

**LONDON BOROUGH OF TOWER HAMLETS**

**DECISIONS OF THE COUNCIL**

**HELD AT 7.30 P.M. ON WEDNESDAY, 21 SEPTEMBER 2011**

**THE COUNCIL CHAMBER, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5  
CLOVE CRESCENT, LONDON, E14 2BG**

[Note: During the meeting, the order of business was varied on a number of occasions by the Council. However for ease of reference this Decision Sheet lists the items of business in the same order as they appear on the agenda for the meeting. ]

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received on behalf of Councillors Stephanie Eaton, Marc Francis, Dr Emma Jones, Oliur Rahman and Gloria Thienel.

**2. DECLARATIONS OF INTEREST**

Please see minutes.

**3. MINUTES**

**DECISION**

- (1) That the minutes of the ordinary meeting of the Council held on 13<sup>th</sup> July 2011 be confirmed as a correct record of the proceedings and the Chair of Council be authorised to sign them accordingly.
- (2) That full details of the questions from Councillors and the public, with relevant answers, be included in the minutes in future.

(Action by: John S. Williams, Service Head, Democratic Services)

**4. TO RECEIVE ANNOUNCEMENTS (IF ANY) FROM THE CHAIR OF COUNCIL OR THE CHIEF EXECUTIVE**

No announcements were made at the meeting.

**5. TO RECEIVE PETITIONS****5.1 Petition from 265 local residents regarding commercial events in Isle of Dogs parks**

Mr Charles Eder addressed the meeting on behalf of the petitioners and responded to questions from Members. Councillor Shahed Ali, Cabinet Member for Environment, then responded to the issues raised.

**DECISION**

That the petition be referred to the Corporate Director, Communities, Localities and Culture for a written response on any outstanding matters within 28 days.

(Action by: Stephen Halsey, Corporate Director, Communities, Localities and Culture)

**5.2 Petition from Mohammed Sanu Miah and others regarding the role of the First Citizen of the Borough**

Mr Doros Ullah and Mr James King addressed the meeting on behalf of the petitioners and responded to questions from Members. Councillor Alibor Choudhury, Cabinet Member for Resources, then responded to the issues raised.

**DECISION**

That the petition be referred to the Assistant Chief Executive (Legal Services) for a written response on any outstanding matters within 28 days.

(Action by: Isabella Freeman, Assistant Chief Executive [Legal Services])

**5.3 Petition from Brick Lane Market Traders and others regarding Trading Hours**

Mr Suresh Unadath and Mr Munir Bashir addressed the meeting on behalf of the petitioners and responded to questions from Members. Councillor Shahed Ali, Cabinet Member for Environment then responded to the issues raised.

**DECISION**

That the petition be referred to the Corporate Director, Communities, Localities and Culture for a written response on any outstanding matters within 28 days.

(Action by: Stephen Halsey, Corporate Director, Communities, Localities and Culture)

**6. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE PUBLIC**

- 6.1 Question from Mr Abdullah Mahmud re: new legislation on the licensing of sexual encounter establishments (no supplementary question was asked)
- 6.2 Question from Mr Asad Uddin Khan re: progress in maintaining unity in diversity (in Mr Khan's absence this question was put by Mr Aktaru Zaman)
- 6.3 Question from Ms Lil Collins re: Poplar Baths

The above questions and in each case (except where shown) an oral supplementary question were put and were responded to by the Mayor or the relevant Cabinet Member.

(Action by John S. Williams, Service Head, Democratic Services)

**7. MAYOR'S REPORT**

The Mayor made his report to the Council meeting. The Leader of the Majority Group and Leaders of the Minority Groups each responded briefly to the Mayor's report.

**8. TO RECEIVE WRITTEN QUESTIONS FROM MEMBERS OF THE COUNCIL**

- 8.1 Question from Councillor Khales Uddin Ahmed re: jobs for Tower Hamlets residents as a result of the Mayor's agreement with LOCOG
- 8.2 Question from Councillor Craig Aston re: publication on the Tower Hamlets Website of details of premises with regulated entertainment and late night refreshment licences.
- 8.3 Question from Councillor Carlo Gibbs re: reductions in Third Sector organisations' funding since April 2011.
- 8.4 Question from Councillor Fozol Miah re: the English Defence League (no supplementary question was asked)
- 8.5 Question from Councillor Joshua Peck re: the waiving of fees and charges for the Mela and other festivals
- 8.6 Question from Councillor Zara Davis re: disturbances in the Borough on 8<sup>th</sup> August 2011.
- 8.7 Question from Councillor Helal Uddin re: any sales of Council owned, family sized homes

- 8.8 Question from Councillor Harun Miah re: academy status for Bethnal Green Technology College and Sir William Burrough Primary School (no supplementary question was asked)
- 8.9 Question from Councillor Motin Uz-Zaman re: information to tenants under the Decent Homes scheme
- 8.10 Question from Councillor Tim Archer re: the future of Cubitt Town library
- 8.11 Question from Councillor Md. Abdul Mukit re: use of S106 funding from development in Weavers Ward

The above questions and in each case (except where shown) a supplementary question were put and were responded to by the Mayor or relevant Cabinet Member.

