

LONDON BOROUGH OF TOWER HAMLETS
MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE
HELD AT 18:45 ON MONDAY, 19 JUNE 2023
COUNCIL CHAMBER - TOWN HALL, WHITECHAPEL

Members Present in Person:

Councillor Musthak Ahmed
Councillor Bodrul Choudhury
Councillor Ahmodur Khan
Councillor Abdul Malik
Councillor Abdul Mannan
Councillor Maisha Begum
Councillor Marc Francis
Councillor Asma Islam
Councillor Sabina Khan

Members In Attendance Virtually:

Councillor Sirajul Islam
Councillor Kabir Ahmed

Co-optees Present in Person:

Jahid Ahmed
Halima Islam

Officers Present in Person:

Rupert Brandon	(Head of Housing Supply)
Afazul Hoque	(Head of Corporate Strategy & Communities)
Daniel Kerr	(Strategy and Policy Lead)
Thomas French	(Democratic Services Officer (Committees))

Officers In Attendance Virtually:

Caroline Holland (Corporate Director for Resources)

1. APOLOGIES FOR ABSENCE

No apologies received.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST AND OTHER INTERESTS

No declarations of disclosable pecuniary interest were received at the meeting.

3. UNRESTRICTED REPORTS 'CALLED IN'

3.1 Housing Capital Strategy 2023/24: Delivering at pace to increase the supply of new homes

Councillor Sirajul Islam members presented the reasons for call-in on behalf of the Call-in members and proposed alternative course of action as set out in the report.

The committee made the following comments and questions:

- In your experience as an Executive Member of the Cabinet for Housing, did you consider a similar strategy while in office and why is this strategy an issue for you now? Cllr Sirajul Islam reported that every council does struggle with finding suitable land to build on, and delivering on houses with social rent was a priority and previous housing developments was costed, but joint ventures like in the current strategy were not considered. There is concern in some of the sites that have been suggested will be very challenging for the council to deliver on. If the council has interest in these sites, with a joint venture, a similar council scheme on its own would also be worth considering.
- What would the accountability within the report look like to you? Cllr Sirajul Islam confirmed he would like to see greater democratic accountability, such as guidance over joint ventures and engagement with residents in and around the proposed sites.
- How confident are you in this Strategy bringing in affordable rent? Cllr Sirajul Islam questioned how many residents within Tower Hamlets can afford a shared ownership home like within this strategy. This strategy is not strong enough on ensuring that residents will have access to social rents needed.

The Lead Member, Councillor Kabir Ahmed, and Rupert Brandon, Head of Housing Supply, set out the context of the Cabinet Decision and reviewed the key elements of the decision.

The committee made the following comments and questions:

- How do we ensure developers are offering more than 50 per cent of developments to be affordable? Cllr Kabir Ahmed confirmed that the council is always working to get more than 50 per cent from developers, but with inflation affecting the cost of materials in construction, this can prove difficult in getting more out of developers.
- Have consultations been carried out on the proposed sites and can these be shared? Cllr Kabir Ahmed stated the proposed sites had already been earmarked for development and new sites were also found. These sites are in the early stages and the next stage is the take this out to the market, to find developers interested in working with the council. After this early stage, the usual consultation process will

begin, along with the scrutiny that members provide to other developments.

- Why does this process feel so rushed? It does not feel that the Council is placing any risk management on working with developers on these sites. What else has the council explored for housing before coming to this strategy? Will the Council ensure all these sites include 50 per cent affordable rent? Cllr Kabir Ahmed confirmed that the council feels it needs to take action to reduce the ever-growing housing demand and the council needs to deliver as many houses as possible. National government has not carried out a major house building program, so he council needs to put Strategies like this in place to meet the resident demand. The sites have been placed in a prospectus with demands and if developers meet this demand, then consultation can start, to ensure risk management can be placed in the proposed plans. The Council will do what it can to ensure affordable rent is as high as possible, but members will be able to see these plans and scrutinise them at the relevant committees.
- What has the council learned from neighbouring councils about joint ventures with developers? Cllr Kabir Ahmed confirmed that local councils have been observed, including Haringey Council, who tried a similar strategy, but the scope was far larger. • Does the council have the legal capacity to work with large developers? The report states over £1.1m in legal fees, why is this not in house? Cllr Kabir Ahmed confirmed that this in the early stages, and the scale of the legal capacity will be further understood once the developers who wish to be involved are worked with and officers are able to scale legal capacity. The £1.1m is not just legal fees but covers many areas of the development. • What is the governance around this strategy, and will decision making be delegated on future sites as well? Will future sites be subject to Call In and will this be a commitment from the council? Cllr Kabir Ahmed assured the committee that while decision making power is with the Mayor, lead members are active in discussions around decisions.
- Why is the council not delivering on houses that it can afford to build rather than working with developers? Cllr Kabir Ahmed confirmed that the council is looking at all options to ensure that housing is built for residents and this includes working with developers to get houses built. Ideally many of these new homes will include Tower Hamlets living rent.
- Can the committee be provided with information around the bidding process and the next steps in the strategy? Cllr Kabir Ahmed detailed the next steps, including how developers will be audited and how funding will be evaluated.

After hearing from the Call-in Members and the Lead member, the Committee considered the reasons for the Call-in and discussed if the committee should take further action.

DECISION

The Committee **RESOLVED** that no further action would be taken on the call in.

4. APPOINTMENT OF FINANCE & RESOURCES LEAD

The Committee voted for Cllr Sabina Khan for the role of Scrutiny Lead for Finance & Resources, however after member discussion it was decided that the role would be confirmed at the next meeting.

5. VERBAL UPDATES FROM SCRUTINY LEADS

None.

6. PRE-DECISION SCRUTINY OF UNRESTRICTED CABINET PAPERS

Members of the committee agreed to submit pre-decision questions on the Cabinet Item 6.2 Neighbourhood Community Infrastructure Levy (NCIL) for the 21 June 2023.

7. OVERVIEW & SCRUTINY COMMITTEE QUERY AND ACTION LOG

Nil Items.

8. FORTHCOMING DECISIONS

RESOLVED:

Members noted the forward plan

9. UNRESTRICTED MINUTES

RESOLVED:

That the unrestricted minutes of the meeting of the Overview and Scrutiny Committee held on 16 May 2023 approved and signed by the Chair as a correct record of the Proceedings.

10. SCRUTINY SPOTLIGHT

Nil items.

11. UNRESTRICTED REPORTS FOR CONSIDERATION

Nil items.

12. REQUESTS TO SUBMIT PETITIONS

Nil items.

13. ANY OTHER UNRESTRICTED BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

The Committee asked Cllr Abdul Mannan why Housing & Regeneration Scrutiny Sub Committee had not met since 27 April 2023. Cllr Abdul Mannan confirmed that the first meeting of 2023/24 had to be rearranged to not clash with the summer school holidays.

14. EXCLUSION OF THE PRESS AND PUBLIC

As the agenda circulated had no exempt/confidential reports and there was therefore no requirement to exclude the press and public to allow for its consideration.

15. EXEMPT/ CONFIDENTIAL MINUTES

Nil items.

16. EXEMPT/ CONFIDENTIAL REPORTS 'CALLED IN'

Nil items.

17. PRE-DECISION SCRUTINY OF EXEMPT/ CONFIDENTIAL) CABINET PAPERS

Nil items.

18. ANY OTHER EXEMPT/ CONFIDENTIAL BUSINESS THAT THE CHAIR CONSIDERS URGENT

Nil items.

The meeting ended at 20:49

Chair, Councillor Musthak Ahmed
Overview & Scrutiny Committee