

LONDON BOROUGH OF TOWER HAMLETS

MINUTES 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:

Will Tuckley	(Chief Executive)
James Thomas	(Corporate Director, Children and Culture)
Janet Fasan	(Director of Legal & Monitoring Officer)
Caroline Holland	(Interim Corporate Director, Resources)
Kevin Bartle	(Financial Consultant- formerly Interim Corporate Director, Resources & Section 151 Officer)
Dr Somen Banerjee	(Director of Public Health)
Katie Cole	(Associate Director of Public Health)
Ellie Kershaw	(Acting Director, Growth and Economic Development)
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**RESOLVED**

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

The Mayor asked attendees to note that item 6.6 - Homecare for Adults was withdrawn as he felt the proposals required further development before a decision is could be reached. He indicated the report was scheduled to come to the next Cabinet meeting.

The Mayor welcomed the Council's new Interim Corporate Director, Resources, Caroline Holland, to her first Cabinet meeting.

Will Tuckley, Chief Executive, asked attendees to note this would be the last Cabinet meeting to be held in Mulberry Place. The Mayor expressed excitement to be holding future meetings in the new town hall at Whitechapel.

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. Councillor Musthak Ahmed provided an overview of recent scrutiny activity. The Committee had reviewed the Mayor's budget proposals at meetings on 9 and 23 January. The Committee praised the budget for its ambitious plan to

protect residents in times of hardship, fund key services, and invest in social and economic change. The Committee requested that the Mayor and Cabinet develop a robust financial strategy to ensure long term financial stability and recommended increasing the Educational Maintenance Allowance threshold. The Committee also requested that in future years, the Committee is provided with detailed growth and savings pro formas in sufficient time to effectively scrutinise proposals. Councillor Maium Talukdar had presented the Tower Hamlets Partnership Plan and the Committee had discussed ways to improve outcomes for residents and strengthen the partnership.

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

Nil items.

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 item was considered alongside Agenda Item 6.1 (Mayor's Foreword to the Council's Budget Report) and the combined minute is presented here.

The Mayor introduced both reports. He stated he was proud of the ambitious budget which he felt would re-direct the Council's focus, reversing service cuts of the previous administration and reinvesting in public services. He noted the Overview and Scrutiny committee had reviewed the budget proposal at its meeting on the 23 January and the Committee's response was tabled, which he welcomed.

Councillor Saied Ahmed, Cabinet Member for Resources and the Cost of Living provided detail of the financial context behind the Mayor's budget, including:

- An overview of the key elements of the General Fund and HRA revenue and capital budgets.
- The key investment in council services including free school meals in both primary and secondary schools, youth services investment, community safety and education initiatives.
- Rebuilding at St George's Leisure Centre.
- Funding for new council homes, improving housing stock and fire and building safety works.

Cllr Ahmed noted that once approved, the budget report would be presented to full Council on 1 March 2023.

Caroline Holland, (Interim Corporate Director, Resources) and Kevin Bartle (former Interim Corporate Director, Resources) provided additional information on the challenges ahead. It was noted that there were significant

additional revenue implications due to six new key priorities. Caroline and Kevin stressed the importance of a sustainable budget and the need to get back into balance by 2025. They noted these points would be re-emphasised in the Chief Finance Officer's statement on the budget when it is presented to Council on 1 March 2023.

Cabinet members discussed how the budget proposals reflected manifesto promises and the commitment to deliver them. They commended the significant investment in infrastructure and front line services, as well as the decision to in-source leisure services. They acknowledged the cost of living crisis and the need to invest to support residents, as well as the financial challenges and the necessity of finding savings. They also spoke of the importance of addressing the housing crisis and investing in police officers and other services to improve residents' lives. Finally, they highlighted the necessity of providing better quality services and facilities for women, girls and hard-to-reach residents.

The Mayor thanked Cabinet members, officers and members of scrutiny for their input and assistance in delivering a budget in a time of exceptional challenge.

RESOLVED

1. To 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. To propose to freeze the Tower Hamlets element of Council Tax and to levy a 2% Adult Social Care precept for 2023-24.
3. To 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. To 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. To 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. To note the latest draft position of the Council's reserves, subject to final audit of the statements of accounts.
7. To 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. To 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. To 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. 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 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. To propose the 2023-24 Schools Budget.
12. To 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. To 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. To 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. To note that the Local Council Tax Reduction Scheme will remain unchanged for 2023-24.
16. To propose the three-year General Fund Capital Programme 2023-26 as set out in Appendix 8A to the report, totalling £238.637m.
17. To propose the three-year Housing Revenue Account Capital Programme 2023-26 as set out in Appendix 8D to the report, totalling £389.625m.
18. To approve the revised 2022-23 General Fund and HRA Capital Programme budgets as set out in Appendix 8A and 8D to the report, totalling £111.867m and £74.458m respectively.