Questions 8.12 to 8.29 were not put as the time allowed for this agenda item had expired. Written responses will be provided to each question.

(Action by: John S. Williams, Service Head, Democratic Services)

## **9. REPORTS FROM THE EXECUTIVE AND THE COUNCIL'S COMMITTEES**

There was no business under this heading.

## **10. TO RECEIVE REPORTS AND QUESTIONS ON JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS (IF ANY)**

There was no business under this heading.

## **11. OTHER BUSINESS**

### **11.1 Appointment of Independent Members to the Standards Committee and Co-opted Members to the Pensions Committee**

#### **DECISION**

1. That the following persons be appointed as Independent Members of the Standards Committee, each to serve a three year term of office expiring on the date of the Annual Council meeting in 2014, subject to annual confirmation by the Council:-
  - Mr Denzil Johnson (new appointment); and
  - Mr Eric Pemberton (re-appointment)
2. That the following persons be re-appointed as non-voting co-opted members of the Pensions Committee for the remainder of the municipal year 2011/12:-

- Mr Frank West (Trade Union representative); and
- Mr John Gray (Admitted Bodies representative)

(Action by: John S. Williams, Service Head, Democratic Services)

## **11.2 Establishment of Standing Joint Health Overview and Scrutiny Committee for Inner North-East London**

### **DECISION**

1. That the Council agree the establishment of a Standing Inner North East London Joint Overview and Scrutiny Committee, comprising the London Boroughs of Tower Hamlets, Newham, Hackney and the City of London to consider those health matters where a substantial variation or development to health services covers more than one local authority area, in accordance with the Terms of Reference (Appendix A) and Procedure Rules (Appendix B) attached to the report of the Service Head, Democratic Services.
2. That Tower Hamlets appoint three Members to serve on the Joint Overview and Scrutiny Committee and the Overview and Scrutiny Committee be delegated authority to make those appointments from amongst the members of the Overview and Scrutiny Committee and the Health Scrutiny Panel in accordance with the required political proportionality on behalf of the Council.
3. That the Monitoring Officer be authorised to make any necessary amendments to the Council's Constitution pursuant to the establishment of the Standing Joint Overview and Scrutiny Committee.

(Action by: John S. Williams, Service Head, Democratic Services)

## **11.3 Review of proportionality and allocation of places on committees**

### **DECISION**

1. That the review of proportionality at paragraph 3 of the report of the Service Head, Democratic Services be noted and the Council agree the allocation of seats on committees and panels established for the remainder of the Municipal Year 2011/12 as set out at paragraph 4.2 of the report.
2. That Members and deputies be appointed to serve on those committees and panels in accordance with nominations from the political groups to be notified to the Assistant Chief Executive (Legal Services).

3. That the Assistant Chief Executive (Legal Services) be authorised to approve the appointment of ungrouped Councillors to any committee places not allocated by the Council to a political group.

(Action by: John S. Williams, Service Head, Democratic Services)

#### **11.4 Appointments to London Councils Committee and Forums**

The recommendations in the report of the Service Head, Democratic Services were put to the vote and were defeated.

##### **DECISION**

That the recommendation contained in the report, regarding proposals for appointment of the authority's representatives to the various committees and forums of London Councils, be not approved.

[Note: The effect of the above decision is that the appointment of this authority's representatives to the committees and forums of London Councils will continue to be a function of the Council or the General Purposes Committee. In making those appointments the Council or General Purposes Committee will consider any nominations made by the Mayor.]

(Action by: John S. Williams, Service Head, Democratic Services)

#### **11.5 Appointment of Interim Chief Executive**

Councillor Joshua Peck moved, and Councillor Motin Uz-Zaman seconded, a tabled amendment to the recommendations contained in the report of the Monitoring Officer. The amendment was agreed as set out in the resolution below.

