

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE OVERVIEW & SCRUTINY COMMITTEE

HELD AT 7.00 P.M. ON TUESDAY, 6 SEPTEMBER 2011

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

Members Present:

Councillor Ann Jackson (Chair)
Councillor Rachael Saunders (Vice-Chair)
Councillor Tim Archer
Councillor Rachael Saunders (Vice-Chair)
Councillor Fozol Miah
Councillor Sirajul Islam
Councillor Amy Whitelock
Councillor Zenith Rahman
Councillor Helal Uddin

Other Councillors Present:

Councillor Peter Golds
Councillor Alibor Choudhury
Councillor Rania Khan

Co-opted Members Present:

Mr Mushfique Uddin – (Muslim Community Representative)
Jake Kemp – (Parent Governor Representative)
Rev James Olanipekun – (Parent Governor Representative)
Memory Kampiyawo – (Parent Governor Representative)

Officers Present:

David Galpin – (Head of Legal Services (Community), Legal Services, Chief Executive's)
Kevin Kewin – (Service Manager, Strategy Policy & Performance, One Tower Hamlets, Chief Executive's)
Heather Bonfield – (Interim Service Head Cultural Services , Communities Localities & Culture)
Sarah Barr – (Senior Strategy Policy and Performance Officer, Strategy Policy and Performance, One Tower Hamlets, Chief Executive's)
Michael Keating – (Service Head, One Tower Hamlets)
Chris Naylor – (Corporate Director Resources)
Colin Perrins – (Head of Commercial Services)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Stephanie Eaton and Co-opted Member Canon Michael Ainsworth.

Peter Hayday Service Head, Financial Risk and Accountability apologised that he was unable to attend to present the report at agenda item 6.1.

2. DECLARATIONS OF INTEREST

Councillor Ann Jackson declared a personal interest in regard to agenda item 5.1 in that she was newly employed by Deloitte. Deloitte had been involved in a review carried out in 2008 which had assessed the management of the Mela event under the previous operational Trust.

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 2nd August 2011 be approved and signed by the Chair as a correct record of the proceedings.

4. REQUESTS TO SUBMIT PETITIONS

Nil items

5. SECTION ONE REPORTS 'CALLED IN'

5.1 Call-In - The Baishakhi Mela in Banglatown, Brick Lane : Transfer to Community Management (CAB 021/112)

The Chair invited Councillor Peter Golds, on behalf of the Call-in Members, to present the reasons for the call-in requisition.

Councillor Golds highlighted the following issues that had caused the request to be made:

- There was insufficient evidence to demonstrate that the community management issues by the Baishakhi Mela Trust had been resolved. These had necessitated that the Council take over the management of the event and this had been reported to Cabinet in November 2008 (CAB 065/089)

- There were issues concerning the inappropriate media use of the Baishakhi Mela as a platform for political purposes and an Ofcom investigation was being undertaken.
- The length of the agreement was too long and raised operational and contractual risks
- The issues identified in Cabinet's report in 2008 had not been resolved

The Committee did not wish to ask any questions of Councillor Golds.

Councillor Rania Khan, Cabinet Member for Culture and Heather Bonfield, Interim Head of Culture responded to the issues raised. The following information was given:

- The Council's management of the event had been undertaken as a temporary measure; it was always the Council's intention that the management of the Mela be returned to the community. The decision put before Cabinet fulfilled this intention.
- The Ofcom investigation had not raised any concerns around the Council's running of the Mela for political gain but had criticised media coverage of the event by Channel S broadcaster
- The proposed 9 year agreement allowed sponsorship relationships to be developed. Any potential risks had been mitigated by the incorporation of reviews after 1, 3 and 6 years within the 9 year period. The agreement concerned permission to use Weavers Field and was not a contractual term.
- Since the Council had been managing the Mela, a new Trust had been established. The Council intended to consider applications from the community/non profit sector to manage the Mela under an SLA."

