

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE

HELD AT 6.05 P.M. ON MONDAY, 7 MARCH 2011

**M71, 7TH FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT,
LONDON, E14 2BG**

Members Present:

Councillor Ann Jackson (Chair)
Councillor Tim Archer
Councillor Stephanie Eaton
Councillor Lesley Pavitt
Councillor Zenith Rahman
Canon Michael Ainsworth
Mr Mushfique Uddin
Rev James Olanipekun

Other Councillors Present:

Councillor Marc Francis
Councillor Rania Khan
Councillor Rabina Khan
Councillor Abdal Ullah
Councillor Rania Khan (Cabinet Member for Regeneration)
Councillor Rabina Khan (Cabinet Member for Housing)

Officers Present:

Hafsha Ali – (Acting Joint Service Head Scrutiny & Equalities, Chief Executive's)
David Galpin – (Head of Legal Services (Community), Legal Services, Chief Executive's)
Afazul Hoque – (Scrutiny Policy Manager, Scrutiny & Equalities, Chief Executive's)
Jackie Odunoye – (Service Head Strategy, Innovation and Sustainability, Development & Renewal)
Nick Smales – (Service Head 2012 Olympic and Paralympics Games, Development & Renewal)
Stephanie Ford – (Interim Performance Manager, Strategy & Performance, Chief Executive's)
Keiko Okawa – (Scrutiny Policy Officer, Scrutiny & Equalities, Chief Executive's)
Heather Bonfield – (Interim Service Head Cultural Services , Communities Localities & Culture)
Louise Fleming – (Senior Committee Officer, Democratic Services)

1. APOLOGIES FOR ABSENCE

Apologies of absence were received from Councillors Rajib Ahmed and Rachael Saunders and Jake Kemp, Parent Governor Representative.

2. DECLARATIONS OF INTEREST

No declarations of interest were made.

3. UNRESTRICTED MINUTES

The Chair **Moved** and it was:-

RESOLVED

That the unrestricted minutes of the meeting of the Overview and Scrutiny Committee held on 8th February 2011 be approved and signed by the Chair as a correct record of the proceedings.

4. REQUESTS TO SUBMIT PETITIONS

None received.

5. REQUESTS FOR DEPUTATIONS

None received.

6. SECTION ONE REPORTS 'CALLED IN'

6.1 Report Called In - Leasehold Policy Review

At the request of the Chair, Councillor Marc Francis on behalf of the Call-in Members referred to the reasons in their requisition and highlighted the main issues that they held with the Cabinet's provisionally agreed decision that the Leasehold policies be approved subject to a number of revisions. Cllr Francis praised the decision to retain the £10,000 cap on major works recharges for some older leaseholders on very low incomes. However there were a number of concerns, particularly in respect of the independent audit report of leasehold service charges which had not been signed off from the Project Steering Group.

Councillor Francis outlined the alternative course of action proposed and circulated a copy of the Housing Services Committee report, dated 3rd February 1998, highlighting the decision of that Committee to reduce charges for ground floor leaseholders. In addition to the alternative course of action proposed, Councillor Francis asked that a summary of responses of leaseholders be made available and numbers of legal challenges made in respect of the charge. In conclusion, Councillor Francis felt that the decision needed to be better informed and asked that it be referred back to the Cabinet.

Councillor Francis then responded to questions from the Committee and expanded on the concerns about the draft Beevers and Struthers Audit report. He felt that it had been premature to make an assumption about the results of the audit.

The Cabinet Member for Housing, Councillor Rabina Khan was of the view that there were some moral grounds for not charging ground floor leaseholders. However, legal advice had stated that the view was incorrect. Councillor Khan advised that the Beevers and Struthers Audit would be signed off at the Project Steering Group in March and therefore the Policy would be revisited if necessary. Ms Jill Bell, Head of Legal Services, Environment, advised that Case Law made it clear that service charges should be shared equally and that one lease cannot be changed without the agreement of all other leaseholders.

Councillor Khan, Ms Bell and Ms Jackie Odunoye, Service Head Strategy Regeneration and Sustainability, responded to questions from Members regarding the rationale for bringing the report forward before the Audit report had been signed off; and clarification of technical and legal issues. Ms Bell advised that Counsel's opinion could not be released as it could prejudice any legal action against the Council. However a briefing note summarising the opinion could be produced for Members.

