolution 1 above subject to the award decision referred to in resolutions 1 and 2 above;
4. Review the procurement forward plan 2022-2027 schedule detailed in Appendix 2 to the report and identify any contracts about which further detail is required in advance of the quarterly forward plan reporting cycle.

Action by:**CORPORATE DIRECTOR, RESOURCES (C. HOLLAND)**

Head Finance Procurement and Audit (N. Visram)

Reasons for the decision

The Council's Procurement Procedures require submission of a quarterly forward plan of contracts for Cabinet consideration, and it is a requirement of the Constitution that "The contracting strategy and/or award of any contract for goods or services with an estimated value exceeding £1m, and any contract for capital works with an estimated value exceeding £5m shall be approved by the Cabinet in accordance with the Procurement Procedures" as amended by the General Purposes Committee held on 05 October 2021. This report fulfils these requirements for contracts to be let during and after quarter three of the current financial Year.

Alternative options

Bringing a consolidated report on contracting activity is considered the most efficient way of meeting the requirement in the Constitution, whilst providing full visibility of contracting activity; therefore no alternative proposals are being made.

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 7.00 p.m.

Mayor Lutfur Rahman