##### **DECISION**

##### **This Council notes:**

- That under the Local Government and Housing Act 1989 the recruitment and appointment of the Council's Head of Paid Service is the responsibility of Full Council
- That the council's constitution has designated the Chief Executive as the Head of Paid Service
- That under the council's constitution recruitment of chief officers, including the Chief Executive, is a function of Full Council
- That therefore the appointment of the Chief Executive is both legally and constitutionally a function of Full Council

- That this applies to both interim and permanent appointments.
- That the Mayor made an announcement on 26 July that he had appointed an Interim Chief Executive and a Deputy Chief Executive
- The Mayor has no power to appoint the Chief Executive

**This Council believes:**

- That engagement to all Chief Officer positions in the council should be transparent and fair, and through the normal Chief Officer recruitment process overseen by HR Committee
- That the Council has not been involved in the consideration of who will fill the interim Chief Executive position
- That nonetheless Aman Dalvi has a strong record in his current role as Corporate Director for Development and Renewal and would be an appropriate appointment to the interim position.

**This Council further notes:**

- That on appointment of Aman Dalvi to the Interim Chief Executive position, his substantive post will need to be back-filled by an interim
- Four of seven positions on the Corporate Management Team will then be interims
- That the Executive has a place on the Appointments Sub-Committee to undertake the recruitment process.

**This Council further believes:**

- The Chief Executive is the most important position in the Council and should be filled by a permanent appointment as soon as possible, ideally within six months.
- That such a high number of interims in the CMT is a matter of concern and should be reviewed by Council

**This Council therefore resolves:**

- To appoint Aman Dalvi to the position of Interim Chief Executive, with effect from 26 September 2011, until the date on which a new permanent Chief Executive takes up his/her post, allowing for a handover period of no more than one month beyond that date, subject to a maximum period as Interim of six months.

- That in the event that a permanent Chief Executive is not appointed by the end of a six months period Full Council will consider an extension to Aman Dalvi's period as Interim.
- That engagement of Chief Officers, to permanent positions or interim positions of over three months, will be through the normal recruitment process overseen by the HR Committee.
- That the HR Committee will convene at 7pm on Wednesday 28 September to commence the process of recruiting a permanent Chief Executive.
- That the Mayor will be invited to take the Executive position on the panel established by the HR Committee to undertake the engagement of the Chief Executive.
- That a further HR Committee should be convened to discuss the engagement of an interim to backfill the Corporate Director for Development and Renewal and any other CMT positions that need filling at that time.
- That a report be brought to the next scheduled HR Committee meeting on outstanding recruitment to permanent Chief Officer positions.

(Action by: Isabella Freeman, Assistant Chief Executive [Legal Services]/  
John S. Williams, Service Head, Democratic Services/  
Simon Kilbey, Service Head, Human Resources & Workforce  
Development.)

## **12. TO CONSIDER MOTIONS SUBMITTED BY MEMBERS OF THE COUNCIL**

### **12.3 English Defence League**

Councillor Joshua Peck moved, and Councillor Rachael Saunders seconded, the motion as printed in the agenda.

Councillor Kabir Ahmed moved, and Councillor Shahed Ali seconded, a tabled amendment to the motion which was put to the vote and was defeated.

Councillor Shahed Ali moved, and Councillor Alibor Choudhury seconded, a further tabled amendment which was put to the vote and was defeated.

The substantive motion as printed in the agenda was then put to the vote and was agreed as set out below.



**DECISION****Tower Hamlets Council notes:**

- That the English Defence League (EDL) is a racist organisation whose main activity is street demonstrations against the Muslim community. Although it claims only to oppose Islamic extremism it targets the entire Muslim community and its actions deliberately seek to whip up tensions and violence between Muslim and non-Muslim communities.
- That following a motion brought to Full Council by the Labour Group, all politicians in Tower Hamlets united to campaign for a ban on the proposed EDL march on the 3rd September
- That the EDL were still able to hold a static demonstration, although the area designated for their demonstration was in the City of London, not Tower Hamlets
- That the most significant disturbance on the day happened when an EDL coach drove through Stepney and Mile End.

**Tower Hamlets Council believes:**

- That the EDL do not represent the views of the people of Tower Hamlets
- That the EDL are not welcome in Tower Hamlets
- That the decision of the Metropolitan police to apply for a ban and the Home Secretary to grant it is welcome
- That it is only because the march was banned and the demonstration heavily policed that serious disturbance was avoided.
- That the EDL have no point of legitimate political protest-their objectives are to spread their hatred and cause disruption and violence
- That a march can be banned on the basis of potential serious public disorder.
- That even if a static demonstration is considered likely to cause such disorder it cannot be banned.
- That this is the first time the Metropolitan police has applied to ban a march since the legislation granting these powers was passed in 1983, and that the power to ban a march or demonstration should only be used in extreme circumstances.