The Cabinet Members present at the meeting who had also been present when the Cabinet decision was made left the room. A significant part of the subsequent debate surrounded the rationale for bringing the report forward to Cabinet and whether a decision could have waited for the outcome of the Beevers and Struthers Audit. Concerns were also expressed about the consultation exercise carried out. Members felt that the legal opinion should have been made available in order to scrutinise the decision properly.

After considering the views and comments made by the Member presenting the call-in; the Cabinet Member for Housing and officers; and after a comprehensive debate, the Committee voted on whether to refer the item back to Cabinet and it was

RESOLVED

That the Cabinet Member for Housing urgently convenes the final Project Steering Group meeting to "sign off" the report of the independent audit;

That the Mayor and Cabinet suspends the decision agreeing to the fundamental changes to leasehold policy contained in Paras 9.1 and 9.5 until the independent audit report is published and consultation on these specific proposals is undertaken with leaseholders and councillors; and

That the Mayor publishes Counsel's Legal Opinion in relation to these changes to help inform consideration of them.

7. SCRUTINY SPOTLIGHT

Councillor Rania Khan, Cabinet Member for Regeneration, gave a detailed presentation on her portfolio, focussing on the following:

- Achievements in 2010/11 in employment and enterprise including an employment rate of 60% against an LAA target of 55.7%; placement of 545 residents into sustainable employment through Skillsmatch; and securing a minimum 20 work experience placements with the BBC linked to the Olympic Games.
- Future initiatives for employment and enterprise including the 1000 jobs agreed with LOCOG.
- The Single Work Programme.
- The High Street 2012 programme.
- The regeneration of Poplar Baths.
- Highlights of the Culture portfolio including the approval of Watney Market Idea Store; the reopening of and improvements to Bancroft Library; the achievements in Lifelong Learning; and achievements in the Arts, Sports and Leisure and events in parks.
- Future aspirations including the Olympic Live Site development; the Cultural Olympiad; the Watney Idea Store; further phase of Bancroft Library and HLF bid; and the integration of Idea Store and Lifelong Learning services and continued success.

Members then asked a number of questions of the Cabinet Member to which she responded, supported by Mr Nick Smales, Service Head 2012 Olympic and Paralympic Games. The question and answer session focussed on the following points:

- Clarification was sought on the apprenticeships offered to local people by Crossrail through Skillsmatch and whether there would be any local jobs available through the Poplar Baths redevelopment. Assurances were given that both matters would be looked into in more detail.
- Clarification was sought and given in respect of the regeneration element of the Portfolio and how it related to shaping the developments at Blackwall Reach and the proposals made by Thames Water in relation to the Thames Tideway improvements.
- Further information on the demographics of unemployment in the Borough and the duration of the 1000 LOCOG jobs. It was also felt

that there funding should be given to sports other than football. Members were advised that the LOCOG jobs would be of 9wks duration and above in areas such as catering, retail and hospitality. It was felt that, in order to train potential employees appropriately, a better understanding of the jobs which would be available was needed.

- Officers were working on the promotion of sports in the Borough other than football. However it was acknowledged that football was most successful in engaging young people.
- An undertaking was made to look into the viability of tying in the Poplar Baths and Chrisp Street regeneration projects.
- Concern was expressed that Tower Hamlets was behind other London Boroughs on its Enterprise Strategy.

The Chair thanked Councillor Khan for her detailed presentation.

8. SCRUTINY MANAGEMENT

8.1 Overview and Scrutiny 6 Monthly Tracking Report

The Chair presented the six monthly tracking report which monitored the progress of implementing past recommendations of scrutiny reviews.

Councillor Lesley Pavitt, Scrutiny Lead for Safe and Supportive Communities, made the following points:

- Whether the language used on page 38 of the appendix 2 to the report in relation to THEOs was appropriate and it was felt that THEOs should be audited.
- There should be better engagement of the private schools and other private educational facilities to develop anti-bullying policies.
- Alternative healthy option vending machines should be provided in workplaces.
- Clarification was sought and given that the Induction Programme for new Members would be looked at further.