It was the Mayors wish that the Mela be delivered independently from the Council therefore the Interim Head of Culture was investigating external organisers, through a competitive commissioning process, who would bring a fresh approach and understood the business.

In response to questions to the Cabinet Member and Interim Head of Culture, the Committee received the following information:

- Whilst the Council had delivered successful events in its management of the Mela, there had been community consultation strongly indicating that the community wanted the festival to return to community management.
- Community views and feedback had informed the Council's belief that issues which had necessitated that the Mela be managed by the Council had been resolved and its management could be put back to the community.
- £30,000 had been set aside from S106 agreements for Mela support. Other funding was expected to be required but sources had yet to be identified.
- The success of the event, once returned to community management, would be measured by turnout, levels of community engagement and

public feedback.

- Concerning questions about the length of the agreement, the Head of Service acknowledged that some sponsorships had already been developed. However the nine-year term was not a guaranteed period and should issues arise, it would be possible to terminate the arrangement at the review periods.
- A contractual party would normally be able to challenge an early termination of an agreement if it so wished. To mitigate this, the Council would need to ensure that any such termination proposal had been thoroughly researched and prepared for.
- There would be no issues concerning how the community would be consulted as the Council proposed remain involved in clean-up operations.
- Regarding management training for any Mela organisation selected, the Council would work alongside the chosen organisation but, for selection purposes, would look for an organisation that could demonstrate the necessary skills.
- A robust selection process would mitigate risks around applications from previous organisers.
- Should there be any future disputes; the Council anticipated that the arbitrating body would comprise Members and community representatives.
- Suggestions to relocate the event way from Weavers Field were not supported as it had an historic association with the area. The Head of Service agreed to respond to individual complaints on this matter.

Councillor Rania Khan, Cabinet Member for Culture and Heather Bonfield, Interim Head of Culture retired from the meeting at 7:35p.m.

The Committee discussed the responses that had been given and concluded that the following concerns remained:

- The proposed length of the agreement was too long and should be reduced as it was not consistent with those of other events and at a time when efficiencies are being made in relation to other resident events.
- There was no indication of how the agreement will be managed. This raised concerns that legal issues might arise should the Council find it necessary to terminate the arrangement early.
- The roles and responsibilities for the community management organisation and Council were not sufficiently defined. The Council was expecting to provide support to the new organisers, but its extent and nature had not been agreed. The committee felt this amounted to giving the community organisation a 'blank cheque', running the event with an unspecified amount of Council officer resource.
- All the funding required for the running of the Mela had not been identified. £30,000 of Section 106 funding has been set aside but other funding was still unspecified.
- The composition of the independent selection panel (to select the community management organisation) was not confirmed. It was felt

that both the selection panel and the wider community consultation needed to reflect the diversity of the borough as much as possible, particularly given the wide range of people who have attended and become involved with the Mela in recent years.

- To completely hand over management to a new organisation too early risked future failure; the Committee therefore wished Cabinet to consider undertaking an in-tandem management arrangement for a period, building the capacity of the new organisation, before undertaking to transfer the event entirely to community management.
- The Committee was concerned that individuals involved in the organisation that had previously failed to run the event effectively, may become involved in the new community management arrangements and would like reassurance that the independent selection panel will not allow this to happen.

Having considered the matter, the Committee decided that it wished to refer the matter back to the Cabinet for future consideration setting out the above concerns

RESOLVED

That the matter be referred back to Cabinet for further consideration on the basis of the above concerns

6. REPORTS FOR CONSIDERATION

6.1 Strategic Performance and Corporate Revenue and Capital Budget Monitoring Q1 2011/12

Co-opted Member, Mr Mushufique Uddin joined the meeting at 7:55 p.m., during the presentation of this item.

Councillor Choudhury, Cabinet Member for Resources, Chris Naylor, Corporate Director for Resources and Kevin Kewin, Strategy and Performance Manager presented the report circulated at item 6.1.