19. To 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. To 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. To 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. To note the administration's six key priority projects, as detailed from paragraph 3.12.34 of the report onwards.
23. To note the Equalities Implications as set out in Section 4 of the report.

6.3 Determination of School Admission Arrangements for 2024/25

Councillor Maium Talukdar, Deputy Mayor and Cabinet Member for Education and Lifelong Learning (Statutory Deputy Mayor) introduced the report that presented admission arrangements for Tower Hamlets Community Schools and those schools for whom the Local Authority acts as the admission authority.

James Thomas, Corporate Director, Children and Culture and Catherine Grace, Head of School Admissions and Place Planning presented the key changes from the previous admissions arrangements. James and Catherine explained that the proposals represented a fairer way of allocating school places.

The Cabinet discussed the consultation and noted that responses were broadly in favour of the changes. In response to questions from Cabinet members, James noted that the changes would help siblings attend the same school, and that the low consultation response rate was likely due to people not feeling strongly about the proposals.

The Mayor welcomed the report and approved the recommendations as set out.

RESOLVED

1. To agree the Local Authority Relevant Area (geographical area) for admissions purposes.
2. To agree the admission policy for admission to Community Nursery Schools/Classes in 2024/25, as set out in Appendix A to the report.
3. To agree the admission policy for admission to Community Primary Schools in 2024/25, as set out in Appendix B to the report.
4. To agree the admission policy for admission to Community Secondary Schools in 2024/25 as set out in Appendix C to the report.
5. To 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. To agree the scheme for co-ordinating 'In-Year' Admissions for 2024/25, as set out in Appendix G to the report.
7. To 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. To note the specific equalities considerations as set out in Paragraph 4.1 of the report.

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

Councillor Kabir Ahmed, Cabinet Member for Regeneration, Inclusive Development and Housebuilding introduced the report which set out proposals for consultation on introducing individual numbered bays within the delivery of the Traffic Management Orders programme on LBTH estate land and amended permit allocations policy for parking on estate land.

Councillor Ahmed explained that:

- Parking enforcement was hampered due to legislation. The report proposed to expediate the process of getting TMOs across the borough.
- The introduction of the courtyard system under the previous administration had failed. The new policy proposed to retain individualised spaces: those who purchase bays would be able to park in them, with enforcement action taken for those parked illegally.

Councillor Ahmed also provided details of consultation and the priority criteria of the proposed new policy.

Nicola Klinger (Housing Companies Manager) provided further detail on the proposal to introduce an additional tier to permit allocations from those with an address in the relevant ward and from the borough, if there is capacity.

The Mayor welcomed the report and agreed the recommendations as set out.

RESOLVED

1. To 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. To 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. To 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.

6.5 Baby Feeding and Wellbeing Service

Councillor Gulam Kibria Choudhury, Cabinet Member for Health, Wellbeing and Social Care introduced the report that sought approval to insource the Baby Feeding and Wellbeing Service.

Dr Somen Banerjee, (Director of Public Health) and Katie Cole, (Associate Director of Public Health) explained the importance of good nutrition in early years, and the opportunity that this proposal provides to secure more integrated support. It was noted that the service already contributed to some of the highest breastfeeding rates in the country and other boroughs and councils had contacted LBTH for information on how to set up similar services.

Further to questions from Cabinet, Somen and Katie

- explained the rationale for the proposal to retain specialist training services and the potential to move towards an in-house volunteer network in the future; and
- explained the challenges of delivering the service in a culturally diverse area where language barriers can be an issue.

The Mayor welcomed the report as a further move toward securing better quality services for residents through insourcing. He agreed the recommendations as set out in the report.

RESOLVED

1. To 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.

6.6 Homecare for Adults- recommissioning of services

This report was withdrawn.

6.7 Contracts Forward Plan 2022/23 - Quarter 3

Councillor Saied Ahmed, Cabinet Member for Resources and the Cost of Living introduced the report that set out a forward plan of supply and service contracts over £1m in value, or capital works contracts over £5m.

The Mayor noted and agreed the reasons for urgency included in the report.

Caroline Holland, (Interim Corporate Director, Resources) and Peter Maskell, (Interim Head of Procurement) provided further details on the report and contracts therein.

The Cabinet discussed the importance of Social Value in the procurement process and the possibility of increasing the Social Value weighting to 10%. The Mayor agreed to amend the recommendations to reflect a 10% Social Value weighting for all contracts in the report and going forward. He believed this would provide local people with job and training opportunities and support local small and medium businesses in the supply chain. Caroline and Peter asked the Mayor to note the proposal may require some further discussion on the details of implementation with the Mayor and Lead Member.

The Mayor thanked officers for their work and welcomed the report with amended recommendations.

RESOLVED

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. That 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. To 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. To note the procurement forward plan 2022-2027 schedule detailed in Appendix 2 to the report.

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

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

Nil items.

The meeting ended at 7.00 p.m.

Chair, Mayor Lutfur Rahman
Cabinet