**Tower Hamlets Council resolves:**

- To review the policing and management of the demonstration and counter demonstration
- To campaign for a change in the law to allow static demonstrations to be banned through the same procedure as bans on marches.

(Action by: Isabella Freeman, Assistant Chief Executive [Legal Services])

## **12.4 Park Events**

### **DECISION**

#### **This Council notes:**

- That there are plans to hire out Sir John McDougal Gardens, Millwall Park and Island Gardens for commercial and private events
- Local residents and users of these parks have gathered a petition to oppose the introduction of any commercial or private events in these parks
- Commercial events held in Victoria Park have caused a number of problems including excessive noise, high levels of traffic congestion and local residents being unable to use the park for peace and recreation

#### **This Council believes:**

- That our parks and open spaces are a vital resource for leisure, enjoyment and wellbeing, particularly in Tower Hamlets where so many residents live in flats

#### **This Council resolves:**

- That Sir John McDougal Gardens, Millwall Park and Island Gardens will remain solely for the use of residents and community groups for the purposes of recreation, leisure and sports.

(Action by: Stephen Halsey, Corporate Director, Communities, Localities and Culture)

## **12.6 Sex Establishments**

### **DECISION**

#### **This Council notes:**

- That the Labour government passed legislation to give local people greater control over the number of sex establishments permitted in their area, through granting greater powers to local authorities
- That in the Independent Mayor's introduction to the consultation on Sex Establishments, he says that "legislation does not allow a ban on sex establishments for moral or equalities reasons".
- That the legislation does allow for impact on localities to be considered in making decisions about sex establishments.

#### **This Council believes:**

- That the campaign for this legislation was clearly driven by a gender equality campaign, as well as through anti social behaviour and other considerations;
- That the Council is bound by public sector equalities duties, which place a responsibility on us to promote equality between women and men. The operation of sex establishments is clearly gendered, and the promotion of our duty to gender equality should be at the heart of the implementation of this policy;
- That sex establishments are only a symptom of a structural gender inequality in our society;
- That in a densely populated residential area any sex establishment in any locality will have an impact on women.

#### **This Council resolves:**

- To continue to support a zero tolerance approach to sex establishments in Tower Hamlets on the grounds that such establishments are inconsistent with our commitment to gender equality and cause anti social behaviour.
- To recognise that an opposition to sex establishments must operate alongside a commitment to projects that support women in exiting the sex industry, and tackling other causes and symptoms of gender inequality such as domestic violence, sexual abuse and body image.

(Action by: Stephen Halsey, Corporate Director, Communities, Localities and Culture/Isabella Freeman, Assistant Chief Executive [Legal Services])

## **12.8 Neighbourhood Policing**

### **DECISION**

#### **This Council notes:**

- That Safer Neighbourhood Teams (SNT's) were a Labour innovation and that Tower Hamlets was one of the first areas in the country to have an SNT in every ward.
- That SNT's in liaison with local ward panels have helped to tackle local crime and safety issues such as anti-social behaviour and have improved residents' confidence in the police.
- That the principle that SNTs were dedicated to their ward and could only be moved off in a very limited number of events guaranteed each area a minimum level of policing
- That police station counters provide an important service to residents who want to report crime, or seek the advice of the police in their area.

#### **This Council further notes:**

- The Metropolitan Police's recent review of neighbourhood policing, which will retain SNT's, aligned to political ward boundaries with the same number of PC's and PCSO's based in each ward.
- That the review also proposed keeping the SNT's under the control of the Borough Commander and retaining their focus on addressing local crime and safety concerns.
- That the Metropolitan Police intend to reduce the number of Safer Neighbourhood Sergeants by 150 in 2011/12, a reduction of between 4-6 Sergeants per Borough.
- That this review is driven by the Conservative-led government's 20% cuts to policing budgets nationally and Conservative Mayor Boris Johnson failure to protect London from bearing the brunt of these cuts.

#### **This Council also notes:**

- The recent riots in London which required a significant increase in police numbers as well as the need for additional officers at events such as the Notting Hill Carnival and to police English Defence League demonstrations.

#### **This Council believes:**

- That the decision to retain the SNT's is a welcome one which will have a positive effect on the safety of local residents in the Borough.