The Committee was invited to comment on the style of presentation of the performance data which had been adapted in order to give year-on-year comparison for the same time at each reporting period (current performance could be compared to that in the same period in the previous year). No comments were made.

In response to Members' questions on the performance monitor, the Committee received the following information:

- Due the economic downturn, presentation of the Enterprise Strategy to Cabinet had been delayed in order to allow more time for the paper to be prepared.
- Performance data against aspirational targets had been added with the

aim of comparative of reporting year-on-year performance.

- The monitor also reported on residents' perceptions. This data was gathered from residents' surveys but results would not be available until the next quarter.
- Concerning the "red" RAG rating for target J 18 (Olympics), the Committee was informed that this data was reported less frequently. Activity had been measured against the strategic plan and the RAG rating enabled the Committee to see whether the target was on schedule or if there had been slippage.

The Cabinet Member for Resources informed the Committee that the Council presently was on track to achieve savings targets but the economic prospects were unfavourable. The Council had vired some funds from its growth provision to some other budgets. The Corporate Director, Resources informed the Committee that Section 3 of the report gave data on the expected General Fund outturn position in the first quarter and Directorates' forecasts this year incorporating a higher level of budget scrutiny. The Council was reviewing its spending profiles and looking at what plans were in place to ensure that savings were delivered against these. This year, budgets had been scrutinised before allocating them in order to test that specified funds were needed. There was also a higher level of scrutiny of employment costs. Monitoring of the forthcoming quarter would give an indication of how performance was progressing.

In response to Members' questions on financial performance for the quarter, the Committee received the following information:

- No slippage had been reported in the Adults Health and Wellbeing Community Strategy.
- The Children Schools and Families Directorate had projected nil variance in its budgets. This would be monitored by the Corporate Director, Resources.
- Third Sector budgets were now incorporated into Development and Renewal Directorate. The risk of overspend had been identified and was reported but was not considered a risk at this time in the budgetary year.
- Budgets for East End Life publication and home to school travel were being monitored and no specific areas of concern presently existed.
- Adults Health and Wellbeing Directorate forecast that measurements against equality impact assessments were at breakeven. The Corporate Equality Steering Group was monitoring performance and, as part of the Council's monitor, was looking at variation in quality of savings and the means through which savings were being made.
- The Corporate Director confirmed that the costs experienced in Adults Health and Wellbeing were £100,000 higher than budgeted presently.

RESOLVED

1. That the Council's financial position as outlined in Paragraphs 3 and 4 and at Appendices 1-4 of the report be noted.
2. That the budget virements detailed in Appendix 3, (to be tabled at Cabinet for approval) be noted.

6.2 Sex Establishments - A Consultation

Colin Perrins Head of Commercial Services presented the report circulated at agenda item 6.2.

The Committee was informed that, as a result of new legislation on the regulation of sex establishments; the Council had produced a draft policy. Overview and Scrutiny Committee was invited to submit its comments as part of the consultation. The community would also be consulted by utilising focus groups and East End Life publication.

Councillors requested that supermarkets, day centres, hospitals and doctors surgeries be added to the consultation scope and asked to be informed of consultation outcomes.

Action: Colin Perrins Head of Commercial Services

In response to Members' questions, the Committee received the following information:

- The new legislation did not allow sex establishments to be banned on moral grounds. However the Council was able to use equality impact assessments and a range of criteria to gauge where in the borough such establishments would be suitable or not. Demographics of the Wards within the borough could also be taken into account.
- Comments on all aspects of the policy were sought. A consultation team had been established to advise how to convey the message extensively throughout the borough.
- Implementation of the new legislation would require all sex establishments to reapply for a licence. The Council was expecting legal challenges and had therefore sought legal advice on how to carry out the process.
- The policy was discretionary therefore neighbouring councils had discretion to implement the policy as they wished within the scope of the legislation.
- Four focus group sessions (face-to-face consultation) were held in paired LAP areas.
- Although there was no specific figure for the consultation response stipulated in the guidance, Trading Standards and Environmental Health Service was looking to achieve the highest possible return. This would be published.