Councillor Stephanie Eaton highlighted the need for the Lead Scrutiny Member to take responsibility for past scrutiny reports and asked that the Chair monitor the situation. The Chair concurred and also asked that the Yellow status for the Private Rented Sector in Appendix 1 to the report should be flagged up over the next few months.

RESOLVED

That the report be noted.

9. REFERRALS FROM COUNCIL

9.1 Mayor's Office Staffing Proposals

The Chair presented the report which followed a referral from Council that the Committee consider matters raised in a question by Councillor Anna Lynch in respect of the setting up and staffing of the Mayor's office. The report provided an update on progress regarding the establishment of the Mayor's office and further developments since the Council meeting.

Councillor Tim Archer, requested that details of the cost of the Mayor's Office should still be provided as per the original question.

RESOLVED

That the Committee does not consider this matter at this time as the budget for the Mayor's office remains to be set by Council.

9.2 Confidentiality of Member's Enquiries

The Chair presented the report which followed a referral from Council that the Committee consider the issue of confidentiality of Members' Enquiries. The report set out the Chief Executive's findings that there had not been a breach of confidentiality.

RESOLVED

That the Committee refer the matter to the Assistant Chief Executive (Legal Services) to review the procedures for Members' Enquiries and to report back to Overview and Scrutiny Committee.

10. PRE-DECISION SCRUTINY OF SECTION ONE (UNRESTRICTED) CABINET PAPERS

The Chair advised that no pre - decision questions for the Cabinet meeting on 9th March 2011 had been received.

11. ANY OTHER SECTION ONE (UNRESTRICTED) BUSINESS WHICH THE CHAIR CONSIDERS TO BE URGENT

11.1 Strategic Performance and Corporate Budget Monitoring to 31 December 2010.

The Chair informed members of the Committee that the special circumstances and reasons for urgency associated with the proposals were detailed on the front page of the report. The Committee subsequently agreed the special circumstances and reasons for urgency as set out on the front page of the report and also set out below:

“Officers have worked to ensure that the latest possible performance and financial information considered by Overview and Scrutiny and Cabinet. There have also been changes made to meetings to accommodate the budget process, including bringing forward the Overview and Scrutiny meeting by one day. For these reasons the standard publication deadline for Overview and Scrutiny has not been met, although it was possible to do so for the (later) Cabinet meeting. If the report is not taken by Overview and Scrutiny as a separate item at this meeting, then that may limit the Committee’s input to Cabinet. It is considered that these circumstances justify taking the report as an urgent item.”

A discussion ensued and the following points were made:

- 5.6 (p8) – Clarification was sought on whether that was a link between the shortfall in leaseholder service charge income and the timing of the leaseholder policy review.
- 5.4 (p7) - Further information as to the overspend in Children's Schools and Families Youth and Community Learning communications was requested. Also further explanation as to why school redundancy costs had not been appropriately budgeted.
- 5.3 (p4 &5) - Further explanation was requested as to Adults, Health and Wellbeing overspend, particularly;
 - A42 - Older People Commissioning – whether increased demand for home care packages would be likely to cause overspend in the future.
 - A45 Physical Disabilities Commissioning – whether the Council now has appropriate charging set up with the PCT.

Ms Stephanie Ford, Interim Performance Manager, advised that the points made would be reported back to Finance officers and a written response would be provided for Members.

RESOLVED

That the Council’s financial position as outlined in paragraphs 5 and 6 and appendices 1-7 of the report be noted;

That the Quarter 3 2010/11 performance including areas where no further work is needed be noted and that a response to the points raised above would be provided to Members; and

That the actions being taken to address the reported overspends be noted.

12. EXCLUSION OF THE PRESS AND PUBLIC

The resolution to exclude the Press and Public was not adopted as there was no Section 2 'Exempt' business for consideration.

13. EXEMPT/ CONFIDENTIAL MINUTES

Nil items.

14. SECTION TWO REPORTS 'CALLED IN'

Nil items.

15. PRE-DECISION SCRUTINY OF SECTION TWO (RESTRICTED) CABINET PAPERS

Nil items.

16. ANY OTHER SECTION TWO (RESTRICTED) BUSINESS THAT THE CHAIR CONSIDERS URGENT

Nil items.

The Chair thanked those present for their attendance and declared the meeting closed.

The meeting ended at 7.40 p.m.
Chair, Councillor Ann Jackson
Overview & Scrutiny Committee