- That the temporary re-deployment of PC's and PCSO's to other wards at the discretion of the Borough Commander raise concerns about whether all wards will continue to receive the level of support from SNT's they currently do.
- That allowing Sergeants to be responsible for more than one SNT raise similar concerns.
- That proposals the priorities of the community as represented by local ward panels should be the driving force behind SNT activity.
- That now is not the time to cut police numbers, especially considering recent events which have required additional officers.

**This Council Resolves:**

- To ensure the Council works with the Borough Commander and Metropolitan Police to ensure the SNT's continue to be an effective force to tackle local crime and safety issues.
- To ask the Mayor to write to Mayor of London, Boris Johnson to ask him to urgently rethink the scale of cuts to police officers and police budgets in London.

(Action by: Stephen Halsey, Corporate Director, Communities, Localities and Culture)

**12.10 Tower Hamlets Homes – Options Appraisal**

**DECISION**

**This Council notes that:**

- The Mayor has commissioned an "Options Appraisal" to decide on the future of Tower Hamlets Homes (THH) - the Arms Length Management Organisation managing the Council's remaining housing;
- Tower Hamlets Homes achieved a Two Star ("Good") rating from the independent Audit Commission following its recent inspection and has begun the initial £94 million investment to bring the council's stock up to Labour's Decent Homes Standard;
- Tower Hamlets Homes has delivered this improvement at the same time as significant efficiency savings;
- The London Borough of Newham has decided to bring its ALMO back in house, while Hackney and Waltham Forest are retaining their ALMOs;

- The Council will be required to make further savings from the Housing Revenue Account (HRA) over the course of the current Comprehensive Spending Review period.

**This Council believes that:**

- The present Senior Management Team and the governance arrangements at Tower Hamlets Homes have been responsible for the significant improvement in performance since its establishment in July 2008;
- There are real strengths to the current arrangements by which the council holds Tower Hamlets Homes accountable for the quality of service and budgets through a management contract;
- Given the Tory-led Government's policies for social housing, Tower Hamlets Council should not transfer its remaining stock to a housing association;
- Given past experience and the need to maintain the drive to improve performance, it is premature to bring the management of these homes back "in-house" within Tower Hamlets Council;

**This Council, therefore, resolves:**

- To retain Tower Hamlets Homes as the manager of the Council's housing for the remainder of its Five-Year contract.

(Action by: Aman Dalvi, Corporate Director, Development and Renewal)

## **12.12 Olympic Route Network**

### **DECISION**

**This Council notes:**

- The Olympic Games offer a huge opportunity for London and the whole country. There is a need to strike a balance between ensuring the Olympics is run smoothly whilst minimising adverse impact on residents and businesses in the city.
- That TFL is consulting on temporary road changes for the London 2012 Games. TFL have stated "When the London 2012 Games come to the Capital, the Olympic Route Network (ORN) and Paralympic Route Network (PRN) will allow 55,000 key participants - like athletes, officials and the media - to travel reliably to and from events, while keeping London moving.

- These routes - which will operate mainly between mid - July and September 2012 - will be open to general traffic and kept clear of general obstructions such as road works.
- Temporary Games Lanes, only accessible to Games Family and on-call emergency vehicles, will be introduced on around half of the ORN/PRN where there is sufficient road space. These will operate on offside lanes, while nearside lanes and some bus lanes will be open for general traffic”
- That the chosen route for Olympic route Network from Tower Hill to Blackwall will have the effect of ‘cutting off’ Wapping and reconsideration should be given to the TFL suggested closures and changes on the route.

**This Council further notes:**

- That some concessions have been made by TFL during the consultation process.
- 3 of the 6 bus stops in the area are to be reinstated and bus services will continue to be able to run;
- The island in the middle of the crossing outside St George's pool is to be widened permanently to give better protection to pedestrians stranded in the middle;
- the ORN will now only come into operation in mid July (possibly from the 15th July or later ) rather than a whole month earlier as originally planned which is the biggest change and reduces impact during school term time;

**This Council is concerned:**

- That the plans to permit only one right turn onto East Smithfield/The Highway at Vaughan Way from Wapping and the numerous road closures, banned right and left turns, rerouting of some buses, suspension of pedestrian crossings over the Highway will have a major detrimental impact on local business and residents, particularly elderly, disabled and school children.
- That the changes proposed by the ORN could lead to increased risk of accidents with children and the elderly crossing the road.
- That residents using the buses for appointments at the London Hospital and attendance at schools will be delayed in traffic jams.
- That traffic on the Highway is already gridlocked going west in the morning and east in the evening during rush hours and also when the Blackwall Tunnel is closed due to accidents.
- That the suggestion for deliveries to businesses in Wapping during the night time hours is impractical for most establishments.