RESOLVED

1. That the report be noted
2. That the Committee's consultation response be completed, collated and submitted to Colin Perrins Head of Commercial Services

6.3 Executive Decision Making by the Mayor

John Williams, Service Head, Democratic Services presented the report circulated agenda item 6.3 outlining a new process that enabled the Mayor to take individual executive decisions. A process, set out in the report, had been established to ensure that decisions were transparent and could be scrutinised. Once taken, the decisions could also be called-in.

Mayoral decisions would be reported regularly as part of Overview and Scrutiny Committee business

Action: Democratic Services

In response to Members' questions, the Committee received the following information:

- Any Mayoral decisions would follow the call-in procedure used for Cabinet decisions.
- Overview and Scrutiny Committee would be able to refer any called-in Mayoral decisions back to Cabinet.
- It was not anticipated that there would be need for any special Overview and Scrutiny Committee meetings as the procedure would follow the same process as that for Cabinet decisions. In the same way, any urgent decisions taken by the Mayor were required to be agreed through the Chair of Overview and Scrutiny. The Chair informed the Committee that she would consider whether to call a special Overview and Scrutiny Committee meeting in certain circumstances.

RESOLVED

1. That the report be noted.
2. That a standing item be added to the agenda so that key decisions taken by the Mayor may be reported to the committee.

6.4 Re-established Inner North East London Joint Health Overview and Scrutiny Committee as a Standing Committee

John Williams, Service Head Democratic Services gave a verbal update on appointments to the North East London Joint Health Overview and Scrutiny Standing Committee. He informed the Committee that powers of appointment to this external body lay with Council. A report would be presented to the next Council meeting to formally approve its establishment, note the number of representatives allocated to London Borough of Tower Hamlets which were to be politically proportionate and delegate powers of appointment to Overview and Scrutiny Committee. The Authority had not been advised of any future meetings at this time; therefore appointments would be undertaken within the normal cycle of meetings.

RESOLVED

That the verbal update be noted.

6.5 Overview and Scrutiny Committee Work Programme

Sarah Barr, Senior Strategy Policy and Performance Officer presented the report circulated agenda item 6.5. Following the Committee's workshop held in August 2011, a work programme had been proposed containing work which would be undertaken by the committee throughout the year. Reports and findings from this work would be reported at the Committee's monthly meetings. The work programme circulated at appendix A was divided according to the relevant portfolio areas.

To ensure that scrutiny remained reactive Members were asked to have regard to over-commitment to the work programme.

The Chair invited Co-opted Members to indicate any areas of the work programme in which they wish to become involved.

The following responses were given:

Rev James Olanipekun indicated that he wished to participate in the topics concerned with One Tower Hamlets matters and as well as education matters.

On behalf of Canon Ainsworth the Chair advised that he wished to participate in work with cultural issues.

Jake Kemp indicated that he would be interested to participate in broader topics involved with children's schools and families in addition to education matters.

RESOLVED

That the work programme be noted.

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

Nil items.

8. VERBAL UPDATES FROM SCRUTINY LEADS

The following updates were given by Committee Members in regard to their Scrutiny Lead areas:

Councillor Uddin had recently met with Sarah Barr to progress housing policy scrutiny and would be looking to scrutinise S106 matters.

Councillor Whitelock was monitoring how the Children's Centres were progressing following their restructuring.

Councillor Z Rahman was pursuing her investigations on cultural matters relating to the Authority's services.

Councillor Saunders informed the Committee that a letter had been drafted to the mergers and competition commission concerning the merger between Newham, Barts and the Royal London and Whipps Cross NHS Hospital Trusts

RESOLVED

That the report be noted

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

Nil items.

The meeting ended at 9.10 p.m.

Chair, Councillor Ann Jackson
Overview & Scrutiny Committee