- That the opening of Tower Bridge on occasions could cause a traffic gridlock around the Tower Hill area.
- That the timing of the ORN from mid-July until mid September 2012 from 6am until midnight each day is extended too long either side of the dates of the Olympic Games and the Paralympic Games.
- That using lanes in going both east and west on the Highway concentrates the disruption in one area and is unfair to the residents and businesses in that location.

**This Council resolves:**

To call on TFL and LOCOG to:

- Run the ORN going East along the Highway and to run the ORN going West along either Whitechapel Road or Commercial Road thereby lessening the disruption in the Wapping area.

To accept that if this is not possible to call on TFL and LOCOG to make the following changes to the current proposed route:

- To open another right turn exit from Wapping – at the top of Wapping Lane, Garnet Street or Glamis Road.
- To introduce a yellow box junction at the Vaughan Way/Dock Street/East Smithfield/The Highway junction
- For 24/7 police control of that junction at least while the Olympic Lane is operating (6am-midnight)
- To rephase the traffic lights to allow more vehicles to exit Vaughan Way and Dock Street
- To suspend parking on the north east side of Vaughan Way near the junction
- To remove the Barclays Cycle Hire Docking Station in Vaughan Way
- To grant exemptions (if not already factored in) for emergency vehicles.

(Action by: Stephen Halsey, Corporate Director, Communities, Localities and Culture)



**12.14 Fairtrade****DECISION****This Council Notes:**

- That other councils have procured the following fairly traded products:
  - a) School canteens – bananas, fruit juices, bulk sugar, cereal bars, yoghurt, oranges, grapes, kiwi fruits, herbs & spices, rice – as well as other products for special events.
  - b) Cotton staff clothing - generic polo-shirts and specialised work wear such as overalls.
  - c) Helping schools purchase Fairtrade cotton uniform items by providing information. For example, John Roan School in Greenwich took a policy decision to switch all of their uniform polo-shirts and sweat shirts to Fairtrade cotton/polyester. (Over 1,000 sales annually)
  - d) Fairly traded sport balls for leisure centres and schools.
- That 'fairly-traded' should be defined in accordance with the European Parliament's Resolution on Fair Trade and Development (A6-0207/2006).

**This Council Further Notes:**

- That budgets for food and drink products only make up a minority of contract caterers' overall costs compared to the costs of staff wages and distribution
- That relevant fairly traded products can only make up a tiny proportion of the overall range of products supplied to schools and council canteens.
- That several fairly traded products, like some mentioned are available at little or no extra cost compared to equivalent products
- That one Fairtrade council paid a small premium for fairly traded bananas for schools, until their contractor managed to obtain sufficient volumes to supply all schools, which then reduced prices. Other councils have been charged no extra cost.
- Approved Product Lists – when bidding for contracts contractors often quote prices for all products on a council's Approved Product List (APL), which are then binding after the contract is awarded. At this stage they are motivated to trim margins to remain competitive. After the contract is awarded catering managers who order products not included on the APL are sometimes charged prices well in excess of the market value, if contractors use 'unlisted' items to boost margins.

- That in Africa and India cotton producers face unfair mass 'dumping' of US and EU subsidised surpluses which severely depress world market prices, disastrously undermining the ability of producers to improve their living standards through fair trade.
- That in the Sialkot district of Pakistan where many sports balls are made children are often involved in the manufacturing process to such an extent that they are prevented from attending school, a practice not allowed in Fairtrade certified production.
- That the living standards of many fruit farmers has been drastically undermined by large multi-national corporations driving down prices in a 'race to the bottom' to minimise costs. As a result in south and Central America attempts to form unions have been ruthlessly suppressed by local vested interests. In Guatemala fifty union activists have been killed since 2007, including five union leaders representing workers on banana plantations.

**This Council Believes:**

- That the Council should support initiatives which improve producers' living standards by such measures as:
  - a) Guaranteed minimum prices that always cover production costs; part payments in advance; prohibiting the use of child labour where this prevents children attending school; empowering producers through building long term relationships and contracts.
  - b) Enabling communities to invest in development schemes and sustainable production, with environmental safeguards. Products certified by the Fairtrade Foundation have robust standards for both, independently verified. Equivalent 'ethically traded' products should also be considered where it can be demonstrated that they meet these criteria. The council particularly applauds fair trade companies such as Divine Chocolate and Cafe Direct where producers also share in profits and are involved in decision making.

**This Council resolves:**

- That all relevant fairly-traded products should be considered for all council facilities or services: schools and social services; sixth forms; offices; leisure centres; libraries; community centres, Adult Education centres; theatres, civic centres, etc - including vending machines.
- That a Councillor and officer should be given responsibility for developing Fairtrade policy in consultation with procurement officers and the Steering Group. Relevant officers should be made aware of revised policies and their roles. Legal advice, support and training should be given where necessary.

- That as limited price premiums for a small minority of products cause a negligible increase in contract caterers' costs, it is reasonable for the council to expect contractors to supply them at no extra cost. Judgements on this issue should be made in transparent, collaborative consultations. If contractors require information on potential suppliers or products officers can assist them, in consultation with the Steering Group if helpful.
- Advertisements / Pre Tender Questionnaires / Pre Qualification Questionnaires (PQQ's) - Although PQQ's are primarily concerned with contractors' ability to deliver services, future documents should make it clear that, as a Fairtrade council, Tower Hamlets would expect contractors to support its fair trade policy where possible.
- That Fair trade should be included in the title of relevant contracts to send a clear signal that the council would like to maximise the range of fairly traded products supplied. Example of a suitable title – 'Catering services including the provision of fairly traded products.'
- That as EU procurement law and Office of Government Commerce (OGC) Guidelines make clear, although the provision of fairly traded products cannot be a decisive factor in evaluating which company is awarded a contract, fair trade can form part of 'quality' criteria, either separately or as part of Sustainability goals. These can then be given a minority weighting in tender documents, suitably quantified, to make contractors aware that the council wishes them to make all reasonable efforts to supply as many relevant products as possible should they win the contract.
- That tender documents should also ask contractors to commit to attending periodic reviews of progress in supplying fairly trade products, where they can also consult council officers on future possibilities as markets and available products change.
- That variant bids can be asked for if officers consider they might be useful in increasing the use or range of Fairtrade products supplied.
- That approved Product Lists – should include all relevant fairly traded products to ensure that contractors cannot charge prohibitive prices after the contract is awarded simply because fairly traded products were not listed in the original APL. This would also help contractors establish competitive sources at an early stage.

**This Council further resolves:**

- After awarding the contract, as part of evaluating contract performance, contractors should be expected to supply the fairly traded products detailed in their tender bid, and to attend review meetings.
- That existing contractors should be approached to ask them to support the council's Fairtrade policy by supplying as many fairly traded products as

possible. If Fairtrade considerations were not incorporated in the tender documents under which they were awarded a contract, officers should consult them sensitively to ensure that they are not unduly inconvenienced and that any requests are reasonable and take account of their legitimate concerns.

- That as OGC guidelines make clear, the best value for money does not always mean buying at the lowest possible price. The council's policy is to use fairly traded products where practical within existing budgets. However, officers should not be discouraged from investigating economically viable options which may involve some limited or temporary extra costs, as in circumstances such as those outlined below:
  - a) Products of superior quality. For example, some fairly traded products can cost less than items of equivalent quality with 'brand name' premiums. If other cheaper products are of lesser quality buying them may be a false economy.
  - b) If a price differential is minimal and/or volumes used are small, thereby causing a negligible increase in costs, which may be offset by savings elsewhere.
  - c) If a price differential is likely to be temporary while a contractor establishes a source for large enough volumes to reduce prices. Costs should be considered over the whole life of the contract, not solely on initial 'list prices,' which may be temporary or negotiable.
  - d) Where a more costly product is only an extra option offered in addition to existing cheaper and similar products, because in this case consumers are free to choose at the point of sale, for example, between two brands of fruit juice.
  - e) Where negligible increased costs are passed on to the end user, staff or the public. Where a fairly traded product is replacing another and the price premium is more significant users should be consulted.
  - f) Joint procurement may reduce unit costs to viable levels. Possible initiatives should be actively investigated by councillors and/or officers contacting other Fair-trade councils or networks to obtain up to date information on initiatives and conferences.
  - g) Where the Council is working with partners, on their behalf, and all or most costs would be paid voluntarily by the partners.
- That public notices should be displayed in catering facilities detailing products used and Council policy.
- That where practical staff should be consulted to assess the potential demand for buying fairly traded products centrally in relatively large volumes to provide them at reduced cost - something other councils have arranged in collaboration with contractors. Officers should be responsible

for this to avoid burdening contractors. If such schemes prove viable a suitable range of products should be offered to give staff choice.

- That officers should review requirements and possibilities for fairly traded clothing provided to council staff. Note, Fairtrade certified cotton garments can include cotton/polyester mixes where the cotton content is 50% or more. The Steering Group could be consulted over relevant products.
- That existing contractors should be requested to use fairly-traded sports balls and include this in future tender documents.
- That embroidered polo shirts and sweat shirts, and printed T-shirts are typically available at price premiums of 10-20% for fairly traded versions, for low volume orders. Joint procurement could achieve significant savings. As many schools are unaware of these products the council should consider contacting head teachers, governors, and teachers to provide information and facilitate consultative meetings.
- That the same initiative could provide information on fairly traded sports balls, as well as products or suppliers suitable for school breakfast clubs or staff rooms. Officers should consult the Steering Group to ensure that all information is accurate and inclusive of all relevant suppliers.
- That machines dispensing chocolate should include some fairly traded chocolate. Machines dispensing hot drinks should provide fairly traded tea, coffee, sugar, and hot chocolate if used. If fruit juices or cola is used fairly traded options should be included.

(Action by: Chris Naylor, Corporate Director, Resources)

## **12.16 Enterprise**

### **DECISION**

#### **This Council notes:**

1. That failure on growth means that this Government borrowed more in the first two months of this financial year than they did in the first two months of the last financial year (ONS Stats, 21st June)
2. That the Tory led Government plan has meant cuts to police, cuts to jobs, and cuts to funding for social housing.

#### **This Council believes:**

1. That the Conservative led plan for cuts is hurting people in Tower Hamlets, and that it isn't working in reducing the deficit, because they have failed in promoting growth.

**This Council further believes:**

1. That Tower Hamlets Council has a role in supporting business, especially where business growth and innovation helps provide jobs for local people
2. That we sit in the middle of Canary Wharf and the City. It is right that we do all we can to train and encourage our young people to go for jobs in finance and professional services. It is also right that we recognise that many in Tower Hamlets have different ambitions.
3. That big businesses should give legal, financial or other professional services advice as a greater part of their corporate social responsibility contribution, to local third sector organisations and small businesses.
4. That small and medium size businesses are a vital part of our social fabric and an important partner in creating a safer, more prosperous Tower Hamlets.
5. That the local authority can do more to ensure we create the best possible environment for local economic growth.

**This Council resolves:**

1. To campaign for big businesses based in and near Tower Hamlets to sign a pledge to undertake a minimum of 20% of their procurement from local businesses
2. To call on the Mayor to negotiate with Canary Wharf on areas including supply chain, professional advice, provision of business mentors and access to lending for local businesses. The banks, professional services firms and others based in east London will benefit themselves if they contribute further to the building of strong local communities.
3. To call on the Mayor to take the voices small and medium size businesses seriously, including setting up a forum to discuss issues such as business space, co-ordinating business support, feedback on planning and licensing, change of Council and partners' policies and programmes, such as planned road works and waste management, or regeneration proposals.

(Action by: Stephen Halsey, Corporate Director, Communities, Localities and Culture)

**12.20 Licensing matters (additional motion)**

The Council agreed on grounds of urgency to suspend Procedure Rule 13.1 to enable consideration of a further tabled motion, notice of which had not been given in accordance with that rule.

Councillor Carli Harper-Penman moved, and Councillor Peter Golds seconded, the tabled motion as set out in the resolution below.

Following debate, the motion was put to the vote and was agreed.

### **DECISION**

This meeting of Tower Hamlets Council confirms the separation of regulatory and executive functions as defined in the constitution.

The council expresses its concern that members of the Licensing Committee, who are responsible for the regulation of licensing within the borough, were not involved in the decision making or corporate publicity regarding the introduction of the touting policy and consultation on sex establishments.

As Licensing Committee members they have the most involvement and ultimately, the duty to enforce the policies when approved by full council.

This meeting calls for a full explanation as to why councillors with no interest or experience in licensing, were used for publicity purposes and assurance that in future, the correct constitutional role of committees is reflected in communications.

(Action by: Stephen Halsey, Corporate Director, Communities, Localities and Culture/Isabella Freeman, Assistant Chief Executive [Legal Services])

Motions 12.1; 12.2; 12.5; 12.7; 12.9; 12.11; 12.13; 12.15; 12.17 and 12.18 were not considered due to the time limit for the meeting being reached and motion 12.19 was withdrawn by the proposer and seconder.

The meeting ended at 10.50 p.m.